

Corporate Governance Rating

This Revised Report has been prepared by JCR-ER in compliance to the regulations of Capital Markets Board of Turkey

Publication Date: 06/12/2024

Sector: Banking

T. GARANTİ BANKASI A.Ş.

Ratings

Overall Score	9.82	AAA(Trk)/aaa (Stable)
Shareholders	9.73	AAA(Trk)/aaa (Stable)
Public Disclosure & Transparency	9.85	AAA(Trk)/aaa (Stable)
Stakeholders	9.87	AAA(Trk)/aaa (Stable)
Board of Directors	9.85	AAA(Trk)/aaa (Stable)

Company Profile

Trade Name	T. GARANTİ BANKASI A.Ş.
Address	Nispetiye Mah. Aytaç Cad. No:2 Beşiktaş/ İSTANBUL
Chairman	Mr. Süleyman SÖZEN
CEO	Mr. Mahmut AKTEN
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Bank Overview

Türkiye Garanti Bankası A.Ş. (**Garanti BBVA or the Bank**), (credit ratings by JCR-ER on September 30, 2024: **"AAA (tr)/Stable"** on the Long-Term National Scale and **"J1+ (tr) Stable"** on the Short-Term National Scale) was established in 1946. A large-scale deposit bank, Garanti BBVA carries out activities in every segment of the banking sector, including corporate, commercial, SME, payment systems, retail, private and investment banking services. In addition to its major fields of activity, through its numerous subsidiaries the Bank provides related non-banking financial services in the field of factoring, leasing, pensions, insurance, brokerage and asset management. Alongside its nationwide coverage network of 797 branches, the Bank has 8 foreign branches and 1 international representative office as of 3Q2024.

Banco Bilbao Vizcaya Argentaria S.A (BBVA), one of the leading banking groups in Europe, is the sole major shareholder of the Bank with 85.97% of shares. The remaining 14.03% of shares are held by a variety of investors that includes domestic along with foreign retail and institutional investors across the globe. The Bank's shares have been traded on the Borsa Istanbul (BIST) index since 1990, and the actual free float rate is 13.98% as of September 30, 2024.

The Board of the Bank consists of 11 members and only the CEO, a natural member, pursues an executive position. 4 board members have independent status. Audit, Corporate Governance, Risk and Remuneration Committees have been established within the scope of the Board of Directors.

Strengths

- Publishing the integrated annual report including a comprehensive review of annual activities, financial and non-financial performance, future strategies, targets on key material issues, corporate governance and risk management approach,
- The Investor Relations website serving users as an effective and transparent platform on various issues of interest to stakeholders, without being limited to mandatory matters in terms of legislation,
- Having the "Garanti IR" (Investors Relations) application for Android and iOS platform,
- Pioneering practices in the digital banking sector and high quality services offered to customers,
- Sustainable products & services, innovative actions on sustainable finance and actions taken in line with the 2050 carbon-neutral target,
- Having more than 25 % female members in the Board of Directors, which is composed of highly qualified members in terms of education and experience,
- Effective and comprehensive internal control, internal audit and risk management systems.

Constraints

- Absence of any clauses in the articles of association of the Bank to broaden the exercise of minority rights beyond the current legislation for shareholders holding less than 5% of the share capital,
- Lack of disclosure of the per-person remuneration of the top managers and the board members,
- The insurance amount against the losses to be caused by the faults of the Members of the Board of Directors during their duties remained below 25% of the Bank's capital.