

Garanti BBVA

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# Integrated **Annual Report**

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# Introduction

# **About The Report**

Garanti BBVA is pleased to present the 2024 Integrated Annual Report. Now in its eighth edition, this report provides a comprehensive evaluation of the Bank's financial and non-financial performance, while also sharing its strategic vision for the future. The primary objective of this report is to transparently and clearly communicate how Garanti BBVA creates value for its stakeholders-not only as a bank but also as an institution aware of its responsibilities toward the environment, people, and society. It also outlines the Bank's vision, potential risks and opportunities, and the actions taken in response.

The 2024 Integrated Annual Report has been prepared to cover the year 1 January - 31 December 2024. Significant events after this date and up to the date of approval of the Board of Directors, 27 February 2024, are also included in the report. The financial information included in the report has been prepared based on the BDDK consolidated financials as of December 31, 2024, unless otherwise specified. As for the non-financial information, efforts have been made to provide information about Garanti BBVA and its subsidiaries, as specified in the reporting guidelines, and the content of the data has been explained in the guide.

### **Compliance and Legislation**

Garanti BBVA has prepared the 2024 Integrated Annual Report in accordance with the Türkiye Sustainability Reporting Standards (TSRS). This report meets the requirements of TSRS 1 and 2 and contributes to the transparent disclosure of sustainability performance. Additionally, by benefiting from the transitional exemption of TSRS1, only financial impact analyses and assessments related to risks and opportunities associated with climate issues have been disclosed. During the preparation of the report, the 'Aggregation - Disaggregation' principle under TSRS 1 has been observed. TSRS-related disclosures should be evaluated alongside the 2024 BRSA (BDDK) Consolidated Financial Report.

Additionally, the report aligns with the IFRS Foundation's Integrated Reporting <IR> Framework. In this context, it clearly presents the connection between key focus areas, business strategy, and 2024 performance, as recommended by the Integrated Reporting Framework. The report provides detailed insights into the value creation model, double materiality analysis, annual activities, financial and non-financial performance, future expectations, key priorities, governance, and risk management approach.

For the past 15 years, Garanti BBVA has contributed to sustainable development by focusing on two main pillars: climate action and inclusive growth, in line with its sustainability strategy. The Bank transparently demonstrates its commitment to the Sustainable Development Goals (SDGs) across all its activities.

As a publicly traded company on Borsa Istanbul (BIST), Garanti BBVA's 2024 Integrated Annual Report is fully aligned with the minimum reporting requirements set by the Banking Regulation and Supervision Agency (BDDK) and the Capital Markets Board (SPK).

Ernst & Young has conducted an independent audit of the financial information presented in the annual report, providing reasonable assurance. Additionally, limited assurance has been provided for the TSRS1 and TSRS 2 reporting as well as for selected non-financial Furthermore, the report has been prepared in accordance disclosures. The audited non-financial data for 2024 with the Global Reporting Initiative (GRI) Standards is marked accordingly in the relevant tables. With this under the "Core" option. It includes a GRI Content Index, marking, Garanti BBVA aims to prevent "greenwashing" along with information on the United Nations Global in its reporting, which is the process of giving a false Compact (UNGC), Women's Empowerment Principles impression or misleading information on sustainability (WEPs) Progress Report, and the Bank's fifth Impact issues. The full independent assurance opinions regarding Report published under the Principles for Responsible the report can be accessed in the Financial Reports & Banking (PRB) of the UNEP Finance Initiative (UNEP Appendix section of the report. FI), which Garanti BBVA is a signatory to.

FINANCIAL REPORTS AND APPENDICES





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## Message from the Chairman



# Süleyman Sözen Chairman, Garanti BBVA

### **Dear Stakeholders**,

INCLUSIVE

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Although 2024 was marked by continued global economic bank in Türkiye in TL cash loans, TL non-cash loans, uncertainty and geopolitical risks, for Türkiye, it was a and TL deposits. year when orthodox policies began yielding positive results, particularly after the March 2024 local elections. Beyond our financial strength, we remain committed The current account deficit improved by more than to effectively managing sustainability-related risks and \$30 billion, while the CBRT's net reserves increased by opportunities and taking decisive action. In addition to approximately \$80 billion, reaching their highest level in influencing decision-makers to combat climate change, six years. Inflation declined from its peak of 75% in May we are making a difference through our decarbonization 2024 to 44% by the end of the year. The 500 basis point targets aligned with the Paris Agreement Capital rate hike just before the local elections, along with the Transition Assessment (PACTA) methodology, our sustained tight monetary stance, restored confidence in coal phase out commitment, our sustainable finance the Turkish lira. Türkiye's removal from the FATF gray list mobilization efforts, and our initiatives to raise awareness in the first half of the year, along with overall economic among all our employees. However, sustainability is not improvements, was reflected in credit rating upgrades limited to environmental issues. Our employees, talent by major rating agencies. While 2024 was a year in management, cybersecurity and artificial intelligence, which we started seeing the first results of these the ability to provide products and services to meet policies, in 2025, the focus will be on ensuring their customer needs with agility, digital transformation and sustainability and successfully progressing through social investments are also among our priorities in the the disinflation process. On a global scale, Donald field of sustainability. The steps we have taken in Trump's return as U.S. President in 2025 could impact these areas, along with our TSRS S1 and S2-aligned both European growth and global markets, making it disclosures, which we have pioneered in the sector essential to closely monitor developments in this regard. this year, are presented in detail in our Integrated We expect the growth of the Turkish economy to slow Annual Report. down in 2025, but, rebalancing the economy in favor of exports will be crucial for ensuring the success of Dear Stakeholders; Türkiye holds significant economic the disinflation process.

In such an economic environment, the Turkish banking sector has once again demonstrated its resilience, backed by a strong balance sheet structure and dynamic asset-liability management, successfully navigating the challenges posed by the current macroeconomic conditions, as it has done in the past. Although we have started to see gradual regulatory simplifications, ongoing measures to combat inflation and support the Turkish lira continue to weigh on banking sector profitability. While a gradual decline in interest rates in 2025 is expected to strengthen banks' return on equity, it is important to reckon that 2025 will still be a transition year toward disinflation.

Even in times of uncertainty and rapid change, Garanti BBVA's performance continues to outpace the sector, reaffirming its commitment to maintaining sector-leading results. This success is a reflection of our proactive balance sheet management, strong focus on customerfocused assets, continuous investment in technology, and





highly skilled employees. Our strength is evident not only in our position as the most valuable company on Borsa Istanbul, but also as the leading private

potential, supported by its strategic geopolitical position, trade advantages, young workforce, and major infrastructure investments. We closely follow the steps taken by the economic administration to facilitate macroeconomic normalization and believe that these determined actions will have a positive impact on economic stability. As a banking sector, our role extends beyond the economy—we also play a key role in environmental and social matters.

As we enter the second century of our Republic, Garanti BBVA will continue to lead the sector with its responsible banking vision. I would like to express my gratitude to all my colleagues who have contributed greatly to our bank's journey and to all our stakeholders, especially our customers, who have participated in this journey with us.

Sincerely,

Süleyman Sözen Chairman

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# Message from the CEO



# **Mahmut Akten** CEO, Garanti BBVA

### Dear Stakeholders,

share of Currency Protected Scheme (KKM) within total deposits declined to below 6%. On the asset quality 2024 was a year characterized by heightened global side, we observed the anticipated normalization in nonuncertainties, as the world continued its efforts to performing loans, particularly in credit card-related navigate and manage the policrisis it has been exposures. In terms of profitability, 2024 posed challenges experienced for an extended period. The global for the sector. While macroprudential measures increased economy remained in pursuit of equilibrium, overshadowed regulatory burdens, the rise in funding costs continued to by the new risks emerging from these crises. As inflation exert pressure on margins. Nevertheless, despite these showed signs of easing, the Federal Reserve and the headwinds, the banking sector demonstrated resilience, European Central Bank initiated interest rate cuts, and maintained capital adequacy ratios well above while China intensified measures to stimulate domestic regulatory requirements. demand. Simultaneously, we witnessed a year determined by election agendas across multiple regions, particularly in We Continue to Make A Difference in the United States. The policy decisions of newly elected the Sector With Our Customer-Driven administrations, the evolving competitive landscape in global trade, and persistent geopolitical risks will **Balance Sheet** be the key determinants shaping the trajectory of the global economy in 2025.

For Türkiye, 2024 was a year in which the tangible played a leading role in shaping the sector, driven by effects of economic stabilization measures were our commitment to customer-centric, sustainable growth. started to be observed. With a firm commitment to tight monetary policy, inflation entered a downward trajectory In 2024, our consolidated assets grew by 36% on after peaking in May. The improvement in the current yearly basis, reaching 3 trillion TL. We maintained our account balance, coupled with a stable outlook for the leadership among private banks in TL loans by further Turkish lira, contributed to a strong recovery in the increasing our market share. With our balanced growth Central Bank's reserves. As confidence in economic strategy, we strengthened our position across all TL loan policies strengthened, three international credit rating categories. We remain as the private bank providing the agencies upgraded Türkiye's credit rating by two largest support to the real sector in terms of TL cash **notches throughout the year**, while the country's and non-cash loans in total. In total consumer lending and risk premium recorded a significant improvement. With payment systems, we are the largest bank in the sector. economic policies prioritizing a soft landing, we are transitioning towards a more sustainable growth Our customers also remain at the core of our funding **composition**, where the contribution of consumption is sources. The fact that 82% of our non-equity liabilities moderating while net exports are gaining momentum. consist of customer deposits is a strong testament to As these positive developments persist, we anticipate the sustainability of our funding structure. While that the interest rate cuts initiated in December will growing our balance sheet, we have remained dedicated **continue** gradually and be managed in a proactive manner to maintaining asset quality. With our prudent throughout 2025, aligned with the evolving inflation approach, we continue to hold the highest provisions outlook. among private banks.

In light of these developments, 2024 was a transition year This customer-driven balance sheet structure and our for the banking sector. The simplification of regulatory disciplined growth strategy have been clearly reflected frameworks allowed the sector to focus more on its core in our profitability metrics, setting us apart in the sector. activities. However, the impact of tightened financial We achieved the highest net interest margin and the conditions and growth limitations kept the outlook for TL strongest profitability, further strengthening our loans stagnant. TL loan growth remained significantly capital base. below the inflation rate, while foreign currency loan growth, supported by reduced exchange rate volatility and rising demand, reached the same level as TL loan growth for the first time in years. Amid a high-interest rate environment, one of the sector's foremost priorities was the effective management of funding costs. The



At Garanti BBVA, we have closed a year in which we successfully delivered on all our strategic priorities and

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### We Are Working to Become Our **Customers' Main Bank With A Long-Term Value Creation Approach**

INTRODUCTION

Lookingahead.asustainablegrowththatstrengthening our capital structure will remain one of our top priorities. We aim for high-value growth by increasing our focus on risk and return.

In 2024, we continued our strong customer growth, reaching 28 million customers. Moving forward, our goal remains to grow together with our customers. While expanding our customer base, we will focus on deeply understanding the needs of each customer and further strengthening the long-term, trust-based **relationships we have built**. This approach will allow us to solidify our customer base and maintain our position as our customers' **main bank**, driven by a holistic service model.

### We Continuously Transform Our **Service Model for the Best Customer** Experience

One of the defining concepts of this era is transformation. Naturally, our customer profiles and their expectations are as part of this transformation. While serving a broad customer base, we redesign all our products and processes from the customer's perspective with an empathy-driven approach. Our service model is constantly evolving to accompany our customers at every stage of their financial journey, supporting them in making informed decisions.

Our goal is to deeply understand our customers' needs and deliver real-time, synchronized, and hyperpersonalized solutions across all channels. By leveraging big data and artificial intelligence we focus on **predictive** frames and solutions that anticipate customer needs, ensuring that we deliver the right value proposition at the right moment, through the **right channel, in the right context**. In particular, we are integrating generative artificial intelligence into our infrastructure, enhancing. UGİ, our digital assistant on mobile, as to become a fully personalized assistant for each customer.

A key pillar of our service model is our digital channels, where the number of active users reached to 16.7 million this year. We continued to lead the sector by advancing the services we provide through digital platforms for both individual and commercial customers. Our robust digital infrastructure tremendously contributes us to maximize service quality and deliver the best customer experience. While mobile serves as our primary channel, we also ensure that our customers can access human support whenever needed, enhancing the valueadded services provided in our branches.

### We Are Commited to Creating Value for Future Generations

At Garanti BBVA, we have always acted with a strong awareness of our responsibility to the world we live in and to future generations. Sustainability has long been one of our core strategic priorities.

Recognizing the banking sector's central role in addressing climate change and enabling the green transformation we are further strengthening our pioneering position in this area. In line with our commitment to achieving net-zero emissions by 2050, we were the first bank to announce decarbonization targets for carbon-intensive sectors by 2030. This year, we have taken another critical step toward transparency by disclosing financed greenhouse gas emissions under Scope 3. Additionally, we continue to expand our support for sustainable development financing. Between 2018 and 2025, we have achieved 291 billion TL of our target to provide 400 billion TL in financing for sustainable activities as of today.

Furthermore, this year, we take pride in leading the sector by publishing our integrated annual report in full compliance with Türkiye's Sustainability Reporting Standards for the first time.

In order to drive sustainable transformation, we continue to create value by expanding our collaborations and implementing various programs to raise social awareness and reach wider audiences. As part of the "Türkiye's Life: Fire Management Grant Program" conducted in partnership with WWF-Türkiye (World Wide Fund for Nature), we have implemented 10 projects since 2022, focusing on habitat conservation and wildfire prevention. Similarly, through the Blue **Breath Project**, in collaboration with TURMEPA, we have Being part of a **global financial group** provides us with contributed to recycling over 200,000 tons of waste valuable opportunities including international career, collected from Türkiye's coastal regions. Beyond improvement prospects and employee programs our fight against climate change, we are also committed that create synergy. Moving forward with a well-defined to expanding our social impact through community global common agenda proactively transforming the latest global trends in employee experience into investment programs. As part of our commitment to inclusive growth and reducing inequalities, over the past tailored solutions gives us a distinct competitive five years, we have provided 200 billion TL in financing advantage in strengthening our employer brand. We to women entrepreneurs, supporting their contributions prioritize developing our work culture with a focus to the economy. We also proudly proposed the 18th on empathy, promoting a more inclusive environment, Türkiye's Women Entrepreneurs Competition, a and fostering open communication, diversity, and hallmark of the Garanti BBVA brand, constructing an inclusivity. Women now represent 40% of our senior ecosystem that helps entrepreneurs expand their impact management team. Additionally, through new initiatives and unlock their full potential through financing and focused on employment for individuals with disabilities, advisory services. Furthermore, through the Teacher we continue to create meaningful impact in this area. One of our main goals for 2025 is to further enhance our Academy Foundation, Salt, and 5 Pebbles Social and empathy and inclusivity-focused work culture guided **Financial Leadership Programs**, which we founded, we are bringing our vision to life-creating a society where by our values. children develop financial literacy from an early age and where quality education, arts, and culture are accessible to As Garanti BBVA we take great pride in closing 2024 evervone.

Our investments in climate action and inclusive growth, alongside our commitment to transparency, continue to be recognized by both national and international authorities. In S&P Global's Corporate Sustainability Assessment, our Bank achieved a remarkable score of 85, ranking among the top 15 institutions globally while further solidifying its pioneering position in the Turkish banking sector.

### The Key to Our Success: Our **Competent Workforce**

At the heart of our success lies our highly skilled and dedicated workforce. I extend my sincere gratitude to all my colleagues who continuously elevate the Garanti BBVA brand in the eyes of our customers, foster trust with their agility in navigating uncertainties, and embody the spirit of teamwork and commitment.

Along with the evolving dynamics of the business world at an unprecedented pace, the expectations of our customers as well as our employees are changing. We remain fully committed to adapting to these changing expectations in the most effective and agile way. Listening to our employees, continuously enhancing their experience based on their feedback, and preparing them for the future through the power of technology and data are among the core pillars of our strategy. In this journey, which we co-design with our employees, we will continue to embrace a proactive and personalized approach, implementing solutions that foster employee well-being and job satisfaction.



CONTACT

with exceptional results across all key metrics. continuously driving the banking sector forward through the value we create.

As part of a global institution, we confidently step into the future with a clear vision, guided by a strategy shaped by global trends, that prioritizes supporting our customers on their financial journeys, ensuring sustainable growth in our balance sheet, creating value for the world and society we operate in, and fostering the well-being and continuous development of our employees.

I would like to express my gratitude to all our stakeholders who have always shown us their support and trust throughout this process.

Sincerely,

**Mahmut Akten** CEO

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# About Garanti BBVA

# The Environment We Operate In

### 2024 Macroeconomic Outlook and 2025 Projections

### **Declining Inflation and Stagnant Growth Following** the Changes in Monetary Policy

The year of 2024 marked the continuation of subdued global growth and stabilizing inflation trends. Major central banks maintained the tight course in monetary policies, but as the inflation rates began to ease, they started to reduce the restrictiveness of their stance later in the year while signaling vigilance due to persistent risks in services inflation. Geopolitical risks remained elevated, with ongoing tensions from the Russia-Ukraine war and the Middle East disrupting trade flows and creating uncertainty. In the United States, high likelihood of heightening protectionism in trade policies under a new Trump administration added further concerns about global trade and economic stability, implying downside risks to growth and upside risks to inflation for 2025. In addition to those risks, the probability of the US Federal Reserve (FED) staying tighter than initially anticipated could weigh to the downside on our expectations of somewhat a recovery in capital flows to emerging markets in the near term.

Monetary policies gradually eased across major economies in 2024. The FED kept interest rates at 5.255.50% till September but started gradual rate cuts later as inflation pressures eased, closing the year at the 4.25-4.50% level. In Europe, the European Central Bank (ECB) started cutting the interest rates by 25 basis points in each meeting June onwards and reached 3% deposit funding rate at the end of 2024. China, grappling with subdued domestic demand, maintained its monetary easing measures to stimulate economic activity and counter deflationary risks, closing the year at 3.1% - its lowest loan prime interest rate ever.

Inflation trended downward in 2024 across advanced economies as a result of tight monetary measures implemented in 2023 and 2024, also supported by lower oil prices and excess supply in China. In the U.S., annual consumer inflation increased to 2.9% in Dec24 from 2.7%, while in the Eurozone, it dropped from 2.9% to 2.4% by end 2024. China experienced a modest rise in inflation, moving from -0.3% to 0.2% as of November, though it fell short of the 3% target. For 2025, inflation is expected to remain subdued in EU and China, with projections 2% in the Eurozone, and 0.6% in China on average, where the effects of weaker demand and lower oil prices will prevail. In Europe, monetary policy is anticipated to remain accommodative, with ECB continuing rate cuts until reaching 2.0% by mid-2025, a level lower than

however, high inflation, weak foreign exchange reserves, the Eurozone natural interest rate of 2.5% according to and debt burdens increased economic vulnerabilities. BBVA calculations. In the US, despite the easing trend Regional disparities were evident, with Asian economies in 2024, inflation risks remain for 2025 and projected at showing positive performance, while Latin America 3% on average, particularly in light of potential changes and Africa were more affected by global uncertainties. to trade policies. Protectionist measures, such as tariffs, Projections for 2025 suggest that the world economy regulatory barriers and migration policies under the new will experience a growth rate of 3.1%, marking a slight Trump administration, could raise costs, introducing decline from 3.2% in 2024. Assuming that the new US upward inflationary pressures and complicating administration will raise import tariffs, mainly on China, monetary policy decisions, which would leave less room the U.S. economy is expected to slow down to 2.0% in for further monetary easing in the US, and higher terminal 2025, while the Eurozone is forecasted to slightly improve rates, than in the Eurozone and China. to 1.0% from 0.8%, and growth in China is projected to decelerate to 4.1% from 4.8%. These forecasts, however, Regarding economic activity, the U.S. economy expanded face downside risks, particularly if higher tariffs and by nearly 2.7% driven by a strong labor market and stricter regulations under a new Trump administration resilient private consumption. The Eurozone grew more disrupt global supply chains and dampen business modestly at 0.8%, facing structural challenges and the investment.

effects of tighter financial conditions. Meanwhile, China recorded 4.8% growth, supported by policy stimulus and a gradual recovery in domestic demand, although it remained substantially below its historical average. 2024 was a year of continued recovery for emerging markets;

### **GDP Growth Projections\*** (Annual Change)

	2023
USA	15
Eurozone	5
Spain	20
Latin America	22
Argentina	62
Colombia	15
Mexico	5
Peru	20
Türkiye	22
China	20
World	62



2024	2025	2026
0	1	0
0	0	0
0	0	0
1	1	0
1	2	0
0	1	0
0	0	0
0	0	0
1	1	0
0	0	0
1	2	0

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### Inflation Projections\* (Annual Average, YoY)

	2023	2024	2025	2026
USA	2.9	2.7	2.0	2.1
Eurozone	0.5	0.8	1.0	1.1
Spain	2.7	3.1	2.3	1.7
Latin America	1.9	1.6	2.1	2.3
Argentina	-1.6	-3.8	5.5	4.5
Colombia	0.6	2.0	2.5	3.2
Mexico	3.2	1.2	1.0	1.6
Peru	-0.4	3.1	2.7	2.7
Türkiye	5.1	3.2	2.5	4.5
China	5.2	4.8	4.1	4.0
World	3.3	3.2	3.1	3.3

\* BBVA Research November 2024 projections.

The latest updated data for 2024 are included.

### Türkiye: Rocky Road Ahead Under the Shadow of Weaker Growth and More Gradual Gains in Inflation

The signs for the economic rebalancing became clearer especially in the second half of 2024, as a result of the return to the orthodox policies, which led to a deceleration in economic activity. After recording 5.1% y/y growth in 2023, the Turkish economy grew 3.2% y/y in the first three quarters of 2024. The change towards a more sustainable growth composition was apparent: The contribution of domestic demand declined, while the contribution of net exports has increased. However, the gradual deceleration in private consumption has prevented a faster rebalancing in the economy as the

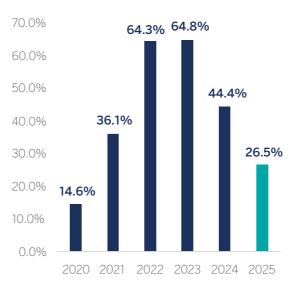
output gap turned only slightly into negative in 3Q24. Considering the leading indicators pointing to a slight recovery in the last quarter of 2024, the GDP growth is likely to reach around 3% in 2024. In 2025, potential protectionist trade policies and geopolitical tensions could amplify downside risks to growth. The fiscal consolidation expected to support the fight against inflation in 2025 could be calibrated to mitigate the downside risks posed by protectionist policies, aiming for a soft landing and leading the annual GDP growth to 2.5% in 2025.

The Central Bank of Türkiye (CBRT) hiked the policy rate Annual consumer inflation declined to 44.4% at the (one week repo rate) to 50% in March 2024 and kept end of 2024 as a result of tight monetary policy, stable it unchanged until December. Additionally, the CBRT currency and some moderation in domestic demand, implemented different macro-prudential policies and after reaching its peak at 75.5% in May driven by costregulations in the banking sector, tightened the reserve push factors, price adjustments at the start of the year, requirements and imposed credit growth caps in order secondary effects, and distortions in pricing behavior. to strengthen the monetary transmission mechanism Yet, unanchored inflation expectations, high inflation while incentivizing the exit from FX protected scheme inertia, decelerating but still robust domestic demand towards TL deposits and maintain the de-dollarization continue to impose upside risks on the inflation outlook. of the residents. The net international reserves of the Nevertheless, we expect consumer inflation to slow down CBRT have significantly recovered after March 2024, to 26.5% by the end of 2025, under the assumptions of a boosted by the dedollarization of residents and increasing more coordinated policy mix, real currency appreciation capital inflows of foreigners. and weakening backward indexation of the administrative price hikes.

### GDP Growth (Annual Change)



### **Consumer Inflation** (Dec-Dec Change)







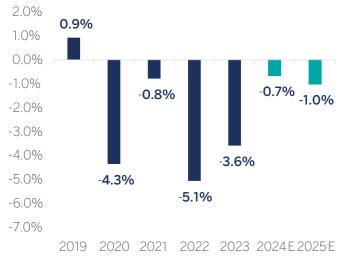
Starting from September 2024 Monetary Policy Committee (MPC) meeting, the CBRT started to ease its tone of communication and finally lowered the policy rate by 250 bps to 47.5% in December. Additionally, the number of MPC meetings in 2025 is lowered from 12 to 8, which is likely to allow the CBRT room to observe the impact of monetary policy decisions in a wider length of time. Following the forward guidance of the CBRT, we expect the rate cutting cycle to continue in the upcoming period which will lead the policy rate to 31% by the end of 2025. In the meantime, the balanced and cautious communication of the CBRT with a data-dependent approach signals that the bank will remain committed to react prudently on a meeting-by-meeting basis with a focus on the inflation outlook and to use monetary policy tools effectively in case a significant and persistent deterioration in inflation is foreseen.

The gradual slowdown in domestic demand has led to a decline in core imports and therefore an improvement in the foreign trade balance. Meanwhile, decreasing energy prices lowering the energy bill, decelerating gold imports and the improvement in tourism revenues, altogether supported the current account outlook. Overall, the current account deficit is expected to recover to USD 9bn from 40.5bn in 2023, corresponding to 0.7% of GDP. In 2025, the weak foreign demand pose some downward risk on the export performance, while the expected weak economic growth could lead imports to remain subdued. As a result, the current account deficit may widen limitedly to USD 15 billion in 2025, corresponding to 1% of GDP.



The Central Government budget balance recorded an annualized deficit of TL 2.1 trillion (4.9% of GDP) at the end of 2024. Revenues have started to weaken on top of decelerating economic activity, whereas expenditures accelerated on the back of interest payments, personnel expenditures and current transfers. The latest Medium Term Program (MTP) projections target a clearer fiscal consolidation in 2025 with savings in capital expenditures and transfers. Additionally, tax revenues are expected to increase slightly although the economic growth will moderate, therefore, new sources of revenues are

Current Account Balance (% GDP)



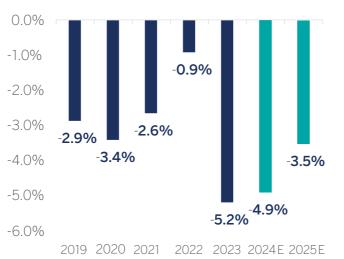
Source: CBRT, Ministry of Treasury and Finance

### **Opportunities and Challenges of the Turkish Economy**

Amidst increasing uncertainty, Turkish economy is close to many opportunities in the landscape of changing trade routes across the globe with its young and dynamic population, advantageous geopolitical location and multifaceted production capabilities. On the other hand, ensuring inclusive employment, cultivating skills to increase the readiness for the emerging technologies and Al and achieving climate mitigation and adaptation could be listed among the challenges faced by the Turkish economy.

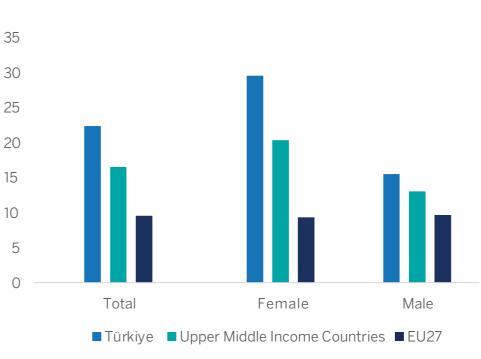
Young population continues to provide an immense opportunity for the Turkish economy, although there has been an ongoing ageing process. The median age in envisaged to support the budget balance. On the other hand, the high accrual basis deficit in December 2024 again signals that the expenditures of the government may continue gradually which could maintain the fiscal impulse in early 2025. Overall, the budget deficit is likely to decelerate to 3.5% of GDP in 2025, being slight worse than the MTP projections. The fiscal policy is expected to provide more support to the fight against inflation, however some protective measures could also be taken to balance the potential downside risks to growth from rising geopolitical tensions and possible protectionist policies.

**Central Budget Balance** (% GDP)



Türkiye has increased from 20.8 in 1990 to 33.0 in 2024, remaining below its peer upper middle income countries (36 years in 2024). The share of young population aged less than 15 years old stands at 22.2% in Türkiye as of 2022, much higher than the OECD average of 17.3%. However, the employment prospects of this young generation is a challenge for the economy: As of 2023, 22.4% of youth population in Türkiye are not in education, employment or training, peer upper middle income countries (16.6%) and EU27 countries (9.6%) report much lower shares. The difference between Türkiye and other countries becomes even more apparent for females with almost every 1 in 3 female aged 15-24 are currently not in education, employment or training.

### Proportion of youth (aged 15-24 years) not in education, employment or training, 2023



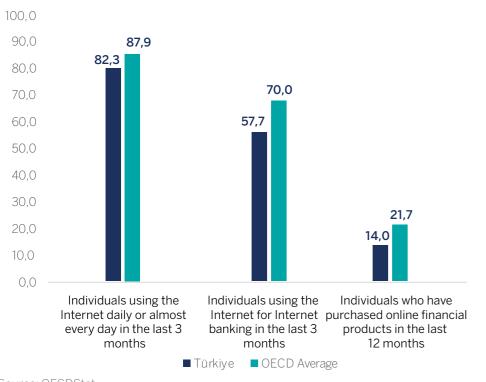
Source: ILOStat

Alongside challenging employment conditions, acquiring In terms of the level of preparedness for AI technologies, skills and education appropriate for the transforming Türkiye performs much better than Emerging Economies, and evolving landscape of jobs within the context of especially in the area of digital infrastructure, pointing to a digitalization is needed. The Programme for International relatively more comfortable for AI technologies to flourish. Student Assessment (PISA) assessing the knowledge and However, human capital is also an important factor skills of 15-year-old students, show that Turkish students explaining the use of AI technologies in the workplace: continue to perform below the OECD average in reading, 78.9% of the enterprises surveyed by the Turkstat in 2024, stated the lack of relevant expertise in the mathematics and science. Nevertheless, The skill gap is also apparent in the use of new technologies: According enterprise among the reasons not using AI technologies. to Survey of Adult Skills, 38% of the adult population (16-65 year-olds) report no prior experience with computers and only 7.8% of the adult population score at the highest levels in problem solving in technology-rich environments. As a result, the access to the financial solutions in the digital environment is also restrained: only 57.7% of individuals in Türkiye report use of Internet banking in the last 3 months, much below the OECD average of 70%. Furthermore, only 14% of individuals in Türkiye reports to purchase online financial products in the last 12 months, compared to 21.7% in OECD countries.



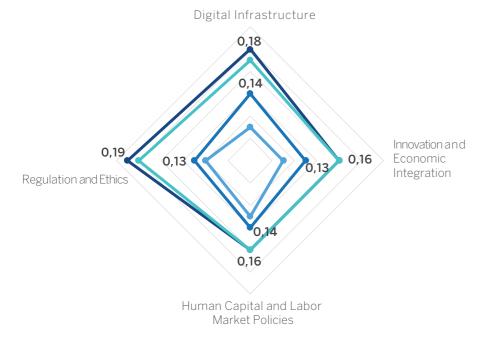
INTRODUCTION ABOUT GARANTI BBVA'S POSITION IN THE CREATION CALUE 2024 FINANCIAL CREATION RESULTS OUR VALUE 2024 FINANCIAL CREATION RESULTS SUSTAINABILITY RISK MANAGEMENT CULTURE COMMUNITY INCLUSIVE CUSTOMER DATA AND CREATION RESULTS COMMUNITY INCLUSIVE CUSTOMER DATA AND CREATION RESULTS COMMUNITY INCLUSIVE CUSTOMER DATA AND CREATION RESULTS COMMUNITY INCLUSIVE CUSTOMER DATA AND CREATION RESULTS COMMUNITY INCLUSIVE CUSTOMER DATA AND CREATION RESULTS COMMUNITY INCLUSIVE CUSTOMER DATA AND CREATION RESULTS COMMUNITY INCLUSIVE CUSTOMER DATA AND CREATION RESULTS COMMUNITY INCLUSIVE CUSTOMER DATA AND CREATION RESULTS COMMUNITY INCLUSIVE CUSTOMER DATA AND CREATION RESULTS COMMUNITY INCLUSIVE CUSTOMER DATA AND CREATION RESULTS COMMUNITY INCLUSIVE CUSTOMER DATA AND CREATION RESULTS COMMUNITY INCLUSIVE CUSTOMER DATA AND CREATION RESULTS COMMUNITY INCLUSIVE CUSTOMER DATA AND CREATION RESULTS COMMUNITY INCLUSIVE CUSTOMER DATA AND CREATION RESULTS COMMUNITY INCLUSIVE CUSTOMER DATA AND CREATION RESULTS COMMUNITY INCLUSIVE CUSTOMER DATA AND CREATION RESULTS COMMUNITY INCLUSIVE CUSTOMER DATA AND CREATION RESULTS COMMUNITY INCLUSIVE RESULTS COMMUNITY INCLUSIVE CUSTOMER DATA AND CREATION RESULTS COMMUNITY INCLUSIVE CUSTOMER DATA AND CREATION RESULTS COMMUNITY INCLUSIVE CUSTOMER DATA AND CREATION RESULTS COMMUNITY INCLUSIVE CUSTOMER DATA AND CREATION RESULTS COMMUNITY INCLUSIVE CUSTOMER DATA AND CREATION RESULTS COMMUNITY INCLUSIVE CUSTOMER DATA AND CREATION RESULTS COMMUNITY INCLUSIVE CUSTOMER DATA AND CREATION RESULTS COMMUNITY INCLUSIVE CUSTOMER DATA AND CREATION RESULTS COMMUNITY INCLUSIVE CUSTOMER DATA AND CREATION RESULTS COMMUNITY INCLUSIVE CUSTOMER DATA AND CREATION RESULTS COMMUNITY INCLUSIVE CUSTOMER DATA AND CREATION RESULTS COMMUNITY RESULTS COMMUNITY RESULTS COMMUNITY RESULTS COMMUNITY RESULTS COMMUNITY RESULTS COMMUNITY RESULTS COMMUNITY RESULTS COMMUNITY RESULTS COMMUNITY RESULTS COMMUNITY RESULTS COMMUNITY RESULTS COMMUNITY RESULTS COMMUNITY RESULTS COMMUNITY RESULTS COMMUNITY RESULTS COMMUNITY RESULTS COMMUNITY RE
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### ICT Access and Usage by Individuals, aged 16-74, 2023





### Al Preparedness Index, level, 2023

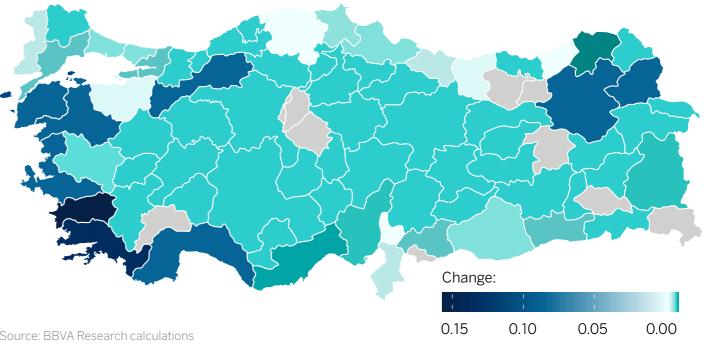


-Advanced Economies - European Union - Emerging Market Economies - Türkiye

Source: IMF

Türkiye is not immune to the disruptive impact of the food inflation: Specifically, a one standard deviation in climate shocks is found to affect food prices by 1.09 climate change experiencing variations in temperature, precipitation patterns and the frequency of extreme percentage points, and unprocessed food prices by %1,65<sup>2</sup> percentage points. But the agriculture is not the weather events. In terms of the extent of the climate vulnerability, Türkiye ranks 42nd among 187 countries only sector, prone to the threat of climate change. The and 7th among its peer upper middle income countries. panel data estimation study of Garanti BBVA Economic Considering climate readiness, quantifying the ability Research team investigating the potential effects of of countries ability for climate adaptation in economic, climate change on tourism demand found that tourism governance and social dimensions, Türkiye ranks further demand particularly in the Southern Coast is affected below 64th among 187 countries and 13th among its negatively by the declining climate comfort as a result of climate change. Accordingly, the decline in the Turkish peers. tourism solely due to climate change could reach as One of the immediate impact of climate crisis could be high as 5.1% under the most severe emission mitigation seen in the agriculture sector, causing declining yields pathway RCP 8.5, with a projected mean temperature increases of 4.8°C by 2100. and fertility loss, thereby posing upward pressure on

### Net Effect of Climate Change on Tourism Demand by Province in Rcp8.5, 2091-2100 (%, Using as Base 2024-2030)



Source: BBVA Research calculations

\*Provinces highlighted in gray are excluded from the analysis due to lack of data availability



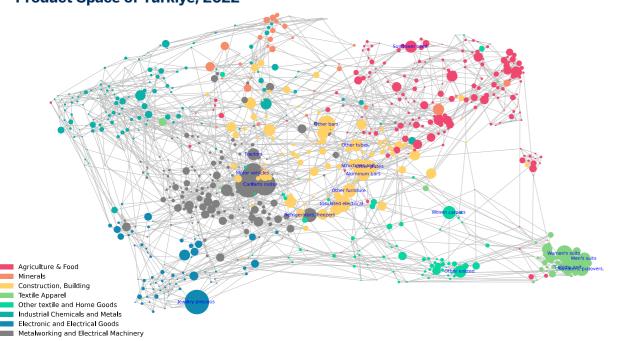




Türkiye's position in trade relations could become even more relevant thanks to its geopolitically critical location, amid changing landscape of trade relations. Despite the possibility of protectionist trade policies gaining strength not only in the US but also in the rest of the world may pose downward risk on export performance of Türkiye, its current level of know-how could allow the country to specialize in many export-oriented sectors, providing an opportunity for nearshoring. In addition to this, Europe's need to structurally change to adopt more innovative technologies and enhance competition in the region, Türkiye can be a production hub for Europe with many distinguished opportunities of friendshoring.

Furthermore, a possible stabilization of the geopolitical conflicts in the neighboring countries could lead to a reconstruction and rebuilding of the economies and provide an opportunity window for Türkiye to become an active player in the region. Garanti BBVA Research team's analysis on the product space of Türkiye shows that the country's capabilities are diverse and close to many products that could provide higher economic complexity therefore higher income per capita. Despite macroeconomic imbalances in recent years, the potential growth of Turkish economy in the 4-4.5% range with a broad sectoral production capacity that can enhance this even further with the export diversification strategies.

### Product Space of Türkiye, 2022\*\*



### **Reserve Requirement**

FCPD with maturity:	Previous (30.01.24)	Ne (as of 24	
Up to 6M	25%	33	%
	Previous (02.11.23)	Ne (as of 24	
l year & >1 year	10%	22	%
Standard TL Deposit with maturity:	Previous (24.05.23)	Previous (20.09.24)	New (as of 24.05.24)
Demand, 1 & 3M	12%	15%	17%
· 3M	8%	10%	10%
C Deposits non- cold) with naturity:	Previous	New (as of 02.11.23)	
Demand & M	29%	30	%
Jp to 1 year	25%	26	%
>1 year	19%	20	%

Source: BBVA Research with data from Harvard Dataverse.

\*\*Node sizes are proportional to export value. The coordinates represent embeddings of a proximity matrix, where distances between products are meaningful and represent their relatedness based on whether products are co-exported by countries.



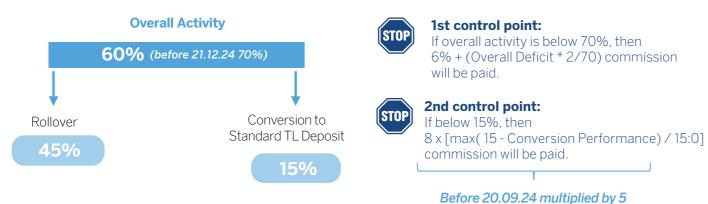
### Withholding Tax

Standard TL Deposit with maturity:	Previous	28.06- 30.04	01.05- 31.10	01.11.24- 31.01.25	
Up to 6M	15%	5%	7.5%	10%	
6M-1year	12%	3%	5%	7.5%	
>1year	10%	0%	2.5%	5%	
FC Deposits (non- gold) with maturity:	Previous	28.06- 30.04	01.05	5-31.10	
Up to 1 year	20%	25%	25%		
>1year	18%	25%	25%		
FCPD:	Previ	ous	31.07	01.11.24- 31.01.25	
6 aya kadar	0%	6	7.5%	10%	
6 ay, 1 yıl arası	0%		5%	7.5%	
1 yıldan uzun	0%	6	2.5%	5%	

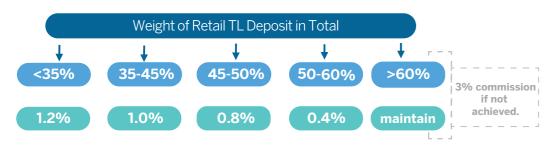
INTRODUCTION	ABOUT GARANTİ BBVA	GARANTI BBVA'S POSITION IN THE SECTOR	OUR VALUE CREATION	2024 FINANCIAL RESULTS	SUSTAINABILITY	RISK MANAGEMENT	TALENT & CULTURE
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### Commision

### **Regarding Matured CBRT FCPD**

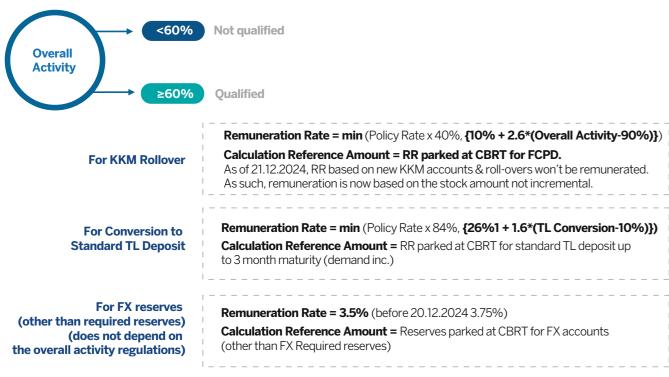


### **Regarding the Weight of Standard TL Deposits**



Weight of Commercial TL Deposit in Total REMOVED - as of 22.11.24

### Remuneration



### KKM (Foreign Currency-Protected Deposit)

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- As of 2023 year-end, the Treasury backed (TL) Foreign Currency-Protected Deposit is no longer available and matured accounts cannot be rolled-over.
- Min. interest rate for the Foreign Currency-Protected Deposits is 50% \* policy rate. Before 21.12.2024 min. rate was 70% \* policy rate.

### **Growth Caps**

Reserves must be parked at CBRT (blocked for 1 year, with 0% remuneration), equal to the loan amount exceeding the monthly growth rate of:

- 2.0% (prev. 2.5% revised on 05.03.24) for TL commercial loans (export, investment agriculture, and tradesman loans are excluded)
- 2.0% for auto loans
- 2.0% for GPL (prev. 3.0% revised on 05.03.24)
- 1.5% for FC loans (prev. 2% revised on as of 20.07.24)

### **Capital Adequacy**

Between 05.2022 - 19.12.2024 commercial loans had BRSA introduced restructuring options for CC and 200% risk weighting. Now, they have 100% risk weighting general purpose cash loans if the minimum payment (may also have 20% or 50% risk weighting depending requirement has not been met for the former and principle on the collateral). and/or interest payment has not been done for 30 days for the latter:

- Between 08.2023 19.09.2024, below loans:
- GPLs.
- Overdrafts.
- Card limits of customers benefiting from the Consumer credit cards (including expenditures and restructuring will not be increased until 50% of the cash withdrawals), restructuring debt has been paid back.
- Consumer auto loans.
- Vehicle-secured loans,
- Consumer financial leasing transactions and
- Mortgages (if the individual or the family already owns a house)



had 150% risk weighting. Now, Mortgages have 35%, and others have 75% risk weighting.

BRSA increased the USDTRY forbearance rate used to calculate loan risks from 25.8231 (26.06.2023 CBRT «Buy» rate) to 32.8262 (28.06.2024 CBRT «Buy» rate).

### **Credit Cards**

### **Interest Rate**

Monthly interest rate on TL CC receivables for debt:

- < 25k: 3.50%
- 25 150k: 4.25%
- >150k: 4.75%

Monthly interest rate on TL cash withdrawals and overdraft accounts: 5.00%

As of 27.09.24, the CC min. payment threshold of 25k has been increased to 50k, i.e. minimum payment requirement will be 20% for cards with limits up to 50k and 40% for cards with higher limits.

### Restructuring

 Debts will be able to be restructured for up to 60 months where the interest rate applied will be capped at 3.11%/ month

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### **Turkish Banking Sector**

### **General Overview**

In 2024, the CBRT maintained its tight monetary stance primarily through two rate hikes, 250 bps in January and 500 bps in March, and supplemented them by macroprudential measures. The continued restrictions on loan growth, coupled with additional tightening in March targeting Turkish Lira commercial and generalpurpose loans, resulted in no real growth in Turkish Lira denominated loans. Average inflation for the year stood at 60%, compared to the sector's credit growth of 37%. Consequently, Turkish Lira loan growth throughout the year was mainly driven by unregulated segments, particularly credit cards and overdraft loans. Following the first quarter, as the policy rate reached its peak, Turkish Lira commercial loan growth, largely led by private banks, began to decelerate as corporates refrained from borrowing at higher rates and adopted a wait-and-see approach in anticipation of monetary easing. By yearend, private banks outperformed state banks in Turkish Lira loan growth, driven by robust performance across all major segments: credit cards, consumer loans, and commercial loans.

The tightening of monetary policy led to an accelerated pace of NPL formation in credit cards and consumer loans in 2024, building on the trend observed towards the end of 2023. As a result, the anticipated normalization in asset guality became fully evident this year. However, NPL formation in the corporate and commercial segments remained subdued, as these borrowers had significantly deleveraged during the low-interest-rate environment of 2022 and the first half of 2023.

Since 2017, commercial banks have been reducing their foreign currency loan exposures; however, in 2024, they resumed growth in FX loans. This shift was driven by reduced currency volatility, elevated Turkish Lira loan rates, and banks' strong FX liquidity positions, creating favorable conditions for expansion. To ensure financial stability and balance the currency composition of loans, the CBRT introduced a loan growth cap on FX loans as well, which was tightened once during the year. Despite this, the sector achieved growth in unregulated segments of FX loans. In 2024, the compound annual growth rate of FX loans in dollar terms was 31%, primarily driven by state-owned banks.

The banking sector finances 17% of its assets through foreign currency external funding sources. To meet the funding needs for long-term loans, such as project finance or mortgages, Turkish banks rely on long-term borrowings from international markets rather than short-term deposits. While this underscores the sector's sensitivity to external developments, dependence on external borrowing has decreased since 2017, driven by reduced demand for long-term FX loans and ongoing redemptions. This year, however, demand for FX loans has rebounded. Despite this, the Turkish banking sector remains well-positioned, supported by strong liquidity and a robust capital structure in compliance with Basel III standards. As of December 2024, banks' short-term external obligations stood at \$75 billion, while FX liquidity amounted to \$54 billion, ensuring a comfortable position.

The liraization of the economy remained the CBRT's related to TL deposits increased by 163% while TL loan primary focus in 2024. To support this objective, the income increased by 154%. CPI linkers which banks CBRT tightened monetary policy further and ensured held on their balance sheets throughout the year as a that Turkish Lira time deposits remained an attractive hedge against inflation, continued to support the sector's product. This process was carefully managed through margins. Additionally, remuneration from the CBRT, frequent adjustments to reserve requirements and the where eligibility and amount earned is tied directly to overall activity criteria, which included the conversion regulatory compliance, provided a partial buffer against the pressures on banks' net interest income. However, of foreign currency-protected deposits into standard these were insufficient to fully offset the adverse effects Turkish Lira deposits and the rollover of foreign currencyprotected deposits as they mature. The success of the of the challenging monetary environment. As a result, liraization strategy is evident in data from the Banking the sector's net interest income and net interest margin Regulation and Supervision Agency (BRSA). At the declined by 13% and 9% respectively, in 2024. beginning of the year, the total deposits in the Turkish banking sector amounted to \$200 million in foreign In 2024, fees and commission income, along with currency and TL 8.8 billion. By year-end, these figures trading income, remained significant contributors to the stood at \$188 million and TL 12.3 billion, reflecting a 7% banking sector's profitability. However, due to previously decline in foreign currency deposits and a 38% increase mentioned pressures and the effect of high inflation, in TRY deposits. With the acceleration of the transition profitability continued to lag behind the inflation as the to standard TL deposits, the share of foreign-currency sector's return on equity ended the year with 26.8% protected deposits within TL time deposits decreased falling short of the year-end inflation rate of 44.4%. to 11% (from 35% in 2023), amounting to 1.1 billion TL.

The final monetary policy meeting of 2024 concluded The tight monetary policy measures in 2024 significantly with a 250 bps rate cut, bringing the policy rate down impacted the banking sector's profitability. Tightened to 47.5% and signaling the end of the tightening cycle policy rates, combined with high reserve requirements, that began in July 2023. Throughout the year, measures kept the cost of Turkish Lira time deposits at elevated aimed at maintaining the attractiveness of Turkish Lira levels. Intense competition among banks to expand their deposit rates to promote liraization, as well as credit Turkish Lira time deposit base, driven by conversion growth restrictions designed to balance the monetary and maintenance regulations for Turkish Lira deposits, transmission mechanism, exerted pressure on the further exacerbated these costs. Additionally, with the banking sector's profitability. Nevertheless, the sector CBRT's swap channels closed, banks relied on repos once again demonstrated remarkable resilience and as an alternative source of Turkish Lira funding, which agility, navigating these challenges effectively. Banks added further pressure due to high rates. The loan showcased their ability to adapt swiftly to an economy growth caps initially introduced in 2022 remained in undergoing a period of rebalancing, reaffirming their place throughout 2024 and were tightened further, robustness in adverse conditions. compounding the challenges to profitability. According to BRSA data, in 2024, the sector's interest expenses

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### **2024 Evaluation and Key Regulations**

Detailed information on regulatory developments is provided on pages 25-27.

In addition, key trends that impact and are closely monitored by the industry are outlined below:

### **Talent Management**

The acceleration of digitalization, demographic shifts in the workforce, evolving employee expec-tations, changes in work models, and economic fluctuations are profoundly shaping corporate strategies and employee expectations, just as in other industries. These factors have led to shifts in the key priorities of Talent and Culture management.

According to the World Economic Forum's Future of Jobs Report, published at the beginning of 2025, 39% of current skill sets will need to be transformed and updated between 2025 and 2030. With the emergence of new job fields expected to grow by 2030, the gap between existing and required skills is anticipated to widen at an accelerated rate compared to the past. This situation makes it essential for organizations to plan ahead to bridge this skill gap. The same report states that 63% of employers see this as a major challenge in the next five years, while 85% plan to prioritize employee skill development.

Artificial intelligence (AI) and big data are among the most critical skills to be developed in the coming years. According to McKinsey, **70% of companies will have** integrated Al-powered applications into their operations by 2030. Similarly, talent management teams are prioritizing Al-driven and digitalized employee platforms and applications to enhance workforce management.

Another major impact of AI is expected to be on job roles and competencies. According to Goldman Sachs, 300 million job activities will be automated through AI by 2030. This transformation will create new competency needs across the workforce, and identifying and developing these skills in advance will provide organizations with a significant competitive advantage. A study by Korn Ferry predicts a global talent shortage of 85 million by 2030. Talent and Culture teams aim to bridge these skill gaps by leveraging Al-driven insights to provide personalized training and development programs that prepare employees for the future.

Another emerging trend in talent management is the "multi-generational workforce," which has gained importance as life expectancy and career spans increase.

According to the United Nations' 2023 World Social Report, the global population of individuals aged 80 and above, which stood at 155 million in 2021, is projected to rise to 459 million by 2050. As the average age of the workforce increases and Generation Z enters the job market, managing generational diversity is becoming a critical topic for organizations.

Effectively managing a multi-generational workforce provides diversity and richness in the workplace, offering organizations dis-tinct advantages. According to Gartner, teams that successfully integrate multiple generations see a 30% increase in productivity. Similarly, Deloitte's 2020 Human Capital Trends Report emphasizes the importance of transitioning from a demographic-based employee segmentation approach to a behavioral and mindset-based segmentation strategy.

A 2024 PwC study reveals that 65% of employees value job flexibility, yet only 62% believe their jobs offer such flexibility. As highlighted in this research, hybrid and flexible work models, well-being initiatives that support employee welfare, and global career opportunities continue to be key factors in employee engagement and productivity for companies.

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Machine Learning and Artificial Intelligence Today, Al is no longer just an advantage but a necessity for companies to remain competitive. At Garanti BBVA, Once considered a futuristic concept, artificial intelligence we view investments in AI not only as a step toward (AI) has now become the foundation of modern business the future but also as a funda-mental requirement for practices, fundamentally transforming how companies success in today's business environment. However, operate and compete. With its unprecedented ability to intellectual property, copyright concerns, and the risks process and analyze vast amounts of data, Al enables posed by AI replacing human labor (as 40% of global businesses to make informed decisions, identify trends, GDP is cur-rently generated by human work) are among and predict consumer behaviors with exceptional acthe key challenges that need to be addressed in the curacy near future.

At Garanti BBVA, we utilize a wide range of Al models, from machine learning to deep learning, across various domains, including marketing and sales, pricing, fraud detection, credit assessment, and customer satisfaction. However, starting in 2023, generative AI has taken an even greater role in our operations. Unlike traditional AI, which focuses on analyzing existing data, generative Al creates new data and generates unique content, allowing us to offer higher-quality services to a broader customer base. Our goal is to integrate generative Al into our mobile app chatbot, transforming it into a personalized assistant that understands customer needs and provides proactive recommendations.

Sources:

WEF, Future of Jobs 2025 McKinsey, İşimizin geleceği Türkiye Raporu, 2020 Goldman Sachs, Generati Al could raise Korn Ferry, Talent Cruch – Future of Work World Social Report Gartner Raporu Deloitte, Global Human trends, 2020 PWC. Hopes & Fears







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### **Cybersecurity**

As technology advances and the internet becomes deeply integrated into every aspect of life, cyberattack methods continue to evolve. New threats such as voice phishing, biometric fraud, and malicious generative Al have made the protection of personal and corporate data an absolute necessity.

Cyberattacks not only threaten individual privacy but also put the financial health of businesses at risk. Therefore, implementing effective cybersecurity strategies is no longer just about damage prevention-it is essential for ensuring the secure operation of businesses in the digital age.

At Garanti BBVA, we take a holistic approach to fraud prevention, ensuring the protection of our customers across all channels, including branches, card transactions, account activities, POS transactions, and credit applications. Every new product and process undergoes a comprehensive fraud risk assessment. To address the growing threats of cybersecurity, we have established a Cyber Defense Center, which now operates 24/7, continuously monitoring and responding to evolving risks and security needs.

As data breaches become more frequent and complex, organizations are required to be more vigilant and continuously update security measures. At Garanti BBVA, we not only focus on protecting against existing threats but also anticipate future cyber risks and take proactive measures. To en-hance data security and infrastructure reliability, we continue to develop advanced security tools and implement new cybersecurity initiatives.

### **Open Banking**

In 2023, Open Banking was introduced to Garanti BBVA customers, followed by the launch of the Request-to-Pay (Ödeme İste) service in early 2024. By focusing on providing a seamless and secure banking experience, Garanti BBVA positioned itself as one of the leading banks in regulatory compliance for Open Banking. Through Open Banking, customers can now view all their bank accounts across multiple financial institutions via Garanti BBVA's digital channels and even perform money transfers between them. Additionally, the Bank is developing new services that will allow customers to track credit card transactions across multiple banks through Garanti BBVA's digital channels, helping them manage their financial health from a single platform.

With the Request-to-Pay feature, customers can now send payment requests to their contacts' accounts, regardless of whether they are held at Garanti BBVA or other banks, via mobile and online banking channels. This area of Open Banking will continue to expand throughout 2025. As part of its 2025 roadmap, Garanti BBVA will further develop its APIs for use in e-commerce, retail transactions, and corporate payments, enabling smoother and more efficient financial operations.

The investments and partnerships in API expansion made in 2024 will continue to accelerate in 2025. By focusing on emerging technologies and evolving customer needs, the Bank aims to expand the variety of APIs available through the Garanti BBVA API Store and establish leading industry collaborations through these APIs

## Significant Developments in 2024 **Operations**

### **Important Developments Regarding the Activites** Information Note on Legislative Changes That May of 2024 Before the Regulation Section Information Significantly Affect Bank Activities in 2024 **Regarding Share Buybacks by the Bank**

The Bank did not buy back any of its own shares in 2024.

### Information on Private Audit and Public Audit **Conducted During the Fiscal Year**

Under the applicable legislation, routine audits are conducted by supervisory authorities such as the Banking Regulation and Supervision Agency (BRSA), the Capital Markets Board of Türkiye (CMB), the Ministry of Treasury and Finance, the Undersecretariat of Treasury and the Central Bank of the Republic of Türkiye (CBRT). Detailed information about the administrative fines imposed against the Bank in 2024 by supervisory authorities as a result of auditing is provided herein below.

### Information on Lawsuits Filed Against the Bank, Which May Have Affect the Financial Status and **Operations of the Bank and Their Potential Results**

There is none.

### Information on Administrative or Judicial Sanctions Imposed on the Bank and Its Managing Members due to Any Practice Contrary to the Laws and Regulations

During 2024, administrative fines levied by regulatory and supervisory authorities to our Bank amounting to TL 838,474,465.86. TL 323,430,478.8 of this amount has been discounted to TL 233,451,836.15 by the advance payment discount. It has been paid and recognized as expense in 2024. TL 515,043,987 TL of this amount has been discounted to TL 280,306,527.50 TL by the advance payment discount. It has been recognized as expense in 2024 and will be paid in 2025.

FINANCIAL REPORTS AND APPENDICES

CONTACT INFORMATION



In 2024, the Monetary Policy Committee maintained its use of macroprudential measures to complement the tight monetary policy stance. These tools prioritized combating inflation and promoting liraization by ensuring selective credit growth, reducing excess Turkish Lira liquidity out of the system through reserve requirements, and facilitating a gradual shift from foreign currencyprotected deposits to standard Turkish Lira deposits. Banks continued to play a pivotal role in implementing these strategies, serving as the primary channel to achieve these objectives.

To accelerate conversion from foreign currency protected deposits to standard TL deposits, conversion and roll-over targets (total activity calculation has been introduced) have been adjusted throughout the year and penalties for failing to meet these targets involved paying commissions to the CBRT. To facilitate the mechanism's operation, the CBRT introduced remuneration incentives. linked to the attainment of these targets. Remuneration was calculated based on the reserve requirement base for foreign currency-protected and standard Turkish Lira deposits. Banks exceeding their targets were further rewarded with additional remuneration. Both the remuneration rates and target levels were revised periodically in 2024.



Measures to enhance liraization also included regulations requiring banks to increase—or at least maintain—the share of standard Turkish Lira deposits within their total deposit base. Initially introduced in 2023, these requirements were enforced separately for retail and commercial deposits and continued throughout 2024. Non-compliance resulted in penalties in the form of commission payments. The targets were revised multiple times during the year, and in December, the CBRT removed the requirement for commercial deposits.

Reserve requirements for foreign currency protected deposits, standard Turkish Lira deposits and foreign currency deposits were already effective. For foreign currency deposits, an additional reserve requirement in terms of Turkish Lira is also required. Over the course of the year, these reserve requirements were tightened, except for foreign currency deposits, aligning with the CBRT's commitment to a tight monetary policy stance.

Selective credit growth measures, first introduced in 2022, continued to play a key role in 2024. These regulations restricted the monthly growth rate of generalpurpose, auto, and commercial Turkish Lira loans. To steer credit toward strategic sectors, the CBRT exempted commercial loans aimed at investment, export, and agricultural activities. In May 2024, a growth cap for foreign currency loans was also implemented. At the beginning of the year, exceeding growth caps resulted in penalties requiring banks to purchase long-term Turkish Lira government bonds. However, this penalty mechanism was replaced with an additional reserve requirement. These additional reserves were blocked for one year and excluded from the remuneration base.

The restrictive credit growth mechanism is further complemented by higher risk-weightings to loans. A 200% risk weighting for TRY commercial loans had been introduced in May 2022, followed by a 150% risk weighting for consumer loans in August 2023. Toward the end of 2024, the CBRT moved to normalize these risk weightings. In September, the risk weighting for mortgages was reduced to 35%, while other consumer loans were lowered to 75%. In December, the risk weighting for commercial loans was reduced to 100%.

For detailed information, please refer to the accompanying tables summarizing macroprudential measures as of the end of 2024.

## **Our Business Model**

### **Our Purpose and Values**

### **Our Purpose**

Garanti BBVA shapes its business model within the frame of its purpose to "bring the age of opportunity to everyone" Placing the "Values" at the heart of its corporate culture that defined with the involvement of its employees in 2017, Garanti BBVA is guided by these values in all its practices and actions.

The Values is composed of three main values and each of the value is comprised of three behaviors, reflecting Values Day is celebrated simultaneously in all countries the Bank's business conduct models. For instance, the in the BBVA Group in order to increase awareness and notion "This is our bank" is reflected in the maximum contribute to the integration of values to their business performance attained by all employees as they carry life. During the Values Day, besides entertaining activities, out their jobs devotedly and enforce this value in their employees redefine the strengths of the institution, attitudes towards all stakeholders that they touch; all the development areas of its leaders, and the future of employees know what that means. teamwork in the light of these values.



# We think big

### We are ambitious, we break the mold, we amaze our customers.

Innovation and visionary thinking are at the heart of Garanti BBVA's corporate culture. Regardless of our roles, we aim to inspire our colleagues and those around us through our work. Beyond simply meeting customer needs, we challenge ourselves to go further, delivering solutions that surpass expectations

We are empathetic, we have integrity, we meet their needs. This core value reinforces our customer-

centric approach emphasizing that understanding our customers is our top priority. We share information transparently. guided by responsible banking principles, and strive to address customer needs with a solution-oriented mindset.

DATA AND

TECHNOLOGY



Employee career and development model measures the extent to which these values are enforced by the employees through performance assessments; specific educational and developmental tools are made available as part of the development plan resulting from these measurements, which also aim to ensure continued development throughout the year. In addition, adherence to values is addressed in a dedicated category in the reward program.

On the occasion celebrated as the Values Day on the same date in all countries to re-familiarize with, assimilate and live the values, employees redefine organizational strengths, improvement areas of leadership, and the future of teamwork, in addition to taking part in entertaining activities.





We are one team

We are committed, we collaborate, this is our Bank

This value defines our work culture, fostering unity, strengthening our commitment, and instilling a sense of shared responsibility in bringing our collective purpose to life.

To enhance awareness, encourage internalization, and embody these values, we celebrate Values Day across all BBVA countries simultaneously each year. In addition to engaging activities, this day provides an opportunity to reflect on our institution's strengths, areas for growth, and the future of our corporate culture through the lens of our values

Every year, through the ViVa Awards, we honor our value ambassadors, recognizing their inspiring stories and celebrating their achievements at the Values Day ceremony at BBVA's headquarters in Madrid



2024 FINANCIAL SUSTAINABILITY RESULTS

TALENT & RISK MANAGEMENT CULTURE

### **Our Business Model**

Capital generative, disciplined and sustainable growth strategy that strictly adheres to solid asset quality enables the Bank to move forward strongly.

ABOUT

ARANTI BBVA

In order to reach more customers, to accelerate and drive value creation; Garanti BBVA prioritizes making banking services available to its customers at any time through any channel of their choosing, and delivering them a seamless and consistent omni-channel experience by being wherever customers are.

The Bank aims to merge and integrate technology and humanistic elements, to

- Make life easier for its customers.
- Pursue their financial health, and help them make the right financial decisions to meet their goals
- Support them grow their businesses sustainably, and
- Bring its financial services to everyone.

Garanti BBVA seeks to deliver a better customer experience thanks to holistic, personalized and smart solutions and wide array of products offered to customers.

On sustainability, the Bank attaches great importance to positively influencing decision-makers and the sector and to mainstreaming the issue. Garanti BBVA creates shared value and drives positive change through lending based on impact investment, as well as community programs focusing on material issues for the Bank, its stakeholders, and strategic partnerships.

Putting digitalization at the heart of its business model, Garanti BBVA targets to lead the transformation of the sector, command state-of- the-art technological infrastructure, and be efficient and productive in all its service channels. Prioritizing quickly catering to evolving customer expectations and perspective, the bank adopts agile method approaches in its projects and accommodates advancing technology in its business model. Making the efficiency its top principle in its business model with operational excellence priority,

Garanti BBVA aims to enhance operational efficiency as it continues to automate, revamp and simplify its business processes, enhance customer experience. The Bank also monitors financial and non-financial risks closely at all times and exhibits proactive management.

Integrating the opportunities resulting from advancing technology and data sources in its business model, Garanti BBVA adopts a more analytical approach to customer management and servicing by making use of advanced data analytics and artificial intelligence. It also employs these outputs in its organizational model with the purpose of improving business results.

Always imagining and designing the future and striving to be unique in what it offers. Garanti BBVA considers raising competent, well educated, responsible, and ethical banking professionals who think big and are respectful of the society and the environment as an indispensable part of the sustainability of its business model. Conscious of the fact that human capital is the driving force behind all progress, continuously attracting, training and developing young and creative talents, offering employees an environment where they can demonstrate their skills, presenting opportunities, and recognizing and rewarding their achievements make the building blocks of the whole system.

### **Our Strategic Priorities**

### **Differentiated Value Proposition**

### **Financial Health**

- Provide financial advisory to our customers to help them make the right/healthy financial decisions
- Offer personalized solutions and suggestions to our customers; that cater to their needs so as to help them attain their goals
- Deliver an excellent customer experience by placing the customers at the center of all our activities.
- Build long-lasting relationships with customers and be their trusted partner

### **Sustainability**

- Positively influence customers, decision-makers and synergies the sector being the leading bank in sustainability; • Effectively managed financial and non-financial risks continue to support raising increased awareness of this matter
- Increase the diversity and use of our sustainable products offered to customers
- Observe climate change-related risks and opportunities; integrate them into our business processes and risk Increase the agility and resilience of our technological policies infrastructure and platforms
- Focus on community investment programs which • Speed up our solution processes through artificial deliver impactful outcomes on material topics and intelligence, machine learning and big data interpretation, observe impact investment principles which is important in the day-to-day operations of the bank

### **Drivers of Superior Performance**

### **Reaching More Clients**

- Expand our customer base, by being wherever our customers are; making effective use of new channels including digital customer acquisition and partnerships
- Establish long-term relationships by deepening customers' relationships with differentiated value propositions and personalized solutions
- Form teams nurturing our values, possessing team • Grow in areas of focus, while monitoring risk and spirit, acting with shared wisdom, thinking big, are cost socially responsible and result-oriented

### **Operational Excellence**

- Adopt a fair and transparent management policy based Constantly build on our business model in various ways on performance, focused on equal opportunities, including process automation, transaction convenience diversity and internal promotion and enriched remote services, etc.
- Increase end-to-end digital solutions, continue to improve experience through investments in our digital platforms
- Leverage capital generative and sustainable growth to maximize our value creation.



 Constantly improve our business model and processes with new technologies and tools from an operational efficiency point of view while pursuing cost and revenue

### Accelerators

### Data & Technology

• Effectively use data analytics in various areas such as personalized solutions and communications pricing, risk management, etc

### Best & Most Engaged Team

- Invest in our human capital with a focus on their development, happiness and well-being in order to ensure work life balance
- Foster development with training programs and mobility opportunities

2024 FINANCIAL SUSTAINABILITY RESULTS

RISK MANAGEMENT TALENT &

CULTURE

COMMUNITY INVESTMENTS INCLUSIVE CUSTOMER GROWTH EXPERIENCE **TECHNOLOGY** 

DATA AND

## **Corporate Profile**

ABOUT

GARANTİ BBVA

Established in 1946, Garanti BBVA is Türkiye's second largest private bank with consolidated assets TL 3 trillion 2 billion as of December, 2024.

Garanti BBVA is an integrated financial services group operating in every segment of the banking sector including corporate, commercial, SME, payment systems, retail, private and investment banking together with its subsidiaries in pension and life insurance, leasing, factoring, brokerage and asset management, besides international subsidiaries in the Netherlands and Romania.

Its custom-tailored solutions and wide product variety play a key role in reaching TL 2 trillion 310 billion performing cash loans and non-cash loans. Garanti BBVA's capital generative, disciplined and sustainable growth strategy that strictly adheres to solid asset quality enables the Bank to move forward strongly. The Bank has a leading position in key banking service areas:

- Largest private bank in TL lending with %21.8 market share among peers
- Highest TL customer deposit base among private peers with %20.5 market share
- Leadership in consumer loans with more than 24.3 millon retail customers
- %20.2 market share in TL business banking loans

Garanti BBVA's purpose is to bring the age of opportunity to everyone, and with this purpose the Bank works to create value for all of its stakeholders. In the light of strategic priorities; the Bank focuses on improving the customers' financial health by providing advice and actionable insights to them. The Bank puts emphasis on influencing decision-makers and other players in the sector regarding sustainability and making sustainability as mainstream. Garanti BBVA creates shared value and drives positive change through lending based on impact investment, as well as strategic partnerships and community programs focusing on material issues for both Garanti and its stakeholders.

Garanti BBVA constantly improves its business model and processes with operational excellence priority and keeps a close eye on financial and non-financial risks. In order to accelerate and drive its value creation; bank continues to focus on reaching more customers by being wherever customers are. As of December 31, 2024, Garanti BBVA provides a wide range of financial services to its over 27.7 million customers with total **22.664** employees including subsidiaries through an extensive distribution network of 787 domestic branches, 7 foreign branches 6 in Cyprus and one in Malta and 1 international representative office. Garanti BBVA offers an omnichannel convenience with seamless experience across all channels with 5,820 ATMs, an award winning Call Center, internet, mobile and social banking platforms, all built on cutting edge technological infrastructure.

Data, technology and "best and engaged team" are the key accelerators of strategy. With 16.7 million digital and 16.5 million mobile customers, Garanti BBVA has one of the highest digital and mobile customer base. Share of digital sales in total sales has reached 89%. The Bank is continuously investing in robust and reliable technology, leveraging advanced data analytics and artificial intelligence. Recognizing that human capital is the driving force behind all progress, the Bank builds systems to recruit, train and develop young and innovative individuals on a continuous basis, to provide a working environment that encourages full utilization of employees' skills, offers a wide range of opportunities and ensures recognition and awarding of their accomplishments.

Implementing an advanced corporate governance model that promotes the Bank's core values, Garanti has Banco Bilbao Vizcaya Argentaria S.A. (BBVA) as its majority shareholder with 85.97% share<sup>1</sup>

- Most valuable bank in Türkiye with 14.8 billion USD Market Capitalization (as of 2024 end)
- Leader among private banks in TL cash loans, TL non-cash loans, TL deposits, and credit cards, driven by strong relationship banking and an extensive service network.
- Second largest private bank per asset size
- Highest return on equity with 33% despite a low leverage ratio.
- More than 27.7 Million customers with 2.4 million **new customer** since 2023
- Leader with 16.7 million digital active customers
- Top-ranked Turkish bank in the S&P Global-CSA Corporate Sustainability Assessment with **85 points.**

### **Garanti BBVA's Ratings**

Garanti BBVA is rated by F JCR Eurasia Ratings. The lo	Main Sections	Weight	Score	_Outlook_	
assigned to Garanti BBVA	Shareholders	25%	9,73	Stable	
within the investment-grac	Public Disclosures & Transparency	25%	9,85	Stable	
Fitch (September 17, 2024)	Fitch (September 17, 2024)		15%	9,87	Stable
Long-Term FC IDR	BB- / Stable Outlook	Board of Directors	35%	9,85	Positive
Short-Term FC IDR B	В	Corporate	35%	9.82	Stable
	Governance Overall Score		5570	J,0Z	JLADIE

Please find the disclosure dated 18 May 2022 You can access detailed information about the ratings and their contents, as well as changes to the ratings and outlooks, in the Ratings section of the Garanti BBVA Investor Relations website.

Note: Market shares and rankings are based on non-consolidated BRSA weekly private bank data. Note: Branch, ATM, and customer figures do not include consolidated subsidiaries.



### Moody's (July 23, 2024)

Positive
Ba3 (Positive)
Not - Prime

### JCR Eurasia Rating (September 30, 2024)

Long-Term International FC Rating	BBB- / Stable Outlook
Long-Term International TL Rating	BBB / Stable Outlook

### **Corporate Governance Rating**

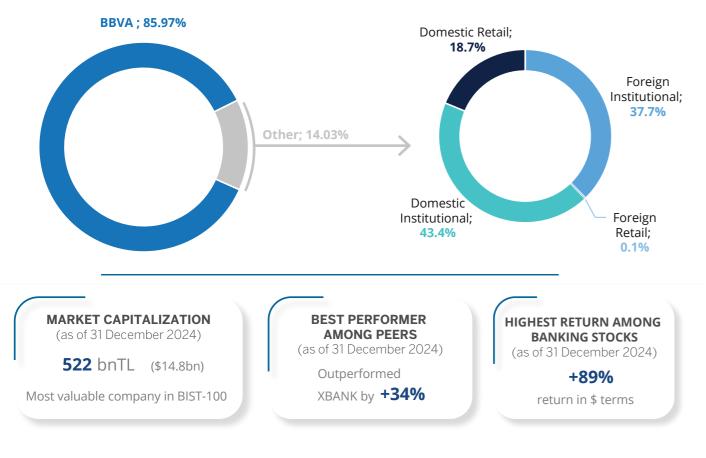
Garanti BBVA has been assigned a Corporate Governance Rating of 9.82 by JCR Eurasia Ratings, demonstrating a high level of compliance with the Capital Markets Board (CMB) Corporate Governance Principles. The Bank is also included in the Borsa Istanbul (BIST) Corporate Governance Index.

COMMUNITY INVESTMENTS

## **Garanti BBVA Shareholding Structure** and Share

Name	Number of Shares	Nominal (TL)	Share (%)
BBVA (BANCO BILBAO VIZCAYA ARGENTARIA, S.A.)	361.089.589.019	3.610.895.890,19	85,97
OTHERS	58.910.410.981	589.104.109,81	14,03
GRAND TOTAL	420.000.000.000	4.200.000.000,00	100,00

### **Shareholding Structure**



Foreign Institutional Investors: Fund + Institutions Domestic Institutional Investors: Fund + Institutions + Investment Partnership + Other Garanti BBVA carried out its IPO in 1990 on Borsa term monetary easing, prompting the CBRT to tighten İstanbul and became the first Turkish company to offer its policy through macroprudential measures, such as shares on international markets in 1993. Garanti BBVA's raising banks' reserve requirements. This restrictive stance reduced the attractiveness of equities for depositary receipts are listed on the OTC (Over-The-Counter) Markets in the USA. In 2012, Garanti BBVA domestic investors as well, leading them to favor qualified to get in the prestigious tier of the U.S. OTC money-market funds and deposit accounts. Meanwhile, market, OTCQX International Premier, where companies geopolitical tensions, particularly the war in the Middle traded must meet high financial standards and an East, exacerbated the selling pressure, further weighing effective disclosure process. on the equity market.

Garanti BBVA has a market capitalization of TL 522 Beginning of November marked a change in the bearish sentiment as the expectation of rate cutting cycle started to be priced in. The positive momentum was mainly driven by domestic investors once again. On the other hand, foreigners although being cautious, started to seek reentry points to Turkish equity market. Their reports mainly suggested that among EEMEA region, Turkiye offers fast EPS growth and attractive valuations for 2025 and they see potential in the prudent rate normalization narrative. However, the timing and magnitude of the rate cuts will be the determinant of their investment appetite thereby, inflation trend will continue to be the main variable for 2025's investment equation.

billion (USD 14.8 billion) as of year-end 2024. GARAN is the most valuable company in Türkiye. Its floating MCAP is the 12th highest with 2.7% weight in BIST100. The Bank's 14% free float market capitalization corresponded to TL 73 billion (USD 2.1 billion). 38% of Garanti BBVA's shares in the free float are owned by foreign institutional investors. Including the share of the domestic institutions, 82% of the publicly traded shares are held by institutional investors, whereas the remaining 18% are held by individual investors\*.

### **Share Performance**

More in depth look into GARAN, there was a net foreign Turkish equities started the year on a strong note, inflow of USD 54 million during the year (vs. net 712mn\$ maintaining a bullish trajectory until mid-July. During this outflow in BIST-100). Nevertheless, foreigners' share period, investor sentiment was bolstered by the CBRT's in the stock decreased to 38% as of 2024 year-end commitment to ongoing orthodox monetary policy. from 47% at the end of 2023, due to increasing flow This contributed to credit rating upgrades by Moody's from domestic investors. Hence, share of domestic and Fitch, which further fueled positive momentum institutional investor base reached its all-time high level. in the equity market. Positive developments such as Turkiye's removal from FATF Grey list also drove the **GARAN** emerged as the best performer amongst trend. However, foreign investors mainly chose to stay the banking stocks. The stock yielded 123% in on the sidelines in terms of their equity investments TL terms and 89% in USD terms, outperforming as tight monetary policy environment coupled with XBANK by 34%. Garanti BBVA concluded 2024 as a marginally depreciating currency made short-term the most valuable company in Turkiye. This remarkable performance is mainly a reflection of Garanti BBVA's net maturity government bonds more attractive.

income generation capability which is 2.4 times higher From mid-July to the end of October, Turkish equities than the peers' average net income. Moreover, Garanti BBVA's customer centric banking approach once again experienced a shift into bear market territory, driven primarily by high interest rates. Higher-than-anticipated proved the sustainability of its business model even in inflation data each month eroded expectations of neara challenging year like 2024 which is reflected in almost 3 times higher core banking revenue generation vs. its peers.





### ABOUT INTRODUCTION ARANTI BBVA

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### **Investor Relations Activities**

Communicating the value created in a proactive, transparent and consistent way, Garanti BBVA Investor Relations' activities in 2024 can be summarized as follows:

- The team participated in 15 investment conferences and roadshows, either in-person or online. The team met with 240 international investment funds from Asia, USA, Canada, the Middle East, Europe and Türkiye.
- Each guarterly teleconference on Financial Results and the annual Operating Plan Guidance disclosure attracted live on average 150 analysts and investors
- Consensus earnings expectations were managed by having one-on-one or group meetings on a regular basis with 22 equity analysts who cover Garanti BBVA,
- Garanti BBVA Rank #1 with highest score in Corporate Governance rating in Türkiye.
- 2023 Integrated Annual Report received Platinum Award at 2023 LACP Vision Awards.
- Operating Plan Guidance and results presentations were published on Garanti BBVA Investor Relations website and mobile app. The audio recordings of these presentations are also available on the website and mobile application. Contents prepared both in Turkish and English for the convenience of the investment community enable investors from all around the world to have easy access to all the information they need.
- · Periodic newsletters were sent to investors and other stakeholders informing them on the current material developments including macro-economic and ESG issues,
- Following the financial results in each guarter, 2-minute summary videos were made available for the convenience of the stakeholders. These videos were public on both the website and our bank's social media accounts.
- Through the monthly released 'Macro Talks' videos, informative updates on macroeconomic developments are provided for all investors and stakeholders.

 Surveys were conducted to gather investor feedback and align communication strategies with their expectations. The responses reflected strong appreciation for the investor relations efforts, with participants emphasizing the importance of the economic outlook as a key factor in their investment decisions. Additionally, the surveys highlighted that investors prioritized ESG considerations such as achieving net-zero carbon targets and fostering Financial Health and Inclusive Growth in their decisionmaking process.

Commitment to its irreplaceable values of the principles of trust, integrity, accountability and transparency serves as the guarantee of the Bank's strong reputation and is Garanti BBVA's main responsibility to all its stakeholders. The steps Garanti BBVA takes to create value for the economy, the society and all its stakeholders are recognized by national and international authorities.

### **Sustainability Indices**

Garanti BBVA adopts transparent reporting and publicly announces its sustainability approach through nationally and internationally accepted ESG ratings and sustainability indices. The bank sees ESG-related index structures as an evaluation tool and continues to develop its sustainability approach by monitoring global expectations through evaluation institutions.

You can access the sustainability indices and ESG assessments in which the Bank is included on page 140.

### **Equity Analysts' Rating**

Garanti BBVA shares are widely covered by research analysts of leading domestic and international investment banks and brokerage houses. In 2024, 20 institutions have regularly issued equity research reports on Garanti BBVA. As of 2024 year-end, 12 analysts had "BUY", 7 analysts had "HOLD" and 0 analysts had "SELL" recommendation on Garanti BBVA stock.

Garanti BBVA Investor Relations updates the analysts' year-end estimations on a guarterly basis and publicly discloses them transparently on its website. The consensus estimates can be reached at the Garanti BBVA IR Website > Share & DR > Equity Analyst & Consensus

### **Dividend Distribution Policy**

INCLUSIVE

GROWTH

Following the affirmative opinion of the Banking Regulation **Affiliate Report** and Supervision Agency, the Bank's dividend distribution policy is in the manner to distribute up to % 30 of the With reference to articles 195 - 209 of the Turkish distributable profit in cash or bonus shares, provided Commercial Code; T. Garanti Bank A.S. (hereinafter that there is no unfavorable situation in the local and/ referred to as the "Bank") is considered as dependent or global economic conditions and the standard rates, company, Banco Bilbao Vizcaya Argentaria S.A. (referred which are specified by the protective measures in the to as the "Parent Company") is considered to be the Banking Law no.5411 and its sub-regulations, are at the parent company. Pursuant to Article 199 of the Turkish Commercial Code, the Bank, under the direction of the targeted level. Parent Company;

### **About Insider Holdings**

The chairman, members of the Board of Directors, the CEO and the Executive Vice Presidents are allowed to own publicly-traded shares of Garanti BBVA in accordance with the limitations set out in Capital Markets Board regulations and the internal regulations of the Bank; their transactions in Garanti BBVA shares are publicly disclosed pursuant to Capital Markets Board regulations. Pursuant to Article 11/2 of the Communiqué on Material Events Disclosure numbered II-15.1, if and when the total amount of transactions made on behalf of persons with administrative responsibility exceeds TRY 8.000.000 (\*Revalued figure/value for 1.1.2024 - 31.12.2024, pursuant to the Announcement made pursuant to the Decision of the Capital Markets Board dated 28.12.2023 and numbered 81/1811) within a calendar year, it is publicly disclosed. There is no ultimate non-corporate controlling shareholder holding more than 5% share in the shareholding structure.

You can access the special situation statement dated 29.08.2023 regarding the share purchase and sale transactions carried out within the scope of the Capital Markets Board's Special Circumstances Communiqué numbered II-15.1 from the link below.

### https://www.kap.org.tr/tr/Bildirim/1190099



### **Related Party Transactions**

As of 31 December 2024, the concentration of transaction volumes and balances with the parent bank and its consolidated financial affiliates ("the Group") and pricing policy can be found in the footnote numbered 5.7.2.2 of the Bank's Financial Report as of 31 December 2024.

- Did not conduct any legal transaction in the operating year 2024 in favor of the Parent Company or any dependent company of the Parent Company that serves to the advantage of the Parent Company or of any dependent company of the Parent Company, furthermore, there is no measure taken or refrained from being taken to the benefit of the Parent Company or of any dependent company of the Parent Company.
- Appropriate counter actions were taken with respect to the legal transactions executed with the Parent Company and no financial loss has arisen in connection with them.

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# Summary of the Board of Directors **Annual Report**

SECTOR

In 2024, global inflationary pressures eased, but growth remained limited. Central banks gradually began to lower interest rates as inflation was brought under control, vet price increases in the services sector persisted. Geopolitical risks remained high, particularly due to the Russia-Ukraine war and tensions in the Middle East, creating uncertainties in global trade. While inflation declined in developed economies, growth continued at a moderate pace. For 2025, potential changes in trade policies and geopolitical tensions may pose downside risks to global growth.

Türkiye's economy continued its transformation throughout 2024, influenced by both internal and external factors. The gradual slowdown in domestic demand contributed to a more sustainable growth composition. As the trade deficit narrowed, net exports played a more significant role in driving economic growth, supporting economic rebalancing. While domestic demand's contribution to growth weakened, Türkiye's economy grew by approximately 3% by the end of 2024. In 2025, due to geopolitical risks, potential protectionist trade policies, and fiscal consolidation aimed at controlling inflation, the economy is expected to enter a moderate growth trajectory, with an estimated growth rate of 2.5%.

Macroeconomic policies and regulatory measures implemented throughout the year shaped banks' balance sheets, putting pressure on margins and creating downside risks. Despite this challenging environment, Garanti BBVA maintained strong performance by preserving its capital strength while focusing on meeting customer needs. The Bank's management effectively adapted to rapidly changing conditions with its advanced technological infrastructure, skilled human capital, and solid capital base, successfully meeting both regulatory requirements and stakeholder expectations.

As Garanti BBVA, we are pleased to report continued improvement in our operational results this year. With our robust and healthy balance sheet structure in terms of capital generation capacity, liquidity, and profitability ratios, we continue to provide uninterrupted support to the economy. In 2024, the Bank reported a consolidated net income of TL 92 billion 178 million.

In 2024, Garanti BBVA's return on equity was registered as 33%, while return on assets stood at 3.5%. The capital adequacy ratio was well above legal limits at 18.2% in 2023 (excluding BRSA's forbearance). The Bank's robust profitability, strong liquidity, and capital position reinforced its leadership in the sector.

Despite pressures on net interest margins, Garanti BBVA increased its profitability by 6% year-on-year. The key drivers behind this increase were:

Sustainable Funding Structure: Garanti BBVA reflects the sustainability of its strong funding structure through customer deposits, which account for 84% of its non-equity liabilities. The high share of customer deposits also ensures the continuity of low-cost funding sources, playing a crucial role in achieving the Bank's growth objectives.

Diversified and robust commission base: Garanti BBVA succeeded in increasing its net fees and commissions by 123% during the year thanks to its strong position in credit cards, diversified commission sources, and expanding customer base. Payment systems and transaction volumes continued to be the most important factors behind the Bank's commission generation capacity. The Bank also maintained its leadership in acquiring and issuing volumes.

Customer-driven growth: Garanti BBVA's customer-Operational expenses increased by 90% year-on-year. driven growth strategy remained one of the Bank's However, after adjusting for fully hedged currency key pillars in the sector. Loans accounted for 58% impacts, the increase was 84%, aligning with the of total assets, making them the primary driver of Operating Plan expectations. The cost-to-income income generation and representing one of the highest ratio stood at 44%, the lowest among private ratios in the sector. This approach enabled the Bank banks. to effectively manage margins in 2024 while delivering strong financial performance throughout the growth Garanti BBVA remains committed to creating a more sustainable future, maintaining its efforts toward cycle.

sustainability without interruption. Aligned with its Garanti BBVA continued to expand its loan portfolio focus on climate action and inclusive growth, the throughout 2024. While growth was primarily driven Bank continues to implement decarbonization targets by Turkish lira loans, foreign currency loans increased in line with the Paris Agreement Capital Transition by 13% in USD terms, in line with Operating Plan Assessment (PACTA) methodology. As the first bank expectations. Meanwhile, Turkish lira loans grew by in Türkiye to announce that it will no longer finance coal-fired power plants and coal mines, Garanti BBVA 52%, mainly fueled by strong demand for credit cards and consumer loans. Garanti BBVA strengthened is committed to minimizing its coal-related portfolio its leadership in Turkish lira lending among private risks by 2030 and completely exiting the sector by 2040. Additionally, Garanti BBVA has committed to banks, achieving a market share of 21.8% in performing contributing 400 billion TL to BBVA's 2025 €300 billion Turkish lira loans. These developments highlight the Bank's competitive strength and leading position in sustainable mobilization target and has contributed 291 the Turkish lira loan segment. billion TL to this target since 2018.

Within Garanti BBVA's diversified and dynamic funding We will continue to pioneer the sector with our structure, the largest share continued to be customerachievements and innovations in both the financial focused deposit base. Turkish lira deposits grew by and sustainability fields. 36% year-on-year, with Turkish lira time deposits contributing 44% to this growth. Additionally, foreign Dear Shareholders, currency deposits increased by 4%. As of 2024, Garanti BBVA retained a strong position in Turkish lira deposits, We present to you our Integrated Annual Report for further reinforcing customer confidence in the Bank. 2024 for your review and approval, which contains

The Bank's external funding stock rose from 4.1 billion USD at the end of 2023 to 5.5 billion USD in 2024. Meanwhile, the FX liquidity buffer stood at 3.5 billion USD. The relatively low growth in foreign currency loan volume continued to reduce the need for external borrowing. At the end of 2017, the foreign currency loan portfolio stood at 23 billion USD, whereas by the end of 2024, it had declined to 17 billion USD.



information about our activities throughout the year. We would like to thank our stakeholders for their trust in us and our employees for their dedicated efforts.

# Garanti BBVA's Position in the Sector

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RISK

MANAGEMENT

SUSTAINABILITY

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COMMUNITY INCLUSIVE INVESTMENTS GROWTH

(TL Billion)

2020

(TL Billion)

2020

2021

CUSTOMER DATA AND EXPERIENCE TECHNOLOGY

# **Garanti BBVA's Position** in the Sector

OUR VALUE

CREATION

2024 FINANCIAL

RESULTS

# Garanti BBVA in Numbers

GARANTI BBVA'S

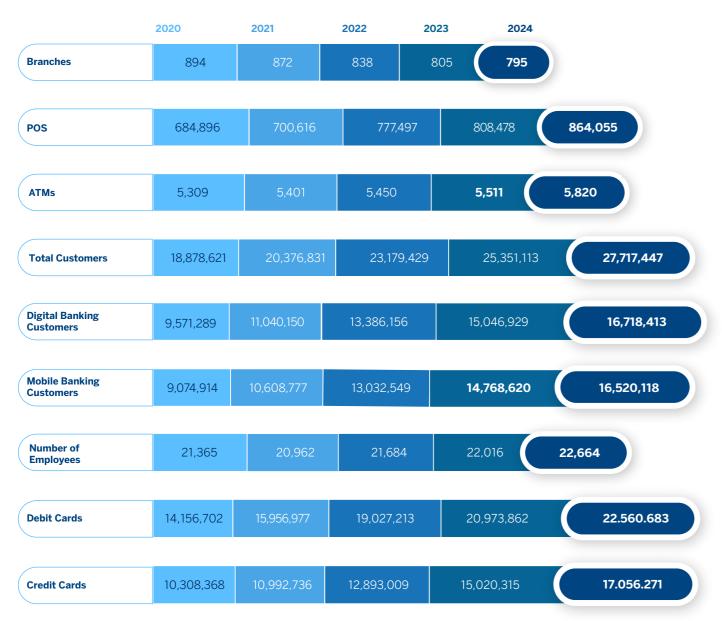
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Note: The data does not include partnerships subject to consolidation. While calculating the number of branches, Garanti BBVA domestic branches, foreign branches and representative offices were taken into account. Subsidiaries' head office and branches are not included. Consumer loans include individual credit cards.



### % OF RENEWABLES IN ENERGY **PRODUCTION PORTFOLIO IMPACT ASSESSMENT PROCESS INDICATORS** (In new PF greenfield commitments) (Cumulative)



According to BRSA consolidated financials.

Consumer loans include consumer credit cards

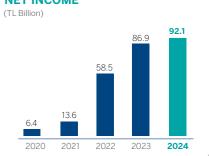
As of the publication date of this report, the Board of Directors has not yet prepared the profit distribution proposal for 2023; therefore, the 2023 figure is not included in the graph.

**CONSUMER LOANS** 

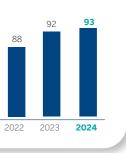
(TL Billion)



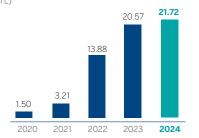
### 6627 411 7 223.3 136.6 98.8 2020 2023 2024 **NET INCOME**





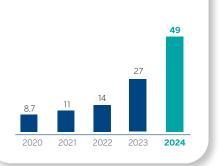


**EARNINGS PER SHARE** (TL)



### **TOTAL LOANS GRANTED TO WOMAN ENTREPRENEURS**

(Cumulative, TL Billion)



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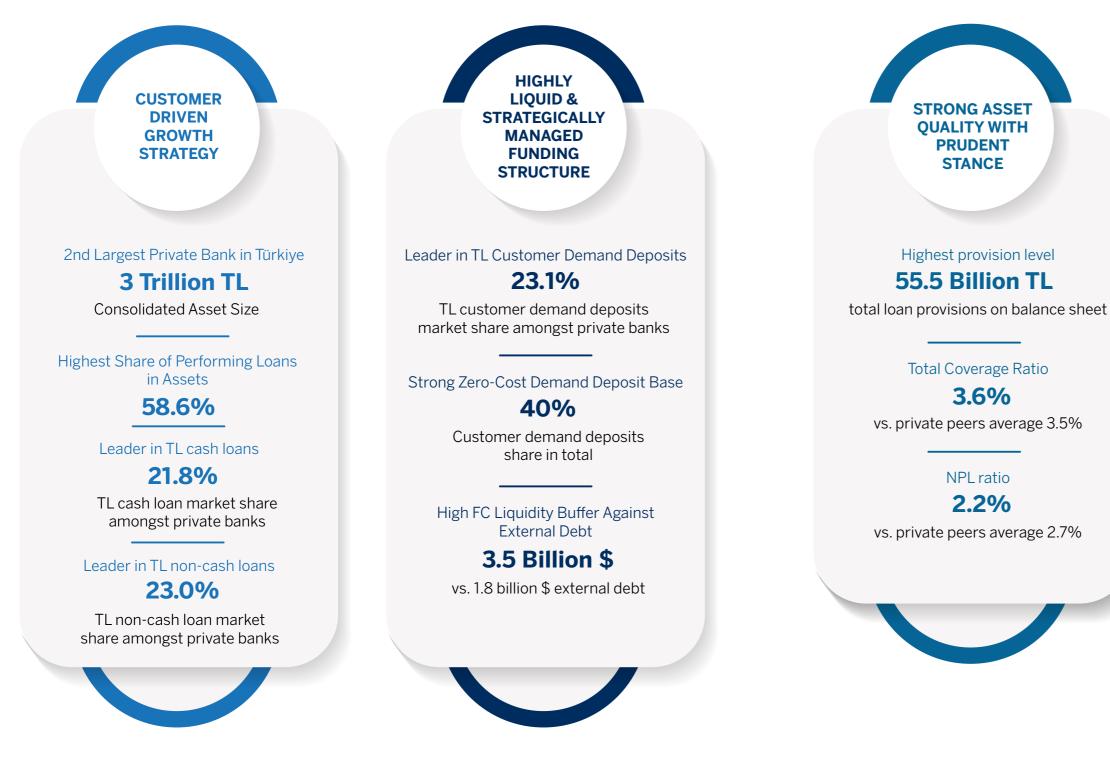
INCLUSIVE GROWTH

DATA AND TECHNOLOGY

CUSTOMER

EXPERIENCE

# Garanti BBVA's Competitive Advantages



BRSA unconsolidated data was used for comparability with the sector and peer banks (Akbank, Isbank and YKB).

ORGANIZATIONAL STRUCTURE

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**CORE BANKING REVENUE DRIVEN NET INCOME GENERATION CAPABILITY** 

### Leader in core banking revenues

### 170.8 Billion TL

core banking revenues<sup>1</sup> (cumulative) vs. private peers average 70 billion TL

> Highest Net Interest Margin (including swap costs)

### 3.7%

vs. private peers average 0.9%

ROAE



vs. private peers average 17%

INCLUSIVE

GROWTH

STRONG **CAPITAL** POSITION

CET-1 (consolidated, excluding BRSA forbearance)

> 14.7% vs. Basel III requirements 10.16%

**Excess Capital** (consolidated, excluding BRSA forbearance)

**133 Billion TL** 

**PRACTICES** THAT PRIORITIZE **EMPLOYEE** SATISFACTION AND **WORK-LIFE** BALANCE

Hybrid Working Model

40% / 60% from office/home

Strong Performance in Employee Loyalty 4.38 / 5 poll results

### **Bloomberg Gender Equality Index**

The only Turkish bank to be included for 7 Consecutive years

### with 89.06 points

UNIQUE **CUSTOMER EXPERIENCE** WITH SUPERIOR DIGITAL **EXPERIENCE** 

One of the Highest Digital and Mobile Customer Base

### 16.7 Million

Digital Customers and

16.5 Million Mobile Custormers

Share of digital in total sales (retail)

### 89%

Share of Digital Active Customers

88%

ORGANIZATIONAL STRUCTURE

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STRONG **BRAND AND CORPORATE REPUTATION** WITH OUR **UNIQUE VALUE** CREATION

Member of Net Zero Banker's Association 1<sup>st</sup> Turkish Bank

Sustainable Finance Mobilization Target

**400 Billion TL** (2018-2025)

291 Billion TL allocated as of 2024.

Contribution to community investment programs

### **278 Million**

Customer's main financial solutions partner

NPS



### #1

Retail Commercial Banking NPS

#2

53



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# Garanti BBVA's Position in Business Areas



- Assist our corporate customers in transitioning to a low carbon economy through leading sustainability know-how and advisorv
- Continue to increase our contribution to sustainable finance
- Continue to serve as primary business partner of corporate customers sustaining their pioneering and leading positions on the back of effective customer relationship management and solution-oriented approach

- suitable solutions
- Keep providing consultancy services and financial support to our customers in **both** environmental and social areas for sustainable living, and encourage them in this direction
- Continue to sustain profitable and efficient growth by increasing our wallet share in both existing and new customers,
- Maintaining our first place among banks in NPS by deepening relationship management within our customer base.
- · Increasing the variety of products offered through digital channels and expanding the use of digital channels,
- Broadening the scope of the special service model we provide to multinational companies
- Achieving growth through capital-focused and digitalization in loans



husinesses

23%\*\* Market share in SME loans (+57 bps YoY)

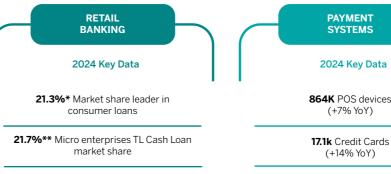
800 women entrepreneurs reached through the Türkive Women Entrepreneur Academy trainings

30% Share of SME loans in TL Loans per BRSA definition

47.000 encouraged female entrepreneurs (applications received for the 2007-2023 women entrepreneurs competiton)

### **Strategic Priorities**

- Continuing to provide financial support and advisory services to SME customers, who form the backbone of the economy and the driving force of local development, at every stage of their business lifecycle.
- · Offering tailored credit and investment products that align with customers' cash flow needs
- Supporting the digital transformation of customers by encouraging the use of digital channels, ensuring 24/7 access to banking products, and reducing the time spent on banking transactions.
- Guiding SME customers through green transition processes by providing financial opportunities, helping them contribute to environmental sustainability while also gaining cost advantages.
- Empowering more women entrepreneurs, enabling them to showcase their success, and facilitating access to new markets and opportunities to enhance their sustainability.
- · Becoming the preferred banking partner for entrepreneurs throughout their business lifecycle by offering comprehensive solutions.



TL Time Deposit market share leader with 19%, 23% market share in TL Demand Account

> Leader in Issuing & Acquiring with 17% market share

### **Strategic Priorities**

- Strengthen our leadership in retail banking by continuing to acquire new profitable customers.
- Ensure sustainable customer relations by deepening our existing customer base.
- · With a high level of empathic approach, minimizing the negative experience throughout all processes and become the leader in customer satisfaction.
- Add value to the investments of our customers and to be with our customers in need of financing; to produce personalized and proactive suggestions by using the data of our customers in the most effective way, to improve their financial health and to contribute to their readiness for unexpected situations
- With the efficient use of AI, providing the best customer-oriented service and financial consultancy to all our individual and micro business customers with different service models, both from our branches and nonbranch channels
- With the responsibility of increasing financial literacy in the society, we aim to include the population which are not included in the financial system such as kids and youth and introduce them in the banking system

### **Strategic Priorities**

- Consolidate the leadership in payment systems with our innovative approach, digital capabilities, powerful brands and operational strength
- Replace the physical wallets with the payment solutions offered by BonusFlas
- Expand the product line to offer needbased solutions by supporting member merchants' digital transformation
- Carry on with investments in **environment** friendly and sustainable fintech solutions that will eliminate the need for plastic cards and physical POS devices
- Solidify the leadership in the fastgrowing e-commerce payments through introduction of new Technologies

\*Market share calculations use the BRSA weekly data as of December 27, 2024, Garanti BBVA figures are on a bank-only basis for comparison. Rankings and market share are among private banks \*\* Micro enterprises are in line with the BRSA definition, calculated using BRSA monthly data. Market share is among private+foreign banks.

\*\* BRSA-defined SME loans, market share is among private banks.

FINANCIAL REPORTS AND APPENDICES



### 2024 Key Data

Leader in Credit Card customer with 14.2% market share

### BANKING

### 2024 Key Data

16,7 mn Digital active customers (+11% YoY)

16,5 mn Mobile active customers (+12% YoY)

Number of transactions made through Internet and Mobile Banking channels: 1.7bn

### **Strategic Priorities**

- Accelerating investments in user experience and design improvements to enhance customer experience on the mobile app.
- Continue to grow our mobile customer base, reinforcing our leading position in digital banking.
- Supporting bank growth through an increased share of digital customer acquisition.
- · Positioning mobile as the primary channel for customer interactions, addressing all customer needs with smart assistant UGI and human support when necessary.
- Increasing the contribution of digital **channels** to sales and transactions by expanding end-to-end digital solutions/ products.
- Continue to improve the experience we provide to our customers related to advisory and financial health recommendations through mobile app.
- Leveraging the opportunities of open banking and new partnerships effectively to effectively to simplify our customers' lives.



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## Garanti BBVA's Financial Subsidiaries

Established in 1990, Garanti BBVA Factoring conducts domestic and international factoring operations through an extensive network with BBVA synergy. The company serves a broad customer base, primarily SMEs and organizations with a widespread supplier and dealer network, with 11 branches in eight cities across Türkiye and 120 employees. Garanti BBVA Factoring continues to increase its efficiency thanks to its continuously invested technological infrastructure and its team of experts in artificial intelligence, machine learning, and big data, while operating to ensure that its customers make sound financial decisions and accelerate solution processes, thanks to its asset quality and effective risk management policies.

### Garanti BBVA Factoring

### **2024 Key Indicators**

13.3 billion TL Total Assets (12.2% annual increase)

66.9 billion TL Transaction Volume (19.7%) annual increase)

%0.4 Share in Garanti **BBVA** Group Assets

%0.9 NPL Ratio (Sector Average 1.7%)

1.4 billion TL Net Profit (37.6%

annual increase)

3.1 billion TL

Total Equity (82.9%

annual increase)

~54 thousand Total Number of Factoring Transactions (7.6% annual increase)

### 2025 Strategic Priorities

 Continue to grow the customer base with diversified products, prioritizing digitalization to provide quality and fast solutions.

SUSTAINABILITY

- Focus on increasing the digital products and services it will offer to SME customers.
- Ensure continuity in growth through effective relationship management with Corporate and Commercial customers.
- Further automate and optimize business and operational processes to ensure sustainability and increase efficiency.

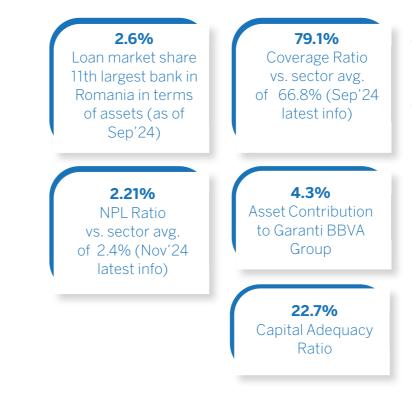


GROWTH

### 2024 Key Indicators

Garanti BBVA Romania (GBR) and its two subsidiaries, Motoractive (Leasing) and Ralfi (Consumer Finance), continue to serve over 472,000 customers (consolidated) with 1,103 active employees (consolidated) and 71 branches across all business lines in Romania.

<sup>1</sup>Indicates the number of active personnel, excluding the personnel on unpaid leave as of the end of the year due to maternity leave etc.





### **2025 Strategic Priorities**

- Reaching more customers and strengthening market share presence in both loans and deposits within all business lines.
- Expanding digital solutions designed to improve customer interactions and strengthen the bank's digital capabilities.
- Continuing the optimization of sales resources with the aim of sales focused approach throughout the bank and increasing the sales performance
- Maintaining focus on profitability while maintaining strong risk controls to preserve operational excellence.
- Prudential approach with a strong capital adequacy ratio and a well-established liquidity position with sufficient high quality liquid assets.
- Expanding sustainable solutions and further enhancing employee engagement.

JCTION ABOUT GARANTI BBVA DATA AND TECHNOLOGY

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Established in 1997 as Türkiye's first portfolio management company, Garanti BBVA Portfolio Management provides services in investment funds, pension funds, and private portfolio management. With its experienced team of 48 professionals, the company offers investors with different risk profiles the opportunity to invest in a variety of asset classes while aiming to maintain its sustainable performance.

### 2024 Key Indicators

**667.2 billion TL** Assets Under Management (161% annual increase)

1% Investment Fund Size (232% annual increase)

475.7 billion TL

2.9 billion TL

Financial

Contribution to

Garanti BBVA

### 823 thousand

Multiple Investors in Investment Funds (\*) (341 thousand annual increase)

### 2025 Strategic Priorities

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In the Fundex project, the new fund module project that started in 2023, in addition to making all funds traceable through the new system in 2025, being able to carry transaction entry and monitoring processes to the new module and adding new functions to the module.

SUSTAINABILITY

TALENT &

CULTURE

RISK

MANAGEMENT

- With Artificial Intelligence and Generative Artificial Intelligence projects:
  - -To achieve efficiency increase and generate alpha in portfolio management.
  - -To periodically review the customer portfolio in the robo-advisory service, which will provide a better experience and personalized recommendations to bank customers, make strategy updates, perform automatic buy-sell transactions for model portfolios, and minimize deviation risks.
- Providing special services to Bank legal entity customers who have an investment fund balance above a certain amount and providing support in managing these customers' money.
- Further increasing the visibility and awareness of the Garanti BBVA Portfolio brand and its funds through TV and event sponsorships, social media communications and collaborations, and press communications in the field of marketing.
- To further increase the visibility and awareness of the BBVA Asset Management brand and funds.

Garanti BBVA

CUSTOMER

EXPERIENCE

INCLUSIVE

GROWTH

Garanti BBVA International (GBI), established in 1990 in Amsterdam, Netherlands, is a medium-sized European bank with a total asset size of 8.2 billion Euros. GBI offers financial solutions in the areas of trade and commodity finance, corporate banking, and global markets, and also provides retail banking services in the Netherlands and Germany. Within the scope of GBI's Trade and Commodity Finance operations, traditional products such as transaction-based trade finance loans, syndicated loans, documentary credits, and collections are offered. In Corporate Banking, GBI serves a select group of corporate clients with international operations, primarily those based in Europe and Türkiye, with meticulously designed products that can be classified under transaction banking, such as business loans, trade loans, receivables finance, and cash management.

### 2024 Key Indicators

COMMUNITY

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### **2025 Strategic Priorities**

- Accelerate customer penetration by increasing the digital products and services offered in Retail Banking and Global Markets - Sales areas with new digital platforms;
- Focus on growing and diversifying operations in Trade and Commodity Finance and Corporate Banking;
- Follow the ESG roadmap in continuous interaction with Garanti BBVA and focus on sustainability-based growth opportunities.
- Maintain a profitable growth strategy without compromising high asset quality and strong capital structure.



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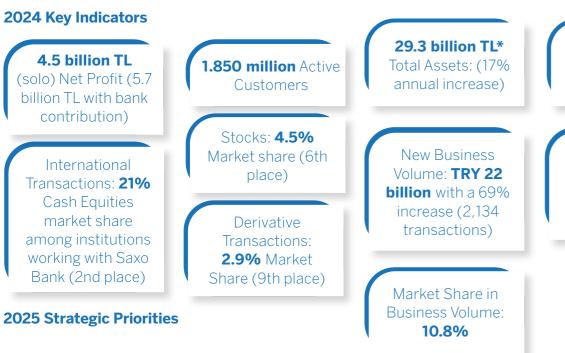
COMMUNITY INVESTMENTS

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Established in 1991, Garanti BBVA Securities is one of Türkiye's leading brokerage firms, providing brokerage and investment banking services in domestic and international capital markets, as well as investments, mergers and acquisitions, public offerings, private sector bond issuances, and privatization advisory services. Garanti BBVA Securities offers brokerage and investment banking services to its investors in domestic and international capital markets with its extensive distribution network, superior technological infrastructure, strong brand image, experienced staff, innovation, and strong partnership structure.

### 2024 Key Indicators



- To improve our services and processes and increase our product range by adapting to rapidly developing technology.
- To reach different target groups in the sector by prioritizing customer experience and to deepen our customer penetration in products and platforms.
- To strengthen our competitive power in the market by responding to the needs of our customers in every segment in the best way possible with our innovative approach.
- To improve the customer experience by continuing to add rich functions and content to the renewed e-Trader application and to provide services to customers from a single platform with the addition of international

### Garanti BBVA l easing

Garanti BBVA Leasing, established in 1990 to conduct financial leasing activities domestically and internationally, serves its customers across Türkiye with 11 branches, a call center, website, mobile site, and social media channels. In addition to its contribution to the Bank's BRSA consolidated financials, the company continues to create value with its 100% owned subsidiary, Garanti BBVA Filo, which provides long-term vehicle rental services and completed 2024 with a profit of TL 1,774 million.

### 2024 Key Indicators



1.8 billion TL\*

Net Profit (84%)

annual increase)

1.0%

Share of Garanti

**BBVA** Group

Assets

### **2025 Strategic Priorities**

- Expand the existing customer base by acquiring new customers; provide fast and high-quality financing for customers' investments.
- Increase market share in the clean energy sector.
- Continue to provide end-to-end solutions to customers thanks to its experience in various sectors.

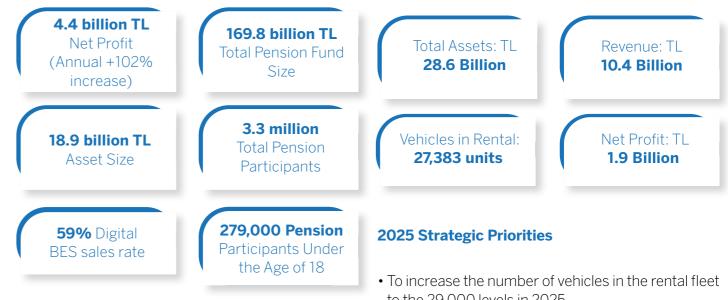
# **Garanti BBV**

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Garanti BBVA Pension and Life was established in 1992 Garanti BBVA Fleet, with its strong and competent staff, has been providing fleet management services as a life insurance company. In 2002, the company added private pension to its operations. Following a to its customers since 2007 for all makes and models of passenger cars sold in Türkiye, and since 2019 also partnership established in 2007 with Achmea, one of Europe's strongest insurance companies, the company for light commercial vehicles, and with its sustainability began offering a variety of insurance products already strategy, also for hybrid and electric vehicles. As of the end of 2024, Garanti BBVA Filo is one of the most reliable available in Europe. The company, which effectively utilizes bancassurance, provides the widest range of services companies in the sector with the strongest financing capabilities, with a total of 27,383 active vehicles in its with 14 regional directorates and approximately 800 Garanti BBVA branches. rental fleet and an asset size of TL 28.6 billion.

### 2024 Key Indicators



### **2025 Strategic Priorities**

- To increase the Bank's contribution to its sustainable profitability target by maintaining its distinct position in Increase market share in the total private pension the sector with its strong brand image and advanced system (BES) fund size. risk management systems, and continuing to invest in its technological infrastructure and competent human • Expand market share in life insurance premium resources. production.
- Double market share in Supplementary Health Insurance.
- Increase the number of BES, Life, and Unemployment Insurance products offered through digital channels.
- Achieve rapid growth in the B2B business segment targeting SMEs and commercial clients.
- Enhance Financial Advisory services for high-segment customers, providing support in wealth accumulation, health, and fund management.

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### 2024 Key Indicators

to the 29,000 levels in 2025.

# **Our Value Creation**

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# **Our Value Creation**

# **Double Materiality Analysis**

To determine material issues, the European Financial Reporting Advisory Group's (EFRAG) European Sustainability Reporting Standards (ESRS), the International Sustainability Standards Board (ISSB), which is part of the International Financial Reporting Standards (IFRS), as well as IFRS S1 (General Requirements for Disclosure of Sustainability-Related Financial Information), IFRS S2 (Climate-Related Disclosures), and the GRI Standards have been taken as references. Similar to previous years, the "double materiality" approach has been adopted in identifying material issues.

This involves assessing the impacts of our activities on the environment and people - impact materiality - as well as the effects of environmental and social issues on the company's operations - financial materiality. Impact materiality addresses the positive or negative effects that the Group's activities create on its surroundings. Financial materiality, on the other hand, focuses on the risks and opportunities stemming from how the environment influences or may influence the Group's economic status.

Unlike in previous periods, analyses have been conducted on the impacts, risks, and opportunities defined under the specific categories of ESRS. Topics deemed significant for the Bank have been identified and disclosed accordingly. The significance of these topics has been evaluated in light of the Group's strategic priorities, market conditions, stakeholder interactions, and regulatory developments. These are subject to periodic review as developments in these areas arise.

While impact and financial materiality were considered in the materiality analysis, disclosures prioritize financial materiality to align with Türkiye Sustainability Reporting Standards.

### Methodology

Garanti BBVA's double materiality analysis is based on prior studies and the most accurate and up-to-date information available. This analysis integrates tools, standards, and processes covering both internal mechanisms and market references. Such an approach ensures that the analysis evolves in alignment with the Group's strategy, stakeholder expectations, and regulatory requirements. The methodology is structured into three phases: contextual analysis, identification of impacts, risks, and opportunities (IROs), and evaluation of these elements.

Active participation of teams responsible for managing each topic (Sustainability, Sustainable Office, Sustainable Finance) has been ensured during the process. Their insights and assessments regarding the likelihood and severity of key issues were considered.

### **Phase 1: Listing of Topics**

INCLUSIVE

GROWTH

Topics impacting or potentially impacting the Bank were identified in light of strategic priorities, stakeholder expectations, global trends, and themes outlined in advanced reporting standards such as GRI and ESRS references.

In this context, along with regulations and global reporting standards, the following methods were used for the universe of topics.

- ENCORE Tool: Developed by NCFA and UNEP-WCMC to analyze impacts on natural capital (e.g., climate, environment).
- Stakeholder Survey: Conducted to assess the prioritization and impact of sustainability topics among stakeholders, including employees, subsidiaries, customers, NGOs, and investors.
- Portfolio Impact Analysis Tool for Banks: Developed under the United Nations Environment Programme Finance Initiative (UNEP FI).
- Garanti BBVA Reputation Risk Analysis.

### Phase 2: Identification and Definition of IROs

For the identified topics, assessments and definitions of impacts, risks, and opportunities were carried out with the active input of the responsible teams. Additionally:

- The UNEP-FI Impact Tool and ENCORE Tool were used to determine sectoral and geographical impacts based on the Bank's credit portfolio.
- Stakeholder surveys evaluated the prioritization and impact of sustainability topics. Responses from various stakeholder groups such as employees, subsidiaries, customers, NGOs and investors were taken into consideration.
- Human Rights Due Diligence facilitated the identification of human rights impacts.
- Internal methodologies like Climate Change Risk Assessment and the Reputation and Non-Financial Risk Matrix provided a comprehensive risk perspective.
- Sectoral standards like those defined by SASB and the European Banking Authority (EBA) were used to identify and manage risks and opportunities specific to the financial sector.



IROs were then categorized based on the following criteria:

- Existing/Potential: Distinguishing current impacts, risks, and opportunities from those that may arise in the future.
- Time Horizon
  - Short-term: Up to 1 year.
  - Medium-term: 1-4 years
  - Long-term: Beyond 4 years
- Value Chain Stage: Classified as Upstream, Own Operations, and Downstream.
- ESRS Topics: Allocated to specific themes and categories per ESRS priority topic standards.

### Phase 3: Evaluation

Each topic was scored using the tools mentioned above and through consultations with relevant units. Final results were reviewed and approved by the Sustainability Committee.



TALENT & CULTURE

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Material

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### **Impact Materiality Assessment**

The "inside-out" assessment of impact materiality evaluates how an organization's activities affect its surroundings, including people, the environment, and society at large. The applied methodology is built around three key factors determining the severity of impacts:

- Magnitude: Ranges from minimal effects to critical outcomes, ensuring that the most impactful issues are prioritized in strategic decision-making.
- Scope: Defines the extent of impact by geographical or sectoral reach (local, national, or global), allowing the Group to adjust its strategies according to the scale of risks or opportunities.
- · Irremediability: Applied exclusively to negative impacts, assessing the reversibility of harm caused (e.g., biodiversity loss or severe labor rights violations).

Potential impacts were evaluated based on likelihood (ranging from less than 15% - low probability, to over 90% - near certainty) and time horizons. Protecting and respecting human rights remain top priorities for adverse impacts.

These factors were quantified by weighting severity, likelihood, and time horizon, with irremediability added for negative impacts. Impacts were classified under the following thresholds:

- · Positive Impacts: High-magnitude impacts deemed likely or very likely are considered significant.
- Negative Impacts: Medium- or high-magnitude impacts with probable or current likelihood are included within the materiality threshold.

### **Financial Materiality Assessment**

Garanti BBVA's financial materiality assessment focuses on evaluating ESG (Environmental, Social, and Governance) risks and opportunities that have a significant impact on the Group's financial position. This analysis aligns with international reference standards and adopts an "outside-in" approach, considering key factors such as growth, operational performance, and access to capital.

The methodology employed assesses the probability and magnitude of financial impacts based on internal and external tools and information sources. One of the key tools used in this assessment is ENCORE (Exploring Natural Capital Opportunities, Risks, and Exposure), which facilitates the identification and management of risks and opportunities related to natural capital. This tool provides insights into the dependency of economic activities on ecosystem services and their potential impacts.

Garanti BBVA's Climate Risk Assessment process plays a critical role in evaluating physical and transition risks, analyzing the impact of ESG risks on the Bank's operations and business model. For further details, please refer to the 'Sustainability' section.

Additionally, Garanti BBVA has leveraged sectoral standards such as SASB, which provides key metrics for assessing social and governance risks, particularly in areas related to human capital and business ethics.

The elements derived from sustainability and climate-related risks and opportunities identified through the double materiality analysis require comprehensive and long-term studies to assess their potential impact on cash flows and revenue growth.

However, when evaluating the credit portfolio and expected credit loss provisions associated with climaterelated aspects such as the transition to a low-carbon economy, sustainable finance, and greenhouse gas emissions, no significant short-term adjustment risk to the financial statements has been identified.

The material risks identified through this analysis Turkey Sustainability Reporting Standards. The financial (excluding climate risk) have been mapped to the materiality criterion was determined by taking into operational risk categories used in the Bank's operational account a certain proportion of pre-tax profit and the risk management framework. As a result, the number of analysis was carried out accordingly. identified risks, their inherent and residual risk values. and the associated risk control measures have been **Results and Materiality Evaluation** recorded in the Risk and Control Self-Assessment (RCSA) framework. Based on this analysis, it has been concluded The double materiality analysis identified significant that no significant short-term adjustment risk exists for IROs under seven main themes. These findings reflect accounting records. emerging challenges and opportunities shaping the organization's business model, aligning with strategic The concrete financial impacts of studies on sustainability priorities in an ever-evolving environment.

and climate-related risks and opportunities are expected to be observed mainly in loans, expected loss provisions The table below outlines the results of the double and equity items in the bank's balance sheet, and materiality analysis by impact, risk, and opportunity: these effects are disclosed only if they are of financial significance within the framework of compliance with

		lmpact Materialit	y	Financial Materiali		
	ESRS Main Topics	Positive Impact	Negative Impact	Risks	Opportunities	FINAL RESULT
	ESRS E1: Climate Change					
	ESRS S1: Own Workforce					
=	ESRS G1: Business Conduct					
Material	ESRS S4: Consumers and End-Users					
	ESRS E2: Pollution					
	ESRS E5: Resource Use and Circular Economy					
	ESRS E3: Water and Marine Resources					
	ESRS S3: Affected Communities					
	ESRS S2: Workers in the Value Chain					
	ESRS E4: Biodiversity and Ecosystems					





Somewhat Material

Non-material

INTRODUCTION	ABOUT GARANTİ BBVA	GARANTI BBVA'S POSITION IN THE SECTOR	OUR VALUE CREATION	2024 FINANCIAL RESULTS	SUSTAINABILITY	RISK MANAGEMENT	TALENT & CULTURE
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### Impacts, Risks and Opportunities on the Value Chain

The value chain refers to the Bank's activities, processes and stakeholders required to provide products and services. The three main categories that represent the value chain are shown below

Upstream Flow (Upstream)	Our Own Operations	Downstream Flow (Downstream)
Suppliers within the supply chain	Core banking services (loans, deposits, etc.)	Marketing and distribution of the products and services encompassing the Bank's and
Investors and shareholders	Payment systems	its subsidiaries' activities
Public authorities and regulators	Investment products	Customers (Retail, SME, Corporate, etc.)
	Risk Management	Commercial partnerships (fintechs, business alliances, etc.)
	Internal audit and compliance processes	Other stakeholders benefiting from the banking service (society, other players in the
	Employees and employee management (training, talent development, etc.)	financial system)
	Technology infrastructure and security	

In the assessment, material issues are mainly concentrated in the downstream stage of the value chain, and some, such as those related to business ethics and employees, are related to internal operations.

The table below shows material impacts, risks and opportunities' impact on the value chain.

### Impacts, Risks and Opportunities identified as priority regarding sustainability

ESRS Topic Headings	Material Issue	Description	Current / Potential	Impact / Risk / Opportunity	Time Horizon	The Value Chain It Affects
		Providing loans to customers unable to adapt to new regulations and changing market conditions during the transition to a low- carbon economy could negatively impact the bank's revenues and portfolio quality	Potential	Risk (Transition Risk)	Long Term	Downstream (Customers)
		Financing emission-intensive or non-transition strategy companies, sectors, and operations could increase greenhouse gas emissions from Garanti BBVA's portfolio, complicating alignment with the decarbonization targets set by the Paris Agreement.	Current	Negative Impact	-	Downstream (Customers)
ESRS E1: Climate Change	Climate Change	Financing companies and sectors without decarbonization strategies or with high-emission profiles could increase total greenhouse gas emissions in Garanti BBVA's portfolio, creating a risk of deviation from the Paris Agreement targets.	Current	Negative Impact	-	Downstream (Customers)
		Many customers in carbon- intensive sectors may need to improve their production lines to align with the 1.5-Degree Roadmap of the Paris Agreement	Potential	Risk (Transition Risk)	Long Term	Downstream (Customers)
		Supporting the reduction of greenhouse gas emissions and providing financing and support for customers/sectors transitioning to a low-carbon economy to achieve the targets of the Paris Agreement.	Current	Positive Impact	-	Downstream (Customers)





ESRS Topic Headings	Material Issue	Description	Current / Potential	lmpact / Risk / Opportunity	Time Horizon	The Value Chain It Affects
		Encouraging financed companies to adopt sustainable business models to mitigate and adapt to the impacts of climate change, thereby enhancing their resilience.	Current	Positive Impact	-	Downstream (Customers)
		Supporting customers in adapting to the impacts of climate change and increasing their resilience by promoting sustainable business models.	Current	Positive Impact	-	Downstream (Customers)
	Adaptation to Climate Change	Redirecting financing to more sustainable sectors and activities to reduce greenhouse gas emissions and support the targets of the Paris Agreement.	Current	Positive Impact	-	Downstream (Customers)
ESRS E1: Climate Change		Reducing emissions associated with increased demand for sustainable financial products and services (including investment and pension funds).	Current	Positive Impact	-	Downstream (Customers)
		Facilitating more effective dialogue with companies about reducing the impacts of climate change and contributing to these processes by implementing decarbonization policies and influencing management.	Current	Positive Impact	-	Downstream (Customers)
	Adaptation to Climate Change (Energy)	Supporting financed customers in transitioning to sustainable and efficient energy systems, offering them tailored solutions to achieve transformation goals.	Current	Positive Impact	-	Downstream (Customers)
ESRS S2: Pollution	Air Pollution	Reducing pollution levels and focusing on more sustainable sectors by redirecting financing appropriately.	Current	Positive Impact	-	Downstream (Customers)

ESRS Topic Headings	Material Issue	Description
ESRS E3:	Water Discharges Water Discharges to Oceans	Financing companies highly dependent on water resources or causing water pollution could lead to portfolio devaluation and issues with environmental commitments (This could also result in reputational and financial performance damage due to regulatory penalties).
Water and Marine Resources	Water Consumption Water Withdrawals Water Discharges to Oceans Extraction and Use of Marine Resources	Financing customers with high dependency on water consumption or adverse impacts on water resources could lead to repayment performance issues, regulatory pressures, and reputational loss (In the long term, such operations could threaten the bank's sustainability commitments).
ESRS E5: Resource Use and Circular Economy	Resources and Resource Usage	Providing financing for projects and sustainable business models that promote the efficient use of renewable and non-renewable natural resources in production and consumption processes.
ESRS S1: Own	Working Conditions (Safe Work Environment)	Ensuring individuals work under conditions of freedom, equality, security, and dignity.
Workforce	Working Conditions (Social Dialogue, Culture)	Supporting employees in creating and adopting a strong corporate culture.

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Current / Potential	Impact / Risk / Opportunity	Time Horizon	The Value Chain It Affects
Potential	Risk (Transition Risk)	Long Term	Downstream (Customers)
Potential	Risk (Transition Risk)	Long Term	Downstream (Customers)
Current	Positive Impact	-	Downstream (Customers)
Current	Positive Impact	-	Our Own Operations (Employees)
Current	Positive Impact	-	Our Own Operations (Employees)

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ESRS Topic Headings	Material Issue	Description	Current / Potential	Impact / Risk / Opportunity	Time Horizon	The Value Chain It Affects
ESRS S1: Own Workforce	Working Conditions Work-Life Balance Training and Talent Development	Achieving higher employee satisfaction and productivity through quality job offers and competitive compensation.	Current	Positive Impact	-	Our Own Operations (Employees)
	Diversity and the Value of 'Equal Pay for Equal Work'	Promoting equal opportunity among employees and ensuring sustainable support for this equality.	Potential	Positive Impact	Short Term	Our Own Operations (Employees)
	Impacts Related to Information			Risk	Medium Term	Downstream (Customers)
	for Customers and/or End- Users	Investments of time and money in the development of training programs increase the bank's costs and negatively affect its profitability.	Potential	Risk	Short Term	Our Own Operations (Activities)
ESRS S4: Consumers and End- Users		Incorrect or inappropriate use of data in awareness campaigns could decrease customer satisfaction and erode trust.	Potential	Risk	Short Term	Our Own Operations (Activities)
	Impacts Related to Information for	Non-compliance with data protection regulations could lead to lawsuits, financial penalties, and regulatory actions, increasing operational costs and causing reputational damage.	Current	Risk	Short Term	Our Own Operations (Compliance)
	Customers and/or End-Users (Privacy)	The lack of transparency and control mechanisms in personal data processing could lead to a loss of trust in Garanti BBVA's market reliability and tarnish its reputation with stakeholders.	Current	Risk	Short Term	Our Own Operations (Compliance) Downstream (Stakeholders)

ESRS Topic Headings	Material Issue	Description	
		Insufficient protection of customers' financial resources could weaken trust in the financial system and negatively impact the overall health of the economy.	
		Taking steps to protect customer and shareholder data, facilitating control mechanisms over personal data, and enabling stakeholders to exercise their rights effectively.	
Related	Impacts Related to Information for	Misjudging personal data security risks could result in privacy breaches, data losses, and security vulnerabilities, reducing the bank's competitiveness and customer trust.	
and End- Users	Customers and/or End-Users (Privacy)	Enhancing transparency in personal data processing to build trust with stakeholders and strengthen the institution's positive image.	
		Conducting educational campaigns and awareness efforts on responsible data use for customers and shareholders.	
		Inadequate cybersecurity measures could lead to the theft of sensitive information and significantly damage customer trust.	
		Implementing robust control mechanisms and transparent data processing policies to protect individuals' privacy rights and prevent unauthorized use of personal data.	

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Current / Potential	Impact / Risk / Opportunity	Time Horizon	The Value Chain It Affects
Potential	Negative Impact	Short Term	Our Own Operations (Compliance, Risk Management) Downstream (Stakeholders, Other players in the Economy
Current	Positive Impact	-	Downstream (Stakeholders, Customers)
Potential	Risk	Medium Term	Our Own Operations (Compliance, Risk Management)
Current	Positive Impact	-	Our Own Operations (Compliance, Risk Management)
Current	Positive Impact	-	Downstream (Stakeholders, Customers)
Potential	Risk	Medium Term	Downstream (Stakeholders, Customers)
Current	Positive Impact	-	Downstream (Stakeholders, Customers)

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ESRS Topic Headings	Material Issue	Description	Current / Potential	Impact / Risk / Opportunity	Time Horizon	The Value Chain It Affects		ESRS Topic Headings	Material Issue	Description
		Strengthening financial security by establishing an effective cybersecurity infrastructure and designing procedures and actions to protect customers' financial resources.	Current	Positive Impact	-	Downstream (Stakeholders, Customers)				The lack of diversity in and services, coupled lagging digital transforr could result in an inabil meet new customer ne causing revenue losses
	Impacts Related to Information for Customers	Over-reliance on IT service providers could lead to operational disruptions and interruptions in customer services during a security	Potential	Risk	Short Term	Our Own Operations (Activities)	ESRS S4: Consumers and End-		Impacts on Personal Security of	Unpredictable or error decisions made by Al, violations, algorithmic and misuse of Al.
	and/or End-Users (Privacy)	incident affecting these providers, increasing the bank's operational risks.				Downstream		and End- Users	Customers and/or End- Users	Weak cybersecurity m could lead to leaks of s information and securi breaches, resulting in
ESRS S4:		Technical issues in information systems and weaknesses in cybersecurity measures could disrupt operational processes, cause revenue losses, and erode customer trust.	Potential	Risk	Short Term	Our Own Operations (Technology) Downstream (Customers)				competitive and revent Customers' lack of kno about cybersecurity co increase fraud cases, h customers' financial si and lead to customer a
Consumers nd End-		Providing greater convenience and accessibility to banking		Positive		Downstream				
Jsers	Inclusion of	services for customers through digitalization.	Current	Impact	-	(Customers)				The lack of transparen in sustainability claims
		Facilitating access to funding and subsidies from governments and international organizations for sustainability projects, thereby improving customers'	Current	Positive Impact	-	Downstream (Customers)		ESRS G1:		and practices, mislead information, or "green activities could damag stakeholder trust and long-term reputational
ar U: Fi	Customers and/or End- Users in the Financial System	financial health. Offering financial solutions and programs to support the growth and sustainability of small and medium-sized enterprises (SMEs), fostering economic development and value creation.	Current	Positive Impact	-	Downstream (Customers, Stakeholders		Business Conduct	Corporate Culture	Non-compliance with a money laundering and terrorism financing reg or the use of products services for illegal activ could expose the bank sanctions, regulatory p and significant financia
		Promoting gender equality by financing projects and programs that contribute to a society where men and women have equal rights, responsibilities, and opportunities.	Current	Positive Impact	-	Downstream (Customers, Stakeholders, Society)				and significant financia reputational losses.

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Current / Potential	Impact / Risk / Opportunity	Time Horizon	The Value Chain It Affects
Potential	Risk	Short Term	Our Own Operations (Activities, Technology)
Potential	Risk	Medium Term	Our Own Operations (Activities, Technology)
Potential	Risk	Medium Term	Our Own Operations (Activities, Technology)
Current	Risk	Medium Term	Downstream (Customers) Our Own Operations (Activities, Technology)
Potential	Risk	Medium Term	Our Own Operations (Activities, Risk Management)
Potential	Risk	Short Term	Our Own Operations (Activities, Risk Management)

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Current / The Value ESRS Topic Time Material Issue Description / Risk / Headings Potential Horizon Chain It Affects Opportunity Contributing to socioeconomic well-being by adopting and adhering to good corporate Downstream Positive governance standards and Current (Customers, Impact principles to prevent money Stakeholders) Corporate laundering and counter-Culture terrorism financing. Promoting and developing equal Downstream opportunities among employees Positive Current (Customers, of financed companies, including Impact Stakeholders) within their boards of directors. Ineffective complaint ESRS G1: mechanisms or lack of customer Our Own accessibility could negatively Whistleblower Medium impact Garanti BBVA's customer Potential Operations Risk Protection Term satisfaction and trust (This could (Compliance) lead to reputational damage, legal disputes, and sanctions). Involvement in or tolerance Our Own of unethical practices could Medium Potential Risk Operations damage reputation and lead to Term (Compliance) lawsuits, regulatory sanctions, or Corruption and financial losses. Bribery Reputational risks and legal Our Own issues could arise from unethical Medium Potential Risk Operations activities such as corruption, Term (Compliance) fraud, and bribery.

Impact

## Integration of Double Materiality Analysis into Strategy

DATA AND

TECHNOLOGY

CUSTOMER

EXPERIENCE

TALENT &

CULTURE

RISK

MANAGEMENT

COMMUNITY

INVESTMENTS

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Garanti BBVA's strategy, in parallel with the BBVA Group, To ensure the alignment of the double materiality analysis is based on six strategic priorities that respond to critical with the Group's strategy, established practices such as global trends essential for economic transformation, the integration of non-financial risks, reputation risks, such as digitalization, innovation, and carbon reduction. and sustainable business channel creation plans have These trends are aimed at fundamental goals, including been incorporated. expanding the customer base, enhancing financial health, and supporting the transition to a sustainable future. This The results of the double materiality analysis are approach is supported by operational excellence, a highly structured around seven main significant categories: engaged team, and the implementation of advanced climate change, employees, business ethics, consumers technology and data analytics capabilities, ensuring and end-users, environmental pollution, circular scalability and security. economy, and water and marine resources. These categories reflect the Group's strategic priorities and reinforce alignment with corporate objectives.

ESRS Topic Headings	Material Issue	Relevant Strategic Priority	Actions Taken	Targets	Related Report Page
	Adaptation		Our contribution to the financing of sustainable development	Target for the 2018-2025 period: 400 billion TL	Page 132
	to Climate Change		Coal Phase Out Plan	We aim to minimize coal-related risks by 2030 and eliminate them completely by 2040.	Page 170
		-	Transition to a Low- Carbon Economy Strategy	Decarbonization Goals	Page 167
ESRS E1: Climate Change	Adaptation to Climate Change (Energy)	Sustainability	Environmental and Social Impact Assessment Process	The control of compliance with advanced environmental and social criteria was defined as the Environmental and Social Impact Assessment Process (ESIAP) and was created by referencing international standards and good practices, including but not limited to IFC Performance Standards and World Bank Environmental and Social standards. ESIAP is based on the scope determined in the Equator Principles (IV) standard and is additionally carried out to include all project finance and project finance advisory loans. Specific action plans, including adaptation to climate change in the projects monitored, are included in the loan agreement and these actions are monitored throughout the loan term.	Page 141- 143
			Support for Renewable Energy Projects	Share of renewable energy in financing new electricity generation projects: 100%	Page 170





ESRS Topic Headings	Material Issue	Relevant Strategic Priority	Actions Taken	Targets	Related Report Page
			Coal Phase Out Plan	We will minimize our risks related to coal activities by 2030 and completely eliminate them by 2040 at the latest.	Page 170
			Transition to a Low- Carbon Economy Strategy	Decarbonization Goals	Page 167
ESRS S2: Pollution	Air Pollution	Sustainability	Environmental and Social Impact Assessment Process	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 Environmental Pollution, are incorporated into loan agreements and monitored throughout the loan term.	Page 141-143
			Sustainable Finance Products	<ul> <li>Increasing the utilization of sustainable finance products in this area.</li> <li>Biodiversity / Blue bond issuances will be evaluated.</li> </ul>	Page 134-136
ESRS E3: Water and Marine Resources	Water Consumption Water Discharges Marine Resources	Consumption Water Discharges Marine		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 Ioan agreements and monitored throughout the Ioan term.	Page 141-143
			TURMEPA Collaboration (Blue Breath Project)	Through the Blue Breath Project, scien- tific conservation and monitoring efforts will continue to enhance the resilience of our seas and water resources.	Page 223

ESRS Topic Headings	Material Issue	Relevant Strategic Priority	Actions Taken	Targets	Related Report Page
			Sustainable Finance Products	Increasing the utilization of sustainable finance products in this area.	Page 134 136
ESRS E5: Resource Use and Circular Economy	Resources and Resource Usage	Sustainability	Environmental and Social Impact As- sessment Process	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 Circular Economy and Resource Usage, are incorporated into loan agreements and monitored through-out the loan term.	Page 141- 143
			Transition to a Low- Carbon Economy Strategy	Decarbonization Goals	Page 167
			Strengthening Diversity and Inclusion	– Developing a dynamic compensation management model by utilizing skill-	Page 213 215
		The Best and Most Engaged Team	Employee Well-being and Safety	based approaches and analytical solutions in remuneration processes. – Maintaining an inclusive work	Page 216 217
ESRS	Working Conditions (Safe Working Environment		Strengthening Ethical Values and Anti- Violence Policies	environment where employees have equal rights and opportunities. The percentage of employees receiving	Page 213 214
S1: Own Workforce	Employee Experience Training Diversity)		Developing a Competitive and Fair Compensation System	training on equal opportunities and diversity will be increased. – The target for the proportion of women on the Board of Directors is	Page 197 204
	Diversity)		Enhancing Talent Acquisition, Career, and Development Opportunities	25% (achieved in 2024). – Increasing internal mobility rates. – Aiming to improve employee and candidate experience through satisfaction surveys.	Page 195 196

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ESRS Topic Headings	Material Issue	Relevant Strategic Priority	Actions Taken	Targets	Related Report Page	ESRS Topic Headings	Material Issue	Relevant Strategic Priority	Actions Taken	Targets	Related Report Page
			Creating an Accessible Work Environment for People with Disabilities		Page 213- 215				In 2024, the "My Status" section in our mobile application		
			Promoting Gender Equality		Page 213- 215				was expanded with My Vehicle, My Home, and My	Our efforts to improve existing functions of 'My Status' area in mobile banking and efforts to add innovative functions	Page 237-
	Grou Wor and	Surveys and Focus Groups to Improve Workplace Conditions and Employee Well- being	<ul> <li>relaunch of Leadership Training Programs and The Good Manager trainings will offer personalized development journeys for leaders.</li> <li>Empathy Journey Training Program: An</li> </ul>	Page 195			Financial Health	Trips pages, offering a comprehensive and holistic user experience to help customers improve their financial health.	in line with customer needs will continue uninterruptedly.	238	
			Digital and Classroom Training to Promote a Continuous Learning Digital and Classroom training to Promote a Leaders. This program	Empathy Journey Training Program will be implemented for all employees and leaders. This program will provide training	Page 205- 212	ESRS S4:	Information	d to	Open Banking	Investments and collaborations to in- crease API diversity and usage, initiated in 2024, will accelerate further in 2025.	Page 32
ESRS SI: Own Workforce	Empo	Empowering leadership program	and development solutions to enhance employees' understanding of customer needs and enable more effective service	Page 210	Consumers and End- Users	for Customers and/or		As part of External Fraud Risk Manage- ment, three new Al	Al-powered and data-driven decision sup-		
	Conditions (Safe Working Environment Employee Experience	hent e man bet and e man bet and e man bet and e man bet and e man bet and e man bet and e man bet e man b	<ul> <li>delivery.</li> <li>The Camp Initiative: A global and gamified learning experience designed to foster the strategic competencies targeted by the Garanti BBVA Group will be launched in</li> </ul>	Page 213-	End-Users	Data and Technology	and machine learning- based analytical models have been deployed to strengthen decision-making processes.	port systems will be utilized to minimize bank and customer losses from external fraud cases.	Page 250		
	Training Diversity)		Discrimination Policies Domestic Violence Support Platform	2025.					In 2024, 16 corrective actions reduced customer		
			Equal Opportunity Model Accessibility Community Meetings		Page 213- 215			Reaching More Customers	dissatisfaction by 4.7%, while 5 proactive actions prevented potential dissatisfaction	Actions to enhance customer experience will continue.	234
			Environmental and Social Impact Assessment Process	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 Labor and Working Conditions, are incorporated into loan agreements and monitored throughout the loan term.	Page 141- 143						

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ESRS Topic Headings	Material Issue	Relevant Strategic Priority	Actions Taken	Targets	Related Report Page	ESRS Topic Headings	Material Issue	Relevant Strategic Priority	Actions Taken
	Privacy and Personal	Data and Technology	Over 700 AI models have been developed using various algorithms, covering customer satisfaction, marketing and sales, pricing, fraud detection, and credit evaluation24/7 Cyber Defense CenterWith personalized customer journey	By leveraging large language models and generative AI, the bank aims to further improve service quality for its customers.	Page 246- 251				Anti-Bribery and Corruption Policy, Competition Policy, Conflict of Interest Policy, Ethics Reporting Line Management & Whistleblower Protection Policy, Gift and Event Standard, Anti-Money Laundering (AML) Policy
	Security Impacts for Customers and/or End-		capabilities, Ruler Al analyzed the behavior of an average of 10.7 million						Bank Compliance Program
	Users		customers daily across 158 different scenarios				Corporate Culture		Financial Group Compliance Program
			through digital channels and branches ESRS	ESRS G1:		Operational	General Anti-Money Laundering And		
			Personal Data Protection Policy	Efforts to increase employees' knowledge and awareness levels will continue.		Business Conduct		Excellence	Counter-Terrorist Financing Policy
ESRS S4: Consumers and End-		Operational Excellence	Personal Data Retention and Disposal Procedure		Page 296- 297				Standard for Termination Process
Users			Personal Data Breach Response Procedure						Standard for Financia Sanctions
			5 Pebbles Social and	Financial literacy education will continue					AML Risk Assesment Standard
			Financial Leadership Program	for primary and secondary school students.	Page 222			AML Customer Admission and Due	
	Inclusion of Cus-tomers and/or End-	us-tomers hd/or End- sers in the Health Reaching More Sers in the Hanncial Health Reaching More Health Reaching More Health Reaching More Health Health Hore Health Health Hore Health Health Health Hore Health Hore Health Hore Health Hore Health Hore Health Hore Health Hore Health Hore Health Hore Health Hore Health Hore Hore Health Hore Health Hore Hore Hore Hore Health Hore Hore Hore Hore Hore Health Hore Ho	Page 220		Protection of Whistleblowers	-	Diligence Standard		
	Users in the Financial		supported within the	Garanti BBVA Partners Tech Program ill	Page 230		Corruption and Bribery		Ethical & Integrity Principles
	System		Partners Tech Program graduated from the					^	
			Accessible Banking Services	Continuous work and collaborations will be pursued to meet needs and enhance experiences.	Page 231				

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	Targets	Related Report Page
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ney	The Compliance Department, Audit Board,	
t	Internal Control Center, Talent & Culture Department, Legal Department, Customer Experience, and Service Model Management Department will continue working in	290-297
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## **Our Value Creation Model**

**MEGA TRENDS** 

	INPUTS	OUTPUTS	RISKS & OPPORTU
HUMAN CAPITAL	<ul> <li>Competent human resource</li> <li>Hybrid Working Model</li> <li>Trainings in various fields from personal awareness to technical training</li> <li>Investments to programs for employee happiness</li> <li>Enhancing Employee Engagement and Feedback</li> <li>Equal pay for work of equal value</li> <li>Integration of values into daily operations</li> <li>Diversity policies</li> </ul>	<ul> <li>Employee turnover</li> <li>Employee engagement score</li> <li>Hours training per FTE</li> <li>Absentee rate</li> <li>Employee survey results</li> <li>Gender pay gap</li> <li>Improving participation levels and satisfaction</li> <li>Senior and middle-level woman employee rate</li> </ul>	OUR PURPOSE: BRING AGE OF OP
FINANCIAL CAPITAL	<ul> <li>Equity</li> <li>Asset size</li> <li>Business model focused on capital generation, dynamic balance sheet management</li> <li>Data-driven and agile decision-making processes</li> </ul>	<ul> <li>33% Return on Equity</li> <li>Turkey's most profitable bank</li> <li>Most valuable company in BIST 100</li> <li>Leading bank in TL loans and TL customer deposits</li> </ul>	
DIGITAL AND INTELLECTUAL CAPITAL	<ul> <li>Integration of artificial intelligence and machine learning systems</li> <li>Continuous investment in technology since the early 90s</li> <li>Investments in robotic process automation since 2019</li> <li>Implementation of 16 corrective actions in 2024</li> <li>Open Banking</li> <li>24/7 operational Cyber Defense Center.</li> <li>Experienced professionals in data science, teams working with agile discipline</li> </ul>	<ul> <li>Delivering smarter, customizable solutions for customers more quickly</li> <li>Minimizing operational risk</li> <li>Ensuring customer privacy and information security, mitigating external fraud risks</li> <li>Providing a unique and value-added customer experience</li> <li>Financial health</li> <li>Data and Technology</li> <li>Contributing to customers' digital transformation, digital customer penetration</li> </ul>	Financial Health OUR VALUE
RELATIONSHIP CAPITAL	<ul> <li>Women Entrepreneur support program, Türkiye's Woman Entrepreneur Competition, Türkiye Women Entreprenur Academy, Garanti BBVA Accelerator Program, "Trade of Women" platform, technology entrepreneurs service model</li> <li>Accessible Banking Services, Partnership with Blindlook ve Garanti BBVA Engelsiz Çeviri</li> <li>Unbanked Women Program</li> <li>Root cause analysis to reduce customer dissatisfaction</li> <li>Al and machine learning-based analytics models for customer security and transaction risk management</li> <li>Behavioral analysis of 10.7 million customers</li> <li>Awareness and educational initiatives on cybersecurity and external fraud</li> </ul>	<ul> <li>"Hyper-personalized" customer experience</li> <li>Contributing to both the physical and financial freedom of customers with disabilities</li> <li>Supporting entrepreneurs and women within the framework of inclusive growth</li> <li>Strengthening customers' financial health</li> <li>Ensuring customer privacy and data security, eliminating external fraud risks</li> <li>Improving customer service quality</li> <li>Raising customers' awareness of the climate crisis</li> </ul>	Superational Cristomer comes the Beaching more clients
NATURAL AND SOCIAL CAPITAL	<ul> <li>400 billion TL Sustainable Finance target</li> <li>15 years of efforts focused on combating the climate crisis and promoting inclusive growth</li> <li>Environmental and Social Impact Assessment Process (ESIAP) and Loan Standard (ESLS)</li> <li>Active membership in 45 working groups and 26 initiatives</li> <li>Partnership with TURMEPA ("Blue Breath" initiative)</li> <li>First Turkish signatory of the United Nations Net-Zero Banking Alliance</li> <li>Sustainability Policy</li> <li>Transition strategy to a low-carbon economy</li> <li>Commitment to coal phase-out</li> </ul>	<ul> <li>Financing the transition to a low-carbon economy</li> <li>Managing the environmental impacts of our operations</li> <li>Supporting customers in adapting to and increasing their resilience against the e.ects of climate change by promoting sustainable business models</li> <li>Managing sustainability risks and opportunities</li> <li>Long-term projects contributing to societal vision in the .elds of sports, music, and culture</li> <li>Supporting quality education</li> </ul>	Stanlad

## **CORPORATE GOVERNANCE AND RISK MANAGEMENT**



**RISKS & OPPORTUNITIES** 





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#### SDG



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	HUMAN CAPITAL
	FINANCIAL CAPITAL
	DIGITAL AND INTELLECTUAL CAPITAL
10 RECEN	RELATIONSHIP CAPITAL
8 CONCARC GROWN CONCARC GROWN 15 Million Concarc Grown 17 Million Rescarc Concarc Grown 17 Million Rescarc Concarc Grown 10 Million Rescarc 10	NATURAL AND SOCIAL CAPITAL





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# **Contribution to Sustainable Development Goals and Targets**

We contribute to the United Nations 2030 Sustainable Development Goals and the Paris Agreement with our activities, collaborations and actions.

The Bank published its first Sustainability Report in 2010, its Sustainability Policy in 2014, and its first Integrated Annual Report in 2017.

In our 2023 Integrated Annual Report, we aim to explain in detail how we contribute to the Sustainable Development Goals with our practices. As Garanti BBVA, we contribute to all 17 Sustainable Development Goals and 70 targets.

Among these, SDGs that we have the most effect in parallel with our priority issues are;

**No Poverty** 



Description	Garanti BBVA Action	Related Material Issue
1.4 - By 2030, ensure that all men and women, in particular the poor and the vulnerable, have equal rights to economic resources, as well as access to basic services, ownership and control over land and other forms of 13 property, inheritance, natural resources, appropriate new technology and financial services, including microfinance	• Unbanked Women Program	Circular Economy Customers and End- Users



Zero Hunger

#### Description

2.3 - By 2030, double the agricultu productivity and incomes of smallproducers, in particular women, inc peoples, family farmers, pastoralist including through secure and equal land, other productive resources ar knowledge, financial services, mar opportunities for value addition and employment.

2.4 - By 2030, ensure sustainable f production systems and implement agricultural practices that increase and production, that help maintain that strengthen capacity for adapt climate change, extreme weather, flooding and other disasters and th progressively improve land and so



#### Good Health & Well-Being

#### Description

3.9 - By 2030, substantially reduce number of deaths and illnesses from hazardous chemicals and air, water pollution and contamination

3.C - Substantially increase health fi and the recruitment, development, and retention of the health workforc developing countries, especially in le developed countries and small islan developing States

3.D - Strengthen the capacity of all co in particular developing countries, for warning, risk reduction and manage national and global health risks



	Garanti BBVA Action	Related Material Issue
ural -scale food ndigenous sts and fishers, al access to and inputs, rkets and nd non-farm	<ul> <li>Agricultural Support Package</li> <li>Sustainable Agricultural Loans</li> </ul>	Circular Economy Customers and
food nt resilient e productivity n ecosystems, tation to drought, hat iil quality.		End-Users Climate Change

	Garanti BBVA Actions	Related Material Issue			
the	<ul> <li>"We Will Learn and Heal" program</li> </ul>				
m r and soil	<ul> <li>Holistic employee well-being program, IYİ, for physical, emotional, social, financial and career</li> </ul>				
inancing training ce in	<ul><li>well-being</li><li>Working Environment</li></ul>				
east nd	Guide <ul> <li>Ergonomics Training</li> </ul>	Circular Economy			
	Compliance     with national	Customers and End- Users Our Employees			
countries,	and international standards in Occupational Health and Safety				
or early ement of	Healthcare     infrastructure     expenditures				
	• Environmental and Social Loan Standard				

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Description	Garanti BBVA Action	Related Material Issue	 Description
4.3 -By 2030, ensure equal access for all women and men to affordable and quality technical, vocational and tertiary education, including university			5.1 - End all forms of discrimination aga women and girls everywhere
4.4 - By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship	• Teachers Academy Foundation (ÖRAV)		5.5 - Ensure women's full and effective participation and equal opportunities fo leadership at all levels of decision-maki political, economic and public life
4.5 By 2030, eliminate gender disparities in education and ensure equal access to all levels of education and vocational training for the vulnerable, including persons with disabilities, indigenous peoples and children in vulnerable situations	<ul> <li>"We Will Learn and Heal" program</li> <li>Together for the Future Program</li> <li>5 Pebbles: Social and Financial Leadership Program</li> <li>EqualUs Project (EşitBiz)</li> <li>Türkiye Women Entrepreneur Academy</li> <li>Talent Development Activities</li> </ul>		5.B - Enhance the use of enabling techn in particular information and communic technology, to promote the empowerm
4.7 - By 2030, ensure that all learners acquire the knowledge and skills needed to promote sustainable development, including, among others, through education for sustainable development and sustainable lifestyles, human rights, gender equality, promotion of a culture of peace and non-violence, global citizenship and appreciation of cultural diversity and of culture's contribution to sustainable development		t End-Users Our Employees	women 5.C - Adopt and strengthen sound polic enforceable legislation for the promotic gender equality and the empowerment women and girls at all levels
4.A - Build and upgrade education facilities that are child, disability and gender sensitive and provide safe, non-violent, inclusive and effective learning environments for all	• Game at School Project		
4.C - By 2030, substantially increase the supply of qualified teachers, including through international cooperation for teacher training in developing countries, especially least developed countries and small island developing States			

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	Garanti BBVA Action	Related Material Issue
	<ul> <li>Unbanked Women Program</li> </ul>	
gainst all	<ul> <li>Garanti BBVA</li> <li>Women</li> <li>Entrepreneurs</li> <li>Program</li> </ul>	
	<ul> <li>Bloomberg Gender Equality Index</li> </ul>	
ve s for aking in	<ul> <li>Board of Directors Diversity and Suitability Policy</li> </ul>	
	• Gender Equality Loan	Circular Economy Customers and
hnology, inications	<ul> <li>Equality of Opportunity and Diversity Model</li> </ul>	End-Users Our Employees
rment of	• Women's Empowerment Principles (WEPs)	
	Equal Pay Policy	
olicies and otion of	Cooperation with     KAGIDER	
ent of all	<ul> <li>Environmental and Social Loan Standard</li> </ul>	

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#### **Clean Water & Sanitation**

Description	Garanti BBVA Action	Related Material Issue
6.1 - By 2030, achieve universal and equitable access to safe and affordable drinking water for all	<ul> <li>Blue Breath Project</li> <li>Business for Plastic Initiative</li> </ul>	
6.3 - By 2030, improve water quality by reducing pollution, eliminating dumping and minimizing release of hazardous chemicals and materials, halving the proportion of untreated wastewater and substantially increasing recycling and safe reuse globally	<ul> <li>Basic Level Zero Waste Certificate</li> <li>Water efficiency projects</li> <li>ISO 14046 Water Footprint Standard</li> </ul>	Environmental Pollution Water and Marine Resources
6.6 - By 2020, protect and restore waterrelated ecosystems, including mountains, forests, wetlands, rivers, aquifers and lakes	<ul> <li>Environmental and Social Loan Standard</li> </ul>	



Affordable & Clean Energy

Description

7.1 - By 2030, ensure universal acce affordable, reliable and modern ene

7.2 - By 2030, increase substantial renewable energy in the global ene

7.3 - By 2030, double the global rate improvement in energy efficiency

7.A - By 2030, enhance internationa cooperation to facilitate access to c research and technology, including energy, energy efficiency and advar cleaner fossil-fuel technology, and investment in energy infrastructure energy technology

7.B - By 2030, expand infrastructur upgrade technology for supplying n sustainable energy services for all countries, in particular least develo countries, small island developing S land-locked developing countries, i with their respective programmes

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	Garanti BBVA Action	Related Material Issue
ess to lergy services		
lly the share of ergy mix	<ul> <li>Garanti BBVA Eco- efficiency Plan</li> <li>Climate Change Action Plan</li> <li>Coal Phase Out Plan</li> </ul>	
te of	<ul> <li>Sustainable products linked to renewable energy and energy efficiency</li> <li>Renewable energy</li> </ul>	Climate Change Environmental Pollution
nal clean energy g renewable anced and promote re and clean	<ul> <li>investments</li> <li>ISO 14001 Environmental Management System</li> <li>ISO 50001 Energy Management</li> </ul>	
rre and modern and in developing oped States, and in accordance of support	System	

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#### **Decent Work & Economic Growth**

Description	Garanti BBVA Action	Related Material Issue
<ul> <li>8.3 - Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small- and mediumsized enterprises, including through access to financial services</li> <li>8.4 - Improve progressively, through 2030, global resource efficiency in consumption and production and endeavour to decouple economic growth from environmental degradation, in accordance with the 10-year framework of programmes on sustainable consumption and production, with developed countries taking the lead</li> <li>8.5 - By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value</li> <li>8.7 - Take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labour, including recruitment and use of child soldiers, and by 2025 end child labour in all its forms</li> <li>8.8 - Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment</li> <li>8.9 - By 2030, devise and implement policies to promote sustainable tourism that creates jobs and promotes local culture and products.</li> <li>8.10 - Strengthen the capacity of domestic financial institutions to encourage and expand access to banking, insurance and financial services for all</li> </ul>	<ul> <li>Garanti BBVA Partners Accelerator Program, technology entrepreneurs service model</li> <li>Holistic employee well-being program, IYI, for physical, emotional, social, financial and career well-being</li> <li>Working Environment Guide</li> <li>Ergonomics Training</li> <li>Compliance with national and international standards in Occupational Health and Safety</li> <li>Equality of Opportunity and Diversity Model</li> <li>Women's Empowerment Principles (WEPs)</li> <li>Equal Pay Policy</li> <li>Target to increase % of women on Board of Directors to 25%</li> <li>Environmental and Social Loan Standard</li> </ul>	Circular Economy Customers and End- Users Our Employees



#### Industry, Innovation & Infrastructure

#### Description

9.1 - Develop quality, reliable, susta resilient infrastructure, including re transborder infrastructure, to supp development and human well-bein on affordable and equitable access

9.2 - Promote inclusive and sustair industrialization and, by 2030, sign raise industry's share of employme gross domestic product, in line wit circumstances, and double its share developed countries

9.3 - Increase the access of small-s industrial and other enterprises, in in developing countries, to financia including affordable credit, and the into value chains and markets

9.4 - By 2030, upgrade infrastructur retrofit industries to make them su with increased resource-use efficie greater adoption of clean and envir sound technologies and industrial with all countries taking action in a with their respective capabilities

9.5 - Enhance scientific research, u technological capabilities of industri all countries, in particular developin including, by 2030, encouraging in and substantially increasing the nu research and development workers people and public and private research development spending

9.B - Enhance scientific research, u the technological capabilities of ind sectors in all countries, in particula countries, including, by 2030, enco innovation and substantially increa number of research and developm per 1 million people and public and research and development spendi domestic technology development and innovation in developing count by ensuring a conducive policy env for, inter alia, industrial diversification addition to commodities FINANCIAL REPORTS AND APPENDICES





	Garanti BBVA Action	Related Material Issue
ainable and regional and port economic ng, with a focus is for all		
nable nificantly nent and th national are in least		
scale n particular al services, eir integration	• Garanti BBVA Partners Accelerator	
ture and ustainable, ency and ironmentally I processes, accordance	<ul> <li>Program</li> <li>Digital Solutions for Corporate Customers</li> <li>Clean transportation and renewable energy</li> </ul>	Circular Economy Customers and End- Users Environmental Pollution
upgrade the trial sectors in ing countries, nnovation umber of rs per 1 million earch and	renewable energy investments • Twin Transformation seminars with TÜRKONFED	
upgrade dustrial ar developing couraging asing the nent workers d private ing Support nt, research ntries, including vironment tion and value		

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10	REDUCED NEQUALITIES
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## **Reduced Inequalities**

Description	Garanti BBVA Action	Related Material Issue
10.1 - By 2030, progressively achieve and sustain income growth of the bottom 40 per cent of the population at a rate higher than the national average	<ul> <li>Accessible banking services</li> <li>Equality of Opportunity and</li> </ul>	
10.2 - By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status	Diversity Model • Women's Empowerment Principles (WEPs) • Equal Pay Policy	
10.3 - Ensure equal opportunity and reduce inequalities of outcome, including by eliminating discriminatory laws, policies and practices and promoting appropriate legislation, policies and action in this regard	<ul> <li>Environmental and Social Loan Standard</li> <li>Gender Equality Loan</li> <li>Garanti BBVA Code of Conduct</li> </ul>	Circular Economy Customers and End- Users Our Employees
10.4 - Adopt policies, especially fiscal, wage and social protection policies, and progressively achieve greater equality	<ul> <li>ecording, BlindLook and KAGİDER partnerships</li> <li>Whistleblowing Channel</li> </ul>	
10.6 - Ensure enhanced representation and voice for developing countries in decision-making in global international economic and financial institutions	<ul> <li>Ethics and Integrity Committee</li> <li>EqualUs Project (EşitBiz)</li> </ul>	



#### **Sustainable Cities and Communities**

#### Description

CUSTOMER

EXPERIENCE

11.3 - By 2030, enhance inclusive ar sustainable urbanization and capac participatory, integrated and sustai settlement planning and managem countries

11.4 - Strengthen efforts to protect the world's cultural and natural her

11.4.1 - Total per capita expenditure preservation, protection and conse of all cultural and natural heritage, of funding (public, private), type of (cultural, natural) and level of gover (national, regional, and local/munic

11.6 - By 2030, reduce the adverse environmental impact of cities, inclu paying special attention to air quali municipal and other waste manage

11.C - Support least developed cour including through financial and tech assistance, in building sustainable buildings utilizing local materials

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	Garanti BBVA Action	Related Material Issue
and acity for	<ul> <li>LEED Certified Buildings</li> </ul>	
ainable human nent in all	<ul> <li>Plastic reduction and avoidance pledge</li> </ul>	
and safeguard ritage	<ul> <li>ISO 14001</li> <li>Environmental</li> <li>Management</li> <li>System</li> </ul>	
niage	• Basic Level Zero Waste Certificate	
e on the ervation	• Green Mortgage Loans	
by source heritage	• Salt	Environmental Pollution
ernment icipal)	<ul> <li>Festival sponsor of Istanbul Jazz Festival for 25</li> </ul>	Water and Marine Resources
	years	
e per capita cluding by ity and ement	<ul> <li>Supporter of National Men's and Women's Basketball Teams and Wheelchair</li> </ul>	
intries, chnical	Basketball Men's and Women's National Teams	
and resilient	• Sustainable transportation with Corporate Green Vehicle Loan	

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le Consumption & Production				
Description	Garanti BBVA Action	Related Material Issue		
12.2 - By 2030, achieve the sustainable management and efficient use of natural resources				
12.4 - By 2020, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimize their adverse impacts on human health and the environment	<ul> <li>Coal Phase Out Plan</li> <li>Environmental and Social Loan Standard</li> </ul>			
12.5 - By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse	<ul> <li>ISO 14001</li> <li>Environmental</li> <li>Management</li> <li>System</li> </ul>			
12.6 - Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle	<ul> <li>Sustainable Financial Transactions</li> <li>Direct Environmental Impact Mitigation Efforts</li> </ul>	Climate Change Environmental Pollution Circular Economy		
12.8 - By 2030, ensure that people everywhere have the relevant information and awareness for sustainable development and lifestyles in harmony with nature	<ul> <li>Garanti BBVA EcoEfficiency Plan</li> <li>Integrated Annual Report</li> <li>Garanti BBVA Climate Index</li> </ul>			
12.C - Rationalize inefficient fossil-fuel subsidies that encourage wasteful consumption by removing market distortions, in accordance with national circumstances, including by restructuring taxation and phasing out those harmful subsidies, where they exist, to reflect their environmental impacts, taking fully into account the specific needs and conditions of developing countries and minimizing the possible adverse impacts on their development in a manner that protects the poor and the affected communities	• Ecording and BlindLook partnerships			



**Climate Action** 

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Description

13.1 - Strengthen resilience and ada capacity to climate-related hazards disasters in all countries

13.2 - Integrate climate change mea national policies, strategies and plan

13.3 - Improve education, awarenes and human and institutional capaci change mitigation, adaptation, impa and early warning

13.A - Implement the commitment by developed-country parties to the Nations Framework Convention on Change to a goal of mobilizing jointl annually by 2020 from all sources t needs of developing countries in the meaningful mitigation actions and on implementation and fully operati Green Climate Fund through its cap soon as possible

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	Garanti BBVA Action	Related Material Issue
aptive s and natural	<ul> <li>Türkiye's Life:Fire Management Grant Program</li> </ul>	
s anu naturai	• Blue Breath Project	
	<ul> <li>Environmental and Social Loan Standard</li> </ul>	
asures into anning	<ul> <li>Sectoral decarbonization targets</li> </ul>	
	Climate Change     Action Plan	
ss-raising	Climate Change     Action Plan	Climate Change Environmental
city on climate pact reduction	• EU Pillar-III and Article 8 reporting	Pollution Water and Marine Resources
	• Garanti BBVA Eco- efficiency Plan	Resources
: undertaken ne United n Climate	<ul> <li>ISO 14001</li> <li>Environmental</li> <li>Management</li> <li>System</li> </ul>	
ly \$100 billion to address the ne context of transparency tionalize the pitalization as	• Ecording partnership	
	Monitoring climate- related physical and transition risks	
	<ul> <li>Financed emissions (PCAF)</li> </ul>	

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#### Life Below Water

Description	Garanti BBVA Action	Related Material Issue		
14.1 - By 2025, prevent and significantly reduce marine pollution of all kinds, in particular from land-based activities, including marine debris and nutrient pollution	Blue Breath Project     Environmental	Climate Change Environmental		
14.2 - By 2020, sustainably manage and protect marine and coastal ecosystems to avoid significant adverse impacts, including by strengthening their resilience, and take action for their restoration in order to achieve healthy and productive oceans	and Social Loan Standard	Pollution Water and Marine Resources		



#### Life on Land

Description	Garanti BBVA Action	Related Material Issue	
15.1 - By 2020, ensure the conservation, restoration and sustainable use of terrestrial and inland freshwater ecosystems and their services, in particular forests, wetlands, mountains and drylands, in line with obligations under international agreements	• Türkiye's Life: Fire		
15.2 - 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	Management Grant Program • Environmental and Social Loan Standard -ecording partnership	Climate Change Environmental Pollution	
15.A - Mobilize and significantly increase financial resources from all sources to conserve and sustainably use biodiversity and ecosystems	-Coal Phase Out Plan		



#### Peace, Justice and Strong Institutions

#### Description

16.4 - By 2030, significantly reduce financial and arms flows, strengthe recovery and return of stolen assets all forms of organized crime

16.5 - Substantially reduce corrupt bribery in all their forms

16.6 - Develop effective, accountabl transparent institutions at all levels

16.7 - Ensure responsive, inclusive, and representative decisionmaking FINANCIAL REPORTS AND APPENDICES



	Garanti BBVA Action	Related Material Issue	
e illicit en the ts and combat	• TCR and Reputation Training		
	Environmental and Social Loan Standard - Defence Norms		
tion and	• EqualUs (EşitBiz) Project		
	Garanti BBVA     Code of Conduct	Business Ethics	
	Whistleblowing     Channel		
ble and S	HR Internal Control Mechanism		
	• Ethics and Integrity Committee		
	Audit Committee		
, participatory g at all levels	Sustainability     governance		





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# **17** PARTNERSHIPS FOR THE GOALS \*

#### Partnerships for the Goals

Description	Garanti BBVA Action	Related Material Issue	
17.7 - Promote the development, transfer, dissemination and diffusion of environmentally	<ul> <li>Sustainability Themed Sectoral Working Groups</li> </ul>		
sound technologies to developing countries on favourable terms, including on concessional and preferential terms, as mutually agreed	<ul> <li>Relationship with non-governmental organizations</li> </ul>		
	• UNEP FI Impact Reporting		
17.14 - Enhance policy coherence for sustainable development	<ul> <li>Environmental and Social Loan Standard</li> </ul>		
	• Sustainable Finance	Climate Change Environmental	
17.17 - Encourage and promote effective public, public-private and civil society partnerships, building on the experience and resourcing strategies of partnerships	• Ecording, Blindlook, ÖRAV, WWF-Türkiye, TURMEPA, KAGDER, Equality Matters, FODER, KEDV partnerships	Pollution Water and Marine Resources Circular Economy	
	• Sponsorships in sports and music		
17.19 - By 2030, build on existing initiatives to develop measurements of progress on	Greenwashing     Guide		
sustainable development that complement gross domestic product, and support statistical capacity-building in developing countries	<ul> <li>Compliance with Turkish Sustainability Reporting Standards</li> </ul>		

# Stakeholder Engagement

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Issue	What does Garanti BBVA do about it?	Related Section	Relevant Material Topic
Customers			
Expectation for a secure customer experience against increased and evolving cyber threats and responsible AI use.	Garanti BBVA Cybersecurity Center Information Security Committee reporting to the Board of Directors, Tools for ensuring and deploying data security were developed and infrastructure projects aimed at increasing the reliability of infrastructure were carried on.	Data and Technology	
The need for the provision of services giving the underbanked population, particularly individuals with disabilities and the underprivileged population, greater access to financial services.	Partnership with Blindlook, Accessible Banking Services Women Entrepreneur support program and Garanti BBVA Accelerator Program that support the startup ecosystem within the frame of Inclusive Growth, Working to increase the financial literacy of individuals and their participation in the banking system for inclusive growth	Customer Experience	
The need for supporting customers to build on their financial planning skills to help them be prepared against contingencies and plan their future.	My Ecological Status" section on mobile banking launched in keeping with the focus on financial health, Financial Advisory for our SME customers, Smarter, customizable solutions for customers using AI, machine learning, and big data applications.	Customer Experience Data and Technology	Business Ethics
Regularly seek customer opinions and improve services based on an approach aligned with business ethics and protecting customers against risks.	Net Information Score and Net Promoter Score Measurement, Conducting root cause analysis of customer complaints and implementing corrective and improvement actions (16 actions in 2024)	Customer Experience	Customers and end users
Develop consumer products that will support customers' transition to a low-carbon economy.	Over 50 sustainable finance products covering all our Retail, SME, Commercial, Corporate segments	Sustainability	
Reach customers through any channel they need	Digital onboarding experience Open Banking, >1000 functions set on Garanti BBVA Mobile banking, Uninterrupted service 7 days a week via Live Support line The first customer satisfaction channel offering service 24/7 on social networks: "Garanti BBVA'ya Sor" (Ask Garanti BBVA), Türkiye's first AI-based smart assistant: UGI Campaigns, card information, and cardless payment solutions with BonusFlaş.	Customer Experience	

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lssue	What does Garanti BBVA do about it?	Related Section	Relevant Material Topic	Issue	What does Garanti BBVA do about it?	Related Section	Relevant Material Topic		
Employees				Community (Including Civil So	ciety Organizations, Associations and Internation	al Organizations			
Build on our employees' knowledge and skills about Personal Data Protection Law through awareness activities	Data Sharing Committee reporting to the Board of Directors, Awareness programs for customer privacy and information security, Training or briefings concerning external fraud Cybersecurity training per FTE	Data and Technology		Expectation for sharing the know-how and in- depth experience in ESG Management and Sustainable Finance.	Active Participation or Leadership in 45 Working Groups and 26 initiatives. Garanti BBVA Climate Index, Consulting services related to the "Green Deal."	Sustainability			
Cybersecurity investments attuning remote access infrastructures with current needs and security principles, secure teleworking for employees	Centralized Operations, Business Processes Management (BPM), Process Mining, Intelligent Document Processing (IDP) and Robotic Process Automation (RPA) technologies	Data and Technology				Expectation for alignment of portfolios with low carbon	Decarbonization Targets for Carbon-Intensive Sectors such as Energy, Automotive, Iron & Steel, and Cement by 2030, Commitment to financing at least TRY 400 billion in sustainable activities between 2018 and 2025. Responsible Banking Principles Impact Report, Climate Change Action Plan,	on	
	Hybrid Working Model, "Take Good Care of Yourself" programs focused on employee health and well-being, Work Environment Guide, and Employee Support Line, Enhancement and development of the digital learning platform to promote a continuous	, pathways	First Turkish bank to commit to coal phase-out in 2021, Responsible Banking and Sustainability Committee, Environmental and Social Impact Assessment Process (ESIAP)		Climate Change Circular Economy Environmental Pollution				
Physical and administrative OHS measures in work areas, supporting employee development	learning culture, "We Will Heal by Learning" training program designed to support employees during natural disasters such as earthquakes, Business Continuity process involving simulations for various scenarios, including earthquakes, floods, fires, and severe weather conditions, Preparedness program for a potential Marmara earthquake, initiated in 2022, ISO 22301 Business Continuity Management System Security and Resilience certification	Talent & Culture	Our Employees Business Ethics	The need for the development of community investment programs supporting inclusive growth	Investment in Social Programs: TRY 285 Million "Unbanked Women Program" Initiative, 5 Pebbles Social and Financial Leadership Program, WWF-Turkey – "Türkiye'nin Canı Yanmasın" Program, Turkish Marine Environment Protection Association / TURMEPA, Teacher Academy Foundation (ÖRAV). Salt, Collaborations in sports and music, Partnership with KAGİDER,	Community Investment	Our Employees Customers and End Users		
Raise increased awareness of gender equality among employees	Fair and Transparent Work Environment with Equal Opportunities and Diversity "EqualUS" project, launched in early 2022, aimed at raising awareness and fostering change in gender equality, Women's representation on the Board of Directors reached 25% in 2024, Internal training sessions to enhance awareness	Talent & Culture		Expectation for adherence to Human Rights and having specific reports and targets for diversity and inclusion	<ul> <li>"EqualUS" collaboration,</li> <li>"Key Card" Program</li> <li>Fair and Transparent Work Environment with</li> <li>Equal Opportunities and Diversity</li> <li>Women's representation on the Board of</li> <li>Directors at 25% (2024),</li> <li>Awareness training on Gender Equality</li> </ul>	Our Employees			









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#### What does Garanti BBVA do about it?

Related Section Relevant Material Topic

#### Shareholders and Investors

Issue

Expecting information on the following issues:	Addition of content, development and targets within the scope of sustainability and financial health		
<ul> <li>Macroeconomic projections</li> </ul>	strategic priorities to financial presentations, Detailed account of ESG issues and publication of		
<ul> <li>Impacts of regulatory framework</li> </ul>	ESG Analysts Database file on the Investor Relations website,	2024 Financial Results	
Inflation accounting	Regular communication with analysts, investors and fund managers via investor conferences,	Garanti BBVA's Position in the	Business Ethics
<ul> <li>Expectation for comparable, easily accessible data in Environmental, Social and Governance (ESG) areas</li> <li>Information about an evolving corporate governance structure against cybersecurity threats</li> </ul>	teleconferences and webinars, Webcasts of Financial Results, Operating Guidance Plan presentations, comparison of actualizations versus targets, Disclosure of risks and opportunities via the Integrated Annual Report, "Data and Infrastructure Information Security" and "Application Solutions Information Security" teams and the Information Security Committee reporting to the Board of Directors	Sector Sustainability The Environment We Operate In Data and Technology	Customers and End Users Climate Change

#### Government Agencies and Regulatory Authorities

Evaluation of Climate Changerelated opportunities and risks by and between banks and regulatory authorities	Active Participation or Leadership in 45 Working Groups and 26 initiatives, Garanti BBVA Climate Index, Consultancy services related to the "Green Deal."		
CBRT Open Banking services	Open Banking Applications: Access to account information from other banks via Garanti BBVA platforms and ability to transfer funds from these accounts, Tracking of POS transactions from other banks' member merchants on Garanti BBVA Mobile and Internet Banking platforms	Sustainability Customer Experience Data and Technology	Customers and End Users Climate Change
National Artificial Intelligence Strategy (NAIS) of the Presidency of the Republic of Türkiye Digital Transformation Office	GTech Certification Program: A one-year certification program covering emerging technology trends and the technical and leadership skills required for their implementation, Integration of new machine learning and deep learning models into 118 projects within Garanti BBVA systems in 2024		





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# 2024 Financial Results

110 Financial Performance Indicators and Progress



# **2024 Financial Results**

OUR VALUE

CREATION

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## **Financial Performance Indicators and Progress**

Garanti BBVA's strong commitment to sustainable and responsible banking has been the key driver of its robust financial performance in 2024. By balancing disciplined growth, effective balance sheet management, and deep relationship banking, the Bank has reinforced its role as a significant contributor to Türkiye's economic development. This commitment manifests as effective capital utilization to create enduring value for all stakeholders.

KEY INDICATORS	2022	2024
Asset Growth (%)	69%	36%
TL Loan Growth (%)	59%	52%
FC Loan Growth (in USD terms) (%)	5%	13%
NPL Ratio <sup>1</sup> (%)	2.0%	2.1%
Net Cost of Risk <sup>2</sup> (bps)	61	78
NIM including swap costs <sup>3</sup> (bps)	5.1% (359bps YoY contraction)	4.1% (92bps contraction)
Net Fees and Commissions Growth (%)	140%	123%
OPEX Growth (%)	103%	90%
Cost/Income Ratio <sup>4</sup> (%)	34.8%	44.1%
Leverage	8.0	8.1
ROAE (%)	44%	33%
Capital Adequacy Ratio <sup>5</sup> (%)	16.5%	18.2%
CET-1 Ratio5 (%)	14.5%	14.7%

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TALENT &

CULTURE

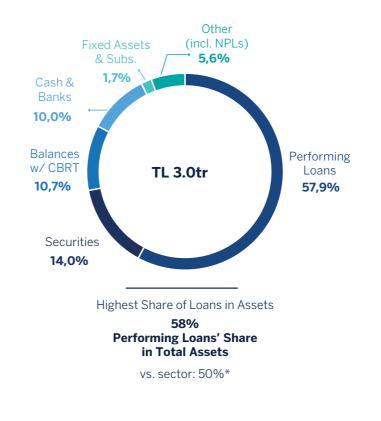
RISK

MANAGEMENT

SUSTAINABILITY

The expansion in Turkish lira loans, which grew by 52%, Loans was primarily driven by robust demand for credit cards Garanti BBVA's total assets reached 3.0 trillion TL in and consumer loans. This growth can be attributed to 2024, marking a 36% increase. A key differentiating rising consumer spending amidst inflationary pressures, factor for the Bank is that the majority of its assets and where increasingly relied on credit, which incentivized growth are customer-driven. Loans represented 58% consumer and corporate borrowing. The growth in of total assets, underscoring the Bank's position as a consumer loans was primarily driven by mortgages leading force in customer-driven financial solutions. and GPL overdrafts, segments that were not subject to the growth caps implemented.

#### Asset Breakdown



1 Excluding Factoring and Leasing receivables

2 Net CoR excludes currency impact, as it is 100% hedged, no bottom-line impact

3 Calculated based on Consolidated BRSA financials. TL reserves are taken into account in the calculation of IEAs. \* 2023 NIM and Core NII includes KKM related additional remuneration booked under trading line.

4 Income defined as NII (incl. swap costs) + Net F&C + Net Trading Income (excl. currency hedge) + Other Income (excl. provision reversals and one-off items) + Subsidiary Income

5 Excluding BRSA's forbearance



These strategic advancements enabled the Bank to secure its leadership among private banks in Turkish lira performing loans, increasing its market share to 21.8%. Meanwhile, foreign currency loans demonstrated moderate expansion, posting a 13% growth in USD terms. This growth was largely driven by export loans, reflecting Türkiye's emphasis on bolstering exportled economic growth. Furthermore, project financing for infrastructure and energy initiatives continued to contribute to this segment, aligning with the nation's long-term development objectives.

In a regulatory environment characterized by evolving frameworks to support financial stability and promote liraization, Garanti BBVA demonstrated its strength in navigating these changes effectively. The Bank's proactive approach in aligning its strategies with Türkiye's economic priorities has not only reinforced its market leadership but also ensured sustainable and balanced growth in its loan portfolio.

Non-cash lending growth was similar to the cash lending's with an increase of 36%. With that, further strengthened Garanti BBVA further strengthened its leadership in the Turkish lira non-cash loan market. By adopting a balanced and customer-centric approach, the Bank has ensured that its loan portfolio remains both resilient and diversified, laying the groundwork for sustainable growth while adhering to prudent risk management practices.



#### ABOUT GARANTİ BBVA

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Market Shares among private banks <sup>1</sup>	2023	2024	YoY $\Delta$	Rank
TL Performing Loans	20.3%	21.8%	153 bps	#1*
FC Performing Loans	16.8%	15.4%	-137 bps	#2*
Consumer Loans inc. Consumer CCs	20.9%	22.7%	179 bps	#1*
Cons. Mortage Loans	26.1%	27.7%	165 bps	#3*
Consumer Auto Loans	30.0%	33.3%	327 bps	#2*
Cons. General Purpose Loans	18.0%	19.5%	158 bps	#1*
TL Business Banking	19.7%	20.2%	50 bps	#2*
TL Customer Deposits	21.0%	20.5%	-42 bps	#1*
FC Customer Deposits	17.9%	18.0%	9 bps	#2*
Payment Systems Market Share	2023	2024	үбү 🛆	Rank
# of CC customers <sup>2</sup>	13.5%	14.2%	68 bp	#1
Issuing Volume (Cumulative) <sup>2</sup>	17.2%	17.0%	-16 bp	#1
Acquiring Volume (Cumulative) <sup>2</sup>	16.8%	16.6%	-17 bp	#1

\* Ranking among private banks as of September 2024

#### **Securities**

The securities portfolio of Garanti BBVA grew by 29% year-over-year, reaching 421 billion TL by the end of 2024. Despite a competitive regulatory environment and the pressures of high inflation, the share of securities within total assets was maintained at a relatively low level of 14%, reflecting a deliberate focus on fostering loan-driven asset growth.

Turkish lira-denominated securities accounted for 68% of the portfolio, with fixed securities holding the largest share.

#### **Deposits**

Deposits remain the cornerstone of Garanti BBVA's funding strategy, funding 72% of total assets as of year-end 2024. The Bank's strong focus on customer satisfaction and its ability to foster long-term relationships has resulted in a high share of customer demand deposits, which stood at 39% of total deposits. This shows that customers prefer Garanti BBVA as their main bank for their transactions.

## 39% Cust. demand deposits share in total Bank-only: 40% vs. sector: 33% 16% Share in FC-protected deposits TL Time deposits

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23% in 9M24 vs. peer avg. 21%

Note: Sector data is based on BRSA weekly data and is for commercial banks only.

TL time deposits achieved growth of 44%, strongly Secured Finance aligning with the Central Bank's "liraization" policies, which remained a core focus throughout 2024. The 2% Postfinance Central Bank of the Republic of Türkiye (CBRT) reinforced 0.4% **Bilateral** these efforts by tightening monetary policy and ensuring MTN 1% Turkish lira time deposits remained attractive through 13% strategic adjustments to reserve requirements and activity criteria. These measures included incentivizing **Net Interest Margin** the conversion of foreign currency-protected deposits (KKM) into standard Turkish lira deposits and facilitating In 2024, Net Interest Margin (NIM) faced significant seamless rollovers of maturing KKM accounts. With challenges amid the tight regulatory environment and the exit strategy for KKM implemented during the year, persistently high policy rates. Including swap costs, the the share of KKM in Turkish lira time deposits steadily NIM contracted by 92 bps year-on-year, reflecting the declined, reaching 18% by the end of 2024. FC deposits broader pressures within the banking sector with rising experienced an increase throughout the year, growing funding costs and tightened macroprudential policies. by 4%, however, it was mainly driven by the non retail Regulatory changes imposed tighter controls on lending FC time deposits at the foreign subsidiaries. and deposit costs, further compressing margins across the industry.

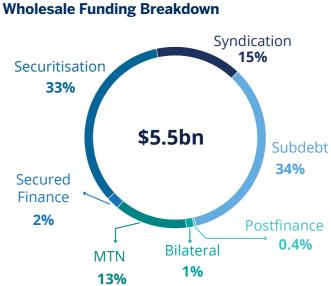
<sup>1</sup>Garanti figures are based on bank-only financials. Sector figures used in market share calculations are based on bank-only BRSA weekly data as of 27.12.2024, for commercial private banks

<sup>2</sup>Cumulative figures and rankings as of December 2024, as per Interbank Card Center data. Rankings are among private banks.



#### **External Borrowing**

Garanti BBVA's external debt increased from the level of USD 4.1 billion at the end of 2023 to USD 5.5 billion in 2024. In contrast, the FC liquidity buffer level was at USD 3.5 billion.



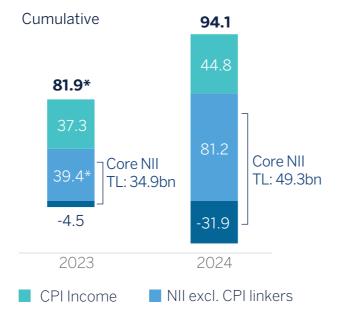
The contribution of CPI linker to the Net Interest Margin decreased by 64 bps. The decrease was due to the effective decrease in the October inflation rate from 62% in 2023 to 49% in 2024.

INTRODUCTION	ABOUT GARANTI BBVA	GARANTI BBVA'S POSITION IN THE SECTOR	OUR VALUE CREATION	2024 FINANCIAL RESULTS	SUSTAINABILITY	RISK MANAGEMENT	TALENT & CULTURE	COMMUNITY	INCLUSIVE GROWTH	CUSTOMER EXPERIENCE	DATA AND TECHNOLOGY	ORGANIZA STRUCT
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The Core Net Interest Margin, meaning NIM including swap costs excluding CPI linker income, contracted by 28 basis points year-on-year. The main factor behind this contraction were the regulations introduced, mainly due to increased reserve requirements.

#### NIM Incl. SWAP Cost<sup>1</sup>

#### YoY riangleCumulative 5.1%\* -92 bps 4.1% 2.6% 2.0% 2.4% 2.1% -28 bps 2023 2024 CPI Impact Core NIM



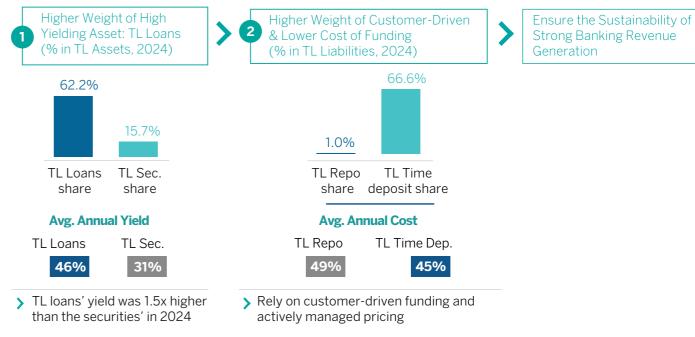
Net Interest Income Incl. SWAP Cost (TL bn)

However, throughout the year, with the expectation of the CBRT starting the easing cycle, TL loan-to-timedeposit spread improved, and continued to support Net Interest Margin. Feeling comfortable with the downward trend in CPI, CBRT ended its tightening cycle in December with 250 bps of rate cut, which will bolster the spreads even further. The FC loan-to-time deposit spread continued to support the Core Net Interest Margin in the year.



Despite the challenges in the sector, Garanti BBVA stood out by balancing risk and return effectively. The Bank's proactive management of its asset-liability duration gap ensured liquidity and profitability, even under the regulatory constraints. This approach reinforced its position as a market leader capable of navigating Türkiye's complex economic environment with resilience and adaptability.

#### Garanti BBVA's leadership in net interest income is driven by the increasing share of high-yielding assets and the high weighting of customer-driven, low-cost funding.



Note: Based on MIS data, using Daily averages. In the calculation of TL loan yields, CC related interest income is deducted from the numerator and CC volume is deducted from denominator as only ~30% of CC balances are interest bearing. \* TL debts = TL liabilities – TL equity

#### **Net Fees and Commisions**

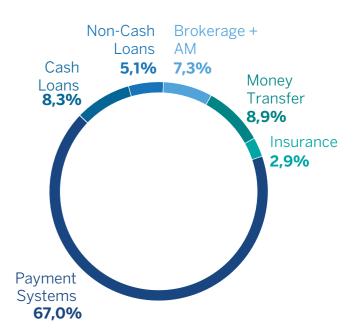
Garanti BBVA achieved a stellar performance in fee and commission income, recording a growth of 123% in 2024. This strong performance was supported by the Bank's leadership in payment systems, increasing customer penetration, and an expanding base of active digital customers. Payment system-related commissions grew by 184%, while lending-related fees and insurance commissions also contributed significantly to the overall fee income.

The increasing share of credit related commission items is attributable to heightened customer demand in loan products. Digitalization has been a key enabler of the growth in money transfer fees, along with the Bank's increasing presence in mobile and internet banking platforms.

<sup>1</sup>Calculated based on Consolidated BRSA financials. TL reserves are taken into account in the calculation of IEAs. \* 2023 NIM and Core NII includes KKM related additional remuneration booked under trading line



#### Net F&C Breakdown<sup>1</sup>





DATA AND CUSTOMER EXPERIENCE TECHNOLOGY

#### **Subsidiary Income**

Garanti BBVA is an integrated financial services group with its financial subsidiaries offering services in life insurance and pension, leasing, factoring, fleet management, brokerage and asset management, along with its international subsidiaries operating in the Netherlands and Romania.

In 2024, the income from Garanti BBVA's subsidiaries increased by 35% compared to the previous year, with their contribution to the Bank's profitability reaching 20%. The largest contribution to the annual profit increase came from Garanti BBVA Pension, Securities, International and Fleet.

- Garanti BBVA Pension: Net income increased significantly by 102% year-on-year, driven by higher interest rates boosting financial income, growth in pension fund volume, rising private pension contributions (BES), and an increase in life insurance premiums in 2024
- Garanti BBVA Securities: Reported a 39% increase in net income in 2024, primarily driven by the growth in treasury transactions, supported by an equity base that reached 9.9 billion TL by year-end
- Garanti BBVA Fleet: Revenue declined by 38% in 2024, due to higher financing costs from rising interest rates and stagnant per-vehicle profitability from used car sales compared to 2023 (2024 per-vehicle profitability: 505,000 TL vs. 2023: 500,000 TL). As of the end of 2024, Garanti BBVA Fleet, with 28.6 billion TL in total assets, remains one of the strongest companies in the sector in terms of financing capacity.
- Garanti BBVA International: Despite global economic pressures, Garanti BBVA International main-tained strong results, keeping its net profit in euro terms stable in 2024 (2023: 100.7 million EUR vs. 2024: 101.1 million EUR)

#### **Operating Expenses**

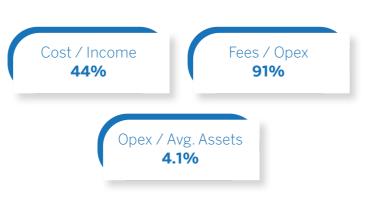
In 2024, operational expenses increased by 90%. After adjusting the one-offitems and 100% hedged currency impact, this increase was 84%, in line with the Operating Plan Guidance expectations.

Personnel expenses accounted for 38% of total operational expenses. To mitigate inflationary pressures, the Bank implemented two salary adjustments during the year, ensuring that employees' purchasing power was protected.

The remaining share of operational expenses, 62%, was driven by various non-personnel costs. These expenses include those relating to higher current and potential revenue generation.

Consequently, our effiency ratios remain best-in-class. Such that our Cost-income ratio with 44% suggests the highest efficiency among peers in this period. Fees coverage of OPEX also suggests a very strong, 91%.

#### **Diciplined Cost Management Will Continue to Differentiate our Efficiency Ratios**



#### **Asset Quality and Loan Provisions**

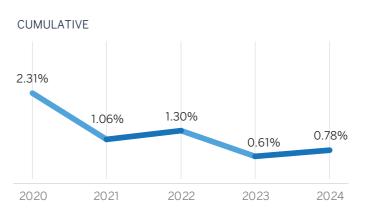
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In 2024, Garanti BBVA continued to prioritize the health of its loan portfolio, actively managing asset quality through rigorous risk assessments and a proactive approach to credit provisioning despite the challenging macroeconomic environment. The performing loan book is followed up under Stage 1 and Stage 2. Stage 2 loans are subjected to quantitative (Significant Increase in Credit Risk) or qualitative (Watchlist, Past Due and Restructured) evaluation with TFRS 9 models.

Stage 2 loans increased from 130 billion TL in 2023 to the level of 209 billion TL due to economic instability, higher inflation, and regulatory changes, which led to an uptick in credit risk for borrowers. Despite this, Garanti BBVA's proactive approach to credit monitoring and early intervention helped manage the overall risk exposure.

#### Net CoR Trend excl. Currency





The coverage ratio of Stage 2 loans has decreased from 21.4% at the end of 2023 to 12.3% at the end of 2024 due to big-ticket wholesale collections and reclassification related partial provision release of a loan. When looking at the coverage ratios in terms of foreign currency and Turkish lira, the coverage ratio for FC loans is 30%, while for TL loans, it is 6%.

In 2024, NPL ratio increased from 2.0% to 2.1% mainly driven by macroeconomic challenges, though the ratio is lower than peers' average. Consequently, The Net Cost of Risk (excluding currency impact) increased to 17 basis points, reflecting the risk pressure within the loan portfolio.

With Garanti BBVA's commitment to a prudent approach, the total provisions on balance sheet is the highest level in the sector, and the total coverage ratio is 3.3%. When adjusted for the written down loans since 2019, this ratio points to one of the highest total coverage ratios in the sector at 4.3%.

#### **Return on Equity and Capital Adequacy**

Garanti BBVA achieved a consolidated net income of 92 billion 179 million TL in 2024, representing a yearon-year growth of 6%, or a clean 17% growth when adjusted with last year's provision reversal. The level of earnings highlights the Bank's strong performance in a challenging environment and suggests a return on average equity of 33%, and a return on average assets of 3.5%.

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The Capital Adequacy Ratio (CAR) remained solid at 18.2%, well above regulatory requirements, despite the ongoing impact of currency depreciation and high interest rates. This level is significantly above the Basel III minimum adequacy level set for the year 2024 at 12.16%. Excluding the BRSA's forbearances, the Bank has an excess capital of 133 billion TL according to legal limits. This robust capital position highlights Garanti BBVA's prudent growth strategy, ensuring a strong buffer to absorb potential risks and sustain stability amidst market

COMMUNITY INCLUSIVE CUSTOMER INVESTMENTS GROWTH EXPERIENCE DATA AND ORGA TECHNOLOGY STF

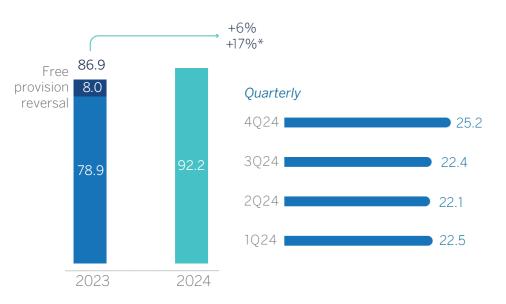
#### Realization of 2024 Operating Plan

	2023
TL Loan Growth (YoY)	~CPI
FC Loan Growth (in US\$, YoY)	Low-single digit growth
Net Cost of Risk (exc. currency impact)	~125bps
NIM incl. swap cost	Flattish
Fee Growth (YoY)	>avg. CPI
OPEX Growth (YoY)	>avg. CPI
ROAE (%)	Mid-30s

Note: The 2024 Operating Plan Guidance took into consideration that all regulations in place as of Janurat 29,2024 were not changed and no new material regulations were implemented.

## Net Income (TL bn)

volatility.



### **Tax Contribution**

In 2024, the Bank set aside total tax provisions of 31 billion 749 million TL, which corresponds to a tax rate of 26% which is below the Financial Institutions tax rate of 30%.

Having embraced transparency, prudency and honesty principles in tax matters, Garanti BBVA reports on the total tax contribution, both on its own and on behalf of third parties.

#### Please read more on tax strategy and reporting on Garanti BBVA Investor Relations website, Tax Strategy and Reporting heading under the Environmental, Social and Governance tab.

(2023 Operating Plan Guidance does not include a target regarding the tax contribution)

ORGANIZATIONAL STRUCTURE FINANCIAL REPORTS AND APPENDICES





2024	
+52%	Better than expected performance mainly backed by Credit Cards % Consumer Loans
+13%	Strong beat at attractive rates
78 bps	Lower than expected due to large ticket collections from wholesale book
(92bps)	Lower than guidance due to additional regulatory changes in 2H24, i.e. higher RR haf -80bps negative Impact on NIM.
+123%	Backed by strong payment systems fees, as well as transaction activity across the board
+84% (currency- adjusted)	Managed in-line with guidance
33%	<b>IN-LINE</b>



TALENT & CULTURE COMMUNITY INVESTMENTS CUSTOMER EXPERIENCE

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#### 2025 Outlook and Operating Plan Guidance

As per Article 10 of the CMB Communiqué no. II-15.1 on Material Events Disclosure, the Bank disclosed its forward looking estimations covering 2025 outlook on 29 January 2025. The said disclosure can be found herein below, on the Public Disclosure Platform (KAP) and under the Operating Plan Guidance tab on the Garanti BBVA Investor Relations website

Fee /OPEX (YoY,bank-only) ROAE (%)	>avg. CPI ~80-85% <b>30-32</b>
	>avg. CPI
Fee Growth (YoY)	
NIM incl. swap cost	+3% expansion
Net Cost of Risk (exc. currency impact)	2 - 2.5%
FC Loan Growth (in US\$, YoY)	10-12%
TL Loan Growth (YoY)	>avg. CPI

Despite the anticipated slowdown in the economy and ongoing restrictions on credit growth, the growth of Turkish lira loans in 2025 is expected to be above the average inflation. This growth will likely be broad-based across various sectors. The share of business loans and consumer credit cards will continue to remain strong in TL loans.

In the retail banking sector, Garanti BBVA will maintain its focus on expanding its customer base and strengthening relationships by prioritizing customer satisfaction and loyalty. To achieve these goals, the Bank will continue to develop new products, channels, and processes, while leveraging big data-driven marketing strategies with a focus on analytics. Tailored, timely solutions will be provided to meet customer needs, all while adhering to profitability objectives. Foreign currency loans, are expected to see mid-teens growth in 2025. With greater stability in exchange rates and interest rates, an uptick in demand for FC loans is anticipated. FC loan originations will continue to target businesses and exporters with foreign currency income or foreign-currency indexed revenues, in line with the Bank's policy.

Following the low Net Cost of Risk in 2024, due to bigticket wholesale collections and reclassification related partial provision release of a loan, it is expected that the Net CoR excluding currency impacts will normalize to around 200-250 basis points in 2025.

The Net Interest Margin is expected to expand 3% in 2025, primarily driven by policy rate cuts throughout the year. As the CBRT reduces its policy rates, the loan-deposit spread is anticipated to increase, further supporting the Bank's NIM. This expansion in margin will be key in enhancing profitability, despite the expected slowdown in TL loan growth.

Given the Bank's strength in generating diversified fee sources and its leadership in transaction volumes, net fees and commissions are expected to grow at a pace that outstrips average inflation. The continued push towards digitization will further support the growth of transaction volumes, particularly in money transfers. While fee coverage of OPEX is expected to normalize to 80-85% levels.

Garanti BBVA will maintain its focus on efficient asset and liability management, targeting high returns on capital while balancing risk and return. In light of these factors, Garanti BBVA aims to achieve a Return on Average Equity (ROAE) in the low-30s for 2025

Net CoR excludes currency effect, as it is 100% hedged and has no bottom line impact

The 2025 Operating Plan Guidance takes into consideration that all regulations are in place as of January 29, 2025 are not changed and no new material regulations are implemented.





# Sustainability

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**Sustainability** 

Garanti BBVA embraces sustainability as the ability to meet today's needs without compromising future generations' ability to meet their own, ensuring economic growth and social development without sacrificing environmental balance. In line with its general sustainability policy, Garanti BBVA adopts a holistic approach that integrates environmental, social, and governance factors, aiming to create a positive impact through its business processes, its relationships with society, and the activities of its customers. Through this approach, the Bank aspires to "bring the age of opportunity to everyone" and support its customers' transition to a sustainable future, which is recognized as a strategic priority.

# **Sustainability Governance**

The responsibility for monitoring, managing, overseeing sustainability-related risks and opportunities has been delegated to the Sustainability and Responsible Banking Committee in accordance with the Sustainability Policy approved by the Board of Directors. The Sustainability and Responsible Banking Committee evaluates related risks and opportunities, monitors the short, medium and long term targets of the Bank and its subsidiaries, where deemed necessary, in line with the sustainability strategy. In 2024, the Sustainability and Responsible Banking Committee convened twice, during which the relevant teams provided updates on sustainabilityrelated risks and opportunities.

Furthermore, in 2024, Garanti BBVA International, headquartered in the Netherlands, and Garanti BBVA Romania also established their own sustainability committees to oversee their sustainability-related activities. Efforts are ongoing to establish similar committees within subsidiaries operating outside the banking sector.

Top Management is responsible for the adoption and implementation of the Sustainability Policy, which sets out the principles and main focal points in the field of sustainability, by all teams in the bank. The Bank aims to integrate its sustainability vision into all aspects of its organization by providing the necessary tools, systems, and structures to ensure compliance with the policy.

Aligned with its governance model, the implementation of the Sustainability Policy is monitored periodically, either directly by the Board of Directors or indirectly through the Sustainability and Responsible Banking Committee. The level of compliance and progress is tracked as part of the Bank's internal control model, which is designed to ensure the effective management of sustainability risks.

In 2024, Mahmut Akten assumed the role of CEO of Garanti BBVA, having served as a member of the Sustainability and Responsible Banking Committee for eight years during his tenure as Executive Vice President responsible for Retail and Corporate Banking. Additionally, during his two-year tenure as EVP responsible for Corporate Banking, he also oversaw the sustainable finance function. As a member of the Board of Directors, Akten continues to oversee the Bank's sustainability-related activities through the Sustainability and Responsible Banking Committee and reports to the Board of Directors when necessary.

Garanti BBVA remains committed to operating under the sustainability governance structure that it restructured in 2022 to align with a more responsible and efficient business model.

- The Environmental and Social Impact Assessment Sustainability is actively monitored by multiple teams team, under the Corporate and Investment Banking across the Bank: division, conducts effective environmental and social • The Sustainability Unit under the Commercial risk assessments in credit processes and customer Banking division is responsible for the creation, activities to ensure proactive risk management and implementation, and monitoring of Garanti BBVA and to minimize potential negative impacts to the lowest its subsidiaries' sustainability strategy, in alignment possible level. Analyses are first carried out in line with with its primary sustainability partner, BBVA Group, the Environmental and Social Loan Standard (ESLS) and in compliance with national and international laws for compliance with essential policies and legislation. and regulations. Additionally, the Environmental and Social Impact Assessment Process (ESIAP) is used, if necessary, as • The Sustainable Finance team under the a check of compliance with advanced environmental Corporate Banking division oversees mobilization and social criteria according to the internal procedure processes within the Bank and its subsidiaries in rule set. line with sustainability targets, ensuring the effective
- implementation and expansion of sustainable finance. With this approach, Garanti BBVA aims to contribute both to the transformation of the financial system and the global sustainability agenda, reinforcing its vision of providing sustainable financing.
- The Garanti BBVA Inspection Board is responsible for independently and impartially evaluating the effectiveness of risk management, internal control, and corporate governance processes within the Bank and its consolidated subsidiaries, ensuring The Sustainable and Green Office team under reasonable assurance for the Bank's strategic goals. In this context, the Inspection Board assesses the Talent and Culture division manages the direct environmental, social, and governance (ESG) risks environmental impact of all buildings and branches that the Bank and its subsidiaries may be exposed operated by Garanti BBVA and its subsidiaries. It to and formulates annual and multi-year audit plans develops strategies aligned with the Global Efficiency based on priorities set by the Board of Directors and Plan, covering areas such as energy and water the Inspection Board. Within the scope of audit plans, efficiency, waste management, and greenhouse gas emissions, while tracking the Group's environmental inspections are conducted in line with international sustainability standards, local regulations, and the footprint. Bank's sustainability strategy, targets, and business The Sustainability Reporting and Monitoring team plans. The audits carried out by the Inspection Board under the Risk division is responsible for measuring are designed, executed, and concluded to provide and monitoring climate risks within Garanti BBVA's insights into the effectiveness of risk management portfolio, tracking portfolio-level progress toward and control processes.
- decarbonization targets, and reporting on financed emissions.
- The Risk Management Department measures and monitors the risks to which the Bank is exposed The Sustainability Model Development team both on a consolidated and non-consolidated basis, under the Risk division focuses on the development in compliance with legal regulations, while aligning of sustainability-driven analytical models and their with international standards and best practices integration into the Bank's risk management processes. from advanced economies. Within this framework, it Its primary responsibilities include ensuring that assesses climate-related financial risks and examines physical and transition risks are accurately reflected the interactions between climate risk and other risks in key credit risk parameters such as probability of to which the Bank is exposed. Additionally, evaluations default (PD) and loss given default (LGD). of the impact of climate-related financial risks on the The Project Loans and Sustainability specialist Bank are integrated into internal capital requirement in the Risk division ensures that transition risks are assessments.
- assessed by integrating ESG factors into the limit allocation and update processes evaluated by the Bank's credit committee.

You can find detailed information about the Sustainability and Responsible Banking Committee on the Committees page of our website.





 In addition to these teams, sustainability representatives across all business units take on responsibilities related to sustainability functions within their respective areas when required.



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In addition to the Sustainability and Responsible Banking Committee, various sub-teams and working groups established within the Bank's risk management and financial reporting units collaborate with sustainability and responsible banking teams to develop sustainability approaches for different Bank units and, where necessary, for subsidiaries.

- The Local Sustainable Finance Standards Working Group, composed of permanent members from Compliance, Legal, Sustainable Finance, Responsible Banking, and Sustainability teams, evaluates the definition of new products and activities as sustainable or sustainability-linked, and the development of sustainability criteria. This structure ensures that sustainability strategies are assessed comprehensively across multiple disciplines while minimizing greenwashing risks.
- Additionally, in the process of defining new products from a sustainability perspective, decisions taken within the Local Sustainable Finance Standards Working Group are assessed by the **Operational** Risk and Product Governance Committee through internal control expertise. This process ensures that products and activities are considered within the risk control framework and are managed in alignment with the Bank's sustainability objectives.
- The ESG Sustainability Reporting Working Group manages the submission of sustainabilityrelated data within the scope of local and international regulatory reporting, including integrated annual reporting aligned with Türkiye Sustainability Reporting Standards (TSRS), which has been adapted for Türkiye by the Public Oversight, Accounting, and Auditing Standards Authority (KGK), as well as reports submitted to the European Banking Authority (EBA) and the European Commission (EC) through BBVA.
- The Sustainability Risk Working Group, composed of Risk Management teams reporting to the Board of Directors and Risk teams under the Executive Vice President responsible for Credit Risk, facilitates the assessment of various risk-related projects, including physical and transition risks, financed emissions calculations, scenario analyses, and capital allocation.

#### **Policies and Procedures**

Garanti BBVA integrates its sustainability visionfocused 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: Identifies non-financed activities and customers in general and in the mining, agribusiness, energy, infrastructure and defense industries sectors.
- Sustainable Finance Standard: The standard 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.
- Eligibility Criteria Standard for Sustainable or Sustainability-Linked Activities, Products, or Customers: Establishes sustainability criteria for classifying the Bank's activities, products, and customers as sustainable or sustainability-linked.
- Key Performance Indicators for Sustainable **Finance Mobilization – Calculation and Reporting** Procedure: Defines the principles for KPI calculation, management, and reporting related to sustainable finance mobilization.

 Commercial Labeling and Naming Standard of Sustainable Products: Provides guidelines for the commercial identification and public naming of sustainable products, aiming to reduce greenwashing risks.

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 Procedure for Participating in, Monitoring, and Withdrawing from Sustainability-Related Public **Commitments:** Establishes the principles for joining, tracking, and withdrawing from sustainability-related commitments.

#### Governance in the Bank and its Subsidiaries

Entity	Sustainability Policy	Sustainability Committee	Environmental and Social Loan Standard	Sustainable Finance Standard
Garanti BBVA	Available	Available	Available	Available
Garanti BBVA International	Available	Available	Available	Under Bank Management
Garanti BBVA Romania	Available	Available	Available	Under Bank Management
Garanti BBVA Asset Management	In Progress	In Progress	In Progress	Under Bank Management
Garanti BBVA Investment	In Progress	In Progress	In Progress	Under Bank Management
Garanti BBVA Leasing	In Progress	In Progress	In Progress	Under Bank Management
Garanti BBVA Factoring	Available	Available	Available	Under Bank Management
Garanti BBVA Pension and Life	Available	In Progress	In Progress	Under Bank Management



Additionally, to mitigate and prevent greenwashing risks, all sustainability communications within the Bank are reviewed in accordance with the "Greenwashing Prevention Guide for Responsible Sustainability Communication."

Garanti BBVA expects its consolidated financial subsidiaries to align their activities with the Sustainability Policy. The Bank actively monitors compliance by providing information on sustainability-related policies, standards, and procedures across different business areas. Additionally, Bank teams increase sustainability awareness in these companies by offering training sessions and acting as internal consultants, supporting the sustainability transition of its subsidiaries.



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## **Our Sustainability Strategy**

Garanti BBVA contributes to the Sustainable Development Goals (SDGs) by creating new business opportunities through the multiplier effect of banking, the direct impact of its own activities and social investments. Combating climate change requires the decarbonization of the economy. This has become a reality that affects the consumption patterns of all industries and customers and requires significant investments in the coming years. Additionally, human-induced climate change puts pressure on natural capital (water, agricultural products, raw materials), making it increasingly important to ensure the continuity and quality of resources for the sustainability of production and service activities. Social inequalities across the world may further increase due to decarbonization efforts and the depletion of natural capital. Garanti BBVA aims to play a key role in fostering inclusive growth through access to banking services and financial education.

Garanti BBVA's sustainability strategy is shaped under two main areas:

#### 1. Foster New Business Opportunities through **Sustainability**

#### Goal (2018-2025): **TL 400 Billion** Achieved (2018-2024): TL 291 Billion 2024: **TL 171 Billion**

Developing new business opportunities through sustainability with a holistic approach in the fields of global warming, natural capital, and social impact: 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.

Climate Actions: Energy efficiency, renewable energy, circular economy, electrification. TL 91.1 billion in financing has been provided for these areas.

Inclusive Growth: 47% (approximately TL 80.3 billion) of the total sustainable business volume in 2024 has been allocated to inclusive growth opportunities.

#### 2. Achieve Net Zero Emissions by 2050

Garanti BBVA has set 2030 interim targets for decarbonization in carbon-intensive sectors such as energy, automotive, iron & steel, cement, and coal. In 2025, new targets will be set for aviation, real estate, maritime, oil & gas, and aluminum sectors.

The monitoring of interim targets is conducted through alignment methodologies, allowing the Bank to track how financed transactions contribute to emission reductions. The metrics defined within these targets are compared with reference values aligned with climate change scenarios, aiding in the determination of sectoral goals. Through these plans, selective growth policies based on risk assessments are developed, strategies are planned on a sectoral and customer basis, and customer transition plans are evaluated.

Garanti BBVA's leadership in sustainability is reflected in its high ranking in global assessments. With a score of 85 in S&P Global's Corporate Sustainability Assessment, Garanti BBVA ranked 15th among 668 financial institutions worldwide. Further details on the progress of Garanti BBVA's sustainability strategy and targets are outlined in the relevant sections of this report.

## Management of Our Direct Environmental Impacts

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.<sup>1</sup>

#### **Renewable Energy**

Garanti BBVA, a leader in introducing and implementing sustainable banking in Türkiye with many pioneering The Garanti BBVA Eco-Efficiency Plan, published in practices, has been awarded the LEED certification, one 2021, aims to source at least 80% of annual energy of the green building rating systems developed by U.S. consumption from renewable energy and reduce water Green Building Council (USGBC), for its buildings. The consumption per square meter between 2021-2025. headquarter building in Zincirlikuyu and Sivas Customer Communication Center has achieved LEED Platinum **Remote Eye System** certification, while the Kızılay service building has also been certified LEED Platinum in the New Buildings In May 2021, Garanti BBVA implemented the Remote category. Additionally, the Pendik Technology Campus, and Karsıyaka İzmir Buildings have been awarded LEED Gold Certifications.

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.



#### Carbon Intensity (tCO2e/Total Assets)



#### **Green Buildings**

#### ISO 14001 Environmental Management System

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To control and systematically manage the environmental impact of its operations, Garanti BBVA has been certified under the ISO 14001 Environmental Management System since 2012. Since 2015, the system has been expanded to cover all branches and buildings. This system is also supported by a comprehensive Environmental Policy and a mandatory "ISO 14001 Environmental Management System Training" assigned to all employees to enhance awareness among all stakeholders.

In 2024, third-party audits were successfully completed, ensuring the continuity of the ISO 14001 Environmental Management System certification.

Target: Ensuring the continuity of the ISO 14001 Environmental Management System certification in branches and buildings.

#### ISO 50001 Energy Management System Certification Process

To manage and improve its energy performance, and use resources efficiently, Garanti BBVA obtained the ISO 50001 Energy Management System certification in 2023 for its Zincirlikuyu Headquarters, Pendik Campus, and Güneşli Service Building. In 2024, third-party audits were successfully completed, ensuring the continuity of the certification. Through this system, the Bank aims to reduce its environmental impact and carbon footprint, lower energy-related costs, and optimize resource usage. Additionally, the **Energy Policy** established within this framework is shared with all stakeholders.

To enhance employee awareness, mandatory training on the ISO 50001 Energy Management System is provided through the Campus platform for employees in certified buildings, while it remains optional for employees in other locations.

**Target:** To ensure the continuity of the ISO 50001 Energy Management System certificate in our buildings where the system is installed.

#### ISO 14046 Water Footprint Verification Certificate and Declaration

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As part of the Eco-Efficiency Plan's water consumption reduction targets, Garanti BBVA certified its 2022 water consumption for its branches and buildings under the internationally recognized ISO 14046 Water Footprint **Standard** for the first time in 2023.

In 2024, the Bank's 2023 water consumption data for its branches and buildings completed third-party audit, ensuring the continuity of certification and validation.

Target: Ensuring the ISO 14046 Water Footprint Declaration is issued and its certification is maintained for branches and buildings.

#### **Solar Energy Projects**

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.

#### **Energy Efficiency and General Operations**

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As a part of WWF's Earth Hour campaign which is carried Garanti BBVA is committed to long-term renewable out since 2007, Garanti BBVA turned off the lights in eight energy use and reducing energy consumption and Bank buildings for one hour on March 23, emphasizing environmental impact in its business processes that "stopping the climate crisis is possible together". LED lighting systems have been implemented in all The Bank also encouraged individual participation by branches and ATMs to improve energy efficiency. informing all employees about the initiative.

- 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.
- During World Environment Day, celebrated as part of Volunteering Month, a Bank-wide recycling In Zincirlikuyu Headquarters' top management offices awareness campaign was launched. Employees and meeting rooms, bottled water use has been who collected the most waste batteries received gift replaced with glass pitchers. kits.

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#### **Earth Hour**

#### **Employee Awareness**

In 2024, Garanti BBVA launched Sustainable Challenges all its locations to integrate sustainability into BBVA's corporate culture and increase employee engagement in sustainability initiatives:

- During Energy Efficiency Week, celebrated annually in the second week of January, ambient temperatures were reduced by 2°C in Zincirlikuyu Headquarters, Pendik Campus, and Çiftçi Tower buildings on January 11. A total of 2,558 employees participated in this awareness initiative.
- On September 24, approximately 120 employees walked for a sustainable and healthy future at the Pendik Campus, promoting both healthy living and sustainability awareness.
- During the 46th Istanbul Marathon, Garanti BBVA, as the founding and permanent supporter of the Teachers Academy Foundation (ÖRAV), participated with 100 employees running for charity.
- As part of Values Day, celebrated annually by all Bank employees, a Sustainability Quiz was organized. The 110 fastest and most accurate participants won various sustainable gifts.

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## Sustainable Finance Strategy

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.

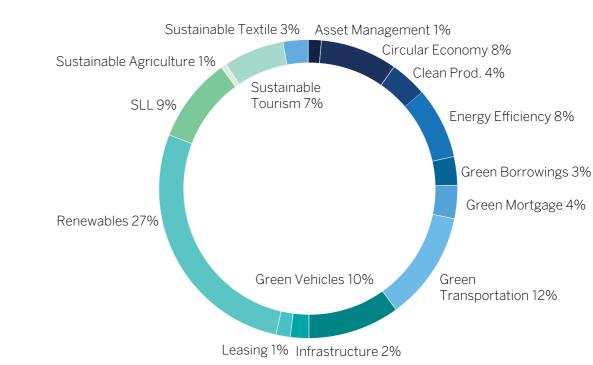
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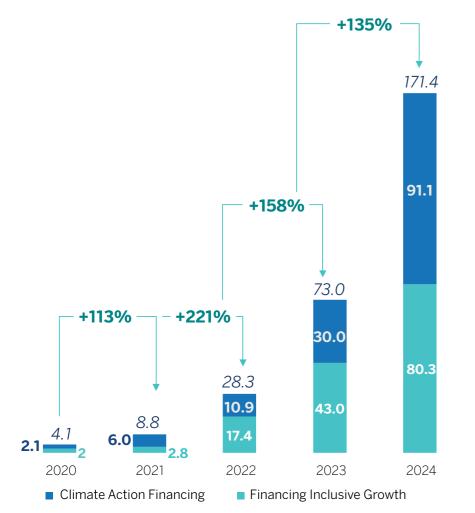
As part of its efforts to mitigate the negative effects of climate change, Garanti BBVA:

 Became the first bank in Türkiye to commit to exiting coal in 2021, pledging to eliminate coalrelated risks from its portfolio by 2040 at the latest.

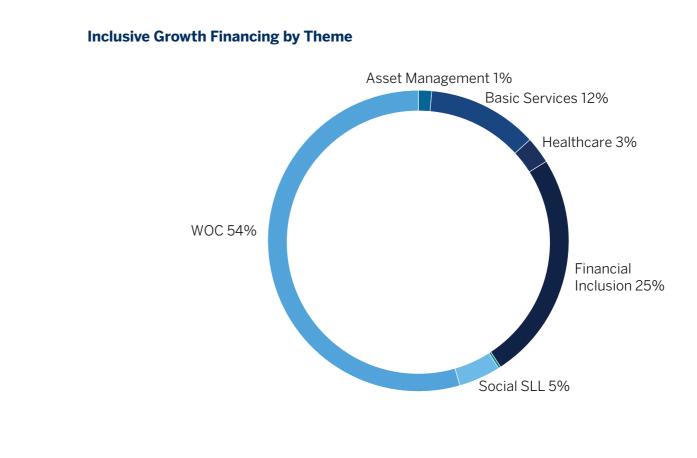
- Took this commitment a step further in 2022, announcing **2030 decarbonization targets** for other **carbon-intensive sectors** such as energy, automotive, iron & steel, and cement. These interim targets represent a crucial milestone in achieving the 2050 net-zero emissions goal. Garanti BBVA is committed 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.

#### **Climate Action Financing by Theme**





#### Sustainable Finance Mobilization (TL Billion)







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## Sustainable Finance Products

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## **Corporate/Retail Loans and Products**

Building Insulation Loan: The Building Insulation Loan was introduced to support efficient energy use in buildings and enhance insulation investments. Customers can obtain an insulation loan guickly and easily within 5 minutes through a consumer loan.

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Corporate Rooftop Solar Power Loan: With the Solar Energy Loan, customers can finance unlicensed electricity generation projects. Corporate firms producing their own electricity can reduce costs while supporting the use of environmentally friendly resources.

Retail Rooftop Solar Power Investment Loan: The Retail Rooftop Solar Power System (SPP) Consumer Loan, a first in Türkiye, was introduced for customers wishing to utilize solar energy in their buildings.

Green Housing Loan: The Green Housing Loan was introduced in 2017 to encourage environmentally friendly buildings that are certified at the national or international level or have an energy identity document proving energy efficiency levels.

Urban Transformation Loan: The Urban Transformation Loan is designed for property owners and tenants living in high-risk areas under the relevant law. To qualify for the loan, a property must be classified as a "Risky Area" or "Risky Structure", as verified by technical documents. Within the scope of creating and supporting sustainable cities, the Urban Transformation Loan can be considered a sustainable finance product, in line with the eligibility criteria.

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Environmentally-Friendly Auto Loan: The Eco-Friendly Auto Loan was introduced in May 2017 to support the financing of hybrid and electric automobiles, known for their fuel efficiency and environmental benefits.

Electric Bicycle Shopping Loan: To support the green transportation theme, the Electric Bicycle Special Shopping Loan allows customers to quickly access financing.

Electric Charging Station Loan: Customers looking to install an electric vehicle (EV) charging station can easily obtain a consumer loan. This financing solution plays a crucial role in establishing the necessary infrastructure for electric vehicles.

**Green Leasing:** Leasing transactions linked to sustainability (solar panels, energy efficient equipment, etc.) are offered within the scope of the loan.

Agricultural Loans (Organic Farming, Irrigation Loans, Direct Seeding, Digital Agriculture, Agricultural Solar Power Loans): 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.

Sustainability-Themed Loan Package: Garanti BBVA Green IPO: In 2021, Türkiye's first Green IPO was developed the Sustainability-Themed Loan Package carried out under Garanti BBVA's leadership. As part to facilitate the efforts of customers seeking to reduce of the IPO process, the Bank obtained a sustainability greenhouse gas emissions. Customers can benefit from rating assessment from an international agency, the Bank's experience and communication network. As and environmental and social commitments were part of this package, Garanti BBVA also collaborates with incorporated into the Capital Markets Board (SPK) the Turkish Standards Institute to provide customers prospectus. with capacity-building support. Customers will also receive guidance on greenhouse gas management while **Corporate Loans and Debt Instruments** working to reduce carbon emissions.

Sustainable Loans: Loans specifically designed to Women Entrepreneur Loans: Since 2006, Garanti BBVA finance investments and operations directly related to green or social sustainability. These loans comply has continuously supported women's participation in employment and the economy, with the understanding with international standards, including the Green Loan that an inclusive economy where all individuals benefit Principles and Social Loan Principles. from opportunities equally will grow faster and more efficiently. The Bank's efforts in women's empowerment Sustainability-Linked Loans: These loans define are categorized into four main areas: financing, environmental, social, and governance (ESG) criteria within the loan mechanisms. Companies with higher encouragement, training, and access to new markets.

### Investment Funds/Products and Pension Funds

Sustainable Investment Funds: Under Garanti BBVA Asset Management, there are five investment funds under the theme of sustainability. These include: Garanti Portfolio Clean Energy Variable Fund (GZH), Garanti Portfolio ESG Sustainability Fund Basket (GZV), Garanti Portfolio Climate Index Fund (GIE), and Garanti Portfolio Sustainability Equity Fund (GZR), October 2028 Sustainability USD Hedge (FX) Fund (EGP).

Sustainable Pension Fund: Garanti BBVA Pension customers can invest in shares of companies listed in the BIST Sustainability Index, which includes companies sensitive to global warming, natural resources, health, security, and employment.



sustainability performance receive interest rate discounts, while those with lower performance incur interest rate increases. These loans are structured in line with Sustainability-Linked Loan Principles.

Gender Equality Loan: Launched in 2019, the Gender Equality Loan was the first of its kind globally. This loan structure supports businesses that contribute to gender equality, with predefined targets linked to gender equality initiatives. With the credit structure, targets are determined for customers based on gender equality efforts. Gender Equality Credit is a sustainabilityrelated credit product whose criteria are entirely based on gender equality issues.



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Sustainable Bonds: These are bond issuances where the proceeds are exclusively allocated to support investments and operations directly related to green or social sustainability. These issuances comply with the Capital Markets Board's Green Debt Instrument, Sustainable Debt Instrument, Green Lease Certificate, and Sustainable Lease Certificate Guidelines. They also align with the Green Bond Principles, Social Bond Principles, and Sustainability-Linked Bond Principles established by the International Capital Market Association (ICMA).

Garanti BBVA has been a global pioneer in utilizing sustainability-linked syndicated loans. In 2020, the bank achieved its sustainability performance targets under its syndicated loan commitment—such as increasing the use of renewable energy and refraining from financing new coal-fired thermal power plant projects-thereby qualifying for an interest rate discount. In 2021, the total financing volume increased, and the sustainabilitylinked syndicated loan incorporated a commitment to purchasing electricity exclusively from renewable sources. In 2022, the syndicated loan was renewed with a social linkage, including a commitment to increasing financing for women entrepreneurs and micro-businesses. For 2023, the bank updated its first syndicated loan of the year with new social criteria to support financing for women entrepreneurs and micro-enterprises in the earthquake-affected regions following the February 6 earthquakes. The 367-day syndicated loan agreement, consisting of two tranches—\$199 million and €218.5 million—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. The primary sustainability performance criteria for this loan focused on supporting the bank's decision to refrain from financing coal-fired thermal power plants and coal mining activities, as well as increasing financing for sustainable development. 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.

**Corporate Green Auto Loan:** Garanti BBVA introduced the Corporate Green Auto Loan to encourage the widespread use of environmentally friendly vehicles. This product is available to corporate firms, fleet rental companies, and vehicle financing institutions. The Corporate Green Auto Loan, a first in Türkiye, helps companies transition to more efficient hybrid and electric vehicles, while promoting fleet electrification and contributing to a more sustainable future.

**Sustainable Supply Chain Finance:** Garanti BBVA offers Sustainable Supply Chain Finance to companies evaluating suppliers based on sustainability criteria. This financing product aims to enhance sustainability awareness among suppliers while offering preferential financing options.

### Sustainability-Focused Stakeholder Engagement

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Garanti BBVA actively engages with business communities, governments, policymakers, and numerous national and international organizations through its participation in domestic and international platforms. The Bank is a member of 45 working groups, including the United Nations Net-Zero Banking Alliance (NZBA), United Nations Principles for Responsible Banking Working Group, Global Compact Türkiye, SKD Türkiye (Business Council for Sustainable Development Türkiye), and the Turkish Banks Association (TBB) Sustainability Working Group, and actively participates in 26 initiatives.

Beyond monitoring local and global developments, Garanti BBVA also collaborates on the implementation and promoting of these developments within Türkiye's financial markets.

- In November 2024, Garanti BBVA participated for the first time in the 16th United Nations Biodiversity Conference (COP16) in Colombia. Aligned with the Bank's updated sustainability policy, these discussions focused on protecting natural capital and explored the identification and financing of naturepositive technologies.
- At the end of 2023, Garanti BBVA, as a member of Türkish Industry and Business Associaction's (TÜSİAD) Climate Change and Environment • In December 2024, sustainability and sustainable Working Group, held a formal meeting with the finance teams participated in COP29, the 29th relevant department of the Public Oversight Authority **United Nations Climate Change Conference**, (KGK) regarding the implementation of Türkiye's where they attended panels on transformation finance Sustainability Reporting Standards (TSRS). The Bank strategies of international institutions, accelerating shared the banking sector's insights and evaluations the transition to clean energy, the role of artificial on these new standards and participated in related intelligence in sustainability, integrating climate focus events organized by the Integrated Reporting into business strategies, nature-positive financing Association (ERTA), where it serves as a board models, and sustainability disclosures in corporate member, contributing to the development of the reporting. sustainability reporting framework in Türkiye.



 Garanti BBVA contributes to the Türkiye Bank's Association (TBB) Sustainability Working Group,

which provides guidance to banks on sustainabilityrelated 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.

 Continuing its support for the development of climaterelated legislation in Türkiye, Garanti BBVA joined the Climate Change Presidency's Climate Finance Working Group in 2024. The Bank also contributed to Istanbul Metropolitan Municipality's Green City Action Plan Workshop and participated in the General Directorate of Forestry's national certification efforts for nature-based solutions.



2024 FINANCIAL SUSTAINABILITY RESULTS



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Garanti BBVA also leads the sustainable transformation of Türkiye's financial sector. In 2017, to take current practices in the financial sector to a further level the Bank signed the Sustainable Finance Declaration, committing to integrating environmental and social risk assessments into lending processes. Since then, seven more banks in Türkiye have signed this declaration.

Aiming to lead the society and be a pioneer in the sector with its sustainability-focused work, Garanti BBVA continued to share its sustainability efforts at various events and platforms in 2024:

- The "Sustainable Future in Exports" events, launched to help companies comply with the EU Green Deal and facilitate sustainable investments, were held in Izmir and Adana in 2024, following previous events in Istanbul, Gaziantep, and Bursa. Since 2022, these events have reached more than 355 corporate clients.
- In December 2024, Garanti BBVA partnered with TÜRKONFED (Turkish Enterprise and Business Confederation) to launch the "New Horizons in Twin Transformation" event series, focusing on SMEs' green transition and digitalization. The first event in Denizli brought together 123 participants, aiming to help SMEs in different regions adapt to the changing world with a unique twin transition approach while providing sectoral leadership and sustainability insights.

• At the World Water Day Summit, sponsored by Garanti BBVA, the CEO of Garanti BBVA spoke on water management and water finance, presenting the Bank's sustainability financing solutions.

Senior executives participated in **Bloomberg** TV's "Sustainable Future" program, discussing sustainability's role as a strategic priority for the Bank and outlining future plans.

- At Brandweek 2024, where Garanti BBVA was a stage sponsor, the Bank hosted the "Türkiye's Sustainable Future: Finance, Society, and Environment" panel, discussing the role of sustainable finance in Türkiye's long-term development with high societal impact.
- At the 10th Sustainable Finance Forum, sponsored by 7 banks including Garanti BBVA held at Borsa Istanbul in December 2024, Garanti BBVA's Executive Vice President participated in a panel on digitalization, sustainability, and social impact, often referred to as "triple transformation".
- Garanti BBVA continued its engagement with **Chapter Zero** Türkiye, supporting its efforts to promote climate governance and prioritization in Turkish companies through the participation of EVPs in 2024.
- In 2024, Garanti BBVA's sustainability teams participated in campus events organized by Gazi, Koç, Kültür, and Sabancı Universities with physical or online participation, providing students with insights into sustainability in the finance sector and the Bank's initiatives.

## **2025 Priorities**

- Developing strategies to protect water resources, aligned with the newly added "preservation of natural capital" focus in the Bank's sustainability policy, and Expanding sustainable finance products and ESG offering financing solutions and awareness initiatives advisory services to stakeholders
- To get the maximum share from the financing of the transition to a low-carbon economy in line with Türkiye's energy transformation and decarbonization targets.
- Developing carbon market services following the National Emissions Trading System mechanism
- Utilizing AI-powered tools for more efficient sustainability reporting processes
- Focusing on enhancing key customers' sustainability capacity
- Supporting SMEs in transitioning to sustainable Efficiency Plan business models by providing sector-specific solutions, Achieving full compliance with European and Turkish raising awareness by providing information about the sustainability reporting regulations risks and opportunities that await them and financing • Enhancing the Bank's leadership position in solutions sustainability index reporting
- Offering digital, fast, and accessible calculation tools for customers looking to install solar power systems for self-consumption
- Raising awareness among retail customers through special campaigns designed to encourage changes in Developing new projects focused on social development consumption habits that contribute to the fight against and combating the climate crisis climate change.



- Conducting capacity-building initiatives to integrate sustainability awareness into business processes through training activities for sales force and relevant teams at headquarters.
- Announcing decarbonization targets for all carbonintensive sectors
- Expanding customer evaluation tools for carbonintensive industries
- Managing direct environmental impacts through the
- Increasing the social and environmental impacts of existing projects within the scope of community investments







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# **ESG Ratings and Sustainability Indices**

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.

ESG Index / Rating Agency	Scoring Range	Score / Inclusion	Description
S&P Global Corporate Sustainability Assessment	0-100	85	15th highest score globally in banking sector and highest score in the Turkish banking sector
CDP Climate Change Program - 2024	A/D-	A	Included in Global A Lists for Climate
CDP Water Program - 2024	A/D-	А	Change and Water
FTSE4Good - 2024	0-5	3.8	
Sustainalytics ESG Risk - 2024	0-40+	23.7	
Bloomberg Gender Equality Index - 2023	Inclusion	+	
BIST Sustainability Index	Inclusion	+	
BIST Sustainability 25 Index	Inclusion	+	
BIST Corporate Governance Index	Inclusion	+	
Garanti BBVA Climate Index	Inclusion	+	

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. 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.

Garanti BBVA, which received an A grade in both the tools in line with international standards and sector-Climate Change and Water programs of CDP, one of specific criteria. the world's most important sustainability reporting platforms where companies can transparently disclose To conduct an effective environmental and social risk their climate change policies and water management assessment within credit processes, to proactively strategies, reiterated its determined and strong stance manage risk, and to minimize potential negative on the management of climate and water risks. The impacts, analyses are first carried out in line with the Bank achieved a position in the **Global A List for both** Environmental and Social Loan Standard (ESLS) for programs, demonstrating international recognition compliance with essential policies and legislation. of its sustainability efforts. As the main supporter of Additionally, the Environmental and Social Impact CDP Türkiye, which also serves as CDP's Communication Assessment Process (ESIAP) is used, if necessary, as Office in Türkiye, Garanti BBVA aims to develop the a check of compliance with advanced environmental sustainable finance market and encourage companies and social criteria according to the internal procedure to enhance transparency regarding climate risks and rule set. opportunities through financial products launched in collaboration with CDP, including the Garanti BBVA Climate Index and the Garanti BBVA Climate Index ۲ You can access the detailed Environmental Equity Fund. and Social Risk Management processes here.

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 scores, trading volume, and market capitalization.

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# Sustainability Risk Management

## **Environmental and Social Risk** Management

Garanti BBVA established its environmental and social risk assessment and management policies within credit analysis processes in 2011. Under the leadership of its controlling shareholder, BBVA Group, the Bank continues to continuously develop these processes and policy





You can access the latest ESLS here.



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The general framework defining the customers and transactions that can be financed by the Bank is determined by the Environmental and Social Loan Standard (ESLS) and applied to the entire legal entity customer portfolio. Compliance with essential policies and regulations, particularly ESLS, is ensured through the Banking Services Agreement (BSA) and the General Credit Agreement (GCA). Meanwhile, ESLS compliance assessments for transactions and customers financed by the Bank are carried out through the completion of ESG guestionnaires by the customer representative or portfolio manager, integrated into the customer analysis and credit offer systems. ESG questionnaires may vary based on the legal entity customer segment (corporate, commercial, SME) and industry (mining, agribusiness, energy, infrastructure, defense industry). Within this scope, a total of 165,861 ESG questionnaires were completed in 2024. Including domestic and international subsidiaries subject to financial consolidation, in cases where technical expert opinions are required to assess the ESLS compliance of financial transactions and/or customer activities, in addition to ESG questionnaires, an ESG Opinion may be requested from the Environmental and Social Impact Assessment and Sustainable Finance teams within the Investment Banking and Finance unit. Accordingly, sectoral criteria are also considered, and a detailed case-based analysis is conducted based on international standards and best practices to issue the ESG Opinion. The Environmental and Social Impact Assessment and Sustainable Finance teams conduct ESLS compliance checks during the evaluation of loans reviewed by the Credit Committee and/or the Board of Directors. Additionally, ESG Awareness Metrics, which assess environmental and social performance indicators, along with the Transition Risk Indicator (TRI) for carbon-intensive sectors, are incorporated into the ESG Opinion evaluation. All these ESG tools are designed to monitor the customer's compliance with essential policies and regulations, understand their sustainability and decarbonization strategies, and evaluate their awareness through environmental and social performance metrics. The relevant data is obtained through dialogue with the customer and/or publicly available sources. In 2024, 248 ESG Opinions were provided for loans reviewed by the Credit Committee and/or the Board of Directors. ESG Opinions are submitted to the committee along with credit documentation.

During the new legal entity customer onboarding process, ESLS compliance checks are conducted based on industry and segment parameters defined in internal procedural rule sets. This is carried out through ESG questionnaires, which are reviewed by the Environmental and Social Impact Assessment team for an ESG Opinion. Thus, potential new legal entity customers are checked for compliance with essential policies and regulations, ensuring that their records are properly documented. In 2024, a total of 43 ESG Opinions were issued for new legal entity customers.

As part of capacity-building efforts, a mandatory online ESLS training is available on the Garanti BBVA Campus education platform. In 2024, 644 employees completed this training, bringing the total number of participants to 3,953 since 2021. Additionally, an ESLS guideline document was published on the Garanti BBVA intranet in 2024 to serve as a reference when completing ESG guestionnaires. In 2025, planned initiatives include updating the Campus training to align with ESG trends, enhancing data quality in ESG questionnaires through Robotic Process Automation, and benefiting artificial intelligence into the ESG Opinion process.

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, environmental and social assessment tool, ESIAM, and reports prepared in accordance with legal requirements the loan agreement process was completed for one and international standards, as well as any additional project with a loan amount of USD 9.3 million. This project studies that may be required based on the nature, was approved under the condition that the environmental scale, sensitivity, location, and environmental and and social risk management mechanisms specified in social impacts of the project, are prioritized for review. the loan agreements are implemented, and no projects If the required documents are not available within the were rejected. As of 2024, the total number of projects Bank's processes, a third-party consultant is engaged assessed through the ESIAP and completed has to conduct the necessary assessments and submit reached 93. them to the Bank. Based on the reviewed environmental and social documents, the Environmental and Social Garanti BBVA declared in its 2015 Climate Change Impact Assessment Model (ESIAM) is implemented to Action Plan that it would integrate the increasing analyze potential impacts and determine the project's impacts of climate change into its business processes environmental and social risk category. To prevent and decision-making mechanisms. By accepting the identified environmental and social risks and to minimize principle of "shadow pricing," the Bank utilizes this unavoidable impacts as much as possible, action plans method voluntarily, since the Turkish National Emission are established before financial closure and monitored Trading System has not yet been established. It can throughout the loan term. These actions are secured reflect the carbon price in voluntary markets as the through loan agreements, and both the Environmental cost of afforestation in carbon-intensive project finance and Social Impact Assessment Team and third-party loans or use it in internal risk and budget assessments. consultants periodically monitor and report on the client's progress in completing these actions. This process The Environmental and Social Impact Assessment ensures adherence to regulatory environmental and team consists of two full-time specialists who monitor compliance with ESLS and implement ESIAP. The social standards, compliance with the Bank's policies, and, where necessary, the implementation of an Credit Risk Management team has the authority to impact assessment. It also ensures that the necessary request a reassessment of environmental and social precautions are taken, sector-specific best practices risk analyses, provide additional opinions, and retain are applied, and adequate control mechanisms are final decision-making rights. Environmental and social established. In 2024, the Environmental and Social risk management processes are subject to internal audit and control mechanisms within the Bank. 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



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### **Climate Change-Related Risks**

The risk of climate change refers to the transition risks that may arise due to the process of adapting to a lowcarbon economy and the risks that could emerge as a result of natural events caused by climate change.

Many projects are being carried out to assess the resilience of the bank's strategy and business model to climate change risk, such as integration into the risk management system, climate scenario analyses, transition and physical risk measurements.

### **Integration of Climate Change into Risk Management**

Climate change-related risks are considered an additional factor affecting the existing risk categories that have already been identified and defined within the Bank. These risks are managed through the Bank's risk management framework. Therefore, the integration of climate change risks into the Bank's risk management framework, taking into account legal requirements, is included in the existing governance and processes.

The management of climate change risks is based on the risk planning process determined by the Bank's defined risk appetite.

### **Classification of Environmental and Climate-Related Risks and Transmission Channels**

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).

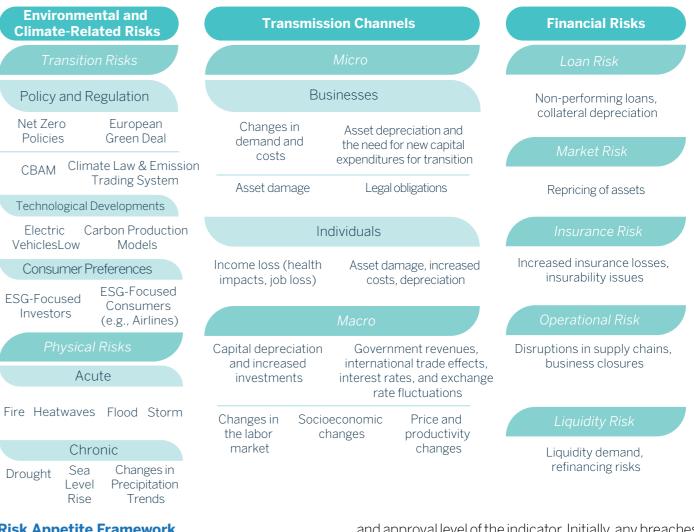
Transition risks refer to uncertainties regarding regulations, technologies, and consumer preferences that may arise during the transition to a low-carbon economy.

The financial implications of these risks manifest at both micro and macro levels through various transmission channels, affecting businesses and individuals at the micro level, and the entire economy as well as the real and financial sectors at the macro level. The key impacts of climate change for businesses include asset impairment/value depreciation, changes in demand and costs, new capital expenditure requirements, and legal obligations, while individuals face impacts such as income loss and a decline in asset values. At the macroeconomic level, there are notable effects such as increased investment spending, price volatility, and potential impacts on international trade.

### These effects lead to an increase in conventional financial risks such as credit, market, insurance, operational, and liquidity risks. For example, in relation to credit risk, physical and transition risks cause the financial condition of firms to deteriorate, leading to an increased risk of default on loans, while regarding operational risks, physical and transition risks may lead to material damage and business interruptions at the bank's own facilities and throughout its supply chains.

Garanti BBVA evaluates environmental and climaterelated risks not only for their direct ecological impacts but also for their broader consequences on the economic, social, regulatory, and financial systems. The bank assesses climate-related financial risks that could significantly affect its own and its clients' financial conditions, taking into account their impacts across different time cycles and addressing their interactions with other risks to which they are exposed.

### **Environment and Climate Related Risks and Transfer Channels**



**Risk Appetite Framework** and approval level of the indicator. Initially, any breaches are reported to the Risk Management Committee by the The Bank's Risk Appetite Framework (RAF), approved owner of the indicator. The reasons for the breaches, the by the Board of Directors, sets the levels of risk the Bank corrective actions to be implemented, and projections is willing to take in order to achieve its objectives, taking for the future are presented at the Risk Management into account the Bank's organic growth. The framework, Committee. Breaches and the applicable corrective actions are reported to the Board of Directors Risk which is structured hierarchically according to the type of risk, starting from the threshold values of core metrics and Committee and the Board of Directors, in cases where by type of risk metrics, is completed with management the situation and planned actions need to be analyzed limits. This framework has a general statement that and evaluated. outlines the overall principles of the risk strategy and the target risk profile. The statement emphasizes the Activities most exposed to transition risks are classified and included in the risk appetite framework. Accordingly, Bank's commitment to sustainable development as a sectors that are highly and very highly exposed to core part of its business model, underscoring its support for customers in their transition to a sustainable future. transition risks are assessed as having a High Transition Risk based on the exposure at default balance according The statements are finalized through the quantification to the Bank's classification, and the maximum appetite of appetite using metrics and thresholds related to the maximum acceptable risk profile. The process of threshold for this definition is determined with the breaching indicators within the Bank's risk appetite approval of the Board of Directors. framework is conducted based on the category, scope,

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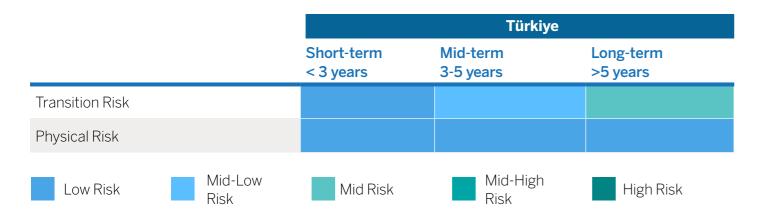
### **Risk Assessment**

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.

As a result of the evaluation, the risk levels determined for transition risks and physical risks are presented below.



### **Scenario and Stress Test Analysis**

### **ICAAP**

The scenarios considered by the Bank within the scope of ICAAP are as follows:

- The baseline scenario, which includes the current situation and the most probable economic scenario expectations.
- Risk scenarios containing plausible, severe, and consistent negative impacts from a series of macroeconomic parameters.

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:

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- 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).

To assess potential financial impacts, NGFS scenarios The models also include projections specific to Türkiye, also incorporate a set of macroeconomic variables, such and for climate-related financial risks, the average GDP as Gross Domestic Product (GDP), unemployment rates, loss across these three scenarios was calculated as interest rates, inflation, and other relevant indicators. -6.42%. The impact of this value was reflected in the These models enable a deeper understanding of the Bank's credit risk parameters and considered in the short- and long-term economic and financial stability climate risk capital requirement calculations. The implications of climate change, as well as mitigation calculation of capital requirements for climate-related and adaptation measures. financial risks was carried out under two categories: transition risk and physical risk. The Bank's methodology NGFS has developed a series of baseline scenarios for for clients facing transition and physical risks was taken analysis. These include "Current Policies" scenarios, into account. As a result of the analysis, it was determined which represent a future where no additional policies that the calculated capital requirement did not involve are implemented to combat climate change, and "Net significant corrective risks that would affect the Bank's Zero 2050" scenarios, which assume carbon neutrality financial statements. is achieved by the middle of the century. These scenarios provide a robust foundation for assessing financial and In the 2024 ICAAP Report, to ensure that climate-related economic risks associated with the transition to a lowrisks are reflected in internal scenarios: carbon and climate-resilient economy, taking into account policies related to energy use and distribution.

- Scenario analysis related to climate change began in 2024, and climate risk was initially included in risk scenarios. Annual updates will be made, and these will be subject to structural reporting. The planned analysis is expected to cover the next five years.
- In the final scenario study, climate risk will focus on an asset price shock due to carbon pricing. Physical climate risks are not planned to be included in this study.
- The key assumptions to be used in the analysis will be determined based on shocks defined by national climate policies and macroeconomic trends.





### **Scenarios Used in the Sector-Based Sustainability Risk Assessment Project**

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.

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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.

### The calculations in this scenario are for 2024.

Due to the low explanatory power of the climate resilience models developed here in terms of performance indicators, the active monitoring and improvement process for improving the relevant models and methodologies continues.

### **Scenarios Used in the Collateral-Based Physical Risk Assessment Project**

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.

### The calculations in this scenario are for 2024.

Due to the assumptions in the climate resilience models developed here, the active monitoring and improvement process to improve the relevant models and methodologies continues.

### **Policies and Framework Documents**

### **Policies and Framework Documents in Retail and SME Banking**

To support the management and monitoring of retail loans within the scope of sustainability-related risks, for transition risk measurement:

- The carbon dioxide emissions, efficiency, and energy consumption of financed housing units,
- The carbon dioxide emissions of financed vehicles or, alternatively, for the automobile portfolio, the brand, model, and version of the vehicle,
- For the SME portfolio, the carbon dioxide emissions or, alternatively, energy consumption; in cases where the customer does not provide emission and energy consumption data, assumptions that allow these values to be inferred through sectoral emission or consumption factor.

For physical risk measurement:

- The geographical location data of financed housing units or collateralized real estate.
- For the SME corporate and sole proprietorship portfolio, the location data of commercial and professional activities, to the extent available, are utilized through specific calculation engines to generate scores and specific metrics that enable the measurement and mitigation of both transition and physical risks. Emission calculations for retail loans are primarily based on the use of emission factors according to activity and geography.

### **Policies and Framework Documents in Corporate** and Commercial Banking

Sustainability-related risks have the potential to affect the repayment capacity of credit customers and/or the value of collateral assets. Therefore, to support the management and monitoring of sustainabilityrelated risks in corporate and commercial loans, where applicable:

- For transition risk measurement, an analysis is conducted based on the sensitivity of the customer's economic activity or the potential impacts of market, technological, regulatory, and legal changes, as well as the customer's targets and resources for managing these risks and opportunities.
- For physical risk measurement, analyses are carried out on exposure to adverse weather events related customer's economic activities.

Sectors most sensitive to transition risk include energy to geographical location and the vulnerability of the 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 In terms of social factors, consumer trends and product of December 31, 2024, the total exposure at default for safety, human capital management, data privacy and sectors classified as having high or very high transition security, occupational health and safety, and social and risk was determined to be 130 billion TL, representing community cohesion are considered. 16.21% of the total wholesale portfolio.

The Environmental and Social Impact Assessment Process (ESIAP) is a risk management framework first established by Garanti BBVA in 2011 to identify, assess and manage the environmental and risks of projects, and is based on international standards and good practices. In order to make an effective environmental



and social risk assessment in credit processes, to be able to proactively manage risk and to reduce the negative effects that may be caused by the relevant risks to the lowest possible level; analyses are first carried out in line with the Environmental and Social Loan Standard (ESLS) for compliance with essential policies and legislation. Additionally, the Environmental and Social Impact Assessment Process (ESIAP) is used, if necessary, as a check of compliance with advanced environmental and social criteria according to the internal procedure rule set.

### **Measurement and Integration of** Transition Risk

### **Corporate Banking**

### Measuring High Transition Risk

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.



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Additionally, since 2022, this analysis has also been extended to small and medium-sized enterprises (SMEs). As of 2024, the transition risk for small enterprises has been calculated at 8.8 billion TL, accounting for approximately 3.93% of the total risk at default in the portfolio. This risk is particularly concentrated in the oil and gas sector.

The table on the side presents the exposure percentage of transition risk-sensitive sectors within the commercial and SME portfolios, measured by the risk at default, as of December 31, 2024:



\*Prepared by Garanti BBVA.

Sectors	Transition Risk
Basic Materials - Hard Coal Mining	Very High
Basic Materials - Peat Extraction	Very High
Energy (Oil & Gas) - Crude Oil Extraction	Very High
Construction & Building Materials - Cement Production	High
Utilities - Electricity Generation	High
Transport Vehicles & Parts - Motor Vehicle & Parts Manufacturing	High
Transportation	High
Basic Materials - Fertilizer and Nitrogen Compounds Manufacturing	High
Basic Materials - Production of Pig Iron, Steel, and Ferro-Alloys	High
Energy (Oil & Gas) - Supporting Activities for Oil and Natural Gas Extraction	High

### Sectors

Real Estate - Commercial Properties	Moderate
Construction & Building Materials - Concrete Production	Moderate
Utilities - Distribution of Gas Fuels via Main Network, Liquefaction, or Regasification	Moderate
Basic Materials - Paint and Pigment Manufacturing	Moderate
Consumer Staples	Moderate
Energy (Oil & Gas) - Gas Production	Moderate
Entertainment & Consumer Services	Low
Industrial Products & Services	Low
Energy - Renewable Energy Sources	Low
Real Estate	Low
Discretionary Consumer Goods	Low
Construction & Building Materials	Low
Utilities - Water Collection, Treatment, and Supply	Low
Retail	Low
Healthcare Services	Low
Transport Vehicles & Parts	Low
Transportation - Freight & Railway Cargo Transport	Low
Telecom, Technology & Media	Low
Basic Materials - Civil Agriculture & Other Forestry Activities	Low
Basic Materials - Corrugated Paper, Cardboard & Packaging Manufacturing	Low
Consumer Staples - Tobacco Product Manufacturing	Low
Consumer Staples - Soap & Detergent Manufacturing, Cleaning & Polishing Preparations	Low
Energy (Oil & Gas) - Biofuel Production	Low

\*Prepared by Garanti BBVA.

FINANCIAL REPORTS AND APPENDICES



### **Transition Risk**



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### Sectoral Emission Intensity (Paris Agreement Capital Transition Assessment – PACTA)

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 thirdparty 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.

### **Financed Emissions (Partnership for Carbon** Accounting Financials – PCAF)

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. In parallel, efforts are underway to comprehensively include the bank's subsidiaries in accordance with regulatory requirements by the end of June 2025. For our subsidiaries, the calculation for the GBI has been completed for all asset classes, while for GBR, all asset classes except business loans (which has already been included as of December 2024) will be finalized as of end of 2025.

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 The calculations conducted at the end of 2024 cover 2024 for financed emissions calculations: Updating Scope 1, 2, and 3 emissions, with total financed emissions PCAF emission factors used to estimate financed of 39 million tons of CO<sub>2</sub>e. When considering only Scope emissions when data is unavailable (score range: 3 to 1 and 2 emissions, financed emission is 14 million tons of 5) and incorporating more customer-specific emissions CO<sub>2</sub>e, significantly reducing the risk of double counting data to improve calculation accuracy (score range: 1 and associated with Scope 3 and improving overall data 2). For customers without available emissions data, S&P quality. third-party data is used, and verified emissions data is also requested directly from customers. As of December 2024, measurement results have been

### Financed Emissions as of 31 December 2024

	Financed Emissions (MtCO <sub>2</sub> e)			Emission (tCO <sub>2</sub> 0	Score	
Sectors	Total	Scope1&2	Scope 3	Scope 1&2	Scope 1 & 2 & 3	Score
Manufacturing	19.3	5.3	13.3	782	2,851	4.3
Electricity, gas, steam and air conditioning supply	8.0	4.7	3.2	1,947	3,287	4.0
Wholesale and retail trade	6.5	2.0	4.6	528	1,747	4.2
Mining and quarrying	0.6	0.3	0.3	495	894	4.4
Transportation and storage	1.2	0.8	0.3	418	589	4.4
Agriculture, forestry and fishing	0.9	0.6	0.4	1,837	3,007	4.4
Other Sectors	2.1	0.3	1.8	68	477	4.1
Mortgages	0.3	0.3	-	389	389	4.0
Other Retail Portfolios	0.6	0.1	0.4	78	298	4.2
Total	39.34	14.40		632		4.2

\*Prepared by GarantiBBVA. Due to different calculation method of scope1&2, sum of scope 1&2 and scope 3 might not be equal to Total emissions.



presented in detail, highlighting the most emissionintensive wholesale sectors according to NACE codes and other retail other retail portfolios.

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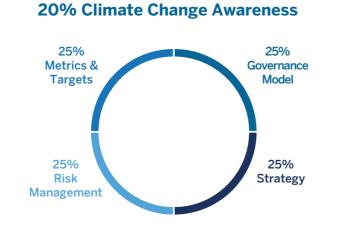


In the future, fluctuations in financed emissions calculations are expected due to updates in emission factors provided by PCAF and the increased use of customer-reported data. To minimize these fluctuations, we continue to implement simple yet expert-driven data quality rules as part of our operational processes.

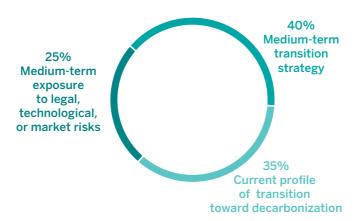
### **ESG Questionnaire & Transition Risk Indicator**

Garanti BBVA has an ESG tool in place to measure the awareness levels of customers for every file evaluated at the Credit Committee level. Along with the ESG awareness level, a transition risk framework has been established to monitor and evaluate the credit portfolio for carbon-intensive sectors in the corporate and commercial segments (energy, oil and gas, automotive, steel, cement, auto parts supply). Transition Risk Indicator (TRI) developed within this framework is used to help customers transition to a more sustainable future, assess their processes for adapting to a low-carbon economy, and analyze their preparations for climate change. TRI is designed as a tool to assess customers' awareness of climate change and their readiness to transition to a lower-carbon business model based on the current situation. This way, the performance and preparedness of customers in the transition process are effectively evaluated.

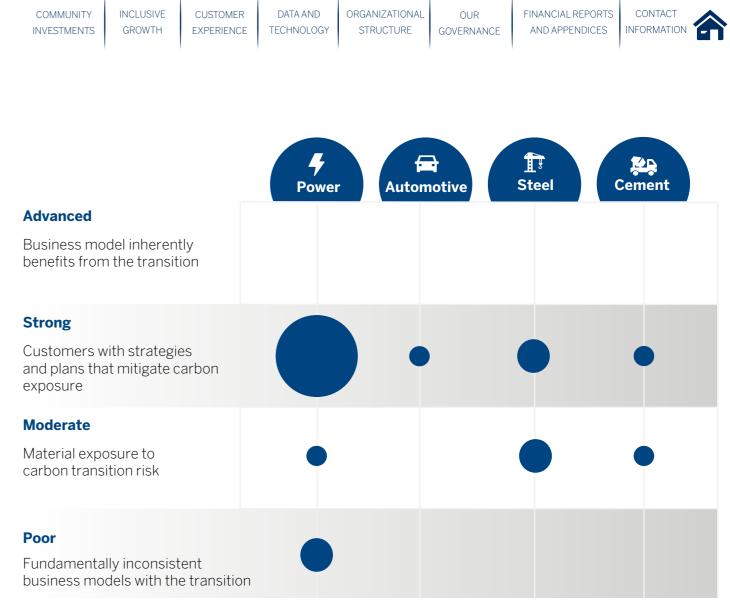
### Transition Risk Indicator (TRI)



### 80% Carbon Transition Assessment



TRI study began in October 2024, and by the end of the year, the transition risk for 18 customers has been calculated. The total credit risk of the customers for whom transition risk has been calculated constitutes 34% of the total credit risk of the customers covered by the study. The image below shows the results of the transition risk scores calculated for customers in the portfolio according to BBVA Group methodologies. The circle size represents the resulting assessment based on the number of customers in sectors that have completed assessments in emissions-intensive categories.



Garanti BBVA, in evaluating the sustainability and climate change transition appetites of its customers through the ESG and TRI assessments, also supports customers who are assessed to have relatively lower awareness and development levels through informational presentations and consultancy studies to ensure they are not left behind. In 2024, a total of 49 customers, mostly from the corporate segment, received informational presentations and consultancy services.

### **ESG Overlay**

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.

### Sustainability Data Platform Project

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.



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### Sector-Based Sustainability Risk Assessment

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.

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 ca-pital calculations, ensuring that the impact of sustainability is reflected in financial evaluations in the following period

### **Carbon Border Adjustment Mechanism Impact** Analysis

Under the Carbon Border Adjustment Mechanism (CBAM), analyses have been carried out regarding the potential adverse effects on the loan repayment capacities of customers exporting to EU countries in sectors such as iron-steel, cement, electricity, fertilizers, aluminum, and hydrogen by 2026.

The emission data of the customers covered by the analysis has been evaluated against the threshold values in the EU taxonomy, and the existence of concrete investment plans to reduce greenhouse gas emissions has been assessed. Additionally, the share of the customer's total revenue from exports to EU countries has been considered to determine the likelihood of the impact on their credit repayment capacity.

As a result of the analysis, additional evaluations are conducted in the loan processes for customers deemed risky under CBAM, and efforts are being made to improve the quality of the data used in the analysis processes.

### **Exposure Assessment of the Loan Portfolio** under the Carbon Border Adjustment Mechanism (CBAM)

Sector	Risk Level
Electricity	Low
Hydrogen	Low
Aluminum	Low
Fertilizer	Low
Cement	Medium
Iron-Steel	High

### **Retail Banking**

### Green Mortgage & Green Auto Loan Indicators

As of 2023, Garanti BBVA has made significant progress in integrating sustainability considerations, particularly the reduction of carbon emissions, into its retail portfolio. One of the key factors in assessing transition risks within the portfolios is the financed carbon emissions associated with each product. While managing these risks, Garanti BBVA plays a facilitating role in financing, aiming to mitigate climate change and promote more sustainable lifestyles. In 2021, the bank introduced sustainable financial products, such as the Green Mortgage, which finances energy-efficient homes, in accordance with sustainability criteria established for collateral to be considered sustainable. A key priority is providing financing for real estate with high environmental standards, such as A and B labeled energy-efficient homes. Additionally, financing is offered for products that meet sustainability criteria, such as electric and hybrid vehicles.

For effective climate and environmental risk management, In line with strategic goals such as reducing carbon access to specific customer and operational data is footprint, increasing renewable energy financing and crucial. Throughout 2024, Garanti BBVA continued improving energy efficiency, The bank monitors the risk implementing its sustainability data strategy, reassessing balances of the credit accounts to which collateral is data needs, identifying data gaps, and developing a attached in the relevant report, and this data set includes comprehensive process review plan to close these categories classified according to energy consumption. gaps. In this context, the bank has strengthened its risk These categories are determined by classes reflecting management processes by collecting energy efficiency energy efficiency performance (EP score), such as  $\leq$  $100 \text{ kWh/m}^2$  and >  $100 \text{ kWh/m}^2$ . In addition, energy certificates for collateralized properties and engine type information for financed vehicles to meet regulatory certificates (A-G) and estimated energy efficiency and management requirements. information are also part of this classification.

Considering the bank's progress toward its sustainability The data obtained are used to support our bank's green targets, as of December 31, 2024, the proportion of financing policies, increase the proportion of energy green auto and mortgage loans within their respective efficient assets and reduce environmental risks. Credit asset classes' total risk balances is as follows: 4.9% of positions are classified separately as receivables within and outside the European Union (EU). Cross-validation is mortgage loans are classified as Green Mortgages, 3.1 billion TL, and 25.7% of auto loans are for electric or hybrid performed between financial statements and ESG data, vehicles, 3 billion TL. Beyond these metrics, individual loan for example, the total gross carrying amount of housing benchmark studies, including disbursement amounts loans must be consistent with the total household loans in and outstanding risk balances, are monitored monthly the financial statements. This dataset is harmonized with for these portfolios. rigorous validations to ensure the accuracy of the total gross carrying amounts based on energy consumption **Energy Efficiency of Collaterals** and energy performance certificates (EPC).

As of December 2022, the energy efficiency of collaterals received from customers has also begun to be monitored. The main purpose of this step is to more effectively disclose ESG (Environmental, Social and Governance) risks and vulnerabilities to the public and to provide meaningful, comparable data. At the same time, it evaluates the sustainability performance of the bank's financial activities and provides transparency to investors and other stakeholders.

The data obtained within this scope is directly related to Garanti BBVA's sustainability goals and supports the transformation process as part of the bank's climate change adaptation strategy.







TALENT & CULTURE COMMUNITY INVESTMENTS INCLUSIVE CUSTOMER GROWTH EXPERIENCE DATA AND ORGANI TECHNOLOGY STRU

# Measurement and Integration of Physical Risk

### **Measurement of Physical Risk**

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. 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.

As of 2023, the geographic location data of the bank's credit portfolio assets has been standardized and optimized using detailed databases to facilitate the conversion between postal addresses and geographic coordinates.

An analysis conducted in the same period provides sector-specific insights for the commercial segment. This assessment is based on eight indicators that reveal sectoral vulnerabilities and considers the indirect effects of climate risks on different industries. The approach follows best practices set by the Task Force on Climaterelated Financial Disclosures (TCFD) and the United Nations Environment Programme Finance Initiative (UNEP-FI). Through this classification, sub-sectors are qualitatively categorized, and the potential impacts of chronic or acute climate changes on their business models and operations are assessed.

Sub-sector	Natural resources	Assets & processes	Market demand	Labour health & productivity	Energy supply	Climate sensitivity supplies	Transport routes	Environmental & social impact	Vulnerability level
Aerospace & Defense	1	1	1	1	2	1	2	2	Low
Agribusiness	3	3	1	3	1	3	2	2	Very high
Air transportation	1	2	1	1	1	1	3	1	Low
Auto parts suppliers	1	1	1	1	2	1	2	2	Low
Automotive (OEMs)	1	1	1	1	2	1	2	2	Low
Capital Goods	1	1	1	1	2	1	2	2	Low

Sub-sector	Natural resources	Assets & processes	Market demand	Labour health & productivity	Energy supply	Climate sensitivity supplies	Transport routes	Environmental & social impact	Vulnerability level
Chemicals	2	2	1	2	2	2	2	2	Medium
Commercial Real Estate	2	3	3	2	2	1	1	2	High
Construction materials	1	2	2	3	1	2	2	1	Medium
Construction and Maintenance	1	2	2	3	1	2	2	1	Medium
Construction	2	2	2	1	2	2	2	2	Medium
Diversified Consumer Services	1	1	1	1	1	1	1	1	Very low
Downstream	2	3	2	1	2	1	2	3	High
Durable goods	1	1	1	1	2	1	2	2	Low
Electric Power & Gas	2	3	2	2	2	1	1	3	High
Food & staples retail	2	1	1	1	1	2	2	1	Low
Food, Beverage & Tobacco	3	1	1	2	2	3	2	2	High
General merchandise wholesalers	2	1	2	1	1	2	2	1	Low
Healthcare services	1	1	1	1	1	1	1	1	Very low
Household and personal care products	3	1	1	1	2	1	2	2	Low
Integrated Oil & Gas	2	3	2	2	2	1	2	3	High
Leisure	2	3	2	2	2	1	2	1	Medium
Logistic services	1	2	1	1	1	1	3	1	Low
Marine transportation	1	2	1	1	1	1	3	2	Low

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Sub-sector	Natural resources	Assets & processes	Market demand	Labour health & productivity	Energy supply	Climate sensitivity supplies	Transport routes	Environmental & social impact	Vulnerability level
Media	1	1	1	1	1	1	1	1	Very low
Medical Equipment & Supplies	1	1	1	1	1	1	2	1	Very low
Midstream	1	3	2	2	2	1	2	2	Medium
Mining	3	1	1	2	2	1	2	3	High
Motor Vehicle Dealers	1	2	1	1	1	1	1	1	Very low
Oil Field Services	1	2	2	2	2	1	1	3	Medium
Other Activities Related to Real Estate	1	1	1	1	1	1	1	1	Very low
Other Retailers	1	1	2	1	1	2	2	1	Low
Paper & Forest products	3	2	1	1	2	3	2	2	High
Paper, plastic, metal & glass packaging	2	1	1	1	2	2	2	2	Low
Pharmaceutical products	2	1	1	1	1	2	2	1	Low
Professional & commercial services	1	1	1	1	1	1	2	1	Very low
Residential Real Estate	2	3	3	2	2	1	1	2	High
Road and rail transportation	1	2	2	1	1	1	3	1	Low
Steel & Processed Metals	2	2	1	1	3	1	2	2	Medium
Technology (software, hardware and computer services)	1	3	1	1	2	2	2	1	Low

Sub-sector	Natural resources	Assets & processes	Market demand	Labour health & productivity	Energy supply	Climate sensitivity supplies	Transport routes	Environmental & social impact	Vulnerability level
Telecommunication services	1	2	1	2	2	1	1	1	Low
Textiles, apparel and luxury goods	2	1	2	1	2	2	2	2	Medium
Transportation infrastructure operators	1	3	1	1	1	1	3	1	Medium
Upstream	2	3	2	3	2	1	1	3	High
Water, Sewage and Waste Management	3	2	1	2	1	1	1	2	Low

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\*Prepared by GarantiBBVA. Heat map indicating the physical risk vulnerabilities of sectors.

In this context, for 2024, our bank estimates that out of the 96 billion TL total risk exposure in the wholesale portfolio that may be subject to physical climate risks: 10% is exposed to chronic climate risks, 1% is exposed to acute climate risks and 1.5% is exposed to both chronic and acute climate risks.





\*Prepared by GarantiBBVA.

To accurately assess and measure the impact of physical and transition risks, Garanti BBVA has launched initiatives to enhance its analytical and data capabilities in 2025. The CRIS project focuses on assessing the physical risks of client collaterals and corporate/commercial client

The CRIS project focuses on assessing the physical risks of client collaterals and corporate/commercial client asset locations using three different climate scenarios defined by the Network for Greening the Financial System (NGFS) and analyzing transition risks by evaluating the impact of climate risks on the financial data of corporate and commercial clients, using NGFS climate scenarios.

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Beyond ongoing projects, Garanti BBVA has initiated work on a High Physical Risk metric, which will be monitored starting in 2025. This metric will cover collaterals highly sensitive to physical risks. The methodology will involve calculating the risk exposure of contracts tied to high-risk collaterals, by dividing the default risk amount of these contracts by the total risk exposure of all covered assets. The limit allocation methodology is expected to be finalized by 2025.



COMMUNITY INCLUSIVE INVESTMENTS GROWTH

DATA AND CUSTOMER EXPERIENCE **TECHNOLOGY** 

### **Collateral-Based Physical Risk Assessment**

Analyses have been conducted based on physical risks such as fire risk, flood risk, and sea level rise risk for real estate collateral, in line with the physical risk assessments of customers. In the initial phase, risk values were calculated using the location data of the collateral, and these values were subsequently modeled on an annual basis. Then, considering the remaining maturity of the loan secured by the collateral, risks were assessed in detail, and a degradation factor was determined to estimate its impact on Loss Given Default (LGD) in case of default.

This study encompasses all mortgage loans within the bank, with default-related losses estimated for each mortgage loan based on potential physical risks arising from climate change. These calculations have been integrated into both economic capital and provisioning calculations, ensuring that climate risk impacts are reflected in the bank's financial metrics. Starting in 2025, the scope of the study will be expanded to include commercial real estate collateral.

### CRIS

CRIS (Climate Risk Integrated Solutions) is an innovative analysis and management platform designed to comprehensively assess physical and transition risks from climate change, supporting Garanti BBVA's sustainability goals and ensuring regulatory compliance. This system serves as a critical tool for understanding, measuring, and managing the financial impacts of climate risks at both client and portfolio levels. The primary goal of CRIS is to simulate the financial impacts of climaterelated risks based on Network for Greening the Financial System (NGFS) climate scenarios and optimize the bank's credit policies accordingly. Additionally, the insights gained from physical and transition risk assessments are integrated into Garanti BBVA's operational, strategic, and regulatory processes, strengthening the decisionmaking framework.

A key area of CRIS is the detailed analysis of real estate collateral exposure to climate change-induced physical risks, such as flooding, drought and temperature increases etc. All residential and commercial real estate collaterals are evaluated based on their geographic locations using physical risk maps, allowing the bank to identify potential value losses in collateral assets. These analyses will help optimize collateral policies in the lending process. In the transition to a low-carbon economy, sustainability parameters such as energy efficiency and carbon footprint of real estate collateral are analyzed.

Particular focus is placed on assets with low energy efficiency, as they may experience market devaluation and increased regulatory risks. This assessment provides critical data for developing the bank's sustainable finance policies.

This heading analyzes the exposure of commercial customers' operations to physical risks such as natural disasters caused by climate change and provides a detailed assessment of companies by taking into account their geographical location, membership in the MSCI ACWI index and production processes.

This approach enables the forecasting of potential financial impacts of climate change on corporate clients. The costs, regulatory risks and market demands arising from the adaptation processes of commercial customers to the low-carbon economy are analyzed. For carbonintensive industries, the system assesses financial impacts of carbon taxation and emerging regulations, contributing to the development of a more sustainable credit portfolio. CRIS generates valuable outputs for Garanti BBVA's strategic, operational, and regulatory processes. Through climate scenario-based financial projections, it enables detailed analysis of risk impacts on collateral values and corporate financial performance. These projections will enhance risk management and strategic planning, ensuring more informed and effective decision-making.

### **Other Assessments**

### Impact Assessments on Operational Risk

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.

In liquidity risk stress test analyses, within the scope of the assumption of the roll-over rate of long-term funding transactions, higher roll-over rates are set for Environmental, Social and Corporate Governancerelated transactions, thereby encouraging the Bank's strategy in this regard. In this context, the renewal rates of ESG-linked Eurobond and syndicated transactions are differentiated compared to non-ESG-linked Eurobond and syndicated transactions. The potential impact of climate risk on the liquidity buffer is assessed through the valuation and availability of high quality liquid assets. In this context, a high transition risk study is regularly conducted. Within the scope of this study, the portfolio is categorized into three classes as low, medium and high risk in terms of climate risk by looking at the sector codes of the eligible securities in the portfolio, and it is determined how much of the portfolio is in which risk scale.

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.

The scenario analysis was conducted for the 2022 reporting period, and it is planned to be updated in 2025 for the Bank's current branch and Headquarters locations.

### You can access the related analysis study here.

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.

### Impact assessments on liquidity risk

### Impact assessments on Reputational Risk

Reputation risk refers to the likelihood of the Bank incurring a loss due to a decrease in trust from stakeholders such as customers, employees, partners, suppliers, competitors, and regulatory authorities, or from failure to comply with existing legal regulations.

The reputation risk analysis includes not only Türkiye Garanti Bankası A.Ş. but also Garanti Finansal Kiralama A.Ş., Garanti Emeklilik ve Hayat A.Ş., Garanti Faktoring A.Ş., Garanti Bank International NV (Netherlands), Garanti Bank SA (Romania), Garanti Yatırım Menkul Kıymetler A.Ş., Garanti Portföy Yönetimi A.Ş., Garanti BBVA Dijital Varlıklar A.S., Garanti Filo Yönetim Hizmetleri A.S., Garanti Ödeme Sistemleri A.Ş., and Garanti Ödeme ve Elektronik Para Hizmet A.Ş.

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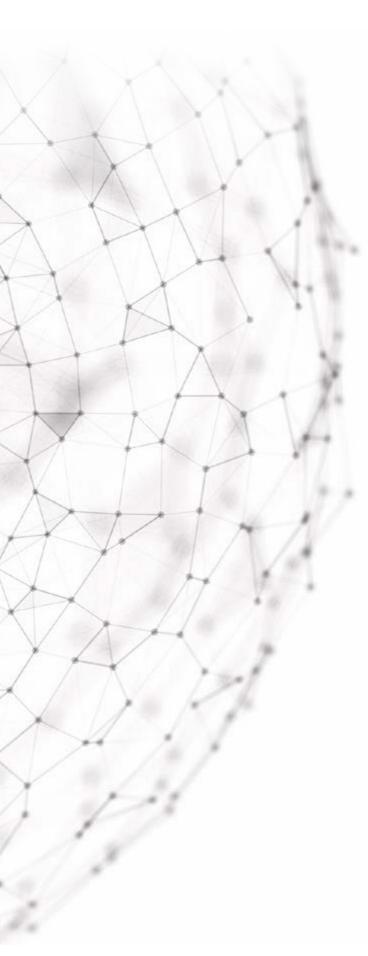
GARANTI BBVA'S OUR VALUE POSITION IN THE CREATION SECTOR

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The Bank manages reputation risk in two directions: measuring and assessing current (stock) risks and evaluating and controlling new (flow) risks arising from new businesses and services, within the framework of policies approved by the Board of Directors, while avoiding any actions or activities that could create reputation risk in the eyes of its stakeholders.

The measurement and evaluation of current (stock) risks consist of two stages: "Impact Analysis" and " Strength Assessment." The impact analysis evaluates how reputation risks affect and are perceived by stakeholders; the strength assessment assesses the adequacy of existing measures taken against reputation risks.

In the strength analysis, reputation risks are examined under six different headings. Among these headings, two reputation risks related to sustainability are addressed: "Greenwashing Risk" and "The Perception of Poor Management of Vulnerable Customers." A total of eight reputation risk factors categorized under these two types are assessed, focusing on both the Bank's and its subsidiaries' existing measures and controls in the sustainability area, and action plans are developed accordingly.

In evaluating new (flow) risks, reputation risk factors arising from new initiatives (business, product, service, outsourcing) are assessed, and control measures are implemented to mitigate these risks.

## **Our Sustainability Metrics and Targets**

### **Environmental Targets and Performance Tables**

### Scope 1, 2, and 3 Emissions

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Total annual GHG emissions (TCO2e) reported according to the Greenhouse Gas Protocol (2004 & 2015).

		En	vironmenta	Performance	e Data				
Bank and Subsidiaries	Scope 1 (TCO <sub>2</sub> e)		Scope 2 (TCO <sub>2</sub> e)			Scope 3 (TCO <sub>2</sub> e)		Total TCO <sub>2</sub> e (Scope 1 & 2)	
Domestic	2023	2024	2023	2024	2023	2024	2023	2024	
Garanti BBVA	N/A	15,654.15	N/A	0.00	N/A	12,937.81	N/A	15,654.15	
Garanti BBVA Leasing	N/A	150.47	N/A	0.00	N/A	124.36	N/A	150.47	
Garanti BBVA Factoring	N/A	95.04	N/A	0.00	N/A	78.55	N/A	95.04	
Garanti BBVA Securities	N/A	222.54	N/A	0.00	N/A	183.93	N/A	222.54	
Garanti BBVA Asset Management	N/A	38.01	N/A	0.00	N/A	31.42	N/A	38.01	
Garanti BBVA Pension and Life	N/A	436.38	N/A	0.00	N/A	360.66	N/A	436.38	
Garanti Investment Trust Inc.	N/A	5.54	N/A	0.00	N/A	4.58	N/A	5.54	
Garanti BBVA Payment Systems	N/A	195.62	N/A	0.00	N/A	161.67	N/A	195.62	
Garanti Payments and E-Money	N/A	22.18	N/A	0.00	N/A	18.33	N/A	22.18	



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Environmental Performance Data								
Bank and Subsidiaries	Scope 1 (TCO <sub>2</sub> e)		Scope 2 (TCO <sub>2</sub> e)		Scope 3 (TCO <sub>2</sub> e)		Total TCO₂e (Scope 1 & 2)	
Abroad	2023	2024	2023	2024	2023	2024	2023	2024
Garanti Bank International NV	N/A	111.22	N/A	12.11	N/A	670.23	N/A	123.33
Garanti Bank Romania	N/A	1,046.36	N/A	638.05	N/A	418.96	N/A	1,684.41

For the year 2024, estimates are used for data not available at the closing date of this report. Garanti Bank International NV and Garanti Bank Romania emission data includes their subsidiaries. The breakdown of emissions of subsidiaries started in 2024.

### GHG Emissions (Tonnes Of CO, Equivalent)

Year	Scope 1 (TCO <sub>2</sub> e)	Scope 2*** (TCO <sub>2</sub> e)	Scope 3**** (TCO <sub>2</sub> e)	Total TCO <sub>2</sub> e (Scope1 & 2)	GHG Emissions Intensity***** (TCO <sub>2</sub> e /Total Assets)	% Change In GHG Emissions Intensity
2024	16,820 🗸	0 🗸	13,901 🗸	16,820 🗸	5.6 🗸	99% 🗸
2023	18,073	0	11,445	18,073	8.2	98%
2022	18,981	0	411	18,981	14.6	97%
2021	18,643	0	61	18,643	22	96%
2020	10,508	11,934	345	22,442	42	74%
2019	14,923	55,198	2,196	70,121	164	-3%
2018	12,933	54,300	3,111	67,233	168	-15%
2017	11,835	58,628	2,494	70,463	198	-9%
2016	10,924	57,259	3,181	68,183	218	-20%

\*\*\* Scope 2 emissions are stated as 0 due to the IREC purchases.

\*\*\*\* Specified Scope 3 emissions include activities arising from airplane and train travel carried out by Garanti BBVA employees for business purposes and the means of transportation preferred by employees (private vehicles, public transportation, shuttle vehicles, etc.) to reach the office

\*\*\*\*\* Scope 3 is not included in the intensity calculations.

For the year 2024, estimates are used for data not available at the closing date of this report.

This table only includes Garanti BBVA and its domestic subsidiaries.

### **Carbon Reduction Targets and Progress Status**

Garanti BBVA aims to align its credit portfolio with net zero scenarios by 2050, as part of its commitments to the Net Zero Banking Alliance (NZBA) and sciencebased target setting.

The Bank's 2030 decarbonization targets for carbonintensive sectors, including energy, automotive, iron & steel, and cement, have been developed using the internationally recognized PACTA (Paris Agreement Capital Transition Assessment) methodology and were publicly disclosed in 2023. Garanti BBVA continuously reviews these targets as data quality improves and works towards updating them.

### **Garanti BBVA Decarbonization Targets**

Scenario		Sector	Metric	Emission Scope	Garanti BBVA Baseline *	Garanti BBVA Progress (2023)	Garanti BBVA Progress (2024)	Reduction Target by 2030	Difference
	T,	Energy	kgCO <sub>2</sub> e/MWh	1+2	371*	339	371	(-71%)	+0%
	-	Automotive	gCO <sub>2</sub> e/km	3	182	179	171	(-40%)	+15%
IEA Net Zero 2050		Iron & Steel	kg CO <sub>2</sub> e/ Tiron&steel	1+2	1131***	1.306***	1.414	(-13%)	0%
	<u>I</u> tt	Cement	kg CO <sub>2</sub> e/ Tcement	1+2	726	726	726	(-20%)	0%
	0	Coal	The	e Bank will red	duce the coal			announced in to zero by 204	

Note: Garanti BBVA has negligible Oil&Gas exposure.

\*The starting point for Energy, Automotive, Iron & Steel, and Cement is 2022. \*\*Starting data for Energy has been updated.

\*\*\*The emission factor per ton of production in the iron and steel sector has been updated, taking into account grid electricity emissions.





The objectives of Garanti BBVA's sectoral decarbonization targets are:

- Measuring customers' progress in their decarbonization processes and providing them with the necessary financial support for investments in new technologies and production methods.
- Increasing risk weighting for customers aligned with decarbonization targets to reduce transition risks in the loan portfolio.
- Fulfilling the transparency commitment regarding environmental and social performance disclosures, which have become increasingly important for the financial sector.

Garanti BBVA's portfolio decarbonization targets for companies in the energy, automotive, iron & steel, cement, and coal sectors, for which it has set decarbonization goals, and their progress as of 2024 are as follows:



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Garanti BBVA monitors its progress toward its 2030 decarbonization targets through data collection, customer visits, sectoral plans, and internal risk assessment tools; reports annually to NZBA and receives 3rd Party verification.

- In 2024, emissions intensity in the automotive sector decreased by 4.47%.
- In **cement** sector calculations, no changes were observed in emissions intensity due to database limitations.
- In the iron and steel sector, emissions intensity increased by 8.27%, driven by heightened short-term risk exposure among companies utilizing high-emission production technologies. Nevertheless, all firms within the sector were evaluated to be aligned with the Bank's 2030 decarbonization goals.
- In the energy sector, despite an increase in renewable energy investments, a 9.44% rise in emissions intensity was observed due to high-emission companies shifting towards renewable energy investments and a temporary increase in short-term risk exposure. A decline in emissions intensity, aligned with targeted goals, is expected once these investments are fully completed.

All risk exposure and credit limits for customers in these sectors are monitored monthly and evaluated using PACTA-derived emissions intensity values on a weighted average basis (Risk x Emissions Intensity). In cases where PACTA data does not accurately reflect actual emissions intensity (e.g., when customer-reported emissions data differs), direct customer data is used for calculations.

The TRi (Transition Risk Indicator) tool, developed by BBVA, integrates decarbonization targets into daily risk management processes. Using a sector-based approach, TRi evaluates each customer's emissions profile and decarbonization strategy, enabling the categorization of customers based on transition risks and strategy maturity. The tool provides customized services to support decarbonization efforts. TRi reports are updated monthly tracking current emissions intensity in energy, automotive, iron & steel, and cement sectors, along with 2030 projections for energy, iron & steel, and cement sectors.

High-emission sectors require significant capital investment and long-term financing. Garanti BBVA actively monitors sectoral solutions and aims to support customer investments in these areas.

### **Electricity Generation:**

- Renewable energy projects
- Investments in digitalization
- Energy storage solutions

### **Cement Sector:**

- Transition to alternative fuel sources (Ensuring process conditions suitable for waste incineration, use of Refuse-Derived Fuel (RDF), biomass, waste shredding and fuel preparation facilities for Used Tires, production of Municipal Solid Waste, sludge drying plants, etc.)
- Use of alternative raw materials, incorporating industrial symbiosis principles
- Reducing clinker ratio in cement production
- Production of alternative materials, including calcined clay
- Energy efficiency improvements in kilns, grinding mills, crushers, and cooling systems
- Carbon Capture, Utilization, and Storage (CCUS) technologies
- Electrification and hydrogen usage

### **Iron & Steel Sector**

- Investment in Electric Arc Furnaces (EAFs)
- Reduction technologies in coke production (enhanced separation of raw materials, biomass utilization, waste heat recovery)
- Emission reduction technologies for pig iron production in blast furnaces (Top pressure recovery turbine, optimization of blast furnace charge distribution, fuel injection, waste heat recovery, biochar utilization, etc.).
- Direct Reduced Iron (DRI) production technologies (direct reduction processes; MIDREX®, FASTMET®, HIsmelt<sup>®</sup>, CCF)





### **Breakdown of Sustainable Finance Mobilization** by Segment and Subsidiary





Garanti BBVA's sustainable finance contributions include the activities of domestic subsidiaries such as Garanti Leasing and Garanti Asset Management, as well as international subsidiaries like Garanti Bank International and Garanti Bank Romania. Sustainable finance contributions are assessed and categorized according to BBVA Group's "Sustainable Business Activity Finance Standard". The following table outlines the contributions made by subsidiaries to sustainable development financing:

Subsidiary	Mobilization Amount (TRY)
Garanti BBVA International	11,537,628,000
Garanti BBVA International	1,064,058,000
Garanti BBVA International	1,419,804,887
Garanti BBVA Romania	819,635,802
Garanti BBVA Romania	629,613,366
Garanti BBVA Leasing	1,522,874,164
Garanti BBVA Asset Management	2,446,000,000
	Garanti BBVA InternationalGaranti BBVA InternationalGaranti BBVA InternationalGaranti BBVA RomaniaGaranti BBVA RomaniaGaranti BBVA RomaniaGaranti BBVA BBVA Asset

### **Assets Aligned with Climate-Related Opportunities**

As of the end of 2024, the share of cash and non-cash loans allocated to activities classified as sustainable within the Bank's total cash and non-cash loans is 2%. This ratio is 5% in the corporate and commercial segment and 0.4% in the SME and retail segments. Since the regulatory standards and calculation methodologies for this ratio were not yet established during the reporting period, financing activities were assessed in accordance with BBVA's Sustainable Business Activity Finance Standard.





### **Coal Phase Out Plan**

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.\*

### **Renewable Energy**

Since 2014, Garanti BBVA has committed to financing only renewable energy projects under Project Finance for new electricity generation projects. In 2024, the Bank continued this policy, ensuring that all new energy project financing was allocated exclusively to renewable energy investments. In 2024, the market share of wind power plants (WPP) and solar power plants (SPP) financed by Garanti BBVA was 23.6% and 14.3%, respectively. The Bank's cumulative financing for renewable energy investments has amounted to approximately 7 billion USD.

# In 2024, the total avoided emissions from renewable energy projects financed by Garanti BBVA amounted to 14.82 million $tCO_2e$ , based on Türkiye's current average grid emission factor.

3.003 billion USD was financed for wind power plant (WPP) projects with an installed capacity of 3030 MW.
2.501 billion USD was financed for hydroelectric power plant (HEPP) projects with an installed capacity of 3704 MW.

1.015 billion USD was financed for solar power plant (SPP) projects with an installed capacity of 2860 MW.
0.275 billion USD was financed for geothermal power plant (GPP) projects with an installed capacity of 337 MW.
0.201 billion USD was financed for biomass power plant (BPP) projects with an installed capacity of 142 MW.

### **Performance Tables**

Sustainable Finance	2023	2024	Audited Data (Yes/No)
Amount of investments in renewable energy projects by type as of the reporting period end	6,5 bn \$	7,0 bn \$	
Installed capacity of renewable energy projects by type as of the reporting period end	9,559	10,072	<b>Ø</b>
Renewable energy projects in the new investment energy production portfolio (in new project finance transactions)	100%	100%	
Market share of wind power plants (WPP) by installed power financed by the Bank	24.6%	23.6%	

### Sustainable Finance

Total annual emissions avoided by financed renewable energy projects (mtCO2e)

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Contribution to Sustainable Development\* (billion TL, 2018-2024)

Environmental & Social Impact Assessment Process Indicators (cumulative)

Number of projects rejected

Risk rating of evaluated projects

Site visits to customers regarding environmental and social issues

### Sustainability

Number of SDGs contributed through effective management of sustainability risks

Participation in sustainability related initiatives and memberships

Number of contributed working groups on sustainability

Number of ESG ratings and sustainability indices that Garanti BBVA follows

Number of Policies/Position Papers Garanti BBVA contributed

Environmental and Social workshops and conferences

Total sustainability funds received from international financial institutio (million USD)

### **Community Investment Programs**

Contribution to community investment programs (million TL)

Number of areas focused on by community investment programs

\* Non-performing loans are excluded from this calculation.

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2023	2024	Audited Data (Yes/No)
14.65	14.82	
120	291	
92	93	
0	0	
4	1	
27	18	

	2023	2024	Audited Data (Yes/No)
	17	17	
	30	26	
	45	45	
A	13	11	
	11	10	
	24	30	
ons	1,105	1,016	

2023	2024	Audited Data (Yes/No)
875	277.8	$\checkmark$
4	4	



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### Operational Efficiency and Waste Management

### Zero Waste Management System

Garanti BBVA implements source separation and effective waste management across its branches and buildings.

The certification process for the Basic Level Zero Waste Certificate, issued by the Ministry of Environment, Urbanization, and Climate Change, began in 2022 with the Zincirlikuyu Headquarters and Pendik Campus buildings. As of the end of 2024, the certification program has expanded to 17 service buildings. Additionally, all employees receive "Zero Waste Training for a More Livable World", aimed at raising awareness among staff.

### **Electronic Waste**

Garanti BBVA expanded its electronic waste recycling initiative to Pendik Campus in 2024, following its initial launch at Zincirlikuyu Headquarters in collaboration with Mol-e, the winner of the 2023 Türkiye's Women Entrepreneur Competition, organized in partnership with Ekonomist Magazine and KAGİDER. Through Mol-e, Bank employees can donate their unused electronic waste and convert the points they earn into donations to the Teachers Academy Foundation (ÖRAV), supporting education. With this partnership, Garanti BBVA not only contributes to sustainability but also continues to support women entrepreneurs.

With the recycling movement we initiated, we prevented 467 kg\* of carbon emissions by recycling a total of 200 kg of electronic waste. Mol-e; is a holistic e-waste digital management platform that manages the electronic waste of individuals and companies in an environmentally friendly, economical and end-to-end manner. It also creates a data pool with waste images and provides year-end electronic waste balance sheets to both institutions and international reports.

\*Approximately calculated with EPA data

### **Resourse Consumption Within The Organization**

Energy Source	2019	2020	2021	2022	2023	2024
Non-Renewable Electricity (MWh)	107,447	25,021	14,462	14,056	93,404	0 🗸
Renewable Electricity (MWh)	51	73,206	72,653	78,819	0	90,189 🧹
PV Electricity Consumption* (MWh)			87	3.56	225.5	392.6 🧹
Natural Gas for Heating (m3)	5,270,775	3,575,311	4,514,428	3,536,609	3,165,219	2,393,178 🗸
Natural Gas for Heating (MWh)	50,538	34,281	43,285	38,078	30,372	22,964 🗸
Diesel for Heating (liter)	51,642	81,692	201,343	62,646	43,369	35,054 🧹
Diesel for Heating (MWh)	508	804	1.053	505	427	345 🗸

\* Reported from 2021.

Energy Source	2019	2020	2021	2022	2023	2024
Geothermal (MWh)					192	180 🗸
Coal for Heating (tonnes)	21	16	42	60	3	0 🗸
Coal for Heating (MWh)	73	54	145	208	12	0 🗸
Diesel Consumption in Generators (liter)	129,347	74,540	94,389	67,785	76,013.83	91,284 🗸
Diesel Consumption in Generators (MWh)	1,273	733	928	547	748	899 🗸
Fuel Oil (liter)	6,120	4,455	11,884	0	0	0 🗸
Fuel Oil (MWh)	65	47	125	0	0	0 🗸
Diesel Consumption in Vehicle (liter)**	1,091,907	710,832	978,275	1,257,692	1,279,185	1,337,408 🗸
Diesel Consumption in Vehicle (MWh)**	10,743	6,994	9,635	12,718	12,596	13,169 🗸
Gasoline Consumption in Vehicle (liter)**	59,098	17,125	1,625,250	1,884,245	1,952,286	2,180,434 🗸
Gasoline Consumption in Vehicle (MWh)**	525	152	14,426	16,385	17,357	19,386 🗸
Total Energy Consumption (MWh)	171,172	141,293	156,800	161,320	155,334	147,525 🗸

\*\* Vehicles used for commercial purposes only.

Water Consumption	Total Consumption (2019)	Total Consumption (2020)	Total Consumption (2021)	Total Consumption (2022)	Total Consumption (2023)	Total Consumption (2024)
Tap Water (1.000 m3)	260	260	186	233	222	252 🗸
Rain Water (1.000m3)	-	-	-	-	3.45	3.42 🗸
	Total Discharged Water (2019)	Total Discharged Water (2020)	Total Discharged Water (2021)	Total Discharged Water (2022)	Total Discharged Water (2023)	Total Discharged Water (2024)*
Water (1.000m3)	-	-	-	182	178 🗸	-

\* The 2024 water discharge verification process has not yet been completed as of the reporting date. Rainwater consumption has not been calculated before 2023.



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Waste Management	2019	2020	2021	2022	2023	2024
Hazardous (tonnes)	6	4	20	11	34	29 🧹
Recyclable (tonnes)	368	385	228	204	373	406 🗸
Paper Consumption	2019	2020	2021	2022	2023	2024
Paper (1.000 tonnes)	0.9	0.6	0.6	0.73	0.74	1.02 🗸
Environmental Investments and Ex	(TL)		2023 2024		24	
Capital expenses			29,794,176 10,861,753		1,753	
Administrative expenses			5,509,122		-	

\*Calculation includes the investment and expenditures made by Bank's Premises & Services Department.

### Social and Governance Indicators

### **Employee, Diversity, and Employee Development Performance Tables**

Employee and Diversity Indicators	2023	2024	Audited Data (Yes/No)
Number of Employees	22,016	22,664	
Garanti BBVA*	19,367	19,947	
Garanti BBVA Crypto	16	30	
Garanti BBVA Pension and Life	503	551	
Garanti BBVA Factoring	121	120	
Garanti BBVA Fleet	85	88	$\checkmark$
Garanti BBVA Leasing	101	102	
Garanti BBVA Payment Systems	14	28	
Garanti BBVA Asset Management	50	48	
Garanti BBVA Securities	277	281	

Employee and Diversity Indicators	2023	2024	Audited Dat (Yes/No)
Garanti BBVA International	239	249	
Garanti Bank S.A (Romania)	1,200	1,177	
Garanti BBVA Kültür A.S.	43	43	
*Including Garanti BBVA Mortgage, Garanti BBVA GYO, Garanti BBVA Pay	ment Systems and G	aranti BBVA Technolo	ogy.
Employee and Diversity Indicators	2023	2024	Audited Dat (Yes/No)
Ratio of women employees	55.7%	55.5%	
Women in senior management (%)	30.0%	44.4%	
Women in mid-level management (%)	39.3%	40.1%	
Women in technology (Share of women in STEM roles)	39.9%	39.4%	
Women in revenue-generating roles	64.8%	64.3%	
Number of maternity leaves	437	443	
Ratio of women employees returned to work after maternity leave	98.4%	97.5%	
Number of paternity leaves	379	379	
Number of employees with disabilities	380	428	
Employee turnover	11.6%	13.3%	
Employee engagement score*	4.31	4.38	
Number of Employees by Age Group	2023	2024	Audited Dat (Yes/No)
<30	5,170	5,616	$\checkmark$
30-50	15,922	15,977	
>=50	924	1,071	
Total	22,016	22,664	

<30		
30-50		
>=50		
Total		

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Number of Employees (Branches, Head Office, Technology)	2023	2024	Audited Data (Yes/No)
Headquarter	7,497	8,023	
Branches	11,229	11,189	
Technology	2,466	2,594	
Other	824	858	
Total	22,016	22,664	
New Hires by Age Group	2023	2024	Audited Data (Yes/No)
<30	2,144	2,462	$\checkmark$
30-50	693	735	
>=50	61	27	
Total	2,898	3,224	
New Hires by Gender	2023	2024	Audited Data (Yes/No)
Women	1,530	1,724	
Men	1,368	1,500	
Total	2,898	3,224	
New Hires by Nation	2023	2024	Audited Data (Yes/No)
Türkiye	2,550	2,975	
Romania	302	215	
Holland	46	34	
Total	2,898	3,224	
Total Employee Turnover by Gender	2023	2024	Audited Data (Yes/No)
Women	11.71%	12.91%	
Men	11.36%	13.72%	

Total Employee Turnover by Age	2023	2024	Audited Data (Yes/No)
<30	20.33%	26.32%	
30-50	8.62%	8.67%	
>=50	13.10%	17.18%	
Related Indicators	2024	2023	2022
Gender Pay Gap (Percentage)*	0.8 🗸	0.3	(0.1)

	Management Level**	Branch Manager/ Mid-Level Manager**	Rest of the Employees**	Average
2024 (Percentage)*	2.8 🗸	0.7 🗸	0.9 🗸	0.8 🗸

\* Median value given, as average metrics is negatively affected by extreme values (i.e. very high/very low). Annual total cash income data was used in the study and Garantibank International fees were not included in the calculations due to data confidentiality.

\*\* Management Level: Directors, Regional Managers, Corporate and Commercial Branch Managers, Managers

Branch Manager/Mid-level Managers: Branch Managers (except Corporate& Commercial branches), Senior Supervisors and Supervisors

Rest of the Employees: Associates, Specialists and Specialist Assistants, Assistants and Support Staff

### Performance Indicators for Training

Employees Completed Selected Trainings *
Number of Employees Completed "Gender Equality" Trainings
Number of Employees Completed "Anti Corruption" Trainings
Number of Employees Completed "Ethics" Trainings
Number of Employees Completed "Information Security" Trainings
Number of Employees Completed "PDPL Trainings"
Number of Employees Completed "Cyber Security" Trainings
Number of Employees Completed "Sustainability Trainings
*The 2022 and 2024 date in the table channel the tatel oursehow of a

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2023	2024	Audited Data (Yes/No)
4,846	22,659	
8,715	9,197	
13,914	11,069	
35,971	42,581	
27,317	14,082	
13,349	4,968	
19,591	53,418	

\*The 2023 and 2024 data in the table shows the total number of participants who completed the training

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### Performance Indicators Related to Customer Data

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Customer Experience	2023	2024	Audited Data (Yes/No)
Indicators related to Customers, Customer Experience and Inclusive Growth			
Total # of customers	25.4 million	27.7 million	
Total # of digital banking customers	15.0 million	16.7 million	
Total # of mobile banking customers	14.8 million	16.5 million	
Yearly Transactions Performed through Internet and Mobile Banking Channels	1.5 billion	1.7 billion	
# of Garanti BBVA Log-ins	4.9 billion	5.3 billion	
% of Digital Active Customers	86%	88%	
Branches	Garanti BBVA Domestic: 796 Garanti BBVA Foreign (including Cyprus): 8 Garanti BBVA International: 1 Garanti BBVA Romania: 72 Garanti BBVA Securities: 31 Garanti BBVA Leasing (including Fleet): 15 Garanti BBVA Factoring: 11	Garanti BBVA Domestic: 787 Garanti BBVA Foreign (including Cyprus): 7 Garanti BBVA International: 1 Garanti BBVA Romania: 72 Garanti BBVA Securities: 31 Garanti BBVA Leasing (including Fleet): 15 Garanti BBVA Factoring: 11	
ATMs	5,511	5,820	
# of Cardless Transactions through Garanti BBVA ATMs	123 million	136 million	
Share of QR transactions	35%	38%	
POS Terminals	808,478	864,055	
Credit Cards	15,183,137	17,056,271	
Digital channel share in non-cash transactions (Retail)	98.1%	98.1%	
Number of ATMs accessible by visually impaired individuals	5,496	5,806	
Number of ATMs accessible by individuals with orthopedic disabilities	230	227	
Products or services modified and developed according to customer feedback	15	16	
Retail Net Promoter Score* (Ranking)	#2	#2	

\*Net Promoter Score study was conducted by independent research firm Ipsos for Garanti BBVA. Competitors are İşbank, Akbank and Yapı Kredi Bank. The research was conducted in January-December 2024 period using online panel and telephone techniques, with quota sampling method, with customers who described the relevant bank as their main bank and contacted their bank in the last 3 months. The research conducted by telephone technique was based on the Garanti BBVA customer list. The Mobile Banking Net Promoter Score study was conducted by the independent research firm Ipsos for Garanti BBVA. Competitors are İşbank, Akbank and Yapı Kredi Bank. The research was conducted with 9,697 people, in January-December 2024 period through the online panel, with customers who described the relevant bank as their main or second bank.

Performance Indicators for Training	2023	2024	Audited Data (Yes/No)
Hours of Selected Trainings*			
Total Training Hours of "Gender Equality" Trainings	5,677	12,497	
Total Training Hours of "Anti Corruption" Trainings	6,073	6,044	
Total Training Hours of "Ethics" Trainings	6,094	4,349	
Total Training Hours of "Information Security" Trainings	19,474	23,064	
Total Training Hours of "PDPL Trainings"	10,683	7,150	
Total Training Hours of "Cyber Security" Trainings	13,349	4,968	
Total Training Hours of "Sustainability Trainings	11,046	27,073	
Training Hours & Total Expenditure on Training			
Training hours per employee	54.2	69.52	
Number of training per male/female employee	54.25 (female) & 50.20 (male)	67,18 (female) & 65,12 (male)	
Share of digital training in total training hours	51%	47%	
Total expenditure on training (million TL)	94.7	200.4	

\*The data for 2023 and 2024 in the table shows the total duration of training for all participants who completed the training.

Occupational Health and Safety Performance Indicators	2023	2024	Audited Data (Yes/No)
Absentee Rate	1.20%	1.27%	$\checkmark$
Number of accidents	132	30	
Number of fatal cases	2	0	$\checkmark$
Accident frequency rate	0.52	0.78	
Occupational illness	0	0	

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TALENT &	
CULTURE	

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### **Performance Indicators Related to Governance Data**

CUSTOMER

Customer Experience	2023	2024	Audited Data (Yes/No)
Indicators related to Customers, Customer Experience and Inclusive Growth			
SME Net Promoter Score* (Ranking)	#2	#2	
Commercial Net Promoter Score** (Ranking)	#1	#1	
Mobile Net Promoter Score*(Ranking)	#2	#2	
Net TCR Score***	62%	60%	
Target customers surveyed	15%	19%	
Feedbacks received	3.9 milyon	4.7 million	
Change in customer complaints*****	-1%	-5%	
Proactive actions against potential situations likely to cause customer dissatisfaction	6	16	
Number of Contacts handled by the Customer Contact Center (CCC) (million)	67.2	68.5	
CCC Service Level	82.2%	81.0%	
CCC Call Response Rate	98.7%	98.5%	
CCC Financial Product Range (units)	33	44	
SME initiatives (including applications and events)	9	9	
Women entrepreneurs encouraged to apply to Woman Entrepreneur Competition	45 thousand	47 thousand	
Women who participated in woman entrepreneurship events and whom Garanti BBVA helped raise increased financial awareness	11.555	13.855	

\*\*Net Promoter Score study was conducted by independent research firm Ipsos for Garanti BBVA. Competitors are İşbank, Akbank and Yapı Kredi Bank. The research was conducted in January-December 2024 period using online panel and telephone techniques, with quota sampling method, with customers who described the relevant bank as their main bank and contacted their bank in the last 3 months. The research conducted by telephone technique was based on the Garanti BBVA customer list. The Mobile Banking Net Promoter Score study was conducted by the independent research firm Ipsos for Garanti BBVA. Competitors are İşbank, Akbank and Yapı Kredi Bank. The research was conducted with 9,697 people, in January-December 2024 period through the online panel, with customers who described the relevant bank as their main or second bank.

\*\* Commercial Net Promoter Score study was conducted by the independent research firm Ipsos for Garanti BBVA. Competitors are İşbank, Akbank and Yapı Kredi Bank. The research was conducted with 2,447 people, in January-December 2024 period using telephone technique with former customers who described the relevant bank as their main or second bank, based on the Garanti BBVA customer list. \*\*\* Net TCR (Transparent, Clear and Responsible Banking) Score measures how complete and clear the customers regard the information provided by the bank. It is calculated like Net Promoter Score.

\*\*\*\*Represents the change in the number of complaints per 1,000 customers.

Governance	2023	2024	Audited Da (Yes/No)
Indicators related to Governance			
Board of Directors	11	11	
– Woman	2	3	
– Man	9	8	
Share of Independent Board Member	36%	36%	
Number of Committees	20	19	
- Affiliated to the Board of Directors	9	9	
<ul> <li>Members are composed of the Board Directors members</li> </ul>	11	10	
Governance			
Compliance and Privacy Protection			
<ul> <li>Prevention of money laundering and financing of terrorism</li> </ul>	As a result of continuous monitorin out for the prevention of money terrorism, 28,466 suspicious trans The number of transactions so re 0,098% of the Bank's	laundering and financing of sactions were reported in total. eported accounts for around	
– AML&CFT	19,370 hours of training were provic the scope of AML&CFT training act 16,756 pers	ivities. These trainings covered	
- Whistleblowing Channel	Out of 34 incidents reported to the V disciplinary actions were taken fo conduct	or 18 as a result of the reviews	
- Personal Data Protection	" During 2024, breaches were re Personal Data Protection Authority, employee mistakes. In 2024, the Ba sanctions totaling TL 1,275,000 du Personal data disclosure querie responded to in line with the applic	which stemmed from individual ink was imposed administrative ie to data breach notifications. es from 75 customers were	



# **Risk Management**

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# **Risk Management**

Garanti BBVA measures and monitors its risk exposure on consolidated and bank-only bases by using methods compliant with international standards, and in accordance with the applicable legislation. Credit risk, operational risk, market risk, counterparty credit risk, structural interest rate risk, structural currency risk, and liquidity risk are measured using advanced methods and sophisticated tools created for these methods.

End-to-end structured processes are implemented for the design, development, deployment, and regular updating of risk measurement models. The reliability of these risk measurement models is ensured through internal validation activities.

The Bank's risk management strategies, policies, procedures, tools, and models are reviewed in light of regulatory changes and the Bank's needs.

The Bank defines the risks and levels of risks it is willing to accept to achieve its goals within the scope of organic growth of its activities, in line with the targets and strategies set by the Board of Directors. This is done through a risk appetite framework composed of risk appetite statements and indicators, integrated with the budget process. The indicators under the Bank's Risk Appetite Framework follow a pyramid structure. Indicators at the lower levels serve the purpose of enhancing and distinguishing the indicators at higher levels by type of risk. As a result, the upper levels contain fewer and less detailed metrics, enabling more detailed management as you move down the pyramid, allowing for early detection of deviations at lower levels, while supporting foresight management at higher levels.

Based on the risk appetite framework, statements setting out the general risk management principles in terms of capital adequacy, liquidity, funding and profitability are established. . In addition, quantitative key metrics are defined according to the target risk profile determined within the risk appetite framework. Risk-based limits and indicators related to capital adequacy, liquidity, funding, and profitability established in line with the risk appetite framework are regularly monitored.

The Bank monitors risk appetite indicators according to internal and legal perspectives, including CAR within the scope of capital adequacy. Under liquidity, LCR (Liquidity Coverage Ratio) is monitored as one of the risk appetite metrics within the scope of legal requirements.. Furthermore, to encourage profitable growth, the Bank measures profitability risk appetite statements using metrics such as Cost of Risk and Return on Equity. For regulatory metrics, the Bank defines risk appetite thresholds above the minimum required levels set by the regulatory authorities, in accordance with the pyramid structure of the framework.

The workflow and stress-testing program for ICAAP (Internal Systems and Internal Capital Adequacy Assessment Process of Banks) is carried out with the participation of all relevant parties within the Bank. The results of capital planning, which includes macroeconomic scenario and risk-based stress testing analyses, are evaluated by the Board of Directors and submitted to the BRSA.

Being a bank of systemic importance, the "Recovery Plan" created to set and define the potential recovery measures and the decision-making process in case of a hypothetical and material deterioration of capital and liquidity metrics is updated annually and shared with the BRSA every year.

For new products and services developed within the Bank, The effectiveness and efficiency of risk management risk assessments are performed, and risk mitigation activities, as well as the accuracy and precision of measures are defined with the participation of relevant measurements and reporting, are dynamically reviewed parties. The adequacy of the created risk mitigation and continuously improved through automation and framework is evaluated by the relevant committees. advancements. Opportunities provided by artificial intelligence technologies are also being explored in line with the Bank's innovative approach.

## **Defined Risks and Their Management**

The following risks to which the Bank is exposed are In view of the risk-based return, the Board of Directors sets defined and managed according to policies approved limits for credit portfolios, introduces additional or revised by the Board of Directors. As part of the annual legal limits depending on current needs. Limits are reviewed ICAAP and stress test program, the Bank calculates the more frequently in extraordinary situations. Internal internal capital requirement for the risks it has identified capital limits for credit portfolios are determined and and evaluates the results of stress tests and scenario monitored. Impact analyses are conducted for internal capital requirement according to regularly reviewed analyses. Additionally, periodic risk measurements and stress tests are conducted internally within specific credit risk parameters. Systems are designed to use methodologies and models for each type of risk. risk-based measurements in various areas such as pricing, portfolio management and so on.

### **Credit Risk**

Credit risk is defined as the likelihood of loss to the Bank resulting from a change in the borrower's ability ensure optimal categorization of customers with respect or willingness to repay debts and fulfill all contractual to credibility and to rate them according to objective obligations, due to adverse economic conditions or criteria. unforeseen events.. For the entire credit portfolio, the "probability of default" generated by credit risk models, Outputs of the internal risk rating and scoring models "loss given default" calculated using the Bank's internal developed for each portfolio make an important data, and "risk amount" parameters are used to calculate component of the loan allocation process and are also the internal capital requirement, which is then monitored used for measuring default risk of a given customer and as a metric. Credit risk management, which is a process portfolio, and for conducting expected loss, internal for consistent assessment and monitoring of credit capital requirement, provision for expected credit loss risks, encompasses all credit portfolios. under TFRS9, risk-based pricing and risk-adjusted return analyses.

Credit risk is managed on a portfolio basis considering the risk/return balance and asset quality of the Bank. All models and methodologies are subjected to qualitative Up-to-date analyses are performed for risks that do or and quantitative validation. In addition, periodic model are expected to gain the foreground in a given period. monitoring is carried out for taking action as necessary. Stress test analyses are regularly renewed and their results are assessed. Level of compliance with the credit management guidelines issued are evaluated by all units linked to credits, referred to necessary committees, and decisions and actions are taken accordingly.



Necessary risk rating or scoring models are developed for the Bank's credit portfolios, which models are created to INTRODUCTION

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The Environmental and Social Impact Assessment Process (ESIAP) is a risk management framework first established by Garanti BBVA in 2011 to identify, assess, and manage the environmental and social risks of projects, based on international standards and good practices. To conduct an effective environmental and social risk assessment in credit processes, proactively managerisk, and minimize the negative effects of these risks to the lowest possible level, analyses are first carried out in line with the Environmental and Social Loan Standard (ESLS) for compliance with essential policies and legislation. Additionally, the Environmental and Social Impact Assessment Process (ESIAP) is used, if necessary, as a check of compliance with advanced environmental and social criteria according to the internal procedure rule set.

In 2024, the Bank successfully achieved the riskreturn balance target set in credit risk management, even considering stress conditions. While continuing to grow its TL-denominated portfolio, the Bank maintained solid asset quality, with a limited increase in the non-performing loan ratio, which stood at 2.24% by the end of 2024, compared to 2023.

### **Counterparty Credit Risk**

Counterparty credit risk (CCR) means the risk of a counterparty, which is a party to a transaction imposing an obligation on both parties, defaulting before the final payment included in the cash flow of the transaction in question. It is defined as the potential risk to be sustained by the Bank in the event of the counterparty's failure to perform its obligations.

The Bank conducts continuous measurement, monitoring, and limit-setting activities to manage this risk. Counterparty credit risk arising from derivative transactions, repo transactions, securities, and commodity lending transactions is measured using a fair value-based valuation method and managed according to the results obtained through the internal model method. Risk mitigation techniques such as collateralization and margin calls are used to reduce risk, in accordance with both national and international regulations. The measurement model is validated at least once a year.

The Bank also calculates internal capital for each counterparty credit risk using the loss given default and probability of default parameters calculated for each counterparty based on the internal model.

The Bank also calculates internal capital for each counterparty credit risk using the loss given default and probability of default parameters calculated for each counterparty based on the internal model.

### Market Risk

Market risk is defined as the potential loss to the Bank's on-balance-sheet and off-balance-sheet positions due to changes in market prices, including foreign exchange risk, commodity risk, interest rate risk, credit spread risk, volatility, and equity position risk.

Market risk is effectively managed by measuring and limiting risk in accordance with international standards, and allocating sufficient capital, as well as risk mitigation through hedging transactions and within a structure that is readily compatible with the constantly evolving and changing new market conditions and regulatory framework using methods and models recognized in international best practices. Besides measuring regulatory capital requirement using the standard method, the Bank utilizes the Value-at-Risk (VaR) model for identifying, measuring and assessing market risks.

Regulatory capital requirement and internal capital requirement based on VaR are also calculated and monitored as a metric for the portfolio the Bank maintains for trading purposes. In this context, VaR is a measure of the maximum expected loss in the market value of a portfolio of a certain maturity as a result of market price fluctuations, at a specified probability within a certain confidence interval. While VaR is calculated using historical simulation method and two-year historical data at 99% confidence interval at Garanti BBVA, regular back testing is conducted to measure the reliability of the VaR model. Regularly reviewed depending on need, the model is validated on an annual basis at a minimum.

Market risk is closely monitored and managed using Operational risk is managed based on the three lines risk mitigation aligned with the risk appetite and trading of defense approach. Operational risk appetite and policies, creation of an effective control environment and associated limits are determined by the Board of limits. To this end, economic capital, VaR and stop/loss Directors, and the senior management ensures that the limits approved by the Board of Directors are employed. operational risk management framework is consistently Limit levels are determined according to annual profit/ and effectively implemented and maintained across loss targets and new business strategies. The Bank's all operations, processes and products. The first line market risk exposure is limited with the desk based of defense, consisting of business and support units, is primarily responsible for the management of the VaR and risk factor sensitivity limits, in addition to the aforementioned Board of Directors limits, and the set operational risk in products, operations, processes limits are monitored and reported daily to the senior and systems within the frame of the Bank's policies management and related committees. The stress period and procedures. used in stress VaR calculations is regularly reviewed, and updated as necessary. The second line of defense consists of the Risk

Management Department, Internal Control Department and Compliance Department units, which assist the senior management in understanding and managing the operational risks that the Bank is exposed to and support the Board of Directors with respect to monitoring operational risk management activities. The Internal Audit Department that constitutes the third line of defense carries out internal audit activities, and assesses the operational risk management framework independently from all aspects. Operational risk loss data covering the Bank and subsidiaries are collected, analyzed and reported to define, measure, monitor and mitigate operational risks. Risk and Control Self-Assessment that defines operational risks and measures controls including their risk mitigating impacts serves to identify potential weaknesses, and necessary actions are followed up.

In addition, to identify the risks that might arise from market volatilities, regular stress tests and scenario analyses are conducted using the VaR model and reported to related parties. In 2024, with the change in monetary policy framework, the economic outlook in Türkiye stabilized; nonetheless, market risk limits were put on closer watch and the profitability of the Bank's trading portfolio was preserved sustainably. In line with the Basel regulations, the studies and preparations carried out in the Bank and related subsidiaries continued in line with the expectation of a regulation change by the BRSA within the framework of compliance with the Fundamental **Review of Trading Accounts (FRTB) principles.** 

### **Operational Risk**

operational risk incidents included in the scenario Operational risk is defined as the probability of loss resulting from human error, inadequate or failed internal portfolio are analyzed in detail. processes, improper communication with respect to customers, markets or organizations, failures, An internal model is used to identify, measure, and assess interruptions or faults in systems or communication, operational risks at the Bank. The model is validated at improper data management, and external events least once a year. including regulatory risk, cyber-attacks, external fraud, natural disasters and faulty services rendered In 2024, operational risks were effectively managed by suppliers. in light of the Bank's growth in gross income, resulting in limited losses.



Key Risk Indicators that point out major risks are defined, and monitored within the frame of determined thresholds. As part of stress testing, low frequency, high-impact

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### **Structural Interest Rate Risk**

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Structural interest rate risk is defined as potential changes in the Bank's net interest income and/or overall economic value resulting from interest rate fluctuations.

Structural interest rate risk is assessed within the frameworks of repricing risk, yield curve risk, basis risk, and optionality risk. It is measured in accordance with international standards, and risk mitigation techniques are applied through limiting and hedging transactions. The measurement of structural interest rate risk uses both income/expense and economic value approaches. The income/expense approach considers changes in the Bank's net interest income due to interest rate fluctuations. The economic value approach analyzes the impact of interest rate changes on the present value of the Bank.

To identify and manage structural interest rate risk arising from potential mismatches in maturity in the balance sheet, duration gap, economic value (EVE), economic capital, credit spread risk sensitivity, net interest income (NII), risk-adjusted net interest income, and sensitivity to market prices of securities in banking portfolios are measured and monitored. Behavioral models, such as early loan payoffs, deposits, and collection maturities for non-performing loans, are continuously reviewed and used to account for risks such as basis risk and optionality, thus providing more realistic balance sheet positions. The model used is validated at least once a year. The calculated risk metrics and generated reports are used in balance sheet interest rate risk management under the supervision of the Asset-Liability Committee. Stress tests and scenario analyses are carried out within the framework of structural interest rate risk to measure the risks resulting from Bank-specific negative developments or major risks and vulnerabilities that may potentially arise in the economic and financial environment under stress, by observing the regulatory and internal interest rate risk management requirements.

Results of stress tests are used as input for determining risk appetite, limit and budget related works, for generating balance sheet management strategies, and for evaluating the need for capital. Furthermore, the interest rate risk in the banking book is measured on an unconsolidated basis, using the standard shock method; the regulatory limit is monitored and reported to the BRSA on a monthly basis.

In terms of interest rate risk, 2024 was a year in which interest rate risk followed an upward trend due to the continuation of regulatory changes, the interest rate risk potential created by long-term securities on the balance sheet and fluctuations in interest rates. Due to potential changes in interest rates, the structural interest rate risk continued to be prudently managed and closely monitored in order to minimise the risk of possible changes in the Bank's net interest income and total economic value. Within the scope of the changes in the regulation on Interest Rate Risk in Banking Accounts published by the BRSA in parallel with the Basel regulations, quantitative impact studies and necessary preparations were carried out in line with the expectation that the change will be implemented in 2025.

### Structural Exchange Rate Risk

Structural exchange rate risk is defined as the potential impact of negative exchange rate fluctuations upon the capital adequacy ratio and FC risk-weighted assets, in the case that the Bank performs material operations in currencies other than the local currency in its balance sheet or maintains positions for the sake of preserving capital.

Structural exchange rate risk, the potential impact of negative exchange rate fluctuations upon the capital adequacy ratio in the case that the Bank performs material operations in currencies other than the local currency in its balance sheet or maintains positions for the sake of preserving capital, and FC risk-weighted assets are tracked regularly, monitored according to internal limits and reported.

The analyses conducted in this framework are expanded It defines key risk indicators for each risk factor to regularly to encompass potential sensitivities that may result from monitor the strength of risk mitigation. The risks and Bank-specific negative events or changes in the market risk factors are defined in various aspects, which are by supervising the regulatory and internal structural products and services, ethics and workplace, leadership exchange rate risk management requirements. In and finances, innovation and digital transformation, and addition, the Bank's FC position and the profit/loss citizenship and sustainability. movements resulting from this position are monitored and reported at regular intervals. Additional activities for monitoring reputational risk

include monitoring the media, the press and social In 2024, structural exchange rate risk was prudently media platforms with respect to the Bank's reputation, managed, and the protection of capital against conducting a regular reputation analysis and managing exchange rate fluctuations was ensured. potential impacts; ensuring continued awareness of compliance with laws, Corporate standards, Code of Conduct and best practices, and development of processes that guarantee management of IT/ information security and IT-related risks.

### **Reputational Risk**

Reputational risk is defined as the Bank's risk of loss due to negative views of stakeholders such as customers, employees, shareholders, suppliers, competitors and Reputation risk factors cover a wide range of issues, supervisory authorities or loss of trust in the Bank or from marketing practices to customer services and reputation impairment as a result of non-compliance product terms, and are managed through appropriate with existing legal regulations. committees within the Bank's extensive committee structure.

The Bank considers and manages its reputational risk within the frame of the Board of Directors approved **Detailed information can be found in the Committees** policy, avoiding all kinds of transactions and activities that Section on the website. would cause reputational risk in the eyes of customers, legal authorities and other stakeholders. Awareness According to the Reputational Risk Strength Assessment for 2023, Garanti BBVA scored 74 out trainings are held about reputational risk throughout the Bank for encouraging all employees to fulfill their of 80, reflecting a high level of resilience. Corrective duties and responsibilities. actions were implemented for the limited number of risk factors identified for further development.

In order to ensure efficient management of reputational risk across the Bank, it is aimed to monitor the Bank's reputation and reputational risk through a methodological approach and to take all necessary precautions before the reputational risk occurs. Through this methodology, the Bank regularly defines and reviews a map in which it prioritizes the reputational risks it faces, together with a set of action plans to mitigate these risks.



### **Climate Change Risk**

Climate change risk refers to transition risks that may may be encountered due to the process of adaptation to a low carbon economy and physical risks related to the natural events caused by climate change. Climate-related risks are considered as an additional factor affecting the Bank's already identified risk categories and are managed through the Bank's existing risk policies. In this context, climate-related risks are gradually incorporated into the planning and management of the Bank's new credit allocations. To combat the increasing effects of the climate crisis, risk indicators supporting the transition to a low-carbon economy are included within the Bank's risk appetite framework.

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The Bank assesses climate-related financial risks that could significantly affect its and its clients' financial positions, considering their effects over various time horizons and interactions with other risks. Furthermore, evaluations of climate-related financial risks are included in the ICAAP study. The Bank's approach and strategy on climate change risks, sustainability risks, and opportunities are discussed in section Sustainability Risk Management of the report.

### **Country Risk**

Country risk is defined as the default risk other than ordinary commercial risks the Bank's overseas branches and financial subsidiaries face in their dealings with counterparties that are not residing in the same country (counterparties residing in a country different than the one taking the risk). Country risk is evaluated and monitored on the basis of individual countries using methods compliant with international norms and local regulations.

Country risk is monitored and reported on the basis of individual countries on consolidated and unconsolidated bases. Actions are taken to make sure that the Bank's country risk exposure remains within the set limits, and related reporting, control and audit systems are established as necessary.

### **Concentration Risk**

Concentration risk refers to any concentration among different types of risks or in any individual risk, which might result in material losses that would endanger the ability to sustain fundamental activities or the financial structure or lead to a significant change in the risk profile. Risk concentration resulting from the interaction of different risk positions within an individual risk category with one another is defined as "risk-based concentration", and that resulting from the interaction of different risk positions between different risk categories as "interrisk concentration". The measurement model used is validated at least once a year. Internal capital requirement for credit concentration risk is calculated separately on sector and individual bases. Qualitative and quantitative assessments of concentrations on the basis of individual risks apart from credit risk and concentrations among risks are addressed in reports produced according to risk oriented policies and procedures.

### **Liquidity Risk**

Liquidity risk is defined as the risk of the Bank's failure to fulfill its payment liabilities on time and without incurring an additional cost due to insufficient cash holdings or cash inflow of the level and quality to finance its cash outflows fully and timely due to cashflow instabilities. Liquidity risk is managed under the supervision of Asset-Liability Committee (ALCO) and the other relevant committees/working groups in order to take appropriate and timely measures in case of liquidity squeeze arising from market conditions or the Bank's financial structure. Under the Liquidity Contingency Plan approved by the Board of Directors, liquidity risk is monitored within the scope of stress indicators and thresholds anticipating potential liquidity stresses which could activate the liquidity contingency plan, activation of the communication procedure, predefined measures and action plans and roles and responsibilities in a stress situation. Liquidity risk stress test is conducted to define potential liquidity tensions and to ensure that the Bank has a sufficient liquidity buffer to face exceptional liquidity stresses. Liquidity risk is monitored by internal limits in order to assess the funding structure and liquidity capacity based on maturity buckets and to manage short term funding sources effectively, while compliance with regulatory liquidity ratios is ensured. Deposit behavior modeling is performed for deposits, which is an important balance sheet item in terms of liquidity management. Concentrations in liquidity and funding risks are monitored under different breakdowns such as counterparty, product, maturity and business line. TL Loans/Deposits indicator that regularly changes in terms of limit during the course of the year is monitored (according to the regularly determined moving average period) with reference to the sector. Within the scope of consolidated monitoring, consolidated stress testing analysis results are regularly followed up throughout the year. Intraday liquidity risk is monitored regularly using defined metrics. Under the contingency plan covered in the liquidity and funding risk procedure approved by the Risk Committee, situations anticipating intraday liquidity stress, which could activate the contingency plan, are monitored, and stress testing is performed for intraday liquidity risk. Within the scope of internal liquidity assessment process, liquidity planning is performed annually.

Liquidity stress test results for subsidiaries are monitored Model risk refers to potential risks that may arise during and it is ensured that affiliates which are important with the life cycle of risk models. The Bank aims to minimize respect to liquidity risk establish and monitor internal the model risk and manages it using the model risk liquidity and funding limits to assess the robustness of management framework established. their liquidity and funding structures.

In addition to the recurrent activities performed as part of liquidity risk analyses, in parallel with the Bank's The Bank closely monitors risk management activities strategy in the field of sustainability, transactions within carried out at subsidiaries with a holistic risk management the scope of Environmental, Social and Governance perspective, in conformity with the international best (ESG) principles are separated within the framework practices in risk management, and in alignment with each of stress test assumptions and higher renewal rates entity's own risks, operations and arrangements. The Bank determines the needs for the risk management are assigned. Furthermore, stress testing projections are reviewed quarterly for consistency and prudence activities of subsidiaries and ensures that required within the year. The potential impact of climate change studies and reporting are carried out in coordination transition risk on the liquidity buffer is assessed through with the relevant risk management unit/functions the valuation and availability of high quality liquid assets. at the subsidiaries, to ensure that the subsidiary is During 2024, a close eye was kept on domestic and managed effectively at a level commensurate with its global macroeconomic developments, the Bank's new structure, complexity level, size and risks. Necessary product and service initiatives and budgeting processes. work is carried out with subsidiaries in accordance The effect of relevant changes upon liquidity metrics with market conditions and legal regulations to align risk management policies, rules, procedures and risk were analyzed regularly, and shared with the Bank's senior management. The effects of numerous regulatory limits with the Bank. Risks associated with subsidiaries, changes as part of macroprudential measures on liquidity risk measurement results and other risk management and funding risk metrics were closely watched throughout activities are monitored. The Bank's risk management the year and communicated to related committees and oversees and evaluates the risk management activities carried out at subsidiaries, and supports them with parties. the methodology needed in this respect. Consolidated In 2024, the Bank's liquidity position preserved its perspective is also applied as and when appropriate.

solid stance and proactive risk management was sustained. The Liquidity Coverage Ratio, which 2024 was a year in which the subsidiaries maintained a strong capital and liquidity position. Necessary refers to highly liquid assets held by financial institutions for continued fulfillment of short-term preparations were carried out within the scope liabilities, maintained its strong stance throughout of the Fundamental Review of Trading Accounts the year and 2023 Q4 average was recorded as (FRTB) and the change in the regulation on Interest 166.11%. In addition, the Net Stable Funding Ratio Rate Risk in Banking Accounts, which are expected (NSFR), which has been monitored with the legal to be carried out by the BRSA in parallel with the limit level since 2024, remained well above the Basel regulations. Within the scope of managing legal limit level throughout the year. In the last climate change risks, the risks of transition to quarter of 2024, the Net Stable Funding Ratio a low-carbon economy were included in the risk was realised as 140.53%. management framework of the Bank as well as its subsidiaries. Within the scope of managing model Model Risk risk from a consolidated perspective, efforts were made to harmonise the development and validation Model Risk is the Bank's potential risk of loss resulting methods of credit risk models with the Bank.

from decisions made based on flawed model outcomes, due to errors in development or use of the model for unintended purposes.



### **Risk Management In Subsidiaries**

# **Talent & Culture**

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# **Talent & Culture**

### **Our Employees**

While preparing for its current strategic goals and future needs, Garanti BBVA adopts "Having the best and most committed team" as a strategic priority.

In line with this priority as Talent and Culture, we will keep our Group's culture and values alive by:

- Attracting the best talents by making a difference with a proactive approach,
- To ensure the competency development of our talents and to support them with coaching, mentoring and other development solutions,
- To provide opportunities that protect the welfare and ensure the well-being of employees,
- To support an empowering, participatory and inclusive work culture based on open communication,
- It moves forward with the aim of creating applications that are digital, data-driven, innovative and focused on excellent employee experience.

### 2025 At A Glance

Our priority in 2025 is to create a working environment that listens to, empowers, develops and values our employees, and to be one of the top 5 institutions that people want to work for, creating teams that are determined to succeed with the power of empathy. In this regard, ensuring a strong cultural transformation focused on open communication and based on our values is one of our primary focus areas.

As the Garanti BBVA Talent & Culture family, we will continue to provide an inclusive working experience where we prepare our employees for the future with a focus on continuous development and stand by them with personalized solution suggestions.

## **Culture & Our Values**

Garanti BBVA's vision is to create a diverse and inclusive working environment where each individual is respected and valued, and feels a sense of belonging to the organization. In line with this vision, our global values of "Customer Comes First", "We Think Big", "We Are One Team" form the roof of all our approaches and culture. Our Talent and Culture practices are also shaped under this roof in a way that employees can internalize and live our values in their day-to-day lives.

On Values Day, celebrated on October 3, 2024, with the aim of keeping our values alive, events focused on empathy and understanding different personality types were held at Garanti BBVA. The digital test and corporate ChatGPT experience, which 66% of employees participated in, encouraged empathetic approaches. In addition, a photo contest reflecting our values and an exhibition made accessible for visually impaired employees were organized. This exhibition was also made accessible to visually impaired employees through QR code description..

Initiatives that reflect Garanti BBVA's culture and values and take employee engagement to the next level will remain at the center of the actions to be taken in 2025. The practices are based on empathy, trust, open communication, radical employee experience, sustainability of all rights offered and the principle of equality.

In addition, a commitment and value-oriented culture With an excellent employee experience centered on was strengthened with various videos, podcasts and empathy, inclusive and personalized initiatives will coaching programs.Comprehensive steps were taken be developed where employees feel better and more to make employees' achievements and contributions valued, and are strengthened and developed with new visible and to spread the culture of appreciation. The development opportunities every day. In this context, SPOT award program was expanded across the Garanti critical moment experiences and continuous listening BBVA Group, and the achievements of 4,901 employees strategies will be created that will make employees proud were rewarded. SPOT awards allowed employees to of Garanti BBVA. proudly display their achievements through meaningful ceremonies and social media posts, while also helping Garanti BBVA will continue to promote the determination to spread the culture of recognition. While the use of the to succeed, a high performance culture for individuals and employee mobile application, Connect Mobile, increased teams, develop merit-based practices, provide cultural by 150%, 18 employees made their achievements visible developments focused on providing a radical level of at an international level in global award programs.

experience to its employees and customers, and offer initiatives that will support this change.

### **Employee Engagement and** Well-being

Necessary actions are planned each year with many surveys and applications in order to increase employee loyalty and satisfaction, to measure employee expectations and to understand their needs more closely.

In order to increase employee engagement and provide a sustainable work environment in 2024, mechanisms to receive employee feedback were diversified. Employee needs were understood more closely through surveys and focus group studies with 95% participation, and a democratic feedback culture was supported. In Gallup Employee Engagement survey, 7 points of increase had been succeeded and the general engagement score have recorded as 4,38 out of 5. The results were shared transparently, and insights were provided to leaders to plan effective actions. 92% of the action plans created with employee participation were implemented and concrete steps were taken.



In order to achieve the goal of being an inclusive employer with a holistic diversity approach, processes are constantly reviewed, the talent pool is expanded, and policies are developed to increase the well-being and loyalty of employees. In this context, we have many practices that focus on the well-being and welfare of employees.

Garanti BBVA continued to support in 2024 as well, the well-being of its employees with the practices and services offered under the the employee experience program **IYI** (Work-Life Balance), in line with its goal of "the best and most engaged team". IYI, which was re-launched with a perspective that brings together all the work carried out in five main layers, namely physical, emotional, social, career and financial well-being, under a single roof, brought a comprehensive holistic wellbeing model to life and further enriched the employee experience.

In order to support employees' the physical well-being of employees, free medical check-up was provided to all employees within the scope of private health insurance. In addition, bulletins focusing on thematic topics such as sleep, obesity, heart health, intestinal health, mental health, sedentary life and awareness webinars on chronic diseases were organized to draw attention to the importance of early detection and diagnosis.



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With the content prepared within the scope of digital well-being solutions, 7877 users , 38% download rate and 21% active usage rate were reached with the IYI Bak Kendine (Take Good Care of Yourself) mobile application in 2024.

The content prepared with a holistic well-being perspective was read 22,366 times in total. 2,538 dietician and personal sports trainer support was received by employees . 6,617 calls were answered through the Employee Support Line and psychological, medical and legal consultancy services were provided.

Regarding social well-being, cultural and artistic events have become important tools that strengthen the social ties of employees. While a total of 17 plays from different production companies were staged in the headquarters buildings within the scope of IYI Sahne (IYI Stage),

Theater Hobby Clubs performed the plays they prepared for employees 7 times. An average of 450 employees and their relatives were reached in each play. 2,606 free tickets were provided in more than 20 provinces with cultural and artistic events organized for employees in different cities of Türkiye.

Also the hobby clubs, which reached 19 with the Dance, TRNC, Sivas Theater, Marmara Nature and Art clubs established in 2024, 14 newly established sports teams covering different branches such as basketball, volleyball, bowling, football, chess, swimming, tennis, and 6 communities established under different headings such as books, travel, food, and parenting, increased the social interactions of employees. 154 hobby events were organized and 2,545 participants were reached, while 96 athletes in the sports teams showed success.

The corporate volunteer program Volunteer Clovers, which strengthens the sense of social responsibility of employees, was re-launched and the number of volunteers reached 434. Within the scope of the program, 26 events were organized and 143 volunteer employees contacted 3303 beneficiaries.

Within the context of financial well-being, discount agreements were made with 285 brands under the IYI Discounts program in order to ease the daily living costs of employees. The discounts offered in various categories such as clothing, food and beverage, training, technology and travel increased the quality of life of employees, and 63 agreements with nurseries and private schools in the training category were particularly noteworthy.

Garanti BBVA aims to improve the quality of life of its employees by building its 2025 strategy on data-driven, personalized and sustainable well-being solutions. Comprehensive projects were planned to better understand the needs of employees and take solutionoriented actions.

The projects currently underway will be continued by expanding their reach. In addition, the mobile application offered as part of employee support services will be renewed and the consultancy services offered within the scope of this application will be enriched to include families and pets that employees care for.

Another project to be implemented as a priority in 2025 is the Data-Driven Well-Being Project. A structure that systematically measures the well-being of employees and produces meaningful insights will be created; in the light of this data, burnout risks will be predicted and factors affecting sustainable performance will be observed.

The IYI Support Network , which aims to support employees during critical life periods, will be launched as of 2025. Employees' lives will be touched by parenting support, divorce/separation counseling services and home care support solutions. In addition, Work will also be designed to strengthen employees' motivation to be well , to help them realize their individual needs and to guide them to take action. Finally, employee communications

Garanti BBVA uses different measurement and evaluation will be redesigned end-to-end, enriching personalized tools and methods that are objective, position-specific communications focused on life's important moments. and designed based on competencies to place the right person in the right position in talent acquisition In order to increase managers' awareness of well-being processes. In addition, it plays a role in acquiring talents and enable them to guide their employees, work will be for both our Bank and our sector through "new graduate carried out to add well-being-related modules to The and experienced talent programs" developed for special Good Manager project, to restructure volunteering roles. On the other hand, our Bank, which focuses on processes for more effective implementation, and to developing talents from within the bank itself, prioritizes ensure that employees disconnect from digital devices internal career transitions in open positions and supports and use their time outside of work in a way that supports employees to create different career experiences, well-being. acquire new expertise and develop.

The hybrid working model offered to employees and With the Garanti BBVA Career Platform, internal and practices such as flexible working hours also aim to external candidates can view our vacant positions, contribute to the welfare and well-being of employees. instantly follow the stages of the recruitment process Remote working days and flexible working hours practices they have applied for, get to know Garanti BBVA more planned by teams considering their business needs will closely, and access the institution's values, priorities continue to be implemented in a way that focuses on and talent programs. Thanks to the improvements the needs of employees in the coming period. made in 2024, both a stronger candidate experience and a platform experience where our employer brand is more visible are offered. (https://kariyer.garantibbva. com.tr/)

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## Professional Development

### **Talent Acquisition**

Garanti BBVA continues to take important steps to transform our recruitment processes into a more effective, efficient and innovative structure, and to achieve a radically higher candidate experience. By leveraging the power of digitalization, we aim to further strengthen the teams' focus on working with a datadriven approach and continue to develop our existing career platform, thus providing a more user-friendly, faster and more accessible experience.



INTRODUCTION



### Garanti BBVA.

plans to carry talent acquisition processes into the future by integrating artificial intelligence (AI) technologies into recruitment processes in the digitalizing world in 2025.

With AI technologies, it plans to reach the right candidate in the fastest way, regardless of the candidate, and to manage recruitment processes more transparently and quickly. In addition, it is working on innovative projects that place the perfected radical candidate experience at the center of business strategies. It aims to lead the sector in 2025 with a process and experience design that makes a difference in all steps of candidates from their application processes to their interview experiences.

In this context, it aims to provide the strongest contribution to the future of the organization and the career journeys of candidates by bringing together the talents of all candidates with the most appropriate roles during the recruitment process. Garanti BBVA will continue to lead the sector with its digitalization and transformation journey.

### **Our Talent Acquisition Programs**

Garanti BBVA continues to work on both experienced and inexperienced talent programs specific to the segment, in addition to the Young Talent Programs it has been running for many years. In particular, it continues to invest in "Academy Approach Talent Acquisition Programs" and programs for technology and other business areas of the Bank, as well as in the talent development of the sector.

### **Talent Day**

- It is a management trainee (MT) recruitment talent program for new graduates, university seniors or graduate students.
- The Management Trainee Program prepares MTs for their new duties with the strategy of equipping them with the technical and behavioral equipment required by our Bank's values, strategic priorities, corporate culture, and the sector and business life.
- It consists of 2 different programs customized for different task groups: MT General Directorate and MT Credits.
- MT General Directorate program participants include talents who started working in General Directorate units and business lines, while MT Credits program participants include talents who started working in GM Credits and Corporate branches.
- The program offers many technical trainings in the banking sector, our products and services, finance, accounting, law, digitalization, data world and sustainability for the General Directorate and Credits teams; It also includes our Group's values, strategies and many behavioral trainings. The program, enriched with Senior Management experience sharing sessions, gamification and welcome events, is 2 modules, 98 weeks and a total of 454 days.
- In 2024, 67 new graduates were hired under this program.

### **Data Day**

- It is a recruitment talent program for new graduates It is a talent program where newly graduated engineering who want to work as Data Scientist MTs in different candidates who want to improve themselves in the field units within the Garanti BBVA Group. of technology participate to work within Garanti BBVA Technology.
- Participants are included in a 2-module, 31-day training program where they will gain technical skills such as data science, statistics, machine learning and Python, and will also be prepared to adapt to the bank's values and strategic priorities.
- In 2024, 9 new graduate Data Scientists were recruited to the group through the Data Talent Program.

### Audit Day

- It is a talent program for newly graduated Assistant Inspectors and Assistant Information Technologies Inspectors to work within the Internal Audit.
- Employees who start working as Assistant Auditors in Garanti BBVA Internal Audit gain professional, technical and managerial competencies from the moment they start.
- Participants are included in a very comprehensive and with the Sales Trainee Program. long-term training process where they can develop themselves in terms of their skills. Participants are • The program offers many technical trainings in included in an intensive training process consisting of the fields of the banking sector, our products and 3 modules and 48 days in total, consisting of sector services, finance, accounting, law, digitalization and and profession-related training in the fields of banking, sustainability, as well as our Group's values, strategies finance, law, data analysis and especially auditing, in and many behavioral development trainings. modules over a 2-year period.
- With the 2-module, 9-week program enriched with the • In 2024, 17 new graduate candidates were included. experience sharing of our Executive Vice Presidents and colored with gamification and welcome activities, our Bank acquires the values, strategic priorities, corporate culture, new duties, the technical and behavioral equipment required by the sector and business life.



### **Talent Spot**

• 47 new graduates started this program in 2024, which is designed for young people who want to learn financial technologies from experts, improve themselves with the technical training and development programs they receive, and discover their passion in technology.

In addition to the sub-programs brought together under the roof of "Talent Week", one of the programs specially created for young talents at Garanti BBVA, the Sales Trainee program organized for employees who will start working as Commercial Customer Relations Representatives in commercial branches continues.

### Sales Trainee

• Employees who will start working as Commercial Customer Relations Representatives in commercial branches take the first step in their fledgling careers

• In 2024, 19 Sales Trainee recruitments were made.



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### **Customized Talent Programs**

Garanti BBVA Group, with the school company initiative, identifies talent gaps in the sector and organizes programs to support the development of talents in different competencies, aiming to bring them to both our Group and the sector. For this purpose, it designs programs for both young talents and experienced professionals within the scope of the Group's priorities.

### **Security Academy**

- It is a program that we have implemented together with our business partners to meet the need for security experts in the field of technology.
- In this program, which is designed to train young talents who want to develop their careers in technology and security as "security engineers", 450 people participated in 2023, and 30 young talents who were the most successful in the program, which lasted 4 months and consisted of 3 modules, were included in the 5-day Bootcamp at the end of the program as of February 2024. The program, which has achieved successful results, continues to be designed to continue every year.

### **BeCoder Software Developer Training and Vocational Training Program**

- It is a software developer training and vocational training program that includes students who study engineering at universities and are interested in software, and provides the opportunity to participate in certified "full stack developer" training and also do internships in different teams within Garanti BBVA Technology.
- The BeCoder program is designed to be reopened in relevant years if needed.

### **Talent Pro**

- Talent Pro, which was developed to design a customized talent acquisition process for experienced professionals with the awareness of the industry's need for experienced candidates, was launched in 2024.
- Talent Pro was initially implemented as a pilot study to meet the needs of the Talent and Culture family. While adding different steps to the recruitment process of experienced professionals, another aim of the program was to include candidates in the general orientation and customized development program of the business unit by starting them in a common period. In this context, 13 new experienced employees were added to the Talent and Culture family in 2024.

### **Internship Programs**

### Talent Camp

- It is a long-term talent internship program for thirdyear university students, supported by online and on-the-job training.
- After the application, intern candidates who successfully complete the general aptitude, English, inventory assessment and unit interview processes are included in the long-term internship program, starting from 3 months, in different business areas in the General Directorate teams of Garanti BBVA Group.
- Participants who successfully complete the internship process have the opportunity to be directly included in the MT talent program, provided that they graduate the following year.
- In 2024, 60 interns were included in the program to do internships in different units.

### Together for the Future (Gelecek için Birlikteyiz)

GROWTH

- The long-term development and employment program offered specifically to first and second year university students affected by the earthquake disaster in February 2023 continues.
- Students participating in the program improve themselves with the training they receive throughout the year, gain experience in the early stages of their careers in the teams where they intern, develop new generation competencies for their future and prepare for the first period of their careers under the roof of Garanti BBVA.
- Within the scope of the program, 160 students started as interns in various business units of Garanti BBVA Group, and students who wish to continue the program.

### **Talent Access**

- As part of its diversity and accessibility activities, Garanti BBVA launched a long-term and customized internship program for disadvantaged individuals in 2024.
- With the Talent Access internship program, candidates who want to make a career in the banking field are given a 6-month internship opportunity, and during the internship period, they are rotated in 2 different units and many different training contents are provided to support their development and get to know different fields.
- 11 interns were included in the program, which started in 2024.





### **Strong Employee Brand Management**

Garanti BBVA aims to be a global company, a school for internal and external talents, and to offer opportunities that will touch the social, community and individual lives of talents with its employer brand motto of "You Are Where Talents Shine". In this context, it continues to aim to be an attractive employer for all internal and external talents.

In 2024, nearly 10,000 students were met with in 61 events as part of university activities, and Garanti BBVA Group and career opportunities in the group were explained. In addition to many prestigious awards in 2024, Garanti BBVA was deemed worthy of the Bank of the Year and Global Company of the Year awards at the Boğaziçi Business Awards given by the Engineering Club of Boğaziçi University, one of Türkiye's well-established universities.

In addition to leading press and publication outlets in the sector such as Fast Company, Business Challenge Türkiye, Bloomberg TV, Milliyet, Hürriyet İK, the main sponsorship of the Human and Culture Summit organized by HBR Türkiye and the 32nd Human-Focused Management Congress of Peryön (Turkish People Management Association) as well as sponsorships in sector meetings such as Tegep, ICF and MCT Türkiye, a strong employer brand was brought to the masses.

In addition, employer brand communications continued on Garanti BBVA Instagram, LinkedIn accounts and Garanti BBVA Life Instagram account. Garanti BBVA Life Instagram account, which is an important communication channel that supports Garanti BBVA's employer brand approach and values to meet a wide audience, aims to convey all opportunities Garanti BBVA offers for talents to both current employees, students and professionals continuing their career journeys.

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Garanti BBVA will continue to strengthen its employer brand focus in 2025 in order to continue to be one of the most preferred employers and to retain and attract the best talent.



### International Career Opportunities and Global Work Environment

Garanti BBVA offers international career and development opportunities and short- and long-term assignments in BBVA Group countries to its employees in different segments.

By expanding international career and development opportunities and increasing the number of participants each year, it is aimed to contribute to the development of talents and further strengthen institutional loyalty.

General Directorate employees have the opportunity to work in different countries for short periods by taking part in different projects within the scope of the international development program.

In 2024, employees within this scope gained global experience and development opportunities in Madrid, New York and London.

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Our young talents who joined Garanti BBVA through talent programs had the opportunity to meet and receive training with BBVA group young talents in the Madrid office for 2 weeks with the Become BBVA development program, while our Global SEED participations in Madrid in your office permanent to the roles transition chance is obtaining.

In addition, Garanti BBVA employees can access all career opportunities across BBVA and apply for positions that are suitable for them. In this context, employees who benefit from long-term assignment and permanent transition opportunities within the Group will be able to Madrid, gained international working experience in London, Amsterdam and Bucharest.

In addition to career opportunities, Garanti BBVA also offers global development opportunities such as international training programs, Spanish and English language support, global mentoring opportunities and participation in events in different countries to develop the competencies of its employees and prepare them for the business world of the future.

This approach allows employees to acquire a global vision and develop their skills in collaborating with different cultures.

Garanti BBVA will maintain its focus on international career and development opportunities and continue to diversify these opportunities in 2025.

### **Talent and Career Development**

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Garanti BBVA is a place where talents are discovered Talent Development Programs have been implemented at the early stages of their careers, employees career for employees with career goals, high commitment, Options with relating to preparing and developing its engagement and motivation, and the potential to employees for the next role within the framework of meet the requirements of a higher position within a development model that increases awareness and the organization.. These programs are supported offers various development tools. and focuses on a by personalized tools such as training, coaching, supportive talent strategy. In this context, it is aimed mentoring, international career opportunities, and for talent strategies to adapt to a fair, transparent and one-on-one development counseling to ensure that happiness-oriented culture that is shaped according employees are prepared for managerial and senior to employee and institutional needs and nourished by roles. In 2024, development opportunities have been institutional values. diversified by adding flexible assignments and oneon-one meetings with senior management to these processes.

Garanti BBVA adopts a performance evaluation system that encourages employees' determination/ willingness to succeed and develop, is based on merit 563 employees have been included in the development and differentiates the successful ones. Garanti BBVA's processes with Branch Network and Headquarters performance evaluation system measures the extent to Talent Development Programs. In 2025, the scope of which employees achieve their performance targets and these programs will be further enriched with different the extent to which they live their values while achieving and personalized tools. these targets. Systematic bonus and performance models are supported by concrete, measurable criteria In 2024, a total of 490 employees from different during the evaluation and focus on ensuring fairness titles benefited from mentoring programs, while 410 among employees. The performance evaluation and employees contributed to their development with 360° Feedback process, which is organized in parallel coaching programs regarding coaching and mentoring with Garanti BBVA's strategies, evaluates goals, values, development tools. Designed to provide coaching competencies and development potential based on services to more talents and support in-house learning objective criteria. The sustainable performance and and coaching culture in 2024, the "Internal Coach competency results of employees are utilized as input Training Program" brought new internal coaches who graduated from the program together with their clients. for remuneration, career and development issues. Employees benefit from training and development tools (talent development programs, international career and development opportunities, coaching, mentoring, In 2024, a total of 490 etc.) with different contents that may suit their needs employees from different in order to increase their awareness and contribute to titles benefited from their technical/behavioral competencies.

With the "Branch Network Global Rotation Program" implemented every year for talents working in the Regions and Branches, participants have the opportunity to experience the practices at BBVA Madrid for 1 week and expand their global networks.





mentoring programs, while 410 employees contributed to their development with coaching programs regarding coaching and mentoring development tools.

GARANTI BBVA'S OUR VALUE ABOUT 2024 FINANCIAL INTRODUCTION POSITION IN THE SUSTAINABILITY GARANTİ BBVA CREATION RESULTS SECTOR





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With the aim of increasing global interaction, the "Charlemos" language mentoring program, which was implemented in 2024, provided employees with the opportunity to improve their Spanish language skills and share cultural and professional experiences through mentors from different countries.

Through the "Women's Leadership Mentoring Program", with its fourth edition in 2024, women leaders were supported in their career planning and personal development, while also contributing to their acquisition of new competencies and strengthening their leadership experiences.

### **Empowering Our Leaders**

Reinforcing practices continue for the "The Good Manager" initiative, which was implemented to contribute to the development of leaders.

- In addition to The Good Manager platform, where leaders can access the tools they need to inspire and guide the development of their teams, inspirational content for leadership, training suggestions, and leadership messages conveyed by senior management are shared with managers through monthly bulletin studies.
- Notification and survey mechanisms have been developed on The Good Manager Forum page to increase the interaction of leaders and strengthen the learning experience from each other.
- "The Good Manager Mentorship" has been implemented, which helps managers become good managers who set an example within the organization, support the development of their colleagues and strengthen the well-being of their entire team, including themselves.
- Local and global events are organized where renowned speakers and educators share their leadership experiences.
- Personalized development journeys are designed for leaders, taking into account their development areas in The Good Manager competencies and net recommendation scores, and these journeys are supported by tools such as training and coaching, and their development processes are regularly monitored.

### **Skill-Based Career and Competency Development**

Restructuring the career model framework and Expanding the "skills-based organization" approach is among the focuses of Talent and Culture.

- It is aimed to measure the technical competencies currently possessed by Garanti BBVA employees throughout the year and to re-evaluate the critical competencies required for both today's world and the future.
- In order to more effectively and systematically monitor the development meetings held by managers and employees throughout the year, a Development Meeting platform will be launched where employees can record their focus areas and meeting topics.
- A Recommended Development Plan will be presented that takes into consideration the development areas of the employees and offers automatic development solutions such as training, coaching and individual work accordingly.
- It is aimed to create an innovative and dynamic career model that encourages mobility and competency development in line with the expectations of employees and corporate needs and aims to strengthen the employee experience. In parallel with this approach, it is planned to enrich the experience by adding new opportunities with a continuous development approach to the "Career Platform" that facilitates employees to manage their career journeys dynamically. With these actions taken and planned to be taken regarding career management, it is aimed to discover talents throughout the organization, develop competencies, strengthen employee loyalty and encourage intraorganizational mobility.
- Coaching and mentoring practices, which are offered to contribute to the competency development of employees and are embraced by employees at Garanti BBVA, are planned to be diversified and offered in 2025.
- It is aimed to strengthen talent management applications with technology-based personalized solutions, to manage processes more effectively and to strengthen the employee experience with the service quality offered to employees.

### In the Excellence Awards organized by Brandon Leader Communication and Executive Development Hall Group:

A 2025 roadmap has been created that includes actions to strengthen leaders who play a major role in achieving Garanti BBVA's goals and shaping the climate in the working environment and to improve their management skills.

In 2025, The Good Manager platform will be enriched with inspiring content, new solutions/tools that will increase the awareness of leaders, and trainings that will develop the competencies of leaders will continue.

### Training

### **Competency Development Focused Training** In TEGEP's Learning and Development Awards; Solutions

Garanti BBVA offered innovative training solutions to support the individual and corporate development of its employees throughout 2024. With programs designed in line with strategic priorities such as diversity, technological transformation, leadership development and sustainability, employees' skills were improved and social responsibility goals were contributed to.

In order to prepare Garanti BBVA employees for the future and to ensure competency-based transformation, it is aimed to create a culture that serves the continuous learning and development of new skills of employees, is innovative, collaborative, always includes employees and leaders as important stakeholders of the learning culture and ecosystem, and is supported by the latest technologies and the most innovative learning methodologies.

In 2024, Garanti BBVA's training and development activities were recognized with a total of 6 awards from prestigious organizations such as TEGEP and Brandon Hall.



In 2024, Garanti BBVA's training and development activities were recognized with a total of 6 awards from prestigious organizations such as **TEGEP and Brandon Hall.** 



- 1. Gold award in the "Best Professional Development Program" category with "New Client Advisor Training" Program."
- 2. Gold award in the "Best Recruitment Orientation Program" category with "Welcome Aboard Training Program."
- 3. Silver award in the "Best Competency and Skills Development" category with "GTech Development Certificate Program."
- 4. Bronze award in the "Best Learning Management Technology" category with "Learning Experience Platform (LXP).
- 5. "Gold award in the "Best Recruitment Orientation Program" category with the "Welcome to Us Training Program".
- 6. Special Award in the "Social Impact Earthquake Special Category" with the "Together for the Future Training Program".

Throughout 2024, various steps have been taken to support competency development:

- The training ecosystem has been enriched by developing sustainable training systems.
- Employees are encouraged to take more responsibility and initiative in their own development processes.
- Learning from each other and personalized learning experiences have increased.
- Development has been supported by role and skillbased training programs that enable the development of new competencies.
- The gamified learning ecosystem has been strengthened to enable employees to take a proactive and leading role in the continuous learning process.

With these studies, innovative approaches have been adopted in Garanti BBVA's learning and development processes and a sustainable development culture has been built.

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### **Digital Training Platform**

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With the innovative digital learning platform Kampüs Garanti BBVA, employees are supported in their professional and personal development with more than 10,000 solutions and personalization options that they can access whenever they need. Garanti BBVA continued to improve the learning experience with new features added to its digital learning platform. With these features, employees can;

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- Spend the points they earn from digital trainings on instructor-led trainings for their own professional and personal development,
- In addition to the digital trainings prioritized for their development, they can also have the chance to receive trainings in line with their personal preferences,
- Benefit from different training solutions such as podcasts,
- · Easily identify and complete mandatory trainings,
- Easily access resources that reinforce their training,
- Interactively share their favorite trainings with each other,
- With the new development journey plan, they can easily follow the training programs and steps.

The digital training platform has been enriched and developed to encourage a culture of continuous learning;

- In 2024 181 new digital training package has been added to digital training. Within Garanti BBVA Group companies, 6.449 GETS classroom (Webinar) trainings were planned and 60.605 participants attended. The ratio of digital trainings to all trainings in terms of hours was 47%.
- In 2024, rich content continued to be added to e-book platforms offering resources in both Turkish and English.

• In addition to behavioral competencies, employees were offered access to 7 different learning platforms such as Coursera, Linkedin Learning, O'Reilly and similar learning platforms to develop different competencies such as data, technology, cyber security, digital transformation and software.

SUSTAINABILITY

· Garanti BBVA, which considers ensuring the development of its talents and protecting its critical talents as one of its main focuses, continued to provide its employees with rich training content and data-based "smart training suggestions".

Connect Mobile Campus, integrated into Garanti BBVA employee mobile application "Connect", is a userfriendly mobile platform where employees can access their learning processes anytime, anywhere. With the latest developments in Connect Mobile Campus;

- Users can personalize their learning experience by easily registering or canceling registrations for digital courses that interest them.
- Users can refresh their knowledge by accessing the archive and reviewing their old trainings, thus supporting their continuous development.
- Users can quickly find the training they need by searching, thus accessing the right resources more quickly and managing their learning processes more efficiently.

In 2024, 108.991 hours of training were completed via the mobile platform.

### **Employee Interaction and Job-Specific Trainings**

The **B-Token** gamification application, which is offered on both the web and mobile learning platform and positioned as a learning and development marketplace , offers employees an individualized digital learning experience that will enable them to be proactive and take on a leadership role. This application is a virtual marketplace that allows you to collect points as you complete digital training and spend these points on the year. different trainings. In 2024, all employees became "Welcome Aboard" events organized for new leaders of their own development journeys with the employees facilitated rapid adaptation and social application that offers the opportunity to democratize integration, reinforcing a culture of commitment and learning. solidarity. These trainings and events contributed to organizational success by encouraging individual Mobixa, which offers a gamified learning experience, development and increasing employee loyalty.

employees have the opportunity to reinforce what they have learned through reinforcements, guizzes, Throughout 2024, 405 employees were involved in duels and challenges that will make their knowledge Welcome Aboard events. permanent after the training. 1.005.590 questions have been solved by employees with gamified training The New MD (Customer Representative) Basic Training solutions. Program, designed to help employees who started

Garanti BBVA supports the professional development of its employees with face-to-face trainings, while strengthening the sense of belonging and team spirit. Interactive in-class trainings encourage knowledge sharing and contribute to cooperation and the adoption of corporate values.

The number of in-class trainings was increased in 2024. A total of 5.909 in-class trainings were conducted with 88.769 participants.

The BMİY (Retail Customer Relations Manager) a Part-Time Internal Trainer Training Program to Development Journey has been designed to ensure strengthen the culture of continuous learning and the rapid adaptation of employees who start working encourage employees to share knowledge and learn as Retail Banking Customer Relationship Managers from each other. Within the scope of the program, from the moment they are appointed to their positions, selected expert employees are supported in areas such to contribute to their development in order to gain the as training design, presentation skills and adult learning necessary technical and behavioral competencies and dynamics and serve as internal trainers. to demonstrate sustainable performance. Throughout 2024, 116 employees have been included in the BMİY Development Journey.

Internal trainers gain a sense of belonging by contributing to the learning of others, while making corporate knowledge sustainable. In 2024, 13 employees were included in the program and the number of active trainers reached 116 .

In order to strengthen the culture of learning from each other within the organization, the "Let's Ask Someone Who Has Been There" activities, in which employees share the knowledge and experience they have gained in the activities they participate in, continued throughout



working as Customer Representative quickly adapt to their duties and gain the necessary technical and behavioral skills, continued throughout 2024. During 2024, 1.217 employees were included in the New MD Basic Training Program.

Senior MD Program, designed to contribute to the sustainable performance of Experienced Customer Advisors by increasing their service quality, continued throughout 2024.

The SME Portfolio Development Program, which includes intensive professional training such as SME Banking Products and Services, Financial Analysis Certification, Commercial Credit Screens, was designed for employees who will work as Small Business Banking Customer Relationship Managers and continued throughout 2024. During 2024, 292 employees were included in the SME Portfolio Development Program.

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### Trainings for Acquiring New Competencies and Skills

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In addition to their job-specific training, all employees have participated in elective trainings offered to develop themselves in different areas.

With Enabler Technologies Certificate Program, which includes components such as digital content, technology sessions, online trainings, project studies, workshops, one-on-one coaching and mentoring from the world's most distinguished universities (Columbia, Wharton, MIT, ELU) within the scope of applicable technologies, a total of 34 employees were entitled to receive their certificates in 2024. In 2024, 51 people, 2 of whom were from BBVA, started the program.

The GTECH Certificate Program, designed to develop the technical knowledge and leadership competencies of Garanti BBVA Technology's highpotential employees, consists of components such as digital content, technology sessions, online trainings, project studies, workshops, one-on-one coaching and mentoring from the world's most distinguished universities (Columbia, Wharton, MIT, ELU). In 2024, 80 people started the program.

Garanti BBVA Technology implements the Technology Development Program to support the development of technical roles in line with strategies and current technologies. The program aims to increase technical competencies with trainings appropriate for individual development and technical skill needs. Within the scope of Garanti BBVA's Data and Technology strategic priority, Data Specialist and Data Scientist training programs continued in 2024. Including 2024, our current Data Specialist number is 475. The number of Data Scientists who completed their training in 2024 is 80.

Tech MBA master's program, which enables them to effectively combine strategic and business skills with technology acumen and agile leadership skills. In 2024, 10 employees participated in the program.

Garanti BBVA and all group companies encourage employees who meet the specified criteria to participate in postgraduate training programs in order to help them achieve their career goals and to increase the company's expertise and innovation capacity. In this context, 45 employees were enrolled in postgraduate programs.

24 trainings are provided on climate risk, sustainable finance, environmental and social credit policies, energy, inclusive growth, and sustainable living. The number of employees who benefit from sustainability trainings is 18,707, and the total training hours provided are 27,073.4 of these trainings are mandatory trainings assigned to all employees at all levels, and 10 of them are mandatory trainings assigned to employees in segments varying according to business lines.

In addition, segment-based trainings were provided to employees who are in direct or indirect contact with customers, so that they can offer a sustainabilityfocused approach to their customers' activities and gain this awareness in their business practices.

- The number of employees who participated in these trainings reached 5,695 in 2024.
- In 2024, 'Green Portfolio' trainings consisting of 6 modules were designed and assigned compulsorily to corporate, SME and commercial banking employees.
- The focus of the training content is sustainable finance, sustainability investments and climate risk.
- In 2024, an elective 'Marine Biodiversity and Invasive Species' podcast was designed to raise awareness among all employees about marine biodiversity.
- Again, in 2024, within the scope of our strategic priority of inclusive growth, 'Inclusive growth!' training was assigned as mandatory for field employees at all levels and employees of the affiliated business lines starting from the director level.

- 10 employees participated in international academic programs and certificate programs organized to deepen the knowledge of sustainability department employees and general management employees working on sustainable finance.
- 29 employees successfully completed the 42-hour advanced Sustainability Bootcamp trainings organized by BBVA globally.
- All members participated in the "Current Practices in Risk Management" training, which also includes topics on risks within the scope of sustainability for non-executive board members.
- The seminar on the effects of climate change and risks surrounding banking in 2023, organized to increase the competence of the Senior Management on sustainability issues, continued in 2024 on climate and human-induced environmental disasters.
- Such events will continue in 2025. Within the scope of our 2025 sustainability training strategy, the design of new, up-to-date trainings at the beginning and middle levels that we will offer to all bank and domestic subsidiary employees will continue.

### **Trainings That Create Value in Difficult Times**

Garanti BBVA has been conducting learning and employees. awareness activities for a long time to ensure that employees and their families are prepared for possible Let's Talk events, which hosted inspiring speakers on disasters. The project, which was implemented with the different topics each quarter, continued and 4 events motto "We Will Heal by Learning", aimed to increase have been organized in 2024. earthquake awareness with bulletins and learning content.

In the first phase, the focus was on psychological support training, and in the next phase, on technical awareness and Family Disaster Plan training. In the future, the scope of the project will be expanded with VR applications, simulations and experience sharing sessions. The work will be carried out under the motto of "Strong Together, Conscious in Earthquakes".

In 2024, a total of 11.382 employees participated in Family Disaster Plan training.





### **Foreign Language And Personal Interest Trainings**

In order to contribute to the development of employees' foreign language skills, content on GETLingo and the Campus portal continued to be provided. Collaborations with external platforms and institutions for Spanish and English language development continued and employees' language development was supported.

857 employees have completed the A1 – A2 level Spanish training added to the campus portal.

40 employees participated in Spanish conversation sessions called "Eat&Speak", which offered an environment where employees could converse in Spanish with our inhouse Spanish translator. GETKültür trainings, which are designed to provide employees with different perspectives and new skills, and to enable them to both develop personally and strengthen their customer relation skills by blending their interests with their work, have continued. GETKültür trainings, which include many different contents from Mimar Sinan's Istanbul to Italian Cuisine, from the historical and intellectual journey of sociology to the mysterious history of Ancient Egypt, have been completed by 8.646 employees in 2024, and these trainings have received very high levels of positive feedback from



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### **Empowering Our Leaders**

Garanti BBVA aims to strengthen the cornerstones of organizational success and continuously improve the skills of its leaders through leadership development programs. With this approach, leaders are trained to help the organization achieve its strategic goals, while employees are given the opportunity to discover their leadership potential.

The importance given to leadership development has served the vision of training future leaders while meeting today's needs. This approach has contributed to the sustainable growth and competitiveness of the organization by transforming individual achievements into corporate success.

### Leadership Development Programs

Leadership Development Catalog and Leadership Knows No Distance Programs segmented according to the experience of leaders continued in 2024.

"The Good Manager" program was designed to develop the skills of leaders in team management, strategic thinking and managing change processes. Leadership understandings were enriched with inspiring content and practical applications, and it was aimed to reflect the gains positively on team performance.

The program has contributed to the construction of a stronger organizational culture by strengthening individual leadership skills as well as increasing cooperation between teams. The

"LiderA" program is designed to discover the leadership potential of employees and enable them to use it in strategic areas. The program aims to develop entrepreneurship, responsibility and empowerment skills. Offering a customized learning experience with its modular structure, LiderA has made significant contributions to employees in terms of individual leadership skills and teamwork.

### 2025 Focus Topics and Priorities

In order to prepare for the future more strongly and to ensure competency-based transformation, Garanti BBVA will continue its training activities in 2025 without slowing down, with the latest technologies and the most innovative learning methodologies based on innovative and collaboration that serve the continuous learning and development of new skills of its employees;

- With the upskilling & reskilling programs to be implemented under The Camp BBVA brand, the competencies strategically identified for the BBVA group will be developed ...
- The Empathy Journey Training Program will be implemented to empower a radical customer and employee experience, involving all employees and leaders . The program will provide training and development solutions that will support employees to better understand customer needs and provide more effective service.
- On the campus learning platform, employees will be offered special, personalized training suggestions and development programs with the support of artificial intelligence.
- Leaders who manage the best and most engaged teams will continue to be empowered with the re-launched Leadership Training Programs and The Good Manager trainings

### **Digital Employee Experience Empowered By Technology and Data**

Garanti BBVA aims to provide the best experience to its employees and candidates who will apply to Garanti BBVA by adopting a technology and datafocused, innovative process and solution development approach in the field of Talent and Culture. It aims to offer personalized suggestions to talent segments with varying needs, digitally, user-friendly and with the power of data.

In 2024, many transformation projects were implemented to improve user experience and accelerate our digitalization journey. These projects aimed to make employees' lives easier, guide them, and respond to their needs instantly by offering personalized solutions.

Garanti BBVA Group started working on "The Camp" Garanti BBVA Group has started to work on the most initiative, which offers a global and gamified learning appropriate infrastructure and technological solutions experience that encourages the development of to accelerate the talent acquisition processes of the strategic competencies targeted by the Group. "The Group and to make improvements that will enable Camp" Project, which will support the skill-based access to the best candidates in the shortest time transformation journey, will be launched in 2025. possible. This initiative will continue as one of the most important projects of our organization and will increase Regarding performance and remuneration the effectiveness of our recruitment processes. management processes, our Talent and Culture

In order to support employees' career and development user-friendly features for employees and better insights journeys, work has been initiated on projects that for managers, customized to corporate strategies, will provide personalized suggestions focused on comparative data displays and an improved experience. technology and data. These projects to make the most effective use of Garanti BBVA's talents across the Upon the request of employees, cash payment method group, while also providing employees with guidance was introduced in meal card application. Thus, a through career path suggestions and opportunities significant convenience was provided to all group to see where they are in their careers, discover which employees with a structure where they can receive skills they can develop to achieve their goals, and more. service at many more points.



These projects, which enable employees to develop and strengthen solutions that they can use while managing their career processes by utilizing the power of digitalization, also support them to prepare for the future with smart suggestions. While providing employees with different experiences with internal mobility opportunities, it aims to be with them at every stage of their journey by making the transition processes to new positions more fluid and efficient.

In addition, improvements were made to the "Connect Mobile" application so that employees can easily meet their training and development needs anytime, anywhere. Employees were given the opportunity to access training whenever they want via their mobile devices and continue their personal development without interruption.

platforms have been redesigned and put into use with

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Automation opportunities continued to be strengthened in 2024. One of the most important of these is our business travel management, which is being developed to offer a common experience to all group employees, and will be available in 2025.

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By activating the forum page on the TGM - The Good Manager platform developed for leaders, leaders were able to interact regularly and efficiently. In this way, managers can unite in a strong communication network in the field of corporate management by sharing their knowledge and experiences.

Our "Connect Mobile" application, which is used by over 90% of Garanti BBVA Group employees, has been added to facilitate access by adding processes that are important in their daily lives, such as payroll transactions, door entry management and exploring career opportunities.

In 2024, efforts were made to make all of our platforms accessible within the scope of our focus on inclusivity. As a first step, our Connect Mobile application was made 90% accessible. We aim to increase this rate to 100% in 2025 and conduct similar efforts for our other platforms.

In order to support our cultural transformation and strong employer brand, our group intranet has begun to be redesigned. This project aims to support a common culture and experience shared by all employees, as well as infrastructure improvements.

In 2024, we will continue to benefit from the power of data in Talent and Culture processes with dashboards and analysis, and we will move forward in a way that will take the decision-making processes of both Y&K teams and leaders to the next level and recommend personalized actions to employees.

In addition, we continued our approach to produce targeted insights and actions that will improve employee satisfaction and experience by using advanced analytical models. In the field of generative artificial intelligence, more than 40 usage scenarios were tested in the fields of analysis, content production, and process improvement in line with global developments, and the most up-to-date technological opportunities were presented to our Talent and Culture teams.

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In the field of generative artificial intelligence, more than 40 usage scenarios were tested in the fields of analysis, content production, and process improvement in line with global developments, and the most up-to-date technological opportunities were presented to our Talent and Culture teams.

In 2025, solutions that actively listen to employees more closely, make more use of generative artificial intelligence opportunities, proactively offer hyperpersonalized solutions that are suitable for employees when they need them, support cultural transformation and create efficiency in Talent Culture processes will continue to be offered.

## **Diversity and Inclusion**

Garanti BBVA defines the dimensions where the A person who makes a good faith report through the culture, ethnicity, gender, sexual orientation, gender Ethics Reporting Line cannot be the target of any identity, language, physical condition, race, religion, retaliation and will not face any negative consequences socioeconomic status, training level and age as a result such report. Such complaints are taken characteristics of its employees intersect as corporate seriously and finalized. Necessary administrative diversity. It believes that determining the needs of an sanctions are applied to the responsible parties in the increasingly diverse population and developing services Bank for any kind of mistreatment, discrimination or in line with these needs can be achieved by making harassment and for the concealment of such behaviors. internal diversity visible and increasing it. Garanti BBVA does not discriminate among its employees based on the principle of equal opportunity Garanti BBVA, in addition to the legal legislation . The basic criterion for selecting or promoting a regulating working life in our country, is in compliance person for a job or changing their position is that the with the United Nations Universal Declaration of Human person is suitable for that job. Garanti BBVA respects the constitutional right to unionize and the right to Rights ; collective bargaining. All employees are free to become It focuses on fulfilling and complying with the union members and act of their own free will. All these requirements of the international agreements to which practices are committed and monitored by the Bank's our country is a party, especially the fundamental Sexual Harassment, Assault and Discrimination Policy principles of the International Labor Organization, a . The "A Violence-Free and Equitable Future " digital specialized agency of the United Nations that works to training, designed within the scope of the Diversity improve human rights, social justice and labor rights. and Inclusion Guide, Domestic Violence Policy, Sexual Harassment, Assault and Discrimination Policies to strengthen awareness against all kinds of violence and discrimination, has been assigned compulsory to employees and has been completed by 10.667 Garanti BBVA employees to date.

Garanti BBVA Ethics and Integrity Principles, employees at all levels are obliged to maintain their relationships with each other in a way that will not be perceived as harassment, discrimination or mistreatment in or outside the workplace and will not disrupt the working environment. Garanti BBVA Managers are obliged to take the necessary measures to prevent any acts of mistreatment, discrimination or harassment in the workplace and to report any suspected cases to the Talent and Culture Directorate. If for any reason this method is not appropriate or the most appropriate way to resolve the issue, the situation is conveyed to the Ethics Reporting Line.







### "A Violence-Free and **Equitable Future** "

has been assigned compulsory to employees and has been completed by 10.667 Garanti BBVA employees to date.

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On the other hand, Garanti BBVA attaches importance to employees feeling safe in their private lives outside the workplace with the Domestic Violence Platform established for employees, and stands against violence as the biggest factor that undermines this. It continues to raise awareness among employees at regular intervals, remind them of the support mechanisms provided, strengthen Talent and Culture teams and team leaders, and fight against violence in solidarity with all employees.

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Garanti BBVA works seriously as an institution that focuses on gender equality and strives for women to have equal presence in every area and at every level of economic life.

Women represent 56% of Garanti BBVA's employees and 40% of middle and senior management roles. As a result of the importance it attaches to gender equality and equal representation of women, Garanti BBVA was one of the pioneers in implementing the Equal Opportunity Model (FEM) and was also one of the first signatories of the United Nations Women's Empowerment Principles (WEPs), making it the first bank in Türkiye to sign these principles.

Garanti BBVA also continued to be one of the organizations included in the Bloomberg Gender Equality Index with the steps it took to create an inclusive work culture and flexible working environment innovations.

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Within the scope of the EsitBiz Project designed to deepen and raise awareness on gender equality, 20,915 employees completed the "I Am Aware of Equality" training. The face-to-face "I'm Here for Equality" workshop was organized with the contributions of academics and experts in order to deepen the understanding of obstacles, needs and solutions in the field of gender equality, and 41 Garanti BBVA employees participated voluntarily..



Garanti BBVA, which proactively works to ensure that female talents who have taken a career break re-enter the workforce, creates opportunities for female talents seeking employment through its collaboration with YenidenBiz Association.

Garanti BBVA presents online seminars on disability The TalentAccess Disabled Internship Program, which taboos, prejudice awareness, women's reproductive was launched as an outcome of these meetings, is health and masculinity and social burden under the title the first of its kind in many areas. Within the scope of of "Difficult Topics to Talk About" during Diversity and the program, interns with different types of disabilities Inclusion Days organized every year . It has increased take on duties in different units of the bank and benefit the impact of its work by meeting with over 300 young from special development programs, while having the disabled talents and accessibility and inclusion experts opportunity to specialize in their fields and become through the Accessibility Community Meetings it "accessibility ambassadors" of their own units. The organizes open to the public alongside its employees TalentAccess Training Program, launched in 2024 . The closing of the Diversity and Inclusion Days was , aims to support the participation of talents with held with a movie screening open to the public at disabilities in business life, provide an accessible Salt Galata with audio description, sign language and employee experience, and add value to the career detailed subtitles with the motto "It is possible to watch journeys of disabled employees by creating an inclusive movies together". work environment. The program provided training on creative thinking, professional stance, banking trends Focused Employee Groups (ERG), consist of and effective presentation techniques.

employees who volunteer in 4 sub-project groups and

work on projects that directly contribute to the Bank's Garanti BBVA is working resolutely on the employment sustainability and gender equality goals. of disabled talent, working closely with relevant student clubs and career centers of universities. By participating Garanti BBVA, as an institution committed to providing in disabled career fairs and organizing events, we reach equal employment, values the diversity of its talent pool. more and more disabled young talents every day and This approach also includes talents with visible and work together on a better employee experience. We are invisible disabilities. It works for an "accessible" work carrying out a cultural change movement by planning environment by focusing on the experience and talents subject-specific training and seminars for employee of candidates, not their disabilities. The Accessibility and manager awareness, and at the same time, we Community Meetings launched in 2023 bring together continue to develop all accessibility regulations in the young talents with disabilities and entrepreneurs and digital and spatial areas in areas such as recruitment, academics who are experts in the field of accessibility. career, development, performance, and social activities.







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## **Occupational Health and Safety**

Occupational Health and Safety (OHS) carries out its activities by establishing and disseminating Garanti BBVA Occupational Health and Safety culture, determining principles, rules and procedures, and covering the health, safety and well-being of all stakeholders, including employees, contractors, visitors and customers, based on relevant legislative requirements, international standards and examples of good practice.

OHS manages all OHS processes such as risk assessment studies aimed at preventing occupational risks that may affect the health and safety of employees in workplaces, health surveillance including health examinations carried out at the beginning of the job and periodically, board meetings held with the participation of employers, employee representatives and OHS professionals, incident management, employee training and information activities, subcontractor and supplier management. The OHS team consisting of 47 employees, Occupational Physician, Occupational Safety Specialist and Occupational Nurses is also responsible for the implementation and development of the Emergency Plan within the scope of business continuity in order for employees, contractors, visitors, customers and environmental values to survive disasters and emergencies without any harm. It provides the necessary training for employees to be prepared for emergencies, monitors drills and keeps the teams on duty up to date.



OHS has won the "International Safety Awards" given by the "British Safety Council", one of the most respected occupational health and safety authorities in the world, for the 5th time in a row since 2020.

In 2024, all trainings within the scope of OHS were reviewed and Occupational Health and Safety and Emergency Trainings were completely renewed on the digital platform with a design suitable for today's conditions. Actions were taken to increase the effectiveness of the drills conducted within the scope of the Emergency Plan. Within the scope of business continuity, many improvement studies were carried out with regional simulations for a wide range of scenarios such as earthquake, flood, fire and bad weather conditions and the necessary actions were taken.

Protecting the health of employees holistically and Data-based actions continued to be taken to effectively ensuring business continuity are always among the implement employee health surveillance practices, Bank's primary responsibilities. In order to achieve the primarily through pre-employment and periodic health ability to fully fulfill this responsibility during disaster examinations. In 2024, a total of 8,248 employees were periods, OHS continues to play an active role in projects examined in locations where Workplace Physicians launched last year under different topics within the were located. scope of preparations for the potential Marmara earthquake. Employee-focused projects continue with In 2024, 30 work accidents and 258 incidents occurred awareness-raising trainings that include employees and in all locations, including subcontractors. All of these their families in order to create a corporate culture with cases were investigated and necessary corrective and high earthquake awareness. Garanti BBVA focuses on preventive actions were taken. All cases were examined well-being studies and holistic health practices that in detail and necessary corrective actions were fully focus on inclusiveness by considering health as a state implemented. of physical and psychosocial well-being.

In this context, Garanti BBVA, which brought together speakers in different fields, especially expert physicians, with its employees on a digital platform in the step of implementing awareness-raising and awarenessraising activities, defined a comprehensive check-up program for all employees in 2024. While the checkup program enables early diagnosis and treatment of critical life-threatening diseases, especially cancer, it also revealed the importance of preventive health practices in terms of saving the lives of employees. Garanti BBVA's Head Office buildings are equipped with "Automatic External Defibrillators" against cases of cardiopulmonary arrest, and certified first aiders and healthcare teams who have received special training in this regard reinforced their readiness with drills against emergency health situations and saved the life of an employee whose heart stopped.



A holistic approach to protecting the health of employees was targeted in 2024.

- With the comprehensive check-up package added to private health insurance policies within the scope of preventive health services, early diagnosis and treatment of critical diseases, including cancer, of which they were not aware until then, were provided.
- Face-to-face and digital training was provided to increase awareness so that they could always be prepared for emergencies, especially disasters, in their offices or at home with their families, and to prevent negative health outcomes such as injury/death.
- The digital and printed information of the "Emergency Health Line", which was designed to provide rapid response to emergency health situations at the Head Office locations, has been updated, ensuring rapid response to emergency cases.

# Community Investments

220 Community Investment Program

224 Sponsorships



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# **Community Investments**

## **Community Investment Program**

#### Strategy

Garanti BBVA, while establishing its community investment programs, takes social concerns and problems in Türkiye and worldwide concordent with its corporate values into consideration.

It operates to create social benefit, prioritizing the needs of society and stakeholders' expectations in alignment with its core business areas and the BBVA Group's global strategy. While contributing to society through institutions it has founded, Garanti BBVA implements long-term projects and programs in collaboration with various non-governmental organizations.

With the aim of creating shared value, the community investment programs are carried out within three focus areas:

- Education for all
- Reducing inequalities
- Accessible culture and production of knowledge

In addition to these areas that support inclusive growth, Garanti BBVA also implements programs to combat the climate crisis.

Garanti BBVA also monitors the outcomes of its programs using internationally recognized measurement and research techniques. It evaluates the impact created on target audiences and society via social impact analysis. Thereby it contributes to the United Nations' Sustainable Development Goals through all these efforts.

#### Programs

#### **Teacher Academy Foundation (ÖRAV)**

Teacher Academy Foundation (ÖRAV) was founded in 2008 by Garanti BBVA with the aim of supporting teachers' professional and personal development, and children's right to reach quality education.

Since it started to operate, ÖRAV has contributed to the professional development of teachers and educational administrators in the related field through its educational programs and projects. It works to ensure that teachers become educators adept in universal teaching methods, thereby helping students to develop the mental, social, emotional, and digital skills required in the 21st century.

• In 2024, the number of teachers reached by ÖRAV was 46.326; while since 2008, more than 405thousand teachers have benefited from its programs.

ÖRAV's online education platform -titled "eCampus"- is for all teachers, and opens up a space for knowledge and experience sharing. eCampus currently has 88thousand active users.

In 2024, 100 corporate volunteers ran for ÖRAV during the 46th Istanbul Marathon and supported ÖRAV's activities through donation campaigns.

• According to the social impact analysis conducted in 2024, every 1 TL invested in ÖRAV resulted in 1.9 TL of impact.

#### Salt

Salt -founded in 2011 by Garanti BBVA to support the production of knowledge, culture, and arts- is a cultural institution providing its visitors and users an openspace for encounter, research, and expression through its innovative programs.

Salt carries out exhibitions, publications, talks, conferences, film screenings, performances, and workshops on areas such as art, architecture, design, social and economical history. Through its extensive work related to archive and research under Salt Research, the institution contributes to the collective memory of Türkiye and its surrounding geography.

Salt's archival collections, comprising over 2 million documents and references, are accessible online. The specialized library in its Galata building hosts a collection of more than 100,000 publications.

To access Salt's activities in its Galata and Beyoğlu buildings, and all of its digital programs and contents on saltonline.org is free of charge.

- In 2024, 4.911individuals participated in the financial literacy trainings, bringing the total number of participants in the program to 6.671 up until now.
- According to the 2024 social impact analysis, every 1 TL invested in Salt generated 1.5 TL of value.

Within the scope of Salt Research Funds which promotes original document acquisiton and research in the fields of art, architecture, and design since 2013; a total of eight projects will be supported next year with the addition of two new funds provided by Garanti BBVA. The aim of the funds named "Garanti BBVA Economical History Fund" is to make a sustainable contribution to research in the field.



#### **Unbanked Women Program Trainings**

In collaboration with Financial Literacy and Inclusion Association (FODER), an online and freely accessiblefinancial literacy training was launched in order to help women better manage their personal finances.

Face-to-face trainingsaiming to enhance financial literacy and entrepreneurial skills were conducted in partnership with Foundation for the Support of Women's Work (KEDV) in the cities of Istanbul, Izmir, Muğla, Manisa, Gaziantep, and Şanlıurfa.

In partnership with the Istanbul Metropolitan Municipality and the Ankara Metropolitan Municipality, entry level financial literacy seminars were conducted in both cities.

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#### 5 Pebbles: Social and Financial Leadership Program EqualUs

Implemented in collaboration with ÖRAV in 2016, the program aims to enhance primary and secondary school students' knowledge, attitudes, and skills regarding social and financial leadership. The program targets at raising awareness of social and financial issues, ultimately fostering a sense of good citizenship among students.

• In 2024, the program reached 22.088 students and 1.004 teachers: while since 2016, it has reached over 4.200 teachers and 64thousand students.

As part of the program, students visit Garanti BBVA branches with their teachers in order to observe a bank's roles, responsibilities, and operations. These visits allow students to better develop concepts like saving, spending awareness, and budget planning in a real banking environment.

- In 2024, the branch visits were conducted in different cities of Türkiye with the participation of more than 1.000 students and teachers. Garanti BBVA branches hosted 63 different visits.
- According to the 2024 social impact analysis, every 1 TL invested in the 5 Pebbles generated 2 TL of value.

EqualUs project has begun in 2022 in collaboration with ÖRAV, to enhance gender equality.

The project provides trainings and mentoring for preschool and primary school teachers, with the focus of supporting social development in different childhood stages. These activities support participants' awareness of the equality of social roles both in the classroom environment and in their daily lives, and encouragement to implement practices in this direction.

 In 2024, the project reached 1.074 teachers and 19.491 students; and since 2022, it has reached a total of 2.741teachers and 44.496 students.

In 2024, a conference titled "EqualUs: Inspiring Meeting" was held with the participation of 160 people. The conference featured experts and teachers from various cities in Türkiye who participated in EqualUs as speakers.

#### There's a Game at School

Implemented in collaboration with ÖRAV in 2024, the project aims to increase students' sense of belonging to school and developing positive attitudes towards school through play activities at preschool and primary school levels.

Playing which is a tool that strengthens mental and emotional development is also expected to enhance students' skills in problem-solving, decision-making, creative and critical thinking, teamwork, cooperation, and patience.

In the project, children are socially and emotionally supported while feeling secure through the active participation of teachers and parents.

• In 2024, the project reached 771 teachers, 21.480 students, and 5.370 parents.

#### **Blue Breath**

Since 2021, Blue Breath project has been carried out in partnership with Turkish Marine Environment Protection Association/TURMEPA to prevent surface pollution and mucilage in the Marmara Sea and raise awareness about marine cleanliness.

In addition to the Marmara Region, the project expanded Türkiye's Life: Fire Management Grant Program to Adrasan and Van Lake due to environmental needs in the regions. In 2024, long-term scientific conservation Launched in 2022 in collaboration with WWF-Türkiye and monitoring activities were launched in Saros Bay (World WideFund for Nature), the program provides and Göcek to make Türkiye's waters more resilient to support to the civil society organizations working on the temperature increases threatening marine life and local projects to reduce the risk of forest fires- which biodiversity and to rehabilitate marine ecosystems. cause significant harm to nature and humanity- and to The project also includes efforts to protect and monitor be better prepared for potential fires. seagrass meadows.

- In 2024, two solid waste collector sea sweepers served in the Marmara Sea, one liquid waste collector in Göcek, and one solid and liquid waste collector in Van Lake.
- Since 2021, sea sweepers in all regions have collected approximately 257.698 kilogramsof solid waste, which has been recycled. The waste collected by the sweepers is equivalent to the daily waste generated by approximately 221.051 people.

To increase awareness of marine cleanliness, online training sessions on the importance of seas, protecting marine ecosystems, and individual responsibilities for sustainable water resources are held with middle school students and teachers.

The Blue Breath Bus provides students with training on robotics coding and production skills, prepared with a zero-waste philosophy, along with workshops. In the "Blue Detectives" segment, high school students receive zero-waste training and are encouraged to develop projects addressing marine pollution.

• Since 2021, Blue Breath awareness training has reached more than 88 thousand students and more than 4.800 teachers in cities including Kocaeli, Bursa, Istanbul, Tekirdağ, Çanakkale, Yalova, Balıkesir, and Tatvan.



- In 2024, 52 corporate volunteers participated in the educational sessions provided in the Blue Breath Bus, and during waste segregation activities at the coastal clean-up events in locations like Göcek.
- According to the 2024 social impact analysis, every 1 TL invested in Blue Breath project generated 2.2 TL of value.

- By the end of 2024 ten projects were supported by the program, including:
- "Forest Fire-Resilient Settlements" Turkish Foresters Association
- Fire-Resistant Production Models" The Prosumer Economy Association
- "Don't Let Caracals Get Hurt by Forest Fires !" NATURA The Society for the Conservation of Nature and Culture "A Forest Fire Prevention Eco-Kit: Local Knowledge and Practices of Protecting Wildwoods and Fighting Wildfires along Köyceğiz - Gökova Route " - The Association for Equal Opportunity and Sustainable Future "Be a Drop of Water" – Hatay Nature Conservation Association
- "Raising Increased Awareness of Wildfires in Tourism " - The Foresters' Association of Türkiye West Mediterranean Branch
- "Preparedness for Fires and Nature Literacy" Green Zara Volunteers Association
- "Neighborhood Disaster Risk and Resource Studies" Civil Space Movement Network Association
- "Bee Pastures and Diversified Income Models for Sustainable and Resilient Beekeeping" Climate Research Association
- "Post-Fire Ecosystem Supporters: Liquidambar Microhabitats and Corridors" – Eastern Mediterranean Research Association





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### **Social Impact Measurement**

Garanti BBVA measures the benefit created by its community investment programs and the programs' impact on the beneficiaries through social impact analysis. By conducting a social impact analysis, the bank gains a more concrete understanding of the outcomes it generates in society and environment, identifying points for improvement with regard to its long-term programs and takes action accordingly. It uses the "Social Return on Investment" (SROI) method that is preferred increasingly in the fields of civil society and impact investing, in respect to analyses..

## **Sponsorships**

#### Music

Garanti BBVA is one of Türkiye's leading sponsors of jazz. The bank has been an uninterrupted sponsor of the Istanbul Jazz Festival, organized by the Istanbul Foundation for Culture and Arts (IKSV), since 1997, after initially supporting it in 1994. Recognized among Europe's leading jazz festivals and a staple of urban life, the festival has hosted renowned artists such as Sting, Björk, Simply Red, Buena Vista Social Club Feat. Ibrahim Ferrer, Bryan Ferry, Lenny Kravitz, George Benson, Chick Corea, Melody Gardot, Grace Jones, Buika, Lisa Ekdahl, and Marcus Miller.

Supporting concerts at prominent music venues in Istanbul, including IF Performance Hall Beşiktaş, Salon IKSV, Blind, Nardis Jazz Club, and Zorlu PSM, Garanti BBVA facilitates encounters between music enthusiasts and distinguished artists.

On International Jazz Day, declared by UNESCO and celebrated on April 30, Garanti BBVA continues to mark the occasion with the slogan "Five Concerts in One Night," organizing the city's most vibrant concerts annually.

#### **Basketball**

Garanti BBVA has supported Turkish basketball since 2001.

Collaborating closely with the Turkish Basketball Federation, the bank has contributed significantly to basketball, from the 12 Giant Men Basketball Schools to youth national teams and the Women's and Men's National Teams. Believing in the lasting value of these contributions to society and social life, Garanti BBVA also sponsors the Wheelchair Women's and Men's National Teams.

- Since 2001, the 12 Giant Men (Men's National Basketball Team)
- Since 2005, the Pixies of the Court ( Women's National Basketball Team)
- Since 2013, the 12 Brave Hearts (Wheelchair Men's National Basketball Team) and
- The 12 Magical Wrists (Wheelchair Women's National Basketball Team) have been supported.
- Inspired by the 12 Giant Men, the 12 Giant Men Basketball Schools project, launched in 2002, aims to discover and train future 12 Giant Men and Pixiesof the Court across Türkiye.



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**Inclusive Growth** 

Garanti BBVA has long been expanding its support for women in business, entrepreneurship, and the technology entrepreneurship ecosystem within the framework of inclusive growth, another key pillar of its sustainability strategy, by developing specialized service models and approaches.

Actions are being taken to facilitate access to the financial system for all and empower vulnerable groups financially. Garanti BBVA is committed to providing accessible and affordable financial products and services, along with non-financial support, to address the needs of vulnerable groups.

Garanti BBVA defines the "vulnerable customer segment" as individuals who, due to their personal circumstances, are at risk of financial harmparticularly in situations where adequate support and/ or care from an institution is lacking. This definition is aligned with the Financial Conduct Authority (FCA) guidelines on fair treatment of vulnerable customers. The key criteria for defining vulnerable groups include individuals' or businesses' income, geographic location, and financial history.

In this context, specific thresholds have been set for Türkiye within BBVA's "Standard for the Financing of Sustainable Activities", which applies across the entire BBVA Group, including Garanti BBVA operations. These thresholds are categorized under five main areas: Income thresholds. Micro-business threshold. Thresholds for women-owned SMEs, Collective vulnerability thresholds, Geographic thresholds.

The Bank has also defined specific criteria for certain vulnerable target groups, including unbanked women, young people, and individuals with health conditions or disabilities. These definitions have been fully integrated into the Bank's sustainability governance framework.

In line with these thresholds:

- Tailored products and services are developed to improve financial inclusion for disadvantaged and vulnerable groups, ensuring equal participation in economic development.
- Small businesses operating in provinces with the lowest socio-economic development levels, identified as geographic thresholds, receive targeted support to sustain their economic activities.
- Programs and training initiatives are designed to encourage vulnerable groups to enter the workforce.

When identifying target groups, products, and programs, the Bank engages with external stakeholders. NGOs. market research institutions. customer feedback, on-the-ground insights, and business unit recommendations to develop solutions that align with needs and expectations. One of the key foundations of the sustainability strategy is creating a positive impact. Garanti BBVA collaborates with external partners to expand financial inclusion and financial literacy initiatives, thereby broadening its reach and enhancing its financial and non-financial support for vulnerable groups.

## **Unbanked Women Program**

Launched in 2023 to support the active participation of women in economic life, particularly those who had never accessed banking services or had limited engagement with financial institutions, the "Unbanked Women " program continued in 2024. Through this program, women were introduced to banking services and provided with a remote customer onboarding experience via Garanti BBVA Mobile. Additionally, special banking products were offered to make their financial transactions easier.

A key component of the program was financial 2024. Additionally, women who purchased the special literacy training, carried out in collaboration with the BES product within the program were offered free Financial Literacy and Inclusion Association (FODER) Critical Women's Illness insurance and a complimentary and the Foundation for the Support of Women's mammogram that they could use once a year. Work (KEDV). While FODER continued to provide free online training, KEDV facilitated in-person financial Within the Unbanked Women program, we plan to literacy and entrepreneurship training sessions for increase the financial literacy of more women through women's cooperatives in Istanbul, Izmir, Manisa, collaborations with civil society organizations, the Muğla, Şanlıurfa, and Gaziantep. Additionally, in 2024, public sector, and brands, supporting their active as part of collaborations with Istanbul Metropolitan participation in economic life by encouraging the use Municipality and Ankara Metropolitan Municipality, of banking products. FODER conducted financial literacy-focused seminars for women.

## **Entrepreneurship and Women Entrepreneurs**

At Garanti BBVA, we believe in the importance of Garanti BBVA contributes to the entrepreneurial everyone's participation in social and economic life ecosystem through; and recognize that strong and modern societies are • The Women Entrepreneurs Program, launched in 2006 built on the principle of equal opportunity. As part of Türkiye's Women Entrepreneur Competition, celebrating the inclusive growth pillar of our sustainability strategy, we have long considered entrepreneurs and financially and highlights role models underserved vulnerable groups as a distinct customer segment, ensuring their access to finance and other Türkiye Women Entrepreneur Academy, which provides essential services.

Our primary goal is to foster a healthy and growing entrepreneurial ecosystem in Türkiye and promote a culture of entrepreneurship by creating opportunities for collaboration with entrepreneurs. From women entrepreneurs to impact-driven businesses and technology-focused ventures—which play a crucial role in economic growth—Garanti BBVA supports the entrepreneurship ecosystem with tailored financial and non-financial solutions across multiple platforms.





• Since the launch of the program, 4,911 participants have attended the training sessions, including 6,671 participants in 2024.

Beyond financial education, the program also provided women with access to exclusive banking products. Regardless of income declaration, women enrolled in the program benefited from Bonus Troy credit card of up to 3,000 TL without any fees, micro loans of up to 7,500 TL, and the BES product that they could start for themselves and their children for 100 TL throughout

- its 18th year, which encourages women entrepreneurs
- training support and the Women in Trade Platform, supporting women entrepreneurs in expanding into new markets
- Garanti BBVA Partners Tech Entrepreneurship Acceleration Program, which contributes to the sustainability of technology startups
- "Technology Entrepreneurs Service Model", offers tailormade banking services to technology entrepreneurs operating in technoparks.



Additionally, new applications have been accepted for the latest phase of the Garanti BBVA Partners Tech sub-program within the Garanti BBVA Partners Entrepreneurship Acceleration Program. This initiative supports technology-based startups in the fields of generative AI, cybersecurity, payment systems, and sustainability.

Garanti BBVA launched the Women Entrepreneurs Program in 2006. The Bank's efforts to empower women entrepreneurs are structured in four key headlines:

- Providing access to financing
- Encouraging and empowering women entrepreneurs
- Delivering education and training
- Facilitating access to new markets

By the end of 2024, the total volume of TL loans extended to women entrepreneurs classified as a special customer segment reached 48.8 billion TL across all business segments.

Türkiye's Women Entrepreneurs Award, which contributes to the encouragement of women entrepreneurs and the emergence of role models, has reached a total of nearly 47,000 applications, with its 17th anniversary celebrated this year. The number of applications received for the 2024 competition exceeded 1,500. The Türkiye Women Entrepreneur Academy, which has provided continuous capacitybuilding training for women entrepreneurs for 12 years, reached over 800 participants in 2024.

As part of its mission to help women entrepreneurs expand into new markets, Garanti BBVA continued its support for the "Women in Trade" platform, an initiative led by KAGİDER (Women Entrepreneurs Association of Türkiye). This platform fosters collaboration between women entrepreneurs and institutions while creating new business opportunities.

In recent years, technology-driven startups have shaped the future of Türkiye's entrepreneurship ecosystem. Their agility, adaptability, and innovative approach have made them attractive partners for large corporations, strengthening opportunities for collaboration.

As a result, entrepreneurship has become a key pillar of Garanti BBVA's inclusive growth strategy, which is an integral part of its sustainability approach. Supporting technology startups has been designated as a strategic priority, particularly in enhancing customer experience and financial well-being. Accordingly, Garanti BBVA has expanded its support for technology entrepreneurs by introducing the Technology Entrepreneurs Service Model, specifically designed to address the needs of technology-based startups. As part of this initiative, a dedicated Technology Entrepreneurs Relationship Manager, who has received specialized training in technology startups and service models, has begun working at the Ankara Bilkent branch. The service model will be expanded to additional cities in the coming period to increase its inclusivity and accessibility.

#### In 2025;

- Encouraging women entrepreneurs, enhancing their capacities, and supporting their development will contribute to creating opportunities for more women entrepreneurs to enter new markets and reach new customers through competitions, training programs, and events.
- As a bank that has long contributed to the entrepreneurship ecosystem, Garanti BBVA provides comprehensive support to technology startups that will shape the future through its newly introduced Technology Entrepreneurs Service Model, offering financial products/services and advisory support with a specialized team that speaks the same language as startups.
- In 2025, Garanti BBVA will diversify the Garanti BBVA Partners Entrepreneurship Acceleration Program with the Garanti BBVA Partners Tech sub-program, focusing on generative AI, cybersecurity, payment systems, and sustainability, to further support the acceleration of more startups.
- For six months, participating entrepreneurs will be provided with office space, tailored mentorship, collaboration opportunities with Garanti BBVA, Garanti BBVA Technology, and its subsidiaries, advertising/PR support, business and product consultancy, training and seminars, as well as access to advantageous banking products and services.

## **Accessible Banking Services**

Garanti BBVA prioritizes the active participation Additionally, thanks to its collaboration with BlindLook, of individuals with disabilities in daily life and their Garanti BBVA allows visually impaired customers to unhindered access to financial services, consistently freely perform transactions on Garanti BBVA Mobile working on initiatives in this area. To best meet the and Internet Banking using voice-guided navigation. needs of customers with various types of disabilities, Visually impaired customers can complete a range of the Bank continuously enhances its service experience banking tasks—such as opening accounts, transferring through both internal regulations and collaborations money, and paying bills-easily and independently, with expert organizations. without requiring assistance. Through this partnership, Garanti BBVA continues to be part of BlindLook's Through its Accessible Banking training program, EyeBrand network, which aims to create a more which is regularly provided to all employees, Garanti accessible banking experience.

BBVA aims to raise awareness and improve service delivery for individuals with disabilities.

In 2024, Garanti BBVA upgraded all its ATMs to be accessible for visually impaired individuals, increasing the number of visually accessible ATMs from 5,496 to 5.806.

## 'Key Card' Program

In May 2023, Garanti BBVA introduced the "Key Card" Customers who regularly use their secured credit program to assist customers who are unable to obtain card for six months under the "Key Card" program a credit card due to their credit score. Through Garanti can improve their credit score. If they meet the Bank's BBVA Mobile and Internet Banking, customers whose risk criteria, the security hold on their deposit is lifted, credit scores do not meet the eligibility criteria for allowing them to continue using their credit card a standard credit card are instantly identified, and without any restrictions. This initiative helps customers instead of facing rejection, they are offered a secured improve their financial health and gain access to credit card option at the moment of application. With unsecured credit products. this program, Garanti BBVA became the first and only bank in Türkiye to implement such an initiative.



Garanti BBVA also supports its hearing-impaired customers through the "Live Chat" feature on its mobile app, enabling them to receive quick and easy assistance via text-based chat with a Live Chat Assistant.

Furthermore, through its collaboration with Engelsiz Ceviri, Garanti BBVA provides audio and sign language translations of banking contracts, which are available on its website

# Customer Experience

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## **Customer Experience**

Garanti BBVA focuses on accompanying both individuals and companies in realizing their dreams and desires, with a radically customer-centric perspective.

## **11.1 Customer Experience Strategy**

Being a companion who emotionally and functionally supports customers as they progress in their lives, and providing a unique experience that makes a difference and that adds value at every customer touchpoint is among Garanti BBVA's top priorities.

Garanti BBVA's consistent performance in customer experience is based on three core competencies shaped around the "Empathy" culture:

- Continuously listening to its customers and deeply understanding their needs and expectations
- Designing personalized, value-adding, innovative solutions tailored to customers' needs and expectations
- A successful service model based on the intelligent orchestration of digital and human resources to deliver these solutions at the most appropriate touchpoint and moment.

In doing all this, Garanti BBVA listens to both its employees and customers, taking care to understand them. Customer and market research is conducted regularly to understand customer expectations and identify areas for improvement related to these expectations. These researches include competitive comparative experience studies conducted for digital channels and various critical product users with customers in individual, SME, commercial and corporate segments, post-service surveys conducted with customers receiving services from various channels, and researches measuring brand value and corporate reputation dynamics and the performance of advertisements.

Garanti BBVA aims to receive feedback from every customer through real-time measurements, recognizing the importance of receiving feedback from all customers.

Garanti BBVA transforms the insights it hears from its customers into solutions and offers them to make it easier for its customers to achieve their goals, create meaning and transform their lives, and works to build fair and responsible relationships where both parties win, and to make this journey long-lasting.

Garanti BBVA's understanding of its customers' needs and expectations, and producing solutions that make it easier for them to achieve their goals, creating meaning and transforming their lives is also reflected in the eyes of its customers. According to the results of the Net Promoter Score study conducted with Individual, SME and Commercial customers in 2024, Garanti BBVA has the second highest Net Promoter Score \* among its competitors in its Individual and SME customers, and the first among its competitors in its Commercial customers.

CUSTOMER

EXPERIENCE

In 2024, Garanti BBVA Customer Contact Center ranked first in Europe, Middle East and Africa regions in the "Best Contact Center – Over 1,000 Employees" category at "The Global Top Ranking Performance Awards" organized by Contact Center World, one of the world's most prestigious Contact Center organizations in the world.

## **Digital Experience and Transformation**

Garanti BBVA directs its digitalization strategies with a perspective that focuses on the needs, expectations and experiences of its customers. It aims to make the experience perfect with both technological and human touches and to create sustainable satisfaction by positioning Mobile at the center of this experience. Garanti BBVA Mobile enables its customers to easily perform their transactions independent of time and place with its set of over 1,000 functions. In 2024, one out of every 5 mobile banking transactions in Türkiye was made from Garanti BBVA Mobile. The number of logins to Garanti BBVA Mobile also continues to increase regularly. In 2024, a total of 5.3 billion logins were reached.

### **Digital and Mobile Banking**

In 2024, Garanti BBVA's digital banking active customer base reached 16.7 million, and its active mobile banking customer base reached 16.5 million.

The number of transactions carried out from Garanti BBVA Internet and Garanti BBVA Mobile channels reached approximately 1.7 billion.

\*Net Promoter Score study was conducted by independent research firm Ipsos for Garanti BBVA. Competitors are İşbank, Akbank and Yapı Kredi Bank. The research was conducted in January-December 2024 period using online panel and telephone techniques, with quota sampling method, with customers who described the relevant bank as their main bank and contacted their bank in the last 3 months. The research conducted by telephone technique was based on the Garanti BBVA customer list. The Mobile Banking Net Promoter Score study was conducted by the independent research firm Ipsos for Garanti BBVA. Competitors are İşbank, Akbank and Yapı Kredi Bank. The research was conducted with 9,697 people, in January-December 2024 period through the online panel, with customers who described the relevant bank as their main or second bank.

Commercial Net Promoter Score study was conducted by the independent research firm Ipsos for Garanti BBVA. Competitors are İşbank, Akbank and Yapı Kredi Bank. The research was conducted with 2,447 people, in January-December 2024 period using telephone technique with former customers who described the relevant bank as their main or second bank, based on the Garanti BBVA customer list.

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Garanti BBVA has the second highest Net Promoter Score\* among its competitors in its Individual and SME customers, and the first among its competitors in its Commercial customers. Commercial Banking #1 Retail and SME Banking

**M** 

In 2024, 1 out of every 5 transactions in Turkiye carried through Garanti BBVA Mobile Banking.



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> In addition to the diversification in loan products, different insurance products such as critical women's diseases and credit card payment guarantee insurance were also introduced to customers through digital channels.

> The year 2024 was a year in which the payment experience in Garanti BBVA Mobile was enriched with different international money transfer methods, payment requests, bringing money from another bank, and other functions. Thanks to the "Request To-Pay "feature offered to customers in January 2024, individual customers and sole proprietorships became able to send payment requests to the accounts of their acquaintances at Garanti BBVA or other banks.

> Enriching the investment experience in Garanti BBVA Mobilelast year was one of Garanti BBVA's main focuses. With the renewed investment menu, customers were able to follow all their investment products holistically from a single screen. An investment experience was designed to appeal to investors of all levels.

> In 2025, creating a banking experience with real-time, smart, personalized content and solutions offered on demand will be the most important priority.

Garanti BBVA, which has been using artificial intelligence for many years to improve business processes and customer experience, will continue to focus on taking developing artificial intelligence technologies and generative artificial intelligence to provide higher quality, "hyper-personalized" experiences.

Garanti BBVA will continue its efforts to increase the digital share in customer acquisition by continuing the improvement and development in the process of becoming a customer digitally.

In 2024, the payments in Garanti BBVA Mobile, which were enriched with new functions, and the investment experience with its new design will continue to be enriched with different products and integrations in 2025.

### Smart Asistan UGİ

INCLUSIVE

GROWTH

Garanti BBVA aims for its mobile platform to be the primary point of contact, capable of addressing all Garanti BBVA continues its efforts to not only offer demands at the initial interaction. To achieve this, it is the right products but also guide its customers by continuously investing in its mobile platform, ensuring focusing on their financial health and providing more that all needs can be met through mobile devices. personalized advice and solutions, which are among While prioritizing mobile experience, Garanti BBVA its strategic priorities. In this context, the bank is also emphasizes assisting customers with human expanding its efforts by introducing new features in interaction whenever needed. With this understanding, the "My Status" section of the mobile application. the smart assistant UGI offers live chat or video call options, providing an experience where customers In the "My Status" section of Garanti BBVA Mobile, can be guided to the correct solution and service point which offers personalized financial health tips to at the moment of need. Through proactive solutions customers, "My Home," "My Vehicle," and "My developed for immediate needs, Garanti BBVA reaches Trips" pages were added in 2024 to provide a holistic out to its customers, offering smart and personalized experience. By doing so, Garanti BBVA is becoming a suggestions. more significant part of its customers' lives by making payment reminders in the relevant areas.

In 2024, the smart assistant UGI engaged with 6.5 million customers in over 60 million interactions. With its advanced natural language processing skills, UGI's usage increases every year, and it continued to assist customers in 2024.

CUSTOMER

EXPERIENCE

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UGI effectively and naturally serves Garanti BBVA Mobile customers both through text and voice interactions, proactively contacting customers to provide solutions quickly. UGI does not only respond accurately to customer inquiries but also actively offers solutions when necessary, helping customers perform banking transactions more quickly and efficiently. For example, aligning with this vision, UGI proactively sends notifications to customers experiencing cash jams at ATMs and assists them in resolving the issue. Customers can easily submit a request for a refund of the jammed amount through UGI. In addition, developments are underway to ensure that relevant customer groups can access relevant service points through chat or video services from the mobile application at the right moments based on customer needs.

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The number of digital customer acquisitions increased by **33%** compared to 2023.

In addition to the digitalization of customer acquisition processes, mobile banking continued to be the main point of contact for customers. With the improvement of the mobile experience related to product application and usage processes and the expansion of the product range, the weighted digital sales share based on product values continued to increase and contribute more to the bank. The contribution of continuing to bring different products together with customers through digital channels in this increase was significant. In 2024, while customers proactively started to be shown their credit limits from Garanti BBVA Mobile, debt restructuring solutions and deferred loan products also started to be offered. As a first in the sector, end-to-end digital vehicle loans were started to be offered for both new and second-hand vehicles.

With the remote customer acquisition process, Garanti

BBVA's digital share in customer acquisition continued

to increase significantly this year as well. With the

development made in 2024, it was ensured that legal

entity customers could become customers remotely

end-to-end, just like sole proprietorships. In order to

contribute to sustainability as well as digitalization,

the contract and document approval processes in all

customer acquisition processes have been digitalized.

In order to create a holistic digital experience, Garanti

BBVA ensured designing of processes that aim to

be with its customers at every step, in line with their

preferences. Alternative solutions were developed for

situations where customers could not complete the

process in the remote customer acquisition process.

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### **Financial Advisory and Sustainability**

- With the "My Home" section, Garanti BBVA customers can view their home-related expenses, access many transactions in one place, select their favorite home, and view sustainable savings recommendations they can apply at home. They can also track their home bills, insurance policies, and loans from the late and upcoming payments sections, and access reminders. They can find home-related campaigns in categories such as furniture, home appliances, and construction markets.
- With the "My Vehicle" section, customers can view their car-related expenses with a monthly trend chart by category and access all car-related transactions from a single point. They can receive reminders about tax/penalty payments and insurance policies specific to the license plate information they added. With the campaigns section, they can apply for and track credit card campaigns such as fuel and maintenance related to their car expenses. With the "Useful Information" section, they can access content such as sustainability and savings suggestions for car usage.

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• With the "My Trips" section, customers can access the banking functions they may need before and after their travels from a single page. In addition, with the campaigns section, they can apply for and track mile and bonus campaigns specific to travel and accommodation expenses.

Through the campaign areas in these sections, customers can also access campaigns they previously accessed only from the BonusFlaş application via Garanti BBVA Mobile.

With "Digital Subscriptions" in the mobile application, customers can easily track their digital platform payments from a single screen and can now quickly access the last transaction dates and the card information to which the transactions are linked.

While the "My Status" section was visited by an average of approximately 5 million customers per month in 2024, Garanti BBVA made its customers feel that they were there for them in terms of financial health with the smart guidance and tips it provided.

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 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.

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.

### Payment Systems Solutions and Technologies

The world of payment systems is rapidly changing with the power of technology and digitalization. The needs and expectations of both customers and merchants are also constantly changing and transforming. Garanti BBVA responds to this transformation with the new solutions it has developed:

• As a first in Türkiye, we launched the Bonus Platinum Biometric credit card with biometric technology in May 2024. Our customers can securely perform all their transactions without being limited by the contactless transaction limit, simply by reading their fingerprints on the sensor on the card, without a password.

- The experience in the physical POS application processes made through digital channels was improved, and the number of applications completed in end-to-end digital channels increased. Our businesses can track the transactions made from Garanti BBVA POSs with detailed reports from our digital channels, and they can view their limit and working conditions information. In addition, they can now download report data as PDF, Excel, or text files. Moreover, on both Garanti BBVA Mobile and Internet, Garanti BBVA POS Statement Delivery Preference and Digital Slip Preference changes can be viewed, and POS roll requests can be made.
- Developments have been completed to allow our customers to apply for e-commerce merchant applications from all channels.
- Our supplier payment system solutions, which we have created specifically for our commercial customers, have provided benefits in providing digital solutions to companies.
- By making the "Multibank" development on Ceppos, it was ensured that customers can add other bank POSs through a single POS/application to receive payments and track reports.
- In the credit card application form on Garanti BBVA Mobile and Internet, the 25 pieces of information requested on 3 pages were reduced to 2 pages and 17 pieces of information. Thus, customers were able to apply for credit cards faster and easier.
- Preliminary credit card limit offers began to be displayed to customers who do not have a credit card via Garanti BBVA Mobile. It is aimed to proactively respond to customers' needs.





### Digital Wallet: Bonus Flaş

As a digital wallet, BonusFlaş continued to expand with digital solutions tailored to our customers' needs. In 2024, it received more than 261 million visits. The number of customer enrolled in campaigns exceeded 111 million, with a 29% YoY growth.

GarantiPay, which provides fast and secure payment without sharing card information at over 3,000 e-commerce merchants, grew by 86% to reach TRY 12.2 billion. By adding the features of paying with other bank cards and paying with shopping credit to the GarantiPay payment flow, our inclusiveness in online payments has been increased. In 2025, GarantiPay payments will also be made through the Garanti BBVA Mobile.

Our focus on QR and NFC payments continued in physical payments made without the need for card plastic. The total turnover of mobile and QR payments grew by more than 2.5 times to reach TRY 4.9 billion. Experience improvement was made by conducting technical infrastructure work to make it smooth in the customer experience. In addition, other bank cards were made available in the QR payment flow. We will continue to provide solutions to meet the diverse needs of our customers in 2025.

Within the scope of BonusPark Forest cooperation activities, in the events held in 2024, the development that allows event invitations given to our customers in appropriate criteria to be defined as fast passes via BonusFlaş and entry to the event area with QR code was launched. In 2025, we will continue to make developments for the different needs of our customers and increase their Garanti BBVA loyalty within the scope of the collaborations to be made.

In 2025, a front-end renewal study of Bonusflaş will be carried out with a focus on customer personalization. With this study, both the experience improvements identified within the scope of RCP and the developments for the needs of our customers before, during, and after shopping will be made.

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In 2024, as a first in the banking sector, the BonusFlag Wrapped study was conducted. In this study, a summary report consisting of the expenses made by our customers for 1 year with the new analytical modeling in which we can determine customer habits; It was launched with a personalized, workable popup function that we implemented as a new development on the BonusFlas front.

In 2025, we will focus on presenting the rich campaign and brand world of BonusFlas to our customers in a personalized way with the new technology infrastructures that will be created with the use of generative AI and LLM.

The integration of the analytical model developed to ensure that campaign contents are sorted according to our customers' preferences will be carried out. In addition, smart offers studies have been initiated to create campaigns tailored to customer needs.

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### TAM

Tami Multi-bank Virtual and Physical POS products are the payment solutions that can only be provided by the payment institutions that have received an operating license from the Central Bank Of Republic Of Turkiye within the scope of Law No. 6493. In this way, Tami aims to support the growth Of Garanti BBVA Group by offering products that banks cannot offer due to the regulatory reasons and by reaching the customer base that banks cannot reach. This payment solution covers a wide audience from small businesses to corporate companies that do not have the opportunity to receive face-to-face payments and receive payments through channels such as call centers, and individual customers who do not have a tax plate and want to receive payments via links from social media platforms.

This payment solution also makes a difference in customer experience with its end-to-end digital application process that allows easy and fast payments from all cards within 2 hours. Tami also enables companies to manage and distribute their money in the way they want with the wallet products we offer to merchants in addition to POS products.

In addition, Hosted Secure Payment Page solution is offered especially for small and medium-sized companies that do not have their own payment page or do not want to bear the cost of payment integration. In this way, Tami merchants can receive payments with Tami assurance without the need for long integration processes and the Masterpass wallet service which is offered completely free of charge, merchants with Tami POS gain a cost advantage and can offer their customers a smooth experience that is integrated with digital payment solutions.

Since it is a difficult process for merchants that get in paid online or have sales in physical stores to obtain POS by making agreements with banks one by one, the multi-bank POS solution offered by Tami reduces this operational workload and merchants are offered access to installments and campaigns from all banks' cards from a single point with a single integration.

Tami cards can be deposited money by transferring In this way, a comprehensive solution is provided for money from ATMs and bank accounts, Tami cards can small and medium-sized merchants that do not have be used in physical stores and e-commerce shopping, enough resources to endure the operational workload and cashback can be earned from spending within or merchants that want to manage the process in an the scope of campaigns. Tami users can also transfer integrated way. money between themselves via phone numbers or QR codes free of charge. With the vision of integrated Tami prepaid card is a secure, inclusive and digital services that provide convenience to customers in the payment solution that we offer primarily to young Tami application, bill payments can also be made free people and housewives who are not able to get a credit of charge with Tami cards from the application.

card or do not want to get one and want to spend as much as the balance they have deposited onto their card. In addition, with our Tami-18 card with parental control that we offer to young people between the ages of 12-18, young people can shop online free and safely while their parents can set sector or amount-based controls for their children's spending.

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With this solution that allows young people between the ages of 12-18, who cannot be acquired as digital The Customer Contact Center makes a difference in customers due to the regulation, to get a card with the the sector with its strong technological infrastructure, digital approval of their parents, Tami aims to contribute expert staff, innovative and customer-oriented service to group-based growth targets by establishing the first approach. contact with the customer base that banks cannot With its gualified staff of 1,270 people, the Customer reach.

Within the limits allowed by the regulation, an anonymous virtual card can be created in Tami with a limit of 2,750 TL in seconds without the need for customer recognition processes. In this way, card customers who do not want to increase their limit can create a virtual card without having to provide any information. Customers who complete the digital "Know-Your-Customer" step, which only takes 2 minutes, can have a virtual or a physical card with a limit of 150,000 TL, depending on their preferences.



## **Customer Contact** Center

- Contact Center successfully managed 68.5 million customer interactions and received a 13% share of total sector incoming calls.
- With a performance of 98.5% Call Response Rate in the main service lines, which is the most important service performance indicator, Customer Contact Center provides solution-oriented and quality service to its customers, while achieving a high service level by answering 81.0% of customer calls in 30 seconds or less.
- Within the scope of the end-to-end customer acquisition process through Garanti BBVA mobile application, the Customer Contact Center achieved over 1 million customer acquisitions through Video Calls in 2024.

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 With its "Live Support" written communication channel handled by the Customer Contact Center via Garanti BBVA Mobile, over 915 thousand customer requests were met in 2024.

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- Customer Contact Center gathered all the Bank's sales activities handled by phone and all outsourced service management under its own roof, gaining flexibility to take quick actions in capacity management via the strategic transformation carried out in 2024. With this transformation, Customer Contact Center maximized its efficiency and sales performance.
- Customer Contact Center continued to bring the customers together with the expertized sales and service specialists that customers are interested, in thanks to the Smart Sales and Dynamic Offer Systems developed with the "Right Product and Service Offer to the Right Customer" concept. Thus, maximum efficiency has been achieved in the fulfillment of customer needs. In 2024, Customer Contact Center reached up to 7.5 million product sales with its 44 financial product portfolio and increased the added value contributed to the Bank with a net financial income figure.
- Becoming one of the largest sales channels in total new credit card sales for the Bank with a share of 16%, Customer Contact Center solely managed the retention efforts for all credit cards issued by Garanti BBVA and retained over **1.6 million** cards
- Within the scope of loan sales and marketing activities, Customer Contact Center reached up to 30% total channel share of GPL via its Instant Credit Line 444 0 335 and 15% total channel share of Mortgage via its 444 EVİM line.

 In 2024, Customer Contact Center Jaunched a series of projects with the focus of its unchanging top priority, customer satisfaction and the target of further service innovations that will create powerful customer experiences:

SUSTAINABILITY

- -Targeting to make its customers feel more secure on outgoing calls via the Bank's "Secure Call Notification". Garanti BBVA became the first Bank to implement this new feature which notifies customer during the call viaits mobile app that the caller is genuinely from the Bank.
- -Upon the automatization of Money Stuck in Atm processes, the Bank started to generate instant reports in its system which enabled customers to get "proactive information" via Interactive Voice Recognition (IVR) once they call Customer Contact Center. Thus, the customers have quick and detailed access to the information related to their experience in the moment they call, leading to a significant increase in customer satisfaction.
- -Taking an active role in the digital transformation, Customer Contact Center expanded its VideoCall service hours on Garanti BBVA Mobile, and provided access to the customers 7 days a week. Customer Contact Center continued to fullfill customer demands instantly and much faster without directing them to a branch.
- Customer Contact Center that incorporated Garanti BBVA Pension Call Services into its structure in 2023 improved its performance by 15% year-over-year in retention services persuasion rates and by 170% in contribution generation.
- Customer Contact Center which started to manage call services of Kripto BBVA A.Ş. in 2023, also provided the operation of Garanti Ödeme ve Para Hizmetleri A.S (TAMI) Contact Center, upon the company's incorporation in 2024 and continued to bring together the call services of not just the Bank but also the affiliates under a single roof.

## **Customer Complaint Management**

Monthly average complaints were up by 4% in 2024 Customer Complaint Management team continued as compared to 2023 average. Despite this increase, analyzing regularly the root causes of customer average number of complaints per thousand complaints and taking corrective and improvement customers were down by 5%. actions accordingly.



## 2025 Priorities

#### In 2025;

- It will be a year in which fast and uninterrupted service will continue across all interaction channels, the goal • In order to listen to customers and improve the will be to reduce and eliminate existing negative service model by receiving their feedback, work will experiences, and customer journeys will be redesigned be carried out with the aim of receiving feedback from from the customer's point of view and become more all customers. user-centric.
- All channels, products, and all communications experienced by customers will be reviewed and projects will be developed to eliminate negative moments and improve processes that create value for the customers.

To achieve Garanti BBVA's goal of a differentiated customer experience, it will be a year of taking the service model one step further, experiencing a holistic transformation of the solutions offered in each channel, with an even more developed empathy culture at the center, focusing on employees and customer experience that make a difference in the sector.



In 2024, 16 corrective actions helped decreasing the situations that were previously giving rise to customer dissatisfaction by **4.7%**, while **5** proactive actions taken prevented potential situations likely to cause customer dissatisfaction.

- In the light of the empathy culture, the principles of positivity and transparency in communication will be further adopted, and it will continue to make a difference in service quality with decisions based on customer insights and the emotional bond established with customers.
- It will offer special solutions according to the financial situation, expectations and goals of the customers, it will continue to make its customers feel valued, it will accompany them as a guide in their financial decisionmaking processes,
- As part of taking the service model one step further, it will provide professional service at every moment where there is a human touch, it will bring innovation-based, personalized, effective and flexible digital solutions.

# **Data and Technology**

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## **Data and Technology**

Garanti BBVA is making its technology infrastructure more agile and robust by integrating artificial intelligence, big data, and machine learning into its systems to provide personalized, accurate solutions and improve operational efficiency.

Relevant Indicators	2023	2024
Programs organized to raise awareness on customer privacy and data security	30	75
Cyber security training hours per full-time employee		95.8%
External fraud training or awareness activities (Number)	125	103
UGI Smart Assistant Interaction Count	61.7 million	61.2 million
Number of Questions Answered by Bilge Bots	669 thousand	1.105.527
Number of Robots Contributing to Digital Workforce	41	45
Number of Projects Creating Value with Big Data and Machine Learning	75	118
Customer Behavior Scenarios Analyzed on Complex Event Processing Platform	126	158

The financial sector is facing a faster-than-ever transformation due to technological advancements and the participation of new players such as FinTech. Garanti BBVA is taking rapid action to be proactive in this transformation. Company redesigned the way of doing business with agile methodologies to rapidly implement new products and services. The bank is working with agile disciplines, with more than 400 teams, primarily including 100% of the technology organisation.

Since the early 1990s, with its continuous and uninterrupted investments in technology, Garanti BBVA has built its digital transformation strategy on providing a comprehensive, integrated banking platform that includes easy, accessible, and personalized banking transactions and services across all channels. In this context, the Bank has always prioritised listening to customers' needs and responding to them as quickly as possible. With smart and agile business processes built on our platforms developed with hyper-automation principles, automation has become a part of the organization's life cycle. With investments made in RPA, business process management (BPM), process discovery/mining, low-code application development, intelligent document processing (IDP), and other technologies, the diversity, accessibility, and scope of the automation toolset have continued to increase.

In response to the increasing workload, the number In order to combat the increasing cyber security threats of robots on the automation platform was increased in a more focused way, the Security Operations team to 45. In order to reduce the manual workload of our has been divided into two different units, and the cyber employees, 15 desktop robot applications continue to security functions gathered under Cyber Defense be used. In addition, in order to ensure that the data Center unit were restructured in line with current used in decision-making mechanisms, reports and threats and needs. artificial Although our business is technology, we are an institution that believes that people are at the center In terms of corporate governance, the coordination of everything and acts with this understanding.

In terms of corporate governance, the coordination of all studies within the Bank for ensuring information security and the supervision of policies, procedures, and regulations are carried out by the Information Security Committee chaired by the General Manager. In accordance with the new regulation that came into force in 2020, the Information Systems Security team operates in an organizational structure where it reports directly to the General Manager.

Garanti BBVA is continuously working to enhance the lives of its customers through innovations in artificial intelligence, machine learning and big data. While offering increasingly advanced and personalized solutions to maximise customer satisfaction, it prioritizes the development of decision support systems to improve the efficiency of business processes and maintain operational superiority.

The artificial intelligence-based projects designed only to train good engineers, but also good technology within this framework were implemented as of 2024 leaders who know and understand Banking business. and integrated into the Garanti BBVA infrastructure. There are over 700 models in the system, including GarantiBBVA is a technology factory that constantly different algorithms from machine learning to deep produces with the common mind of a passionate, learning, serving in areas such as customer satisfaction, technology and innovation-loving, young but very marketing-sales, pricing, fraud, and credit evaluation. experienced team, and creates value with what it Artificial intelligence has become the biggest driving produces. force by increasing the speed and quality of the services offered.





In 2024,With 20 new projects implemented using **Robotic Process Automation (RPA)** technologies, leading to the automation of processes.

We are a school company that shares the passion for technology, aims for continuous development and improvement, brings together the masters of the business with new talents, and creates value for our sector. All our processes are built on supporting our talents throughout their career journeys. Our goal is not only to train good engineers, but also good technology leaders who know and understand Banking business.

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Our talents can participate in many training sessions and seminars both at home and abroad within the scope of different talent programs, with the continuous learning culture approach. Our development programs range from our technical and personal competencies, to our strategic perspectives, from our hobbies to leadership development. We also support their professional development with various certification programs. We are proud to offer a 1-year certification programme called GTech, which includes training on new generation trend technologies and the technical and leadership skills Essentials for their implementation.

The program is carried out with global collaborations and consultancy such as MCT and Amsterdam Tech. We also keep the culture of learning from each other and the master-apprentice relationship constantly alive with mentoring and coaching programs.

We are a key component of the BBVA Global Engineering Organization; We are part of a large group with a strong focus on innovation and digitalisation. The group operates in eight countries and has a workforce of more than 15,000 software engineers. We develop global products and share good practices with all countries. We offer both short-term and permanent Global Mobility opportunities. One of our key focuses is to invest in technologies that our employees will find in the physical office environment, which we call 'Digital Workplace'.

This is to ensure the entire experience of our employees is flawless. We prioritise the employee experience, recognising it as a catalyst for creativity, efficiency and productivity, and success in our business.

#### **ARK Platform**

The ARK Platform enables developers to accelerate the creation of value by developing banking and affiliate applications on infrastructures with modern technology. While this platform allows costs to be reduced due to the cost advantage of open environment technologies, it stands out with its scalable, reliable, and highly accessible features. The project for the platform was initiated in 2019, and the first application was deployed on the platform in mid-2020.. The number of projects implemented increased by 52% compared to 2023, reaching 337 in 2024. It is evident that with these applications, a total of 59.07% of the processing load was carried on the platform, representing a 16.32% share of the load of the current architecture in 2024. In 2025, the transformation will continue to expand and the use of the platform will become even more widespread.

#### **Centralized Operations**

Garanti BBVA, the first bank in Türkiye to centralise its Operations, thereby reducing the operational burden on the branches and Head office units and increasing employee productivity through the effective use of technology. The Bank, through ABACUS, has ensured that the operational transactions of millions of customers are carried out with superior quality, on time and without errors. Garanti BBVA directs 87% of the operational transactions of the branches to ABACUS, which consists of a dynamic team of 2025 people, all of whom are experts in their fields. ABACUS manages a transaction volume of 461 billion US dollars.

## **Data Security and Protection**

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Within the scope of Data Security, analysis activities The end-to-end customer journeys of our new were carried out with new technologies developed customers have been made more fluent and effective. for data discovery and protection in Structured and their experiences have been enriched their and Unstructured environments. Employee awareness experiences of our customers hosted in our branches studies were organized for the safe use of artificial by offering specially designed, personalized offers. intelligence.

Ruler, with personalized customer journey capabilities, The Cyber Defense Center, which was established in has analyzed the behavior of an average of 10.7 million order to combat increasing cybersecurity threats in a customers daily through digital channels and branches more focused manner, has started its 24/7 operations through 158 different scenarios and enabled direct in line with current threats and needs. communication with 4.3 million customers.

Efforts to raise the cybersecurity awareness of software development personnel were carried out in a focused manner in 2024.

As Garanti BBVA, we adopt responsible artificial intelligence principles while developing solutions in GarantiBBVA is also exploring the possibilities of using the field of Big Data and Artificial Intelligence. This artificial intelligence capabilities for Cyber Security commitment reflects our commitment to human defense. rights and our non-discrimination policy as stated in the Garanti BBVA Code of Conduct. In any analytical In 2024, in order to conduct deeper and more valuable solution used for customers' access to products and relationships with our customers, expand the customer services; data based on gender, color, ethnicity, disability, base, increase product/service sales volume and religion, sexual orientation and political opinion are not accelerate customer digitalization, innovative solutions used. In the studies of artificial intelligence, new ways to were developed to facilitate the contactless customer control the system are being developed to make sure onboarding processes of our corporate customers the results are not biased.

within the scope of our Ruler (Complex Event Processing) studies.



### **Responsible Artificial Intelligence**

**Generative Artificial Intelligence** 

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Our company continues to work on the opportunities offered by generative artificial intelligence to create value for our customers and employees.

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- In the field of customer solutions, the chat bot applications used in all sectors have a productive structure and actively work to provide personalised experiences.
- In the field of Software Engineering, generative artificial intelligence is used as an assistant in design, analysis and coding to accelerate and improve the quality of the software development process

By supporting employees with the ChatGPT Enterprise platform, it is aimed to ensure that Generative Artificial Intelligence technology provides the highest added value to business processes, increasing productivity and innovation.Generative artificial intelligencesupported chatbot applications provide efficiency in business processes, enabling employees to access the information they need quickly and reliably.The following principles are added to the general responsible artificial intelligence principles adopted in projects with Generative Artificial Intelligence:

- Ensure the accuracy of outputs and refrain from producing outputs that are biased and harmful to individuals.,
- Position artificial intelligence as a human assistant, protect people's trust and provide transparent information.
- Act in accordance with ethical, legal and social norms in studies.
- Pay attention to confidentiality, security, privacy and intellectual property rights specific to the data used.

## Customer Security and Transaction Risk Management

SUSTAINABILITY

Garanti BBVA handles external fraud cases from a holistic perspective within the framework of customer protection principles. It manages possible fraud attempts in card transactions, account transactions, POS transactions and loan product applications carried out through all branches and digital channels in a customer-centered manner. Developed new products and processes are evaluated in terms of fraud risks and proactive suggestions and solutions are offered.

Regarding external fraud cases, works are continuing with the aim of minimizing bank and customer losses through artificial intelligence and data-driven decision support systems. Decision-making processes are further strengthened by implementing 3 new analytical models based on artificial intelligence and machine learning

Priority is given to information sharing between sectors and institutions to prevent external fraud risks in the ecosystem and to increase the level of awareness. In addition, the channels and methods that provides information to the customers about fraud trends and issues to be aware of are constantly updated, thereby awareness.is increased.

- 84 million customer notifications through 50 different studies carried out with 13 different methods.
- Notifications made through branch screens.
- Instant customer notifications made on the front page of our Mobile Banking Application.
- Video notifications shared on social media platforms.
- Staff notification and awareness-raising activities are running

By the help of above the number of training or notification activities provided under external fraud reached to 103 in 2024. Works are carried out to ensure customer privacy and information security, and to eliminate external fraud risks.

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Works has been initiated to reorganize the Garanti BBVA Cyber Security Center, taking into consideration of current threats and technological innovations, and to transform it into a structure that can meet the needs of the future. At Garanti BBVA's Corporate Security Organization a more focused structure has been created in the field of Data and Cloud Technologies, regarding current threats and technological innovations.

Tools have been developed to ensure and disseminate data security, and infrastructure projects have continued to increase the reliability of the infrastructure. Within the framework of customer protection principles, Garanti BBVA deals external fraud incidents holistically and manages frauds related to card transactions, account transactions, POS transactions, and credit product applications carried out through all branch and branchless channels in a customer-centric manner . In new products and processes developed by Garanti BBVA, external fraud risks are examined, opinions and suggestions are made.

Technological developments are closely followed in order to manage fraud risk in the most competent and effective way and to offer the best experience to Garanti BBVA Customers.

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## 2025 Priorities

- Customer satisfaction and operational efficiency will continue to increase regarding faster and higher quality processing of instructions received from customers in smart document processing processes with artificial intelligence
- It is planned to increase the use of reinforcement learning techniques in business decision support systems in order to improve customer experience and personalized recommendations.
- Garanti BBVA aims to further improve the quality of the services it offers to its customers by leveraging the power of large language models and generative artificial intelligence.
- Works will be accelerated to implement solutions that comply with responsible artificial intelligence principles while providing benefits in the developing field of Generative Al.
- In order to respond quickly to customer needs, increasing the efficiency of software development and production processes and standardization of the code structures will be continued. (MLOps)
- Despite the changing and increasing fraud risks in the ecosystem, Garanti BBVA will continue its efforts to ally with customers and meet their financial needs in a comfortable and frictionless environment with its process security approach and dynamic risk Management. It will continue to provide an environment that will enable its customers to make safe transactions with its fraud risk management systems and competent staff, strengthened by new generation up-to-date technology and analytical methods.
- ARK Platform: By continuing to integrate new technologies on the platform, new services will continue to be developed. This approach will enable us to launch new products faster, further reduce costs, and ensure the progress of our transformation in 2025.
- Our goal, which we have focused on for 2024, of "strengthening our processes and infrastructures in the field of Identity and Access Management and increasing our regulation compliance rate" will continue in 2025.

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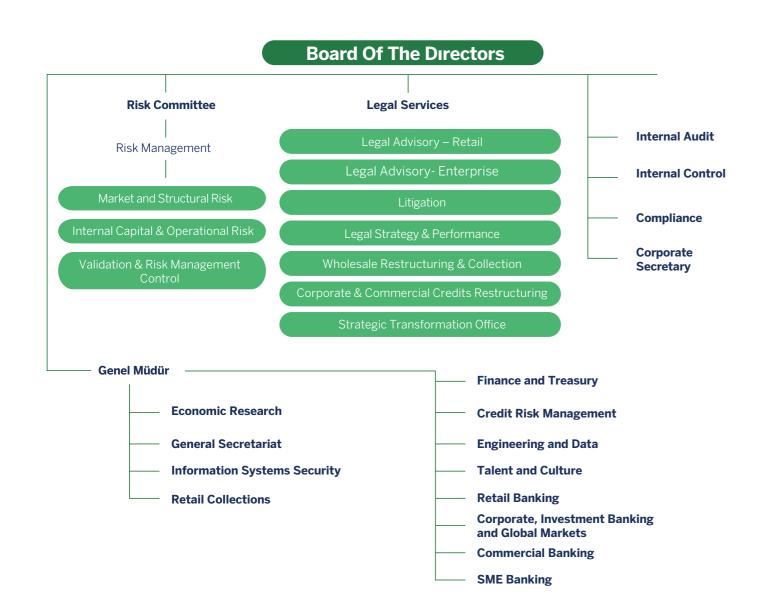
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## Organizational **Structure**

## Garanti BBVA Organizational Structure



### **Changes in the Organizational Structure**

The changes in the organizational structure in 2024 are mentioned below in chronological order:

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- Organizations reporting to **Retail Banking** Executive Vice President were changed as below.
- -Marketing activities of **Retail Banking Marketing Department** as Retail segment management and strategy and targets setting of the related products managed together with this segment, investment products management and subsidiaries target monitoring and coordination, etc. were transferred together with the related teams to Retail Customer Solutions reporting to Client Solutions Executive Vice President, and in parallel the organization was renamed as Retail Banking Department.
- -Marketing activities of Mass Banking Marketing **Department** as Mass segment strategy management, loan products management, pension customer banking and loyalty products management, etc. were transferred together with the related teams to Retail Customer Solutions reporting to Client Solutions Executive Vice President, also micro segment management functions were transferred to Enterprise Client **Solutions**, and in parallel the organization was renamed as Mass Banking Department.

-Affluent Banking Marketing Department was renamed as Affluent Banking Department.



- Organizations reporting to Client Solutions Executive Vice President were changed;
  - -With the new functions to be transferred from Retail Banking business area, Retail Customer Solutions organization was restructured as follows;
    - -Customer strategy development for mass segment, loan products management, business development activities of related functions and pension customer banking were preserved in the current organization, and the organization renamed as Mass Customer and Product Management.
    - -Retail Customer and Product Management organization was established to be responsible for budget and segment management of Retail segment, insurance, deposit, investment and mortgage products management and business development functions.
  - -Customer Contact Center Department was transferred to Retail Banking business area with preserving business development and project management activities executed by the department under Seamless Experience and Relationship Model Disciplines organization.
- Payment Systems and Partnerships Executive Vice President position was closed, and Credit Cards and Member Merchant Coordination Department was transferred to Client Solutions business area.
- Wholesale Restructuring and Collection **Department** reporting to CEO was transferred to Finance and Treasury Executive Vice President.

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• The organization of GÖSAŞ Regional Offices were transferred to our Bank's Regional Offices, and "Payment Systems Regional Manager" positions were created in the Regional Offices organization to carry out the following activities under the Regional Managers;

- -To follow the target and sales performance of payment systems products, to evaluate sales target revisions
- -To evaluate member merchant pricing requests of branches and to provide support within the framework of their authority
- -To conduct branch and customer visits in order to increase the sales of products and sales effectiveness,
- -To provide sales-oriented performance development support to sales teams specifically for payment systems products (card and member merchants)
- -To ensure communication and coordination between business lines and branches, to provide support to branch employees with product information and possible questions and problems

· Payment Systems Sales Department was established to carry out the following main functions, reporting to Retail Banking Executive Vice President;

- -To realize the distribution and revision of the targets of payment systems products, to follow the targets, to carry out branch / customer visits and field and business line coordination activities
- -To take actions to increase the sales quality and performance of payment systems products
- -To respond to requests submitted by Payment Systems Regional Product Managers for member merchant pricing, within the framework of their authority
- -To manage Direct Sales channels; to follow all targets, figures and performances of Direct Sales teams
- -To direct Direct Sales teams, to support and coordinate all kinds of questions and problems

- Validation and Risk Management Control **Department** was established reporting to Risk Management Department with the validation and risk management control functions under Risk Management Department reporting to the Board of Directors.
- Risk Projects organization reporting to Credit Risk Officer was renamed as **Risk Solutions Strategy** and Performance.
- Credit Risk Management Advanced Analytics **Discipline** organization reporting to Credit Risk Officer was renamed as Credit Risk Management Data and Advanced Analytics Discipline with the transfer of data analytics, governance and data quality functions.
- A new function was established responsible for Internal Communication activities under **Corporate Brand Management and Marketing Communications Department** reporting to Client Solutions Executive Vice President, and accordingly "BBVA Group Communications and Events", "Leader Communications and Events" activities carried out by Talent and Culture Front organization were transferred to this newly established Internal Communication team.
- Client Solutions Strategy and Performance organization reporting to Client Solutions Executive Vice President was established, which will be responsible for determining the strategic priorities and initiatives of Client Solutions business area, monitoring KPIs and performance metrics of the business area, managing the business area project portfolio in line with strategic priorities, and main reporting that will support the management of the business area and will serve the entire business area.

- In line with the Holding organization, Client Solutions Micro segment management function in Enterprise business area was split into Retail Client Solutions Client Solutions organization under Commercial and Enterprise Client Solutions and the area was Banking business area was transferred to Mass restructured as follows, including the relevant field Customer and Product Management organization organizations; under Retail Banking business area.
  - -Enterprise Client Solutions organization reporting business area was transferred to Commercial to Client Solutions Executive Vice President was **Banking** business area. transferred to Commercial Banking Executive • The distribution of **roles and responsibilities in** Vice President; and all other organizations were Legal Services business area under the Board of merged with Retail Banking business area and Directors was reorganized as below; transferred to Retail Banking Executive Vice President.
  - -Client Solutions Executive Vice President position was closed.
  - -Regional Marketing Coordination organization was established that will be responsible for the management and coordination of all Regional Offices to which our branches are reported, and a new "Regional Marketing Coordinator" position was created; this new organization was structured reporting to both Retail Banking Executive Vice President and SME Banking Executive Vice President.
- In line with the centralization of budgeting, reporting and development functions within Retail Banking business area, the organizations in the business area were restructured as below;
  - -Retail Customer Solutions organization was established to execute business development functions for Retail Banking products, applications and channels, which are carried out by different organizations within the business area.
  - -Retail Banking Performance Management organization was established to execute performance systems development, budgeting and reporting functions for Retail Banking customers and products, which are carried out by different organizations within the business area.
  - -Retail Remote Banking organization was established by transferring Remote Banking teams working under Retail Banking Department and Mass Remote Banking teams working under Mass Banking Department.



- Sustainability organization under Retail Banking
  - -Litigation organization with its current functions and teams was transferred to Legal Collections organization, and the organization was renamed as Litigation.
  - -Providing legal consultancy function on issues related to (i) Corporate, Investment Banking & Global Markets and Finance & Treasury business areas; (ii) data sharing processes to be carried out by our Bank with the main shareholder, subsidiaries and third parties; (iii) legislative amendments to which our Bank's subsidiaries are subject and on issues related to the Bank's products and implementations which are currently carried out by Legal Advisory Services organization was transferred to Corporate Legal Services organization.
  - -Corporate & Commercial Credits Restructuring organization under Credit Risk Management business area and Wholesale Restructuring & **Collection** organization under Finance & Treasury business area were transferred to Legal Services business area.
  - -Bank's legal authority finding follow-up, coordination and inventory management functions were transferred to Legal Strategy and Performance Management organization.

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- SME Remote Banking organization was established reporting directly to SME Banking Executive Vice President by transferring SME Remote Banking team under SME Banking İstanbul Marketing organization.
- In line with Holding organizational alignment, organizations reporting to Commercial Banking business area were restructured as follows:
  - -"Enterprise Strategy, Performance and **Projects**" organization was established with the following functions, which will serve all Commercial Banking business area with the transfer of the business development, project portfolio, KPI and performance management functions carried out by the Enterprise Client Solutions organization,
    - -To identify the strategic priorities and initiatives of the Commercial Banking business area.
    - -To follow business area budget, KPI and performance metrics and ensure coordination with relevant organizations,
    - -To manage the project portfolio prioritized in line with business area strategies and execute projects,
    - -To ensure reporting, communication and coordination with the main shareholder and other business areas within the Bank.
    - -To evaluate all applications and services with a continuous improvement and development perspective, to identify areas of efficiency and development, and to ensure that necessary actions are taken,
  - -"Institutional Banking" organization was established to deal new business partnerships and/or enhance existing business partnerships by selling existing and new products within the framework of portfolio management with public institutions and other third party institutions.
  - -Commercial Banking strategy and segment management functions carried out by Commercial Banking Istanbul Marketing organization and budget & performance management functions

carried out by Commercial Banking Anadolu Marketing were transferred to the Enterprise Client Solutions organization.

- -"Commercial Banking" business area was renamed as "Commercial & Institutional Banking" business area.
- All activities related to foreign trade financing managed by Financial Institutions and Foreign Trade under the Corporate, Investment Banking and Global Markets business area were transferred to the organization of **Corporate Banking** and the organization was renamed as Financial Institutions accordingly.
- The customer complaints management function, which is managed by Seamless Experience and Relationship Model organization under Retail Banking business area, was transferred to Customer Contact **Center** organization.
- Client Solutions Strategy and Performance organization under Retail Banking business area was renamed as Retail Banking Strategy and **Coordination.**
- The roles and responsibilities in Legal Services business area reporting to the Board of Directors were reorganized as follows;
  - -The analysis, evaluation and supervision of contracted law firms, as well as the coordination of investigations, examinations and audits initiated by regulators within the Bank, carried out by Legal Strategy and Performance Management were transferred to Litigation organization.
  - -Legal Advisory Services organization was renamed as Legal Advisory - Retail and Corporate Legal Services organization was renamed as Legal Advisory - Enterprise.

- Strategic Transformation Office organization was established reporting to Legal Services business area under the Board of Directors to execute transformation-oriented activities for the business areas and strategic topics needed by the bank.
- The roles and responsibilities of the "Corporate & Inv. Banking Strategy, Analysis and Coordination" organization under Corporate, Investment Banking and Global Markets business area were redefined as executing finance-oriented activities such as financial planning, budget and target management, financial analysis and performance monitoring of the entire business area, the organization was renamed as "Corporate Banking Budget and Reporting" and decided to be reporting to Corporate, Investment Banking and Global Markets EVP as well as Financial Planning and Analysis Director.









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## **Board of Directors**

Garanti BBVA has a one-tier Board of Directors that is formed by 11 members with the composition of 2 female and 9 male board members as of 31 December 2023. In accordance with the principle of separation of powers and authority, the Chairman and the CEO have different roles at Garanti BBVA. This clear distinction establishes a balance between authorities and powers within the scope of the Bank's corporate structure, drawing the lines of decision making capacity of each position. The CEO is the only executive member of the Board of Directors.

The structure established by the Board of Directors for monitoring and overseeing the Bank's operations and for taking action can be grouped under 3 main headings: defining the general frameworks, monitoring risks via committees and internal systems units, and establishing the procedures through policies and internal guidelines. Accordingly, the Board of Directors defines and approves various target parameters such as identified risk appetite parameters, growth targets, provisioning, NPL ratios, capital adequacy ratio, customer experience scores, net promoter scores and so on. The Board is notified of any deviations from these targets and/or ratios and questions the measures to be adopted. Via the Committees it has set up, audit and control activities carried out by internal systems units, and periodic reports issued and submitted to it in accordance with the afore mentioned activities, the Board monitors the activities of the Senior Management and follows up the actions taken. The Board also provides guidance to the Senior Management and units, and determines the procedures to be implemented on the basis of written policies and sets of guidelines that it has approved.

The Board of Directors monitors compliance, internal control and risk management policies and systems and fulfills its oversight mission to ensure effective operation of risk management within the frame of the three main principles mentioned above.

Committee structures have been established to ensure the information flow that will keep the Board members informed of the Bank's day-to-day activities and to take action guickly when needed. Some of these committees were established due to regulatory requirements, while some others are set up to more closely follow up the Bank's internal operation; the primary purpose is to be aware of and informed about the current topics on the Bank's Senior Management's agenda, to share opinions about the same, and to ensure monitoring of the decisions to be made. Via these committees, the Board of Directors conducts first-hand oversight and supervision of the senior management's activities. Operating under internal systems, the Internal Audit Department, Risk Management, Compliance and Internal Control units periodically report their activities to the Board of Directors via the Audit Committee.

In accordance with the Anti-Money Laundering and Countering the Financing of Terrorism (AML/CFT) legislation, the Bank's compliance efforts within the scope of AML/CFT are carried out by the Compliance Department that reports to the Board of Directors. At our Bank, the Board of Directors' oversight function in this respect is delegated to a Board Member in accordance with the legislation.

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

There are four independent members on the Board of Directors. CMB requirements regarding Corporate Governance Principles stipulate that minimum three independent members must serve on the boards of directors of banks. Since the Board members assigned as members of the Audit Committee are deemed as independent Board members according to CMB regulations, Jorge Saenz-Azcunaga Carranza and Sema Yurdum, who currently serve as Audit Committee members, are independent Board members. In addition, Mevhibe Canan Özsoy and Ebru Oğan Knottnerus was elected as independent Board member at the Ordinary General Shareholders' Meeting convened on 27 March 2024.

Quoted below is the declaration of independence by Mevhibe Canan Özsoy:

#### TO TÜRKİYE GARANTİ BANKASI A.S. CORPORATE GOVERNANCE COMMITTEE.

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

A. Neither I, nor my spouse, nor any relative of mine whether by blood or by marriage unto the second degree, have, within the most recent five years, entered into any employment relationship in an executive capacity involving major duties and responsibilities, or individually or jointly held more than 5% of the capital or voting rights or privileged shares, or established any commercial interest of a significant nature, with any corporate entity with which the Bank, any company in which the Bank has management control or significant influence, or any shareholder having management control or significant influence over the Bank or any corporate entity in which these shareholders have management control.



- B. I was neither a shareholder (5% and higher), nor have I worked in an executive capacity involving major duties and responsibilities for or served as a member on the boards of directors of any company from/to which, under a contract, the Bank purchased/sold services or products of material quantity during the period of time such services or products were being purchased or sold, and particularly of the firms performing the audit (including tax audit, legal audit and internal audit), rating and consultancy of the Bank, in the past five years,
- C. I possess the professional education, knowledge and experience for due performance of the duties I will assume in connection with being an independent board member,
- D. I am not a full-time employee of public institutions and establishments as at the date of nomination.
- E. I am considered to be a resident of Türkiye as for the purposes of the Income Tax Law No. 193 dated 31.12.1960,
- F. I possess strong ethical standards, professional credibility and experience that are necessary for making positive contributions to the Bank's operations, maintaining my independence in possible conflicts of interest between the Bank's shareholders, and making decisions freely taking into consideration the rights of stakeholders.
- G. I am capable of dedicating sufficient amount of time to be able to follow up the execution of the Bank's affairs and to fully meet the requirements of the duties I undertake,
- H. I have not served as a Board Member of the Bank for more than six years in the last ten vears,
- I. I am not serving as an independent board member in more than three companies in which the Bank or the partners who control the management of the Bank have management control, and in more than five companies in total that are traded on the stock exchange.

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

Quoted below is the declaration of independence by Ebru Oğan Knottnerus:

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

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

- A. Neither I, nor my spouse, nor any relative of mine whether by blood or by marriage unto the second degree, have, within the most recent five years, entered into any employment relationship in an executive capacity involving major duties and responsibilities, or individually or jointly held more than 5% of the capital or voting rights or privileged shares, or established any commercial interest of a significant nature, with any corporate entity with which the Bank, any company in which the Bank has management control or significant influence, or any shareholder having management control or significant influence over the Bank or any corporate entity in which these shareholders have management control.
- B. I was neither a shareholder (5% and higher), nor have I worked in an executive capacity involving major duties and responsibilities for or served as a member on the boards of directors of any company from/to which, under a contract, the Bank purchased/sold services or products of material quantity during the period of time such services or products were being purchased or sold, and particularly of the firms performing the audit (including tax audit, legal audit and internal audit), rating and consultancy of the Bank, in the past five years,

- C. I possess the professional education, knowledge and experience for due performance of the duties I will assume in connection with being an independent board member.
- D. I am not a full-time employee of public institutions and establishments as at the date of nomination.
- E. I am considered to be a resident of Türkiye as for the purposes of the Income Tax Law No. 193 dated 31.12.1960.
- F. I possess strong ethical standards, professional credibility and experience that are necessary for making positive contributions to the Bank's operations, maintaining my independence in possible conflicts of interest between the Bank's shareholders, and making decisions freely taking into consideration the rights of stakeholders,
- G. I am capable of dedicating sufficient amount of time to be able to follow up the execution of the Bank's affairs and to fully meet the requirements of the duties I undertake,
- H. I have not served as a Board Member of the Bank for more than six years in the last ten years,
- I. I am not serving as an independent board member in more than three companies in which the Bank or the partners who control the management of the Bank have management control, and in more than five companies in total that are traded on the stock exchange.
- J. I will be serving on the Bank's Board of Directors as a real person and in this context, I have not been registered and promulgated in the name of any corporate entity elected as a board member.

No circumstances arose in 2024 fiscal year, which Pursuant to the Articles of Association of the Bank, the prejudiced the independence of independent Board Board of Directors meets with the attendance of seven members. members minimum and resolutions of the Board of Directors are taken by affirmative votes of at least The positions held by our Bank's Board of Directors seven members present in the meeting. The Board of members in and out of the group are stated in their Directors, other than the powers given to the General résumés. Pursuant to Article 396 of the Turkish Assembly under relevant laws or the Bank's Articles Commercial Code, the General Assembly authorized of Association, adopts resolutions regarding all kinds the members of the Board of Directors of Garanti BBVA of acts and transactions necessary to fulfill the Bank's to execute a transaction of a commercial business scope of activity, oversees the course of business, and nature that falls under the Bank's field of operation on prepares reports regarding the subjects to be brought their own or other's behalf or to become a partner with before itself. The Board can also pass decisions to unlimited liability in a company engaged in the same establish committees and commissions which may kind of commercial affairs, during the reporting period. consist of the Board members for the purposes of enforcing its resolutions or internal auditing. Board Resumes, experience and duties of the members of meeting agenda mainly covers topics that any Board the Board of Directors, are available on page 267member including the CEO demands to be discussed. 271 of The Integrated Annual Report. Executive Vice Presidents in charge of related business lines and relevant senior positions and responsible **Working Principles and Procedures of the Board** people are informed of the resolutions made.

## of Directors

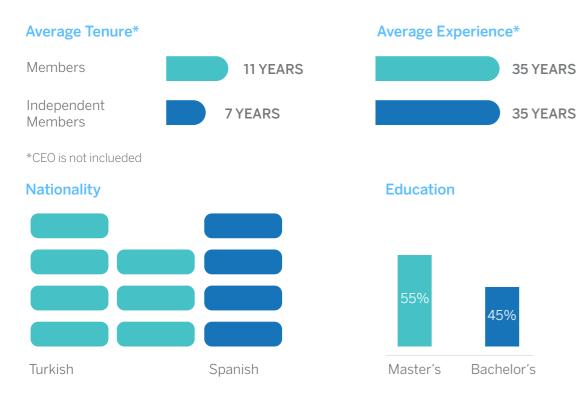
The Board of Directors of the Bank, as the highest In 2024, the Board of Directors resolved 22 decisions body of representation, direction, management and by satisfying the required quorums for meeting and oversight of the Bank, operates in order to fulfill the decision. roles and responsibilities appointed to it by the Articles of Association and related legislation. The Board Working Principles and Procedures of Garanti BBVA of Directors operates on the principle that it must Board of Directors can be found on Garanti BBVA convene as and when necessitated by the Bank's Investor Relations website, under Environment, affairs and transactions, but at least once a month. Social and Governance section, Policies tab.





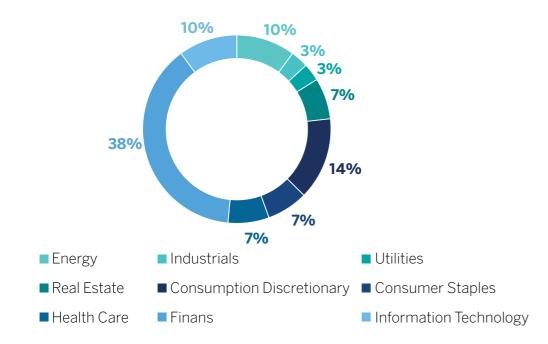
IN RUDUCTION POSITION IN THE SUSTAINABILITY						SUSTAINABILITY		OUR VALUE CREATION			INTRODUCTION
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## **Board of Directors**

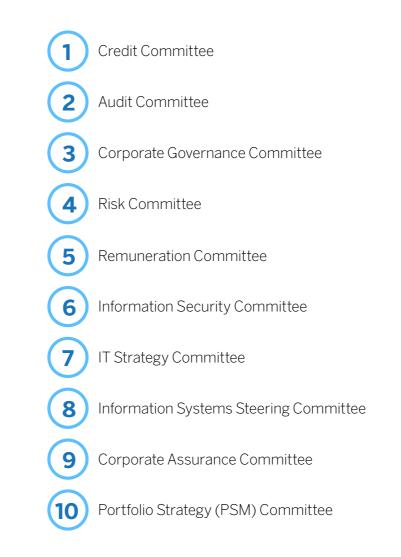


#### **Experience Composition**

Chart is prepared in accordance with the Global Industry Classification Standard (GICS). The Global Industry Classification Standard (GICS) is an industry taxonomy developed by MSCI and Standard & Poor's (S&P) for use by the global financial community.



#### **Committee Membership**





11

12

13

14

15

16

17

(18)

19

Committee



Local ALTO Committee
Risk Management Committee
Cost Management and Efficiency Committee
Corporate Crisis and Business Continuity Committee
Sustainability and Responsible Banking Committee
Operational Risk Admission and Product Governance Committee
Integrity Committee
Information Systems Continuity Committee
Data Sharing Committeeeri Sharing



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Experience: 43 Years



SÜLEYMAN SÖZEN Chairman

Experience: 37 Years



SAİT ERGUN ÖZEN Board Member



JORGE SÁENZ-AZCÚNAGA CARRANZA Independent Board Member Deputy Chairman



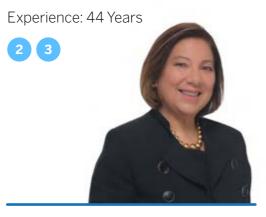
SUSTAINABILITY

MAHMUT AKTEN CEO Board Member

#### Experience: 33 Years



**RAFAEL SALINAS MARTINEZ DE LECEA Board Member** 



**BELKIS SEMA YURDUM** Independent Board Member

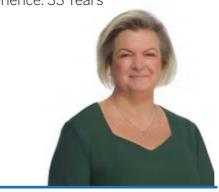


INCLUSIVE

GROWTH

JAIME SAENZ DE TEJADA PULIDO Board Member

Experience: 33 Years



**MEVHİBE CANAN ÖZSOY** Independent Board Member



**EBRU OĞAN KNOTTNERUS** Independent Board Member



Experience: 35 Years



PABLO ALFONSO PASTOR MUÑOZ Board Member

Experience: 33 Years 3 6 7 10 13 14 15 16 17 18 19

**AYDIN DÜREN** Board Member



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#### **Garanti BBVA Board Of Directors**

#### SÜLEYMAN SÖZEN

#### Chairman

Süleyman Sözen is a graduate of Ankara University Faculty of Political Sciences and worked as a Chief Auditor and Deputy Chairman of the Auditors' Board at the Ministry of Finance and also worked in the Undersecretariat of Treasury. Since 1981, he held various positions in the private sector on the Board of Directors level primarily at banks and other financial institutions. Having served on the Board of Directors of Garanti BBVA since 1997, Mr. Sözen was appointed as the Vice Chairman on July 8, 2003 and then as the Chairman on September 19, 2017. Mr. Sözen holds a Certified Public Accountant license and serves as the Board Member of Santa Farma Pharmaceuticals and as the Board of Trustees Member of Teachers Academy Foundation.

Sozen has 43 years of experience in banking and business administration.

#### MAHMUT AKTEN

Board Member, CEO

Mahmut Akten started his career in 1999 in the USA. After having served in various positions in the Finance and Treasury departments of a global construction materials company, in 2006, he joined a global management consulting firm.

After working in the Boston and Istanbul offices between 2006 and 2012, and most recently as Associate Partner, he joined Garanti BBVA on July 1, 2012 as the Senior Vice President responsible for Mass Retail Banking. On January 17, 2017, Mr. Akten was appointed Executive Vice President responsible for Retail Banking, leading Retail Banking Marketing, Mass Banking Marketing, Affluent Banking Marketing and Consumer Finance. In addition, Mr. Akten has served as a Member of the Board of Directors of Garanti BBVA Mortgage, Garanti BBVA Romania, Garanti BBVA Securities, Garanti BBVA Payment Systems, and Garanti BBVA Pension and Life. On June 1, 2022, he was appointed as the Executive Vice President responsible for Corporate Banking, Global Markets, Cash Management and Financial Institutions, Corporate and Investment Banking Strategy, Analysis and Coordination, Investment Banking and Finance, and Sustainable Finance.

As of August 2024, Mahmut Akten has been appointed as the CEO of Garanti BBVA and Country Manager of BBVA in Turkey. Akten is also the Chairman of the Board of Directors at Garanti BBVA International, Garanti BBVA Securities, Garanti BBVA Pension and Life, Garanti BBVA Factoring, Garanti BBVA Leasing, Garanti BBVA Fleet, Garanti BBVA Payment Systems, Garanti BBVA Crypto, Garanti BBVA Payment and E-Money, Garanti BBVA Financial Technologies, Garanti Bank S.A (Romania) Board Member and Trustee of the Teachers Academy Foundation.

With an undergraduate degree from Boğaziçi University in Electrical and Electronics Engineering and graduate degree in Business Administration from Carnegie Mellon University, Akten has 25 years of experience in banking and business administration.

#### JORGE SÁENZ AZCÚNAGA CARRANZA Independent Board Member, Deputy Chairman

Jorge Sáenz Azcúnaga earned his BS in Business Administration from Universidad Deusto. He developed his entire career in BBVA chronologically as Research Analyst, Corporate Strategist, Head of CEO's Office, Business Development (Commercial & Institutional Banking in Spain), Head of Strategy (Corporate Banking & Asset Management), Head of Strategy and Planning (Spain & Portugal) and between 2013 and 2015 as Regional Manager for the North of Spain. As of 2015, he serves as the Head of Business Monitoring Spain, USA and Türkiye. In July 2016, he was appointed Head of Country Monitoring and Member of the Global Leadership Team in BBVA. Mr. Sáenz-Azcúnaga is a Member of the Board of Directors of BBVA Mexico. He serves as the Board Member of Garanti BBVA since She began her banking career in 1991 and carried March 24, 2016 and since his appointment as an Audit out managerial and senior managerial roles for Committee Member of Garanti BBVA on March 31, various private banks and companies, focusing on 2016, he is deemed as an Independent Board Member audit, internal control, financial control and planning, of Garanti BBVA in accordance with the relevant project management, and information technologies. regulations of the Capital Markets Board of Türkiye. She continued her career mainly in the field of risk Mr. Sáenz-Azcúnaga was appointed as the Deputy management. From 2001 to 2018, she served as Head Chairman of the Board of Directors on September 19, of Risk Management at Garanti BBVA. Following this, 2017. He has 30 years of experience in banking and she continued her career as an independent board business administration. member at several banks.

#### AVNİ AYDIN DÜREN Board Member

Aydın Düren graduated from the Faculty of Law at Istanbul University and earned his graduate degree on International Law from the American University, Washington College of Law. After serving as an associate, partner and managing partner for over 18 years at international private law firms in New York, London and Istanbul, Mr. Düren joined Garanti BBVA on February 1, 2009 as Executive Vice President in charge of Legal Services and Collections. On June 17, 2020 he was appointed as a Board Member and since his appointment as an Audit Committee Member he is deemed as an Independent Board Member of Garanti BBVA in accordance with the relevant regulations of the Capital Markets Board of Türkiye. Since June 2015, serving as the Corporate Secretary of the Bank, Mr. Düren is also the Member of the Board of Directors, responsible for legal services. Furthermore, Mr. Düren is Board Member of Garanti BBVA Payment Systems, Garanti Mortgage, Garanti BBVA International, Garanti BBVA Pension and Assistance Fund Foundation, Garanti Kültür Garanti BBVA Factoring, Garanti BBVA Leasing, Garanti BBVA Pension and Life, Garanti BBVA Fleet, Garanti BBVA Financial Technology and Board of Trustees Member of Teachers Academy Foundation. Mr. Düren has 33 years of work experience in banking and business administration.

#### EBRU OĞAN KNOTTNERUS Independent Board Member

Ebru Oğan Knottnerus graduated from the Middle East Technical University, Faculty of Administrative and Economic Sciences, Department of Business Administration. She later earned a master's degree in Musicology and Ethnomusicology from King's College London.

DATA AND

TECHNOLOGY





Ebru Oğan Knottnerus also contributed significantly to the Turkish Risk Managers Association, serving as its Chair of the Board of Directors from 2008 to 2014. She is also a founding member of the association. In 2022, she completed Sustainability and Climate module at King's College and obtained a Sustainability certificate. In 2024, Oğan joined the Board of Directors of Garanti BBVA and Garanti BBVA Factoring. Ebru Oğan Knottnerus has 33 years of experience in the banking sector.

#### RAFAEL SALINAS MARTINEZ DE LECEA Board Member

Rafael Salinas Martinez de Lecea holds a B.S. degree in Economics and Business Management from Universidad de Alicante and graduate degrees from the Center for Monetary and Financial Studies of the Bank of Spain (CEMFI), MSc in Econometrics and Mathematical Economics of London School of Economics and MBA from the Graduate School of Business of University of Chicago. He joined BBVA in 1991 as the Director of Derivative Products in BBVA Interactivos, S.V.B and developed all his professional career at the BBVA Group. Between 1998-2003, he worked as the Deputy Director of Assets and Liability Management of the BBVA Group. After working as the Head of Capital Base Management of BBVA, he was appointed as the Chief Financial Officer (CFO) of Banco de Credito Local de Espana (BCL) in 2003. Between 2006-2015, he served as the Director of Risk & Portfolio Management of the Corporate and Investment Banking in BBVA. In 2015 he became Head of Global Risk Management and between 2021-2023, he served as the Global Head of Finance of the BBVA Group. In September 2023, he retired from his executive functions at the BBVA Group.

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He is currently a Board Member of BBVA Mexico and Garanti BBVA, and a member of the board of trustees of the Fundacion Amigos de la Alhambra . Mr.Salinas has 33 years of experience in banking and business administration and had expsoure to others sectors and industries as a credit analyst.

#### PABLO ALFONSO PASTOR MUÑOZ **Board Member**

Pablo Alfonso Pastor Muñoz graduated from Deusto University in B.S. degree in Economics and Business Administration and earned his MBA from Ecole Des Affaires Paris (ESCP). He started his career as Investment Analyst at Banesto (Chile and Argentina) during 1989-1991 and worked at Corporate Risk Unit during 1991-1998. He joined BBVA Group in 1998 and during 1998-1999 he worked at Country Credit Risk, 1999-2002 SMEs Credit Risk, 2002- 2007 Corporate and Commercial Credit Risk, 2007-2010 New Developments & USA, 2010-2012 Corporate Banking Risk Management within Global Risk Management. During 2012-2015 he was Chief Risk Officer of BBVA Bancomer. During 2015-2017 he was responsible of Corporate&Investment Banking, Asset Management and Insurance within Global Risk Management. After serving as the Global Risk Management Head of Corporate and Investment Banking during 2017-2019, Pablo Alfonso Pastor Muñoz was serving as Global Risk Management Wholesale Credit Risk Discipline Head until March 2021 when he was appointed as Head of Global Risk Management for South America & Türkiye. . As a result of his several responsibilities, he has been involved in sustainability matters in the Group from early stages. He is also a member of the Board of Directors in Peru and BBVA Forum Chile. He has been serving as the Board Member of Garanti BBVA since March 31, 2021 and has 35 years of experience in banking and business administration.

#### SAİT ERGUN ÖZEN **Board Member**

Ergun Özen graduated from New York State University's Department of Economics and Advanced Management Program at Harvard Business School. He started his banking career in the Treasury Department in 1987 and joined Garanti BBVA in 1992. Mr. Özen served as the CEO of Garanti BBVA between 2000-2015 and has been a Member of the Board of Directors since 14 May 2003. Mr. Özen is the Chairman of Beymen Perakende ve Tekstil Yatırımları A.Ş. and Board Member of Atom Bank and WeSoda. Mr. Özen has 37 years of experience in banking and business administration.

#### **MEVHİBE CANAN ÖZSOY** Independent Board Member

Mevhibe Canan Özsoy graduated from Istanbul University with Bachelor's Degree of Dental Medicine in 1985. She obtained her Master's Degree on Dental Medicine at the same University in 1987, and earned her MBA from Bogazici University in 1994 and then completed her Energy Technologies Master's Degree at Sabancı University in 2015. Before joining the pharmaceutical industry in 1990, Ms. Özsoy had her career as a Medical Dentist. She has occupied Sales & Marketing and commercial leadership positions in Hoechst Marion Roussel, Glaxo Wellcome, Sanofi Aventis operating in the pharmaceutical industry. She was appointed as Vice President in charge of Marketing International in 2007 at General Electric Healthcare, Paris. Ms. Özsoy was then assigned as Chief Marketing Officer at General Electric Healthcare Systems, USA in 2009. She returned to Paris as General Manager of Global Mammography in 2011 and led the mammography business field of General Electric (GE). Eventually, she has been appointed as President and CEO of GE Turkey in August 2012. In 2017, she has been given additional responsibility as Chief Growth Officer in MENAT region. Her responsibility was driving GE's growth in Turkey, a leading emerging market until June 2021. She acted as a consultant and retained the title Chairwoman until June 2022. Currently she is on the Board of Trustees of SEV. She is also Deputy Chair of AmCham in Turkey. As of April 2022, she is Advisor to the Board of Tekfen Temas and a board member to TRES A.S. and as of November 2022 Advisor to the Executive Committee of Esin Avukatlık Baker McKenzie. In 2023 she also became a member of the Board of Biotrend, a waste to energy company. Ms. Özsoy was appointed as Independent Board Member at Garanti BBVA on April 4, 2019, and has 33 years of experience in banking and business administration.

#### JAIME SAENZ DE TEJADA PULIDO **Board Member**

Jaime Sáenz de Tejada Pulido holds undergraduate degrees from Universidad Pontificia de Comillas (ICADE) in both Law & Economics and Business Sciences and completed General Manager Program (PDG) at IESE Business School in 1999. Prior to joining the BBVA in 1992, he worked as a legal and tax adviser, in an American audit firm. In 1993 he was transferred to NY to head Risk Quality for the Americas. Between 1995-1998, worked as the Commercial Department Manager at BBVA Uruguay, between 1998-2000 as Office Director for BBVA London, and between 2000 and 2005 as Head of BBVA New York and Corporate Banking for the Americas. In 2006, he was appointed as Country Manager for BBVA Peru and in 2008 as Regional Manager for BBVA in Madrid. During 2011-2012 he worked as Business Development Head for Spain and Portugal, before taking over the role of Head of Spain and Portugal in 2012 and member of BBVA Group Management Committee. Between 2014 and 2020 he served as the Chief Financial Officer (CFO). and from 2021 to 2024 as BBVA Group Chief Risk Officer (CRO). Mr. Sáenz de Tejada was appointed to his current role in September 2024 as Global Head of Commercial & Institutional Client Solutions.. He has been serving as the Board Member of Garanti BBVA since October 2, 2014 and has 32 years of experience in banking and business administration.





#### **BELKIS SEMA YURDUM**

#### Independent Board Member

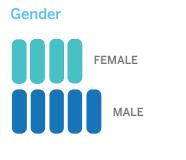
Sema Yurdum graduated from Boğazici University, Faculty of Economics and Administrative Sciences in 1979 and completed the Advanced Management Program at Harvard Business School in 2000. After working as a Human Resources Expert in a private sector company between 1979-1980, she continued her career in the banking sector between 1980-2005. She worked as an Executive Vice President of Garanti BBVA and held Audit Committee membership in various subsidiaries between 1992-2005. Offering management consultancy services since 2006, Ms. Yurdum was appointed as Independent Board Member at Garanti BBVA on April 30, 2013. Since her appointment as an Audit Committee Member on March 29, 2018 she is deemed as an Independent Board Member of Garanti BBVA in accordance with the relevant regulations of the Capital Markets Board of Türkiye. Furthermore, Ms. Yurdum is a Board Member of Garanti BBVA Romania and has 44 years of experience in banking and business administration.





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## **Senior Management**



Average Experience 28 YEARS Education Bachelor's Master's Doctorate 44,5% Doctorate

Experience: 25 Years



MAHMUT AKTEN CEO Board Member



**CEREN ACER KEZİK** Executive Vice President Retail Banking



**SINEM EDIGE** Executive Vice President Corporate and Investment Banking and Global Markets



**CEMAL ONARAN** Executive Vice President Commercial & Institutional Banking

The committees of which the Senior Management is a member are coded with the numbers next to the photographs. You can find the committee information corresponding to the numbers on page 265.



**AYDIN GÜLER** Executive Vice President Finance and Treasury



SIBEL KAYA Executive Vice President SME Banking



MURAT ATAY Executive Vice President Chief Credit Risk Officer

The committees of which the Senior Management is a member are coded with the numbers next to the photographs. You can find the committee information corresponding to the numbers on page 265.







**ILKER KURUÖZ** Executive Vice President Engineering Services and Data



**EBRU TAŞÇI FİRUZBAY** Executive Vice President Talent and Culture



INTRODUCTION	ABOUT GARANTİ BBVA	GARANTI BBVA'S POSITION IN THE SECTOR	OUR VALUE CREATION	2024 FINANCIAL RESULTS	SUSTAINABILITY	RISK MANAGEMENT	TALENT & CULTURE	
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COMMUNITY INVESTMENTS

CUSTOMER DATA AND EXPERIENCE TECHNOLOGY

#### **Garanti BBVA Senior Management**

#### MAHMUT AKTEN **Board Member CEO**

Mahmut Akten started his career in 1999 in the USA. After having served in various positions in the Finance and Treasury departments of a global construction materials company, in 2006, he joined McKinsey & Co, management consulting firm. Between 2006 and 2012, he worked Boston and Istanbul offices.

Mahmut Akten, joined Garanti BBVA on July 1, 2012 as the director responsible for Mass Retail Banking. On January 17, 2017, Mr. Akten was appointed Executive Vice President responsible for Retail Banking, leading Retail Banking Marketing, Mass Banking Marketing, Affluent Banking Marketing and Consumer Finance. Also, Mr. Akten has served as a Member of the Board of Directors of Garanti BBVA Mortgage, Garanti BBVA Romania, Garanti BBVA Securities, Garanti BBVA Payment Systems, and Garanti BBVA Pension and Life. On June 1, 2022, he was appointed as the Executive Vice President responsible for Corporate Banking, Global Markets, Cash Management and Financial Institutions, Corporate and Investment Banking Strategy, Analysis and Coordination, Investment Banking and Finance, and Sustainable Finance.

As of August 2024, Mahmut Akten has been appointed as the CEO of Garanti BBVA and Country Manager of BBVA in Turkey. Akten is also the Chairman of the Board of Directors at Garanti BBVA International, Garanti BBVA Securities, Garanti BBVA Pension and Life, Garanti BBVA Factoring, Garanti BBVA Leasing, Garanti BBVA Fleet, Garanti BBVA Payment Systems, Garanti BBVA Crypto, Garanti BBVA Payment and E-Money, Garanti BBVA Financial Technologies, Garanti Bank S.A (Romania) Board Member and Trustee of the Teachers Academy Foundation.

With an undergraduate degree from Boğaziçi University in Electrical and Electronics Engineering and graduate degree in Business Administration from Carnegie Mellon University, Akten has 25 years of experience in banking and business administration.

#### **MURAT ATAY**

#### **Executive Vice President** Chief Credit Risk Officer

Murat Atay started his career in 1993 at Garanti BBVA as a corporate and credit analyst. He served as Corporate Branch Manager between 2000-2009, and between 2009-2012 he was General Manager of Garanti BBVA Romania and also served as Chairman of the Board of Directors at Motoractive, Ralfi and Domenia companies. Between 2012 and 2020, he served as Garanti BBVA Mortgage General Manager, and as of January 2021, he was appointed as the Chief Credit Risk Officer. Atay's responsibilities under credit risk management group include Corporate and Specialty Loans, Commercial Loans under the Credit Risk Management group; Under the Retail and SME Loans Risk Management group, Risk Strategies, Loan Policies Implementation and Analysis, Retail and SME Loans Evaluation, Corporate and Commercial Loans Structuring, Risk Planning, Monitoring and Reporting, Regional Loans Coordination; Risk Projects and Credit Risk Management Advanced Analytics. Atay also serves as the Vice Chairman of the Board of Directors of Garanti BBVA Leasing and Garanti BBVA Factoring, a Member of the Board of Directors of Garanti BBVA Kültür, Garanti BBVA Securities and Garanti BBVA Romania.

Mr. Atay graduated from Middle East Technical University Department of Political Science and Public Administration and earned his master's degree in Accounting from Yeditepe University, and doctoral degree in Banking and Finance from Istanbul Okan University. Murat Atay has 31 years of work experience in banking and business administration.

#### **SINEM EDIGE**

#### **Executive Vice President Corporate and Investment Banking and Global** Markets

INCLUSIVE

GROWTH

Ebru Taşcı Firuzbay started her career as a management trainee at Garanti BBVA and took on Sinem Edige started her career at Garanti BBVA in 1996, where she began as a Dealer in the Treasury various responsibilities in branches, regional and head Department. Later, in 2003, she was appointed Chief office units. She later joined Türk Ekonomi Bankası Dealer at Garanti BBVA, overseeing transactions in the and carried out Business Banking Sales and Strategy foreign exchange, interest rate, and capital markets. Planning duties under the Retail Banking unit. She held During this period, she played a pivotal role by analyzing important leadership roles such as Deputy General market movements and making strategic buy-sell Manager of Human Resources and Organization and decisions. In 2006, she was appointed Deputy General Executive Board Member at BNP Paribas Cardif Türkiye Manager at Garanti BBVA Portfolio Management, (2011-2018) and Deputy General Manager of Human where she worked on improving portfolio management Resources and Executive Board Member at Alternatif processes and developing strategies for investment Bank (2018-2021). Most recently, Firuzbay served product enhancements. In May 2012, Sinem Edige as People and Culture Director and Board Member began her role as Director of Private Banking at at METRO Türkiye since July 2021. As of December Garanti BBVA, where she was responsible for providing 2024 she has been serving as Garanti BBVA's role of private investment advisory, portfolio management, Executive Vice President responsible for Talent and and financial market monitoring to high-net-worth Culture. individuals. Later, in 2022, she was appointed General Manager at Garanti BBVA Portfolio Management and Ebru Taşçı Firuzbay has 26 years of work experience played an important role in driving the company's in banking and business administration. growth strategy, portfolio management, and financial product development. From May 2022 to October **AYDIN GÜLER** 2023, she served as a Board Member of the Türkiye **Executive Vice President** Securities Markets Association (TSPB), contributing to Finance and Treasury the development and regulation of securities markets. In October 2023, she was appointed General Manager Aydın Güler joined Garanti BBVA Fund Management at Garanti BBVA Investment Securities and started Department in 1990. After working at different Head overseeing the company's operations. In November Office departments for 10 years, in 2000 he was 2024, she assumed the role of Executive Vice President. appointed as Risk Management and Management Corporate Banking & Global Markets. Reporting Senior Vice President. Mr. Güler, who served

as the Financial Planning & Analysis Department Sinem Edige graduated from Boğaziçi University with Senior Vice President between 2001-2013, was a degree in Business Administration and has 28 years appointed as the Coordinator of the Department in of experience in banking and business administration. 2013. On December 21, 2015, Mr. Güler was appointed as Executive Vice President responsible for Finance and Treasury. Mr. Güler's areas of responsibility are Investor Relations, Financial Management, Cost Management and Efficiency, Financial Data, Performance Management and Budget Planning, Financial Reporting and Accounting, Tax Management, Assets & Liabilities Management, Financial Projects, Finance Risk and Controls, Purchasing, Credit Cards and Member Merchant Coordination. Mr. Güler also serves as a Member of the Board of Directors of Garanti





#### **EBRU TASCI FİRUZBAY**

**Executive Vice President** Talent and Culture



BBVA Fleet, Garanti BBVA Leasing, Garanti Payment Systems, Garanti Culture, Garanti BBVA Financial Technologies, Garanti BBVA Pension and Life, Garanti BBVA Factoring, Garanti BBVA Securities, and Garanti BBVA Pension and Assistance Fund.

Mr. Güler, who graduated from Istanbul Technical University Department of Mechanical Engineering, has 34 years of experience in banking and business administration.

#### SIBEL KAYA **Executive Vice President** SME Banking

Sibel Kaya started her career in 1997 as a Management Trainee at GarantiBBVA. She held managerial positions in the Commercial Banking department between 1998- 2005, Branch Manager and Commercial Branch Manager in various branches between 2005-2016, Aegean Region Manager between 2016-2018 and Human Resources Director between 2018-2021. Sibel Kaya, who was appointed as the Executive Vice President responsible for at Garanti BBVA Small and Medium Enterprises (SME) Banking on February 2, 2021, is responsible for SME Banking Marketing and SME Banking Field and Performance Management. Additionally, she holds positions as the Vice Chairman of the Board of Directors at Garanti BBVA Payment Systems, and serves as a member of the Board of Directors at Garanti BBVA Pension and Life, Garanti BBVA Leasing, Garanti BBVA Fleet, Garanti BBVAFactoring, Garanti Kültür and Garanti BBVA Pension and Assistance Fund. Mrs. Kaya graduated from Middle East Technical University, Faculty of Architecture, Department of City and Regional Planning and has a Master Degree in Business Administration (MBA) at Istanbul Bilgi University. She has 27 years of experience in banking and business administration GarantiBBVA.

She held managerial positions in he Commercial Banking departmentbetween 1998-2005, Branch Manager and Commercial Branch Manager in various branches between 2005-2016, Aegean Region Manager between 2016-2018 and Human Resources Director between 2018-2021. Sibel Kaya, who was appointed as the Executive Vice President responsible for at Garanti BBVA Small and Medium Enterprises (SME) Banking on February 2, 2021, is responsible for SME Banking Marketing and SME Banking Field and Performance Management. Additionally, she holds positions as the Vice Chairman of the Board of Directors at Garanti BBVA Payment Systems, and serves as a member of the Board of Directors at Garanti BBVA Pension and Life, Garanti BBVA Leasing, Garanti BBVA Fleet, Garanti BBVA Factoring, Garanti Kültür and Garanti BBVA Pension and Assistance Fund.

Mrs. Kaya graduated from Middle East Technical University, Faculty of Architecture, Department of City and Regional Planning and has a Master Degree in Business Administration (MBA) at Istanbul Bilgi University. She has 27 years of experience in banking and business administration.

#### CEREN ACER KEZİK **Executive Vice President Retail Banking**

Ceren Acer Kezik started her career in 2005 in a global management consultancy firm. She mainly worked in banking, telecommunications, retail and private equity sectors along marketing, strategy and new business development functions. She joined Garanti BBVA in 2012 as the Manager of Retail Mass Segment. In 2016, she was appointed as the head of SME Micro segment business unit. Since 2017 she was also held responsible for Retail Mass Banking under Retail Banking business line. On June 12022, she was appointed Executive Vice President responsible for Retail Banking, leading Retail Banking, Mass and Micro Banking, Affluent Banking, Housing Finance, Payment Systems, Customer Solutions and Customer Communication Center.

In addition, Mrs. Kezik serves as a Member of the Board of Garanti BBVA Payment Systems, Garanti BBVA Securities, Garanti BBVA Pension and Life, Garanti BBVA Kripto, Garanti Payments and E-Money, Garanti Kültür and ÖRAV. Also, she is a Member of the Board at Interbank Card Center Türkiye (BKM), Mastercard EE Executive Council (MEEEC) and Bilkent University Industrial Engineering Advisory Council.

Cemal Onaran started his career as Assistant Auditor in Garanti BBVA at the Audit Committee in 1990. Between years 2000-2007, he worked as the Regional Manager in various regions of Garanti BBVA in Istanbul. After the establishment of Garanti BBVA Mortgage in October Ceren Acer Kezik who has an undergraduate degree 2007, he was appointed General Manager of Garanti from Bilkent University in Industrial Engineering and BBVA Mortgage. After having served as the General a graduate degree in Business Administration from Manager of Garanti BBVA Pension, since 2012, and Harvard University, has 19 years of experience in Executive Vice President of Garanti BBVA responsible banking and business administration. of SME Banking since January 17,2017, Mr. Onaran was appointed as the Executive Vice President responsible **İLKER KURUÖZ** from Commercial Banking as of February 2021. Mr. Onaran's areas of responsibility are Commercial Banking Anatolian Marketing and Commercial Banking Istanbul Marketing. Onaran also serves as a Board Member at Garanti BBVA Romania, Garanti BBVA Payment Systems, Garanti BBVA Leasing, Garanti BBVA Factoring, Garanti BBVA Fleet, Garanti BBVA Retirement and Assistance Fund Foundation, and as a Member of the Board of Directors and Board of Trustees of the Teachers Academy Foundation.

**Executive Vice President Engineering Services and Data** 

İlker Kuruöz started his career in the USA in 1994. After working as Application Development Department Senior Vice President at Garanti BBVA Technology between 1997-2006, he joined a global consultancy company and served as IT Consulting Senior Manager. Between 2006-2016, Kuruöz, served as Technical Solutions Division Head, Chief Information Officer, Chief Technology Group Officer and acting General Manager Mr. Onaran graduated from Middle East Technical for a short period of time in a private communication University with a degree in Public Administration in and technology services company; between 2016-1990 and has 34 years of experience in banking and 2018, Kuruöz continued his duty as the CEO at Doğuş business administration. Teknoloji and CTO at Doğuş Group. As of March 14, 2018, Mr. Kuruöz was as appointed Executive Vice President responsible for Engineering Services & Data and additionally Kuruöz serves as a member of the Board of Directors at Garanti BBVA Payment Systems, Garanti Investment Securities, SALT Garanti Culture, Garanti BBVA Pension and Assistance Fund, and Garanti BBVA Financial Technologies.

Mr. Kuruöz is graduated from Bilkent University Computer Engineering Department with a bachelor's and master's degree and has 32 years of experience in banking and business administration.





#### **CEMAL ONARAN**

#### **Executive Vice President Commercial & Institutional Banking**

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# **Our Governance**

## **Committees and Policies**

Garanti BBVA operates with various committees for an effective management and supervision mechanism. The Board of Directors closely monitors all activities of the Bank through these committees and provides strategic guidance. The structure, operation, and efficiency of the committees are regularly reviewed and improved. Additionally, necessary measures are taken to ensure the traceability and recording of processes.

The Bank has 9 Board-approved committees: Credit, Audit, Corporate Governance, Risk, Remuneration, Information Security, Information Technologies (IT) Strategy, Information Systems (IS) Steering, and Data Sharing. In addition to these committees, the following committees also operate: Corporate Assurance, Portfolio Strategy, Asset Liability, Risk Management, Expense Management and Efficiency, Corporate Crisis and Business Continuity Management, Sustainability and Responsible Banking, Operational Risk Acceptance and Product Management, Ethics and Integrity, Information Systems Continuity. An effective management structure is ensured with the participation of senior executives in all committees. The ratio of committees with Board Members to the total committees is at the level of 95%.

For Garanti BBVA, trust, integrity, accountability, and transparency are the most fundamental values. The Bank meticulously adheres to these values in all its relations with its stakeholders. These principles are not only a commitment of the Bank but also the foundation of its strong reputation.

With a responsible and sustainable banking approach, it has established various policies, principles, and declarations that regulate its behavior and business relations in line with the Corporate Governance and Sustainability Principles. The Ethics and Integrity Principles and Ethical Sales Principles are the basic guides in this area. The Ethical Sales Principles emphasize the importance of the concept of "reputation" and explain in detail the ethical rules that employees must follow while making sales. With the Sexual Harassment, Assault and Discrimination Policy, which came into effect in 2024, it aims to ensure respect and equality in the workplace.

Through its committees and policies, a strong communication and cooperation environment is ensured between the Board of Directors, Senior Management, and the Bank. In this way, the corporate culture is strengthened, and the best governance practices are implemented.









Sustainability Policy

Environmental Policy

Enviromental and Social Loan Standard

Climate Change Position Statement & Action Plan

Code of Conduct for Suppliers

Working Principles and Procedures of the BoD

Anti-Corruption Policy Statement

**Competition Policy Statement** 

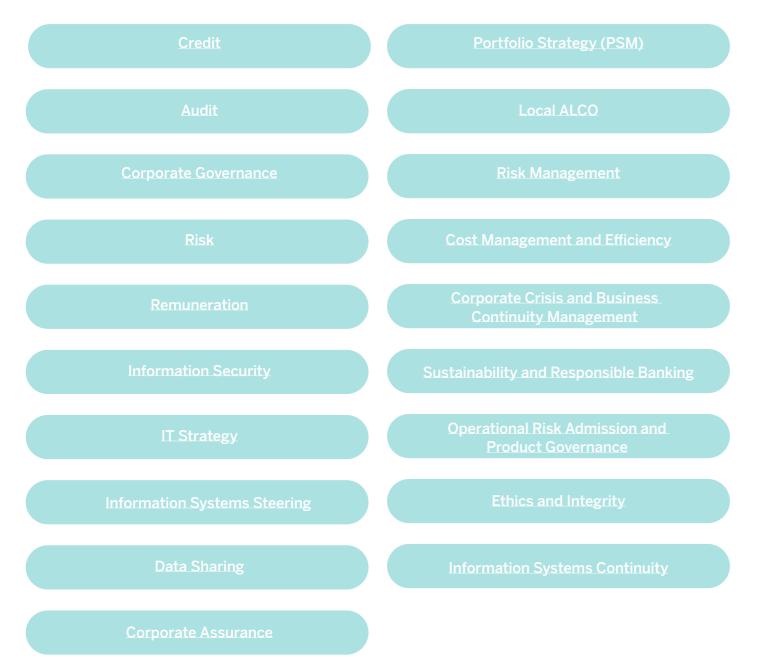
**Corporate Governance Committee** Working Procedures and Principles

Energy Policy

Sexual Harassment, Assault and Discrimination Policy

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**Committees** 



Note: You can access detailed information about each Committee, Committee Meeting Participation and Policies by clicking on the relevant heading in the Environmental, Social and Governance section of the Garanti BBVA Investor Relations website.

## **Risk Committee's Assessment**

CUSTOMER

EXPERIENCE

DATA AND

**TECHNOLOGY** 

Of Risk Management Policies, Their Implementation monetary and macroprudential policies, slowing to and Management of Various Risks That the Bank 3.2% year-over-year (YoY) in the first three guarters May Be Exposed of 2024 from 5.1% in 2023. Headline inflation declined from a peak of 75% (YoY) in May to 44% (YoY) at the end Global disinflation gained traction in 2024, driven by of 2024, exceeding the CBRT's initial forecast of 36% tight monetary policy in advanced economies and but align-ing with its revised forecast of 44%. Given the easing of supply disruptions stemming from Russia/ decline in headline inflation, and inflation expectations, Ukraine war. As inflation rates neared target levels, the CBRT initiated rate cuts with a 250 basis-point cut major central banks began implementing rate cuts on December 26, emphasizing a pru-dent and datastarting in June. Global growth has remained resilient driven approach to future rate cuts aimed at bringing despite restrictive monetary policies and ongoing inflation down in line with its forecast range. regional conflicts.

Under this economic and social circumstances. the In Türkiye, the monetary policy framework implemented Bank maintained its holistic, prudent, and forwardin 2024 resulted in a significant tighten-ing in monetary looking approach in the risk management, leveraging and financial conditions, and a normalization in fiscal the current monetary policy framework and more stance. These measures have effectively reduced stable economic outlook. Throughout the year, macroeconomic imbalances and boosted confidence Bank's risk management activities were focused on both domestically and internationally. Deposit sustaining a moderate risk profile aimed at achieving dollarization has declined significantly, and foreign profitability that is proportionate with the risks inflows gained pace fol-lowing the CBRT's additional undertaken throughout the cycle, while maintaining a tightening steps in March (including 500 basis-point robust financial position. This resilience was reflected policy rate hike to 50%) and resolution of uncertainties in sufficient liquidity and capital buffers capable of surrounding local elections. Net portfolio inflows and withstanding stress scenarios. As a consequence of this external debt rollover ratios increased significantly approach, the Bank successfully achieved profitable since March. Along with a marked decline in the current growth, with a consolidated Return on Equity (ROE) of account deficit, these have led to a remarkable increase **33%** at the end of 2024. in gross and net FX reserves in 2024. In testimony to increased external resilience, all three major rating agencies upgraded Türkiye's credit ratings by two notches during the year. Economic growth has decelerated at a gradual pace in response to tight







In 2024, the Bank maintained a proactive and efficient approach to managing its capital position, regularly assessing it under various stress scenarios while adopting a holistic and forward looking perspective on all risks. The consolidated Capital Adequacy Ratio (CAR) stood at **18.2%**<sup>1</sup> at the end of 2024, supported by robust net income driven by core banking revenues and the issuance of Tier 2 subordinated debt. Bank's risk management strategies continued to support stable income, drive profitability growth and ensure consistent value creation, while preserving the strict oversight on the risks the Bank exposed to. As 2024 has been a year where Türkiye remained committed to monetary tightening, which results in high interest rates, the Bank diligently monitored and managed its interest rate risk exposure, focusing on net interest income sensitivity and economic value. This was achieved through robust and proactive structural interest rate risk management. In managing liquidity risk, the Bank remained focused on maintaining an adequate volume of stable resources and a diversified wholesale funding structure, which limits reliance on short term funding, ensures the access to various markets, optimizes funding costs and preserves a buffer of liquid assets to overcome a liquidity survival period under stress scenarios. The Bank maintained its strong liquidity position through its strategically managed funding structure and proactive risk management, while quickly adapting to market fluctuations and numerous regulatory changes, particularly the CBRT's reserve requirement scheme, which influenced the Bank's strategy throughout the vear.

In 2024, the Bank maintained its solid asset quality, preserving its selective growth in its loan portfolio and strong coverage ratios. While loan growth reached 52% with a continued focus on TL loans, supported by effective credit risk admission, monitoring processes, and recovery management. Stage 2 ratio (on a consolidated basis, including leasing and factoring receivables) which accounted for 10.3% in 2023 realized as **11.4%** as of 2024 year-end. The Bank's achievements in collections, debt sales and write-down operations throughout the year, combined with the strong growth in the performing loan portfolio helped

maintain a stable asset quality. As a result, the Bankonly non-performing loan ratio (NPL) remained flattish from 2.1% at the end of 2023 to at 2.1% at the close of 2024. In the period ahead, credit risk management will remain focused on achieving sound profitability that appropriately considers the cost of capital and financing. The loan portfolio will continue to be managed through the policies and tools that support effective decision-making, appropriate collateralization process, comprehensive monitoring and prudent provisioning. For the management of non-performing loans (NPL) portfolio on the other hand, the Bank will prioritize efficient recovery strategies while also exploring options for write-down and sale of non-performing loans to optimize portfolio quality and financial performance.

In 2024, within the framework of the risk appetite and risk based polices approved by the Risk Committee and the Board of Directors, the Risk Management continued to measure the identified risks via advanced methods. The evolution to these risks was regularly reported to relevant committees and senior management in order to determine the strategies and take decisions. Risk Management also made significant progress in enhancing measurement, monitoring and reporting tools to ensure compliance with local and international standards while aligning with best practices. Several projects were initiated to advance automation and to improve data quality. The potential of AI technologies began to be explored in Risk Management area, in line with the Bank's general progressive approach.

Additionally, Risk Management in the Bank also supported a prudent approach to addressing climate change risks, ensuring the Bank's adaptability to these emerging challenges. In order to mitigate the growing impacts of the climate crisis, risk indicators that support the transition to a low-carbon economy continued to be integrated into the Bank's risk appetite framework. The Bank actively evaluates climate-related financial risks that could significantly impact its own financial position and that of its customers, while also considering their interactions with other risks it is exposed to, taking into account their effects in different time cycles.

Assessment Process (ILAAP), which were integrated To the purpose to maintain a holistic approach, the risks to which the Bank is exposed to on a consolidated basis with risk appetite, stress tests and budget processes, continued to be managed proactively and effectively, were approved by Risk Committee and the Board with ongoing efforts to enhance in risk measurement of Directors. Based on their scope, the subsidiaries and reporting practices for subsidiaries. Coordinated were reviewed by the Risk Committee in order to by the Risk Management function, reports on the ensure a consistent and unified risk culture across the organization. results of Internal Capital Adequacy Assessment Process (ICAAP) and the Internal Liquidity Adequacy

### Audit Committee's Assessment

The Audit Committee chaired by Ebru Oğan Knottnerus The Committee reviews and approves the results comprised of 3 members oversees the effectiveness of continuous risk assessment of the Internal Audit Department, annual internal audit plans, guarterly and adequacy of the Bank's internal control, internal audit and risk management. Via the reporting made prioritizations, and plan revisions. The Committee evaluates whether the scopes of planned and conducted throughout the year, the Committee oversees the operation of accounting and reporting systems in audits cover the Bank's current and planned operations and resulting risks. The Committee reviews conformity line with the applicable regulations, and the integrity to the plans on a quarterly basis. Throughout the year, of the resulting information. The Audit Committee carries out the necessary preliminary assessments the Committee regularly receives information about all critical and significant findings covered in the audit for the selection of external audit companies, rating reports, along with the action plans set and pastcompanies, appraisal companies and support services providers by the Board of Directors and regularly due deadlines. When needed, the Committee invites the responsible units to the meetings and closely monitors the activities of those companies. monitors whether actions are implemented for timely Convened for 6 times in 2024, the Audit Committee remediation of the findings.

informs the Board of Directors about its own activities every six months and about the activities of the internal Via quarterly internal audit activity reports, the Committee reports to the Board of Directors the target systems units every three months. The Committee reviews the periodical activities of especially the realization status of the audit plan, audit results, results Internal Audit Department, and Internal Control Unit, of inspections and investigations, level and adequacy of the Internal Audit Department personnel's professional Compliance Department and Risk Management Department as well as external audit activities. The education, the outcomes of quality assurance activities, and other issues of ambiguity and material issues Committee also invites managers of other related together with its assessment on the same. departments of the Bank to meetings with specific agenda items, when deemed necessary, and request information on important topics.

<sup>1</sup>Excluding BRSA's forbearance measures.



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The Risk Committee convened 10 times in 2024 to provide support and guidance to the Board of Directors.



The Committee oversees the results of the compliance activities carried out across the Bank and its subsidiaries through the Compliance Department's reports and presentations, and ensures that material issues are submitted to the Bank's senior management and/or Board of Directors. The Audit Committee is informed about the amendments made to the legal, regulatory or supervisory frameworks related to Compliance and Ethics, as well as their implications for the Bank and its subsidiaries.

The Audit Committee also follows up the training and awareness raising programs on topics falling under the responsibility areas of the Compliance Department and the current progress of the training sessions within the scope of these programs. The Committee also monitors the key recommendations resulting from the tests conducted to verify the execution of risk mitigation measures and controls in terms of the management of compliance risks, and the current status of actions taken in relation to these recommendations.

The Committee reviews the results of the Internal Control Unit's activities and assesses whether these activities adequately covered the Bank's processes as required by the applicable legislation and internal policies. The Committee also examines the results of the routine controls, activities covered in the Unit's process examination procedure and the results attained by the Committees for which the Unit acts as the secretary. The Internal Control Unit reports the material issues identified with controls to the Committee throughout the year. The Unit also informs the Committee about the quarterly activity reports presented to the Board of Directors. The Committee monitors the measures taken by the relevant unit heads in relation to the activities and their adequacy.

The Risk Management Department reviews the risk appetite core metrics for capital adequacy, profitability, liquidity and funding, and metrics and limit thresholds by types of risks for rate, structural exchange rate, credit, liquidity and operational risks on consolidated and unconsolidated bases and submitted them for the approval of the Risk Management Committee, Risk Committee and the Board of Directors. The Department reports the realizations in relation to approved risk appetite core metrics and limits to the Committee on a guarterly basis. The Department conducts stress tests and scenario analyses along with internal calculations on the basis of risk types within the frame of ICAAP (Internal Capital Adequacy Assessment Process) and stress test reports pursuant to the regulations published by the BRSA. The Department presents the validations performed for models and parameters used in ICAAP studies to the Committee. The Department monitors compliance of the risk models used by the Bank with the internal ratings-based (IRB) approach, assesses their use by the Bank and submitted the credit risk models monitoring report drawn up accordingly to the Audit Committee. The Risk Management Department provides information about its activities and professional training and competencies of the Department employees through quarterly activity reports. The Department presents risk review reports on market, counterparty credit, structural exchange rate and interest rate, liquidity and non-financial risks to the Committee. The Department follows up important regulatory changes and regulatory framework governing risk management and provides regular and continuous information flow to the Committee.

## **Internal Systems Governance**



#### **Risk Management**

The Risk Committee is constituted by the members of the Board of Directors, and is responsible for overseeing risk management policies and practices, their alignment with strategic goals, capital adequacy and planning, and liquidity adequacy, as well as the management's ability to assess and/or manage various risks inherent in the operations. Risk Management is composed of the Internal Capital and Operational Risk Department, the Market and Structural Risk Department, Validation and Risk Management Control Department and Credit Risk Control and Risk Management Control fuctions, under the execution and management of the Head of Risk Management, and Validation.

<sup>1</sup>BDDK geçici önlemleri hariç



The responsibilities of the Head of Risk Management are outlined below:

- To ensure that risk management culture is recognized and risk management principles are widely embraced throughout the Bank and its subsidiaries, that an integrated risk management system is implemented which measures all of the Bank's risks collectively, which guarantees that limits determined in connection with the risk appetite approved by the Board of Directors are not breached, which is in compliance with applicable legislation, the Bank's strategies and policies, and which pursues risk return relationship and entails control and validation activities.
- Define, measure, monitor and report risks, and ensure that all control activities are conducted thoroughly and timely; monitor and supervise results.

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The responsibilities of the Internal Capital and Operational Risk Department are outlined below:

- Submit, review and update proposals for policies, rules and procedures regarding non financial risk management, reputational risk and risk appetite framework,
- Ensure the design, updating and implementation of operational risk management tools
- Ensure the implementation of the risk appetite framework, conducts the Internal Capital Adequacy Assessment Process (ICAAP) and stress test studies,
- Carry out regulatory liquidity adequacy ratio, supervises regulatory capital adequacy and credit risk exposure calculations,
- Carry out operational risk assessment studies regarding new initiatives and impact analysis studies on regulatory changes,
- Oversee adherence to Corporate Risk Management Framework in subsidiaries; ensure that an infrastructure for defining, measuring, monitoring and controlling risks is in place.

The responsibilities of the Market and Structural Risk Department are outlined below:

- Submit, review and update proposals for market, counterparty credit, country, structural interest rate, foreign exchange (FX) and liquidity risk based principles to be determined by the Board of Directors,
- · Carry out risk-based measuring, monitoring and analysis activities; report their results regularly to relevant units, committees and senior management,
- Perform market and structural risk based activities within the scope of ICAAP, stress testing and risk appetite framework; monitor and report risk based concentrations.
- Conduct risk assessment for new business and product/services,
- Oversee adherence to Corporate Risk Management Framework in subsidiaries: ensure that an infrastructure for defining, measuring, monitoring and controlling risks is in place.

The responsibilities of the Validation and Risk Management Control Department are outlined below:

- Verify whether the Bank's risk models are used properly in line with their intended purpose and ensure the reliability of these models by applying tests accordingly,
- Inform the relevant departments/areas, committees and top management about the status of the risk models,
- Perform second level control and assessment activities in order to check whether there are adequate internal regulations regarding measurement and mitigation of the risks that the Bank is exposed to, sufficient controls and risk management practices that are aligned with internal regulations.

#### **Internal Audit Department**

The Internal Audit Department (IAD) directly reports to the Board of Directors and carries out audits in order to provide reasonable assurance about the effectiveness of risk management and internal control systems of the Bank and its subsidiaries. The IAD carries out all its engagements in line with a written methodology which complies with legal regulations and global internal audit standards and its activities are subjected to internal guality assurance studies as well as an independent assessment made every 5 years.

The IAD conducts end-to-end risk-based audits covering all participants of the process at one or more than one Department, Subsidiary, Regional Office, Branch and other location.

The Department adopts continuous risk assessment and dynamic audit planning approach for prioritizing risks and planning audits. The risk-based process audits are planned with three-year, annual and guarterly plans. However, these plans can be revised at any time throughout the year. This ensures a flexible and agile planning process that covers highly changing risks.

The agile methodology is placed at the center of all or several risks. The senior management of the IAD is functions of the IAD, not only in the audit planning comprised of the Head of Internal Audit and Assistant process. The IAD has been employing agile Directors. The Assistant Directors take an active role methodology in all its audit activities for the in the planning of audits based on continuous risk **last 6 years**. The flexibility, autonomy and efficiency assessment and communication of audit results to increasing every year thanks to the maturity level of the auditees. Moreover, the building blocks supporting the agile transformation ensure that results with higher the effective performance of the audit activities added value are generated with the audits and the directly report to the Head of IAD and are positioned employee satisfaction is increased. as independent from audit activities.

The IAD uses a risk taxonomy compliant with the Most of the activities carried out by the IAD in 2024 Bank's control model in order to categorize the risks. were comprised of process audits, branch audits, These risk types in this model comprised of 21 risks and routine inspection and investigation activities aiming 63 sub-risks as of the year end are business continuity for providing assurance. The results of the advisory risk, capital risk, conduct and compliance risk, credit engagements carried out by the IAD become of greater importance every year both for the Bank and the senior risk, data management risk, environmental, social and governance (ESG) risk, financial and tax risk, fraud risk, management. The share of advisory engagements governance risk, information and data security risk, attracting attention with their proactive role to detect the risks in the processes which are in the insurance and actuarial risk, legal risk, market risk, people risk, physical security and safety risk, strategy design stage or are recently launched in the audit and business model risk, structural risk, technology plan is increasing every year. risk, third party risks, transaction processing risk and Having conducted 142 process audits, 230 branch audits and 72 inspections and investigations in 2024 at the Bank and its subsidiaries, the IAD follows up the

money laundering and terrorism financing risk. The risk taxonomy is revised when needed in order to perform the evaluations with a higher depth. audit results with methods complying with the global The organization of the IAD is structured to respond to methodology and evaluates the adequacy of the actions the needs of the agile approach. The IAD organization taken by subjecting them to additional tests required by comprised of 170 personnel including the internal audit this methodology. The IAD reports the deficiencies in staff of domestic and foreign subsidiaries is among the audit reports and the action plans agreed upon with the Head Office departments with the highest number of auditees to the senior management including especially personnel. The auditors specialized on certain risks the Audit Committee and the Board of Directors with and constituting a major part of this organization are periodical activity reports, various committee meetings assigned to different roles in field works in line with and periodical finding follow-up meetings. their seniority and competences. The field works are led by program managers assigned for a specific risk

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**Internal Audit Risk Taxonomy** 



Keeping a close eye on the current internal audit practices in the banking industry at a global level, the IAD also introduces new practices every year in line with continuous development principle. The Department also tries out new audit methods such as focus audits and deep assessments, in addition to the risk-based process audits. The IAD measures new coverage metrics and monitors their progress by periods to ensure that the risk exposure of the Bank and its subsidiaries within the audit universe are captured in the multi-year plan in the most efficient and comprehensive way. The Department also performs trend analyses and anomaly detection through interactive key risk indicator dashboards developed for all risk families within the Department, allowing for continuous risk monitoring across all business areas of the Bank. In addition to the

examination of the processes covered by the audits, the Department rates the Bank control model across the processes and monitors its maturity and functioning and reports its results to the senior management. The IAD boasts a strong data team comprised of data scientists and data specialists. Thanks to this team carrying out successful audit projects using advanced analytics and models such as machine learning, image processing and text mining, a significant part of the audits are aimed to be carried out by effectively using big data.

Machine learning is used in internal fraud detection studies, which ensures keeping operational risk losses caused by internal frauds low.

The senior management of the IAD supports the Accordingly, the principle of segregation of duties, the academic, technical and professional development of establishment of relevant reconciliation mechanisms. the auditors. The IAD creates an internal continuous and the identification and guantification of risks to which learning environment by ensuring that each auditor the Bank is exposed are carried out through control receives theoretical and on-the-job trainings in the activities within the second line of defense. Additionally, areas they want to specialize in, in addition to the control activities designed and implemented within structured block trainings provided upon hiring and the first line of defense are structured to ensure the during promotion periods. adequacy, accuracy, and quality of these controls. These processes are assessed both on-site across The IAD continues to employ encouraging practices all branches and Head Office units or remotely. In such as obtaining professional certificates, attending 2024, on-site control activities were conducted at 661 masters and PhD programs every year in parallel with branches, and 48 process reviews were completed.

talent and culture policies of the Bank. As a result of these efforts, the number of auditors obtaining The evaluation, monitoring, and control of risks related the Certified Internal Auditor (CIA) certification, an to third-party engagements are also performed by the internationally recognized professional qualification, Internal Control Center. Internal processes concerning increases significantly every year. Moreover, actions external procurements classified as "support services" plans are determined if any area of improvement is are ensured to be executed correctly and in full identified as a result of quality assurance studies and compliance with applicable regulations. Additionally, therefore, the auditors are supported with continuous the operational risks associated with "critical third trainings and on-the-job practices. parties" and "outsourcing activities" fall under the scope of the Internal Control Center's responsibilities.

These practices aim for ensuring that the IAD personnel are comprised of more qualified audits specialized on certain areas, and the scope and effectiveness of internal audit activities are increased with the agile IAD organization and up-to-date audit approaches.

#### **Internal Systems Governance**

The Internal Control Center is responsible for establishing and coordinating a sound internal control environment within Garanti BBVA. As part of the second line of defense, the Internal Control Center operates directly under the Board of Directors and ensures that banking activities are conducted in a structured, efficient, and effective manner, in compliance with current legal regulations, rules, management strategies, and policies. Internal control personnel fulfill their duties and responsibilities in accordance with the "Internal Control Center Regulation" and the "Non-Financial Risk Management Policy," both of which are approved by the Board of Directors.

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As a legal requirement, the Information Technology (IT) Internal Control Function has been structured within the Internal Control Center to ensure that IT processes and IT-related activities are conducted securely, in compliance with both internal and external regulations, as well as international standards.

The Internal Control Center also ensures that internal control environments across the Bank's financial subsidiaries are adequately established and that corporate standards are consistently implemented across all subsidiaries.

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Findings and recommendations from control activities are shared with relevant stakeholders through reports, and necessary actions are tracked. The Internal Control Center serves as the secretariat for the Bank's key committees, which are responsible for assessing and discussing significant internal control issues, evaluating risks and controls for new products, services, processes, business lines, technology transformations, and outsourcing activities, and overseeing the implementation of appropriate action plans. Within this scope, in 2024, the Internal Control Center facilitated **3** Corporate Assurance Committee meetings, 14 Operational Risk Acceptance and Product Management Committee meetings, and 4 Operational Risk and Internal Control Working Group meetings per business unit.

Additionally, regular training programs are conducted by the Internal Control Center to enhance the Bank's personnel's awareness of operational risks. These inperson and remote training sessions are designed to strengthen employees' knowledge of financial crime risks, anti-money laundering, counter-terrorism financing, and ethical principles. In 2024, 2,689 employees across 307 branches received training on general operational risk awareness, financial crime, and ethical principles from Internal Control Center personnel. Moreover, 135 employees participated in self-improvement training programs, accumulating a total of 8,666 training hours.

### **The Compliance Department**

The Compliance Department works to manage and mitigate compliance risks that the Bank may face by identifying potential risks in advance. It also aims to continuously enhance the Bank's compliance culture. The Compliance Officer Team carries out the following responsibilities:

- Ensuring compliance with anti-money laundering (AML), counter-terrorism financing (CTF) regulations, and taking necessary measures against the proliferation of weapons of mass destruction, while facilitating coordination between the Bank and the Financial Crimes Investigation Board (MASAK).
- Overseeing the compliance of companies within the Garanti BBVA financial group with MASAK regulations.
- Implementing the Financial Group Compliance Program and the Bank Compliance Program, as well as preparing and executing sub-policies and procedures in alignment with these programs.
- Preparing and monitoring the execution of the annual AML & CTF training program to prevent money laundering, terrorism financing, and the proliferation of weapons of mass destruction.
- Investigating and evaluating transactions deemed suspicious, either upon report or through internal detection, and reporting transactions determined to be suspicious to MASAK.
- Ensuring strict compliance with international sanctions as a Turkish bank, while providing consultation services to branches and units on international sanctions compliance.

In 2024, as part of the continuous monitoring and The Code of Ethics and Integrity, approved by the Board control activities conducted by the Compliance of Directors, defines the standards of conduct that must Department for the prevention of money laundering and be adhered to across the Garanti BBVA Group, ensuring terrorism financing, **28,466 suspicious transaction** that behaviors align with the Bank's values. The Ethics reports (STRs) were filed. The number of reported and Integrity Committee plays a role in maintaining transactions accounted for 0.098% of the Bank's corporate integrity and ethical standards. total customer base.

The Ethics Notification Hotline is managed by As part of the AML & CTF Policy, the Compliance the Compliance Department and serves as the Department continued efforts in 2024 to enhance primary channel for reporting ethical violations. The employee awareness and knowledge on these topics. hotline ensures confidentiality for whistleblowers, As part of the AML & CTF training program, 21,291 and all reports received are promptly investigated participants received 19,370 hours of training, and resolved. The Ethics Notification Hotline (Email: covering 16,756 employees. EtikBildirim@GarantiBBVA.com.tr, Tel: +90 216 662 5156) is accessible to all employees, customers, and suppliers.

As part of Customer Products and Services Compliance, the department evaluates the compliance of products, services, and processes with relevant regulations. The Compliance Department continued its efforts in 2024 to enhance awareness among all employees Compliance controls are conducted in accordance with the Regulation on Banks' Internal Systems and regarding the Code of Ethics and Integrity, Anti-Internal Capital Adequacy Assessment Process. The Corruption Policy, and Competition Policy. department oversees existing control mechanisms to ensure that the Bank's current and planned activities, In 2024, the Bank received 34 reports through new processes, products, and services comply with the Ethics Notification Hotline. These reports were relevant laws and Bank policies. Process revisions thoroughly reviewed and resolved in accordance with required due to regulatory changes are monitored, the Bank's Policies and Procedures. None of the reports and relevant personnel are informed of these updates. were related to violations of the Bank's Anti-Corruption Policy. Out of the 34 reports, 18 cases resulted in As part of Corporate Compliance, the department is disciplinary actions following the review process.

responsible for raising awareness, ensuring proper implementation, and developing supporting procedures In addition to training and awareness activities, the for the Code of Ethics and Integrity, Anti-Corruption Compliance Department also provides guidance to Policy, and Competition Policy. The department also employees on ethical and integrity-related inquiries. In 2024, the department handled 344 employee provides consultation services to resolve uncertainties that may arise during the implementation of these inquiries, providing guidance within the framework of the Bank's Policies and Procedures. policies and procedures.



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Garanti BBVA is firmly committed to anti-corruption laws and ethical principles. The Bank strictly rejects all forms of corruption and expects the same zerotolerance policy from both employees and third parties. It also commits to playing an active role in preventing and eliminating corruption in both the public and private sectors.



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To this end, Garanti BBVA has developed internal policies, procedures, and controls under its Anti-Corruption Policy, complementing and detailing the principles outlined in Section 5.3 of the Code of Ethics and Integrity. The Bank's Anti-Corruption Policy adheres to the strictest national and international standards, including regulations set forth by international anticorruption organizations and ISO standards, as well as the U.S. Foreign Corrupt Practices Act (FCPA) and the UK Bribery Act (UKBA).

Garanti BBVA employees are strictly prohibited from engaging in any form of bribery or offering financial or non-financial advantages to influence the decisions of third parties, individuals, public officials, or authorities in connection with the Bank's operations. This includes direct or indirect payments, gifts, grants, donations, job offers, sponsorships, preferential treatment, or any form of benefits aimed at obtaining unfair gains. The prohibition also extends to facilitation payments.

#### Detailed information can be accessed on the Garanti BBVA Investor Relations website under the *Environmental, Social, and Governance > Policies* section, specifically within the Anti-Corruption Policy and the Code of Ethics and Integrity.

Garanti BBVA believes that fair competition is one of the fundamental principles of a well-functioning market that contributes to development, progress, and societal well-being. The Garanti BBVA Competition Policy aims to prevent and detect anti-competitive practices that could pose a risk to the Group. It establishes a framework for general competition rules, identifies situations requiring special attention, and provides appropriate guidance in cases of suspected violations.

#### The Competition Policy can be accessed on the Garanti BBVA Investor Relations website under the Environmental, Social, and Governance > Policies section.

As part of Investment Transactions and Sustainability Compliance Activities, suspicious transaction investigations are conducted in accordance with the Capital Markets Board's (CMB) "Communiqué on the Obligation to Report Insider Trading and Market Manipulation Crimes".

Internal regulations have been established regarding trading activities conducted by Bank and subsidiary employees who, due to their positions, may have access to insider information or material non-public information about capital market instruments or issuers. These regulations provide advisory support, training, and awareness programs, while ensuring compliance with relevant laws. Additionally, necessary monitoring is carried out to track regulatory changes and internal regulations.

Within sustainability activities, advisory services are provided to business units to mitigate the risk of greenwashing, various awareness initiatives are conducted, and required internal regulations are developed.

The Compliance Department also oversees the compliance activities of the Bank's subsidiaries and foreign branches. Each subsidiary and foreign branch has designated personnel responsible for compliance functions. Regular meetings and periodic reporting are conducted to monitor compliance-related activities and potential risks.

The governance of activities related to compliance with personal data protection regulations is also coordinated by the Compliance Department. This includes ensuring that personal data is processed in accordance with legal requirements, preventing potential data breaches, designing processes to comply with regulations, and implementing necessary technical and administrative measures. Through the Assurance Function established within the Compliance Department, specific control activities and investigations are carried out to assess the adequacy of existing control mechanisms based on risk assessment results in the Bank and its subsidiaries.

In 2024, a total of 9 data breach notifications were submitted to the Personal Data Protection Authority, primarily due to individual employee errors. As a result of these violations, the Bank was subject to an administrative fine of 1,275,000 TL.

During 2024, **76** customer requests regarding the processing of personal data were addressed in compliance with applicable regulations.

The Bank has established all necessary internal To ensure compliance with data deletion, destruction, regulations and processes to ensure compliance with and anonymization requirements, as well as the personal data protection laws. The Personal Data principles of data processing in a manner that is Protection and Processing Policy is accessible to all relevant, limited, and proportionate to its purpose, the Bank has implemented the Personal Data Retention employees via the Bank's intranet and is publicly available at https://www.garantibbvainvestorrelations.com/ and Destruction Procedure alongside the Personal Data en/images/pdf/t\_garanti\_bankasi\_as\_kisisel\_ Protection and Processing Policy. In compliance with verilerin\_korunmasi\_islenmesi\_politikasi\_en.pdf the Personal Data Protection Law (KVKK), the Bank permanently deletes personal data that is no longer The general principles outlined in this policy apply to required for its original purpose. This data destruction all subsidiaries of the Bank. Additionally, all subsidiary process is repeated every six months.

companies have developed their own Personal Data Protection Policies in alignment with the Bank's policy and have made them publicly available through their respective websites.

In addition to this policy, the Bank has also established the following procedures:

- The Personal Data Retention and Destruction Procedure, which defines the actions and principles implemented by the Bank in compliance with the Regulation on the Deletion, Destruction, or Anonymization of Personal Data issued by the Personal Data Protection Authority.
- The Personal Data Breach Response Procedure, which governs how the Bank, as both a Data Controller and Data Processor, manages personal data breaches and the related notification processes.
- The Protection and Security Standards for Special Category Personal Data, which sets out the main principles for securing and protecting sensitive personal data processed within the Bank.

The Bank stores personal data in accordance with legal regulations, while taking into account confidentiality obligations. All data shared with third parties is handled in compliance with legal requirements, based on customer consent, authorization, and instructions, and follows the principle of proportionality. The principles and rules governing this process are outlined in the Bank's Personal Data Protection and Processing Policies, which are applied across the Bank and its subsidiaries.



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As part of the Bank's personal data protection compliance program, the Compliance Department continued its efforts in 2024 to increase employee knowledge and awareness on these matters.

While fulfilling all responsibilities outlined above, the Compliance Department works in close coordination with the Audit Committee, Internal Control Center, Talent and Culture Department, Legal Department, Customer Experience and Service Model Management Department, Technology Center, and other relevant units.

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# **Internal Systems Managers**

ÖZLEM ERNART Head of Risk Management



Özlem Ernart received her bachelor's degree in Economics (in English) from Marmara University and her MBA from the City University of New York. She worked for various privately owned banks and companies from 1993 until 2001, when she joined the Risk Management Department of Garanti BBVA. She held the position of Senior Vice President of Risk Planning, Monitoring and Reporting from December 2015 until July 2018. Ms. Ernart has been serving as the Head of Risk Management since July 2018. She has also been a member of the Board of Directors of Garanti BBVA Asset Management since 28 September 2021.

The responsibilities of the Head of Risk Management are outlined below:

- To ensure that risk management culture is recognized and risk management principles are widely embraced throughout the Bank and its subsidiaries, that an integrated risk management system is implemented which measures all of the Bank's risks collectively, which guarantees that limits determined in connection with the risk appetite approved by the Board of Directors are not breached, which is in compliance with applicable legislation, the Bank's strategies and policies, and which pursues risk return relationship and entails control and validation activities.
- Define, measure, monitor and report risks, and ensure that all control activities are conducted thoroughly and timely; monitor and supervise results.

**BEYZA YAPICI** Director of Capital and **Operational Risk** 



Beyza Yapıcı got his degree in Labor Economics from Marmara University. After joining Garanti BBVA's General Accounting Department in 2001, he worked in the Risk Management Department from 2008 until 2016. Mr. Yapıcı has been serving as Capital and Operational Risk Director since April 2016.

The responsibilities of the Capital and Operational Risk Director are outlined below:

- · Submit, review and update proposals for policies, rules and procedures regarding non financial risk management, reputational risk and risk appetite framework.
- Ensure the implementation of the risk appetite framework, conducts the Internal Capital Adequacy Assessment Process (ICAAP) and stress test studies,
- · Carry out regulatory liquidity adequacy ratio, supervises regulatory capital adequacy and credit risk exposure calculations,
- Ensure the design, updating and implementation of operational risk management tools
- Oversee adherence to Corporate Risk Management Framework in subsidiaries; ensure that an infrastructure for defining, measuring, monitoring and controlling risks is in place.

**SIDIKA DİZDAR** Director of Market and Structural Risk



Sıdıka Dizdar holds a bachelor's degree in Mathematics Begüm Kasapoğlu graduated from Istanbul Technical from Boğaziçi University and an Executive MBA from University with a degree in Mathematical Engineering the Middle East Technical University. She joined Garanti and later completed a Master's degree in Economics BBVA as a Management Trainee in 1996, where she at the same university. She joined Garanti BBVA Risk worked in Research, Treasury, Financial Control, Management Department in 2008 as a Management Risk Management and Ankara Commercial Regional Trainee (MT). After working in the Credit Risk and Marketing units until 2002. In 2002, Ms. Dizdar Validation units of the Risk Management Department, began working for a private bank abroad followed by she has been holding the position of Validation and Risk a twelve year tenure with the Banking Regulation and Management Control Director since May 2024. Supervision Agency. She returned to Garanti BBVA in 2016 and joined Asset and Liability Management The responsibilities of the Validation and Risk Department. Holding an ICF-certified PCC title, as Management Control Director are outlined below: well as FRM and SPL-Derivative Products Certificates, • Verify whether the Bank's risk models are used Dizdar has been holding the position of the Director of properly in line with their intended purpose and Market and Structural Risk since July 2018.

The responsibilities of the Market and Structural Risk Director are outlined below:

- Submit, review and update proposals for market, counterparty credit, country, structural interest rate, foreign exchange (FX) and liquidity risk based principles to be determined by the Board of Directors,
- Carry out risk-based measuring, monitoring and analysis activities; report their results regularly to relevant units, committees and senior management,
- · Perform second level control and assessment Perform market and structural risk based activities activities in order to check whether there are adequate within the scope of ICAAP, stress testing and risk internal regulations regarding measurement and appetite framework; monitor and report risk based mitigation of the risks that the Bank is exposed to, concentrations. sufficient controls and risk management practices · Conduct risk assessment for new business and that are aligned with internal regulations.
- product/services,
- Oversee adherence to Corporate Risk Management Framework in subsidiaries; ensure that an infrastructure for defining, measuring, monitoring and controlling risks is in place.

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#### **BEGÜM KASAPOĞLU**

Director of Validation and **Risk Management Control** 



- ensure the reliability of these models by applying tests accordingly,
- Inform the relevant departments/areas, committees and top management about the status of the risk models that aim to effectively manage risks that arise during banking activities, according to an accepted quality level, and to ensure follow-up of actions taken,
- To ensure that the validation studies in question are carried out independently from the teams that develop, monitor and use the model

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**EMRE ÖZBEK** Head of Compliance



Emre Özbek received his degree in business administration from Ankara University, Faculty of Political Sciences. He joined Garanti BBVA as an Assistant Auditor in 1999. He was appointed as the Assistant Director of the Internal Audit Department in 2007, as the Senior Vice President of the Internal Control Unit in 2009 and as the Head of Internal Audit Department in 2014. Mr. Özbek, who holds CIA (Certified Internal Auditor) and CBRM (Certified Business Resilience Manager) certifications and has 26 years of banking experience. Since August 1, 2015, Emre Özbek has been holding the position of Director of the Compliance Department and Bank Compliance Officer. Additionally, since May 2021, he has also held the position of Compliance Officer for the Garanti BBVA Financial Group. At the same time, he continues to serve as a Board Member of the Regulatory Compliance Association.

His responsibilities as the Head of Compliance are outlined below:

- Ensure that the Bank's compliance activities are carried out in accordance with applicable legislation and Garanti BBVA's goals and policies,
- Carry out all necessary activities to achieve compliance with the regulations issued in relation to prevention of money laundering and financing of terrorism, and provide necessary coordination and communication with MASAK (Financial Crimes Investigation Board),

• Develop the Bank's compliance policies, procedures and training programs in accordance with the legislation and ensure their effectiveness; carry out activities in relation to the identification and notification of suspicious transactions; provide the preparation of statistics on internal audits and trainings and inform MASAK, and fulfill the obligation of providing information and documentation to MASAK in conformity with the manner and methods defined by MASAK,

- Within the scope of compliance controls, ensure the compliance of the Bank's all current and future activities, transactions and products with the Banking Law and other applicable legislation, internal policies and rules, and with banking practices,
- Coordinate the activities within the scope of Personal Data Protection legislation,
- Develop recommendations for defining and mitigating compliance risks that may arise from regulatory changes,
- Ensure that code of conduct and other associated internal guidelines are established and managed,
- · Coordinate all organization-wide activities for achieving compliance with competition regulations and rules,
- Monitor compliance functions of all domestic/ overseas subsidiaries.

**BARIS ERSIN GÜLCAN** Head of Internal Control



Barış Ersin Gülcan graduated from Istanbul University Faculty of Economics. Completed a master's degree in Human Resources Management at the same university in 2001, with a thesis titled "Remote Working Method and Its Implementation as an Alternative Work Model in a Bank's Internal Audit Unit.". After starting his career as an Assistant Auditor at Garanti BBVA in 1997, he served in the Internal Audit Department for 10 years. During his 27- year experience in the banking sector, he functioned as Compliance Officer and Assistant Head of the Internal Audit Department. He assumed the position of Head of Internal Control in March 2014. Mr. Gülcan holds a CIA (Certified Internal Auditor) certificate since 2004 and a CPA (Certified Public Accountant) certificate since 2005.

The responsibilities of the Head of Internal Control are outlined below:

- Ensuring the establishment and oversight of the Bank's internal control system in compliance with applicable legal regulations, covering all areas of the Bank, and aligning with Garanti BBVA's objectives and policies.
- Collaborate with senior management to define the principles and procedures governing the distribution of internal control tasks between operational employees and internal controllers of Garanti BBVA.
- Prepare the annual business plans of the Internal Control, Unit and ensure that activities are performed in accordance with these plans,
- Verify that internal controllers possess the qualifications required by their authorities and responsibilities,



- Supervise that internal controllers perform their duties in an independent, diligent and unbiased manner,
- Have the information obtained from examination/ operational risk control activities, reports issued, and results of the analyses conducted interpreted; make recommendations to the relevant units for the establishment of new operational risk and control systems, adoption of necessary measures and creation of new procedures when necessary,
- Serving as the secretariat for the Operational Risk Admission and Product Governance Committee. which reviews and evaluates the control frameworks of new businesses and products before implementation, and the Corporate Assurance Committee, where key internal control matters of the Bank are discussed.
- Coordinating communication between the external audit firm and the Bank's business units and relevant management levels to ensure the timely and accurate exchange of information during external audits of banking processes conducted by the external audit firm.
- Ensure supervision of internal control functions at affiliates.

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**OSMAN BAHRİ TURGUT** 

Head of Internal Audit



Osman Bahri Turgut graduated from the Department of Economics of Marmara University in 1990. He started his career at Garanti BBVA as an assistant auditor after his graduation and throughout his career at the Bank, he worked as Corporate Marketing Branch Manager, Assistant Director of the Internal Audit Department, Commercial Loans Department Manager, Internal Control Unit Manager and Head of Internal Audit and Control. He currently serves as the Head of Internal Audit Department of Garanti BBVA. He has Capital Markets Activities Level 3, Corporate Governance Rating and Derivatives licenses. He also acts as a Board and Audit Committee Member at Garanti BBVA Pension, Garanti BBVA Asset Management, Garanti BBVA Securities and Garanti BBVA Digital Assets, Garanti BBVA Leasing and Garanti BBVA Fleet Management; a Board and Corporate Governance Committee Member at Garanti BBVA Factoring; a Board Member at Garanti Bank Pension Fund Foundation; an Audit Committee Member at Garanti BBVA Leasing SA, Garanti BBVA Consumer Finance SA and Garanti BBVA Payment Systems; a Board of Trustees and Audit Committee Member at Teachers Academy Foundation (ÖRAV); an Audit Committee Member at WWF Türkiye – World Wildlife Fund and the Chairperson of Board of the Institute of Internal Auditing – Türkiye.

The primary responsibilities of the Head of the Internal Audit Department in relation to the Department's activities are outlined below:

- Ensure that the activities of the Internal Audit Department are carried out in line with the regulatory framework, ethical and integrity principles,
- · Verify that the activities of the Internal Audit Department are compliant with internal audit principles and practices published by the BRSA or generally accepted ones; ensure that guidelines, procedures and methodologies, along with a suitable organization structure, are established for the performance of these activities,

- Effectively manage the Internal Audit Department in accordance with the goals set out in the Internal Audit Charter,
- Ensure that the Internal Audit Department remains independent and impartial, and inform the Board of Directors of any hindrance or bottleneck that can arise when conducting Garanti BBVA's activities, submit an annual explicit confirmation to the Audit Committee that the Audit function is being executed independently from management levels as a result of the personal assessment he will make,
- Ensure that the Internal Audit Department has adequate and appropriate tools and human resource to achieve its predetermined goals,
- Create the Annual Audit Plan in an integrated manner with the Multi-Year Plan,
- Prepare and implement contingency audit plans for audit needs that may arise due to regulatory changes or the Bank's specific needs,
- Submit the audit plan to the Audit Committee for approval, and conduct periodic reporting on the progress against the plan. Similarly, inform the Audit Committee of necessary major changes in the audit plan due to significant changes in the Bank's risk assessment or other circumstances,
- Inform the Board of Directors and the Audit Committee about the primary activities of the Internal Audit Department on a quarterly basis,
- Submit a report -at least once a year to the Audit Committee covering the audits conducted, the developments in the structure and internal governance of the Internal Audit Department, outcomes of quality assurance and improvement programs, HR management practices and declaration of independence,
- Inform the Board of Directors about the strategy he will devise for the audit function and associated action plans,
- Inform the Bank's Senior Management about the findings from the audits and suggested improvements.

**M. FERIDUN AKTAS Corporate Security Director** 

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M. Feridun Aktaş got his bachelor's degree in Electronics and Communication Engineering from İstanbul Technical University and his master's degrees in Electronics Engineering from Boğaziçi University and in Management (in English) from Marmara University. After working as an R&D engineer for approximately 3 years at a telecommunications company, Mr. Aktas started working at Garanti BBVA Technology in 1997. From 2009, he concurrently served as Network Technologies Expert, IT Security Manager and Strategic Support Unit Manager at Garanti BBVA Technology and as IT & Data Security Unit Manager at Garanti BBVA. He then worked as Director of Technology Governance and Security at a telecommunications operator for over 5 years starting from 2014. Mr. Aktaş rejoined Garanti BBVA Technology in October 2019, and currently serves as the Corporate Security Director.

Corporate Security encompasses responsibilities for Garanti BBVA's Information Security, Anti-Fraud Monitoring and Physical Security as outlined below:

Information Security

- Ensuring the preparation, implementation, and • Ensure that all necessary compliance activities are management of information security policies, carried out, reported and audit-related matters are implementation principles, and guidelines, as well managed before regulatory agencies for the functions as managing IT security and cybersecurity risks in within this scope. accordance with international standards.
- Designing, implementing, and operating the entire corporate IT security infrastructure.
- Ensure that Corporate Security personnel perform • Developing, implementing, and managing their duties independently and impartially, exercising cybersecurity functions to counter evolving threats. due professional diligence.
- Coordinating internal and external information security training and awareness programs.



Anti-Fraud Monitoring:

- Develop strategies and design, implement and operate necessary functions for minimizing financial and other losses that may arise from external fraud,
- Implement the arrangements that will ensure that business processes are protected, traceable and detectable against counterfeiting risk, together with the Bank's lines of business

Corporate Security:

- Assign Security Officers within the framework of the current law and the Bank's needs.
- Design, configure and operate measures against all kinds of physical security risks in the buildings, branches and in the settings where cash transactions are made,
- Design electronic security systems, closed circuit monitoring and warning mechanisms in ATMs, branches and campuses/ buildings, operate the "Alarm Center", and "Security Centers" in the buildings.

To this end:

- Prepare the annual business plan and the budget and ensure that operations are carried out according to this plan,
- Ensure compliance of activities in this field with BBVA Group standards and best practices,

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ALI ÖZGÜR TÜZEMEN Head of Data and **Business Analytics** 



Ali Özgür Tüzemen graduated from Bilkent University with a degree in Economics and completed his MBA at Istanbul Bilgi University. Over the course of his 28year career, he has worked in Retail and SME Banking Marketing & Sales, Business Analysis, and other related fields. Since February 2018, he has been holding the position of the Director of Data and Advanced Analytics.

The Director of Data and Advanced Analytics is responsible for the following areas:

- Developing artificial intelligence models and production processes to enhance customer experience, predict customer lifecycle, determine product needs and channel usage habits, optimize pricing and segmentation, improve process efficiency, and prevent fraud.
- Establishing a corporate data warehouse, defining its standards, and developing the necessary infrastructure for reporting, while setting up performance management and monitoring systems to support decision-making processes.
- Ensuring that regulatory and external reporting requirements are met accurately and on time.
- Managing calculation engines for Capital Adequacy Ratio (CAR) assessments, as well as the measurement of interest rate risk, operational risk, and counterparty risk. This includes generating input data for these models and ensuring the accurate reporting of outputs.
- Defining standards for data governance, including data ownership, definitions, and quality control rules, and overseeing related initiatives.
- Contributing to the development of the corporate data culture, supporting employees through training programs, and setting standards and policies for extracting value from data.

## **Remuneration and Financial Rights**

As published on the Bank's website, a Remuneration Policy for Bank employees has been established in accordance with the relevant Banking and Capital Markets legislation and this policy has been approved by the Board of Directors.

A remuneration structure consisting of fixed income and variable income items is envisaged. The Remuneration Committee and the Talent & Culture Unit authorized by said committee are responsible for the review and due execution of the remuneration policies.

The remuneration policy at Garanti BBVA is based on the principles of "equal pay for equal work" and "performance-based compensation". In addition to individual performance, the Bank closely monitors general macroeconomic conditions, the current inflation rate in Türkiye, and trends in the sector. The Bank's compensation package consists of fixed or variable components comprising a monthly salary and bonus, annual bonus, meal card, foreign language allowance, and other fringe benefits that may vary depending on the scope of the job or service location.

The benefits provided to the Members of the Board of Directors and senior executives are shown in the Financial Statements, and the upper limit of the total fee to be paid to the Members of the Board of Directors holding a specific position in the Bank and to the Independent Members of the Board of Directors in the said year is determined by being submitted to the approval of the shareholders at the General Assembly Meeting. The net payment amount provided/to be provided to the key executives of the Bank and its consolidated financial institutions, including payments related to those who have left, is TL 982 million 129 thousand as of December 31, 2024.

Since the public disclosure of the fees paid and benefits The Members of the Board of Directors are paid provided to key executives, including members of attendance fees. The attendance fee is determined and the board of directors, by the Bank is subject to the approved at the General Assembly Meeting. In addition regulations of the BRSA regarding the qualitative and to the attendance fee paid to the Members of the quantitative explanations regarding remuneration Board of Directors, at the Ordinary General Assembly policies, the said fees and benefits are stated collectively. Meeting held in 2024, the matters of determining the There is a shareholding plan under the category of payments to be made to the Members of the Board of specialized employees, and this plan is explained in the Directors and the Independent Members of the Board Remuneration Policy. As of the end of 2024, the number of Directors in case they assume a specific duty in the of specialized employees working at the Bank is 26. Bank by the Remuneration Committee authorized by the Board of Directors in accordance with the Corporate In the variable compensation of specialized employees, Governance Principles, and determining a net upper limit of 80,000,000 Turkish Lira for the total fee to be determined and paid until the ordinary general meeting to be held in 2025 were accepted.

payments are made based on both cash and non-cash (equity-based) instruments in accordance with the principles in the "Guide to Good Remuneration Practices in Banks". Within the scope of variable compensation for 2024 for specialized employees, Banco Bilbao Vizcaya Argentaria S.A. shares will be the basis for non-cash based payment applications.

As stated in the Remuneration Policy, there is a longthe Remuneration Committee established within the term variable remuneration component that framework of the Regulation on Corporate Governance will form part of the annual variable fees of senior Principles of Banks published by the BRSA. Within the executives who have a significant impact on Garanti framework of the provisions of the said Regulation, BBVA's risk profile. Among the indicators for the the form of payments made to Senior Executives and calculation of the said long-term incentive, there is a the criteria taken into account in performance-based decarbonization of the portfolio indicator that will payments have been determined by the Remuneration measure the degree of compliance of the Bank with Committee, taking into account the European Union the decarbonization targets of a number of sectors in regulations and practices. Accordingly, in addition which it publishes specific targets, and therefore will be to monthly salary payments, performance-based directly related to the BBVA Group's strategic priority payments determined by the Remuneration Committee of helping customers in the transition to a sustainable are made to Senior Executives based on objective future and the Bank's climate action targets. The share criteria consisting of the Bank's economic profitability of the said indicator among the long-term variable fee and basic performance principles, and subjective components of senior management is 15%. In addition, criteria based on the personal performance of the in the bank's corporate variable bonus model, the Senior Executive. "Channeling of Sustainable Business" indicator, which is among the basic performance indicators, aims The Remuneration Committee ensures that the to achieve the goals and objectives undertaken by the payments to be made do not adversely affect the Bank's Bank in terms of sustainability. This indicator measures capital adequacy ratio and the continuation of the the amount of financing channeled by Garanti BBVA Bank's activities. In addition, some of the performanceto sustainable businesses that contribute to the fight based payments are made on a deferred basis and in against climate change and the promotion of inclusive installments. growth, and has a **10%** weight among the metrics in the corporate bonus model for employees included in the corporate variable bonus model among Garanti BBVA employees.





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On the other hand, the other financial rights to be provided to the Senior Executives consisting of the Members of the Board of Directors, the General Manager and the Deputy General Managers are determined by



The Bank's wage system is based on job-based compensation, and people doing similar jobs receive similar wages. Duties are evaluated by objective criteria such as the competencies required by the duty, the risk it carries, and the number of people managed. The Bank's Remuneration Policy, determined within this framework, has been approved by the Board of Directors and presented to the shareholders at the Ordinary General Assembly Meeting. Currently, the said policy is publicly disclosed on the Bank's website in accordance with corporate governance principles. In Garanti BBVA's performance evaluation system, the performance of employees is measured depending on the targets and their realization. Systematic bonus and performance models are supported by concrete, measurable criteria during the evaluation and serve as important and effective management tools while ensuring fairness among employees, and also in expense management and efficiency. In this context, customer satisfaction, service quality and the effective management of human resources are among the basic factors affecting performance-based payments. The competitiveness of wage levels is also monitored by Garanti BBVA through sectoral wage surveys. The job descriptions, performance criteria and bonus system criteria of all positions in the Bank are announced transparently to all employees on the intranet.

The Bank Remuneration Policy has been implemented as approved. It is periodically reviewed. In addition to the Bank's remuneration policy covering all personnel, the Remuneration Committee, in accordance with the regulations, continued to implement its policies, which it determined for the fees and bonuses to be received by the Board Members and Senior Executives holding administrative duties, which are not only profitlinked, and reviewed them at various intervals. The implementation of the policy developed in parallel with local legislation and international practices has continued.

The Bank may extend loans to the Members of the Board of Directors or managers with administrative responsibility, subject to the limitations in the Banking Legislation. On the other hand, the loans to be extended to the Members of the Board of Directors and Managers by Garanti BBVA are restricted within a specific framework in Article 50 of the Banking Law. Loans are not extended to the Members of the Board of Directors and Managers outside this framework.

In relation to the benefits provided to bank employees, including members of the board of directors and senior executives, in 2024, the 12.27% portion of the total personnel expense figure in the financial statements is due to bonus and variable wage payments made depending on the performance of all employees.

#### **Gender Pay Gap**

In line with the equal pay for equal work principle outlined in the Bank's Compensation Policy, the Bank is committed to ensuring that all employees are compensated in accordance with the job value of their respective roles. The compensation model considers responsibility level, job functions, and each employee's professional career, ensuring internal equity and external competitiveness while also maintaining equal pay for men and women.

Each category defined within the compensation model holds a unique value based on responsibility level, functional complexity, and impact on results, and is linked to the achievement of predefined objectives.

The pay gap is calculated by comparing the total compensation of men and women in equal positions within the Bank. It is determined as the weighted average of differences observed across all positions. Total compensation includes both fixed income and annual variable pay (target bonuses) based on performance objectives.

According to the data for 2024, 2023, and 2022, the pay gap is as follows:

#### **Related Indicators**

Gender Pay Gap (Percentage)\*

Management Level**	Management Level**	Branch Manager/ Mid-Level Manager**	Rest of the Employees**	Average
2024 (Percentage)*	2.8	0.7	0,9	0.8

\* Median value given, as average metrics is negatively affected by extreme values (i.e. very high/very low). Annual total cash income data was used in the study and Garantibank International fees were not included in the calculations due to data confidentiality.

\*\* Management Level: Directors, Regional Managers, Corporate and Commercial Branch Managers, Managers

Branch Manager/Mid-level Managers: Branch Managers (except Corporate& Commercial branches), Senior Supervisors and Supervisors

Rest of the Employees: Associates, Specialists and Specialist Assistants, Assistants and Support Staff

#### **Donations Made in 2024**

The total amount of aid and donations made by the Bank during the year is 90,002,598 TL.

The Bank, with its understanding of adding value to society, mainly makes donations and aid to individuals, non-governmental organizations, associations or foundations, public institutions and organizations operating in the fields of education, culture, art, environment and sports. Donations can also be made for the purpose of promoting the Bank's corporate identity and expanding banking activities. The amount and beneficiaries of the donations and aid made by the Bank during the period are also communicated to the shareholders at the General Assembly meeting with a separate agenda item.

2024	2023	2022
0,8	0,3	(0,1)

Amounts Of Major Donations And The
Beneficiaries In 2024

Beneficiaries	Amount (TI)
Teachers Academy Foundation (ÖRAV)	36,767,269
Turkish Marine Environment Protection Association (TURMEPA)	21,203,729
Istanbul Foundation For Culture & Arts (IKSV)	12,905,600
Other Foundations, Associations and Organizations	19,126,000
Total	90,002,598

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## **Business Continuity Management**

Within the scope of Business Continuity Management, for Garanti BBVA and its subsidiaries, we aim to increase resilience against any possible event that may affect business continuity, to create a highly aware corporate culture, and to comply with regulations, international standards and best practices around the world. It is also among our goals to inspire other institutions with the good practices we have implemented within our organization and to develop cooperation in the sector.

All business units, buildings, regional directorates and branches at home and abroad, internal and external employees, all products and services provided, and the processes that support these products and services, as well as all data centers where the information systems infrastructure of these processes are located, are included in the scope of the management system. A structure has been established to protect employees, buildings, technology, information assets and other corporate resources against possible business continuity risks, to maintain Bank activities with the shortest possible interruption in case the risk occurs despite the measures taken, and to ensure the recovery of corporate resources. In this context, the standards, policies, plans and protocols prepared regarding Business Continuity and Information Systems Continuity were updated in 2024 with the approval of the Board of Directors, taking into account holding compliance. In order to exercise the Information Systems Continuity Plan, determine areas for development and improve the plan, a transition test to the secondary data center located in Ankara was carried out under the management of the Information Systems Continuity Committee. The design of our

Business Continuity Software, which includes all our end-to-end Business Continuity applications, has been started with in-house resources, and some modules have been implemented.

In 2024, periodic evaluations were made with the Corporate Crisis and Business Continuity Management Committee to convey the changes made within the scope of business continuity management and business continuity performance. Awareness trainings and role-based trainings were provided to increase business continuity awareness in the Bank and its subsidiaries. Again, ISO 22301 Business Continuity Basic Information and Internal Auditor Trainings were carried out with the participation of Bank and subsidiary representatives. Central coordination drills, in which different disaster scenarios such as earthquakes. floods, fires, and bad weather conditions were run, were planned separately with each of our regions/ branches, thus ensuring that all our regions/branches practiced the central coordination flow this year as well. In addition to the drills, all cases experienced nationwide in 2024 were successfully managed through the central coordination process. Apart from the national level disaster management coordination, it was ensured that our available resources served business continuity in different geographies affected by the disaster, and in this context, some of our mobile branches started to be used in the BBVA Valencia campuses after the flood disaster in Spain. In addition to Central Coordination drills, different types of tests such as satellite phone communication and periodic communication tests were also carried out. Globally effective incidents regarding incident management were examined and proactive actions that could make Garanti BBVA even more resilient were worked on.

With the awareness that we live in one of the world's With the participation of volunteer employees, most active fault line geographies, ensuring the safety the Garanti BBVA Search and Rescue Team was of our employees and their families, our customers, established, and after the supply of materials and the and our suppliers, and at the same time securing our receipt of technical training under the consultancy of business continuity, is always our top priority. For this AKUT, AFAD trainings were completed, and studies are purpose, our Marmara Earthquake Preparedness continuing in the accreditation process Program, which includes more than 50 projects that we started preparing in 2020, continues its work at full speed under the sponsorship of our Corporate Crisis and Business Continuity Management Committee. Within the framework of social responsibility, information about the program has been shared with different institutions in the sector at the Turkish Banks Association. Within the scope of the program, comprehensive studies are carried out under the headings of "Disaster Management, Employee, Customer and Society Focused Studies, Life Safety, Technology and Supplier Focused Projects". In 2024, cooperation studies were carried out with AFAD, AKOM, Kandilli Observatory, Istanbul Technical University, Borsa Istanbul Group, Central Bank and many other institutions, especially on disasters. In order to reach our employees as quickly as possible in the event of a disaster, to be able to report their needs with one click in a structured way after seconds and to communicate interactively, "Garanti BBVA Disaster Communication Line" has been put into operation. In addition to this communication channel, Emergency Kits have been distributed to support our employees and their families in their disaster preparedness in the first 72 hours, which can be considered as the acute period. Face-to-face practical Family Disaster Plan Training was given to approximately 11,400 employees. Awareness and awareness raising efforts have been carried out from many different platforms to create a high level of earthquake awareness corporate culture, life support preparations for vital needs such as food, water, hygiene, first aid kit, and operational preparations have been carried out on issues such as shelter, evacuation, and psychological support.

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## **Our Procurement Processess and Suppliers**

Garanti BBVA adheres to its procurement procedure, which establishes purchasing principles and ethical guidelines across all operations. Within this framework, institutional needs are met efficiently using technological infrastructure, ensuring competitive pricing and high-quality service. By defining standard business processes, the procurement procedure aims to enhance consistency and efficiency. Additionally, policies and control mechanisms are established and monitored to prevent conflicts of interest between employees and suppliers. Garanti BBVA places great importance on establishing transparent and sustainable relationships with suppliers. Within this scope, the Bank procures goods and services across various sectors, including communication, media and marketing, general and professional services, insurance, construction, logistics, technology and infrastructure, hardware, and software, based on its needs. By leveraging digital tools, the procurement process is optimized to save time and costs, accelerating operations. As part of its digital transformation efforts, Garanti BBVA has launched the Garanti BBVA Supplier Portal, fully integrating suppliers into its procurement processes. Through the Supplier Portal, all firms currently working with or interested in collaborating with Garanti BBVA can complete the application process, submit necessary documents and information for agreements, manage contract and evaluation processes-all in a digital environment. Furthermore, thanks to the Garanti **BBVA Supplier Portal**, all relevant stakeholders can conduct their transactions securely and transparently

As of the end of 2024, Garanti BBVA worked with 1.501 suppliers, of which 88% were local and 12% were international. All suppliers have been evaluated, and 98% were classified as eligible suppliers.

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, anticorruption, 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.

# **General Shareholders' Meetings**

General Shareholders' Meeting is held in accordance The meeting minutes and the list of attendants of the with the resolution adopted by the Board of Directors. General Shareholders' Meeting are posted on the Public For reaching the highest number of shareholders Disclosure Platform (KAP), e-Company Companies possible, the General Meeting announcement including Information Portal, e-General Meeting Electronic the meeting date, venue, agenda and similar information General Meeting System, and Garanti BBVA Investor is duly announced at least three weeks prior to the Relations website on the same day, and is published meeting date as per the provisions stipulated in the in the Trade Registry Gazette following its registration. Communiqué via the Turkish Trade Registry Gazette, Resolutions adopted in the General Shareholders' Public Disclosure Platform (www.kap.gov.tr), e-Investor: Meeting are carried out in accordance with the legal Investor Information Center, e-Company Companies procedures within due time. Pursuant to the provisions Information Portal (www.mkk.com.tr), e-General of the Regulation on Electronic General Meeting at Joint Meeting Electronic General Meeting System (www. Stock Companies and the Communiqué on Electronic mkk.com.tr), the Bank's websites and two national General Meeting System Applicable at General Assemblies of Joint Stock Companies, attendance to, newspapers. and voting at, the General Shareholders' Meeting via the Electronic General Meeting System is permissible. In addition, holders of depositary receipts have the right to vote and can do so at the General Shareholders' Meeting.

The Bank invites all stakeholders to the General Shareholders' Meeting, who will be voiceless during such meetings. Before the meeting, balance sheets, income statements and annual reports are made available for review by shareholders within the timeframe determined in the applicable legislation on the Garanti BBVA Investor Relations website, at the Head Office and at all branches.

In General Shareholders' Meeting, agenda items are discussed and submitted for the shareholders' approval. Shareholders are entitled to ask questions, express their opinions and submit proposals regarding the agenda items. Questions are handled and answered in accordance with the regulations of the Capital Markets Board as well as the principles and procedures specified in the Turkish Commercial Code. Proposals are submitted for approval at the General Shareholders' Meeting and become effective if approved by the specified majority.

**ORGANIZATIONAL** STRUCTURE





The minutes and the list of attendants of the General Shareholders' Meeting are available to shareholders on Garanti BBVA Investor Relations websites. These documents can also be obtained from the Subsidiaries and Shareholders Service.

Garanti BBVA held its Ordinary General Shareholders' Meeting for the period 01 January 2023 - 31 December 2023 on 27 March 2024 and the meeting quorum realized at 90.90%. Media representatives did not attend the General Shareholders' Meeting. At the meeting, one shareholder lodged a statement of opposition, and expressed demands; in response, necessary information has been given within the frame of the CMB regulations and the principles and procedures set out in the Turkish Commercial Code. There were no transactions in the reporting period for which the decision was left to the General Assembly of Shareholders by reason of dissenting votes cast by independent board members.

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## Compliance with Corporate Governance and Sustainability Principles

Garanti Bankası A.Ş. ("Garanti Bank" or "Garanti" or "the Bank" or "Garanti BBVA) complies with the corporate governance principles set out by the banking legislation, capital market legislation, the Turkish Commercial Code and ancillary regulations, and pays the utmost attention to implement these principles.

Garanti BBVA accordingly updates its annual reports and website, making them available to its stakeholders. The shareholders can access comprehensive information, get information about the latest developments and activities from the regularly updated Garanti BBVA Investor Relations website, and can address their questions to the Investor Relations Department and to the Subsidiaries and Shareholders Service.

In keeping with Garanti BBVA's commitment to corporate governance principles, information about the Bank's compliance with non-mandatory principles under the Corporate Governance Communiqué numbered II-17.1 is provided under the related headings of the Corporate Governance Principles Compliance Report. In addition, disclosures within the scope of Sustainability Principles Compliance Framework as per the Communiqué no: II.17.1, decision dated 23.06.2022 and numbered 34/977, are provided under the related headings.

The Corporate Governance Committee, responsible for overseeing compliance with corporate governance principles and for ensuring that relevant improvement efforts are carried out at the Bank, was established in February 2013, pursuant to the Regulation on the Banks' Corporate Governance Principles published by the Banking Regulation and Supervision Agency ("BRSA") and the Communiqué Serial: IV-56 on the Determination and Implementation of Corporate Governance Principles issued by the CMB, which was effective at the time. In 2024, the Committee held 4 meetings with full participation of its members. The Board of Directors deemed that the activities performed by the Corporate Governance Committee in 2024 were efficient, appropriate, adequate and compliant with the relevant legislation. The activities of the Corporate Governance Committee are presented in detail on the Investor Relations website. On the other hand, Garanti BBVA, during 2024, achieved compliance with all of the mandatory principles of the Corporate Governance Communiqué No. II-17.1.

Corporate Governance Principles	Full Compliance	Partial Compliance	N/A	Exempted	No Compliance
Shareholders	15	0	1	0	1
Public Disclosure and Transparency	5	0	0	0	0
Stakeholders	20	0	0	0	1
Board of Directors	22	1	1	0	1
Total	62	1	2	0	3

Sustainability Principles Compliance	Full Compliance	Partial Compliance	N/A	No Compliance
General	12	0	0	0
Environmental	24	0	0	0
Social	18	0	0	0
Governance	2	0	0	0
Total	56	0	0	0

### **Compliance Reporting to Corporate Governance Principles**

#### **Corporate Governance Compliance Report**

Compliance Status	Yes	Partially	No	Exempted
1.1. FACILITATING THE EXER	CISE OF	SHAREHOL	DERS F	RIGHTS
1.1.2 - Up-to-date information and disclosures which may				

disclosures which may affect the exercise of x shareholder rights are available to investors on the corporate website.

#### 1.2. RIGHT TO OBTAIN AND REVIEW INFORMATION

1.2.1- Management did not enter into any transaction that would X complicate the conduct of special audit.



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Not Applicable

Explanation

INTRODUCTION ABOU GARANTI	POSITION IN THE	2024 FINANCIAL RESULTS SUSTAINABILITY	RISK TALENT & MANAGEMENT CULTURE	COMMUNITY	1 1	CUSTOMER EXPERIENCE	DATA AND ORGANIZ TECHNOLOGY STRUC
Compliance Status	Yes Partially No Exempted A	Not Explanation		Compliance Sta	atus Yes	Partially	No Exempted Ar
1.3. GENERAL ASSEMBLY				1.4. VOTING RIG	GHTS		
1.3.2 - The company ensures the clarity of the General Assembly agenda, and that an item	Х			1.4.1 - There is no preventing share from exercising shareholder righ	eholders X their		
on the agenda does not cover multiple topics. 1.3.7 -Insiders with				1.4.2- The comp not have shares privileged voting	that carry X		
privileged information have informed the Board of Directors about transactions conducted on their behalf within the scope of the company's activities in order for these transactions to be presented at the General Shareholders' Meeting.		Х		1.4.3 - The comp withholds from e voting rights at t Shareholders' M any company wi it has cross-own case such cross provides manag control.	bany exercising its he General leeting of th which X hership, in -ownership		
1.3.8 - Members of the				1.5. MINORITY	RIGHTS		
board of directors who are concerned with specific agenda items, auditors, and other related persons, as well as the officers who are responsible for the preparation of the financial statements were present at the General Shareholders' Meeting.	Х			1.5.1-The compa maximum dilige exercise of mino	nce to the X		
1.3.10- The agenda of the General Shareholders' Meeting included a separate item detailing the amounts and beneficiaries of all donations and contributions.	Х			1.5.2- The Article Association exte			
1.3.11 - The General Shareholders' Meeting was held open to the public, including the stakeholders, without having the right to speak.	Х			minority rights t own less than or of the outstandin and expand the minority rights.	o those who ne twentieth ng shares,		Х





Not Applicable

Explanation

Contrary to what is suggested in the principle numbered 1.5.2, there is no provision in the Bank's Articles of Association to extend the use of minority rights to those who own less than one twentieth of the outstanding shares. Shareholders constituting at least one twentieth of the capital are entitled to request the Board of Directors to summon the general assembly for a meeting, by specifying the grounds therefor along with the agenda, which should both be put in writing, or if the general assembly is already scheduled to meet, then to request the addition of matters they wish to be decided to the agenda, under Article 411 of the Turkish Commercial Code No. 6102. As and when such a request is received, the Bank takes the utmost care for facilitating the exercise of minority rights. In-line with our Bank's proactive, transparent and consistent communication strategy, utmost care is given to ensure that information is delivered with equal opportunities for everyone at all times. Bilingual Investor Relations (IR) web site offer constant and worldwide access to the relevant information by focusing on the needs of the whole investors. Garanti BBVA Investor Relations websites contains stock data, corporate information, periodically published financial statements and annual reports, information about corporate governance, sustainability and projects that add value to the society. This website also gives access to Material Event Disclosures pertaining to developments regarding Garanti BBVA, which are disclosed to the public via the Public Disclosure Platform. This website also responds to all sorts of user needs with the Investor Kit that contains basic, practical information and the Download Center function that covers all documents

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Compliance StatusYesPartiallyNoExempted1.6. DIVIDEND RIGHT1.6.1 - The dividend policy<br/>approved by the General<br/>Assembly is posted on the<br/>company website.XX1.6.2 -The dividend policy<br/>comprises the minimum

Х

information to ensure that the shareholders can have X an opinion on the procedure and principles of dividend distributions in the future.

1.6.3 - The reasons for retaining earnings, and their allocations, are stated in the relevant agenda item.

1.6.4 -The Board reviewed whether the dividend policy balances the benefits of the X shareholders and those of the company.

#### 1.7. TRANSFER OF SHARES

1.7.1 - There are no		
restrictions preventing	v	
shares from being	^	
transferred.		

#### 2.1. CORPORATE WEBSITE

2.1.1 -The company website includes all elements listed in Corporate Governance Principle 2.1.1.	X
2.1.2- The shareholding structure (names, privileges, number and ratio of shares, and beneficial owners of more than 5% of the issued share capital) is updated on the website at least every 6 months.	Х
2.1.4 - The company website is prepared in other selected foreign languages, in a way to present exactly the same information with the Turkish content.	Х

Not

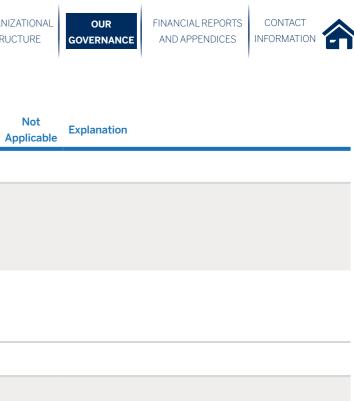
Applicable

Explanation

Compliance Status	Yes	Partially	No	Exempted	Ар
2.2. ANNUAL REPORT					
2.2.1 - The board of directors ensures that the annual report represents a true and complete view of the company's activities.	Х				
2.2.2 - The annual report includes all elements listed in Corporate Governance Principle 2.2.2.	Х				
3.1. CORPORATION'S POLICY	'ON ST	AKEHOLDE	RS		
3.1.1- The rights of the stakeholders are protected pursuant to the relevant regulations, contracts and within the framework of bona fides principles.	Х				
3.1.3 - Policies or procedures addressing stakeholders' rights are published on the company's website.	Х				
3.1.4 - A whistleblowing program is in place for reporting legal and ethical issues.	Х				
3.1.5 - The company addresses conflicts of interest among stakeholders	Х				

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

3.2.1 - The Articles of Association, or the internal regulations (terms of reference/manuals) regulate the participation of employees in management.		Х	
3.2.2 - Surveys/other research techniques, consultation, interviews, observation method etc. were conducted to obtain opinions from stakeholders on decisions that significantly affect them.	Х		



Contrary to what is suggested in the principle numbered 3.2.1, there are no written internal regulations in the the participation of employees in Management. However, employees are provided with the opportunity to comment on all projects and activities carried out in line with the Bank's strategic priorities, ensuring their involvement in decisions. Senior and middle-level managers participate in decision-making mechanisms via 19 committees

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Compliance Status	Yes	Partially No	Exempted	Not Explanatio	n			Compliance Statu	ıs	Yes Partially	No Exer	mpted Ar
8.3. HUMAN RESOUI	RCES POLICY							3.3. HUMAN RES	OURCES POL	ICY		
3.3.1 - The company adopted an employm policy ensuring equa opportunities, and a succession plan for a managerial positions	nent <sup>al</sup> X all key							3.3.8 - The comp ensures freedom association and s the right for collec bargaining.	of supports	Х		
3.3.2 - Recruitment c are documented.								3.3.9 - A safe wor environment for e is maintained.	-	Х		
3.3 - The company as a policy on huma								3.4. RELATIONS	WITH CUSTO	MERS AND SUP	PLIERS	
sources development nd organizes trainin nployees.	ient, X							3.4.1- The compa measured its cus satisfaction, and	tomer operated	Х		
3.4 - Meetings have een organized to inf								to ensure full cust satisfaction.	tomer			
ployees on the fin tus of the compar nuneration, caree	ny, X er							3.4.2 - Customer notified of any de handling their rec	lays in	Х		
ning, education a th. 5 - Employees, or r representatives	r							3.4.3 -The compa complied with the standards with re its products and	e quality espect to	Х		
ere notified of decis apacting them. The binion of the related bions was also take 3.6 - Job descriptio	e X d trade en. ons							3.4.4 - The comp place adequate c protect the confic of sensitive inforr and business sec	ontrols to dentiality mation crets of its	х		
nd performance cri ave been prepared t mployees, announc	for all							customers and su				
them, and taken in count to determine ployee remunerat	nto e							3.5.1 - The board corporation has a code of ethics, dis	of the adopted a	X		
.3.7 - Measures procedures, training aising awareness, gr nonitoring, complair nechanisms) have een taken to preven iscrimination, and to rotect employees at	oals, nt X nt X igainst							the corporate we 3.5.2- The compa been mindful of it responsibility and adopted measure prevent corruption bribery.	bsite. any has ts social d has es to	х		

any physical, mental, and emotional mistreatment.



INTRODUCTION	ABOUT GARANTİ BBVA	GARANTI BBVA'S POSITION IN THE SECTOR	OUR VALUE CREATION	2024 FINANCIAL RESULTS	SUSTAINABILITY	RISK MANAGEMENT	TALENT & CULTURE	INCLUSIVE GROWTH	CUSTOMER EXPERIENCE	DATA AND TECHNOLOGY	ORGANIZ STRUC
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Compliance Status

Not Explanation

Applicable

#### 4.1. ROLE OF THE BOARD OF DIRECTORS

Yes Partially

No Exempted

4.1.1- The board of directors has ensured strategy and risks do not threaten the long-term interests of the company, and that effective risk management is in place.	Х			
4.1.2- The agenda and minutes of board meetings indicate that the board of directors discussed and approved strategy, ensured resources were adequately allocated, and monitored company and management performance.	Х			

#### 4.2. ACTIVITIES OF THE BOARD OF DIRECTORS

4.2.1- The board of directors documented its meetings and reported its activities to the shareholders.	X
4.2.2- Duties and authorities of the members of the board of directors are disclosed in the annual report.	X
4.2.3 - The board has ensured the company has an internal control framework adequate for its activities, size and complexity.	X
4.2.4- Information on the functioning and effectiveness of the internal control system is provided in the annual report.	X
4.2.5 - The roles of the Chairman and Chief Executive Officer are separated and defined.	X

Compliance Status	Yes	Partially	No	Exempted	ŀ
4.2. ACTIVITIES OF THE BO	ARD OF	DIRECTORS			
4.2.7- The board of directors ensures that the Investor Relations Department and the corporate governance committee work effectively. The Board works closely with them when communicating and settling disputes with shareholders.	Х				
4.2.8 - The company has subscribed to a Directors and Officers Liability insurance covering more than 25% of the capital.	Х				
4.3. STRUCTURE OF THE BO	DARD OI		S		
4.3.9-The board of					

4.3.9-1 he board of directors has approved the policy on its own composition, setting a minimal target of 25% for female directors. The Board annually evaluates its composition and nominates directors so as to be compliant with the policy.	Х
4.3.10 - At least one member of the audit committee has 5 years of experience in audit/ accounting and finance.	Х





Not Applicable

Explanation

There is no KAP announcement. The Bank's paid-in capital is TL 4.2 billion ; and it has subscribed to a Directors and Officers Liability cover with a limit of Eur 100 million (BBVA and Garanti BBVA included) for the individual liabilities of executives and Board members arising from their improper conduct.

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Compliance Status	Yes Partially No Exempted Not Applicable	Explanation	(	Compliance Status	Yes	Partially	No	Exempted
4.4. BOARD MEETING PROC	EDURES		4	4.5. BOARD COMMITTEES				
4.4.1 - Each board member attended the majority of the board meetings in person.	Х							
4.4.2 - The board has formally approved a minimum time by which information and documents relevant to the agenda items should be supplied to all board members.	X		S	4.5.5 - Board members serve in only one of the Board's committees.			Х	
4.4.3 - The opinions of board members that could not attend the meeting, but did submit their opinion in written format, were presented to other members.	Х		i r	4.5.6- Committees have invited persons to the meetings as deemed necessary to obtain their views.	Х			
4.4.4 - Each member of the board has one vote.	X		2	4.5.7 - If external consultancy services are				
4.4.5 - The board has a charter/written internal rules defining the meeting procedures of the board.	Х		t	used, the independence of the provider is stated in the annual report.	Х			
4.4.6 - Board minutes document that all items on the agenda are discussed, and board resolutions	X		c ł	4.5.8 - Minutes of all committee meetings are kept and reported to board members.	Х			
include director's dissenting opinions, if any.								
4.4.7 - There are limits to external commitments of board members. Shareholders are informed of board members' external commitments at the General Shareholders' Meeting.	Х	Board members' external commitments are presented for the information of shareholders at the General Meeting. The Bank's Board members comply with the banking legislation and Garanti BBVA Board of Directors Suitability and Diversity Policy regarding the external entities they can serve						

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#### Not Explanation Applicable

When the number of members of the Board of Directors and the number of members of the committees are taken into consideration, a member of the Board of Directors may take part in more than one committee. On the other hand, the only committee established according to the Corporate Governance Principles is the Corporate Governance Committee (with the functions of the Nominating Committee). There are three members of the Board of Directors in the Corporate Governance Committee. Other board committees (Risk, Credit, Audit and Remuneration) were established in accordance with the Banking Law No. 5411



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Yes

**Compliance Status** 

Not Partially No Exempted Applicable

		Applicable
4.6. FINANCIAL RIGHTS		
.6.1 - The board of directors as conducted a Board erformance evaluation o review whether it as discharged all its esponsibilities effectively.	Х	
6.4 - The company did not tend any loans to its board ectors or executives, r extended their lending riod or enhanced the tount of those loans, or prove conditions thereon, d did not extend loans der a personal credit title third parties or provided arantees such as surety in or of them.		Since one of the main activities of the Bank is extending loans, Board Members and executives with administrative responsibilities may also be granted with loans or credit cards, in accordance with the limits determined under the relevant banking legislation and the Bank's internal policies
5 - The individual nuneration of board mbers and executives isclosed in the annual ort.	X	The benefits provided to the Board of Directors members and senior executives are shown in the Financial Statements, and the upper limit of total remuneration to be paid during any given year to Board members undertaking a specific role at the Bank and to independent Board members are submitted for approval and determined at the General Meeting of Shareholders. As of 31 December 2024, the net payment provided or to be provided to the key managers of the Bank, including the members of the Board of Directors, including compensations paid to key management personnel who left their position during the year, as of December 31, 2024, it is 982 million 129 thousand TL. As the public disclosures regarding the remunerations and benefits provided to key managers including Board members are subject the BRSA's regulations on the banks' qualitative and quantitative disclosures with regard to the remuneration policies, such remunerations and benefits are disclosed cumulatively

Explanation

## **Corporate Governance Compliance Report**

1. SHAREHOLDERS	Rer
1.1. Facilitating the Exercise of Shareholders Rights	
The number of investor meetings (conference, seminar/etc.) organized by the company during the year	In 2 con inte
1.2. Right to Obtain and Review Information	
The number of special audit request(s)	Nor an i pur sha Ass in o sha hav stip rec req the
The number of special audit requests that were accepted at the General Shareholders' Meeting	Nor
1.3. General Assembly	
Link to the PDP announcement that demonstrates the information requested by Principle 1.3.1 (ad)	htt
Whether the company provides materials for the General Shareholders' Meeting in English and Turkish at the same time	Ava Tur httj yon Top Eng httj gov Ger
The links to the PDP announcements associated with the transactions that are not approved by the majority of independent directors or by unanimous votes of present board members in the context of Principle 1.3.9	Nor
The links to the PDP announcements associated with related party transactions in the context of Article 9 of the Communiqué on Corporate Governance (II-17.1)	Nor

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FINANCIAL REPORTS AND APPENDICES





#### emarks / Related Links

2024, Garanti BBVA Investor Relations team participated in 13 investor nferences and roadshows and held in total 240 meetings with local and ernational investment funds.

one. The appointment of a special auditor has not been set forth as individual right in the Articles of Association of the Bank. However, rsuant to Article 438 of the Turkish Commercial Code No. 6102, areholders have the right to request a special audit from the General sembly of Shareholders, whether included in the agenda or not, order to clarify certain aspects within the frame of exercising areholders' rights, provided that shareholders making such request ve previously exercised the right to obtain or review information as pulated in the Turkish Commercial Code. So far, Garanti BBVA has not ceived any request for the appointment of a special auditor. If such a quest is received, then the Bank will take maximum care for facilitating e exercise of such special audit right.

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#### tps://www.kap.org.tr/tr/Bildirim/1254513

vailable. The link to the related website: ırkish: tps://www.garantibbvainvestorrelations.com/tr/kurumsalnetim/olagan-genel-kurul-toplantilari/Olagan-Genel-Kurulplantilari/452/0/0 nglish: tps://www.garantibbvainvestorrelations.com/en/corporate-

vernance/Ordinary-General-Shareholders-Meetings/Annualeneral-Meeting/102/0/0

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1. SHAREHOLDERS	Remarks / Related Links	1. SHAREHOLDERS	Rer
1.3. General Assembly		1.6. Dividend Right	
The links to the PDP announcements associated with common and continuous transactions in the context of Article 10 of the Communiqué on Corporate Governance (II-17.1)	None	The name of the section on the corporate website that describes the dividend distribution policy	htt soc
The name of the section on the corporate website that demonstrates the donation policy of the company	https://www.garantibbvainvestorrelations.com/en/environment- social-governance/detail/Donation-and-Contribution- Policy/99/410/0		The Bal of S vot
he relevant link to the PDP with minute of the General Shareholders' Meeting where the donation policy has been pproved	https://www.kap.org.tr/en/Bildirim/265119	Minutes of the relevant agenda item in case the board of directors proposed to the general assembly not to distribute dividends, the reason for such proposal and information as to use of the dividend	202 oft Pro be
he number of the provision(s) of the articles of association nat discuss the participation of stakeholders to the General hareholders' Meeting	While the Articles of Association does not contain any provisions to that effect, the Bank invites all stakeholders to the General Meetings of Shareholders, who will be voiceless during such meeetings. Hence, such invitation is explicitly stated in the invitation to the General Shareholders Meeting.		29.0 sub http pdf
dentified stakeholder groups that participated in the General Neeting of Shareholders, if any	General Meeting minutes are available to shareholders in media and locations stipulated by applicable legislation. The members of the media did not attend the General Meeting convened in 2024. The Bank invites all stakeholders to the General Meetings of Shareholders, who will be	PDP link to the related general meeting minutes in case the board of directors proposed to the General Assembly not to distribute dividends	htt;
	voiceless during such meetings.	General Meeting Date	27.0
4. Voting Rights		The number of information requests received by the company regarding the clarification of the agenda of the General	0
/hether the shares of the company have differential voting rights	No	Shareholders' Meeting	
case that there are voting privileges, indicate the owner and rcentage of the voting majority of shares	There are no voting privileges	Shareholder participation rate in the General Shareholders' Meeting	90.9
he percentage of ownership of the largest shareholder	85,97%	Percentage of shares directly present at the GSM	0.0
5. Minority Rights		Percentage of shares represented by proxy	99.9
Whether the scope of minority rights enlarged (in terms of content or the ratio) in the articles of association	No	Specify the name of the page of the corporate website that contains the General Shareholders' Meeting minutes, and also	Gar Soc <b>htt</b>
If yes, specify the relevant provision of the articles of association	None.	indicates for each resolution the number of votes for or against	soc Ger
		Specifiy the name of the page of the corporate website that	Gar Soc







#### emarks / Related Links

#### ttps://www.garantibbvainvestorrelations.com/en/environmentocial-governance/detail/Dividend-Distribution-Policy/96/407/0

he Board of Directors' proposal for the distribution of the Bank's 2023 Balance Sheet Profit was laid down for approval at the General Meeting f Shareholders held on 27 March 2024 and approved with majority of otes. It is resolved that, from the after-tax profit of the Bank for the year 2023 in the amount of TL 87,331,719,888.51 in accordance with Article 45 f the Articles of Association of our Bank titled as the "Distribution of the Profit"; the gross cash dividend in the amount of TL 13,099,758,000.00 be distributed to our Shareholders, dividend distribution be initiated on 29.03.2024. The information provided to our Shareholders regarding the ubject is stated in article 7 of the document whose link follows: ttps://www.garantibbvainvestorrelations.com/en/images/ df/20240327-General-Assembly-Meeting-Minutes-KVKK.pdf

#### ttps://www.kap.org.tr/en/Bildirim/1263420

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ranti BBVA Investor Relations Website Main Page > Environment, cial And Governance > Governance > Annual General Meeting tps://www.garantibbvainvestorrelations.com/en/environment- cial-governance/Ordinary-General-Shareholders-Meetings/Annual- neral-Meeting/102/0/0
ranti BBVA Investor Relations Website Main Page > Environment,

Social And Governance > Governance > Annual General Meeting https://www.garantibbvainvestorrelations.com/en/environmentsocial-governance/Ordinary-General-Shareholders-Meetings/Annual-General-Meeting/102/0/0

https://www.garantibbvainvestorrelations.com/en/environment-GeneralShareholders' Meeting minutes in relation to related party social-governance/Ordinary-General-Shareholders-Meetings/Annual-General-Meeting/102/0/0

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contains all questions asked in the general assembly meeting and

The number of declarations by insiders received by the board of

The link to the related PDP general shareholder meeting

The number of the relevant item or paragraph of the

all responses to them

transactions

directors

notification

https://www.kap.org.tr/tr/Bildirim/1263420

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2. PUBLIC DISCLOSURE AND TRANSPARENCY

**Remarks / Related Links** 

2.1. Corporate Website	
Specify the names of the sections of the website providing the nformation requested by the Principle 2.1.1.	Trade registry information: Garanti BBVA Investor Relations website Home > Contact > Garanti BBVA Latest shareholding and management structure: Garanti BBVA Investor Relations website Home > About Garanti BBVA > Shareholding Structure Detailed information on preference shares: There are no preference shares. The latest version of the Articles of Association: Garanti BBVA Investor Relations website Home > Environment, Social and, Governance > Articles of Association Disclosures: Garanti BBVA Investor Relations website Home > News > Disclosures Financial Reports and Annual Reports: Garanti BBVA Investor Relations website Home > Library Prospectuses and other public disclosure documents: Garanti BBVA Investor Relations website Home > News > Disclosures General meeting documents: Garanti BBVA Investor Relations website Home > Environment, Social and, Governance > Annual General Meetings Dividend distribution policy: Garanti BBVA Investor Relations website Home > Environment, Social and, Governance > Policies > Dividend Distribution Policy Disclosure policy: Garanti BBVA Investor Relations website Home > Environment, Social and, Governance > Policies > Dividend Distribution Policy Disclosure policy: Garanti BBVA Investor Relations website Home > Environment, Social and, Governance > Policies > Dividend Distribution Policy Disclosure policy: Garanti BBVA Investor Relations website Home > Environment, Social and, Governance > Policies > Disclosure Policy Ethical rules created by the company: Garanti BBVA Investor Relations website Home > Environment, Social and, Governance > Policies > Code of Ethics Frequently asked questions: Garanti BBVA Investor Relations website Home > FAQ
f applicable, specify the name of the sections of the website providing the list of shareholders (ultimate beneficiaries) who directly or indirectly own more than 5% of the shares	https://www.garantibbvainvestorrelations.com/en/about-garanti/ detail/Shareholding-Structure/7/16/0
ist of languages for which the website is available	<ul> <li>Garanti BBVA has two different websites prepared in Turkish and English languages. These can be accessed as follows:</li> <li>The website in Turkish www.garantibbva.com.tr</li> <li>The website in English www.garantibbva.com.tr/en</li> <li>Garanti BBVA Investor Relations website provides detailed information, both in Turkish and English, about data that are required to be covered in websites as per the Corporate Governance Principles and all other information about Garanti BBVA and share in line with stakeholders' needs.</li> <li>Investor Relations website in Turkish: www.garantibbvajatirimciiliskileri.com</li> <li>Investor Relations website in English: www.garantibbvajatirimciiliskileri.com</li> </ul>

#### 2. PUBLIC DISCLOSURE AND TRANSPARENCY

#### 2.2. Annual Report

The page numbers and/or names of the sections in the Annual Report that demonstrate the information requested by Principle 2.2.2.

> a) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on the external of the members of the board of directors and executives conducted out of the company and declarations on independence of board members

b) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on Committees and Policies committees formed within the board structure

c) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on the number of board meetings in a year and the attendance of the members to these meetings

c) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on amendments in legislation which may significantly affect the activities of the corporation

d) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on significant lawsuits filed against the corporation and the possible results thereof

e) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on the conflicts of interest of the corporation among the institutions that it purchases services on matters such as investment consulting and rating and the measures taken by the corporation in order to avoid from these conflicts of interest

f)The page numbers and/or name of the sections in the Annual Report that demonstrate the information on the cross ownership subsidiaries that the direct contribution to the capital exceeds 5%

BRSA Consolidated Financial Statements As of and For the Year Ended 31 December 2024, 5.1.11.2. Financial report can be reached at Garanti BBVA Investor Relations website > Library section

g) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on social rights and professional training of the employees and activities of corporate social responsibility in respect of the corporate activities that arises social and environmental results





**Remarks / Related Links** 

Section: Board of Directors

Organizational Structure

Section: Important developments regarding 2024 Operations

Section: Important developments regarding 2024 Operations

Section: Support Services Providers

Talent & Culture section, Sustainability Section, Community Investments section, Remuneration and Financial Rights section



INTRODUCTION	ABOUT GARANTİ BBVA	GARANTI BBVA'S POSITION IN THE SECTOR	OUR VALUE CREATION	2024 FINANCIAL RESULTS	SUSTAINABILITY	RISK MANAGEMENT	TALENT & CULTURE			CUSTOMER EXPERIENCE	DATA AND TECHNOLOGY	ORGANIZ STRUC
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3. STAKEHOLDERS	Remarks / Related Links	3. STAKEHOLDERS	Rem
3.1. Corporation's Policy on Stakeholders		3.3. Human Resources Policy	
The name of the section on the corporate website that demonstrates the employee remedy or severance policy	Garanti BBVA Investor Relations website <i>https://www.</i> garantibbvainvestorrelations.com/en/images/pdf/Remuneration- Policy.pdf	company has a succession plan for the key management	Ther regu Vice
The number of definitive convictions the company was subject to in relation to breach of employee rights	We have an adverse decision against 123 companies due to employee rights in 2024. We have no adverse decisions due to work accidents/occupational diseases in 2024.	The name of the section on the corporate website that demonstrates the human resource policy covering equal opportunities and hiring principles. Also provide a summary of relevant parts of the human resource policy	Decl on th https socia https
The position of the person responsible for the alert mechanism (i.e. whistleblowing channel)	Garanti BBVA Compliance Department (related committee: Ethics and Integrity Committee)		socia Ther
The contact detail of the company alert mechanism	"Garanti BBVA Whistleblowing Channel" etikbildirim@garantibbva.com.tr 0 216 662 5156		emp of 20 Bank is ma
3.2. Supporting the Participation of the Stakeholders in the Corpo	pration's Management	Whether the company provides an employee stock ownership	in lin Prac
Name of the section on the corporate website that demonstrates the internal regulation addressing the participation of employees on management bodies.	on addressing the participation of employees		mea emp as ba <b>http</b>
Corporate bodies where employees are actually represented	are actually represented       While there are no written internal regulations, employees are       S         are actually represented       provided with the opportunity to comment on all projects and       S         activities carried out in line with the Bank's strategic priorities,       The name of the section on the corporate website that       C         ensuring their involvement in decisions.       demonstrates the human resources policy covering       a		Rem Sexu Cond are a
		them. Also provide a summary of relevant parts of the human resource policy	envir and- http:



#### emarks / Related Links

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

eclaration of human rights and human resources policy are posted n the Investor Relations website. Related links are as follows:

ttps://www.garantibbvainvestorrelations.com/en/environmentocial-governance/detail/Declaration-of-Human-Rights/584/1866/0 ttps://www.garantibbvainvestorrelations.com/en/environmentocial-governance/detail/Human-Resources-Policy/97/408/0

here is an employee stock ownership program for "identified mployees", which is described within the Compensation Policy. As f 2024 year-end, there are 26 identified employees serving at the tank. In variable payments made to identified employees, payment made in cash and by non-cash means (linked to share certificates) in line with the principles in the "Guidelines on Good Compensation tractices in Banks". In payments that rely on non-cash

neans within the scope of 2024 variable payments of identified mployees, Banco Bilbao Vizcaya Argentaria S.A. share will be taken s basis. The Compensation Policy is can be accessed via this link ttps://www.garantibbvainvestorrelations.com/en/images/pdf/ emuneration-Policy.pdf

exual Harrassment, Assault and Discrimination Policy and Code of conduct are posted on the Investor Relations website. Related links re as follows: *https://www.garantibbvainvestorrelations.com/en/ nvironment-social-governance/detail/Sexual-Harassment-Assaultnd-Discrimination-Policy/2251/9748/0* 

https://www.garantibbvainvestorrelations.com/en/environmentsocial-governance/detail/Code-of-Conduct/94/405/0

INTRODUCTION	ABOUT GARANTİ BBVA	GARANTI BBVA'S POSITION IN THE SECTOR	OUR VALUE CREATION	2024 FINANCIAL RESULTS	SUSTAINABILITY	RISK MANAGEMENT	TALENT & CULTURE	COMMUNITY INVESTMENTS			DATA AND TECHNOLOGY	
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**3. STAKEHOLDERS** 

#### **3. STAKEHOLDERS**

#### Remarks / Related Links

3. STAREHOLDERS	Remarks 7 Related Links	S. STAREHOLDERS
3.3. Human Resources Policy		3.5. Ethical Rules and Social Responsibility
	Occupational Health and Safety (OHS) is responsible for the creation and dissemination of Garanti BBVA Occupational Health and Safety culture, determination of principles, rules, procedures, employees based on relevant legislative requirements and international standards (ISO 45001, OSHA, IOSH etc.) and good practice	The name of the section on the corporate website that demonstrates the code of ethics
	examples, It continues its activities regarding the health, safety and well-being of all its stakeholders, including its contractors, visitors and customers. All training within the scope of OHS has been reviewed and Occupational Health and Safety and Emergency Training has been completely renewed on the digital platform with a design suitable for today's conditions. Actions were taken to increase the effectiveness of the drills carried out within the scope of the Emergency Plan. Within the scope of "Business Continuity", regional simulations were made for a wide variety of scenarios such as earthquakes, floods, fires and bad weather conditions, and the necessary actions were taken with many improvement studies after the experiences gained in the earthquake that caused a major disaster.	The name of the section on the company website that demonstrates the corporate social responsibility report. If such a report does not exist, provide information about any measures taken on environmental, social and corporate governance issues.
The number of definitive convictions the company is subject to relation to health and safety measures	Protecting the health of employees holistically and ensuring business continuity is always among the Bank's primary responsibilities. In order to achieve the ability to fully fulfill this responsibility during disaster periods, some of the projects initiated last year on different topics within the scope of preparations for a possible Marmara earthquake are completed and continue. Employee-focused projects continue with awareness-raising trainings that include employees	Any measures combating any kind of corruption including embezzlement and bribery
	and their families in order to create a corporate culture with high earthquake awareness. Garanti BBVA focused on well-being studies and holistic health practices that keep inclusiveness at the center,	4. BOARD OF DIRECTORS - I
	accepting health as a state of physical and psycho-social well-being.	4.2. Activity of the Board of Directors
	In this context, while bringing together speakers from different fields, especially physicians who are experts in their fields, with its employees on the digital platform in the step of implementing awareness raising and awareness activities that increase effectiveness, it shows how much it values the health and well-being of its employees with the comprehensive check-up program and preventive health services offered to all employees. showed it once	Date of the last board evaluation conducted
	again. Data-based actions continued to be taken to effectively carry out employee health surveillance practices, especially employment	Whether the board evaluation was externally facilitated
	and periodic health examinations. In 2024, 30 work accidents and 222 incidents occurred in all	Whether all board members released from their duties at the GSM
	In 2024, 30 work accidents and 222 incidents occurred in all locations, including subcontractors. All of these cases were investigated and necessary corrective and preventive actions were taken. All cases were examined in detail and necessary corrective actions were fully carried out. We have no adverse decisions due to work accidents/occupational diseases in 2024.	





#### Remarks / Related Links

Garanti BBVA Investors Relations website Homepage > Environment, Social And Governance > Governance > Policies > Code Of Conduct

https://www.garantibbvainvestorrelations.com/en/environmentsocial-governance/detail/Code-of-Conduct/94/405/0

Garanti BBVA publishes integrated annual reports; hence, the Bank does not release a separate sustainability or corporate social responsibility report. The Bank discloses its entire value creation, both financial and non-financial, within the frame of materiality analysis, its strategic priorities, and its performance in these aspects. Addressed in a comprehensive scope extending from customer experience to employee satisfaction, from digital transformation to responsible and sustainable development, these topics, along with the information on risk management and corporate governance can be found in the integrated annual report.

Garanti BBVA Investor Relations website Home > Library > Integrated Annual Reports

Garanti BBVA's Anti-Corruption Policy sets out the actions that need to be taken to preventand determine across the Bank cases posing corruption risk, and to encourage reporting thereof. Furthermore, In order to prevent corruption, our Bank and its subsidiaries are engaged in an "anti-corruption awareness program". In-class and e-learning trainings covering these subjects are assigned to all personnel. Detailed information can be found on page 236-237 of Garanti BBVA 2023 Integrated Annual Report.

#### Remarks / Related Links

In its meeting on 4 April 2024, the Corporate Governance Committee that also functions as the Nomination Committee in line with the applicable legislation evaluated the composition and activities of the Board of Directors to be adequate and compliant with the legislation. The Board of Directors has been informed on the issue during the Board of Directors meeting held on 9 May 2024.

Yes

No

INTRODUCTION	ABOUT GARANTİ BBVA	GARANTI BBVA'S POSITION IN THE SECTOR	OUR VALUE CREATION	2024 FINANCIAL RESULTS	SUSTAINABILITY	RISK MANAGEMENT	TALENT & CULTURE	COMMUNITY INVESTMENTS	CUSTOMER EXPERIENCE	ORGANIZ STRUC

#### 4. BOARD OF DIRECTORS - I

#### Remarks / Related Links

4.2. Activity of the Board of Directors	
Name(s) of the board member(s) with specific delegated duties and authorities, and descriptions of such duties	In accordance with the legislation regarding the decision of the Board of Directors dated March 31, 2021, it has been decided to transfer the duties and responsibilities within the internal systems to the Audit Committee, except for the "Risk Management" duties delegated to the Risk Committee, based on the opinions, recommendations, evaluations, and similar transactions of the Audit Committee. Additionally, it has been decided with the Board of Directors decision dated 27 March 2024, in accordance with the relevant legislation, to appoint Mr. Avni Aydın Düren, one of our Board Members, to be responsible for the functions of the Compliance Unit. Furthermore, in accordance with the legislation regarding the decision of the Board of Directors dated June 3, 2021, it has been decided to appoint Mr. Aydın Düren, one of our Board Members, to assume the position of the Internal Systems Responsible for the KKTC Country Directorate, effective as of May 31, 2021, in place of Mr. M. Cüneyt Sezgin, who resigned from his position on May 31, 2021
Number of reports submitted by the internal control unit to the audit committee or other relevant committees	37 in 2024
Specify the name of the section or page number of the annual report that provides the summary of the review of the effectiveness of internal controls	Section: 2024 Financial Results
Name of the Chairman	Süleyman Sözen
Name of the CEO	Mahmut Akten
If the CEO and Chair functions are combined, provide the link to the relevant PDP announcement providing the rationale for such combined roles	The roles of the Chairman and CEO are undertaken by different individuals.
Link to the PDP notification stating that any damage that may be caused by the members of the Board of Directors during the discharge of their duties is insured for an amount exceeding 25% of the company's capital	PDP disclosure is not available. The Bank's capital is TL 4.2 billion, and a Directors and Officers Liability cover for 100 million EUR has been obtained for the individual liabilities of Executives and Board directors associated with improper performance of their duties.
The name of the section on the corporate website that demonstrates current diversity policy targeting women directors	The Bank published its Board of Directors Diversity and Suitability Policy on July 8, 2021. This Policy determines the principles and criteria regarding the adequate structure of the Garanti BBVA Board of Directors and the suitability and diversity of its members. According to the policy, the Bank's target of 25% of the Board of Directors being composed of female members by the end of 2025 was achieved with the appointment of Ebru Oğan Knottnerus as an Independent Board Member dated March 27, 2024. The relevant Policy can be accessed at Garanti BBVA Investor Relations Home Page > Environmental, Social and Governance > Governance > Policies > Board of Directors Diversity and Suitability Policy.
The number and ratio of female directors within the Board of Directors	There are 3 women members representing 27% of the full number of members.

Name/Surname of Board Memberi	Whether Executive Director or Not	Whether Independent Director or Not	Th Da
Süleyman Sözen	No	No	29.
Jorge Sáenz- Azcúnaga Carranza	No	Yes	24.
Ergun Özen	No	No	14.
Sema Yurdum	No	Yes	30
Jaime Saenz De Tejada Pulido	No	No	2.1
Pablo Alfonso Pastor Muñoz	No	No	31.
Mahmut Akten	Yes	No	23.
Rafael Salinas Martinez de Lecea	No	No	8.0
Aydın Düren	No	No	17.0
Mevhibe Canan Özsoy	No	Yes	4.0
Ebru Oğan Knottnerus	No	Yes	27.

Note:At the Ordinary General Shareholders' Meeting of our Bank held on 27.03.2024, it was resolved that the Board Members including independent members whose terms of office have expired, be elected. Since term of office of Mr. M. Cüneyt Sezgin has expired, his Board Membership has ended and Ms. Ebru Oğan Knottnerus was elected as an Independent Board Member for the first time.

NIZATIONAL RUCTURE



FINANCIAL REPORTS AND APPENDICES CONTACT INFORMATION



#### he First Election Date to Board

Notification that Includes the Independency Declaration

Link to PDP

Whether the Independent Director Considered by the Nomination Committee

9.05.1997		
24.03.2016		No
4.05.2003		
80.04.2013		No
2.10.2014		
1.03.2021		
23.08.2024		
3.05.2017		
7.06.2020		
1.04.2019	https://www. kap.org.tr/en/ Bildirim/1254090	Yes
7.03.2024	https://www.kap. org.tr/en/sirket- bilgileri/ozet/2422- turkiye-garanti- bankasi-a-s	Yes



INTRODUCTION	ABOUT GARANTİ BBVA	GARANTI BBVA'S POSITION IN THE SECTOR	OUR VALUE CREATION	2024 FINANCIAL RESULTS	SUSTAINABILITY	RISK MANAGEMENT	TALENT & CULTURE	COMMUNITY		CUSTOMER EXPERIENCE	DATA AND TECHNOLOGY	
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#### 4. BOARD OF DIRECTORS - II

Remarks / Related Links

4.4. Meeting Procedures Of The Board Of Directors	
Number of physical board meetings in the reporting period (meetings in person)	The Board held 13 physical meetings in 2024.
Director average attendance rate at board meetings	92,5%
Whether the board uses an electronic portal to support its work or not	Yes
Number of minimum days ahead of the board meeting to provide information to directors, as per the board charter	4-5 days on average.
The name of the section on the corporate website that provides information about the board charter	Garanti BBVA Investor Relations website Home >> Environment, Social And Governance > Governance > Policies > Working Principles And Procedures Of The Bod https://www. garantibbvainvestorrelations.com/en/environment-social- governance/detail/Working-Principles-and-Procedures-of-the- BoD/1590/7516/0
Number of maximum external commitments for board members as per the policy covering the number of external duties held by directors	The limits set by the banking legislation and Garanti BBVA Board of Directors Suitability and Diversity Policy are complied with.
4.5. Board Committees	
Page numbers or section names of the annual report where information about the board committees are presented	Section: Committees and Policies
Link(s) to the PDP announcement(s) with the board committee charters	While a PDP disclosure link is unavailable for the announcement pertaining to operating principles, the responsibilities of the committees can be found at Garanti BBVA Investor Relations web site > Environment, Social and Governance > Committees https://www.garantibbvainvestorrelations.com/en/environment- social-governance/committees-list/Committees/80/0/0

Names of the Board Committees	Name of Committees Defined as "Other" in the First Column	Name-Surname of Committee Membersi	Whether Committee Chair or Not	Whether Board Member or Not
Corporate Governance Committee (including the functions of Nomination Committee)		Aydın Düren, Jorge Saenz Azcunaga Carranza, Sema Yurdum, Handan Saygın	Jorge Saenz Azcunaga Carranza	Except for Handan Saygın, all members are members of the Board of Directors.

Specify where the activities of the Audit Committee are presented in your annual report or website (Page number or section name in the annual report/website
Specify where the activities of the corporate governance committee are presented in your annual report or website (Page number or section name in the annual report/website)
Specify where the activities of the nomination committee are presented in your annual report or website (Page number or section name in the annual report/website)
Specify where the activities of the early detection of risk committee are presented in your annual report or website (Page number or section name in the annual report/website)

Specify where the activities of the remuneration committee are presented in your annual report or website (Page number or section name in the annual report/website)

#### 4.6. Financial Rights

4. BOARD OF DIRECTORS - II

4.5. Meeting Procedures of the Board Of Directors-II

Specify where the operational and financial targets and their
achievement are presented in your annual report
(Page number or section name in the annual report)

Specify the section of the website where remuneration policy for executive and non-executive directors are presented

Specify where the individual remuneration for board members and senior executives are presented in your annual report (Page number or section name in the annual report)

Names of the Board Committees	Name of Committees Defined as "Other" in the First Column	"THE PERCENTAGE OF INDEPENDENT DIRECTORS IN THE COMMITTEE"	"THE NUMBER OF COMMITTEE MEETINGS HELD IN PERSON"	"Number of Reports Presented to the Board of Directors on the Committee's Activities"
Corporate Governance Committee (including the functions of Nomination Committee)		75%	4	4





#### Remarks / Related Links

#### Section: 2024 Financial Results

"The Compensation Policy has been published within the policies under ""Environment, Social and Governance"" section on Investor Relations website. Related link:

https://www.garantibbvainvestorrelations.com/en/images/pdf/ Remuneration-Policy.pdf

Section: Remuneration and Financial Rights

INTRODUCTION	ABOUT GARANTİ BBVA	GARANTI BBVA'S POSITION IN THE SECTOR	OUR VALUE CREATION	2024 FINANCIAL RESULTS	SUSTAINABILITY	RISK MANAGEMENT	TALENT & CULTURE	COMMUNITY		CUSTOMER EXPERIENCE	DATA AND TECHNOLOGY	
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### Sustainability Compliance Report

#### 2023 Sustainability Compliance Report

								N	No	eenipanij eenipiianee	•				
No	Company Compliance		Comp	liance S	Status		Report Information on Publicly Disclosed Information (Page		NO	Status	Yes	Partial	No	Not Applicabl	
	Status	Yes	Partial	No	Not	_ Explanation	number, menu name on the website)		A. GENERAL PRINCIPLES						
					Applicable				A2. Implementation/Monitoring						
GEN	ERAL PRINCIPLES														
Str	ategy, Policy and Goals									The activities carried					
	The prioritised environmental, social and corporate governance (ESG) issues, risks and opportunities have been determined by the Company's Board of Directors.	X				Garanti BBVA identified its material issues using double materiality analysis. Based on the materiality analysis, ESG risk and opportunities were defined.	2024 Integrated Annual Report pages 64-83		A2.1.	out within the scope of policies by the responsible committee and/or unit have been reported to the Board of Directors at least once a year.	Х				
1.	The ESG policies (Environmental Policy, Energy Policy, Human Rights and Employee Policy etc.) have been created and disclosed	×				Garanti BBVA's policies are made available to the public on the corporate website.	the public garantibbvainvestorrelations.		A2.2.	In line with the ESG targets, the implementation and action plans have been formed and disclosed to the public.	х				
	to the public by the Company's Board of Directors.						policies-list/Policies/92/6477/0			The Key ESG Performance Indicators (KPI) and the level					
	The short and long-term targets set within the scope of ESG policies have been disclosed to	х				Garanti BBVA publicly discloses its short- and long- term goals in accordance with its ESG policies	2024 Integrated Annual Report pages 165-181		A2.3.	of reaching these indicators have been disclosed to the public on yearly basis.	Х				
	the public.									The activities for improving the					
Im	plementation/Monitoring									sustainability					
	The responsible committees and/or business units for the implementation of ESG policies and the senior	X				Sustainability and Responsible Banking Committee members and the committee's responsibilities are publicly disclosed on the	Corporate website - https://www. garantibbvainvestorrelations. com/en/environment-		A2.4.	performance of the business processes or products and services have been disclosed to the public.	X				
	officials related to ESG issues in the Company and their duties have	~				corporate website. The Bank's sustainability governance and organizational structure is	social-governance/ detail/Sustainability-and- Responsible-Banking-								

Committee/1093/5366/0

publicly shared through the

Integrated Annual Report.

been identified and

disclosed to the public.

FINANCIAL REPORTS AND APPENDICES

CONTACT INFORMATION



#### Explanation

**Compliance Status** 

**Company Compliance** 

No

**Report Information on Publicly Disclosed Information (Page** number, menu name on the website)

Sustainability and Responsible Banking Committee is responsible for providing information to the Board of Directors on the Committees activities when needed. CEO, who is also a member of the board of directors, is also a member of the Sustainability and Responsible Banking Committee.

ESG-related commitments are publicly disclosed on the corporate website. Progress on commitments is publicly disclosed through annual reports.

ESG Key Performance Indicators and their annual oversight are publicly disclosed on integrated annual report and corporate website.

Corporate website https://www. garantibbvainvestorrelations. com/en/environment-socialgovernance/detail/Responsible-Banking-and-Sustainability-Committee/1093/5366/0

Corporate websitehttps://www. garantibbvainvestorrelations. com/en/sustainability/detail/ Commitments/2025/9228/0

Corporate Website https://www. garantibbvainvestorrelations. com/en/images/pdf/ESG\_ Analyst\_Data\_ENG\_2023.pdf

Related activities are publicly disclosed in the Bank's integrated reports.

2024 Integrated Annnual Report Sustainability and Community Investments pages 124-181

No	Company Compliance		Comp	liance S	Status	Explanation		t Information on F sed Information (		No	Compar	ny Compliance		Compliance Status					
NU	Status	Yes	Partial	No	Not Applicable	Explanation		number, menu name on the website)			Status	Status		Partial	No	Not Applicable			
A. GEN	ERAL PRINCIPLES									B. ENVI	RONMENT	AL PRINCIPLES							
A3 Re	eporting																		
A3.1.	The information about the sustainability performance, targets and actions have been given in annual reports of the Company an understandable, accurate and sufficient manner.	X				Related performance, targets and action metrics are publicly disclosed in integrated reports.		ntegrated Annual   124-181	Report	B1.	B1.The policies and practices, action plans, environmental management systems (known by the ISO 14001 standard) and programs have been disclosed.The environmental reports prepared to provide information on environmental management have beenB2.disclosed to the public which is inculiding the scope, reporting period, reporting date and limitations about the reporting conditions.								
A3.2.	The information about activities which are related to the United Nations (UN) 2030 Sustainable Development Goals have been disclosed to the public.	×				Contribution to UN Sustainable Development Goals are publicly disclose integrated reports.		ntegrated Annual   88-102	Report										
43.3.	The lawsuits filed and/ or concluded against the Company about ESG issues which are material in terms of ESG policies and/or will significantly affect the	X				Related metrics are public disclosed in integrated reports.	cly 2024 II pages	ntegrated Annual I 33	Report	B2.			Х						
	Company's activities, have been disclosed to the public.										targets scope o	rironmental within the f performance							
4. Ver	ification										which in	e systems ncluded in the							
A4.1.	The Company's Key ESG Performance metrics have been verified by an independent third party and publicly disclosed.	Х				ESG Key Performance Indicators that have been determined are verified by an independent third part and publicly disclosed in integrated reports.	y 2024 li	ntegrated Annual I 170-180	Report	B4.	rewarding criteria b		Х						
										B5.	environ have be into bus	e prioritised mental issues en integrated siness objectives	х						





CONTACT INFORMATION



#### Explanation

Report Information on Publicly Disclosed Information (Page number, menu name on the website)

In 2012, Garanti BBVA established the Environmental Management System (EMS) endorsed with ISO 14001 certification, with the aim of systematically managing its direct and indirect environmental impacts. The actions taken in line with the policies, on the other hand, are publicly disclosed in integrated reports.

The reporting scope and methods of monitored key performance indicators are publicly disclosed in integrated reports. 2024 Integrated Annual Report pages 124-181

2024 Integrated Annual Report pages 165-166

Rewarding criteria under performance incentive systems are publicly disclosed in integrated reports.

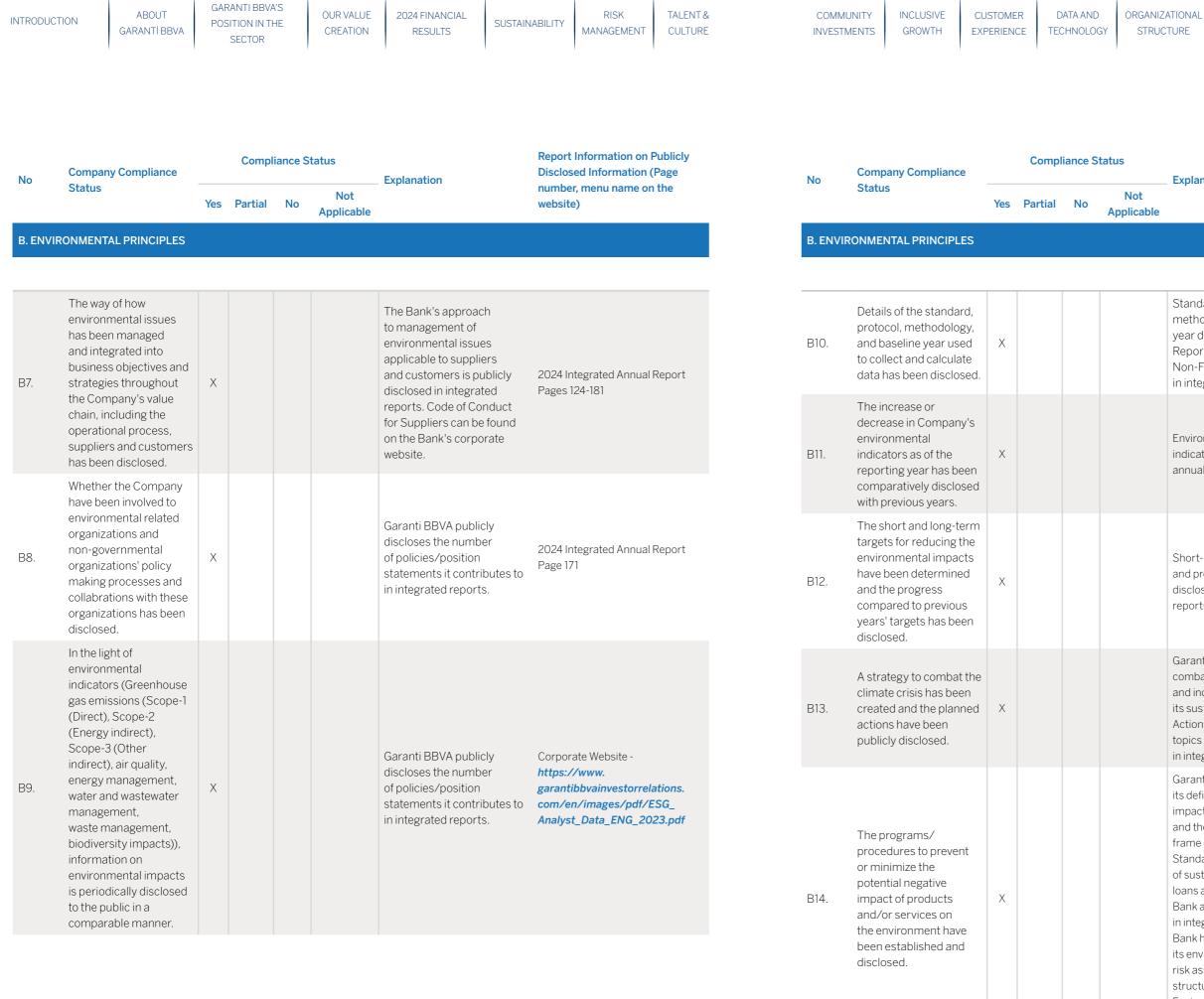
2024 Integrated Annual Report pages 307

Garanti BBVA identified its material issues using double materiality analysis. Based on the materiality analysis, ESG risk and opportunities were defined.

and strategies has been

disclosed.

materiality analysis. Based on 2024 Integrated Annual Report the materiality analysis, ESG pages 64-83





CONTACT INFORMATION



#### Explanation

**Report Information on Publicly Disclosed Information (Page** number, menu name on the website)

Standard, protocol, methodology and baseline year details are given in the Reporting Guidelines for Non-Financial Data section in integrated reports.	2024 Integrated Annual Report Pages 359-366
Environmental performance indicators are reported annually.	Corporate Website - https://www. garantibbvainvestorrelations. com/en/images/pdf/ESG_ Analyst_Data_ENG_2023.pdf
Short- and long-term targets and progress are publicly disclosed in integrated reports.	2024 Integrated Annual Report Pages 165-181
Garanti BBVA prioritizes combating climate crisis and inclusive growth as per its sustainability strategy. Actions in relation to both topics are publicly disclosed in integrated reports.	2024 Integrated Annual Report Pages 124-181
Garanti BBVA has established its definitations for positively impacting the environment and the society within the frame of Sustainable Finance Standard. The number of sustainable products/ loans as defined by the Bank are publicly disclosed in integrated reports. The Bank has publicly disclosed its environmental and social risk assessment governance structure through its Environmental and Social Loan Standard.	2024 Integrated Annual Report Pages 124-181

INTRODUC	ABOUT GARANTİ BBVA	GARANTI BB\ POSITION IN SECTOR	THE CREATION	2024 FINANCIAL RESULTS SUST	AINABILITY RISK MANAGEMENT	TALENT & CULTURE	COMMI		CUSTOMER EXPERIENCE	DATA AND TECHNOLOG	ORGANIZATI ( STRUCTU		INANCIAL REPORTS CONTACT AND APPENDICES INFORMATION
Νο	Company Compliance Status	Compliance Status		Explanation	Disclosed Information number, menu name of	Report Information on Publicly Disclosed Information (Page number, menu name on the website)		Company Compliance Status		Compliance Sta		xplanation	Report Information on Publicly Disclosed Information (Page number, menu name on the
B. ENVIE	B. ENVIRONMENTAL PRINCIPLES		No Applicable		website)			B. ENVIRONMENTAL PRINCIPLES		Yes Partial No Applicable			website)
B14.	The actions to reduce greenhouse gas emissions of third parties (suppliers,	X		Code of Conduct for Suppliers can be found on the Bank's corporate website. The Bank also set and publicly disclosed its sector-specific interim	Corporate Website - https://www. garantibbvainvestorre com/en/environment social-governance/de Code-of-Conduct-for- Suppliers/1548/7096 Corporate Website -	- tail/	B18.	The studies related to increase the use of renewable energy and transition to zero/low carbon electricity hav been conducted and disclosed.	Х		e e h c n e	Garanti BBVA supplies the electricity it consumes entirely from producers elding renewable energy ertificate. The Bank also nakes use of the solar energy potential on its own ampuses and ATMs.	2024 Integrated Annual Report Pages 124-181
511.	subcontractors, dealers, etc.) have been carried out and disclosed.	X		decarbonization targets by 2030 in line with the net- zero by 2050 target that it has pledged to the Net-Zer Banking Alliance (NZBA).	com/en/sustainability	γ/ zation- )	B19.	The renewable energy production and usage data has been publicly disclosed.	x		a h s	Renewable energy generation and consumption data have been disclosed to takeholders within the cope of Environmental Performance Indicators.	Corporate Website https://www. garantibbvainvestorrelations. com/en/images/pdf/GBFR23_ ENG_App3.pdf
B15.	The environmental benefits/gains and cost savings of initiatives/ projects that aims reducing environmental impacts have been disclosed.	x		Benefits of initiatives and projects for mitigating environmental impacts are publicly disclosed in integrated reports.	pages 176-200 2024 Integrated Annua Pages 223, 129-131	I Report	B20.	The Company conducted projects about energy efficience and the amount of reduction on energy consumption and emission achieved through these project have been disclosed.	х		d a	inergy efficiency projects ar leveloped and the reduction mountssecured are publicly lisclosed.	2024 Integrated Annual Report
B16.	The data related to energy consumption (natural gas, diesel, gasoline, LPG, coal, electricity, heating, cooling, etc.) has been disclosed as Scope-1 and Scope-2.	Х		Energy consumption data have been disclosed to stakeholders within the scope of Environmental Performance Indicators.	Corporate Website https://www. garantibbvainvestorre com/en/images/pdf/ ENG_App3.pdf		B21.	The water consumption the amount, procedure and sources of recycle and discharged water from underground or above ground (if any), have been disclosed.	es		ir	nvironmental performance ndicators are reported on ar nnual basis.	
B17.	The information related to production of electricity, heat, steam and cooling as of the reporting year has been disclosed.	x		Energy generation data have been disclosed to stakeholders within the scope of Environmental Performance Indicators.	Corporate Website https://www. garantibbvainvestorre com/en/images/pdf/ ENG_App3.pdf		B22.	The information relate to whether Company' operations or activitie are included in any carbon pricing system (Emissions Trading System, Cap & Trade Carbon Tax).	s s X		p C	Garanti BBVA carbon pricing practice is described in Climate Change Position Statement & Action Plan.	Corporate Website https://www. garantibbvainvestorrelations. com/en/environment-social- governance/detail/Climate- Change-Position-Statement- Action-Plan/854/3630/0







NTRODUC	ABOUT GARANTI BBVA		RANTI BBV/ SITION IN T SECTOR		OUR VALUE CREATION	2024 FINANCIAL RESULTS	RISK MANAGEMENT	TALENT & CULTURE	COMM		JSTOMER PERIENCI		ATA AND HNOLOG	ORGANIZ Y STRUC
Company Compliance		Compliance Status			itatus	Report Information on Publicly Disclosed Information (Page		Page	No	Company Compliance		Compliance Status		
	Status	Yes Partial No Not Applicable					number, menu name on website)	the		Status	Yes	Partial	No	Not Applicable
B. ENVI	RONMENTAL PRINCIPLES								C. SOCI	AL PRINCIPLES				
B23.	The information related to accumulated or purchased carbon credits within the reporting period has been disclosed.	X				Carbon credit purchased during the reporting period is publicly disclosed in integrated reports.	2024 Integrated Annual I Pages 129	Report		nan Rights and Employee F Considering the effects of supply and value chain, fair workforce, improvement of labor standards, women's employment and inclusion issues	Rights			
B24.	If carbon pricing is applied within the Company, the details have been disclosed.	х				Garanti BBVA carbon pricing practice is described in Climate Change Position Statement & Action Plan.	Corporate Website https://www. garantibbvainvestorrela com/en/environment-s governance/detail/Clin Change-Position-Stater Action-Plan/854/3630	social- nate- ment-	C1.2.	(gender, race, religion, language, marital status, ethnic identity, sexual orientation, gender identity, family responsibilities, union activities, political	Х			
B25.	The platforms where the Company discloses its environmental information have been disclosed.	Х				Environmental performance indicators are reported on an annual basis.	Corporate Website https://www. garantibbvainvestorrela com/en/images/pdf/E Analyst_Data_ENG_200	SG_		opinion, disability, social and cultural differences, etc., such as non-discrimination) are included in its policy on employee rights.				
	AL PRINCIPLES	Pights								The measures taken for the minority rights/				
C1.1.	The Institutional Human Rights and Employee Rights Policy has been established in the ligh of the Universal Declaration of Human Rights, ILO Conventions ratified by Turkey	X				Declaration of Human Rights, Human Resources and Compensation Policies	Corporate Website https://www. garantibbvainvestorrela		C1.3.	equality of opportunity or the ones who are sensitive about certain economic, environmental, social factors (low income groups, women, etc.) along the supply chain have been disclosed.	х			
	and other relevant legislation. The policy and the officals that responsible for the implementation of it have been determined and disclosed.					are available for the information of stakeholders on the corporate website.	com/en/environment-s governance/detail/Dec of-Human-Rights/584/	laration-	C1.4.	The developments regarding preventive and corrective practices against discrimination, inequality, human rights violations, forced and child labor have been	Х			





CONTACT INFORMATION



#### Explanation

Report Information on Publicly **Disclosed Information (Page** number, menu name on the website)

Declaration of Human for Suppliers and Garanti BBVA's approach are publicly disclosed.

Corporate Website https://www. garantibbvainvestorrelations. com/en/environment-socialgovernance/detail/Declaration-Rights and Code of Conduct of-Human-Rights/584/1866/0 Corporate Website https://www. garantibbvainvestorrelations. com/en/environmentsocial-governance/detail/ Code-of-Conduct-for-Suppliers/1548/7096/0

The Bank's approach for pursuing the rights/ equal opportunities of/ to certain economically, environmentally or socially vulnerable groups or minorities is publicly disclosed in integrated reports and the corporate website.

Publicly disclosed in Garanti BBVA Declaration of Human Rights.

disclosed.

2024 Integrated Annual Report Pages 124-181

Corporate Website https://www. garantibbvainvestorrelations. com/en/environment-socialgovernance/detail/Declarationof-Human-Rights/584/1866/0

ITRODUC	TION ABOUT GARANTI BBVA	POSI	ANTI BBVA'S FION IN THE SECTOR	OUR VALUE CREATION	2024 FINANCIAL RESULTS SUSTAIN	NABILITY RISK TALENT & MANAGEMENT CULTURE	COMN		JSTOMER PERIENCE	DATA AN TECHNOL			NANCIAL REPORTS CONTACT AND APPENDICES INFORMATION	
lo	Company Compliance	Compliance Status		Status	_ Explanation	Report Information on Publicly Disclosed Information (Page	No	Company Compliance	Compli		Status	_ Explanation	Report Information on Publicly Disclosed Information (Page	
	Status	Yes	Partial No	Not Applicable		number, menu name on the website)	_	Status	Yes Pa	Yes Partial No Not Applicable			number, menu name on the website)	
SOCI	AL PRINCIPLES						C. SOCI	AL PRINCIPLES						
i. Hur	nan Rights and Employee F	Rights					C1. Hur	nan Rights and Employee F	Rights					
	Investments in employees (education, development policies), compensation, fringe					Corporate website https://www. garantibbvainvestorrelations. com/en/environment-social- governance/detail/Human- Resources-Policy/97/408/0 https://www.	C1.7.	The personal data protection and data security policies have been established and disclosed.	х			Personal data protection and data security policies are publicly disclosed on the corporate website.	Corporate website https://www. garantibbvainvestorrelations. com/en/environment-social- governance/detail/Personal- Data-Protection-And-Processin Policy/1822/8304/0	
C1.5. t t t	benefits, right to unionize, work/life balance solutions and talent management are included in the employee rights policy.	Х			Related policies are publicly disclosed on the corporate website.	garantibbvainvestorrelations. com/en/environment- social-governance/detail/ Employee-Compensation- Policy/355/1264/0_ https://www. garantibbvainvestorrelations.	C1.8.	The ethics policy have been established and disclosed.	x			Garanti BBVA Code of Conduct is publicly disclosed on the corporate website.	Corporate website https://www. garantibbvainvestorrelations. com/en/environment-social- governance/detail/Code-of- Conduct/94/405/0	
	The mechanism for employee complaints					com/en/environment-social- governance/detail/Declaration- of-Human-Rights/584/1866/0	C1.9.	The studies related to social investment, social responsibility, finansal inclusivity and access to finance have been explained.	Х			Activities in relation to relevant topics are publicly disclosed in integrated reports and the corporate website.	2024 Integrated Annual Repor Pages 92-109 and 174-191	
1.5.	and resolution of disputes have been established and related solution processes have been determined.	х			Related mechanisms are publicly disclosed in integrated reports.	2024 Integrated Annual Report Pages 213-215	C1.0.	The informative meetings and training programs related to ESG policies and practices	x			Training and briefing meetings on related topics are organized for Garanti	2024 Integrated Annual Report Pages 177,208, 209	
	The activities carried out within the reporting				Activities for ensuring			have been organized for employees.				BBVA employees.		
:1.5.	period which related to ensure employee	Х			employee happiness are publicly disclosed in	2024 Integrated Annual Report Pages 197-205	C2. Sta	keholders, International S	tandards	and Initiati	ves			
C1.6.	The occupational health and safety policies have been established and	X			Occupational Health and Safety Policy is publicly disclosed on the corporate	Corporate website https://www. garantibbvainvestorrelations. com/en/environment-	C2.1.	The customer satisfaction policy regarding the management and resolution of customer complaints has been prepared and disclosed.	X			Garanti BBVA's approach to relevant topics is publicly disclosed in integrated reports.	2024 Integrated Annual Report Pages 234-243	
	disclosed.				website.	social-governance/detail/ Occupational-Health-and-Safety- Policy/1973/9140/0	C2.2.	The information about the communication with stakeholders (which stakeholder, subject and frequency) have been disclosed.	x			Information about the communication with stakeholders is publicly disclosed in integrated reports.	2024 Integrated Annual Repor Pages 64-83 and 234-243	

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https://www.

Pages 140,141

materiality analysis. Based 2024 Integrated Annual Report

Pages 64-83

garantibbvainvestorrelations.

2024 Integrated Annual Report

2024 Integrated Annual Report

Pages 171 and 220-225

com/en/sustainability/

detail/Participation-in-

International-and-Local-Initiatives/864/3771/0

Affiliation to international

& local initiatives is publicly

disclosed on the corporate

Details of sustainability indices and ESG ratings

in which Garanti BBVA

is included are publicly

disclosed in integrated

Garanti BBVA identified its

on the materiality analysis,

ESG risk and opportunities

Supported sustainability

initiatives, memberships

groups are publicly

reports.

disclosed in integrated

and sustainability working

were defined.

material issues using double

website.

reports.

350	Garanti BBVA 2024 Integrated Annual Report	

sustainability,the

international

organizations,

disclosed.

committees and

C2.4.

C2.5.

D1.

D2.

signatory or member

principles have been

The improvements have been made and studies

have been carried out in order to be included

in the Borsa Istanbul

sustainability indices

and/or international

D. CORPORATE GOVERNANCE PRINCIPLES

index providers.

The opinions of

stakeholders have

been sought in the

measures and strategies

related to sustainability

The social responsibility

projects, awareness

activities and trainings

raise awareness about

sustainability and its

importance.

have been carried out to

determination of

field.

Х

Х

Х







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COMMUNITY INCLUSIVE INVESTMENTS GROWTH



TALENT &

CULTURE

RISK

MANAGEMENT

SUSTAINABILITY

# **Financial Reports And Appendices**

GARANTI BBVA'S

POSITION IN THE

SECTOR

OUR VALUE

CREATION

2024 FINANCIA

RESULTS

ABOUT

GARANTİ BBVA

## **Independent Assurance Report**

(Convenience Translation of the Auditor's Audit Report Originally Issued in Turkish) INDEPENDENT AUDITOR'S REPORT on the ANNUAL REPORT of the BOARD of DIRECTORS To the General Assembly of Türkiye Garanti Bankası A.Ş.

#### 1) Oualified Opinion

INTRODUCTION

We have audited the annual report of Türkiye Garanti Bankası Anonim Şirketi ("the Bank") and its subsidiaries ("the Group") for the period of January 1, 2024 - December 31, 2024.

In our opinion, except for the matter described in the Basis for Qualified Opinion section of our reports, the consolidated and unconsolidated financial information provided in the annual report of the Board of Directors and the discussions made by the Board of Directors on the situation of the Group are presented fairly and consistent, in all material respects, with the audited full set consolidated and unconsolidated financial statements and the information we obtained during the audit.

#### 2) Basis for Qualified Opinion

As described in the Basis For Qualified Opinion section of Independent Auditor's Reports on the complete set of audited unconsolidated and consolidated financial statements of the Bank and the Group for the period between January 1, 2024 and December, 31, 2024 dated January 29, 2025, the unconsolidated and consolidated financial statements as at December 31, 2024 include the impact of reversal of the free provision at an amount of Thousand TL 8,000,000 which was fully provided in prior years and was fully reversed in 2023 by the Bank and the Group management for the possible effects of the negative circumstances which may arise from the possible changes in the economy and market conditions which does not meet the recognition criteria of "Turkish Accounting Standard" TAS 37 "Provisions, Contingent Liabilities and Contingent Assets". In relation to this matter, unconsolidated and consolidated statement of profit or loss for the year ended December 31, 2023, which is presented comparatively with the unconsolidated and consolidated statements of profit or loss for the year ended December 31, 2024 respectively, includes income arising from reversal of such free provision at an amount of thousand TL 8,000,000. We express a qualified opinion due to the effects of this matter on the "Net Profit or Loss for the Period" and "Extraordinary Reserves" accounts in the unconsolidated and consolidated balance sheets as of December 31, 2023 and unconsolidated and consolidated statements of profit or loss for the year ended December 31, 2023 which are presented comparatively with the accompanying unconsolidated and consolidated financial statements prepared as of December 31, 2024 respectively.

We conducted our audit in accordance with "Regulation on independent audit of the Banks" published in the Official Gazette no.29314 dated April 2, 2015 published by Banking Regulation and Supervision Agency (BRSA Independent Audit Regulation) and Independent Auditing Standards (InAs) which are part of the Turkish Auditing Standards as issued by the Public Oversight Accounting and Auditing Standards Authority of Turkey (POA). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Annual Report section of our report. We are independent of the Group in accordance with the Code of Ethics for Independent Auditors (Code of Ethics) as issued by the POA, and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

#### 3 Our Auditor's Opinion on the Full Set Consolidated and Unconsolidated Financial Statements

We have expressed qualified opinions in our auditor's reports dated January 29, 2025 on the full set unconsolidated and consolidated financial statements of the Bank and the Group respectively for the period of 1/1/2024-31/12/2024.

4) The Responsibility of the Board of Directors on the Annual Report In accordance with Articles 514 and 516 of the Turkish Commercial Code 6102 ("TCC") and communique on 'Principles and procedures set out by the regulations on preparation and issuance of annual reports of Banks', the management of the Group is responsible for the following items:

- a. Preparation of the annual report within the first three months following the balance sheet date and submission of the annual report to the general assembly.
- to be encountered are also noted in the report. The evaluation of the board of directors is also included in this report,
- c. The annual report also includes the matters below:
  - · Subsequent events occurred after the end of the fiscal year which have significance,
  - The research and development activities of the Group,
  - travel, accommodation and representation expenses, financial aids and aids in kind, insurances and similar deposits,
  - issuance of annual reports of Banks' published in official gazette no.26333 dated November 1,2006,

When preparing the annual report, the board of directors takes into account the secondary legislative arrangements published by the Ministry of Trade and related institutions.

#### 5) Auditor's Responsibilities for the Audit of the Annual Report

Our aim is to express an opinion, based on the independent audit we have performed on the annual report in accordance with provisions of the Turkish Commercial Code and the Communique on 'Principles and procedures set out by the regulations on preparation and issuance of the annual reports of Banks' published in official gazette no.26333 dated November 1, 2006, Banking Regulation and Supervision Agency ("BRSA") Accounting and Financial Reporting Legislation which includes, "Regulation on Accounting Applications for Banks and Safeguarding of Documents" published in the Official Gazette no.26333 dated 1 November 2006 and other regulations on accounting records of Banks published by Banking Regulation and Supervision Agency (BRSA) and Turkish Financial Reporting Standards ("TFRS") for those matters not regulated by the aforementioned regulations, on whether the consolidated and unconsolidated financial information provided in this annual report and the discussions of the Board of Directors are presented fairly and consistent with the Group's audited consolidated and unconsolidated financial statements and to prepare a report including our opinion.

The independent audit we have performed is conducted in accordance with InAs and BRSA Independent Audit Regulation. These standards require compliance with ethical provisions and the independent audit to be planned and performed to obtain reasonable assurance on whether the consolidated and unconsolidated financial information provided in the annual report and the discussions of the Board of Directors are free from material misstatement and consistent with the consolidated and unconsolidated financial statements.

The name of the engagement partner who supervised and concluded this audit is Damla Harman.

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

#### Damla Harman, SMMM Partner

February 27, 2025 İstanbul, Türkiye





b. Preparation and fair presentation of the annual report; reflecting the operations of the Group for the year, along with its financial position in a correct, complete, straightforward, true and honest manner. In this report, the financial position is assessed according to the consolidated and unconsolidated financial statements. The development of the Group and the potential risks

· Financial benefits such as salaries and bonuses paid to the board members and to those charged governance, allowances,

• Other matters prescribed in the communique on 'Principles and procedures set out by the regulations on preparation and



#### To the Board of Directors of Turkiye Garanti Bankasi Anonim Sirketi Istanbul, Turkiye

This report is intended solely for the management of Turkiye Garanti Bankasi Anonim Şirketi (hereinafter 'the Bank' or 'Garanti BBVA') for the purpose of reporting of Selected ESG Information ("Selected Information") listed below in its 2024 Integrated Annual Report (hereinafter '2024 Integrated Annual Report') that has been prepared by the Garanti BBVA for the period running from January 1, 2024, to 31 December 2024.

#### Subject Matter Information and Applicable Criteria

In line with the request of the Bank, our responsibility is to provide limited assurance in accordance with Global Reporting Initiative Standards ('GRI Standards') and Selected Information listed below within the scope of the reporting approach of the Bank specified in 'Reporting of the Non-Financial Disclosure'' ("Reporting Guidelines") included in pages 362-369 of 2024 Integrated Annual Report.

#### The Scope of Our Assurance

The scope of our assurance is limited to the examination of financial and operational indicators, social indicators and environmental indicators marked with  $\vee$  listed in the Selected Information shown below, which are reported in pages 64-83, 128-131, 165-180, 390-405, 410-413 of the 2024 Integrated Annual Report.

#### Social Indicators

1. Total employees

- Total
- Age breakdown
- Location breakdown
- Number of employees with disabilities

2. Women employee ratio (%)

- Ratio of women employees in senior/middle management
- Women employees/total employees
- Women employee ratio in revenue-generating roles
- 3. Ratio of women in technology-related roles
- 4. Number of maternity leaves
- 5. Ratio of women employees returning to work after maternity leave (%)
- 6. Number of paternity leaves
- 7. Total employee turnover
- Total
- Gender breakdown
- Age breakdown

## 8.New hires

- Gender breakdown
- Age breakdown
- Nation breakdown

#### 9. Gender pay gap (Women/Men)

- Total contribution amount of projects evaluated within the frame (TL)
- 11. Number of employees that completed "Gender Equality" trainings and total training duration
- 12. Number of employees that completed "Anti- corruption" trainings and total training duration
- 13. Number of employees that completed "Ethics" trainings and total training duration
- 14. Number of employees that completed "Information Security" trainings and total training duration
- 15. Number of employees that completed "PDPL" trainings and total training duration
- 16. Number of employees that completed "Cyber Security" trainings and total training duration
- 17. Number of employees that completed "Sustainability" trainings and total training duration
- 18. Training hours per employee
- 19. Number of training per male/female employee
- 20. Absentee rate
- 21. Number of accidents
- 22. Number of fatal cases
- 23. Accident frequency rate

#### **Operational Indicators**

- 24. Total number of customers
- 25. Number of digital banking customers
- 26. Number of mobile banking customers
- 27. Number of cardless transactions via Garanti BBVA ATMs
- 28. Change in customer complaints (%)

#### **Governance Indicators**

- 29. Materiality analysis
- 30. Sustainability governance

#### **Environmental Indicators**

- 31. Total annual energy consumption by source (MWh)
- 32. Total electricity consumption from renewable energy generation (MWh)
- 33. Total annual greenhouse gas (GHG) emissions reported according to Scope 1 and 2 of the Greenhouse Gas Protocol (CO<sub>2</sub>e)
- 34. Total Scope 3 emissions (CO<sub>2</sub>e)
- Total waste generated
- Business travel
- Employee Commuting
- 35. GHG intensity per total assets (CO<sub>2</sub>e/TL)
- 36. Percentage change in GHG intensity compared to 2012 (%)
- 37. Total annual water consumption by source (m<sup>3</sup>)







10. Total contribution amount of projects evaluated within the framework of community investment programs in the reporting period

on (MWh) ding to Scope 1 and 2 of the Greenhouse Gas Protocol (CO $_2$ e)





INCLUSIVE

GROWTH



38. Total annual waste generated (tonnes)

- Hazardous waste generated (tonnes)
- Non-hazardous waste generated (tonnes)
- 39. Paper Consumption
- 40. Total annual emissions prevented by renewable energy projects financed by Garanti BBVA (CO2e)
- 41. Environmental and Social Impact Assessment Process applied in projects financed by Garanti BBVA
- Projects evaluated in 2024
- Projects rejected in 2024
- Risk notes of projects evaluated in 2024
- Number of site visits in 2024
- 42. Contribution to sustainable development (billion TL, 2018-2024)
- 43. Renewable energy portfolio
- Amount of renewable energy project investments by type as of the end of the reporting period (TL)
- Installed capacity of renewable energy projects by type as of the end of the reporting period (MW)
- Garanti BBVA's market share in the installed power of the wind power plants financed in Turkey as of the end of the reporting period (%)
- Garanti BBVA's market share in the installed power of solar power plants in Turkey as of the end of the reporting period (%)

#### UNEP-FI Principles for Responsible Banking Impact Report ('Impact Report') Indicators

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

#### The Bank's Responsibilities

Garanti BBVA's management is responsible for the preparation, collection, and presentation of the information for the Selected Information.

In addition, the Bank's management is responsible for ensuring that the documentation provided to the practitioner (EY) is complete and accurate.

This responsibility includes establishing and maintaining internal controls, maintaining adequate records, and making estimates that are relevant to the preparation of the 2024 Integrated Annual Report, such that it is free from material misstatement, whether due to fraud or error.

#### **Our Responsibilities**

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

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

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

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

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

The assurance provider is only performing assurance of the accuracy of the disclosed content. This means that the assurance provider should evaluate if the bank's description of processes, activities and their outcomes sufficiently reflects actions taken by the bank, rather than evaluating the applied approach itself. This individual assessment of whether the bank is aligned with the requirements of the Principles and is meeting its commitments will be undertaken by a sustainability expert within the UNEP FI Secretariat (the Review Expert).

Our work has been carried out in accordance with the requirements laid out in the Guidance for Assurance Providers (version 2) to undertake limited assurance on Principles for Responsible Banking, issued by UNEP FI.

#### **Procedures Applied**

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

- 1. Interviewed select key senior personnel of the Garanti BBVA to understand the current processes in place for capturing the Selected Information pertaining to the reporting period;
- Bank's other locations in Turkey, against evidence, on a sample basis;
- 3. Undertook substantive testing, on a sample basis, of the Selected Information;
- 4. Used the Bank's internal documentation to evaluate and measure the Selected Information;
- 5. Evaluated the design and implementation of key processes and controls over the Selected Information;
- 6. Re-performed, on a sample basis, calculations used to prepare the Selected Information for the reporting period.
- 7. Evaluated the disclosure and presentation of the Selected Information in the 2024 Integrated Annual Report.

#### **Our Conclusion**

Based on the procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that Garanti BBVA's has not prepared, in all material respects with GRI Standards and Selected Information for the year ended in December 31, 2024, the relevant requirements of the criteria as defined in Reporting Guidelines.

#### Limitations

We permit this report to be disclosed in addition to Garanti BBVA's 2024 Integrated Annual Report for the year ended in December 31, 2024, to enable the management of Garanti BBVA to show they have addressed their governance responsibilities by obtaining an independent assurance report in connection with the Selected Information. To the fullest extent permitted by law, we accept or assume no responsibility and deny any liability to any party other than Garanti BBVA for our work, for this independent limited assurance report, or for the conclusions we have reached.

Guney Bagimsiz Denetim ve Serbest Muhasebeci Mali Musavirlik Anonim Sirketi A member firm of Ernst & Young Global Limited

#### Zeynep Okuyan Özdemir, SMMM Partner

27 February 2025 Istanbul, Turkiye







2. Reviewed Selected Information with online communications covering Garanti BBVA locations; as well as reviewed pertaining to the





### INDEPENDENT AUDITOR'S LIMITED ASSURANCE REPORT ON THE INFORMATION OF TURKIYE GARANTI BANKASI ANONIM SIRKETI AND ITS SUBSIDIARIES PRESENTED IN ACCORDANCE WITH THE TURKIYE SUSTAINABILITY REPORTING **STANDARDS**

### To the General Assembly of Turkiye Garanti Bankasi Anonim Sirketi,

We have been assigned to perform limited assurance on the information ("Sustainability Information") presented in accordance with the Turkiye Sustainability Reporting Standards 1 "General Requirements for Disclosure of Sustainability-related Financial Information" and Turkive Sustainability Reporting Standards 2 "Climate-Related Disclosures" between the pages 370 to 384 of the Integrated Annual Report of Türkiye Garanti Bankası Anonim Sirketi and its subsidiaries (collectively referred to as the "Group") for the year ended December 31, 2024.

Our assurance engagement does not include the information related to prior periods, other information included in the 2024 Integrated Annual Report and other information (including any images, audio files or embedded videos) associated with Sustainability Information and 2024 Integrated Annual Report.

### **Limited Assurance Conclusion**

Based on the procedures we have performed as described under "Summary of the Work We Performed as the Basis for Our Assurance Conclusion" and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Sustainability Information included the pages between 370 to 384 of the Group's Integrated Annual Report for the year ended December 31, 2024, has not been prepared, in all material respects, in accordance with the Turkiye Sustainability Reporting Standards ("TSRS"), as published by the Public Oversight Accounting and Auditing Standards Authority of Turkiye ("POA") in the Official Gazette dated December 29, 2023 and numbered 32414(M). We do not provide any assurance conclusion regarding the information related to prior periods, other information included in the 2024 Integrated Annual Report and any other information (including any images, audio files or embedded videos) associated with the Sustainability Information or 2024 Integrated Annual Report.

### Inherent Limitations in the Preparation of Sustainability Information

The Sustainability Information is subject to inherent uncertainties due to lack of scientific and economic information. The inadequacy of scientific data leads to uncertainties in the calculation of greenhouse gas emissions. Additionally, due to the lack of data regarding the likelihood, frequency, and impacts of potential physical and transition climate risks, the Sustainability Information is subject to uncertainties related to climate-related scenarios.

### Responsibilities of Management and Those Charged with Governance Regarding Sustainability Information

The Group's Management is responsible for:

- Preparing the Sustainability Information in accordance with the principles of Turkiye Sustainability Reporting Standards;
- Designing, implementing and maintaining internal control over information relevant to the preparation of the Sustainability Information that is free from material misstatement, whether due to fraud or error.
- Additionally, the Group Management is responsible for selecting and implementing appropriate sustainability reporting methodologies as well as making reasonable assumptions and suitable estimates.

Those charged with Governance is responsible for overseeing the Group's sustainability reporting process.

### Responsibilities of the Independent Auditor Regarding the Limited Assurance of Sustainability Information We are responsible for the following:

- Planning and performing the engagement to obtain limited assurance about whether the Sustainability Information is free from material misstatement, whether due to fraud or error;
- Forming an independent conclusion, based on the procedures we have performed and the evidence we have obtained; and
- Reporting our conclusion to the Group Management. Since we are responsible for providing an independent conclusion on the Sustainability Information prepared by management, we are not permitted to be involved in the preparation process of the Sustainability Information in order to ensure that our independence is not compromised.

### **Professional Standards Applied**

We performed a limited assurance engagement in accordance with the Standard on Assurance Engagements 3000 Assurance Engagements other than Audits or Reviews of Historical Financial Information and in respect of greenhouse gas emissions included in the Sustainability Information, in accordance with Standard on Assurance Engagements 3410 Assurance Engagements on Greenhouse Gas Statements, issued by POA.

### Independence and Quality Control

We have complied with the independence and other ethical requirements of theCode of Ethics for Independent Auditors (including International Independence Standards) (Code of Ethics) which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior, issued by the POA. Our firm applies Standard on Quality Management 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements. Our work was carried out by an independent and multidisciplinary team including independent auditors, sustainability and risk management specialists. We have used the work of our expert team to assess the reliability of the information and assumptions related to the Group's climate and sustainability-related risks and opportunities. We remain solely responsible for our assurance conclusion.

### Summary of the Work We Performed as the Basis for Our Assurance Conclusion

CUSTOMER

EXPERIENCE

DATA AND

TECHNOLOGY

We are required to plan and perform our work to address the areas where we have identified that a material misstatement of the Sustainability Information is likely to arise. The procedures we performed were based on our professional judgment. In carrying out our limited assurance engagement on the Sustainability Information:

- the Sustainability Information for the reporting period.
- The Group's internal documentation was used to assess and review sustainability-related information.
- The disclosure and presentation of sustainability-related information was evaluated.
- about their implementation was not obtained or their operating effectiveness was not tested.
- It was evaluated whether Group's methods for developing estimates are appropriate and had been consistently applied. However against which to evaluate Group's estimates.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement.

Guney Bagimsiz Denetim ve Serbest Muhasebeci Mali Musavirlik Anonim Sirketi A member firm of Ernst & Young Global Limited

### **Emre Çelik, SMMM**

27 Şubat 2025 Istanbul, Turkiye





• Face to face interviews were conducted with the Group's key senior personnel to understand the processes in place for obtaining

 Through inquiries, an understanding of Group's control environment, processes and information systems relevant to the preparation of the Sustainability Information was obtained. However, the design of particular control activities was not evaluated and evidence

our procedures did not include testing the data on which the estimates are based or separately developing our own estimates

## INTRODUCTION

POSITION IN THE GARANTİ BBVA SECTOR

ABOUT

GARANTI BBVA'S OUR VALUE CREATION

2024 FINANCIAL RESULTS

RISK SUSTAINABILITY MANAGEMENT

TALENT & CULTURE

COMMUNITY INVESTMENTS INCLUSIVE

GROWTH

CUSTOMER DATA AND EXPERIENCE TECHNOLOGY

Indicator

Total Annual Water Consumption by Source	Municipality-provided tap water and ra are used in Garanti BBVA's Türkiye and indicator is defined as the total amoun guidance in GRI 303-3 total water with Organization Table.
Total Annual Waste • Recycled Hazardous Waste • Recycled non-hazardous waste	This indicator is defined as Garanti BB waste (waste oils, vegetable waste oil, recycled waste (paper/cardboard, glas Recyclable hazardous waste (cartridge Battery Manufacturers and Importers total weight is calculated based on dat Since there is no measurement mecha cardboard, glass, metal, plastic, etc.) o generated waste is based on the amou Building.
	Total annual waste amount in the repo Consumption Within The Organization
Total annual GHG emissions (tCO2e) reported according to the Greenhouse Gas Protocol (2004 & 2015)	This indicator measures the greenhou from fossil fuels consumed for heating consumption from purchased electricit of Northern Cyprus operations (Head domestic and foreign subsidiaries. Inte global warming potentials and emissio based on the most up-to-date data pro Environmental Performance Indicator (GHG) emissions (Scope 1), GRI 305-2 2) and GHG Protocol: Location Based a
Total Scope 3 emmisions	Scope 3 emissions within the scope of airplane & train travel and hotel accom consumption for transportation to wor foreign subsidiaries employees. Instea calculations for employees' workplace home and workplace addresses regist expanded with the coefficient which is kilometers were determined. Scope 3 and the GHG Protocol (2015). Average passenger DEFRA 2024 emissi calculations. Flights are classified as Sho and 3,700 km), and Long Haul (over 3,70
GHG Emissions Intensity in the Reporting Period	The GHG emission intensity calculated emissions of Garanti BBVA and its don Total assets of Garanti BBVA and its do statements. GHG Emissions Intensity found in Energy Consumption Within T
Change in GHG Emmision Intensity compared to 2012	Represents the percentage change in t and its domestic subsidiaries in the rep Management System was implemente domestic subsidiaries are based on the audit was performed. The total assets GHG Emissions Intensity reporting foll Environmental Targets and Performan
	-

# **Reporting of the Non-Financial Disclosure**

This section is the guidelines applied for the indicators in scope of limited assurance as explained in the table below. The data reported for each indicator is for the year ended on December 31, 2024. The reporting covers Garanti BBVA's domestic and international subsidiaries unless otherwise stated.

Indicator	Guidance Notes	Total Anr
Materiality Analysis	In determining priority topics, the European Financial Reporting Advisory Group's (EFRAG) European Sustainability Reporting Standards (ESRS), the International Sustainability Standards Board (ISSB), which is part of the International Financial Reporting Standards (IFRS), as well as IFRS S1 (General Requirements for Disclosure of Sustainability-Related Financial Information), IFRS S2 (Climate-Related Disclosures), and the GRI Standards have been taken as references. Similar to previous years, the "double materiality" approach has been adopted in identifying priority topics. Unlike in previous periods, analyses have been conducted on the impacts, risks,	<ul> <li>Recycle</li> <li>Recycle</li> <li>waste</li> </ul>
	and opportunities defined under the specific categories of ESRS. Topics deemed significant for the Bank have been identified and disclosed accordingly. The methodology is structured into three phases: contextual analysis, identification of impacts, risks, and opportunities (IROs), and evaluation of these elements. You may find the detailed information in the related section of the report.	Total anr (tCO2e) r
Sustainability Governance	(1002e) the Gree (2004 &	
Impact report published within the scope of Responsible Banking Principles	Garanti BBVA, a signatory of UNEP FI Responsible Banking Principles, is responsible for analyzing the impacts of its activities on society and the environment and for implementing activities and setting targets to manage these impacts. In accordance with UNEP FI's advisory assurance document, the information on impact analysis, targets and progress shared under headings 2.1, 2.2, 2.3, 5.1 of this impact report has undergone 3rd party assurance.	
Total Annual Energy Consumption by Source	This indicator is defined as energy consumption from fossil fuel sources for heating, generators, leased vehicle fleet in commercial use, purchased electricity and geothermal energy consumption of Garanti BBVA's Turkey and Turkish Republic of Northern Cyprus operations (Headquarters, service buildings, branches and ATMs) and its domestic subsidiaries. Universal energy conversion factors provided by the IPCC are used to convert source data in cubic meters, litres and tonnes to MWh. Total Energy consumption is reported following the guidance in GRI 302 Energy consumption within the organization and can be found in Energy Consumption Within The Organization Table.	Total Scc
Total electricity consumption from renewable generation	It is the share of total electricity consumption from renewable generation, including Garanti BBVA's IREC certificate purchases.	GHG Em Reportin



### **Guidance Notes**

rainwater collected in Headquarters and Pendik buildings nd Turkish Republic of Northern Cyprus operations . This nt of water used and withdrawn. Reported following the hdrawal by source in Energy Consumption Within The

BVA's and its domestic subsidiaries recycled hazardous , cartridge, battery, fluorescent) and non-hazardous ass, metal, plastic, etc.).

ges and batteries) are collected centrally by TAP (Portable s Association) and HP (Hewlett Packard Enterprise). Their ta from these two organizations.

nanism for non-hazardous recyclable wastes (paper/ collected centrally by municipalities, the calculation of the ount of waste generated in the Garanti BBVA Headquarters

orting period is given in tons. For details please see Energy n Table.

use gases (CO2, CH4 and N2O and f-gases) resulting g, generators, rental vehicles, cooling units and energy city used in Garanti BBVA's Turkey and Turkish Republic dquarters, service buildings, branches and ATMs) and its Iternational Energy Agency (IEA) factors were used for ion factors. Network Emission Factor has been calculated rovided by TEIAS for 2022. Annex A.3: Reporting in the rs section is based on GRI 305-1 Direct greenhouse gas 2 Indirect energy greenhouse gas (GHG) emissions (Scope approach.

of categories 5, 6 and 7 are related to waste amount, mmodation regarding business purposes and fuel orkplace carried out by Garanti BBVA and its domestic and ad of the survey method used in previous years emission e transportation; air distance between the employees' stered in the Bank system has been used. Air distance were s determined by selecting the sample and vehicle route emissions is reported following the guidance in GRI 305-3

sion factors (without RF) are used for air travel emissions nort Haul (less than 500 km), Medium Haul (between 500 km '00).

ed by dividing the Scope 1 and Scope 2 greenhouse gas mestic subsidiaries by their total assets in billion TL. domestic subsidiaries are based on the audited financial reporting followed the guidance in GRI 305-3 and can be The Organization Table.

the greenhouse gas emission intensity of Garanti BBVA eporting period since 2012, when the Environmental ted. Since the total assets of Garanti BBVA and its he audited financial statements, no additional financial s are based on the Bank's audited financial statements. llowed the guidance in GRI 305-5 and can be found in ince Tables



INTRODUCTION	ABOUT GARANTİ BBVA	GARANTI BBVA'S POSITION IN THE SECTOR	OUR VALUE CREATION	2024 FINANCIAL RESULTS	SUSTAINABILITY	RISK MANAGEMENT	TALENT & CULTURE	COMMUNITY INVESTMENTS	INCLUSIVE GROWTH	DATA AND TECHNOLOGY	ORGANIZA STRUC

Indicator	Guidance Notes	Indicator	
Total annual emissions prevented by renewable energy projects financed by Garanti BBVA E&S Impact Assessment Process	Emissions avoided by the electricity generation based on the operational capacity of solar, wind and hydropower plants during the reporting period are calculated. The projects Garanti BBVA has participated in financing which were operational in the reporting period are taken into consideration for the calculations. Grid Emission Factor is calculated based on the most recent data available by TEIAŞ for 2024. The projects that are active are within the scope of the audit. By financing renewable energy projects, emissions are prevented by preventing the burning of additional fossil fuels for electrical energy demand. You can find details about the calculations here in the Sustainability section on page 124.	Cardless Transactions from Garanti BBVA ATMs • Total number of cardless transactions done from	The following transactions are or by entering information such number, IBAN or the amount of r • Withdrawing/Depositing Mou • Invoice / Fee / Game of Char • Credit Card Installment Payn • Credit Card Debt Payment • Cash Advance Withdrawal
related to projects financed by Garanti BBVA		Garanti BBVA ATMs in the reporting period	CepBank Withdrawal/Money
• # of assessed projects in 2024	Garanti BBVA has an internal methodology based on domestic legislation and international best practices for the environmental and social risk assessment process within the scope of the		Consumer General Purporse
• # of rejected projects in 2024	Environmental and Social Loan Standard and Environmental and Social Impact Assessment		Mobile Phone TL Top-up
<ul> <li>Risk rating of the assessed projects in 2024</li> </ul>	Process. For details, please refer to the Environmental and Social Risk Management and Environmental and Social Impact Assessment Process Indicators Sections.		<ul><li>Withdrawing Money with Refe</li><li>EFT with IBAN</li></ul>
<ul> <li># of project site visits conducted in 2024</li> </ul>		Contribution to Community Investment Programs	It is defined as the total amoun
Renewable Energy Portfolio		Total amount invested	creating social benefit which ar
• Amount of investments in renewable energy projects by type as of the reporting period end		within the framework of community investment programs in the reporting period "	BBVA, and stakeholder prioritie BBVA's "Corporate Social Resp the framework of the 2021-202 methodology includes both pro
<ul> <li>Installed capacity of renewable energy projects by type as of the reporting period end</li> <li>Garanti BBVA's market share of wind power plants (WPP) by installed power financed by the Bank in Türkiye as of the reporting period end</li> <li>Garanti BBVA's market share of solar energy projects (SPP) by installed power financed by the Bank in Türkiye as of the reporting period end</li> </ul>	After the completion of the annual consolidated report, the cumulative amount of financing provided for renewable energy is calculated and published annually in various public reports, especially in the Integrated Annual Report. The total installed wind and solar power data in Türkiye is collected by the energy team from official institutions (TEIAŞ, Ministry of Energy). On a project basis, the banks that provide financing according to the installed power capacity of the project and, if necessary, the financing amounts are determined. Market share is calculated over the installed power included in which the Bank was part of the financing. You can find details about the calculations here in the Sustainability section on page 124.	Contribution to Sustainable Development (billion TL, Cumulative)	"Contribution to Sustainable D bank offers to its customers in covers all kinds of financial serv- into their business or investme scope of financing sustainable Green Loan Principles, Social L by the LMA; (ii) Loans and tran and/or activities in line with the Report (https://ec.europa.eu/ and_finance/documents/200 en.pdf); (iii) It includes all loans Standards (including domestic year), which determines the tra Growth headings of the BBVA g

Action heading (i) renewable energy loans (including loans for rooftop dividuals and businesses); (ii) energy efficiency loans, including financing of projects that generate more energy savings, including building insulation, efficient electric motors, efficient heating and cooling systems, and process efficiency (iii) green building loans (vi) green transportation, green vehicle, green transport and electromobility loans (vii) such as electric charging station. For audiences that meet certain geographic and demographic limit values under the Inclusive Growth heading; There are investment funds covering gender equality, transportation, telecommunication, health, education, culture and sports infrastructures and (viii) sustainability criteria.

The sustainable financing contribution between 2018-2023 has been reported, and the commitment of 400 billion TL covers the period between 2018-2025."



### **Guidance Notes**

ctions are performed without a card, by using QR from the ATM channel nation such as identity information, mobile phone, invoice number, reference amount of money sent:

ositing Money with QR

me of Chance/Donation Payment

ment Payment

wal/Money Transfer

al Purporse Loan Application

ey with Reference Number

otal amount invested in programs, projects and events focused on fit which are in line with the strategy of the BBVA Group and Garanti der priorities. These activities are managed in accordance with Garanti Social Responsibility Policy" and are in the focus areas determined within e 2021-2025 Community Investment Plan. The scope of the calculation es both project and communication expenses of the activities.

stainable Development means the amount of sustainable finance that the stomers in all segments, in line with its strategic sustainability priorities, and nancial services that integrate long-term environmental and social benefits r investment decisions. In the reporting period of Garanti BBVA, within the ustainable development; (i) loans and transactions that comply with the es, Social Loan Principles and Sustainability-Related Loan Principles issued ns and transactions for climate change mitigation and adaptation projects ine with the requirements of the EU Taxonomy Technical Expert Group europa.eu/info/sites/default/files/business\_economy\_euro/ banking\_ nents/200309-available at sustainable-finance-teg-final-report-taxonomy\_ es all loans and transactions that comply with the Sustainable Finance g domestic criteria and standards specific to Turkey and are updated every ines the transaction criteria included in the Climate Action and Inclusive the BBVA group.

INTRODUCTION	ABOUT GARANTİ BBVA	GARANTI BBVA'S POSITION IN THE SECTOR	OUR VALUE CREATION	2024 FINANCIAL RESULTS	SUSTAINABILITY	RISK MANAGEMENT	TALENT & CULTURE	COMMUNITY		CUSTOMER EXPERIENCE	DATA AND TECHNOLOGY	
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Indicator	Guidance Notes		Indicator	
Share of Women Employees • Share in Total	This data gives the ratio of total, senior, middle level working women in all domestic and international subsidiaries of Garanti BBVA Definition of Senior Manager: CEO and Deputy General Managers of the Bank			Gender pay gap is analyzed in three of value given, as average metrics is neg
<ul> <li>Share in senior management</li> <li>Share in mid-level</li> </ul>	Middle Level Manager Definition: Directors and Regional Managers at the Bank, Senior Management at the Bank's subsidiaries, Corporate and Commercial Branch Managers, Unit Managers at the Bank, Directors at the Bank's subsidiaries			Management Level: Bank Directors Managers, Unit Managers
management	"This data provides the ratio of women employees in revenue-generating roles at the Garanti			Branch Manager/Mid-level Manager Commercial), Senior Supervisors a
Share of women employees working in revenue generating roles	BBVA (Bank-only figure). Subsidiaries are not included in the definition. Definition of Income-generating Female Employee: Branch Manager, Regional Manager, Employees in Sales, Asset-Liability Management and Treasury units. Data is based on bank-only figure."		Gender Pay Gap	Rest of the Employees: Associates, Support Staff Since each category includes different
Number of Employees <ul> <li>Total</li> <li>Age breakdown</li> <li>Per location breakdown</li> </ul>	This data provides the number of employees in Garanti BBVA, its domestic subsidiaries (including Garanti Kültür A.Ş., Garanti BBVA Crypto Asset Purchase and Sale Platform A.Ş. and Garanti Fleet Management Services A.Ş., which are not included in the financial consolidation) and international subsidiaries, the distribution of employees by age groups and location. The location distribution is given as Branch, Head Office, Technology Campus and Other. This data gives the total number of disabled employees of Garanti BBVA Bank and in all its domestic subsidiaries (excluding Garanti Kultur AS) This data gives the ratio of working women in the Garanti BBVA technology team.			and performance differences, the wa observed differences are due to the r represent the wage difference betwe cash income and it includes fixed inc (target bonus). Garantibank Internat due to data confidentiality. If there is included in the calculations. Data cov Garanti BBVA Romania (interns are r
Number of Disabled Employees Share of female employees in technology	This data gives the total number of disabled employees of Garanti BBVA Bank and in all its domestic subsidiaries (excluding Garanti Kultur AS) This data gives the ratio of working women in the Garanti BBVA technology team. When calculating the rate, year-end values are taken into account.		Absentee Rate	The absentee rate is the ratio of the t days calculated based on the medica BBVA's system as of 31.12.2024 in the
On employee turnover • Total	This data provides the ratio of employees who left their jobs for all reasons to the average number		Number of accidents	It represents the total number of non 31.12.2024. It represents the total number of fata
<ul><li>Gender breakdown</li><li>Age breakdown</li></ul>			Number of fatal cases	31.12.2024. It refers to the number of injured emp
On new hires • Gender breakdown • Age breakdown • Position breakdown	This data provides the number of newly hired employees for Garanti BBVA, its domestic and international subsidiaries on the basis of gender, age and position .		Accident frequency rate The number of customers • Total number of customers	1,000 employees. The total number of customers is det customers with at least 1 open produ reporting period. Garanti BBVA Tech Mortgage customers are not include
Number of maternity leaves	This data is for Garanti BBVA Bank and its domestic subsidiaries, the number of female employees taking maternity leave is defined as the female employees who took maternity leave and went on leave during the reporting period.		Number of Digital Banking customers	Number of Active Digital Customers: internet or mobile channels at least c (bank-only) and Garanti Payment Sy
Share of employees returning to work after maternity leave (%)	The rate of employees returning to work after maternity leave, are defined as female employees who are calculated and reported for the previous year instead of the reporting period, and who are still working at Garanti BBVA and its domestic subsidiaries after maternity leave as of the end of the reporting period. Data covers Garanti BBVA Bank and its domestic subsidiaries		Number of Mobile Banking customers	Number of Active Mobile Customers mobile channels at least once in the l and Garanti Payment Systems.
Number of employees on paternity leave	This data is for Garanti BBVA Bank and its domestic subsidiaries , the number of employees taking paternity leave is defined as male employees who have entered paternity leave and are on leave.			



### **Guidance Notes**

e categories and the overall average is also presented. Median negatively affected by extreme values (i.e. very high/very low).

ors, Regional Managers, Corporate and Commercial Branch

agers: Bank Branch Managers (Except Corporate & rs and Supervisors

es, Specialists and Specialist Assistants, Assistants and

erent roles, seniority, number of female and male employees wage comparison table is affected by these variables. The ne mentioned factors, and the category-based results do not ween male and female employees. The study uses annual total income and annual variable remuneration linked to targets national and Malta salaries are not included in the calculations is only one gender in the same position, these positions are not covers Garanti BBVA Bank and its domestic subsidiaries and re not included)

e total number of absentee days to the total number of working lical reports of all sick leaves and injuries entered into Garanti the reporting period.

non-fatal occupational injuries within the period 01.01.2024-

atal occupational injuries within the period 01.01.2024-

mployees within a year (between 01.01.2024-31.12.2024) per

defined as the number of customers calculated by including oduct to Garanti BBVA's active customers as of the end of the echnology, Garanti BBVA Payment Systems and Garanti BBVA ided in the aforementioned number of customers calculation.

rrs: It indicates the number of customers who have logged into st once in the last 3 months. The data covers Garanti BBVA Systems.

ers: It indicates the number of customers who have logged into ne last 3 months. The data covers Garanti BBVA (bank-only)

INTRODUCTION	ABOUT GARANTI BBVA	GARANTI BBVA'S POSITION IN THE SECTOR	OUR VALUE CREATION	2024 FINANCIAL RESULTS		RISK MANAGEMENT	TALENT & CULTURE	COMMUNITY			DATA AND TECHNOLOGY	
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Indicator	Guidance Notes	Indicator	
Customer complaints	It is defined as written/verbal complaints and objections made by Garanti BBVA's customers regarding all kinds of problems, grievances and dissatisfaction they encounter while using banking products and services.		This data provides the number and o subsidiaries' employees who compl inclusive growth and sustainable fin
	This data provides the number and duration of participation of Garanti BBVA and domestic		The names of the completed training
	subsidiary employees who completed gender equality trainings in 2024.		• Sustainability at BBVA
Number of employees who	The names of the completed trainings are as follows.		• Sustainable Investments at BBVA
completed Gender Equality	The "Unconscious Prejudice": Module 1		• Sustainability in Retail and Mass E
Trainings and total training hours	The "Unconscious Prejudice": Module 2		• Environmental and Social Loan St
nouro	Gender Equality Awareness		• Zero Waste for a More Livable Wo
	<ul> <li>EşitBiz (EqualUs) Project/I am aware of equality</li> </ul>		Marine Biodiversity and Invasive S
	A Nonviolent and Equal Future		• Sustainability at Garanti BBVA
	This data provides the number and duration of participation of Garanti BBVA and its domestic	Number of employees who	ISO 14001 Environmental Manage
Number of employees who	subsidiary employees who completed their anti-bribery and anti-corruption training in 2024.	received Sustainability training	• ISO 50001 Energy Management S
received Anti-Corruption trainings and total training	The names of the completed trainings are as follows.	and total training hours	Climate Change and Sustainability
hours	Anti-Corruption Policy		Inclusive Growth
	Our Anti-Corruption and Ethical Principles		Sustainability Bootcamp Program
	This data providess the number and duration of participation of Garanti BBVA and domestic		Sustainable Financing
	subsidiary employees who completed training on ethical principles and business ethics in 2024.		Fundamentals of Sustainability
Number of employees who received Ethics training and	The names of the completed trainings are as follows.		<ul> <li>Sustainability - Advanced</li> </ul>
otal training hours	Ethics and Integrity Principles		• Sustainability - Fundamental
	Ethics and Personnel Regulation		Sustainability Training SME
	This data provides the number and duration of participation of Garanti BBVA and its domestic		Tips for Sustainable Living in the C
Number of employees who	subsidiaries' employees who completed information security trainings in 2024.		Tips for Sustainable Living in the C
received Information Security	The names of the completed trainings are as follows.		Green Portfolio Training Series (6
raining and total training nours	<ul> <li>Information and Data Security</li> </ul>		This data is calculated by dividing th
liours	Social Engineering	Training hours per employee	domestic subsidiary employees by
	This data provides the number and duration of participation of Garanti BBVA and its domestic subsidiaries' employees who completed the trainings within the scope of the Law on the Protection of	Number of training per male/ female employee	This data was calculated by dividing and domestic subsidiary employees December 31, 2024.
Number of employees who	Personal Data in 2024.		
received PDPL training and total training hours	The names of the completed trainings are as follows.		
	Personal Data Protection Law		
	PDPL Awareness Series		
Number of employees	This data provides the number and duration of participation of Garanti BBVA and its domestic subsidiaries' employees who completed cyber security trainings in 2024.		
receiving Cyber Security training and total training time	The names of the completed trainings are as follows.		

• Fundamentals of Cyber Security





### **Guidance Notes**

nd duration of participation of Garanti BBVA and its domestic npleted trainings on sustainability topics such as climate crisis, finance in 2024.

ings are as follows.

/A

s Banking

Standard

/orld

e Species Podcast

gement System

t System

lity

m

e City 1 e City 2 (6 Modules)

the total in-class and online training hours of Garanti BBVA and by the active employees as of December 31, 2024.

ng the total in-class and online training hours of Garanti BBVA ees by the active female/male employee breakdown as of

INTRODUCTION	ABOUT GARANTİ BBVA	GARANTI BBVA'S POSITION IN THE SECTOR	OUR VALUE CREATION	2024 FINANCIAL RESULTS	SUSTAINABILITY	RISK MANAGEMENT	TALENT & CULTURE	COMMUNITY		DATA AND TECHNOLOGY	
		SECTOR									

# TSRS 1 and 2 Compliance Report

# TSRS 1 Compliance Table

a) Governance Body/Bodies (May Include a Board, Committee, or Equivalent Body Responsible for
a) Governance Body/Bodies (May Include a Board, Committee, or
Senior Management) or Individuals Responsible for Overseeing
Governance Governance TSRS-127.a.iv Sustainability Governance
TSRS-127.a.v Sustainability Governance Remuneration and Financial Rights
b) The Role of Management in Governance Processes, Controls, and Procedures Used
to Monitor, Manage, and Oversee Sustainability-Related Risks and Opportunities TSRS-1 27.b.ii Sustainability Governance
TSRS-1 30.a Double Materiality Analysis
a) Sustainability-related risks and opportunities TSRS-1 30.b Double Materiality Analysis
Strategy TSRS-130.c Double Materiality Analysis
TSRS-1 32.a     Our Value Creation Model Double Materiality Analysis
b) Business model and value chain TSRS-1 32.b Our Value Creation Model Double Materiality Analysis

TSRS Title	Main Disclosure Requirement	Standard Clause	Explanations/Relevant Report Section
		TSRS-133.a	Sustainability Governance Double Materiality Analysis
	c) Strategy and decision-making	TSRS-133.b	Carbon Reduction Targets and Progres Status Our Sustainable Finance Commitment
		TSRS-133.c	Environmental and Social Risk Management Coal Phase Out Plan Double Materiality Analysis
		TSRS-134.a	Double Materiality Analysis - Financial Materiality Assessment
		TSRS-134.b	Double Materiality Analysis - Financial Materiality Assessment
Strategy		TSRS-135.a	Double Materiality Analysis - Financial Materiality Assessment
	d) Financial position, financial	TSRS-135.b	Double Materiality Analysis - Financial Materiality Assessment
	performance and cash flows	TSRS-135.c.i	Coal Phase Out Plan Management of Our Direct Environmental Impacts Sustainability Metrics and Targets
		TSRS-135.c.ii	Sustainable Finance Products – Corporate Loans and Debt Instrument
		TSRS-1 35.d	Double Materiality Analysis - Financial Materiality Assessment
	e) Resilience	TSRS-141	Double Materiality Analysis - Integration of the Double Materiality Analysis into Strategy - Scenario and Stress Tests Analysis



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INTRODUCTION	ABOUT GARANTI BBVA	GARANTI BBVA'S POSITION IN THE SECTOR	OUR VALUE CREATION	2024 FINANCIAL RESULTS	SUSTAINABILITY	RISK MANAGEMENT	TALENT & CULTURE	COMMUNITY INVESTMENTS	INCLUSIVE GROWTH	CUSTOMER EXPERIENCE		ORGANIZAT STRUCTU
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TSRS Title	Main Disclosure Requirement	Standard Clause	Explanations/Relevant Report Section	TSRS Title	Main Disclosure Requirement	Standard Clause	Explanations/Relevant Report Section
			Double Materiality analysis Relevant Policy and Framework Documents in Corporate and		a) Metrics Required by the Relevant	TSRS-146.a	Disclosed in TSRS 2 Compliance Table.
		TSRS-144.a.i	Commercial Banking Integration of Climate Change into Risk Management - Risk Appetite Framework		TSRS	TSRS-149	Our Sustainability Metrics and Targets
		TSRS-144.a.ii	Measurement and Integration of Physical Risk - Physical Risk Measurement Scenario and Stress Tests Analysis Other Assessments			TSRS-150.a	Sustainability Metrics and Targets Necessary evaluations have been made for criteria and targets outside the scope of TSRS
	a) Processes and Related Policies Used to Identify, Assess, Prioritize, and Monitor Sustainability-Related	TSRS-144.a.iii	Measurement and Integration of Physical Risk - Physical Risk Measurement Double Materiality Analysis Integrating Climate Change into Risk		Related Risks and Opportunities	TSRS-1 50.b	Sustainability Metrics and Targets Necessary evaluations have been made for criteria and targets outside the scope of TSRS
	Risks		Management Identified Risks and Management			TSRS-150.c	Sustainability Metrics and Targets
		TSRS-144.a.iv	Double Materiality Analysis			TSRS-150.d	Sustainability Metrics and Targets
Risk Management		TSRS-144.a.v	Sustainabiltiy Governance Environmental and Social Risk Management	Metrics and targets	and	TSRS-1 51.a	Sustainability Metrics and Targets
		TSRS-144.a.vi	As this is the first reporting period compliant with TSRS, no disclosure is available.			TSRS-151.b	Sustainability Metrics and Targets
	b) Processes Used by the Entity					TSRS-151.c	Sustainability Metrics and Targets
	to Identify, Assess, Prioritize, and Monitor Sustainability-Related Opportunities	TSRS-144.b	Double Materiality Analysis Our Sustainability Finance Strategy		c) The Entity's Performance Related to the Identified Sustainability Risk	TSRS-1 51.d	Sustainability Metrics and Targets
	c) The Extent and Manner in Which the Processes for Identifying,				or Opportunity, Including Progress Toward Its Self-Determined Targets and Those Required by Regulations	TSRS-151.e	Sustainability Metrics and Targets
	Assessing, Prioritizing, and Monitoring Sustainability-Related Risks and Opportunities Are	TSRS-144.c	Policy and Framework Documents Other Assessments Integration of Climate Change into Risk			TSRS-1 51.f	Sustainability Metrics and Targets
	Integrated into the Entity's Overall Risk Management Process and How They Inform the General Risk Management Process		Management			TSRS-1 51.g	Sustainability Metrics and Targets No changes were made to sustainability and climate-related targets in 2024.
						TSRS-153	Clarity and precision are taken into consideration in the naming and definition of the metrics used.





INTRODUCTION	ABOUT GARANTİ BBVA	GARANTI BBVA'S POSITION IN THE SECTOR	OUR VALUE CREATION		SUSTAINABILITY	RISK MANAGEMENT	TALENT & CULTURE	COMMUNITY INVESTMENTS	INCLUSIVE GROWTH		DATA AND TECHNOLOGY	
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TSRS Title	Main Disclosure Requirement	Standard Clause	Explanations/Relevant Report Section	TSRS 2 Cor	npliance Table	
		TSRS-154	About the Report	TSRS Title	Main Disclosure Requirement	Standard Cl
			Explanations in Accordance with the Guide on Sector-Based Implementation of TSRS-2			TSRS-26.a.i
	Guidance Resources	TSRS-155.a	Double Materiality Analysis It has been assessed that the disclosure issues in the SASB Standards are not		a) Governance body(s) (which may include a board, committee	TSRS-2 6.a.ii
			applicable under the circumstances of the company.		or equivalent body responsible for governance) or person(s)	TSRS-26.a.ii
General Provisions		TSRS-156	Double Materiality Analysis - Financial Materiality Assessment About the Report	Governance	responsible for oversight of climate- related risks and opportunities	TSRS-26.a.iv
TTOVISIONS		TSRS-159	Double Materiality Analysis - Financial Materiality Assessment			TSRS-26.a.v
	Location of Explanations	TSRS-160	About the Report		b) Management's role in governance processes, controls and procedures	TSRS-26.b.i
	Reporting Time	TSRS-164	About the Report		used to monitor, manage and control climate-related risks and opportunities	TSRS-26.b.ii
	Comparative Information	TSRS-170	Sustainability Metrics and Targets			TSRS-2 10.a
	Declaration of Conformity	TSRS-172	About the Report			TODO 0.101
			Double Materiality Analysis Our Sustainable Finance Strategy	Strategy	a) Climate Related Risk and Opportunities	TSRS-2 10.b
			Integration of Climate Change into Risk Management - Risk Assessment Scenario and Stress Test Analysis			TSRS-2 10.c
	Judgements	TSRS-174	Measurement and Integration of Transition Risk Measurement and Integration of Physical			TSRS-2 10.d
			Risks Environmental Targets and Performance Tables		b) Business Model and Value Chain	TSRS-2 13.a
Judgements, Uncertainties			Reporting Guidance for the Non-financial Disclosure			TSRS-2 13.b
and Errors		TSRS-177	Scenario and Stress Test Analysis			
	Uncertainties	TSRS-178	Scenario and Stress Test Analysis			
			Since this is the first TSRS-compliant			

reporting year, there are no past financial disclosures regarding sustainability within the scope of the Standard.

Errors

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Clause	Explanations/Relevant Report Section
i	Sustainability Governance
ii	Sustainability Governance Training
iii	Sustainability Governance
iv	Sustainability Governance Environmental and Social Risk Management
V	Sustainability Governance Remuneration and Financial Rights
i	Sustainability Governance
ii	Sustainability Governance
а	Double Materiality Analysis
)	Integration of Climate Change into Risk Management - Risk Definitions and Transfer Channels
	Double Materiality Analysis
ł	Double Materiality Analysis
3	Our Value Creation Model
)	Our Value Creation Model

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TSRS Title	Main Disclosure Requirement	Standard Clause	Explanations/Relevant Report Section	TSRS Title	Main Disclosure Requirement	Standard Clause	Explanations/Relevant Report Section
		TSRS-214.a.i	Carbon Reduction Targets and Progress				Double Materiality Analysis - Financial
		TSRS-2 14.a.ii	Management of Our Direct Impacts on the Environment Carbon Reduction Targets and Progress Coal Phase Out Plan			TSRS-2 21	Double Materiality Analysis - Financial Double Materiality Analysis - Financial Materiality Assessment
		TODO 014	Our Purchasing Processes and Suppliers Measurement and Integration of Transition			TSRS-222.a.i	Integration of double materiality analysis into strategy
		TSRS-2 14.a.iii	Risk - Sectoral Emission Intensity Measurement and Integration of Transition Risk - Financed Emissions			TSRS-2 22.a.ii	Measurement and Integration of Transition Risk Measurement and Integration of Physical
	c) Strategy and Desicion Making	TSRS-2 14.a.iv	Management of Our Direct Environmental Impacts Operational Efficiency and Waste Management				Risk
		TSRS-2 14.a.v	Climate Transition Plan Sustainability Metrics and Targets			TSRS-2 22.a.iii.(1)	Sustainable Finance Products - Corporate Loans and Debt Instruments
		TSRS-214.b	Sustainable Finance Products - Corporate Loans and Debt Instruments Sustainabiltiy Metrics and Targets			TSRS-2 22.a.iii.(2)	Coal Phase Out Plan Sustainability Metrics and Targets
		TSRS-2 14.c	Since it is the first TSRS compliant reporting period, there is no explanation.			TSRS-2 22.a.iii.(3)	Sustainability Metrics and Targets
Strategy		TSRS-2 15.a	Double Materiality Analysis Our Sustainable Finance Strategy Climate Change-Related Risks Measurement and Integration of Transition Risks Measurement and Integration of Physical Risks	Strategy	e) Climate Resilience	TSRS-2 22.b.i.(1)	Analysis of Scenarios and Stress Tests Other Assessments - Impact Assessments on Operational Risk
		TSRS-215.b	Integration of Climate Change into Risk Management			TSRS-222.b.i.(2)	Analysis of Scenarios and Stress Tests Other Assessments - Impact Assessments on Operational Risk
		TSRS-2 16.a	Double Materiality Analysis - Financial Materiality Assessment			TSRS-2 22.b.i.(3)	Analysis of Scenarios and Stress Tests Other Assessments - Impact
	d) Financial position, financial performance and cash flows	TSRS-2 16.b	Double Materiality Analysis - Financial Materiality Assessment				Assessments on Operational Risk
		TSRS-216.c.i	Coal Phase Out Plan Management of Our Direct Impacts Environmental Impacts Sustainability Metrics and Targets			TSRS-2 22.b.i.(4)	Analysis of Scenarios and Stress Tests Other Assessments - Impact Assessments on Operational Risk
		TSRS-2 16.c.ii	Our Sustainable Finance Strategy Sustainable Finance Products - Corporate Ioans and Debt Instruments			TSRS-2 22.b.i.(5)	Analysis of Scenarios and Stress Tests Other Assessments - Impact Assessments on Operational Risk"
		TSRS-2 16.d	Double Materiality Analysis - Financial Materiality Assessment			TSRS-2 22.b.i.(6)	Analysis of Scenarios and Stress Tests Other Assessments - Impact Assessments on Operational Risk

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INTRODUCTION	ABOUT GARANTİ BBVA		OUR VALUE CREATION	2024 FINANCIAL RESULTS	SUSTAINABILITY	RISK MANAGEMENT	TALENT & CULTURE	COMMUNITY INVESTMENTS			DATA AND TECHNOLOGY	
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TSRS Title	Main Disclosure Requirement	Standard Clause	Explanations/Relevant Report Section	TSRS Title	Main Disclosure Requirement	Standard Clause	Explanations/Relevant Report Section
		TSRS-222.b.i.(7)	Analysis of Scenarios and Stress Tests Other Assessments - Impact Assessments on Operational Risk		b)Including information on whether and how it uses climate-related scenario analysis; The processes the business uses to identify, evaluate, prioritize and monitor	TSRS-2 25.b	Double Materiality Analysis Our Sustainable Finance Strategy Policies and Procedures
		TSRS-2 22.b.ii.(1)	Analysis of Scenarios and Stress Tests	Risk	climate-related opportunities c)Processes for identifying,		
		TSRS-2 22.b.ii.(2)	Analysis of Scenarios and Stress Tests	Managemen	t evaluating, prioritizing and monitoring climate-related risks and opportunities; to what extent		Integration of Climate Change into Risk Management
Strategy	e) Climate Resilience	TSRS-2 22.b.ii.(3)	Analysis of Scenarios and Stress Tests		and how it is integrated into the business's overall risk management process and to what extent and how	TSRS-2 25.c	Policies and Framework Documents Other assessments
		TSRS-2 22.b.ii.(4)	Analysis of Scenarios and Stress Tests		it informs the business's overall risk management process		
		TSRS-2 22.b.ii.(5)	Analysis of Scenarios and Stress Tests				Scope 1,2 and 3 Emissions Reporting Guidance for Non-financial Information The Bank's financed emissions are
		TSRS-2 22.b.iii	Analysis of Scenarios and Stress Tests Other Assessments - Impact Assessments on Operational Risk			TSRS-2 29.a	presented in the report based on NACE code sectors. Since this is the first TSRS reporting year, the Bank benefits from the exemption from disclosure of Scope
		TSRS-2 25.a.i	Double Materiality Analysis Integration of Climate Change into Risk Management - Risk Appetite Framework				3 emissions under TSRS 2 - C4.b and therefore does not present information fully compliant with TSRS 2 - B62.
			<b>3</b>		a) Climate Related Metrics	TSRS-229.b	Measurement and Integration of Transition Risk
		TSRS-2 25.a.ii	Measurement and Integration of Physical Risk - Physical Risk Measurement			TSRS-2 29.c	Measurement and Integration of Physical Risk
	a) Processes and relevant policies		Double Materiality Analysis Integration of Climate Change into Risk	Metrics and Targets		TSRS-2 29.d	Assets Aligned with Climate-Related Opportunities
Risk Management	used by the business to identify, assess, prioritize and monitor climate-related risks	TSRS-2 25.a.iii	Management - Risk Assessment Maasurement and Integration of Physical Risks - Measurement of Physical Risks			TSRS-2 29.e	Our Sustainable Finance Commitment
		TSRS-2 25.a.iv	Double Materiality Analysis			TSRS-2 29.f	Environmental and Social Risk Management
		TSRS-2 25.a.v	Integration of Climate Change into Risk Management			TSRS-2 29.g	Remuneration and Financial Rights
		TSRS-2 25.a.vi	Since it is the first TSRS compliant reporting period, there is no disclosures.		b) Sector-based metrics associated with other common characteristics that characterize particular business models, activities or participation in a sector (Guidelines for Sector-Based Application of TSRS-2)	TSRS-2 32	Explanations in accordance with the Guide on Sector-Based Application of TSRS-2

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INTRODUCTION	ABOUT GARANTİ BBVA	GARANTI BBVA'S POSITION IN THE SECTOR	OUR VALUE CREATION	2024 FINANCIAL RESULTS	SUSTAINABILITY	RISK MANAGEMENT	TALENT & CULTURE				DATA AND TECHNOLOGY	
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TSRS Title	Main Disclosure Requirement	Standard Clause	Explanations/Relevant Report Section	TSRS Title	Main Disclosure Requirement	Standard Clause	Explanations/Relevant Report Section
		TSRS-2 33.a	Carbon Reduction Targets and Progress Our Sustainable Finance Commitment			TSRS-2 34.c	Carbon Reduction Targets and Progress Our Sustainable Finance Commitment
		TSRS-2 33.b	Carbon Reduction Targets and Progress Our Sustainable Finance Commitment				Carbon Reduction Targets and Progress Our Sustainable Finance Commitment
		TSRS-2 33.c	Carbon Reduction Targets and Progress Our Sustainable Finance Commitment			TSRS-2 34.d	No changes were made to sustainability and climate-related targets in 2024.
		TSRS-2 33.d	Carbon Reduction Targets and Progress Our Sustainable Finance Commitment			TSRS-2 35	Carbon Reduction Targets and Progress Status Our Sustainable Finance Commitment
		TSRS-2 33.e	Carbon Reduction Targets and Progress Our Sustainable Finance Commitment			TSRS-2 36.a	Carbon Reduction Targets and Progress Status Our Sustainable Finance Commitment
Metrics and Targets	c) Climate Related Targets	TSRS-2 33.f	Carbon Reduction Targets and Progress Our Sustainable Finance Commitment	Metrics and	c) Climate Related Targets	TSRS-2 36.b	Carbon Reduction Targets and Progress Status
		TSRS-2 33.g	Carbon Reduction Targets and Progress Our Sustainable Finance Commitment	Targets			Our Sustainable Finance Commitment
		TSRS-2 33.h	Carbon Reduction Targets and Progress Our Sustainable Finance Commitment			TSRS-2 36.c	Carbon Reduction Targets and Progress Status Our Sustainable Finance Commitment
		TSRS-2 34.a	Carbon Reduction Targets and Progress Our Sustainable Finance Commitment			TSRS-2 36.d	Carbon Reduction Targets and Progress Status Our Sustainable Finance Commitment
			Carbon Reduction Targets and Progress Our Sustainable Finance Commitment			TSRS-2 36.e.i	Management of Our Direct Impacts Environmental Impacts
		TSRS-2 34.b	Scope 1, 2 and 3 Emissions Significant changes in the value chain			TSRS-2 36.e.ii	Management of Our Direct Environmental Impacts
	have bee calculate quality st	have been assessed in terms of the calculated Scope 3 categories. Data quality studies for other Scope 3 categories are ongoing.			TSRS-2 36.e.iii	Management of Our Direct Impacts Environmental Impacts	
						TSRS-2 36.e.iv	Management of Our Direct Environmental Impacts

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<b>Explana</b>	ations in a	accordance wi	th the Guide on		M	etric Detai
•		plementation				5 The en approace the asp incorpo practice
TSRS Volume-	16 Commercial Bank	KS Metric	Company's Relevant Metric			6 The en oversign approad factors.
		Incorporation of Environmental,		-		7 The er it condu
	Sustainability Disclosure Topics & Metrics	Social, and Governance Factors in Credit Analysis	Sustainability Risk Management		FN-CB-410a.2. Incorporation	modellin future E the port
Türkiye Garanti	Activity Metric	(1) Number and (2) value of checking and savings accounts by segment: (a) personal and (b)	(a.1.) 49,978,944 (a.2.) 818,130,329,787 b.1. 2,450,327	Türkiye Garanti Bankası A.Ş.	of Environmental, Social, and Governance Factors in Credit Analysis	industri
Bankası A.Ş.		small business	b.2. 138,673,339,860 (a.1.) 5,309,537			their eff
		(1) Number and (2) value of loans by segment: (a) personal,	(a.1.) 5,509,557 (a.2.) 193,275,104,638 (b.1.) 33,314			as well a sector-
	Activity Metric	(b) small business, and (c) corporate	(b.2.) 59,335,785,002 (c.1.) 3,960 (c.2.) 221,012,121,152			10 The e ESG fac assessr
						entity's 11 The e
			Comments That Indicate			quantita

TALENT &

CULTURE

RISK

MANAGEMENT

SUSTAINABILITY

	Metrio	c Details	Comments That Indicate Company Compliance
		1 The entity shall describe its approach to the incorporation of environmental, social and governance (ESG) factors in its credit analysis.	Sustainability Risk Management
Türkiye Garanti Bankası A.Ş.	FN-CB-410a.2. Incorporation of Environmental, Social, and Governance Factors in Credit Analysis	3 The entity shall describe the policies that determine its approach to the incorporation of ESG factors in its credit analysis.	Sustainability Risk Management
		4 The entity shall discuss how it incorporates ESG factors when estimating credit losses over the contractual term of the entity's financial assets.	Sustainability Risk Management

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2024 FINANCIAL

RESULTS

GARANTI BBVA'S

POSITION IN THE

SECTOR

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### **Comments That Indicate Company Compliance**

entity shall describe its ach to implementation of pects of the entity's ESG oration ces

entity shall describe its ght and accountability ach to the incorporation of ESG

entity shall discuss whether ducts scenario analysis or lling in which the risk profile of ESG trends is calculated at ortfolio level of commercial and rial credit exposure.

entity shall discuss ESG trends siders apply broadly in terms of effect on sectors and industries, l as the trends it deems as - or industry-specific.

e entity shall describe how actors are incorporated in the sment of and influence the 's views

entity may disclose additional itative measures related to its Environmental and Social approach to the incorporation of ESG Risk Management factors in credit analysis

Sustainability Risk Management

Sustainability Risk Management

Sustainability Governance

Sustainability Risk Management Sustainability Governance

Sustainability Risk Management

Identified Risks and Their Management

INTRODUCTION	ABOUT GARANTİ BBVA	GARANTI BBVA'S POSITION IN THE SECTOR	OUR VALUE CREATION	2024 FINANCIAL RESULTS	SUSTAINABILITY	RISK MANAGEMENT	TALENT & CULTURE	COMMUNITY INVESTMENTS	INCLUSIVE GROWTH
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### **TSRS Volume-19 Mortgage Finance**

	Metric Type	Metric	Garanti BBVA's Explanation						
		(1) Number and (2) value of	As of 31.12.2024, the balance of real estate under pledged assets is 2,275,607,596 TL.						
Türkiye Garanti Bankası A.Ş.	Activity Metric	mortgages originated by category: (a) residential and (b) commercial	Commercial Mor	Consumer Mortgage Loan (TL thousand): 60,558,920 Commercial Mortgage Loan (TL Thousand): 1,327,235 TOTAL: 61,886,155					
			The value of real estate obtained due to receivables on the basis of residential and commercial mortgages are given below.						
Türkiye Garanti	A otivity Moteic	( 1) Number and (2) value of mortgages purchased		Number	Net Worth				
Bankası A.Ş.	Activity Metric	by category: (a) residential and (b) commercial	Pledged Residential Mortgage	509	2,050,344,115.93				
			Pledged Commercial Mortgage	309	1,232,772,414.23				
			Total	818	3,283,116,530.16				

# **Statement of Responsibility**

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# STATEMENT OF RESPONSIBILITY IN ACCORDANCE WITH ARTICLE 9 OF THE COMMUNIQUÉ ON PRINCIPLES OF FINANCIAL **REPORTING IN CAPITAL MARKETS (II-14.1) ISSUED BY THE CAPITAL MARKETS BOARD**

DATA AND

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T. Garanti Bankası A.Ş.'s the year-end Annual Report for the period 01.01.2024 - 31.12.2024, prepared in accordance with the Communiqué On Principles of Financial Reporting in Capital Markets (II-14.1) issued by the Capital Markets Board, has been reviewed by us;

- Within the framework of our duties and responsibilities in the Bank and the information we have, we declare that the year-end Annual Report does not include any untrue statement on material events or any deficiency which may make them misleading as of the date of statement,
- Within the framework of our duties and responsibilities in the Bank and the information we have, we declare that the year-end Annual Report honestly reflects the progress and the performance of the business and the financial position of the Bank together with the significant risks and the uncertainties faced.

Sincerely,

**Mahmut Akten** General Manager

# Jorge Saenz-Azcunaga Carranza Audit Committee Member

ORGANIZATIONAL STRUCTURE



CONTACT NFORMATION



**Aydın Güler Executive Vice President** 

**Ebru Oğan Knottnerus** 

Audit Committee Member

**Belkis Sema Yurdum** Audit Committee Member



OUR VALUE CREATION

2024 FINANCIAL SUSTAINABILITY RESULTS

TALENT & RISK MANAGEMENT CULTURE

COMMUNITY INVESTMENTS

CUSTOMER DATA AND EXPERIENCE TECHNOLOGY

INCLUSIVE

GROWTH

# 2024 Year-End BRSA Financial Reports and **Additional Reports**

Garanti BBVA's BRSA Consolidated and Unconsolidated Financial reports and the related presentation can be found in the www.garantibbvainvestorrelations.com

Supplementary reports can be also found at the Library section of *www.garantibbvainvestorrelations.com*.



31 December 2024 BRSA Unconsolidated Financial Report



31 December 2024 BRSA Consolidated Financial Report

# **Environmental & Social Impact Assessment Process Indicators in 2024**

Risk Assessment Breakdown of Projects Which Were Subjected to ESIAP in 2024

Assessment Result Br	reakdown	Number Of Projects	Loan Limit (USD, Million)
	Category A	-	-
Category	Category B	1	9.3
	Category C	-	-
	R1	-	-
Dick Dating	R2	-	-
Risk Rating	R3	1	9.3
	R4	-	-
	1	-	-
Final Grade	2	-	-
	3	1	9.3









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											(

# **Climate Transition Plan**

			Climate Transition Plan				
Principles	Ambition	Act	ion	Accountability			
Disclosure Elements	1. Foundations	2. Implementation Strategy	3. Engagement Strategy	4. Metrics and Targets	5. Governance		
Disclosure Sub-elements	1.1. Strategic Ambition	2.1. Business Operations	3.1. Engagement with Value Chain	4.1. Governance, Engagement, Business and Operational Metrics and Targets	5.1. Board Oversight and Reporting		
	1.2. Business Model and Value Chain	2.2. Products and Services	3.2. Engagement with Industry	4.2.Financial Metrics and Targets	5.2. Management Roles, Responsibility and Accountability		
	1.3. Key Assumptions and External Factors	2.3. Policies and Conditions	3.3. Engagement with government, public sector, communities and civil society	4.3. GHG Metrics and Targets	5.3. Culture		
		2.4. Inancial Planning		4.4. Carbon Credits	5.4. Incentives and Renumaration		
					5.5. Skills, Competencies		

o. Skills, Competencies and Training





2024 FINANCIA SUSTAINABILITY RESULTS

RISK TALENT & MANAGEMENT CULTURE

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# **UNEP FI Principles for Responsible Banking Impact Report**

**Reporting and Self-Assessment Requirements** 

### High-level summary of the bank's response

### Principle 1: Alignment

INTRODUCTION

We will align our business strategy to be consistent with and contribute to individuals' needs and society's goals, as expressed in the Sustainable Development Goals, the Paris Climate Agreement and relevant national and regional frameworks.

Describe (high-level) your bank's business model, including the main customer segments served, types of products and services provided, the main sectors and types of activities across the main geographies in which your bank operates or provides products and services. Please also quantify the information by disclosing e.g. the distribution of your bank's portfolio (%) in terms of geographies, segments (i.e. by balance sheet and/or off-balance sheet) or by disclosing the number of customers and clients served.

Founded in Ankara in 1946, Garanti BBVA is Turkey's second largest private bank with its consolidated assets reaching 3 trillion 4 billion Turkish liras as of December 31, 2024.

Garanti BBVA, which operates in all business lines of the banking sector including corporate, commercial, SME, individual, private and investment banking, payment systems, is an services group with its international subsidiaries in the Netherlands and Romania, as well as financial subsidiaries in the fields of individual retirement and life insurance, financial le investment and portfolio management.

In order to accelerate and strengthen value creation, Garanti BBVA continues to reach more customers by being present wherever customers are. As of December 31, 2024, it meets all financial needs of its more than 27,7 million customers with a widespread distribution network consisting of 787 branches in Türkiye, 7 branches abroad including 6 in Cyprus, 1 in Malta, one representative office, and 22,664 total employees total employees including subsidiaries.

Garanti BBVA, which implements an advanced corporate governance model that supports the Bank's indispensable values, has as its parent company Banco Bilbao Vizcaya Argentaria S.A. (BBVA), which owns 85.97% of its shares.

Garanti BBVA has been carrying out sustainable development activities for 17 years with a focus on combating the climate crisis and inclusive growth in order to support sustainability, which is one of its strategic goals.

Focusing on responsible and sustainable development, Garanti BBVA contributes to 17 goals within the scope of the Sustainable Development Goals with its activities. Thanks to the Bank's impactoriented investment approach, its total contribution to sustainable development reached TL 291 billion at the end of the 2018-2024 period.

BBVA Group, the main partner of the Bank, revised its €100 billion sustainable financing target, which it announced in 2018, in accordance with the climate change and sustainable development strategy adopted in line with the Paris Climate Agreement, in 2021 and announced its new sustainable financing target as €200 billion. Upon assessments that it was still ahead of its targets in 2022, BBVA Group tripled its 2025 target and with this second update, the new target reached €300 billion. Garanti BBVA, which stated that it will first provide increasing amounts of financing in parallel with the BBVA Group's sustainable financing target and then allocate 150 billion TL in resources, updated its target to provide resources for the financing of sustainable activities between 2018-2025 to 400 billion TL in 2023 for the fight against the climate crisis and inclusive growth.

Please describe how your bank has aligned and/or is planning to align its strategy to be consistent with the Sustainable Development Goals (SDGs), the Paris Climate Agreement, and relevant national and regional frameworks.

Garanti BBVA, which aims to integrate the sustainability vision into every structure of its organization, continues to work by continuously improving its sustainability governance structure, which it restructured with a more responsible and effective business model in 2022. Sustainability at Garanti BBVA is followed by many different teams such as Sustainability, Sustainable Finance, Responsible Banking, Sustainable and Green Office, Sustainability Reporting and Monitoring, and Sustainability Model Development. Other teams and working groups established in different units develop sustainability approaches specific to different functions of the bank in cooperation with the sustainability unit.

- Garanti BBVA announced its goal of reducing carbon emissions by 29% by 2025 and 71% by 2035. Garanti BBVA became the first company to announce that it has adopted a target in line with the maximum temperature increase target of 1.5 °C of the Paris Climate Agreement in 2020. By the end of 2020, the Bank reduced its emissions from its activities by 75% and began investing in projects in voluntary carbon markets accepted by international organizations for the remaining emissions. Thus, the Bank balanced its greenhouse gas emissions 15 years before its reduction target. (Carbon credits are purchased for Scope 1 and Scope 3.5, 3.6, 3.7 categories, and I-REC certificates are purchased for Scope 2)
- Garanti BBVA announced its commitment to phase out coal in 2021, breaking new ground in Turkey and taking its pioneering position in sustainable finance one step further. As part of the fight against the negative impacts of climate change, it has committed not to finance new coal power plant and coal mine investments and to eliminate coal-related risks in its portfolio by 2040 at the latest.
- Accelerating its efforts in line with the goal of transitioning to a low-carbon economy in 2022, the Bank emphasizes the importance of setting science-based targets to gradually reduce risks in carbonintensive sectors. Taking its climate commitments one step further, the Bank has calculated its decarbonization targets for 2030 in other carbon-intensive sectors such as energy, automotive, iron and steel and cement. These interim targets constitute an important step towards achieving emission targets compatible with the net-zero target for 2050. The Bank reports its statements on the realization of these targets in its Integrated Activity Report every year.





Reference(s)/Link(s) to full bank response/relevant information

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Garanti BBVA Integrated Annual Report 2024: Corporate Profile, pages 313-351

Garanti BBVA Integrated Annual Report 2024: Contribution to Sustainable Developments Goals and Targets, pages 88-102; Sustainability pages 122-182

INTRODUCTION	ABOUT GARANTİ BBVA	GARANTI BBVA'S POSITION IN THE SECTOR	OUR VALUE CREATION	2024 FINANCIAL RESULTS	SUSTAINABILITY	RISK MANAGEMENT	TALENT & CULTURE	COMMUNITY	INCLUSIVE GROWTH	CUSTOMER EXPERIENCE	DATA AND TECHNOLOGY	ORGANIZA STRUCT
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High-level summary of the bank's response

### **Principle 1: Alignment**

We will align our business strategy to be consistent with and contribute to individuals' needs and society's goals, as expressed in the Sustainable Development Goals, the Paris Climate Agreement and relevant national and regional frameworks.

Does your bank also reference any of the following frameworks or sustainability regulatory reporting requirements in its strategic priorities or policies to implement these?

Garanti BBVA has been reporting its sustainability since 2010, first through individual sustainability reports and later through integrated activity reports. In 2020, the Bank began publishing the Capital Markets Board's (CMB) Sustainability Principles Compliance Report as an annex to its integrated activity reports. Since 2022, Garanti BBVA has also been conducting the Pillar-III ESG (environmental, social, governance) reporting, which is among the legal declarations requested by the European Banking Authority (EBA) from all European banks, such as Garanti BBVA's parent company, the BBVA Group, and similarly the European Commission's Article 8 reporting. The Bank's 2024 Integrated Activity Report was published in compliance with the Turkish Sustainability Reporting Standards published by the Public Oversight and Accounting Standards Authority in December 2023.

### Principle 2: Impact and Target Setting

We will continuously increase our positive impacts while reducing the negative impacts on, and managing the risks to, people and environment resulting, products and services. To this end, we will set and publish targets where we can have the most significant impacts.

2.1. Show that your bank has performed an impact analysis of its portfolio/s to identify its most significant impact areas and determine priority areas for target-setting. Garanti BBVA has carried out impact analysis at a strategic level to define the new priority focuses in the discipline of sustainability with scope for the Bank.

a) Scope: What is the scope of your bank's impact analysis? Please describe which parts of the bank's core business areas, products/services across the main geographies that the bank operates in (as described under 1.1) have been considered in the impact analysis. Please also describe which areas have not yet been included, and why.

BBVA Group renewed its impact analysis in 2024 using the 3rd version of the UNEP-FI Portfolio Impact Analysis Tool for Banks. As part of this group analysis, Garanti BBVA's individual impact (excluding its subsidiaries) was also analyzed. However, Garanti BBVA based its dual materiality analysis in the 2024 Integrated Activity Report on the European Sustainability Reporting Standards. (ESRS) of the European Financial Reporting Advisory Group (EFRAG), IFRS S1 (General Requirements for Disclosure of Sustainability-related Financial Information), IFRS S2 (Climate-related Disclosures) published by the International Sustainability Standards Board (ISSB), which is part of the International Financial Reporting Standards (IFRS) organization, and GRI Standards. In the double materiality analysis conducted by the Bank, the Bank's banking activities in corporate, commercial and individual customer segments and the impacts on its stakeholders through other value chain activities were also analyzed based on the UNEP FI Portfolio Impact Analysis Tool for Banks methodology. This Responsible Banking Principles Impact Report was prepared based on the results of the said impact analysis.

Garanti BBVA's two-dimensional materiality analysis is based on the results of previous studies and the most up-to-date and accurate information available. This analysis was carried out by integrating tools, standards and processes covering both internal processes and market references. This approach ensures that the analysis is developed and evolved in line with the Group's strategy, stakeholder needs and regulatory provisions. The applied methodology is structured in three stages: context analysis, identification of impacts, risks and opportunities and assessment of these identified elements. In this process, the active participation of the teams responsible for the management of each issue was ensured, and their knowledge and assessments regarding the degree of impact and probability of the highlighted issues were taken into account. In addition,;

- UNEP-FI Impact Tool methods and ENCORE tool were used to determine sectoral and geographical impacts based on the Bank's loan portfolio.
- A stakeholder survey was conducted to identify the priority and impact of sustainability issues among stakeholders. Responses from various stakeholder groups such as employees, subsidiaries, customers, NGOs and investors were evaluated.
- Human Rights Due Diligence was used to facilitate the determination of human rights-related impacts.
- Internal methodologies such as Climate Change Risk Assessment and Reputation and Non-Financial Risk Matrix were also used, providing a comprehensive perspective in risk assessment.
- Based on standards such as sectoral standards set by SASB and guidelines of the European Banking Authority (EBA) that provide additional criteria to identify and manage relevant risks and opportunities for the financial sector.

After determining the Impact, Risk and Opportunity statements to be evaluated, they were defined and classified according to the following criteria:

- Current/Potential: Current impacts, risks and opportunities, as well as impacts, risks and opportunities with potential future realizations, were separated.
- Timeframe: Short/Medium/Long term
- Value Chain Stage: Classification as Upstream, Own Operations and Downstream.
- ESRS Topics: Assignment of each topic to specific themes and categories in accordance with ESRS material topic standards.

In the evaluation of the topics included in the impact analysis, all banking activities of Garanti BBVA were taken into consideration.

b) Portfolio composition: Has your bank considered the composition of its portfolio (in %) in the analysis? Please provide proportional composition of your portfolio globally and per geographical scope

i) by sectors & industries for business, corporate and investment banking portfolios (i.e. sector exposure or industry breakdown in %), and/or

ii) by products & services and by types of customers for consumer and retail banking portfolios.

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OUR GOVERNANCE FINANCIAL REPORTS AND APPENDICES

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### Reference(s)/Link(s) to full bank response/relevant information

Garanti BBVA Integrated Annual Report 2024: Double Materiality Analysis, pages 64-83; Sustainability, pages 122-182; Sustainability Principles Compliance Report, pages 314-351.

Garanti BBVA Integrated Annual Report 2024: Double Materiality Analysis, pages 64-83.

Garanti BBVA Integrated Annual Report 2024: Double Materiality Analysis, pages 64-83.

SECTOR	INTRODUCTION	ABOUT GARANTİ BBVA	GARANTI BBVA'S POSITION IN THE SECTOR	OUR VALUE CREATION	2024 FINANCIAL RESULTS	SUSTAINABILITY	RISK MANAGEMENT	TALENT & CULTURE				DATA AND TECHNOLOGY	
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High-level summary of the bank's response

### Principle 2: Impact and Target Setting

related to sustainable development in the main

analysis.

We will continuously increase our positive impacts while reducing the negative impacts on, and managing the risks to, people and environment resulting, products and services. To this end, we will set and publish targets where we can have the most significant impacts.

2.1. Show that your bank has performed an impact analysis of its portfolio/s to identify its most significant impact areas and determine priority areas for target-setting.. Garanti BBVA has carried out impact analysis at a strategic level to define the new priority focuses in the discipline of sustainability with scope for the Bank.

In determining the priority issues, as in previous years, a 'double prioritization' approach has been adopted. The impacts of our activities on the environment and people – priority in terms of impact – and the impact of environmental and social issues on the company's activities - priority in terms of financial impact - have been determined and assessed. While the impact significance deals with the positive or negative impacts created by the Group's activities on its environment, the financial significance deals with the risks and opportunities that arise as a result of how the environment affects or may affect the Group's economic situation. Unlike previous periods, studies have been carried out to carry out analyses of the impact, risk and opportunity categories of the issues defined according to ESRS special categories and to identify those that are important for the Bank and to disclose the relevant information. The significance level has been assessed according to the Bank's strategic priorities and their implementation, the market environment, and interaction with stakeholders, and is expected to be reviewed periodically according to developments in these areas and changes in regulations. c) Context: What are the main challenges and priorities ESRS E1: Climate change ESRS E2: Pollution countries/regions in which your bank and/or your Garanti BBVA Integrated Annual Report ESRS E3: Water and marine resources clients operate? Please describe how these have been 2024: Double Materiality Analysis, pages ESRS E4: Biodiversity and ecosystems 64-83. considered, including what stakeholders you have ESRS E5: Resource use and circular economy engaged to help inform this element of the impact ESRS S1: Own workforce ESRS S2: Workers in the value chain ESRS S3: Affected communities ESRS S4: Consumers and end-users ESRS G1: Business conduct Although impact and financial significance are taken into account in the materiality analysis, financial significance has been taken into account in the information disclosed in terms of the compliance of Integrated Activity Reporting with the Turkish Sustainability Reporting Standards. This Responsible Banking Principles Impact Report was prepared based on the results of the said impact analysis.

> As a result of the Impact Analysis, the positive and negative impacts determined as significant and close to significant are as follows: Positive impacts:

- Climate change
- Pollution
- Circular economy
- Workforce
- Consumers and end users
- Business ethics
- Negative impacts:
- Climate change

Garanti BBVA manages the impact areas resulting from this analysis by grouping them under two focus areas of its sustainability strategy and with the aim of taking action primarily for its negative impacts: 1. Climate change: Climate change, pollution, circular economy

2. Inclusive growth: Workforce, consumers and end users

Garanti BBVA has assessed that it may have a negative impact in these areas in terms of climate change: Customers without a decarbonization strategy may cause the Bank not to comply with the determined decarbonization targets; Indirect greenhouse gas emissions from the Bank's portfolio and from financing carbon-intensive customers that negatively contribute to climate change may increase; Negative environmental impacts of the portfolio due to financing of highly polluting or low-recycling customers; waste production, consumption of resources such as water, energy and paper. Garanti BBVA assessed that it could have a positive impact in terms of climate change in these areas: Reduction of greenhouse gas emissions by implementing a sustainable finance approach in credit transactions in accordance with the Bank's Environmental and Social Loan Standard and by supporting low-carbon customers with better credit conditions; Reduction of waste production through management and circular economy measures; Reduction of consumption of resources such as water, energy resources and paper through management and efficiency measures; Investment in afforestation through carbon offset projects for greenhouse gas emissions that are not I-REC certified.

Garanti BBVA assessed that it could have a negative impact in terms of inclusive growth in these areas: Lack of or difficulty in accessing financial services for customers due to the location of the bank branches; Lack of access to finance and financial services for disadvantaged groups due to the lack of suitable financing or product offers; Low financial awareness levels among disadvantaged groups and lack of accessible financial education for these groups; Lack of information in the Bank on the use of financial services and products aimed at supporting disadvantaged groups.

Garanti BBVA has assessed that it could have a positive impact in these areas in terms of inclusive growth: Providing access to financial services through digital banking services; Developing financial services and products for disadvantaged groups; Programs for financial literacy and reducing inequalities in society; Financing the provision of health, energy and education infrastructure for vulnerable groups.

Based on these first 3 elements of an impact analysis, what positive and negative impact areas has your bank identified? Which (at least two) significant impact areas • Consumers and end users did vou prioritize to pursue your target setting strategy (see 2.2)? Please disclose.







### Reference(s)/Link(s) to full bank response/relevant information

Garanti BBVA Integrated Annual Report 2024: Double Materiality Analysis, pages 64-83; Our Value Creation, pages 62-107; Sustainability, pages 122-182.



INTRODUCTION	ABOUT GARANTİ BBVA	GARANTI BBVA'S POSITION IN THE SECTOR	OUR VALUE CREATION	2024 FINANCIAL RESULTS	SUSTAINABILITY	RISK MANAGEMENT	TALENT & CULTURE	COMMUNITY INVESTMENT	CUSTOMER EXPERIENCE	

### High-level summary of the bank's response

### Principle 2: Impact and Target Setting

We will continuously increase our positive impacts while reducing the negative impacts on, and managing the risks to, people and environment resulting, products and services. To this end, we will set and publish targets where we can have the most significant impacts.

2.1. Show that your bank has performed an impact analysis of its portfolio/s to identify its most significant impact areas and determine priority areas for target-setting.. Garanti BBVA has carried out impact analysis at a strategic level to define the new priority focuses in the discipline of sustainability with scope for the Bank.

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

As explained in the previous sections, Garanti BBVA has prioritized the sectors or areas where its financing activity has a greater positive and negative impact and has set targets that it constantly monitors and monitors.

The impact analysis took into account:

(i) Main areas of business: retail banking, commercial banking, corporate banking business lines

from the bank's activities and provision of products and services. If you (ii) Degree of exposure to sectors and current challenges and priorities specific to that sector.

(iii)The importance of the social, economic and environmental impacts identified as resulting from Garanti BBVA's activities, specific to each sector.

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

### Self assessment

Which of the following components of the impact analysis has your bank completed in order to identify areas where your bank has the most significant (potential) positive and negative impacts?

Scope: Yes Portfolio Structure: Yes Status: Yes Performance Measurement: Yes As a result of the impact analysis, which are the most important impact areas for your bank? Climate Change and Inclusive Growth How current is the data used and disclosed in the impact analysis? 2024 data







### Reference(s)/Link(s) to full bank response/relevant information

Garanti BBVA Integrated Annual Report 2024: Double Materiality Analysis, pages 64-83; Sustainability pages 122-182.



INTRODUCTION	ABOUT GARANTİ BBVA	GARANTI BBVA'S POSITION IN THE SECTOR	OUR VALUE CREATION	2024 FINANCIAL RESULTS	SUSTAINABILITY	RISK MANAGEMENT	TALENT & CULTURE	COMMUNITY		CUSTOMER EXPERIENCE	DATA AND TECHNOLOGY	ORGANIZA STRUC
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High-level summary of the bank's response

### Principle 2: Impact and Target Setting

We will continuously increase our positive impacts while reducing the negative impacts on, and managing the risks to, people and environment resulting, products and services. To this end, we will set and publish targets where we can have the most significant impacts.

### 2.2 Target Setting (Key Step 2) Show that your bank has set and published a minimum of two targets which address at least two different areas of most significant impact that you identified in your impact analysis.

Garanti BBVA is committed to establish specific, measurable, achievable, relevant, and time-bound (SMART) goals, in line with science and the provision of products and services: Climate Action and Inclusive Growth. The target-setting process is at different stages for these two points.

### Impact 1: Combating climate change

As a signatory of the UNEP FI Responsible Banking Principles and a member of the Net-Zero Banking Alliance, Garanti BBVA bases its work on combating climate change on scientific sources. These include netzero climate scenarios prepared by the International Energy Agency (IEA) and sources such as the Sustainable Future Sectoral Roadmaps Towards Net Zero Emissions. Garanti BBVA monitors its performance with the following indicators in line with the BBVA group:

- 1. Emission intensity per unit production amount (The Bank's decarbonization roadmap in the Energy, Automotive, Steel and Cement sectors has been prepared with the Sectoral Decarbonization Approach and PACTA (Paris Agreement Capital Transition Assessment) methodology.)
- 2. Absolute carbon emissions (The emissions financed through the Bank's portfolio, included in the scope-3 category-15 greenhouse gas emission inventory, have been prepared with the PCAF methodology.)
- 3. Total amount of financing to the coal sector: The Bank's commitment to phase out coal-related risks is reflected in the Sustainability Policy and the process is managed according to the Environmental and Social Loan Standard
- 4. Amount transferred to the financing of sustainable businesses: Garanti BBVA updated its target to provide resources for the financing of sustainable activities between 2018-2025 to combat the climate crisis and inclusive growth in 2023 as TL 400 billion. BBVA announced that it achieved its 2018-2025 Global Sustainable Finance target by the end of 2024.
- 5. Emissions caused by the bank's activities and energy consumption: Reduce direct CO2 emissions by 68% (compared to 2015 data). As of 2022, Garanti BBVA's overall scope 1 and 2 CO2 emissions have been reduced by 75%. Garanti BBVA has been obtaining IREC certification for energy consumption since 2020.

Garanti BBVA shares its progress in its goals to decarbonize its portfolio in line with the goal of combating climate change by 2024.

### Impact 2: Inclusive Growth

Garanti BBVA updated the Bank's Sustainable Finance Framework in 2023 for inclusive growth, the second focus area of its sustainability strategy. With the definition of vulnerable groups, new vulnerable groups and regions with high development needs have been added to women entrepreneurs, which have been Garanti BBVA's focus area for 18 years. Garanti BBVA monitors its performance in line with the BBVA group with the following indicators:

- 1. Amount transferred to financing sustainable businesses: Garanti BBVA updated its target to provide resources for financing sustainable activities in 2018-2025 to combat the climate crisis and inclusive growth in 2023 as TL 400 billion. BBVA announced that it achieved its 2018-2025 Global Sustainable Finance target as of the end of 2024.
- 2. Contribution to the 2021-2025 BBVA Global Social Investment Plan: Investments in social programs in 2024 exceeded TL 277,8 million and more than 2,6 million people were reached through these programs. BBVA announced that the 2021-2025 Global Social Investment Plan targets were achieved by the end of 2024, Garanti BBVA participated in the second round of the BBVA Group's Human Rights due diligence process in 2020 and the three-year process was completed in 2022. Within this framework, a list of issues with potential negative impacts was drawn up, they were assessed and action plans were designed to mitigate or minimize them. This process was carried out in accordance with the United Nations Guiding Principles on Business and Human Rights.

### Impact 1: Combating climate change

- 1. The base year of the sectoral decarbonization targets prepared with the PACTA methodology is 2022.
- 2. Absolute carbon emissions were calculated for the first time in 2024.
- 3. The coal phase-out commitment was made in 2021.
- 4. The starting year of Garanti BBVA's sustainable finance target is 2018.
- 5. The starting year of the bank's emissions reduction targets is 2015.

### Impact 2: Inclusive Growth

- 1. The starting year of Garanti BBVA's sustainable finance target is 2018.
- 2. The starting year of the Global Social Investment Plan is 2021.
- 3. The Human Rights Due Diligence study started in 2020 and was completed in 2022.

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

a) Alignment: which international, regional or national

policy frameworks to align your bank's portfolio with

have you identified as relevant? Show that the selected

indicators and targets are linked to and drive alignment

with and greater contribution to appropriate Sustainable Development Goals, the goals of the Paris Agreement,

and other relevant international, national or regional

frameworks

well as the year of the baseline.





### Reference(s)/Link(s) to full bank response/relevant information

Garanti BBVA Integrated Annual Report 2024: Sustainability, pages 122-182; Appendix, Environmental Performance Indicators Garanti BBVA Investor Relations website: ESG section BBVA 2024 Annual Report: Non-Financial Information Report

Garanti BBVA Integrated Annual Report 2024: Sustainability, pages 122-182

INTRODUCTION	ABOUT GARANTİ BBVA	GARANTI BBVA'S POSITION IN THE SECTOR	OUR VALUE CREATION	2024 FINANCIAL RESULTS	SUSTAINABILITY	RISK MANAGEMENT	TALENT & CULTURE	COMMUNITY INVESTMENTS		DATA AND TECHNOLOGY	
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High-level summary of the bank's response

### Principle 2: Impact and Target Setting

We will continuously increase our positive impacts while reducing the negative impacts on, and managing the risks to, people and environment resulting, products and services. To this end, we will set and publish targets where we can have the most significant impacts.

### 2.2 Target Setting (Key Step 2) Show that your bank has set and published a minimum of two targets which address at least two different areas of most significant impact that you identified in your impact analysis.

Garanti BBVA is committed to establish specific, measurable, achievable, relevant, and time-bound (SMART) goals, in line with science and the provision of products and services: Climate Action and Inclusive Growth. The target-setting process is at different stages for these two points.

### Impact 1: Combating climate change:

- Sustainable finance mobilization TL 400 billion between 2018-2025
- Garanti BBVA, stating that BBVA Group will first provide increasing amounts of financing in line with its sustainable finance target and then allocate TL 150 billion in resources, updated its target to provide resources for financing sustainable activities between 2018-2025 to TL 400 billion in 2023 to combat the climate crisis and inclusive growth.
- Emission reduction mid-term targets for carbon-intensive sectors in line with IEA's net zero emissions scenario in 2050, calculated according to PACTA methodology:

Sector	Emission Scope	Metric	Scenario	Garanti BBVA Baseline (2022)	Garanti BBVA Progress (2024)	Difference	Redu t
Energy	1+2	kgCO2e/MWh	IEA Net Zero 2050	371	371	0%	
Automotive	3	gCO2e/Km	IEA Net Zero 2050	182	171	15%	
Iron & Steel	1+2	kgCO2e/Tiron&steel	IEA Net Zero 2050	1,131	1414	0%	
Cement	1+2	kgCO2e/Tcement	IEA Net Zero 2050	726	726	0%	
Coal	-	TLmn		Phase-out of the	e sector by 2040		

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

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

- As of 31.12.2024, the total absolute emissions financed by Garanti BBVA in the asset classes it calculated is 39 million tCO2.
- Coal is monitored based on the net amount provided to its customers and shared with the annual reduction rate. The coal risk was reduced by 10% in 2024.
- In 2020, Garanti BBVA pledged to reduce carbon emissions by 29% by 2025 and 71% by 2035. By reducing emissions from its activities by 75% at the end of 2020, the Bank began investing in projects in voluntary carbon markets accepted by international organizations for its remaining emissions. Thus, the Bank balanced its greenhouse gas emissions 15 years before the reduction target. (Carbon credits are purchased for Scope 1 and Scope 3.5, 3.6, 3.7 categories, and I-REC certificates are purchased for Scope 2)

### Impact 2: Inclusive Growth:

• Some performance indicators have been identified and targets have been set to support customers with low access to financial resources and poor financial literacy with Garanti BBVA's banking services.

				Progress	
Theme		2021	2022	2023	2024
Financial Inclusion	Maintaining 100% accessibility of Garanti BBVA ATMs for visually impaired individuals	5,156	5,431	5,496	5,806
Financial Inclusion	Keeping the accessibility rate of Garanti BBVA ATMs for orthopedically disabled individuals above 2%	225	243	230	227

Contributing to the BBVA 2021-2025 Community Investment Plan in line with Garanti BBVA's share in the group





### Reference(s)/Link(s) to full bank response/relevant information

uction Target by 2030
-71%
-40%
-13%
-20%

Garanti BBVA Integrated Annual Report 2024: Sustainability, pages 122-182



INTRODUCTION ABOUT POSITION IN THE OUR VALUE 2024 FINANCIAL SUSTAINABILITY RISK TALENT & COMMUNITY INCLUSIVE CUSTOMER DATA AND ORGA	INTRODUCTION	ABOUT GARANTİ BBVA		OUR VALUE CREATION	2024 FINANCIAL RESULTS	SUSTAINABILITY	RISK MANAGEMENT						ORGANIZ/ STRUC
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High-level summary of the bank's response

### Principle 2: Impact and Target Setting

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2.2 Target Setting (Key Step 2) Show that your bank has set and published a minimum of two targets which address at least two different areas of most significant impact that you identified in your impact analysis. Garanti BBVA is committed to establish specific, measurable, achievable, relevant, and time-bound (SMART) goals, in line with science and the provision of products and services: Climate Action and Inclusive Growth. The target-setting process is at different stages for these two points.

> Garanti BBVA continued its efforts to decarbonize its portfolio throughout 2024. In this context, in addition to its previously announced declaration to completely exit the coal sector by 2040, it monitored its progress in its targets announced for reducing the emissions of its customers operating in the 4 most carbon-intensive sectors by 2030. In order to achieve these targets, the bank increased its efforts in sustainable finance mobilization, the bank's financial advisory role in developing a low-carbon economy, and the development of innovative product and service solutions for decarbonization, and held meetings with its customers in these sectors on the theme of decarbonization throughout the year.

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

Please also show that your bank has analysed and acknowledged significant (potential) indirect impacts of the set targets within the impact area or on other impact areas and that it has set out relevant actions to avoid, mitigate, or compensate potential negative impacts. Garanti BBVA's sustainability teams and business lines are responsible for preparing sector-based plans to achieve these ambitious targets and encourage customers to reduce their carbon emissions. At the end of this process, the bank has created a Transition Plan that will include strategies for managing different business lines and customers.

Garanti BBVA regularly improves its governance structure for the transition to net-zero in collaboration with its sustainability, sustainable finance, credit risk, etc. teams. In this context, Garanti BBVA regularly monitors its performance against the 2030 interim decarbonization targets through data collection, customer visits, sectoral plans and internal risk assessment tools. These studies form the basis for managing portfolio alignment and providing input for risk appetite definition in different sectors. In order to achieve the Bank's sustainable finance mobilization target (2018-2025), annual targets and targeted green/social credit ratios by business lines have been communicated to customer managers, and this target has also been determined as one of the performance bonus criteria for all relevant employees of the bank, from Board Members to branches.

### Self assessment

Which of the following target setting components has your bank completed or is currently in an evaluation process for your primary and secondary areas of greatest impact in line with PRB requirements? The first area of greatest impact is: Goal 1. Climate Change (decarbonization) Garanti BBVA has set new metrics in this domain in 2024. Alignment: Yes Base Year: Yes SMART goals: Yes Action plan: Yes The second area of greatest impact is: Goal 2. Inclusive Growth Garanti BBVA will evaluate targets in this area of impact in 2025.. Alignment: Yes Base Year: Yes SMART goals: Yes Action plan: Yes





### Reference(s)/Link(s) to full bank response/relevant information

Garanti BBVA Integrated Annual Report 2024: Sustainability, pages 122-182.

INTRODUCTION	ABOUT GARANTİ BBVA	GARANTI BBVA'S POSITION IN THE SECTOR	OUR VALUE CREATION	2024 FINANCIAL RESULTS	SUSTAINABILITY	RISK MANAGEMENT	TALENT & CULTURE				DATA AND TECHNOLOGY	
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High-level summary of the bank's response

### Principle 2: Impact and Target Setting

We will continuously increase our positive impacts while reducing the negative impacts on, and managing the risks to, people and environment resulting, products and services. To this end, we will set and publish targets where we can have the most significant impacts.

### 2.3 Target implementation and monitoring (Key Step 2)

Show that your bank has implemented the actions it had previously defined to meet the set target.

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

### Impact 1: Combating climate change

- 1. Garanti BBVA transferred over TL 291 billion to sustainable businesses as of the end of December 2024, thus fulfilling the vast majority of its TL 400 billion commitment between 2018 and 2025.
- 2. In the emission reduction interim targets calculated according to the PACTA method for carbon-intensive sectors, it was observed that the Bank's emission intensity in the automotive sector decreased by 4.47% in 2024. There was no change in emission intensity due to the limitation in the database used in the calculations for the cement sector. An 8.27% increase in emission intensity was observed in the iron and steel sector due to the increase in short-term risk amounts in companies using production technologies that cause high emissions. It was assessed that the decarbonization plans and strategies of all companies in this scope are progressing in line with the bank's 2030 targets. In the energy sector, although renewable energy investments are increasing, an increase of 9.44% was observed due to the fact that companies with high emissions are turning to renewable energy investments and short-term risk amounts are increasing periodically. With the completion of investments made by companies in line with the targets followed in the energy sector, a decrease in emission intensity is expected to be in line with the targets.
- 3. As of 31.12.2024, the total absolute emission financed by Garanti BBVA in the asset classes it calculated is 39 million tCO2

The Bank also supports its climate change targets on the portfolio side with these decisions

- Garanti BBVA includes sustainability strategies in the business plans of all business lines through strategy trainings and department-based working groups responsible for encouraging the development of relevant products and services.
- Garanti BBVA has integrated sustainability risks into its internal processes regardless of whether they are physical or related to the transition process and has adopted the BBVA Group's Environmental and Social Framework
- Garanti BBVA has created a unique agenda with its stakeholders and joined the Net Zero Banking Alliance (NZBA).
- Garanti BBVA is working in collaboration with BBVA Group to develop a set of tools that will facilitate the effective management of compliance targets and ensure compliance with them, enabling the integration of the management of these targets into daily business and risk processes.
- 4. The Bank has reduced its scope 1 and 2 CO2 emissions by 75% by 2020 compared to 2015 data, purchases carbon credits for the remaining emissions from its activities and sources its energy consumption from I-REC certified renewable sources.

### Impact 2: Inclusive Growth

1. Impact indicators in the area of financial health and inclusion have been identified and targets have been set, and are being monitored annually.

Regular monitoring and reporting of the Contribution to the 2021-2025 BBVA Global Social Investment Commitment by action focus. By the end of 2024, TL 277.8 million had been invested and 2.6 million people had benefited from Garanti BBVA's community investment-focused programs. Progress is monitored quarterly, and performance is above expectations.

Please provide your bank's conclusion/statement if you have met the requirements regarding Plans for Target Implementation and Monitoring Garanti BBVA has set objectives towards mitigating climate change and inclusive growth through its business; and it has set the necessary mechanisms for regular monitoring and reporting of these objectives.

Report on your bank's progress since the last report towards achieving each of the set targets and the impact your progress resulted in, using the indicators and KPIs to monitor progress you have defined under 2.2.







### Reference(s)/Link(s) to full bank response/relevant information

Garanti BBVA Integrated Annual Report 2024: Sustainability, pages 122-182.

INTRODUCTION	ABOUT GARANTİ BBVA	GARANTI BBVA'S POSITION IN THE SECTOR	OUR VALUE CREATION	2024 FINANCIAL RESULTS	SUSTAINABILITY	RISK MANAGEMENT	TALENT & CULTURE			CUSTOMER EXPERIENCE	DATA AND TECHNOLOGY	
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High-level summary of the bank's response

**Principle 3: Clients and Customers** 

We will work responsibly with our customers to encourage sustainable practices and enable economic activities that create shared prosperity for current and future generations.

### 3.1 Client engagement

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

- In 2022, the BBVA Group's Board approved the update of the General Sustainability Policy, based on supporting clients in their transition towards sustainable business models with a focus on climate change, natural capital and inclusive growth. Garanti BBVA's own policy is under review for alignment and for extension of scope.
- Garanti BBVA has a sustainable products framework applicable to its CIB activity, a framework for the issuance of bonds linked to the SDGs and a commitment to human rights, which is also aligned with the Group framework.
- The BBVA Group's Environmental and Social Framework is adjusted with stricter measures according to the emerging needs of Türkiye's social and environmental status. The framework is where lending prohibitions are established at the project level and monitoring plans at the client level,
- The Group also has an internal Sustainable Finance Standard inspired by the European taxonomy and best market practices. Garanti BBVA is compliant to all sustainable finance standards mandated by the BBVA Group and reports its monthly and annual monitoring of sustainable finance figures (specific country level thresholds apply).
- In 2023, BBVA Group and Garanti BBVA determined in-house greenwashing processes in order to monitor and control risks arising from perception regarding the concept of sustainability.
- Governance mechanisms such as the Local Sustainability Standards working group, ESG sustainability reporting working group, and Sustainability risk working group were established in 2024.

These policies and frameworks are applicable to all customer segments and areas of activity.

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

### ESG-related finance solutions for Corporate/commertial banking clients (corporations, large enterprises) and corporations:

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 and updates the assessment at least annually with real client-level data such as emissions intensity, Garanti BBVA website Science-Based Targets Initiative (SBTi) and/or Net-Zero aligned emission reduction targets, investments in low-carbon technology etc. It is specialized assessment and advice by sector, based on data and aimed at helping clients define strategies that allow them to meet and be aligned with the objectives of the Paris Agreement, advance the United Nations 2030 Sustainable Agenda, and, where appropriate, provide sustainable financing solutions (debt/equity) that allow them to execute their decarbonisation plans. In addition, all customers can reach information and a catalog of sustainable products on the Garanti BBVA website. The Bank makes available to its customers information on the products, advice on sustainability and explains their impact on the environment through its carbon footprint calculation and sectoral impact analysis tool, which is launched recently in 2022.

### ESG-related finance solutions for individual clients:

Garanti BBVA supports its clients in incorporating ESG practices through one-on-one meetings and visits, public events, consulting on projects with technology and consulting firms, and other advisory services. Garanti BBVA advises its clients through digital channels and through the commercial branch network. A comprehensive service model that ranges from awareness raising, project design and sponsorships for NGOs for community and public investments. The bank managers, mobile banking service catalogue and the commercial website offer a wide catalog of sustainable investment and financing products. Garanti BBVA offers several sustainable investment funds for retail investors. In addition, shopping loans focused on sustainable mobility, energy-efficient housing, green mortgages, rooftop PV loans, etc. are offered to retail customers. In 2022, Bank started a new partnership with Turkish Standards Institute(TSE) to enable its retail clients to receive consultancy services towards EU's regulations regarding the Carbon Border Adjustment Mechanism (CBAM). The Bank provides The second most important and impactful sustainable development area for the Bank is Inclusive Growth. The Bank offers specific products and mentorship programs towards vulnerable populations, especially women-owned companies and micro-SMEs. Garanti BBVA's support program for women entrepreneurs has been run since 2006. Garanti BBVA makes information on sustainability available to customers through its corporate website and various digital media platforms. On the corporate website you can find news and articles, on the transactional banking website and in the mobile banking app you can find information about the sustainable products offered by the bank and even contract them. Garanti BBVA mobile banking app offers a solution for clients to calculate their carbon emissions through their automatic payment information. The app also provides information about the GHG emissions' impact, water consumption and tips on how to reduce carbon footprint such as opting for lowcarbon mobility alternatives, energy efficient electronics and reducing unnecessary packaging and increasing recycling.

Describe how your bank has worked with and/or is planning to work with its clients and customers to encourage sustainable practices and enable sustainable economic activities ). It should include information on relevant policies, actions planned/implemented to support clients' transition, selected indicators on client engagement and, where possible the impacts achieved







### Reference(s)/Link(s) to full bank response/relevant information

Garanti BBVA Integrated Annual Report 2024: Our Value Creation, pages 62-107; Sustainability, pages 127-182; Appendix, Environmental Performance Indicators Garanti BBVA Investor Relations website: ESG section

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### High-level summary of the bank's response

### Principle 3: Clients and Customers

We will work responsibly with our customers to encourage sustainable practices and enable economic activities that create shared prosperity for current and future generations.

### 3.2 Business opportunities

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

One of Garanti BBVA's main lines of action for the future in 2024 is the development of sustainable solutions under the following growth levers:

- Developing sector strategies for clients (focusing on the adoption of low-carbon technologies through carbon-intensive sectors, leveraging the Bank's advisory capacity in relevant areas)
- Developing the business (developing products focusing on specific issues and more ESG criteria: inclusive growth through infrastructure projects, sustainability-linked loans, etc.).
- Planning targets to rapidly grow our business by leveraging our digital advantage (creating an innovative and disruptive value proposition in specific verticals).
- Financing new sustainable technologies through the revision of sustainable finance standards: hydrogen batteries, carbon capture, utilization and storage technologies...
- · Developing new risk management skills and automated reporting processes to adopt data-driven analytics in the sustainability field

### Principle 4: Stakeholders

We will proactively and responsibly consult, engage and partner with relevant stakeholders to achieve society's goals.

4.1 Stakeholder identification and consultation

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

Garanti BBVA integrates the concerns of its stakeholders (customers, employees, shareholders and investors, suppliers, regulators and auditors, and society in general) on social and environmental issues, diversity, fiscal responsibility, respect for human rights, and prevention of corruption and other illegal acts, among others, into its business, operations and activities. The Bank maintains dialogue with all its external and internal stakeholders through various channels. Priority issues are determined by taking into account the feedback and outputs obtained through these dialogues.

The Bank has always been actively involved in many initiatives by maintaining close cooperation with all stakeholders. These initiatives are organized around the following priority areas:

- Universal reference frameworks: Garanti BBVA and BBVA Group are among the banks that play a role in the establishment, promotion and support of the UNEP-FI Responsible Banking Principles. In 2023, Garanti BBVA also became a member of the main group established to determine the 2030 strategy of the UNEP FI Responsible Banking Principles.
- Compliance with the Paris Climate Agreement: Garanti BBVA has joined the Net-Zero Banking Alliance supported by UNEP-FI.
- Market standards: It has the role of supporting the Equator Principles, ICMA's Green Bond Principles, Social Bond Principles, LMA's Green Credit Principles and other similar standards developed by the banking sector, as well as the EU Taxonomy.
- Transparency: Garanti BBVA publishes its integrated activity report in line with the Turkish Sustainability Reporting Standards and together with the GRI standards index.
- Financial regulation: Garanti BBVA participates in many consultative and advisory processes and various activities with regulatory and supervisory institutions such as the Ministry of Environment. Urbanization and Climate Change and the Banks Association of Turkey in order to support sustainable finance regulation.

Garanti BBVA has been actively participating in various transnational initiatives for over 10 years. In addition to maintaining its commitment to the United Nations Global Compact and maintaining its status as a signatory to the United Nations Environment Programme Finance Initiative (UNEP FI), the Bank has been involved in many initiatives focusing on sustainability since 2012 and is a member of various working groups such as the United Nations Net-Zero Banking Association (NZBA), the United Nations Responsible Banking Principles Working Group and the Global Compact Turkey Group, SKD Turkey (Business World and Sustainable Development Association), the Banks Association of Turkey (TBB), the Role of the Financial Sector in Sustainable Growth Working Group and the Turkish Industrialists' and Businessmen's Association (TÜSİAD) Environment and Climate Change Working Group. The Bank is always in close cooperation with all key stakeholders (industry, regulators and supervisors, investors and civil society organizations).



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### Reference(s)/Link(s) to full bank response/relevant information

Garanti BBVA Integrated Annual Report 2024: Double Materiality Analysis, pages 64-83; Sustainability, pages 122-182

Garanti BBVA Integrated Annual Report 2024: Double Materiality Analysis, pages 64-83; Stakeholder Engagement, pages 103-107 Garanti BBVA Investor Relations website: ESG section, Supported Initiatives

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High-level summary of the bank's response

### Principle 5: Governance & Culture

We will implement our commitment to these Principles through effective governance and a culture of responsible banking

### 5.1 Governance Structure for Implementation of the Principles

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

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

### 5.2 Promoting a culture of responsible banking:

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

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

for the board having oversight of PRB implementation (including remedial 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.

> BBVA Group has developed a complete global training program to ensure that its employees can acquire the knowledge to address strategic sustainability challenges. Through the Campus BBVA training platform, two training itineraries are available to all employees, regardless of their geography and/or role. Globally, more than 102,000 BBVA employees have already been trained with these courses and a total of 18.707 Garanti BBVA employees were assigned sustainability training, including the addition of Principles for Responsible Banking in 2020. It was completed by a total of 18.707 Garanti BBVA employees as of December 31, 2024. The basic sustainability training is designed to acquire basic knowledge about the 2030 Agenda of the SDGs, the role of the financial industry and the BBVA Group and Garanti BBVA strategy; The advanced level includes content on sustainable finance.

> In order to provide the necessary skills so that the BBVA Group employees can address sustainability from their different areas of activity, specialized training programs have been developed and specialized training programs are provided for all related sustainability teams in collaboration with renowned international institutions. Towards realizing the Bank's decarbonization targets, several training programs have been developed on portfolio alignment and in relation to the use of the different internal tools developed for the management of the Group's objectives (alignment dashboard with PACTA methodology and Transition Risk Indicator).

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

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

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

Describe the initiatives and measures of your bank to foster a culture of responsible banking among its employees (e.g., capacity building, e-learning, sustainability trainings for client-facing roles, inclusion in remuneration structures and performance management and leadership communication, amongst others).



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### Reference(s)/Link(s) to full bank response/relevant information

Garanti BBVA Integrated Annual Report 2024: Sustainability, pages 122-182; Senior Management, pages 276-279; Committees and Policies, pages 300-305; Risk Management, pages, 282-284 Garanti BBVA Investor Relations Website: ESG section

Responsible Banking and Sustainability Committee

Sustainability Policy

Garanti BBVA Integrated Annual Report 2024: Talen&Culturel, pages 193-217; Sustainability, pages 122-182

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High-level summary of the bank's response

### Principle 5: Governance & Culture

We will implement our commitment to these Principles through effective governance and a culture of responsible banking

### 5.3 Policies and due diligence processes

Does your bank have policies in place that address environmental and social risks within your portfolio? Please describe.

With the visible effects of the climate crisis on social life becoming more widespread, all financial sector stakeholders, especially customers and investors, started to focus on environmental, social and governance (ESG) risks in banking risk management and governance mechanisms. The Pillar-III ESG reporting, which was included in the legal statements of the European Banking Authority (EBA) in 2022, allows the evaluation of banks' ESG risks and sustainable finance strategies by all financial sector stakeholders, including customers and investors. In 2022, Garanti BBVA, together with the BBVA Group, of which it is a part, began to analyze the resilience of the banking portfolio against transition risks and physical risks arising from climate change. In 2022, Garanti BBVA also evaluates the risks arising as a result of the studies below in determining the targets of combating climate change and Net-zero Banking.

Please describe what due diligence processes your bank has installed to identify and manage environmental and social risks associated with your portfolio. This can include aspects such as identification of significant/salient risks, environmental and social risks mitigation and definition of action plans, monitoring and reporting on risks and any existing grievance mechanism, as well as the governance structures you have in place to oversee these risks.

Identifying risks in sectors incompatible with the Paris Agreement and measuring transition risks

- Energy performance monitoring of real estate collaterals of the bank
- · Emission intensities of customers in carbon-intensive industries (PACTA)
- · Physical risks arising in the bank portfolio as a result of the climate crisis and Financing for activities to reduce the effects of climate

### Self assessment

Does the CEO or other senior managers have regular oversight of the implementation of the Principles through the bank's governance system? Yes Does the governance system include structures to oversee the implementation of the PRB? Yes Does your bank have measures to promote a culture of sustainability among employees? Yes

### Please provide your bank's conclusion/statement if you have met the requirements regarding the Governance Structure for the implementation of the Principles:

Garanti BBVA's Sustainability Unit, comprised of Sustainability and Responsible Business teams, is responsible of establishing the Bank's strategic approach. The unit reports directly to the EVP for Customer Solutions and Digital Banking and also chairs the Responsible Banking and Sustainability Committee. The committee is required to meet at least twice annually and attended by all EVPs and the CEO of the Bank. The committee is responsible for the monitoring of the progress of the Bank's targets, that fall within the scope of sustainability strategy. The CEO is responsible for reporting to the Board of Directors on any critical issues.

The Bank's Sustainability Unit also connected to the BBVA Group's Global Sustainability Area, and ensures strategic alignment with the Group in all related matters.

The existing governance structure provides several levels of chacks and balances for Garanti BBVA's implementation and monitoring of Responsible Banking Principles.

### Principle 6: Transparency and responsibility

We will periodically review our individual and collective implementation of these Principles and be transparent about and accountable for our positive and negative impacts and our contribution to society's goals.

### 6.1 Assurance

Has this publicly disclosed information on your PRB commitments been assured by an independent assure?

This publicly disclosed information about Garanti BBVA's Principles of Responsible Banking commitments has been given limited assurance from an independent assurance provider.









Reference(s)/Link(s) to full bank response/relevant information

Garanti BBVA Integrated Annual Report 2024:; Sustainability, pages 122-182

Garanti BBVA UNEP FI Principles of Responsible Banking Impact Report 2024, 2024 Integrated Annual Report Financial Reports and Appendices

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High-level summary of the bank's response

Principle 6: Transparency and responsibility

We will periodically review our individual and collective implementation of these Principles and be transparent about and accountable for our positive and negative impacts and our contribution to society's goals.

### 6.2 Reporting on other frameworks

Does your bank disclose sustainability information in any of the listed below standards and frameworks?

Garanti BBVA's sustainability information is reported mostly through its integrated annual reports, which is prepared according to the VRF's Integrated Reporting Framework. Among the appendices of the report, GRI Standards Content Index, UN Global Compact Communication of Progress and Women's Empowerment Principles index summaries is published. In addition, Garanti BBVA responds to the Carbon Disclosure Project's (CDP) Climate Change and Water surveys every year. In 2024, it made the Global A List in both the Climate Change Program and the Water Security Program. Garanti BBVA's Integrated Annual Report also includes Sustainability Principles Compliance and Corporate Governance Compliance Reports of the Capital Market's Board of Türkiye.

### 6.3 Outlook

The previous sections detail the progress in implementation in 2023.

What are the next steps your bank will undertake in next 12 monthreporting period (particularly on impact analysis, target setting and governance structure for implementing the PRB)? Please describe briefly. Garanti BBVA's progress in the implementation of the Principles of Responsible Banking has been published annually as part of the Bank's Integrated Annual Report, moving forward, the Principles of Responsible Banking Impact Report may be published separately.

Over the next 12 months, Garanti BBVA is expected to continue publishing its compliance progress for new carbon-intensive sectors detailed in the Net-Zero Banking Alliance guidelines, where the Bank's impact is relatively higher, and to set targets for different sectors.

The Bank will also monitor progress towards the targets it has set for the second highest impact area – inclusive growth – as a result of the impact analysis conducted using the UNEP-FI Impact Analysis Tool for Banks.

Please provide your bank's conclusion/statement if you have met the requirements regarding progress in implementing the principles for responsible banking: Garanti BBVA is constantly working on strengthening its transparency through non-mandatory disclosure of a number of externally assured non-financial information, and reporting according to GRI Standards. With the publication of the Bank's 2024 Integrated Annual Report, it is also disclosing its intermediate Paris Agreement Alignment targets for 2030 in five carbon-intensive sectors, in addition to its previously announced sustainable finance mobilization target of TL 400 billion by 2025. The Bank is in the process of setting its inclusive growth indicators and targets in cooperation with the BBVA Group.

Through the externally-assured disclosure of its most positive and most negative impact areas, related targets and action plans along with the set mechanisms for implementation and monitoring, Garanti BBVA meets the requirements of the Principles for Responsible Banking.









# Reference(s)/Link(s) to full bank response/relevant information

Garanti BBVA Integrated Annual Report 2024: About the Report; pages 6-7

# UNGC and WEPs Principles Analysis According to GRI Standards Contents

OUR VALUE

CREATION

2024 FINANCIAL

RESULTS

GARANTI BBVA'S

POSITION IN THE

SECTOR

ABOUT

GARANTİ BBVA

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UNGC Princples	GRI Standard	Reference
Human Rights		
Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights	GRI 2-23, GRI 1-30, GRI 410,	Declaration of Human Rights
Principle 2: Businesses make sure that they are not complicit in human rights abuses.	GRI 411	
Labour		
Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining		All employees are free to unionize and act of their own free will.
Principle 4: Businesses should uphold the elimination of all forms of forced and compulsory labour.	GRI 2-7, GRI 2-30, GRI 407, GRI 408, GRI	Declaration of Human Rights
Principle 5: Businesses should uphold the effective abolition of child labour.	409	
Principle 6: Businesses should uphold the elimination of discrimination in respect of employment and occupation.		Compensation Policy
Environment		
Principle 7: Businesses should support a precautionary approach to environmental challenges		175-179
Principle 8: Businesses should undertake initiatives to promote greater environmental responsibility		CDP Water Security - 2024 https://www. garantibbvainvestorrelations
Principle 9: Businesses should encourage the development and diffusion of environmentally friendly technologies	GRI 303-2, GRI 306-2, GRI 308	com/en/library/ Sustainability-Reports/CDP- Water/2065/0/0 CDP Climate Change - 2024 https://www. garantibbvainvestorrelations com/en/library/ Sustainability-Reports/CDP- Climate-Change/2066/0/0
Anti-Corruption		
Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.	GRI 205	Anti Corruption Policy

Principles	GF
T molples	GI
Principle 1 - Establish high-level corporate leadership for gender equality.	GF
Principle 2 - Treat all women and men fairly at work– respect and support human rights and nondiscrimination.	GF
Principle 3 - Ensure the health, safety and well-being of all women and men workers.	GF
Principle 4 - Promote education, training and professional development for women	GF
Principle 5 - Implement enterprise development, supply chain and marketing practices that empower women.	GF
Principle 6 - Promote equality through community initiatives and advocacy.	GF
Principle 7 - Measure and publicly report on progress to achieve	GF

TALENT &

CULTURE

COMMUNITY

INVESTMENTS

gender equality.

INCLUSIVE

GROWTH

CUSTOMER

EXPERIENCE

RISK

MANAGEMENT

SUSTAINABILITY

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RI Standard Disclosures	Page References
RI 405	71-72 , 91,96, 174-176 , 213- 215,264-282 , 304-307
RI 401, GRI 405, GRI 406	67,92, 93, 215, 346-349, 369
RI 403, GRI 406	216-217
RI 404	72,79-80, 84-86, 90, 104, 177- 178, 195-217, 221, 229-231
RI 204	10-11, 49, 54-55, 74-75, 84-85, 91, 96, 105, 135, 175-176, 180, 204, 214, 229-230
RI 413	96, 195
RI 405	140-143, 195, 334

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# **GRI Standards Content Index**

Garanti BBVA has reported the information cited in this GRI content index for the period January, 1 -December, 31 2024 with reference to the GRI Standards. (GRI 1: Foundation 2021)

GRI Standard	Disclosur	e	Location			
	2-1	Organizational details	6-7, 38-39			
	2-2	Entities included in the organization's sustainability reporting	6			
	2-3	Reporting period, frequency and contact point	6, 316, 402-403			
	2-4	Restatements of information	There is no restatements regarding to previous reporting period.			
	2-5	External assurance	6-7, Independent audito's opinion and assurance reports			
	2-6	Activities, value chain and other business relationships	https://www.garantibbvainvestorrelations. com/en/sustainability/detail/Supply- Chain-Management/896/3761/0 8-13, 35-37, 40-43, 50-51, 56-63, 86-89, 104			
	2-7	Employees	74, 81, 86, 176-178, 196-204, 215-217			
GRI 2: General	2-8	Workers who are not employees	https://www.garantibbvainvestorrelations. com/en/images/pdf/31_December_2024_ Consolidated_Financial_Report.pdf Table 5.8			
Disclosures 2021	2-9	Governance structure and composition	258-283, 286-288, 293-301, 302-308			
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	2-11	Chair of the highest governance body	270, 272			
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	2-13	Delegation of responsibility for managing impacts	270-271, 278-279, 302-308			
	2-14	Role of the highest governance body in sustainability reporting	Sustainability Policy (https://www. garantibbvainvestorrelations.com/en/ environment-social-governance/detail/ Sustainability-Policy/851/3627/0)			
	2-15	Conflicts of interest	Capital Market Instruments Trading Brokerage Services Framework 68, 79, 85,314			
	2-16	Communication of critical concerns	Code of Conduct 33			
	2-17	Collective knowledge of the highest governance body	267-269, 316			

Standard	Disclosu	re	Locatio
	2-18	Evaluation of the performance of the highest governance body	Corpora
	2-19	Remuneration policies	Remune
	2-20	Process to determine remuneration	Remune
	2-21	Annual total compensation ratio	Confide
	2-22	Statement on sustainable development strategy	8-13, 66
	2-23	Policy commitments	https:// governa
	2-24	Embedding policy commitments	293-301
GRI 2:	2-25	Processes to remediate negative impacts	222-226
General Disclosures	2-26	Mechanisms for seeking advice and raising concerns	298-299
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	2-29	Approach to stakeholder engagement	Stakeho com/en Engager
	2-30	Collective bargaining agreements	Garanti I bargaini with thei https:// social-g 67, 215, 2 The Ban
GRI 3:	3-1	Process to determine material topics	66-69
Material Topics 2021	3-2	List of material topics	69
•	3-3	Management of material topics	72-85
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	201-1	Direct economic value generated and distributed Financial implications and other	113-122
GRI 201: Economic	201-2	risks and opportunities due to	71-72

climate change

from government

Defined benefit plan obligations

and other retirement plans Financial assistance received

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2016

Performance

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rted Initiatives (https://www.garantibbvainvestorrelations.com/ stainability/detail/Supported-Initiatives/864/3771/0) 226, 396-398

older Engagement (https://www.garantibbvainvestorrelations. n/environment-social-governance/detail/Stakeholderement/860/8082/0) 66-69, 105-108, 139

i BBVA respects the constitutional right to unionize and collective ning. All employees are free to become union members and act eir free will.

//www.garantibbvainvestorrelations.com/en/environmentgovernance/detail/Declaration-of-Human-Rights/584/1866/0 , 287

nk's relevant agreements cover all its employees.

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INTRODUCTION	ABOUT GARANTİ BBVA	GARANTI BBVA'S POSITION IN THE SECTOR	OUR VALUE CREATION	2024 FINANCIAL RESULTS	SUSTAINABILITY	RISK MANAGEMENT	TALENT & CULTURE	COMMUNITY			DATA AND TECHNOLOGY	
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GRI Standard	Disclos	sure	Location
GRI 202: Market	202-1	Ratios of standard entry level wage by gender compared to local minimum wage	All Garanti BBVA employees are paid above the minimum wage
Presence 2016	202-2	Proportion of senior management hired from the local community	278-283
GRI 203: Indirect Economic Impacts	203-1	Infrastructure investments and services supported	97, 136-140
2016	203-2	Significant indirect economic impacts	136-140
GRI 204: Procurement Practices 2016	204-1	Proportion of spending on local suppliers	Supply Chain Management
	205-1	Operations assessed for risks related to corruption	Anticorruption Policy
GRI 205: Anti- corruption 2016	205-2	Communication and training about anti-corruption policies and procedures	179-180, Anticorruption Policy ( <i>https://www.garantibbvainvestorrelations.com/en/environment-social-governance/detail/Anti-Corruption-Policy-Statement/1713/7947/0</i> )
	205-3	Confirmed incidents of corruption and actions taken	299
GRI 206: Anti- competitive Behavior 2016	206-1	Legal actions for anti-competitive behavior, anti- trust, and monopoly practices	Competiton Policy Statement
	207-1	Approach to tax	120, Tax Strategy and Reporting ( <i>https://www.garantibbvainvestorrelations.com/en/environment-social-governance/detail/Tax-Strategy-Reporting/1120/5561/0</i> )
	207-2	Tax governance, control, and risk management	120, 293-299 Tax Strategy and Reporting (https://www.garantibbvainvestorrelations. com/en/environment-social-governance/ detail/Tax-Strategy-Reporting/1120/5561/0)
GRI 207: Tax 2019	207-3	Stakeholder engagement and management of concerns related to tax	Tax Strategy and Reporting ( <i>https://www.garantibbvainvestorrelations.com/en/environment-social-governance/detail/Tax-Strategy-Reporting/1120/5561/0</i> )
	207-4	Country-by-country reporting	Total Tax Contribution report, https://www. garantibbvainvestorrelations.com/en/images/ pdf/Informe-Contribucion-Fiscal-Global-2023_ ENG-DEF.pdf
	301-1	Materials used by weight or volume	Since the activities of the bank do not directly related to the specified disclosure, it is not located in the report.

302-1Energy consumption within the organization174-175302-2Energy consumption outside of the organization174-175302-3Energy intensity-302-4Reduction of energy consumption131-133302-5Reductions in energy requirements of products and services131-133303-1Interactions with water as a shared resource73,80,94,102,132-133,Su Yonetimi (https://www. garantibbvainvestorrelations. tr/surdurulebilinik/detay/Su- Yonetimi/954/3814/0)GRI 303: Water and Effluents 2018303-2Management of water discharge-related impacts73,80,94,102,132,225303-4Water discharge175303-5Water consumption175	
GRI 302: Energy 2016302-3Energy intensity-302-4Reduction of energy consumption 302-5131-133302-5Reductions in energy requirements of products and services131-13373, 80, 94, 102, 132-133, Su Yonetimi (https://www. garantibbvainvestorrelations. tr/surdurulebilirlik/detay/Su- Yonetimi/954/3814/0)73, 80, 94, 102, 132-133, Su Yonetimi/954/3814/0)GRI 303: Water and Effluents 2018303-1Interactions with water as a shared resource73, 80, 94, 102, 132, 225303-2Management of water discharge-related impacts73, 80, 94, 102, 132, 225303-3303-4Water discharge175	
2016302-3Energy intensity131-133302-4Reduction of energy consumption131-133302-5Reductions in energy requirements of products and services131-133303-1Interactions with water as a shared resource73,80,94,102,132-133,Su Yonetimi (https://www. garantibbvainvestorrelations. tr/surdurulebilirlik/detay/Sur Yonetimi/954/3814/0)GRI 303: Water and Effluents 2018303-2Management of water discharge-related impacts73,80,94,102,132,225303-3Water withdrawal175303-4Water discharge175	
GRI 303: Water and Effluents 2019Reductions in energy requirements of products and services131-133GRI 303: Water and Effluents 2019Jose Management of water discharge-related impacts73, 80, 94, 102, 132-133, Su Yönetimi (https://www. garantibbvainvestorrelations. tr/surdurulebilirlik/detay/Sur- Yonetimi/954/3814/0)GRI 303: Water and Effluents 2019303-2Management of water discharge-related impacts73, 80, 94, 102, 132, 225303-3Water withdrawal175303-4Water discharge175	
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GRI 303: Water and Effluents 2018303-1Interactions with water as a shared resourceYönetimi (https://www. garantibbvainvestorrelations. tr/surdurulebilirlik/detay/Sur- Yonetimi/954/3814/0)GRI 303: Water and Effluents 2018303-2Management of water discharge-related impacts73, 80, 94, 102, 132, 225303-3Water withdrawal175303-4Water discharge175	
and Effluents 2018     303-3     Water withdrawal     175       303-4     Water discharge     175	
303-3Water withdrawal175303-4Water discharge175	
303-5 Water consumption 175	
Operational sites owned, leased, managed in, or adjacent 304-1 to, protected areas and areas of high biodiversity value 94, 102, 225 outside protected areas	
304-2Significant impacts of activities, products and services on biodiversity94,102, 225, 240	
GRI 304:304-3Habitats protected or restored94,102, 225, 240	
304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations Social Loan Standard (https:// garantibbvainvestorrelations. en/images/pdf/Environment Social-Loan-Standard.pdf)	′www. com∕

301-2 Recycled input materials used

301-3 Reclaimed products and their packaging materials

GRI 301: Materials

2016

IZATIONAL UCTURE OUR GOVERNANCE



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GRI Standard	Disclos	ıre	Location	GRI Standard	Disclos	sure	Location	
	305-1 305-2	Direct (Scope 1) GHG emissions Energy indirect (Scope 2) GHG emissions	167-169 167-169		403-1	Occupational health and safety management system	180, 218-219, https://www. garantibbvainvestorrelations.com/en/environment- social-governance/detail/Occupational-Health-and- Safety-OHS-Management-System/1956/8959/0	
GRI 305: Emisyonlar 2016	305-3 305-4 305-5	Other indirect (Scope 3) GHG emissions GHG emissions intensity Reduction of GHG emissions	167-169 167-170 101, 130-131, 167-170		403-2	Hazard identification, risk assessment, and incident investigation	91,96,180, 218-219 https://www.garantibbvainvestorrelations. com/en/environment-social-governance/detail/ Occupational-Health-and-Safety-OHS-Management- System/1956/8959/0	
	505-5		· ·	40		Occupational health services	218-219	
	305-6 305-7	Emissions of ozone-depleting substances (ODS) Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Not applicable for the banking sector Not applicable for the banking sector	GRI 403: Occupational Health and Safety 2018	403-4	Worker participation, consultation, and communication on occupational health and safety	91,96,180,218-219,	
				and Salety 2016	403-5	Worker training on occupational health and safety	336	
	306-1	Waste generation and significant waste-related impacts	Waste Management		403-6	Promotion of worker health	91,96,180,218-219	
GRI 306: Waste	306-2	Management of significant waste-related impacts	<b>Waste Management</b> 94, 99-100, 133, 174, 225,			403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	91,96,180,218-219
2020	306-3 306-4	Waste generated Waste diverted from disposal	Waste Management 176 Waste Management 176		403-8	Workers covered by an occupational health and safety management system	Occupational Health and Safety Management (all locations are covered)	
	300-4	waste diverted normalsposal	waste management 170		403-9	Work-related injuries	180	
	306-5	Waste directed to disposal	Waste Management 176		403-10	Work-related ill health	-	
GRI 308: Supplier Environmental	308-1	New suppliers that were screened using environmental criteria	Garanti BBVA Supplier Code of Conduct ( <i>https://www.</i> garantibbvainvestorrelations.com/tr/ kurumsal-yonetim/detay/Tedarikci- Davranis-Ilkeleri/1547/7095/0)	GRI 404: Training and Education 2016	404-1 404-2	Average hours of training per year per employee Programs for upgrading employee skills and transition assistance programs	180 199-215	
Assessment 2016	308-2	Negative environmental impacts in the supply chain and actions taken	314		404-3	Percentage of employees receiving regular performance and career development reviews	180	
GRI 401:	401-1	New employee hires and employee turnover Benefits provided to full-time employees that are not	176-180	GRI 405: Diversity	405-1	Diversity of governance bodies and	73-74, 93,98, 176-178 , 215-217,264-282 Equality of Opportunity and Diversity (https://www.garantibbvainvestorrelations.com/en/	
Employment 2016	401-2	provided to temporary or part-time employees	106, 205-214	and Equal Opportunity 2016		employees	sustainability/detail/Equality-of-Opportunity-and- Diversity/884/3748/4197)	
	401-3	Parental leave	177		405-2	Ratio of basic salary and remuneration of women to men	308-311	
GRI 402: Labor/ Management Relations 2016	402-1	Minimum notice periods regarding operational changes	-	GRI 406: Non- discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	There is no non-compliance during the reporting period, 120	
				GRI 407: Freedom of Association and Collective Bargaining 2016	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	215	





Location
180, 218-219, <b>h</b>

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GRI Standard	Disclosu	ire	Location
GRI 408: Child Labor 2016	408-1	Operations and suppliers at significant risk for incidents of child labor	There is no non-compliance during the reporting period.
GRI 409: Forced or Compulsory Labor 2016	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	There is no non-compliance during the reporting period.
GRI 410: Security Practices 2016	410-1	Security personnel trained in human rights policies or procedures	-
GRI 411: Rights of Indigenous Peoples 2016	411-1	Incidents of violations involving rights of indigenous peoples	There is no non-compliance during the reporting period.
GRI 413: Local	413-1	Operations with local community engagement, impact assessments, and development programs	84-85, 88, 96, 99, 222-227
Communities 2016	413-2	Operations with significant actual and potential negative impacts on local communities	96, 99, 222-227
GRI 414: Supplier Social Assessment	414-1	New suppliers that were screened using social criteria	82,83, 314
2016	414-2	Negative social impacts in the supply chain and actions taken	73,74
GRI 415: Public Policy 2016	415-1	Political contributions	-
GRI 416: Customer Health and Safety	416-1	Assessment of the health and safety impacts of product and service categories	Since the activities of the bank do not directly related to the specified disclosure, it is not located in the report.
2016	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	There is no non-compliance during the reporting period.
GRI 417: Marketing	417-1	Requirements for product and service information and labeling	Since the activities of the bank do not directly related to the specified disclosure, it is not located in the report.
and Labeling 2016	417-2	Incidents of non-compliance concerning product and service information and labeling	There is no non-compliance during the reporting period.
	417-3	Incidents of non-compliance concerning marketing communications	There is no non-compliance during the reporting period.
GRI 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	105-108 , 236-245

# **Support Service Providers**

CUSTOMER

EXPERIENCE

# SERVICE PROVIDER – Service Detail AGRA FİNTECH YAZILIM ÇÖZÜMLERİ A.Ş.

INCLUSIVE

GROWTH

COMMUNITY

INVESTMENTS

• Software, maintenance and development for transferring, reading and analysing data

# AGT HIZLI KURYE HİZMETLERİ A.Ş. – Courier service

ARAS KARGO YURT İÇİ VE YURT DIŞI TAŞIMACILIK A.Ş.

Internal mail transportation from/to branches

# ATOS MÜŞTERİ HİZMETLERİ A.Ş.

• Outbound calls (sale of insurance, cards, loans, etc.); Inbound calls (Consultancy, processing, complaints, recomadation and customer support, etc.)

# AUSTURIA CARD TURKEY KART OPERASYONLARI A.Ş.

Card printing and personalizing service

# BANTAŞ NAKİT VE KIYMETLİ MAL TAŞIMA VE GÜVENLİK HİZMETLERİ A.Ş

• Delivery of cash, valuable papers, gold within the scope of Law No. 5188

# BANTAŞ NAKİT VE KIYMETLİ MAL TAŞIMA VE GÜVENLİK HİZMETLERİ A.Ş. (Brink's Alt Yüklenicisi)

• (Brink's Subcontractor) – Delivery of cash, valuable papers, gold within the scope of Law No. 5188

# BBS DANIŞMANLIK GAYRİMENKUL VE EĞİTİM A.Ş.

Operational transactions carried out before the title deed such as a mortgage, lease annotation, purchase and sale, registration, cancellation
Delivery of cash, valuable papers, and gold within the scope of Law No. 5188

# BHL TURKEY TEKNOLOJİ A.Ş.

Service for Transmitting Requests Regarding Loan/ Credit Card Applications to the Bank

DATA AND

**TECHNOLOGY** 





# BRİNK'S GÜVENLİK HİZMETLERİ A.Ş.

• Delivery of cash, valuable papers and similar valuable goods within the scope of Law No. 5188

# CMC İLETİŞİM VE ÇAĞRI MERKEZİ HİZMETLERİ A.Ş.

• Outbound (sale of insurance, cards, oans, etc.); Telephone recovery management; Helpdesk (employee support, offices, customer); Inbound (queries, processing, claims, advice and customer support, etc.); Operational services at the bank location

# COMPAY ÖDEME ÇÖZÜMLERİ A.Ş.

• Software/maintenance/development service for moving and reading data

# CONCENTRİX MÜŞTERİ HİZMETLERİ A.Ş.

• Outbound (sale of insurance, cards, oans, etc.); Operational services at the bank location; Telephone recovery management; Inbound (queries, processing, claims, advice and customer support, etc.); Helpdesk (employee support, offices, customer)

# COORBİZ DANIŞMANLIK A.Ş.

• Marketing of retail products and services, including in the form of customer visits

# ÇELİK MOTOR TİCARET A.Ş.

Marketing activities for auto loans

# DESMER GÜVENLİK HİZMETLERİ TİCARET A.Ş. (Brink's Subcontractor)

INTRODUCTION
INTRODUCTION



# DHL WORLDWIDE EXPRESS TAŞIMACILIK VE TİC. A.Ş.

• Delivery of documents for export transactions to correspondent banks

# D-MARKET ELEKTRONİK HİZMETLER VE TİCARET A.Ş.

• Marketing of loans

# FATURALAB ELEKTRONİK TİC. VE BİLİŞİM HİZMETLERİ A.Ş.

Operational Services

# FIGO TICARI BILGI VE UYGULAMA PLATFORMU A.S.

Operational Services

# FINEKSUS BILISIM CÖZÜMLERI TICARET A.S.

 SWIFT software maintenance, update and development services

# FU GAYRİMENKUL DANISMANLIK A.S.

• The operational transactions carried out at the title deeds registry office such as mortgage, rent annotation, purchase, sale, registration and cancellation

# GARANTI FILO YÖNETIM HİZMETLERİ A.S.

 Operational services for the sale of autombiles owned by the Bank

# GARANTI ÖDEME SİSTEMLERİ A.Ş.

• Marketing, promotion, product development and marketing of retail products, including personal loans, with consultancy, for payment systems, especially debit and credit cards

# GLOBAL BİLGİ PAZARLAMA DANISMA VE CAĞRI SERVISI HIZMETLERI A.S.

• Outbound (sale of insurance, cards, oans, etc.); Telephone recovery management; Inbound (queries, processing, claims, advice and customer support, etc.)

# GÜZEL SANATLAR ÇEK BASIM LİMİTED ŞİRKETİ

Czech printing service

# HANGİSİ İNTERNET VE BİLGİ HİZMETLERİ A.S.

 Service for Transmitting Requests Regarding Loan/ Credit Card Applications to the Bank

# HOBİM ARŞİVLEME VE BASIM HİZMETLERİ A.Ş.

 Storage of physical documents and archive boxes belonging to the bank; Printing and enveloping service

# HYUNDAİ ASSAN OTOMATİV SAN. VE TİC. A.S.

Marketing activities for auto loans

# IRON MOUNTAIN ARSIVLEME HIZMETLERI A.S.

• Storage of physical documents and archive boxes belonging to the bank

# **INNOVA BİLİSİM CÖZÜMLERİ A.S.**

Support Service in the Field of Information Systems

# KARBİL YAZILIM VE BİLİŞİM TEKNOLOJİLERI TİCARET A.S.

Software development and upgrading service

# **KAYRAGRUP PAZARLAMA DANISMANLIK VE** DESTEK HİZMETLERİ TİC. A.Ş.

• Marketing of retail products and services and of products and services classified as retail receivables

# KEY YAZILIM ÇÖZÜMLERİ A.Ş.

 Software, Maintenance and Development Service for Appraisal and Mortgage Applications

# KOC SISTEM BILGI VE ILETISIM HIZMETLERI A.S.

Software development maintenance services

# KREDİ KAYIT BÜROSU A.Ş.

• Disaster recovery center back-up service

# LOGO YAZILIM SANAYİ VE TİCARET A.S.

INCLUSIVE

GROWTH

Consolidation of financial data

# LOOMİS GÜVENLİK HİZMETLERİ A.S.

• Delivery of cash, valuable papers, and gold within the scope of Law No. 5188

# MATRİKS FİNANSAL TEKNOLOJİLER A.S.

Software/software maintenance/update services

# METIS BILGISAYAR SISTEMLERI SANAYI VE **TİCARET A.S.**

• Outbound (sale of insurance, cards, oans, etc.); Inbound (queries, processing, claims, advice and customer support, etc.); Helpdesk (employee support, offices, customer)

# MT BİLGİ TEKNOLOJİLERİ VE DIŞ TİCARET A.Ş.

POS software development and upgrading services

# OCTET EXPRESS ÖDEME KURULUŞU A.Ş.

Operational Services

# PAX TEKNOLOJİ VE PAZARLAMA A.Ş.

POS software development and upgrading services

# PAYTEN TEKNOLOJİ A.Ş.

• Ensuring the Transaction between the Bank and • POS software development and upgrading services Directory Server in 3D Secure Transactions

# PROASIST ELEKTRIK MEKANIK TEKNIK HIZMETLER SAN. VE TİC. A.S.

 Installation and Support Service under the Scope of Information Systems



# PUSULA GİRİŞİM YATIRIM VE DANIŞMANLIK **HİZMETLERİ A.Ş.**

• The operational transactions carried out at the title deeds registry office such as mortgage, rent annotation, purchase, sale, registration and cancellation

# SOFTPOS TEKNOLOJİ A.S.

POS software development and upgrading services

# TEPE SAVUNMA VE GÜVENLİK SİSTEMLERİ SAN. A.S.

• Private Security Services within the scope of Law No. 5188

# THOS HUKUK OTOMASYON SİSTEMLERİ YAZILIM A.S.

 Software, maintenance and development service for legal proceedings, collection and litigation service management system

# TÜRKİYENİN OTOMOBİLİ GİRİSİM GRUBU SAN. VE TİC. A.S.

Marketing activities for auto loans

# **VBT YAZILIM A.S.**

Support Service in the Field of Information Systems

# VERİFONE ELEKTRONİK VE DANIŞMANLIK LTD. STİ.

# VERİSOFT BİLGİ İŞLEM TİC. VE SAN. A.Ş.

POS software development and upgrading services

# WORLDLİNE POS TEKNOLOJİ CÖZÜM VE SERVİSLERİ A.Ş.

# POS software development and upgrading services

\*In addition to the companies and services listed above, support services were received from 1085 dealers for "Retail Loan Marketing Service and Information and Document Collection Service for Retail and Commercial Loans" and "Data Entry and Information & Document Collection Service Regarding Retail Loans".

# Contact Information



ABOUT GARANTİ BBVA GARANTI BBVA'S POSITION IN THE SECTOR

2024 FINANCIAL RESULTS

SUSTAINABILITY

TALENT & RISK MANAGEMENT CULTURE

COMMUNITY INVESTMENTS INCLUSIVE CUSTOMER GROWTH EXPERIENCE **TECHNOLOGY** 

DATA AND

# **Contact Information**

# **HEAD OFFICE**

Levent Nispetiye Mah. Aytar Cad. No:2 34340 Beşiktaş / İstanbul Tel: +90 212 318 18 18 Fax: +90 212 318 18 88 Telex: 27635 gati tr Swift: **TGBATRIS** 

# **WEBSITE**

www.garantibbva.com.tr

# **TRADE NAME**

T. Garanti Bankası A.Ş.

# **TRADE REGISTRY NO**

159422

### **DOMESTIC BRANCHES**

Garanti BBVA has 787 domestic branches as of 2024 year end. Information on domestic branches is available on the Bank's website.

# **INFORMATION ON SOCIAL MEDIA**

You may follow Garanti BBVA on Facebook, Twitter, Instagram, YouTube and LinkedIn.

# **OVERSEAS BRANCHES**

OUR VALUE

CREATION

# **LEFKOSA BRANCH**

Bedrettin Demirel Caddesi No: 114 Lefkoşa/TRNC Tel: +90 392 600 53 00 Fax: +90 392 600 53 20

### **GIRNE BRANCH**

Mete Adanır Caddesi No:18 Girne/ TRNC Tel: +90 392 650 53 00 Fax: +90 392 650 53 20

## **GAZIMAGUSA BRANCH**

Sakarya Mahallesi Esref Bitlis Caddesi No: 20 Gazimağusa/ KKTC Tel: +90 392 630 03 00 Fax: +90 392 630 03 20

# **GIRNE CARSI BRANCH**

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