



CORPORATE PRESENTATION

March 2024

AGENDA

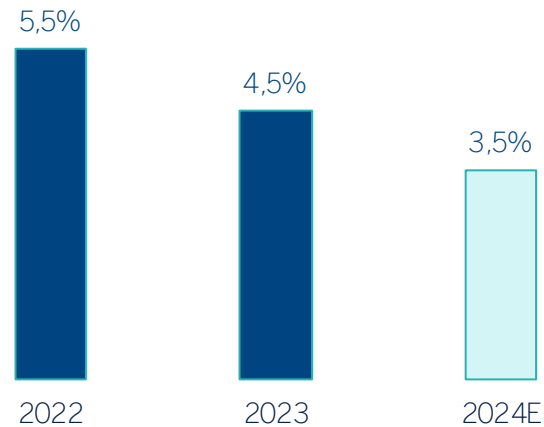
- 01 TURKISH ECONOMY OVERVIEW
- 02 TURKISH BANKING SECTOR OVERVIEW
- 03 GARANTI BBVA CORPORATE PROFILE & FINANCIAL HIGHLIGHTS
- 04 SUSTAINABILITY AT GARANTI BBVA
- 05 CORPORATE GOVERNANCE AT GARANTI BBVA

01

TURKISH ECONOMY OVERVIEW

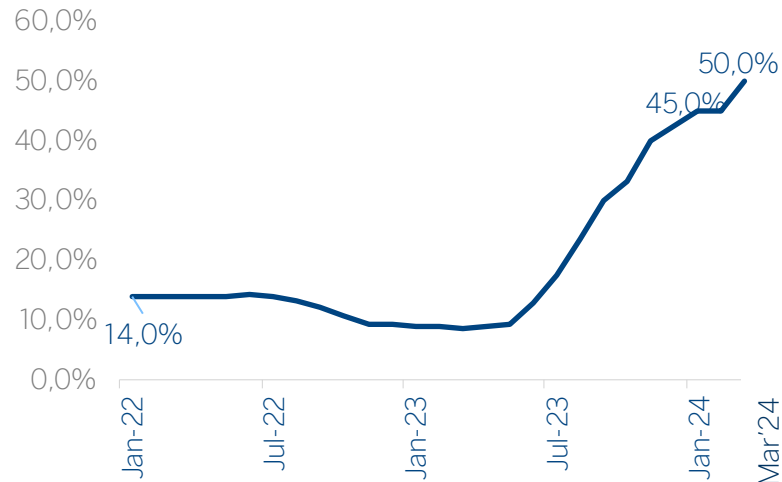
TURKISH ECONOMY (I/II)

GDP GROWTH (YoY)



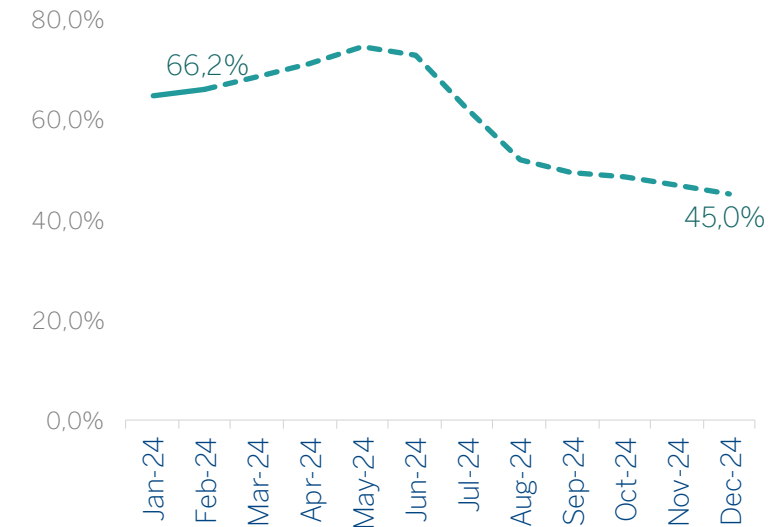
- We nowcast above 5% annual GDP growth for 1Q24. Domestic demand continues to be stronger than supply, yet new regulations will tighten the financial conditions further.
- Net exports contribution in 2024 is expected to be positive, which will partially offset the lower contribution from consumption & investment.

CBRT FUNDING RATE



- Following the higher than expected February inflation reading, **Monetary tightening started to be strengthened by macro-prudential measures & quantitative tools.**

CONSUMER INFLATION (%YOY)

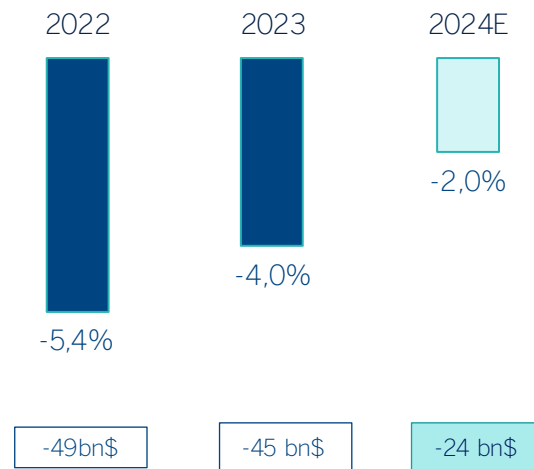


- Following the 5% policy rate hike in March 2024, we see **downside risk on our year-end inflation forecast of 45%.**
- We will assess post-election foreign currency flows and inflation trend, and revise our projections, accordingly.

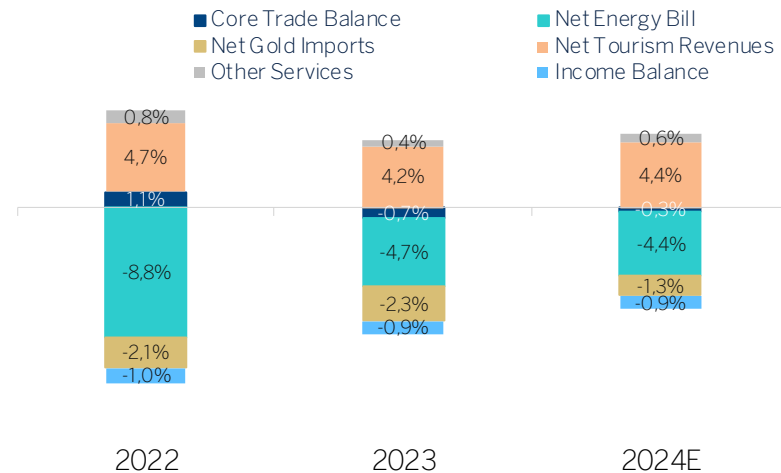
[Click here to view our latest macro forecast](#)

TURKISH ECONOMY (II/II)

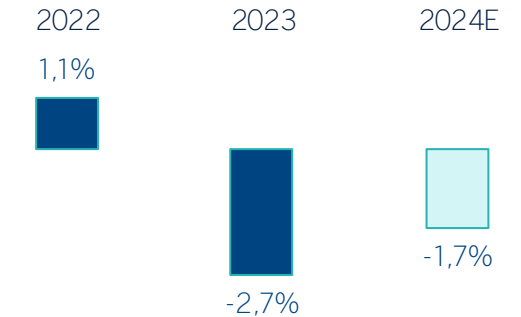
CA DEFICIT / GDP (year end)



CA DEFICIT COMPONENTS (% GDP)



PRIMARY BUDGET DEFICIT / GDP (year end)



- **Rebalancing in the economy** will reduce pressure from external financing
- **Current account deficit will likely diminish to \$24bn in 2024**, with improving net trade deficit, higher tourism revenues and lower net gold imports.

- **Excluding earthquake spending, budget deficit was 1.7% of GDP in 2023, far below the Maastricht criteria of 3%.**
- Keeping fiscal prudence will help targeted disinflation path.

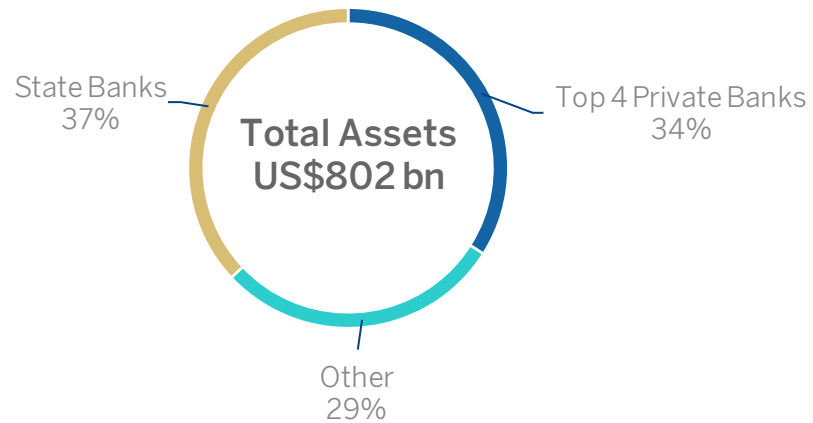
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02

TURKISH BANKING SECTOR OVERVIEW

TURKISH BANKING SECTOR (I/III)

TOTAL ASSETS BREAKDOWN



	# of Banks	Share in Assets	Share in Loans	Share in Deposits	Share in Profit
Top 4 Private Commercial Banks	4	34%	34%	34%	49%
State Banks	3	37%	39%	43%	18%
Other Private Commercial Banks	26	15%	13%	13%	17%
Development & Inv. Banks	19	6%	7%	-	7%
Participation Banks	8	9%	8%	10%	9%

Total: 60

Dominated by top 4 Private Banks & 3 State Banks

TOP 10 BANKS ¹	Assets Market Share	Foreign Ownership	Free Float
Ziraat Bankası	16.2%	-	-
VakıfBank	11.9%	-	6.1%
HALKBANK	9.3%	-	8.5%
TÜRKİYE İŞ BANKASI	8.8%	-	32.8%
Garanti BBVA	7.4%	BBVA (85.97%)	14.0%
AKBANK	6.9%	-	52.8%
YapıKredi	6.7%	-	38.8%
DenizBank	4.3%	Emirates NBD Bank PJSC (100%)	0.12%
QNB FINANSBANK	4.2%	Qatar National Bank (99.88%)	-
TEB	1.7%	BNP Paribas (72.5%)	-

Note: Sector figures are based on bank-only BRSA monthly data as of December 2023. Banks owned by SDIF are not listed above
 1 Top 10 banks make up ~80% of sector's total asset as of Dec-23.

TURKISH BANKING SECTOR (II/III)

UNDERPENETRATED BANKING SECTOR

Unbanked Population (ages +15)¹

26% in Türkiye vs. 1% in EU

STRONG PROFITABILITY

ROAE

39.4%

ROAA

3.5%

HEALTHY ASSET QUALITY & SOLID COVERAGE RATIOS

NPL Ratio

1.5% in Türkiye vs. 1.8% in EU

NPL Coverage

82% in Türkiye vs. 43% in EU

CUSTOMER DEPOSIT DRIVEN LIABILITY MIX WITH SUFFICIENT LIQUIDITY BUFFERS

Customer Deposits / Assets

66.2%

Low Share of External Funding in Assets

15.0%

ST External Debt² vs. FC Liquidity Buffer³

72bn USD vs. 77bn USD

STRICTLY REGULATED & BASEL III COMPLIANT STRONG CAPITAL

CAR

18.3%

CET-1

14.7%

Leverage

10.0_x

Note: Commercial banks' figures are based on BRSA monthly data as of December 2023. Leverage defined as Debt / Equity

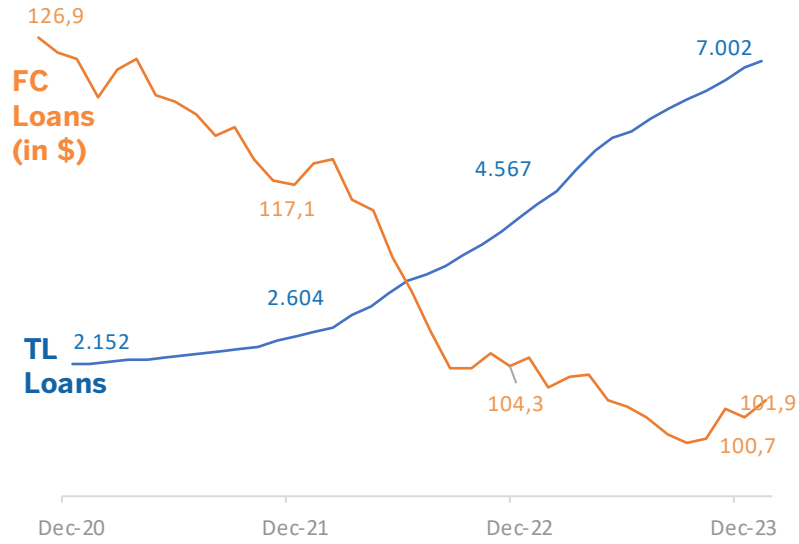
(1) Based on having an account in a financial institution. (2) CBRT, as of December. Excludes non-residents' FC deposits

(3) Quick Liquidity Buffers: FC reserves Under ROM, swaps, money market placements, CBRT eligible unencumbered securities, cash, FC collateral deposit

TURKISH BANKING SECTOR (III/III)

NOMINAL TL LOAN GROWTH WITH DELEVERAGED FC LOANS

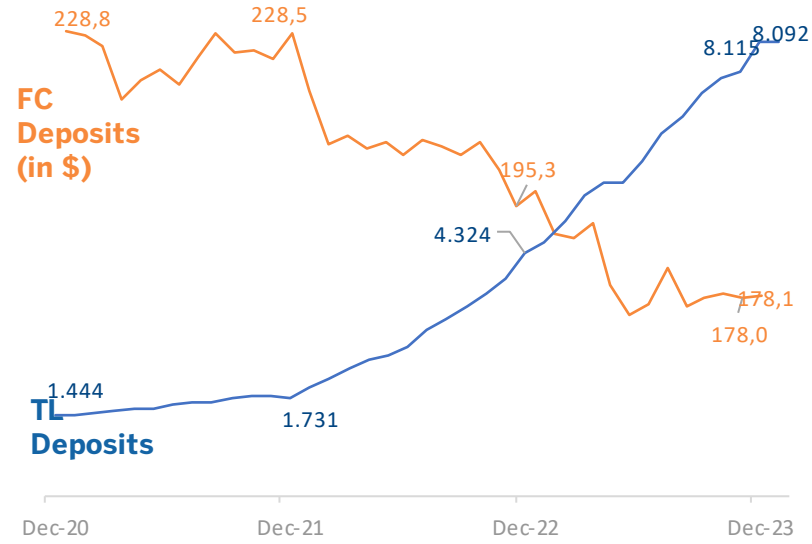
Performing Loans¹, in TL and \$bn



<u>GROWTH (YOY)</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>JAN'24</u>
TL Loans	21%	75%	53%	49%
FC Loans	-7.7%	-10.9%	-3.4%	-2.8%

DEDOLARIZATION OF THE ECONOMY CONTINUES...

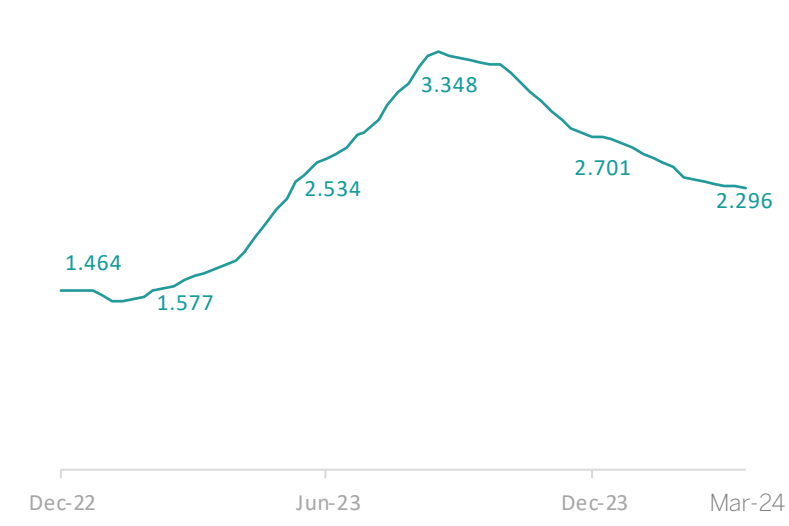
Customer Deposits¹, in TL and \$bn



<u>GROWTH (YOY)</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>JAN'24</u>
TL Deposits	20%	150%	88%	80%
FC Deposits	-0.1%	-14.5%	-8.8%	-10.1%

... WHILE FOREIGN CURRENCY PROTECTED DEPOSITS STARTED TO UNWIND WITH CONVERSION TO TL DEPOSITS

Foreign Currency Protected Deposit², in TLbn



<u>GROWTH (YOY)</u>	<u>2023</u>	<u>MAR'24 YTD</u>
Foreign Currency Protected Deposits	85.6%	-12.6%

¹ Based on BRSA monthly data as of January 2024, for commercial banks only.

² Based on BRSA weekly data as of 15 March 2024, for the sector.

03

GARANTI BBVA CORPORATE PROFILE & FINANCIAL HIGHLIGHTS

ABOUT GARANTI BBVA

Garanti BBVA's Presence December 2023

Branches	Subsidiaries	Employees	Total Customers
805	10	22,016	25.2 mn



16% Subsidiaries' Contribution to Net Income


OUR PURPOSE
To bring the
age of opportunity
to *everyone*

Digital Capabilities December 2023

Customers		Digital Sales
Digital C.	Mobile C.	Share in Total Sales (retail)
15.0 mn	14.8 mn	90%

 Highest Digital and Mobile Customer Base

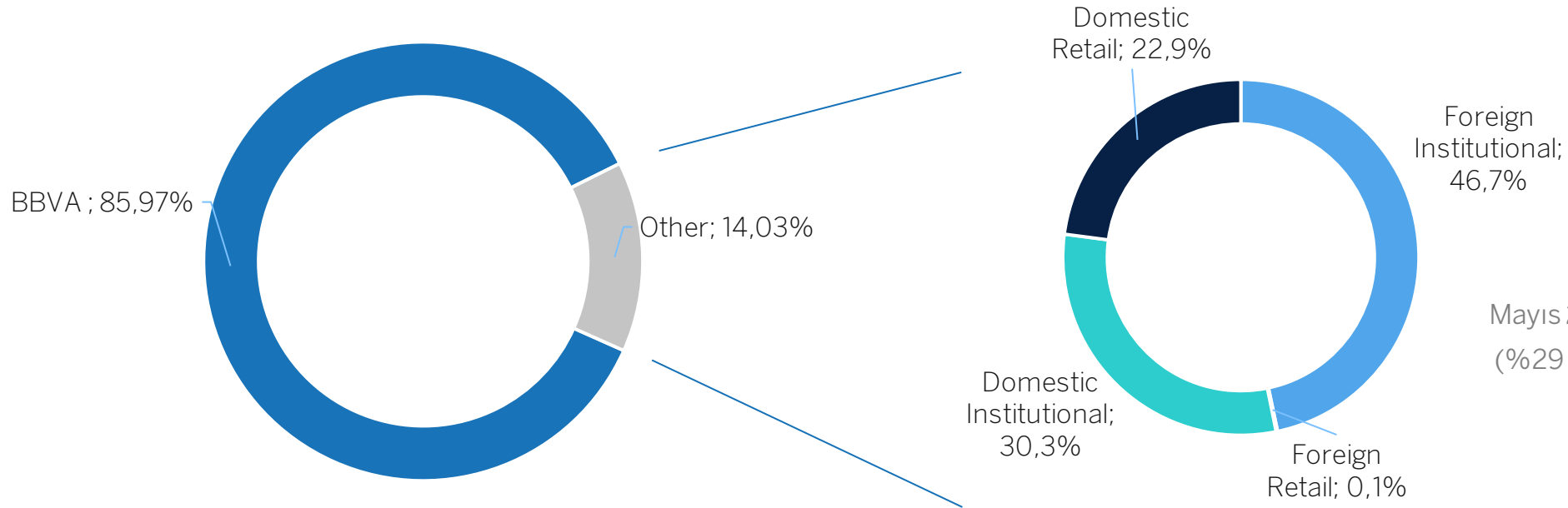
Financial Highlights December 2023

 #1 among private peers	Net Profit	ROAE	CET1
	86.9 bn TL	44.5%	14.5%
Total Assets		Performing Loans / Assets	
2.202 bn TL		54.2%	
		Securities / Assets	
		14.8%	

Brand & Corporate Reputation December 2023

Sustainable Business 2025 Target	Member of Net Zero Banker's Association	
400 bn TL	1 st Turkish Bank	
Corporate Banking NPS	Commercial NPS	Retail NPS
	#1	#2

SHAREHOLDER STRUCTURE



47% in 2023
 Mayıs 2022'de pay alım teklifi sonrasında
 (%29 seviyesi) görülen en yüksek seviye

MARKET CAPITALIZATION

(as of March 20, 2024)

280bn TL (\$8.3bn)

Most Valuable Bank in BIST-100

BEST PERFORMER IN 2023

(among peers)

+21%

Outperformance to XBANK

FOREIGN OWNERSHIP

47% in 2023

Highest level since the
tender call

29% as of 31 May'22

Foreign Institutional Investors: Fund + Institutions

Domestic Institutional Investors: Fund + Institutions + Investment Partnership + Other

GARANTI BBVA'S KEY FINANCIAL STRENGTHS

<p>1 CUSTOMER DRIVEN ASSET GROWTH</p>	<p>HIGHEST TL LENDING* 20.3% market share</p>	<p>#1 in Consumer Loans, CC and TL Business Banking Loans</p>
<p>2 STRATEGICALLY MANAGED FUNDING STRUCTURE</p>	<p>ZERO-COST DEMAND DEPOSIT BASE 41% customer demand deposits share in total</p>	<p>HIGH LIQUIDITY \$4.1 bn External Debt vs. \$6.3 bn FC Liquidity Buffer</p>
<p>3 SOLID ASSET QUALITY, STRONG COVERAGE RATIOS</p>	<p>TOTAL COVERAGE RATIO 4.1%</p>	<p>2023 NET COR 61 BPS HIGHEST PROVISION LEVEL* 51.4 BN TL</p>
<p>4 CORE BANKING REVENUE DRIVEN NET INCOME GENERATION</p>	<p>CORE BANKING REVENUE +52% YoY</p>	<p>ROAE (Cumulative) 44.5% IN 2023 ROAA (Cumulative) 4.9% IN 2023</p>
<p>5 STRONG CAPITAL POSITION</p>	<p>CET1 (w/o BRSA's forbearance) 14.5%</p>	<p>EXCESS CAPITAL (w/o BRSA's forbearance, per consolidated financials) 72 BN TL</p>

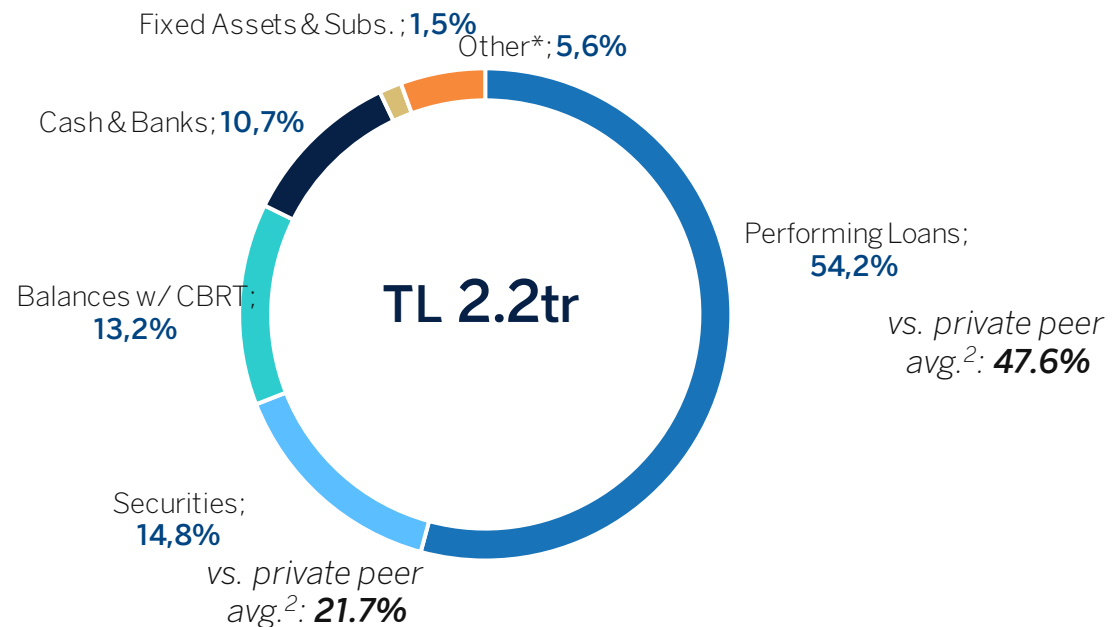
*among private peers, as of December 2023.

1 Free Funds=SHE-Reserve Requirement-Net NPL-Subsidiaries-Fixed Assets + Demand Deposits.

Note: Excludes non-recurring items when annualizing Net Income for the remaining quarters of the year in calculating Return On Average Equity (ROAE) and Return On Average Assets (ROAA). Please refer to the Appendix: Summary P&L for non-recurring items

1 CUSTOMER DRIVEN ASSET GROWTH

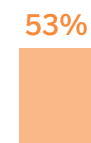
ASSET BREAKDOWN



PERFORMING LOAN GROWTH¹

(as of Dec'23, YoY)

TL Lending



FC Lending (in USD)



■ Garanti BBVA ■ Sector ■ Private

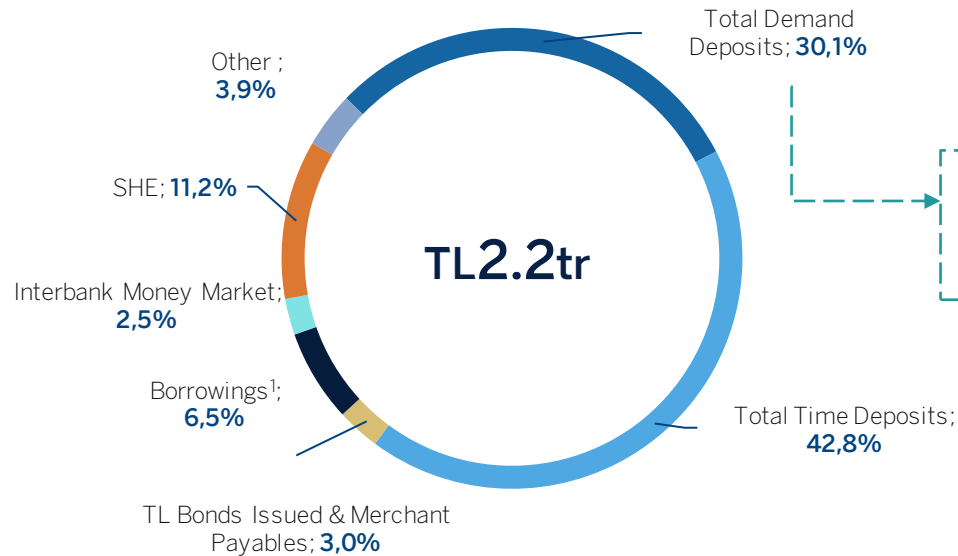
* Mainly composed of NPLs and accruals of foreign-currency protected deposits' currency difference (TL 24bn as of Dec'2023 vs. TL 22bn as of Sept. 2023)

¹ Sector data is based on BRSA monthly data as of December 2023, commercial banks. Garanti BBVA data used in loan growth is per unconsolidated BRSA December 2023 financials

² Private peer average is defined as the top 3 private banks excluding Garanti BBVA.

2 STRATEGICALLY MANAGED FUNDING STRUCTURE

LIABILITIES & SHE BREAKDOWN



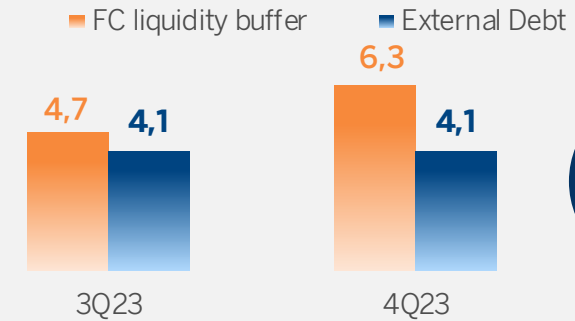
Customer demand Deposits / total: **41%**
vs. private peer avg.³: 38%

LOW LEVERAGE

8.0X

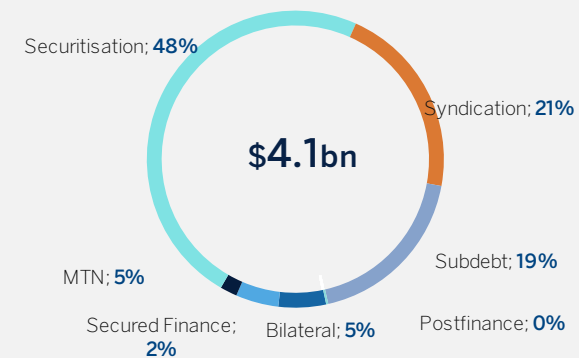
EXTERNAL DEBT VS. FC QUICK LIQUIDITY²

(US\$ bn)



ST portion of external debt: **\$1.4bn**

WHOLESALE FUNDING BREAKDOWN



100% of the new issuances* since 2021 are ESG-linked

ESG-linked funding makes up ~**28%** of total wholesale funding

¹ Includes funds borrowed, sub-debt & FC securities issued

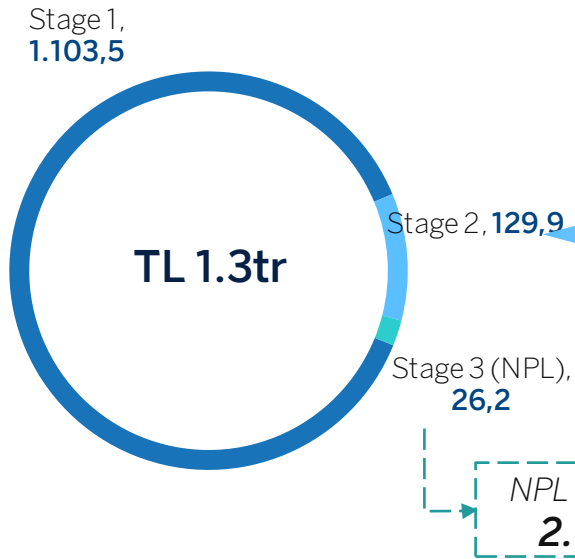
² FC Liquidity Buffer includes FC reserves under ROM, swaps, money market placements, CBRT eligible unencumbered securities

³ Private peer average is defined as the top 3 private banks excluding Garanti BBVA.

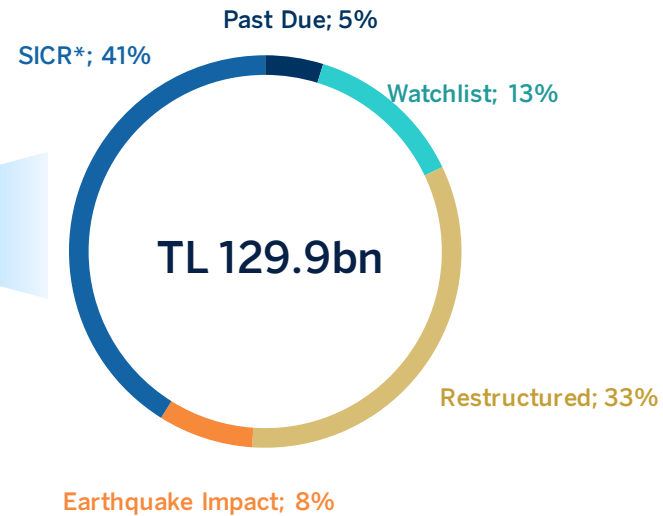
*Excludes secured finance transactions and MTN issuance.

3 SOLID ASSET QUALITY, STRONG COVERAGE RATIOS

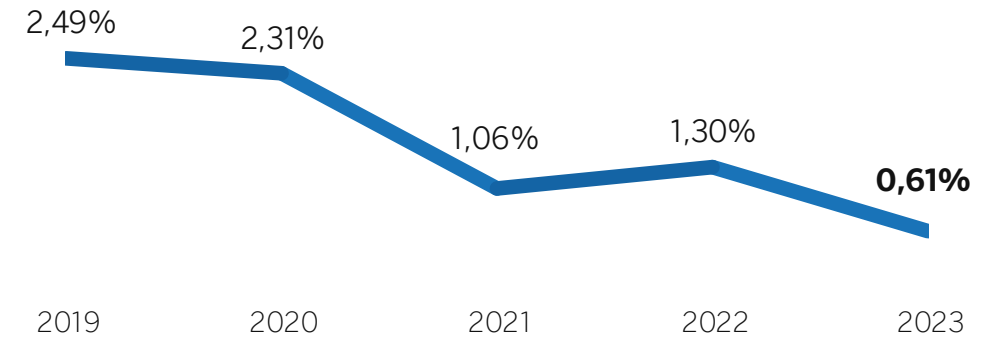
LOANS & RECEIVABLES BREAKDOWN¹ (Billion TL)



STAGE-2 BREAKDOWN



NET CoR TREND excl. CURRENCY



TOTAL PROVISIONS ON B/S

51.4bn TL

~25% more than private peers avg¹

TOTAL COVERAGE RATIO

4.1%

5.4% when adj. w/ WD²

NPL COVERAGE RATIO

67.8%

80.7% when adj. w/ WD²

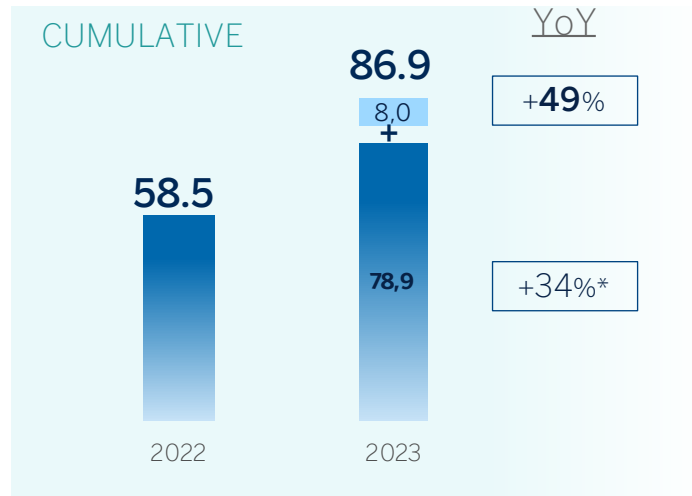
*SICR: Significant Increase in Credit Risk per our threshold for Probability of Default (PD) changes

¹ Private peer average is defined as the top 3 private banks excluding Garanti BBVA.

² Adjusted with write-downs since 2019

4 CORE BANKING REVENUE DRIVEN NET INCOME GENERATION...

NET INCOME (TL bn)



*Excluding free provision reversals in 2023. 2022 base was also adjusted for the 0.5bn TL free provision set aside in 3Q22.

CORE BANKING REVENUE BREAKDOWN

TL bn, cumulative	Garanti BBVA	YoY Δ	Private Peers Avg. ¹	YoY Δ
Core NII	34,1	-21%	15,1	-55%
Pure Trading	34,0	179%	38,9	117%
Net F&C	43,5	140%	37,5	166%
CORE BANKING REVENUE	111,6	52%	91,5	40%

2023 ROAA

4.9%

Free provision reversal adjusted 2023 ROAA

4.9%

2023 ROAE

44.5%

Free provision reversal adjusted 2023 ROAE

41.0%



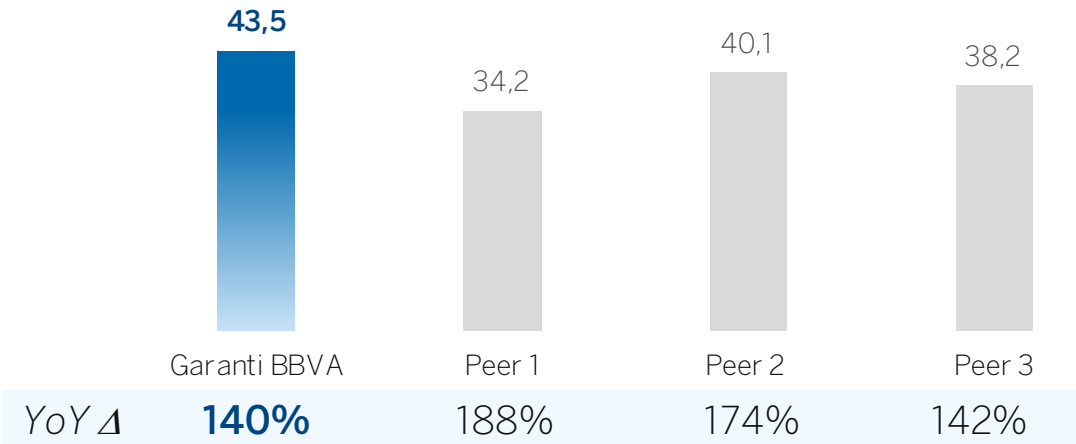
Garanti BBVA leads in core banking revenue generation capability, highlighting the sustainable nature of the Bank's profitability.

Pure trading: Trading income excl. Swap cost & currency hedge & KKM related additional remuneration.
 Core NII: NII – CPI linkers' income + swap costs + KKM related additional remuneration cost booked under trading line.
¹ Private peer average is defined as the top 3 private banks excluding Garanti BBVA.

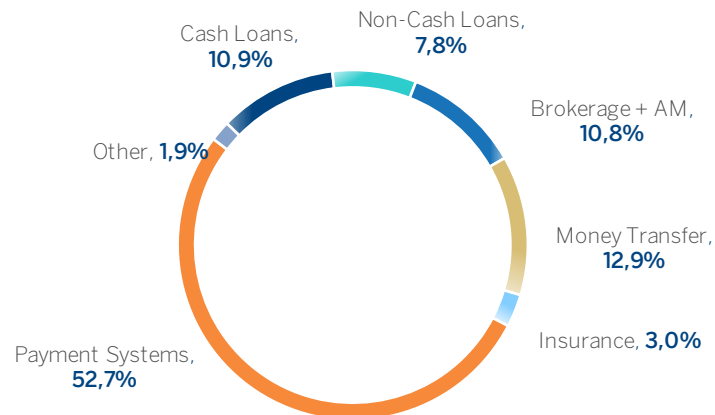
4 BACKED BY SUPERIOR FEE GENERATION CAPABILITY...

NET FEES & COMMISSIONS

(TL bn, 2023, cumulative)



NET F&C BREAKDOWN¹



¹ Net Fees&Comm . breakdown is based on Consolidated Financials. Garanti Pension premiums are shown under Other Income. As of December 2023, a number of fee sources previously booked under 'Other' have been reclassified under 'Money Transfer' Rankings are among private banks

SOLID PRESENCE IN CREDIT CARD BUSINESS

+195% YoY
Payment Systems Fees

#1 in Acquiring
& Issuing Volume
& CC customers

WELL DIVERSIFIED & ABOVE INFLATION FEE PERFORMANCE

+83% YoY
Lending Related Fees

+113% YoY
Brokerage + AM

#1 in TL Cash &
Non-Cash Loans

+98% YoY
Money Transfer

EXPANDING CUSTOMER BASE & INCREASING PENETRATION

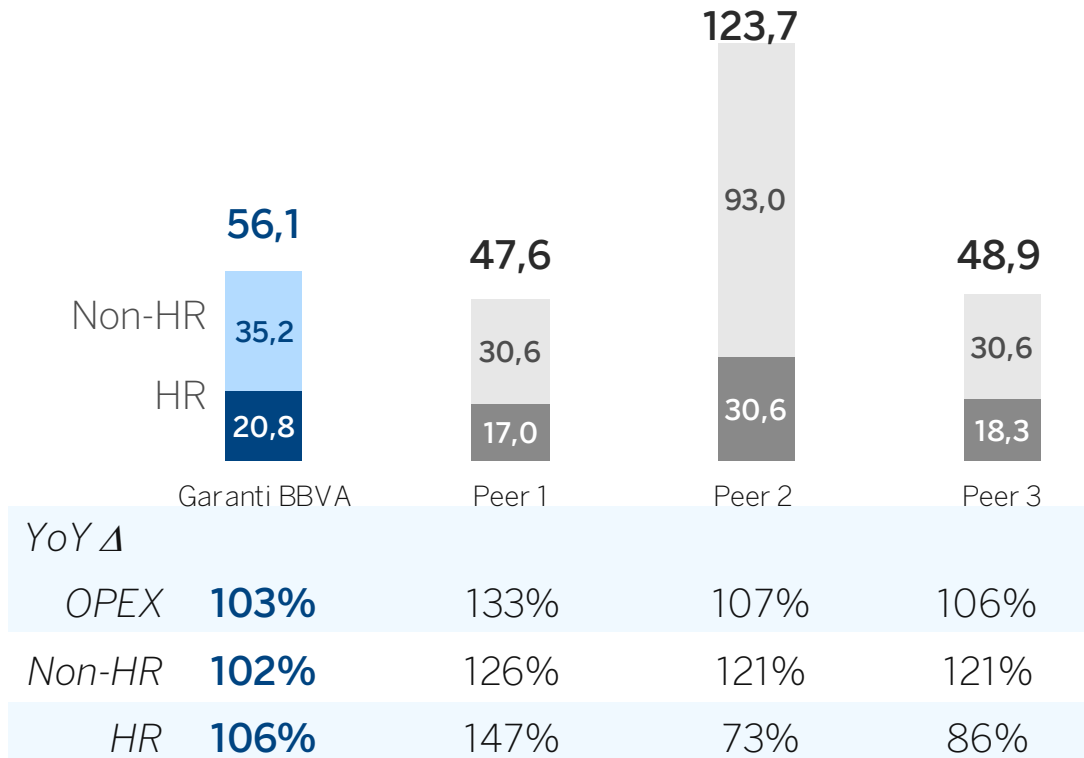
~15.0 mn
Mobile customers

90%
Digital sales in total sales

4 ... AND STRICTLY MANAGED COST GROWTH

OPERATING EXPENSES

(TL bn, 2023, cumulative)



BEST-IN CLASS EFFICIENCY RATIOS

COST / INCOME

35% vs. private peer avg*: **40.6%**

FEE / OPEX

78% vs. private peer avg*: **60.8%**

OPEX / AVG. ASSETS

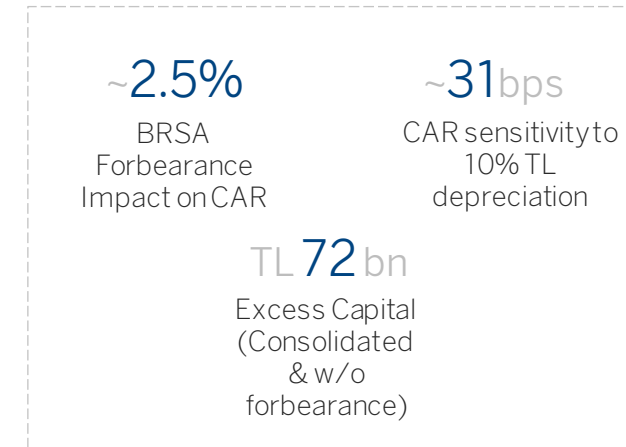
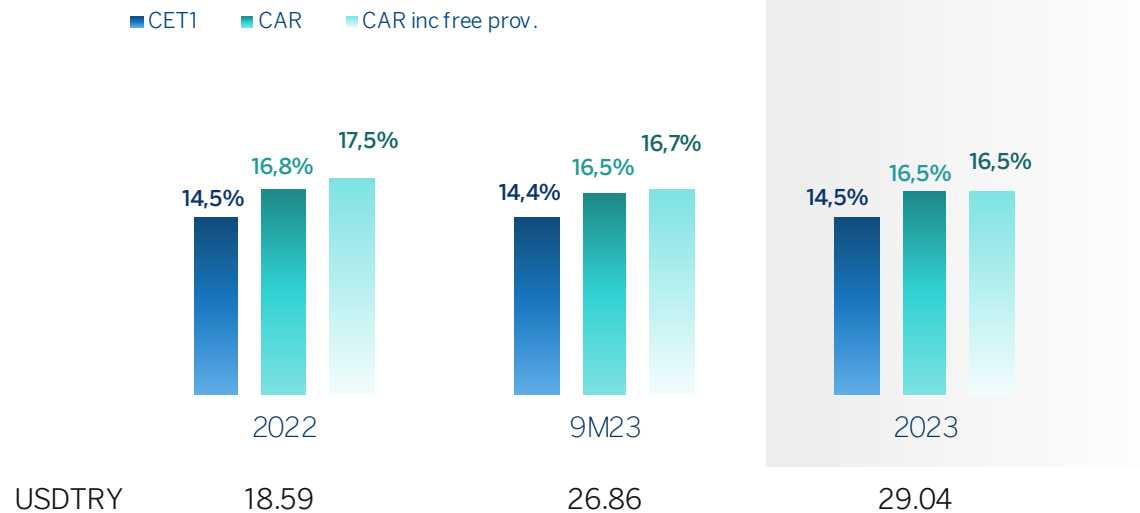
3.2% vs. private peer avg*: **3.9%**

*Private peer average is defined as the top 3 private banks excluding Garanti BBVA

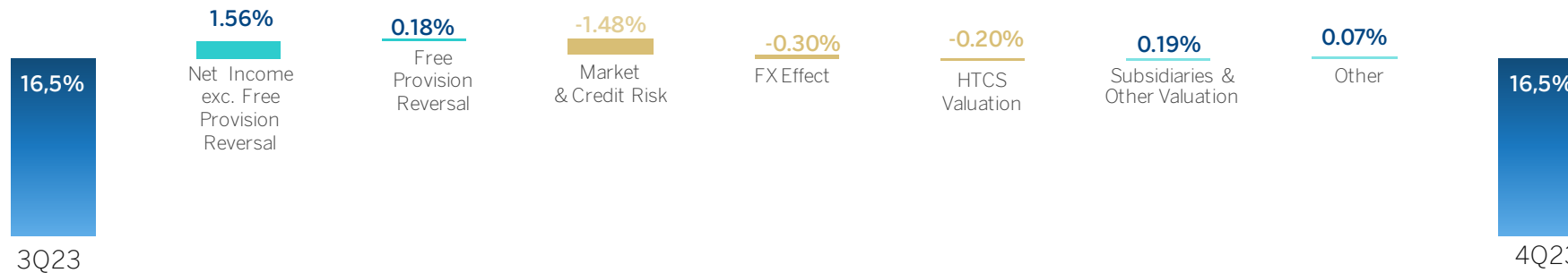
Note: Income defined as NII inc. Swaps + Net F&C + Dividend Income + Subsidiary Income + Net Trading Income (excludes swaps & currency hedge) + Other income (net of prov. Reversals, free provision reversals and one-off income)

5 STRONG CAPITAL POSITION

SOLVENCY RATIOS *(without BRSA's forbearance)*



QUARTERLY CAR EVOLUTION *(Consolidated, without BRSA's forbearance)*



04

SUSTAINABILITY AT GARANTI BBVA

SUSTAINABILITY AT GARANTI BBVA



Combating Climate Change

Contribution to Sustainable Development (2018-2023)

120 bn TL

The target of contributing and financing of sustainable development between 2018 and 2025 is updated to the **400 billion TL**

Decarbonization Target

1st company to declare this target in Türkiye*

Market share of wind power plants (WPP) by installed power financed by the Bank

24.6%



Inclusive Growth

Financing the Women Entrepreneurs

150 bn TL - in 5 years

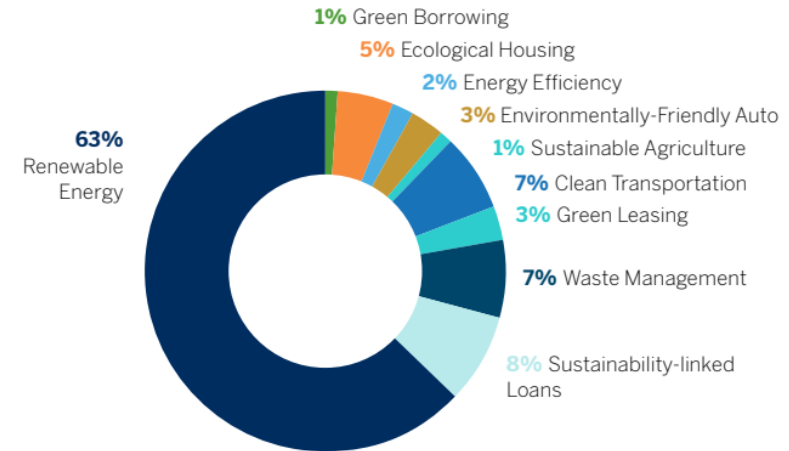
Unbanked Women Program

1,760 women participated

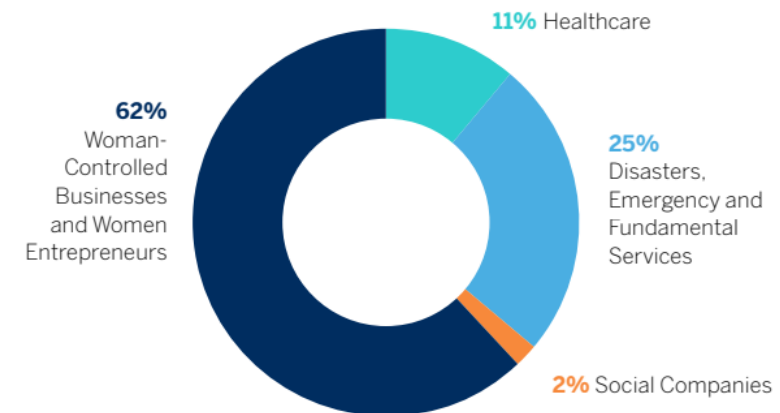
SME-Micro Loan Market Share among private peers

21.92%

Climate Action Financing by Themes



Inclusive Growth Financing by Themes

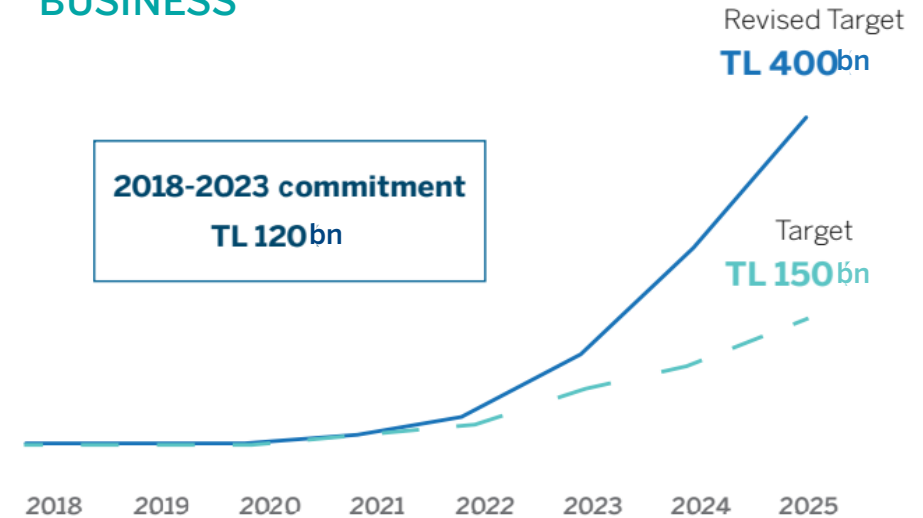


COMBATING CLIMATE CHANGE

SUSTAINABLE FINANCE

- > Garanti BBVA updated its target to provide funding for **financing sustainable activities between the years 2018 and 2025** for combating climate crisis and for sustainable development as **TL 400 billion** in 2023.
- > In the 2018-2023 period, the total amount of resources allocated by the Bank to the financing of sustainable activities reached **120 billion TL**.

CHANNELLING SUSTAINABLE BUSINESS (TL Bn)



Emissions reduction targets for carbon-intensive sectors

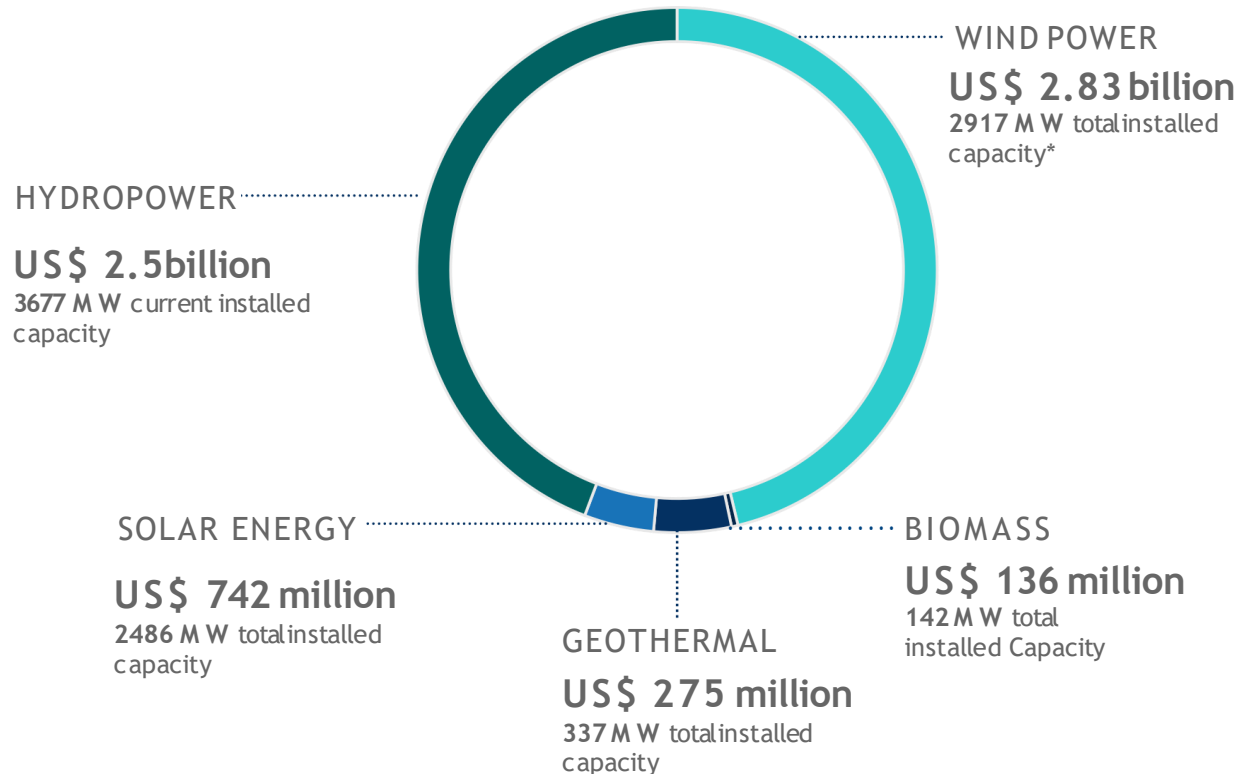
Sector	Emission Scope	Metric	Scenario	Garanti BBVA Baseline (2022)	Garanti BBVA Progress (2023)	Difference	Reduction Target by 2030
Energy	1+2	kgCO ₂ e/Mwh	IEA Net Zero 2050	388	339	-13%	-72%
Automotive	3	gCO ₂ e/Km	IEA Net Zero 2050	182	179	-1%	-40%
Iron & Steel	1+2	kgCO ₂ e/Tiron&steel	IEA Net Zero 2050	1.096	1.320	20%	-10%
Cement	1+2	kgCO ₂ e/Tcement	IEA Net Zero 2050	726	726	0%	-20%
Coal	-	TLmn					Phase-out of the sector by 2040



Garanti BBVA has been **the first bank from Türkiye** to pledge coal phase-out in 2021; and pledged to eliminate the coal exposure of its portfolio by 2040 or sooner.

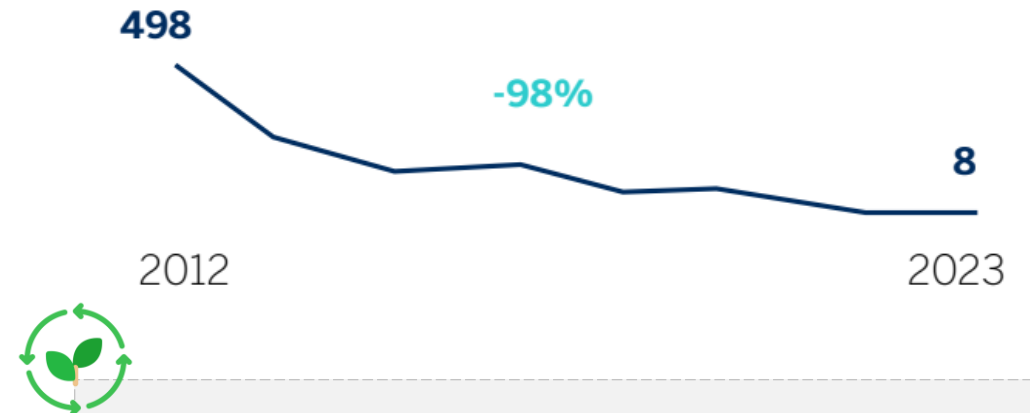
COMBATING CLIMATE CHANGE

RENEWABLE ENERGY FINANCING



SUPPORTING THE TRANSITION TO A LOW CARBON ECONOMY

Carbon Intensity (tCO₂e/Total Assets)*

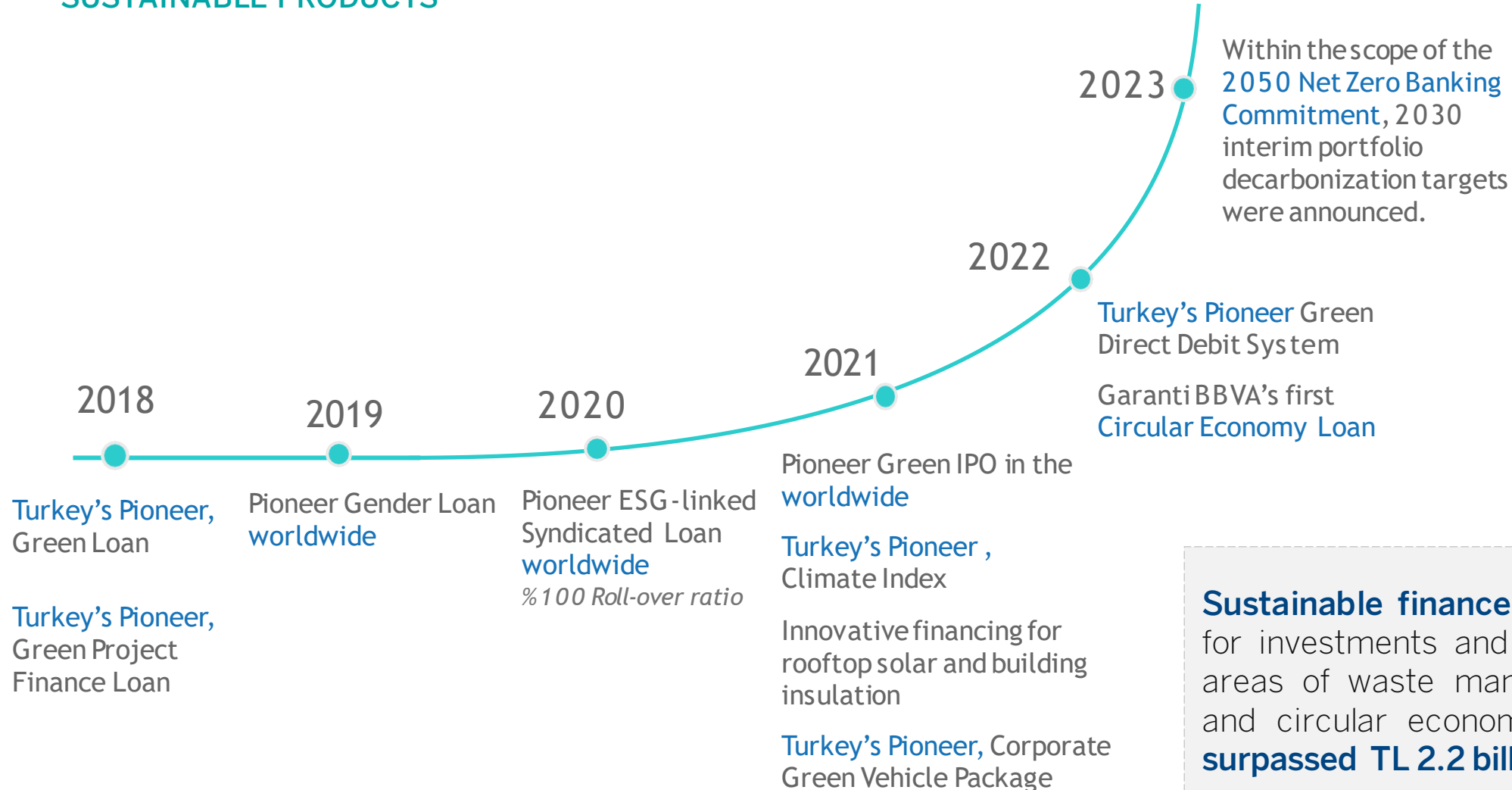


- > Since the introduction of the Environmental Management System in 2012, **the Bank's carbon intensity decreased by 98%**.
- > **Solar Power Plants (SPP)** planned to have a total installed capacity of approximately 300 kW and an annual power generation capacity of 350 MWh **were installed in Pendik Campus and Güneşli Service Buildings.**
- > **81 rooftop solar panels** were installed on ATMs from early 2023.

* Scope 3 is not included in the intensity calculations

COMBATING CLIMATE CHANGE

SUSTAINABLE PRODUCTS



Sustainable finance products provided for investments and acquisitions in the areas of waste management, recycling and circular economy implementations **surpassed TL 2.2 billion in 2023.**

INCLUSIVE GROWTH

Unbanked Women program

It provides free, online and face-to-face financial literacy trainings for women to better manage their finances.

In 2023, **1,760 women** participated in financial literacy trainings.

Women Entrepreneur Program

As of the end of 2023, the amount of **TL loans provided** under financial support to women entrepreneur customers, who are classified as a special customer group, **exceeded TL 27 billion in all segments.**

Garanti BBVA Partners Accelerator Program

It contributes to the sustainability of **early startups, the SMEs** and **scaleups**.

Consistently increasing market share in SME and SME-Micro loans

In 2023,

- TL SME Loans share in TL Loans **30.9%**
- TL SME Loan Market Share among private Banks **22.78%**
- % Share of micro loans in SME **27.5%**
- SME-Micro Loan Market Share among private Banks **21.92%**

COMMUNITY INVESTMENTS



Contribution to community investment programs

875 mn TL

3 focuses of action

- Reducing inequalities and promote inclusive growth
- Education for all
- Frontier knowledge and accessible culture



Türkiye's Life: Fire Management Grant Program Under the Türkiye's Life: Fire Management Grant Program co-launched with WWF-Türkiye in June 2022. As of the end of 2023 **a total 6 projects have been implemented**



Salt founded by Garanti BBVA in 2011 to support the production of **knowledge, culture and arts**. Salt Research archival collections give online access to **more than 2 million documents and resources**.



Blue Breath: Co-launched with **Turkish Marine Environment Protection Association/ TURMEPA** to **combat marine pollution**.

Since September 2021 to date, all sea sweepers in all regions collected **approximately 200.071 tonnes** of solid waste, which were recycled.



ÖRAV was established by Garanti BBVA in 2008 with the aim of **championing children's right to access quality education** by **supporting professional and personal development of teachers**.

With **71,826** teachers reached in 2023.










EqualUs (EşitBiz) project is being conducted since the beginning of 2022 in order to contribute to change by **raising awareness of gender equality**.



5 Pebbles: Social and Financial Leadership Program is intended to build on primary and secondary school students' social and financial leadership knowledge, attitudes and skills.

In 2023, **12,730 students** and **913 teachers** were reached.

SUSTAINABILITY INDICES

							
INDICES / ESG RATINGS	S&P CORPORATE SUSTAINABILITY ASSESSMENT	CDP CLIMATE CHANGE	CDP WATER SECURITY	MSCI	FTSE4GOOD	SUSTAINALYTICS ESG RISK	BLOOMBERG GENDER EQUALITY INDEX
SCORING RANGE	0-100	A / D-	A / D-	AAA/CCC	0-5	0-40+	0-100
SCORE	74	B	A-	BBB	3,8	21,1	89,06

Local indices in which Garanti BBVA is included

- > BIST SUSTAINABILITY INDEX
- > BIST CORPORATE GOVERNANCE INDEX

The only bank from Türkiye to be included in the index for **7 consecutive years**



05

CORPORATE GOVERNANCE AT GARANTI BBVA

GARANTI BBVA

OUR PURPOSE

“To bring **the age of opportunity** to **everyone**”

OUR VALUES

 **Customer** comes first

 We think **big**

 We are **one team**


OUR STRATEGIC PRIORITIES


WHAT WE STAND FOR?

 Financial Health

 Sustainability

DRIVERS OF SUPERIOR PERFORMANCE

 Reaching More Customers

 Operational Excellence

ACCELERATORS TO DELIVER OUR STRATEGY

 Best & Most Engaged Team

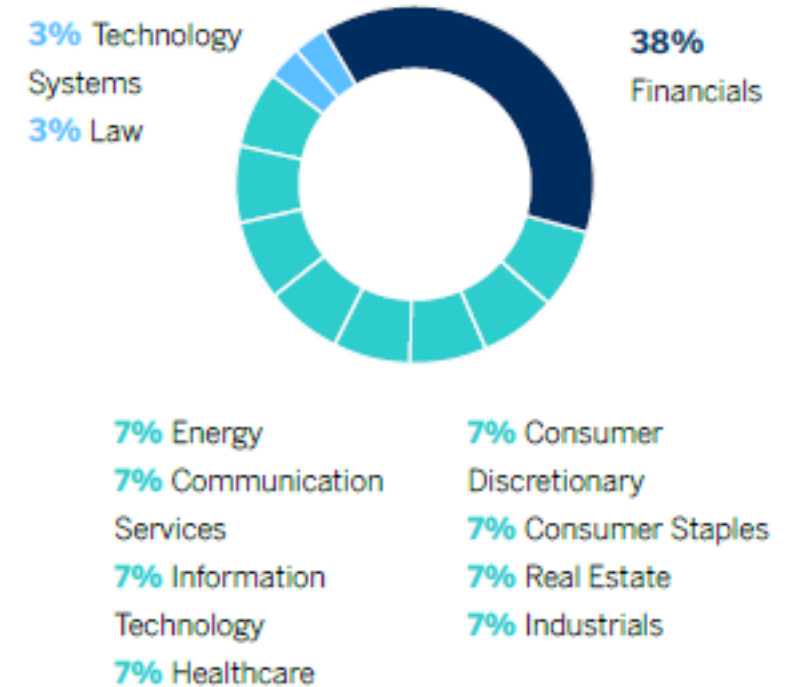
 Data & Technology

BOARD OF DIRECTORS

Name and Surname		Appointment Date	Education	Experience in Banking and Business Administration
Süleyman Sözen	Non-executive	29.05.1997	Undergraduate	42 years
Jorge Saenz Azcunaga Carranza	Non-executive / Independent	24.03.2016	Undergraduate	30 years
Recep Baştuğ	Executive	06.09.2019	Undergraduate	34 years
Sait Ergun Özen	Non-executive	14.05.2003	Undergraduate	36 years
Dr. Muammer Cüneyt Sezgin	Non-executive	30.06.2004	PhD	35 years
Jaime Saenz de Tajeda Pulido	Non-executive	02.10.2014	Undergraduate	31 years
Pablo Alfonso Pastor Muñoz	Non-executive	31.03.2021	Masters	33 years
Rafael Salinas Martinez de Lecca	Non-executive	08.05.2017	Masters	32 years
Belkis Sema Yudum	Non-executive /Independent	30.04.2013	Undergraduate	43 years
Avni Aydın Düren	Non-executive /Independent	17.06.2020	Masters	32 years
M. Canan Özsoy	Non-executive /Independent	04.04.2019	Masters	32 years

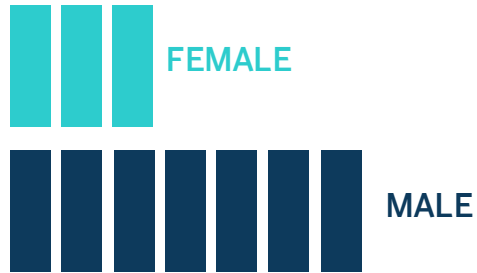
EXPERIENCE COMPOSITION

Chart is prepared in accordance with Global Industry Classification Standard (GICS). The Global Industry Classification Standard (GICS) is an industry taxonomy developed by MSCI and Standar & Poor's (S&P) for use by the global financial community



SENIOR MANAGEMENT

GENDER



AVERAGE EXPERIENCE



EDUCATION



CHIEF EXECUTIVE OFFICE
Recep Baştuğ

Economic Research
General Secretariat
Information Systems Security
Retail Collections



Finance and Treasury
Aydın Güler



Credit Risk Management
Murat Atay



Engineering and Data
İlker Kuruöz



Talent and Culture
Tuba Köseoğlu



Retail Banking
Ceren Acer Kezik



Client Solutions and Digital Banking
Murat Çağrı Süzer



Commercial Banking
Cemal Onaran



SME Banking
Sibel Kaya



Corporate, Investment Banking and Global Markets
Mahmut Akten

CORPORATE GOVERNANCE RATING

OUR JCR CORPORATE GOVERNANCE RATING EVOLUTION

Main Section	10.12.2016	11.12.2017	11.12.2018	11.12.2019	11.12.2020	10.12.2021	9.12.2022	8.12.2023
Shareholders	9.22	9.22	9.22	9.67	9.67	9.67	9.73	9.73
Public Disclosure & Transparency	9.25	9.40	9.67	9.67	9.76	9.85	9.85	9.85
Stakeholders	9.23	9.57	9.72	9.86	9.86	9.86	9.87	9.87
Board of Directors	9.34	9.66	9.76	9.76	9.81	9.81	9.81	9.81
Overall Score	9.27	9.51	9.60	9.73	9.77	9.79	9.81	9.81
Outlook	Positive	Positive	Positive	Positive	Stable	Positive	Positive	Positive

STRENGTHS

- **Integrated Annual Report** including a detailed review of financial and nonfinancial performance, future strategies, targets on key material issues
- Effective & transparent **IR website**
- Pioneering practices in the **digital banking**
- Announcement of **decarbonization targets**
- **Qualified, educated and experienced BoD**
- Effective and comprehensive **internal control, internal audit and risk management** systems.
- The level of compliance attained in the previous year across the main sections has been maintained. 25% female representation target in the BoD by the end of 2025 kept the outlook positive.

CONSTRAINTS

- Absence of any clauses to broaden the exercise of **minority rights** (holding less than 5% of the share)
- Lack of disclosure of the **per-person remuneration** of the top managers and the board members

[Click here to view Corporate Governance Principles Compliance Report](#)

ESG KEY PERFORMANCE INDICATORS

GENDER PAY GAP

	MANAGEMENT LEVEL*	BRANCH MANAGER / MID-LEVEL MANAGER*	REST OF THE EMPLOYEES*	AVERAGE*
2023	0.90 ✓	0.84 ✓	1.04 ✓	1.06 ✓
2022	0.87	0.85	1.07	1.07
2021	0.87	0.9	1.05	1.11

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 Employees: Associates, Specialists and Specialist Assistants, Assistants and Support Staff * Median value given, as average metrics is negatively affected by extreme values (i.e. very high/very low). Garanti BBVA Technology employees are not taken into account in the calculation.

GHG EMISSIONS (TONNES OF CO2 EQUIVALENT)

YEAR	SCOPE 1 (TCO ₂ E)	SCOPE 2*** (TCO ₂ E)	SCOPE 3**** (TCO ₂ E)	TOTAL TCO ₂ E (SCOPE 1 & 2)	GHG EMISSIONS INTENSITY***** (TCO ₂ E / TOTAL ASSETS)	% CHANGE IN GHG EMISSIONS INTENSITY
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%

*** 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.

ENVIRONMENTAL INVESTMENTS AND EXPENDITURES* (TL)

	2023
CAPEX	29,794,176
OPEX	5,509,122

* Calculation includes the investment and expenditures made by the Bank's Premises And Services Department

EMPLOYEE & DIVERSITY INDICATORS

EMPLOYEE AND DIVERSITY INDICATORS	2022	2023
Number of Employees	21,684	22,016 ✓
Ratio of open positions filled with internal employees (%)	90.2%	90.8% ✓
Ratio of women employees	56.1%	55.7% ✓
Women in senior management (%)	36.4%	30.0% ✓
Women in mid-level management (%)	39.6%	39.3% ✓
Women in technology (Share of women in STEM roles)	39.7%	39.9% ✓
Women in revenue-generating roles	65.4%	64.8% ✓
Number of maternity leaves	489	437 ✓
Ratio of women employees returned to work after maternity leave	96.7%	98.4% ✓
Number of paternity leaves	437	379 ✓
Number of employees with disabilities	433	380 ✓
Employee turnover	11.79%	11.62% ✓
Employee engagement score*	4.30	4.31
Programs for employee well-being	12	12

COMMUNITY INVESTMENT PROGRAMS

	2022	2023
Contribution to community investment programs (million TL)*	71.7	875 ✓

* As of 2022, administrative expenses started to be included in the scope of Contribution to Community Investment Plan reporting for achieving alignment with the BBVA Group

For more, Click here to view our ESG Performance Indicators

Appendix

Pg. 36 Summary Balance Sheet

Pg. 37 Summary P&L

Pg. 38 Key Financial Ratios

APPENDIX: SUMMARY BALANCE SHEET

(TL billion)

ASSETS	31.12.2022	31.03.2023	30.06.2023	30.09.2023	31.12.2023
Cash & Cash Equivalents	158.4	166.8	294.2	188.5	234.6
Balances at CBRT	114.0	157.5	149.9	284.2	291.7
Securities	204.7	243.8	265.6	296.3	326.5
Loans & Receivables	789.6	858.6	1038.6	1129.3	1259.6
+TL Loans	488.2	536.7	616.2	690.6	769.1
TL NPL	16.4	16.2	17.3	16.5	18.6
info: TL Performing Loans	471.7	520.5	598.9	674.2	750.5
+FC Loans (in US\$ terms)	14.7	15.2	14.9	14.9	15.5
FC NPL (in US\$ terms)	0.1	0.2	0.1	0.1	0.2
info: FC Performing Loans (in US\$ terms)	14.5	15.0	14.8	14.7	15.3
info: Performing Loans (TL+FC)	742.1	807.2	978.9	1069.9	1193.8
Fixed Assets & Subsidiaries	16.3	19.3	23.0	25.0	32.5
Other	20.7	25.7	119.8	53.0	56.9
TOTAL ASSETS	1303.6	1471.7	1891.1	1,976.3	2,201.7
LIABILITIES & SHE	31.12.2022	31.03.2023	30.06.2023	30.09.2023	31.12.2023
Total Deposits	908.7	1039.9	1400.8	1437.2	1604.9
+Demand Deposits	431.7	448.3	570.2	615.9	662.7
TL Demand	113.3	126.2	137.7	149.7	150.4
FC Demand (in US\$ terms)	17.1	16.9	16.8	17.4	17.6
+Time Deposits	477.0	591.6	830.6	821.3	942.2
TL Time	311.6	436.8	623.7	623.0	727.6
FC Time (in US\$ terms)	8.9	8.1	8.0	7.4	7.4
Interbank Money Market	24.3	36.8	46.2	53.0	56.0
Bonds Issued	17.6	8.5	10.1	10.4	11.1
Funds Borrowed	93.1	93.6	115.4	122.2	133.1
Other liabilities	106.7	118.4	130.1	138.2	150.9
Shareholders' Equity	153.1	174.4	188.5	215.4	245.6
TOTAL LIABILITIES & SHE	1303.6	1471.7	1891.1	1,976.3	2,201.7

APPENDIX: SUMMARY P&L

TL Million	QUARTERLY P&L			CUMULATIVE P&L		
	3Q23	4Q23	QoQ	2022	2023	YoY
(+) Net Interest Income including Swap costs	22,149	22,683	2%	77,615	81,097	4%
(+) <i>NII excluding CPI linkers' income</i>	12,649	11,021	-13%	54,517	49,041	-10%
(+) <i>Income on CPI linkers</i>	10,673	15,248	43%	33,576	37,326	11%
(-) <i>Swap Cost</i>	-1,174	-3,585	205%	-10,478	-5,269	-50%
(+) Net Fees & Comm.	12,320	16,906	37%	18,146	43,501	140%
(+) Net Trading & FX gains/losses (excl. Swap costs and currency hedge)	7,637	6,206	-19%	13,542	24,323	80%
<i>info: Gain on Currency Hedge¹</i>	951	3,250	242%	7,448	13,041	75%
(+) Income/loss from investments under equity	364	2,010	452%	984	3,277	233%
(+) Other income (excl. Prov. reversals & one-offs)	2,165	2,645	22%	5,249	8,841	68%
(+) Non-recurring other income	3,002	3,180	6%	1,201	8,579	614%
(+) <i>Gain on asset sale & Revaluation of real estate</i>	2	180	<i>n.m.</i>	1,041	706	<i>n.m.</i>
(+) <i>Administrative Fine / Reversal</i>	0	0	<i>n.m.</i>	160	-127	<i>n.m.</i>
(+) <i>Free Provision Reversal</i>	3,000	3,000	<i>n.m.</i>	0	8,000	<i>n.m.</i>
(-) OPEX	-14,276	-17,263	21%	-27,567	-56,054	103%
(-) <i>HR</i>	-5,620	-6,306	12%	-10,141	-20,849	106%
(-) <i>Non-HR</i>	-8,656	-10,958	27%	-17,425	-35,204	102%
(-) Net Expected Loss (excl. Currency impact)	-1,021	-2,260	121%	-8,447	-6,171	-27%
(-) <i>Expected Loss</i>	-7,395	-9,417	27%	-26,005	-39,154	51%
<i>info: Currency Impact¹</i>	-951	-3,250	242%	-7,448	-13,041	75%
(+) <i>Provision Reversal under other Income</i>	5,423	3,907	-28%	10,110	19,942	97%
(-) Taxation and other provisions	-8,565	-4,785	-44%	-22,213	-20,486	-8%
(-) <i>Free Provision</i>	0	0	<i>n.m.</i>	-500	0	<i>n.m.</i>
(-) <i>Taxation</i>	-8,371	-4,698	-44%	-18,477	-20,154	9%
(-) <i>Other provisions (excl. free prov.)</i>	-194	-86	-55%	-3,236	-332	-90%
= NET INCOME	23,774	29,323	23%	58,510	86,907	49%

¹ Neutral impact at bottom line, as provision increase due to currency depreciation are 100% hedged (FX gain included in Net trading income line)

APPENDIX: KEY FINANCIAL RATIOS

	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23
Profitability ratios					
ROAE (Cumulative) ¹	51.0%	38.2%	38.3%	41.1%	44.5%
ROAA (Cumulative) ¹	5.4%	4.5%	4.2%	4.5%	4.9%
Cost/Income	23.9%	37.9%	37.2%	35.1%	34.8%
Liquidity ratios					
Loans / Deposits	81.7%	77.6%	69.9%	74.4%	74.4%
TL Loans / TL Deposits	111.0%	92.4%	78.7%	87.3%	85.5%
Adj. Loans/Deposits (Loans adj. with on-balance sheet alternative funding sources)	68%	67%	60%	64%	64%
TL Loans / (TL Deposits + TL Bonds + Merchant Payables)	101.9%	86.5%	74.6%	81.8%	79.5%
FC Loans / FC Deposits	55.9%	60.1%	59.4%	59.6%	61.0%
Asset quality ratios					
NPL Ratio	2.6%	2.4%	2.1%	1.9%	2.1%
Coverage Ratio	5.1%	4.8%	4.6%	4.3%	4.1%
+ Stage1	0.7%	0.6%	0.6%	0.5%	0.5%
+ Stage2	19.5%	18.4%	20.3%	20.4%	21.4%
+ Stage3	72.4%	70.8%	70.2%	69.6%	67.8%
Cumulative Net Cost of Risk (excluding currency impact, bps) ²	130	85	65	55	61
Solvency ratios					
CAR (excl. BRSA Forbearance)	16.8%	15.9%	15.8%	16.5%	16.5%
Common Equity Tier I Ratio (excl. BRSA Forbearance)	14.5%	13.8%	13.7%	14.4%	14.5%
Leverage	7.5x	7.4x	9.0x	8.2x	8.0x

¹ Note: Excludes non-recurring items when annualizing Net Income for the remaining quarters of the year in calculating Return On Average Equity (ROAE) and Return On Average Assets (ROAA) for 1Q23, 2Q23 and 3Q23. Please refer to the Appendix: Summary P&L for non-recurring items

² Neutral impact at bottom line, as provision increase due to currency depreciation are 100% hedged (FX gain included in Net trading income line)

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