

TÜRKİYE HALK BANKASI A.Ş.
INFORMATION DOCUMENT FOR THE ANNUAL GENERAL MEETING
APRIL 25, 2025

Pursuant to the relevant provisions of the Turkish Commercial Code, the 2024 Ordinary General Assembly of our Bank, at which the agenda items set forth shall be discussed, shall be held on Friday, April 25 2025 at 10.00 at the Head Office located at Finanskent Mah. Finans Cad. No:42/1 Ümraniye/İstanbul Pursuant to Article 437 of the Turkish Commercial Code, the Financial Statements, the Dividend Distribution Statement, the Annual Report of the Board of Directors, the Report of the Board of Auditors, the Independent Audit Report, and other documents of our Bank relevant to the agenda 2024 shall be made available at the Head Office Building for the shareholders to examine on Thursday, April 03, 2025 at the latest. In addition, the aforementioned documents and their annexes shall be accessible via the Internet at <https://www.halkbank.com.tr/en/investor-relations/corporate-governance/general-assembly.html> and <https://www.halkbank.com.tr/en/investor-relations/financial-information/financial-reports.html>.

Pursuant to the Turkish Commercial Code No 6102, the Capital Markets Law No 6362, and other relevant legislation adopted in accordance with these laws, shareholders may attend the General Assembly using the "Electronic General Assembly System" (EGAS), an electronic platform provided by the Central Registry Agency (CRA), or by presenting themselves in person at the location of the General Assembly.

Attending the General Assembly via EGAS

Shareholders who have dematerialized their shares in their own names may attend the General Assembly in person or by proxy provided that they obtain a qualified electronic certificate and that they complete the EGAS trainings. Shareholders can obtain further information about how they can attend the General Assembly via EGAS by visiting the website of the Central Registry Agency.

Shareholders who declare that they will attend the General Assembly via EGAS may not attend the General Assembly in person.

Attending the General Assembly in Person

- 1) Real person shareholders must present an identity card which bears their Turkish Identification Number.
- 2) If real person shareholders have designated a proxy via EGAS, the proxy must present an identity card which bears their Turkish Identification Number.
- 3) If real person shareholders have not designated a proxy via EGAS, the proxy must present an identity card which bears their Turkish Identification Number and a power of attorney given below which shows that they have been designated as a proxy.
- 4) Proxies designated by real person shareholders may attend the General Assembly by presenting an identity card that bears their Turkish Identification Number and a power of attorney given below which proves that they have been designated as a proxy.

Proxies who will attend the General Assembly must use the sample power of attorney given below. The powers of attorney must be notarized and, if they will not be notarized, the shareholder's notarized circular of signature must be attached to the power of attorney.

(Annex-1)

The power of attorney must bear the following information: name of the company; date of the General Assembly; the full name and Turkish Identity Number of the proxy; the number of shareholder shares; the full name, title, Turkish Identification Number/Taxpayer Identification Number and signature of the shareholder. Powers of attorney which do not bear any of this information shall be considered invalid.

Custodial institutions may attend the General Assembly as representing shareholders who hold shares in their accounts, by being authorized by shareholders via EGAS. If the said institutions authorize their own employees to attend the General Assembly in person, these persons must present, in addition to their powers of attorney, the Power of Attorney and Instruction Notice Form contained in the Regulation on the “Procedures and Principles Regarding the General Assemblies of Joint Stock Companies and Ministry of Representatives to be Present at these Assemblies” issued by the Ministry of Customs and Trade.

TÜRKİYE HALK BANKASI A.Ş.
BOARD OF DIRECTORS

AGENDA:

1. Opening and formation of the General Assembly Presidency,
2. Reading and discussion of the 2024 Annual Report prepared by the Board of Directors, the Independent Audit Report, and the Report of the Board of Auditors,
3. Reading, discussion and approval of the financial statements for the 2024 financial and fiscal year,
4. Reading, discussion and approval of the Profit Distribution Tables for year 2024 proposed by the Board of Directors,
5. Discharging of the members of the Board of Directors and Board of Auditors from any liability,
6. Election of the members of the Board of Directors and the Board of Auditors,
7. Determination of the remuneration of members of the Board of Directors and the Board of Auditors,
8. Approval of the audit firm, which is selected by the Board of Directors and which will conduct the independent audit activities in 2025,
9. Submission of information to the General Assembly regarding the donations made in the business year of 2024,
10. Authorization of the Board of Directors to permit the members of the Board of Directors to engage in activities mentioned in Article 395 and Article 396 of the Turkish Commercial Code and submission of information to the General Assembly pursuant to Article 1.3.6 of the Corporate Governance Principles issued by the Capital Markets Board of Turkey,
11. Submission of information to the General Assembly about the share buy-back and sale-back transactions as per the resolution of the Board of Directors and approval of new Share Buy-Back Program prepared by the Board of Directors,
12. Requests and Closing.

ADDITIONAL EXPLANATIONS PURSUANT TO THE COMMUNIQUE ON CORPORATE GOVERNANCE

1-) Ownership Structure

Latest ownership and capital structure of the bank is shown below and there are no privileged shareholders in the bank.

HALKBANKASI SHAREHOLDER STRUCTURE (TRY)		
SHAREHOLDER	PAID-IN CAPITAL (TRY)	SHAREHOLDING (%)
Turkey Wealth Fund	6,573,603,541.963	91.4934811
Free Float	611,092,975.592	8.5053842
Other	81,524.408	0.0011347
TOTAL	7,184,778,041.963	100.0000000

2-) Information regarding changes in management and business that would significantly affect the operations of the Bank or the Subsidiaries of the Bank

There are no changes in management and business that significantly affected the operations of the Bank or the Subsidiaries of the Bank in the past financial period.

3-) Written requests of the shareholders in relation to adding a clause to the agenda

There have been no written requests by the shareholders conveyed to the Investor Relations Department in relation to adding a clause to the agenda within the period.

EXPLANATIONS ON AGENDA ITEMS

1. Opening and formation of the General Assembly Presidency,

The Board of Presidency will be established in accordance with Turkish Commercial Code No: 6102 and the provision of the Article 15 of the Bank's Articles of Association.

2. Reading and discussion of the 2024 Annual Report prepared by the Board of Directors, the Independent Audit Report, and the Report of the Board of Auditors,

Annual Report prepared by the Board of Directors, the Independent Audit Report and the Report of the Board of Auditors, which have been submitted for the review of the shareholders at the Bank's Head Office Building, on the Bank's website (www.halkbank.com.tr), on the Public Disclosure Platform and on EGAS will be read and submitted for the shareholders' discussion. **(Annex-2)**

3. Reading, discussion and approval of the financial statements for the 2024 financial and fiscal year,

Financial statements for the year 2024, which have been submitted for the review of the shareholders at the Bank's Head Office Building, on the Bank's website (www.halkbank.com.tr) and EGAS will be read and submitted for the shareholders' discussion and approval.

4. Reading, discussion and approval of the Profit Distribution Tables for year 2024 proposed by the Board of Directors,

Profit Distribution Tables for 2024 proposed by the Board of Directors, which has been submitted for the review of the shareholders at the Bank's Head Office Building, on the Bank's website (www.halkbank.com.tr), on the Public Disclosure Platform and on EGAS will be read and submitted for the shareholders' discussion and approval. **(Annex-3)**

5. Discharging of the members of the Board of Directors and Board of Auditors from any liability,

Discharging of the members of the Board of Directors and the Board of Auditors for the year 2024 regarding their operations, transactions and accounts will be submitted for the shareholders' approval.

6. Election of the members of the Board of Directors and the Board of Auditors,

Elections will be held for the Members of the Board of Directors and the Board of Auditors.

7. Determination of the remuneration of members of the Board of Directors and the Board of Auditors,

In accordance with the provisions of the Articles 23 and 31 of the Bank's Articles of Association the remuneration of Members of the Board of Directors and the Board of Auditors will be determined.

8. Approval of the audit firm, which is selected by the Board of Directors and which will conduct the independent audit activities in 2025,

In accordance with the Article 399 of Turkish Commercial Code No: 6102 and the provision of the Article 30 of the Bank's Articles of Association, KPMG Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş., which was selected by the Board of Directors for independent audit activities of the Bank in 2025 will be submitted for the General Assembly' approval.

9. Submission of information to the General Assembly regarding the donations made in the business year of 2024,

Information will be presented to the General Assembly about the donations made in 2024.

10. Authorization of the Board of Directors to permit the members of the Board of Directors to engage in activities mentioned in Article 395 and Article 396 of the Turkish Commercial Code and submission of information to the General Assembly pursuant to Article 1.3.6 of the Corporate Governance Principles issued by the Capital Markets Board of Turkey,

The authorization of the Board of Directors to permit the members of the Board of Directors to engage in activities mentioned in Article 395 and 396 of the Turkish Commercial Code will be submitted for the approval of the General Assembly. Further, in case of any transactions executed in the scope of the relevant the Article 1.3.6 of the Corporate Governance Principle, information on these transactions will be presented to the General Assembly.

11. Submission of information to the General Assembly about the share buy-back and sale-back transactions as per the resolution of the Board of Directors and approval of new Share Buy-Back Program prepared by the Board of Directors,

Information will be presented to the General Assembly about the share buy-back and sale-back transactions executed as per the resolution of the Board of Directors within the context of the Capital Markets Board Communique on Share Buy-backs.

In addition, the new Share Buy-Back Program prepared by the Board of Directors will be submitted to the General Assembly for approval.

POWER OF ATTORNEY

I hereby designate _____ as my proxy to represent me as per the opinions I have stated below, to represent me, to vote, to make proposals and to sign documents at the Ordinary General Assembly of Halkbank to be held on Friday, April 25 2025 at 10.00 at the Head Office of Finanskent Mah. Finans Cad. No:42/1 Ümraniye/İstanbul.

PROXY'S (*)

Full Name/Title:

Turkish Identification Number/Tax Identification Number, Trade Registry Number and MERSİS Number:

(*)Proxies who are non-Turkish citizens must submit, if existing, the equivalent of these information, requested above.

A) SCOPE OF THE POWER OF ATTORNEY

For sections 1 and 2, the scope of the attorney shall be determined by choosing (a), (b) or (c) given below.

1. ABOUT THE AGENDA ITEMS OF THE GENERAL ASSEMBLY

- a) The Proxy is authorized to vote in line with his/her own views.
- b) The Proxy is authorized to vote in line with the proposals made by the company management.
- c) The Proxy is authorized to vote in line with the instructions contained in the table below.

Instructions:

If the shareholder chooses (c), he/she provides instructions to the proxy by choosing (accepting/rejecting) one of the options in front of the relevant agenda items. If the shareholder makes a rejection, he/she inserts his/her dissenting opinion, if any, to be recorded in the minutes of the General Assembly.

Agenda Items	Accept	Reject	Dissenting Opinion
1.Opening and formation of the General Assembly Presidency			
2.Reading and discussion of the 2024 Annual Report prepared by the Board of Directors, the Independent Audit Report, and the Report of the Board of Auditors			
3.Reading, discussion and approval of the financial statements for the 2024 financial and fiscal year			
4.Reading, discussion and approval of the Profit Distribution Tables for year 2024 proposed by the Board of Directors			
5.Discharging of the members of the Board of Directors and Board of Auditors from any liability			
6.Election of the members of the Board of Directors and the Board of Auditors			
7.Determination of the remuneration of members of the Board of Directors and the Board of Auditors			
8.Approval of the audit firm, which is selected by the Board of Directors and which will conduct the independent audit activities in 2025			
9.Submission of information to the General Assembly regarding the donations made in the business year of 2024,			
10.Authorization of the Board of Directors to permit the members of the Board of Directors to engage in activities mentioned in Article 395 and Article 396 of the Turkish			

Commercial Code and submission of information to the General Assembly pursuant to Article 1.3.6 of the Corporate Governance Principles issued by the Capital Markets Board of Turkey			
11.Submission of information to the General Assembly about the share buy-back and sale-back transactions as per the resolution of the Board of Directors and approval of new Share Buy-Back Program prepared by the Board of Directors			
12.Requests and Closing			

2. Special instruction regarding other issues that may arise during the General Assembly and especially on the use of minority rights:

- a) The Proxy is authorized to vote in line with his/her own views.
- b) The Proxy is authorized to represent the shareholder regarding these issues.
- c) The Proxy is authorized to vote in line with the special instructions listed below

SPECIAL INSTRUCTIONS: Shareholder gives his/her special instructions, if any, to the Proxy here.

B) SHAREHOLDER CHOOSES ONE OF THE OPTIONS BELOW TO DESIGNATE THE SHARES HE/SHE WANTS THE PROXY TO REPRESENT

1. I hereby authorize the proxy to represent my shares, the details of which are given below.

- a) Order and series:*
- b) Number/Group:**
- c) Amount-Nominal Value:
- d) Voting or Non-voting Share:
- e) Bearer or Registered Share:*
- f) Ratio of the total amount of shares owned and voting rights enjoyed by shareholder:

*This information is not requested for dematerialized shares.

**For dematerialized shares, information about the group rather than the number of shares will be provided.

2. I authorize the proxy to represent all of my shares contained in the list, prepared by the Central Registry Agency, of shareholders who may attend the General Assembly a day before the start of the General Assembly.

SHAREHOLDER'S (*)

Full Name and Title:

Turkish Identification Number/Tax Identification Number, Trade Registry Number and MERSİS Number:

Address:

(*)Shareholders who are non-Turkish citizens must submit, if existing the equivalent of the information, requested above.

Signature

TÜRKİYE HALK BANKASI A.Ş.
BOARD OF DIRECTORS REPORT

Leveraging our 86 years of experience as a pillar in the sector, we at Halkbank steadfastly supported the real economy in 2024 by offering premium products and services, underpinned by our robust risk management and agility in responding to market conditions. We continued to significantly contribute to the national economy through our sustained support for Tradespeople, SMEs, and Women and Young Entrepreneurs. This support was fueled by funds from capital market instruments we issued, a broad deposit base, and an increase in capital.

In 2024, Halkbank's assets grew to 3,008.2 billion Turkish lira from 2,195.3 billion Turkish lira, marking a year-on-year increase of 37 percent and ranking us fourth by asset size in the sector.

The share of loans in the balance sheet was 48.6 percent at the year's end. Commercial loans, including the SME loans, rose to 1,279.7 billion Turkish lira and retail loans to 182 billion Turkish lira, placing us fifth by cash loans in the sector. In 2024, cash and non-cash loan volumes increased from 1,871.3 billion Turkish lira to 2,262.2 billion Turkish lira, up 20.9 percent year-on-year. Loan disbursement for artisan loans was recorded at 115 billion Turkish lira, as the artisan loan balance increased by 13.2 percent year-on-year to 266 billion Turkish lira.

We provided 79.8 billion Turkish lira in financial support to 239,000 women entrepreneurs by the end of 2024 through the Women Entrepreneurs Loan Package introduced in 2021. With the Productive Women Competition held for the fourth time in February 2025 and Productive Women Academy Master Class Brand Education, the Bank continues to maintain its efforts to develop women's entrepreneurship ecosystem.

"HUBrica Acceleration Program" was introduced in 2024 to prepare young people to innovation and the business world. With the program, the Bank enabled entrepreneurs to develop their business ideas and grow by offering training, mentorship and investment support to them. Furthermore, through the Gençİz Summit the Bank brought together young people and leading names of the business world by creating awareness in fields such as career, innovation and financial literacy. In 2024, two new credit packages, the Youth Loan and the First Step Loan, each supported by the Credit Guarantee Fund (KGF) coverage support were offered to facilitate the access of Young entrepreneurs to financing, and financing supports of 394 million and 41.8 million Turkish Lira were extended with the Youth Loan and the First Step Loan, respectively. By the end of 2024, 28.2 billion Turkish Lira were provided in financial support to 186 thousand entrepreneurs.

In 2024, the securities portfolio expanded by 34 percent to 783.1 billion Turkish lira, accounting for 26 percent of the balance sheet. In 2024, Halkbank issued bonds totalling 30.9 billion Turkish lira which can be included in equity calculations as well as commercial papers with a total par value of 29.9 billion Turkish lira by directly issuing to qualified investors, without any public offerings.

Halkbank's total deposit base grew by 27.2 percent to 1,872.8 billion Turkish lira, up from 2,381.8 billion Turkish lira year-on-year, ranking us third in the sector. In addition, the demand deposit volume amounted to 605.7 billion Turkish lira in 2024.

The Bank's profit for 2024 year-end increased by 49.4 percent year-over-year to 15.1 billion Turkish lira and the Bank maintained its sustainable profitability. The Bank's equity increased by 18.8 percent to 152.6 billion Turkish lira, with a capital adequacy ratio of 14.82 percent.

With 20 new branches opening in 2024, Halkbank expanded its branch network to 1,092 domestic branches and ended the year with 21,520 employees.

We express our gratitude to our employees, whose dedication and efforts have propelled Halkbank's sustained growth in 2024, contributing to a profitable and productive year. We hereby submit the Board of Directors' and Auditors' Reports, as well as financial statements for the year 2024, to our esteemed shareholders and their representatives for their consideration.

Respectfully,

Osman ARSLAN
Board Member
General Manager

R. Süleyman ÖZDİL
Chairman

INDEPENDENT AUDITOR'S REPORT

To the General Assembly of Türkiye Halk Bankası A.Ş.

A) Report on the Audit of the Unconsolidated Financial Statements

Qualified Opinion

We have audited the unconsolidated financial statements of Türkiye Halk Bankası A.Ş. (“the Bank”) which comprise the unconsolidated balance sheet as at 31 December 2024 and the unconsolidated statement of profit or loss, unconsolidated statement of profit or loss and other comprehensive income, unconsolidated statement of changes in shareholders’ equity, unconsolidated statement of cash flows for the year then ended, and notes, comprising material accounting policies and other explanatory information.

In our opinion, except for the effect of the matter described in the *Basis For Qualified Opinion* section of our report, the accompanying unconsolidated financial statements present fairly, in all material respects, the financial position of Türkiye Halk Bankası A.Ş. as at 31 December 2024, and its unconsolidated financial performance and its unconsolidated cash flows for the year then ended in accordance with the “Banking Regulation and Supervision Agency (“BRSA”) Accounting and Reporting Legislation” which includes the “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 Board and circulars and interpretations published by BRSA and requirements of Turkish Financial Reporting Standards (“TFRS”) for the matters not regulated by the aforementioned legislations.

Basis for Qualified Opinion

The Bank reclassified the government bonds' cost amounting to TRY 18.965.006 Thousand, which were previously classified under financial assets at fair value through other comprehensive income according to the business model prepared in accordance with Turkish Financial Reporting Standard (“TFRS”) 9, into financial assets measured at amortised cost and reversed the marketable securities revaluation fund on accumulated other comprehensive income or loss reclassified through profit or loss amounting to TRY 2.229.977 Thousand on 23 May 2018. This situation violates the relevant TFRS 9 requirements. If such classification had not been made, financial assets measured at amortized cost including rediscount as of 31 December 2024 would have been decreased by TRY 62.657.521 Thousand, financial assets at fair value through other comprehensive income would have been increased by TRY 53.623.241 Thousand, deferred tax assets would have been increased by TRY 2.710.284 Thousand, accumulated other comprehensive income or loss reclassified through profit or loss would have been decreased by TRY 9.034.280 Thousand excluding tax effects, and as a result of these effects, total assets and equity would have been lower by TRY 6.323.996 Thousand.

We conducted our audit in accordance with the “Regulation on Independent Audit of the Banks” (“BRSA Audit Regulation”) published in the Official Gazette No.29314 dated 2 April 2015 by BRSA and Standards on Auditing which is a component of the Turkish Auditing Standards published by the Public Oversight Accounting and Auditing Standards Authority (“POA”) (“Standards on Auditing issued by POA”). Our responsibilities under those

standards are further described in the *Auditor's Responsibilities for the Audit of the Unconsolidated Financial Statements* section of our report. We declare that we are independent of the Bank in accordance with the Code of Ethics for Auditors issued by POA (including Independence Standards) ("POA's Code of Ethics") and the ethical requirements in the regulations issued by POA that are relevant to our audit of the unconsolidated financial statements, and we have fulfilled our other ethical responsibilities in accordance with the POA's Code of Ethics and regulations. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Emphasis of Matter

As detailed in footnote number one of section six, we draw attention to the following issues that may affect the Bank:

On 15 October 2019, the US Department of Justice, United States Attorney Southern District of New York filed a criminal case against the Bank in the Southern District of New York Court ("District Court") for the alleged violations of U.S. sanctions on Iran. The criminal procedure at the district court has been stayed due to Bank's appellate process under the sovereign immunity. Upon further review, the US Court of Appeals for the Second Circuit (Second Circuit) with its decision dated October 22, 2024, rejected the Bank's common law immunity request and affirmed the District Court's order. The Bank declared that it will use all its legal rights to appeal with regard to the October 22, 2024 decision of the Second Circuit, particularly with the U.S. Supreme Court. On December 12, 2024, the Bank filed a motion to stay the Second Circuit's mandate. On December 18, 2024 the Second Circuit ordered that the motion is granted and the mandate is stayed pending the filing and disposition of the Bank's petition for a writ of certiorari to the U.S. Supreme Court. Currently the Bank is in the process of filing a petition for a writ of certiorari to the U.S. Supreme Court.

In addition, a group of plaintiffs filed a civil lawsuit (the Owens or first civil case) against the Bank with a claim for damages before the District Court for the Southern District of New York on 27 March 2020, "on the grounds that they (plaintiffs) could not collect their judgments from Iran due to the violations of sanctions." The case was dismissed by the District Court, the Second Circuit and the U.S. Supreme Court, respectively. Consequently, the Owens case was conclusively dismissed on 8 January 2024.

Finally, on 26 July 2023, a new civil case (the Hughes or second civil case) was filed against the Bank by a group of plaintiffs in a complaint filed with the District Court, seeking to satisfy judgements similar to the Owens civil case. In accordance with the District Court's decision dated 1 May 2024, Hughes case is stayed pending a final ruling on the criminal case against the Bank.

At this stage, the Bank's Management stated that there is no penalty, compensation, sanction or other measure arising from the pending criminal and civil cases against the Bank. There is an uncertainty if any decisions will be made by the US authorities that may adversely affect the financial position of the Bank. No provision has been made in the financial statements of the Bank related to these matters. However, the above mentioned matters do not affect the conclusion provided by us.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the unconsolidated financial statements of the current period. These matters were addressed in the context of our audit of the unconsolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the *Basis for Qualified Opinion* section we have determined the matters described below to be the key audit matters to be communicated in our report.

Impairment of loans measured at amortised cost

The details of accounting policies and significant estimates and assumptions for impairment of loans measured at amortised cost are presented in Section III, No: VIII of the unconsolidated financial statements.

<u>Key audit matter</u>	<u>How the matter is addressed in our audit</u>
As of 31 December 2024, loans measured at amortised cost comprise 49% of the Bank's total assets. The total provision for expected credit loss amounting to TRY 42.761.080 Thousand as of 31 December 2024. The Bank recognizes its loans in accordance with the Regulation on the Procedures and Principles for Classification of Loans by Banks and Provisions to be set aside (the "Regulation") published on the Official Gazette No. 29750 dated 22 June 2016 and TFRS 9 Financial Instruments standard ("Standard") become effective from 1 January 2018. The Bank applies the "expected credit loss model" in determining the impairment of financial assets in accordance with the Regulation and Standard. The model which contains significant assumptions and estimates is reviewed by the Bank management annually. The significant assumptions and estimates of the Bank's management are as follows: • Significant increase in credit risk; • Incorporating the forward-looking macroeconomic information in calculation of credit risk; • Design and implementation of expected credit loss model. The determination of the impairment of	Our procedures for testing the impairment of loans included below: • We tested the design and operating effectiveness of the controls on lending, collateralization, collection, follow-up, classification and impairment procedures are tested with the involvement of information risk management specialists. • We evaluated the adequacy of the subjective and objective criteria that is defined in the Bank's impairment accounting policy compared with the Regulation and Standard. • We evaluated the Banks's business model and methodology and the evaluation of the calculations were carried out with the control testing and detailed analysis by the involvement of specialist. • We performed loan reviews for selected loan samples which include a detailed examination of loan files and related information and testing their classification. • We evaluated the accuracy of the expected credit loss calculations by selecting sample for the loans which are assessed on individual basis. • We tested the accuracy and completeness of the data in the calculation models for the loans which are assessed on collective basis. The expected credit loss calculation was tested through recalculation. The models used for the calculation of the risk parameters were examined and the risk parameters for the selected sample portfolios were recalculated. • We assessed the macroeconomic models, that are used to reflect forward looking expectations

loans measured at amortised cost depends on the credit default status, the model based on the change in the credit risk at the first recognition date and the classification of the loans measured at amortised cost according to the model. Establishing an accurate classification is a significant process as the calculation of expected credit loss varies to the staging of the financial assets. The Bank calculates expected credit losses on both an individual and a collective basis. Individual provisions consider the estimated future performance of the business and the fair value of the collateral provided for credit transactions. The collective basis expected credit loss calculation is based on complex processes which are modelled by using current and past data sets and expectations. The completeness and accuracy of data sets in the model are also considered and the forward looking expectations are reflected by macroeconomic models. Impairment on loans measured at amortised cost was considered to be a key audit matter, due to the significance of the estimates, assumptions and its complex structure as explained above.	and tested the effect of the risk parameters by recalculation method. • We evaluated the qualitative and quantitative assessments which are used in determining the significant increase in credit risk. • We also evaluated the adequacy of the unconsolidated financial statements disclosures related to impairment provisions.
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Pension plan

The details of accounting policies and significant judgements of pension plan are presented in Section III No: XVII of the unconsolidated financial statements.

<u>Key audit matter</u> The Bank's defined benefit pension plan (the "Plan") is managed by "Türkiye Halk Bankası AŞ Emekli Sandığı Vakfı and T.C. Ziraat Bankası and T. Halk Bankası Çalışanları Emekli Sandığı Vakıfları" established as per the provisional article 20 of the Social Security Law No. 506 and the Bank's employees are the members of this Fund. As disclosed in the Section III Note XVII to the unconsolidated financial statements, the Plan is composed of benefits which are	<u>How the matter is addressed in our audit</u> Our procedures for auditing calculations of the management's pension plan liability included below: • We involved our own actuarial specialist to assess the appropriateness of the actuarial assumptions and calculations. • We evaluated whether the plan assets are adequate to cover the Pension Plan liabilities, under the methods and assumptions • We evaluated the accuracy of the data provided to Bank's actuary by testing and reconciliations through sampling. • We assessed whether there have been any
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subject to transfer to the Social Security Foundation (“SSF”) as per the Social Security Law no.5510 provisional article 20, and other social rights and pension benefits provided by the Bank that are not transferable to the SSF. The Council of Ministers has been authorized to determine the transfer date. Following the transfer, the funds and the institutions that employ the funds’ members will cover the non-transferable social rights and pension benefits provided under the Plan even if it is included in foundation deed. As of 31 December 2024, the Bank’s transferrable liabilities are calculated by an independent actuary using the actuarial assumptions regulated by Law, and in accordance with the Decision of the Council of Ministers announced in the Official Gazette dated 15 December 2006 and No.26377. The valuation of the Pension Fund liabilities requires judgement in determining appropriate assumptions such as defining the transferrable social benefits, discount rates, salary increases, inflation levels, demographic assumptions, and the impact of changes in Pension Plan. Management uses independent actuaries to assist in assessing the uncertainty around these assumptions. Considering the subjectivity of key judgements and assumptions, plus the uncertainty around the transfer date and basis of the transfer calculation given the fact that the technical interest rate is prescribed under the law, we considered this to be a key audit matter.	significant changes in actuarial assumptions, methods and underlying regulations used in calculations. We evaluated the adequacy of the unconsolidated financial statements disclosures, including disclosures of key assumptions, judgements, and sensitivities.
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Other Matter

The unconsolidated financial statements of the Bank as at and for the year ended 31 December 2023 were audited by another auditor who expressed a qualified opinion due to classification of financial assets at fair value through other comprehensive income as financial assets measured at amortized cost on 14 February 2024.

Responsibilities of Management and Those Charged with Governance for the Unconsolidated Financial Statements

Management is responsible for the preparation and fair presentation of these unconsolidated financial statements in accordance with the “BRSA Accounting and Reporting Legislation”, and for such internal control as management determines is necessary to enable the preparation of unconsolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the unconsolidated financial statements, management is responsible for assessing the Bank’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Bank’s financial reporting process.

Auditors’ Responsibilities for the Audit of the Unconsolidated Financial Statements

Responsibilities of auditors in an audit are as follows:

Our objectives are to obtain reasonable assurance about whether the unconsolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors’ report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with BRSA Auditing Regulation and Standards on Auditing issued by POA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these unconsolidated financial statements.

As part of an audit in accordance with BRSA Auditing Regulation and Standards on Auditing issued by POA, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the unconsolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank’s internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors’ report to the related disclosures in the unconsolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors’ report.

However, future events or conditions may cause the Bank to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the unconsolidated financial statements, including the disclosures, and whether the unconsolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the unconsolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

B) Report on Other Legal and Regulatory Requirements

1) Pursuant to the fourth paragraph of Article 402 of the Turkish Commercial Code ("TCC") No. 6102; no significant matter has come to our attention that causes us to believe that the Bank's bookkeeping activities for the period 1 January - 31 December 2024 are not in compliance with TCC and provisions of the Bank's articles of association in relation to financial reporting.

2) Pursuant to the fourth paragraph of Article 402 of the TCC; the Board of Directors provided us the necessary explanations and required documents in connection with the audit.

KPMG Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş.

Alper Güvenç, SMMM
Partner

25 February 2025
İstanbul, Türkiye

TÜRKİYE HALK BANKASI A.Ş.
2024 BOARD OF SUPERVISORY' REPORT

The 2024 Board of Supervisory's Report for Türkiye Halk Bankası A.Ş. is finalized, with key findings outlined below.

The Bank is open to public audit and is audited by the Banking Regulation and Supervision Agency, Turkish Court of Auditors, and an Independent Auditing Institution under Article 30 of the Bank's Articles of Association.

By the end of 2024, the Turkish banking sector's total assets soared by 38.7 percent year-over-year to 32,657,234 million Turkish lira. The total portfolio of securities rose by 31.6 percent to 5,225,981 million Turkish lira. Deposits saw a 27.5% increase, totaling 19,708,792 million Turkish lira. Non-cash loans surged by 40.5 percent to 6,087,374 million Turkish lira, and cash loans rose to 16,052,180 million Turkish lira, up by 37.5 percent. The ratio of non-performing loans/total cash loans amounted to 1.80 percent.

Meanwhile, at the end of 2024, Türkiye Halk Bankası A.Ş.'s assets increased by 37.0 percent year-over-year to 3,008,250 million Turkish lira. The Bank's non-cash loans grew by 33.3 percent to 800,473 million Turkish lira (2023: 600,716 million Turkish lira) while its cash loans reached 1,373,373 million Turkish lira (2023: 1,224,877 million), representing an increase of 12.1 percent.

The volume of commercial loans provided to SMEs, who are the backbones of our country's economic growth, jumped to 681,170 million Turkish lira, up by 14.5 percent (2023: 594,984 million Turkish lira). The Bank led the sector with an 15.9 percent market share in SME loans. The tradespeople loan balance reached 248,448 million Turkish lira in 2024, marking a 9.7 percent increase (2023: 226,424 million Turkish lira). Total securities increased by 24.4 percent to 523,472 million Turkish lira (2023: 420,860 million Turkish lira). The Bank's total deposits climbed by 27.2 percent to 2,335,689 million Turkish lira (2023: 1,836,858 million Turkish lira), and the ratio of non-performing loans/total cash loans came at 2.06 percent.

In 2024, the Bank domestically issued bonds totalling 30,9 billion Turkish lira which can be included in equity calculations as well as commercial papers with a total par value of 29.9 billion Turkish lira by directly issuing to qualified investors, without any public offerings.

As a historical mission, the Bank grants loans to small- and medium-sized enterprises, artisans and tradespeople, as well as corporate, commercial and retail customers. Accordingly, as of year-end 2024, the ratio of cash loans/total assets, an indicator of asset quality, amounted to 45.7 percent (sector average: 49.2 percent).

The Bank's registered capital ceiling was 30,000 million Turkish lira and its paid-in capital was 7,185 million Turkish lira. Equity rose by 18.8 percent from 128,406 million Turkish lira at the end of 2023 to 152.565 million Turkish lira at the end of 2024.

The net profit for the period amounted to 15,105 million Turkish lira at the end of 2024.

In 2024, the Bank increased its credit cards from 7.1 million to 7.5 million, its POS devices from 545,000 to 598,000, and the member businesses from 368,000 to 397,000.

By the end of 2024, the Bank had provided 79.8 billion Turkish lira in financial support to 239,000 women entrepreneurs through the Women Entrepreneurs Loan Package, which was introduced in 2021. The Bank supports innovative ideas and projects across all sectors with the

aim of strengthening the culture of entrepreneurship in our country. Within this context, in 2024, two new credit packages, the Youth Loan and the First Step Loan, each supported by the Credit Guarantee Fund (KGF) coverage support were offered to facilitate the access of young entrepreneurs to financing, and financing supports of 394 million and 41.8 million Turkish Lira were extended with the Youth Loan and the First Step Loan, respectively. By the end of 2024, 28.2 billion Turkish Lira were provided in financial support to 186 thousand entrepreneurs.

In the period from January 1 to December 31, 2024, the Bank's financial reports and information on its annual operations are provided in accordance with Banking Law No. 5411, Turkish Commercial Code No. 6102, Capital Markets Law No. 6362, Banking Regulation and Supervision Agency's regulations, Regulation on Internal Systems and Internal Capital Adequacy Assessment Process of Banks, provisions on Accounting and Financial Reporting in the Bank's Articles of Association, generally accepted accounting principles, and procedures and principles in other applicable regulations. The Bank's bookkeeping, and the notebooks and records that the Bank is obligated to keep, are kept according to the legal requirements, with records and documents that serve as evidence kept suitably. Furthermore, the decisions regarding the Bank's administration are recorded in the Board's decision notebook, and its accounting and reporting systems are carried out duly and efficiently.

The Bank's internal control, risk management, and internal auditing systems are managed duly and effectively as indicated by the findings of audits performed both at the head office and on site.

The Bank maintained its growth operations by opening 20 new branches in 2024. The number of domestic branches reached 1,084, and with seven branches in Cyprus and one branch in Bahrain, the Bank has 1,092 offices in total. Additionally, the Bank maintains its operations in Tehran and London through one representative office in each location.

In 2024, 1,552 employees left the Bank to retire or for other reasons. The Bank recruited 853 new employees to meet its personnel needs, increasing the total number of employees to 21,520. The share of personnel expenses in total revenues increased to 39.3 percent in 2024, up from 33 percent in 2023.

In 2024, university graduates accounted for 89.6 percent of the total headcount, up 70 basis-points year-on-year.

The Bank continued to provide service training to foster employee development and reported the average training hour per employee as 60.99 in 2024. This included instructor-led, on-the-job, and e-learning training programs.

We respectfully submit to the General Assembly the Board of Auditors' Report, prepared pursuant to Article 31 of the Articles of Association of the Bank.

Mehmet AYDIN
Member of the Supervisory Board

Faruk ÖZÇELİK
Member of the Supervisory Board

* Figures excluding rediscount.

DIVIDEND DISTRIBUTION TABLE

TÜRKİYE HALK BANKASI A.Ş. 01/01/2024 / 12/31/2024 Period Dividend Payment Table (TRY)		
1.	Paid-In/ Issued Capital	7.184.778.041,96
2.	Total Legal Reserves (According to Legal Records)	4.685.606.715,24
Information on privilege in dividend distribution, if any, in the Articles of Association		-
		Based on Legal Records
3.	Current Period Profit	8.510.403.523,21
4.	Taxes Payable (-)	-6.595.049.427,23
5.	Net Current Period Profit	15.105.452.950,44
6.	Losses in Previous Years (-)	0,00
7.	Primary Legal Reserves (-)	755.272.647,52
Net Distributable Current Period Profit		14.350.180.302,92
8.	Dividend Advance Distributed (-)	0,00
	Dividend Advance Less Net Distributable Current Period Profit	0,00
9.	Donations Made During The Year (+)	
10.	Donation-Added Net Distributable Current Period Profit on which First Dividend Is Calculated	
11.	First Dividend to Shareholders	0,00
	*Cash	0,00
	*Stock	0,00
12.	Dividend Distributed to Owners of Privileged Shares	0,00
13.	Other Dividend Distributed	0,00
	*To the Employees	0,00
	*To the Members of the Board of Directors	0,00
	*To Non-Shareholders	0,00
14.	Dividend to Owners of Redeemed Shares	0,00
15.	Second Dividend to Shareholders	0,00
16.	Secondary Legal Reserves	0,00
17.	Statutory Reserves	0,00
18.	Special Reserves	0,00
19.	Extraordinary Reserves	14.350.180.302,92
20.	Other Distributable Resources	0,00

*The balance of 808,471,904.13 TRY, which occurred due to the change in accounting policy taking place in November 2023 regarding the adoption of the fair value method within the scope of Turkish Accounting Standards (TAS) 40 "Investment Property Standard" for investment properties and was monitored in the accumulated profit account, will also be transferred to the extraordinary reserves account.

Information on Dividend Payout Ratio					
Share Group	CASH DIVIDEND AMOUNT (TL) - NET	STOCK DIVIDEND AMOUNT (TL)	TOTAL DIVIDEND AMOUNT (TL) / NET DISTRIBUTABLE CURRENT PERIOD PROFIT (%)	DIVIDEND TO BE PAID FOR SHARE WITH PAR VALUE OF 1 TL - NET (TL)	DIVIDEND TO BE PAID FOR SHARE WITH PAR VALUE OF 1 TL - NET (%)
-	0,00	0,00	0,00	0,00	0,00
TOTAL	0,00	0,00	0,00	0,00	0,00

TÜRKİYE HALK BANKASI A.Ş.**SHARE BUY-BACK PROGRAM****The Purpose of Buy-Back**

The purpose of the buy-back is to maintain the value of our shareholders' investments, especially small investors, and to ensure price stability in the Bank's share value.

The Duration of Buy-Back Program

The duration is a maximum of 3 years from the date of approval of the Buy-Back Program (Program) at the General Assembly Meeting.

The Maximum Number of Shares To Be Acquired

Within the scope of the program, the Bank's free float traded shares traded on Borsa Istanbul can be repurchased up to 15,000,000,000 shares (TRY 150,000,000 TL nominal) and a maximum sales amount of TRY 3,000,000,000.

The Termination of Buy-Back Program

The Program will be terminated at the end of the period determined by the General Assembly or after the maximum number of shares to be repurchased has been reached. However, the Buy-Back Program may be terminated by the Bank's Board of Directors' decision before the end of the period.

The Information on Lower and Upper Price Limits

There are no proportionate or fixed lower and upper price limits determined for to-be-acquired shares by indexing to a particular indicator. Therefore, if there is a transaction that requires a price correction during the Program period, there will be no impact.

The Disposal Principles of Buy-Backed Shares

Buy-Backed shares may be disposed of according to market conditions or, if necessary, within the periods and conditions specified in the legislation.

The Total Amount and Source of the Fund

Total amount and source of the fund set aside for acquisition is TRY 3,000,000,000 and will be provided from the Bank's internal resources.

The Results of the Previous Program

Within the framework of the decisions of the Board of Directors dated 08/29/2018, 03/17/2020 and 02/14/2023, a total of TRY 146,917,481 nominal amount of Bank shares were acquired for a total price of TRY 1,230,474,163.45, and in return, the part of the buy-backed shares with a nominal value of TRY 1,500,000 was disposed of on 01/15/2020. There are

TRY 145,417,481 nominal amount of shares that have been acquired and have not yet been disposed of, and the ratio of these shares to the capital is 2.02%.

The Impact on Financial Situation and Outcomes of Activities

It is assessed that the program will not have a significant impact on the Bank's financial situation and operating outcomes.

The Information on Subsidiaries Which May Acquire Shares

There is no Subsidiary that can acquire buy-backed shares.

The Information on the Highest, Lowest and Weighted Average Share Prices of the Annual and the Last Three Months

As of 03/24/2025, the annual and last three months lowest, highest and weighted average prices of the Bank's shares are given in the table below.

	Lowest Price	Highest Price	Weighted Average Share Price
Last Three Months	15.92	22.80	18.69
Annual	12.87	22.80	17.13

The Benefits to be Obtained by Related Parties

There is no specific benefit to related parties from this transaction.

The Authorization in the Buy-Back Program

The Bank's Board of Directors shall execute the Buy-Back Program. The Board of Directors may delegate its such authorization to natural persons or legal entities to be designated by itself.