

**TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI  
ANONİM ŞİRKETİ**

**UNCONSOLIDATED FINANCIAL STATEMENTS AND  
RELATED DISCLOSURES AS OF 30 JUNE 2022  
WITH AUDITORS'S REVIEW REPORT**

**(CONVENIENCE TRANSLATION OF UNCONSOLIDATED  
FINANCIAL STATEMENTS AND RELATED DISCLOSURES  
ORIGINALLY ISSUED IN TURKISH SEE NOTE I.B OF SECTION  
THREE)**



## AUDITOR'S REVIEW REPORT ON INTERIM FINANCIAL INFORMATION

**(Convenience translation of the independent auditor's review report originally issued in Turkish, See Note I.b of Section Three)**

To the General Assembly of Türkiye Cumhuriyeti Ziraat Bankası Anonim Şirketi;

### *Introduction*

We have reviewed the unconsolidated balance sheet of Türkiye Cumhuriyeti Ziraat Bankası Anonim Şirketi ("the Bank") at 30 June 2022 and the related 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 and a summary of significant accounting policies and other explanatory notes to the unconsolidated financial statements for the six-month period then ended. The Bank management is responsible for the preparation and fair presentation of interim financial information in accordance with the 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 and circulars and interpretations published by BRSA and Turkish Accounting Standard 34 "Interim Financial Reporting" for those matters not regulated by the aforementioned regulations. Our responsibility is to express a conclusion on these interim unconsolidated financial information based on our review.

### *Scope of Review*

We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, "Limited Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial reporting process, and applying analytical and other review procedures. A review of interim financial information is substantially less in scope than an independent audit performed in accordance with the Independent Auditing Standards and the objective of which is to express an opinion on the financial statements. Consequently, a review of the interim financial information does not provide assurance that the audit firm will be aware of all significant matters which would have been identified in an audit. Accordingly, we do not express an opinion.

### *Basis for the Qualified Conclusion*

As explained in Section Five Part II. 9.3 of Explanations and Notes to the Unconsolidated Financial Statements; the accompanying unconsolidated financial statements as at 30 June 2022 include a free provision amounting to TL 13.700.000 thousand which consist of TL 3.710.000 thousand provided in prior periods and TL 9.990.000 thousand recognized in the current year by the Bank management which is not within the requirements of BRSA Accounting and Financial Reporting Legislation.



### *Qualified Conclusion*

Based on our review, except for the effects of the matter on the unconsolidated financial statements described in the basis for the qualified conclusion paragraph above, nothing has come to our attention that causes us to believe that the accompanying unconsolidated financial information do not present fairly in all material respects the unconsolidated financial position of Türkiye Cumhuriyeti Ziraat Bankası Anonim Şirketi at 30 June 2022 and the results of its unconsolidated operations and its unconsolidated cash flows for the six-month period then ended in accordance with the BRSA Accounting and Financial Reporting Legislation.

### *Report on other regulatory requirements arising from legislation*

Based on our review, nothing has come to our attention that causes us to believe that the financial information provided in the accompanying interim activity report in Section Seven, is not consistent with the reviewed unconsolidated financial statements and disclosures in all material respects.

### *Additional Paragraph for Convenience Translation:*

BRSA Accounting and Financial Reporting Legislation explained in detail in Section Three differ from International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board including the application of IAS 29 - Financial Reporting in Hyperinflationary Economies as of 30 June 2022. Accordingly, the accompanying unconsolidated financial statements are not intended to present fairly the unconsolidated financial position, results of operations, changes in equity and cash flows of the Bank in accordance with IFRS.

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

Didem Demer Kaya, SMMM  
Partner

Istanbul, 12 August 2022



**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED UNCONSOLIDATED  
FINANCIAL STATEMENTS AND AUDITORS' REVIEW REPORT  
ORIGINALLY ISSUED IN TURKISH, SEE IN NOTE I. OF SECTION THREE**

**THE UNCONSOLIDATED FINANCIAL AUDIT REPORT OF  
TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş. AS OF 30 JUNE 2022**

The Bank's Headquarter Address: Hacıbayram Mahallesi Atatürk Bulvarı  
No:8 06050-Altındağ/ANKARA  
Phone: (312) 584 20 00  
Facsimile: (312) 584 49 63  
Website: www.ziraatbank.com.tr

The unconsolidated financial report for the six-month prepared in accordance with the "Communiqué on the Financial Statements and Related Policies and Disclosures to be Publicly Announced" as regulated by the Banking Regulation and Supervision Agency, is consist of the section listed below:

- GENERAL INFORMATION ABOUT THE BANK
- UNCONSOLIDATED FINANCIAL STATEMENTS OF THE BANK
- EXPLANATIONS ON THE ACCOUNTING POLICIES APPLIED IN THE RELATED PERIOD
- INFORMATIONS ON THE FINANCIAL STRUCTURE AND RISK MANAGEMENT OF THE BANK
- EXPLANATIONS AND DISCLOSURES RELATED TO THE UNCONSOLIDATED FINANCIAL STATEMENTS
- AUDITOR'S REVIEW REPORT
- INTERIM ACTIVITY REPORT

The accompanying unconsolidated financial statements and notes to these financial statements for the six month period which are expressed, unless otherwise stated, in thousands of Turkish Lira have been prepared and presented based on the accounting books of the Bank in accordance with the Regulation on the Principles and Procedures Regarding Banks' Accounting and Keeping of Documents, Turkish Accounting Standards, Turkish Financial Reporting Standards, and related appendices and interpretations of these, and have been independently reviewed.

\_\_\_\_\_  
Burhaneddin TANYERİ  
Chairman of the Board

\_\_\_\_\_  
Alpaslan ÇAKAR  
Member of the Board,  
CEO

\_\_\_\_\_  
Fazlı KILIÇ  
Member of the Board,  
Member of the Audit Committee

\_\_\_\_\_  
Mahmut KAÇAR  
Member of the Board,  
Member of the Audit Committee

\_\_\_\_\_  
Emrah GÜNDÜZ  
Assistant General Manager for  
Banking Operations and  
Corporate Communications

\_\_\_\_\_  
Rehber BİRKAN  
Senior Vice President of  
Financial  
Coordination and Reporting

For the questions regarding this financial report, contact details of the personnel in charge are presented below:

Name/Title : Serkan ÖZKAN / Financial Statements Manager  
Telephone Number : 0312 584 59 32  
Fax Number : 0312 584 59 38

**SECTION ONE**  
**General Information about the Bank**

	Page Number
I. History of the Bank including its incorporation date, initial legal status and amendments to legal status	1
II. Explanation about the Bank's capital structure, shareholders of the Bank who are in charge of the management and/or auditing of the Bank directly or indirectly, changes in these matters (if any) and the group the Bank belongs to	1
III. Information on the Board of Directors, members of the audit committee, CEO and executive vice presidents, changes in these matters (if any) and shares of the Bank they possess	1
IV. Information about the persons and institutions that have qualified shares attributable to the Bank	2
V. Summary information on the Bank's activities and services	2
VI. Differences between The Communique On Preparation Of Consolidated Financial Statements Of Banks and Turkish Accounting Standards and short explanation about the entities subject to full consolidation or proportional consolidation and entities which are deducted from equity or entities which are not included in these three methods	2
VII. Current or Likely, Actual or Legal Barriers To Immediate Transfer of Equity or Repayment of Debts Between Bank and its subsidiaries	2

**SECTION TWO**  
**Unconsolidated Financial Statements**

I. Balance sheet (Statement of Financial Position) - Assets	4
II. Balance sheet (Statement of Financial Position) - Liabilities	5
III. Statement of Off-Balance Sheet Commitments	6
IV. Statement of Profit or Loss Income and Expense Items	7
V. Statement of Profit or Loss and Other Comprehensive Income	8
VI. Statement of Changes in Shareholders' Equity	9-10
VII. Statement of Cash Flows	11

**SECTION THREE**  
**Explanations on Accounting Policies**

I. Basis of presentation	12-13
II. Explanations on strategy of using financial instruments and foreign currency transactions	14
III. Explanations on investments in associates, subsidiaries and joint ventures	15
IV. Explanations on forward transactions, options and derivative instruments	15
V. Explanations on interest income and expense	15
VI. Explanations on fee and commission income and expense	16
VII. Explanations on financial assets	16-18
VIII. Explanations on impairment of financial assets	18-21
IX. Explanations on offsetting of financial instruments	21
X. Explanations on sales and repurchase agreements and securities lending transactions	21
XI. Information on non-current assets or disposal groups 'held for sale' and related to discontinued operations explanations on liabilities related with these assets	22
XII. Explanations on goodwill and other intangible assets	22
XIII. Explanations on property and equipment	23
XIV. Explanations on leasing transactions	23-24
XV. Explanations on provisions, contingent asset and liabilities	24
XVI. Explanations on obligations related to employee rights	25-26
XVII. Explanations on taxation	27-29
XVIII. Explanations on borrowing	30
XIX. Explanations on issuance of share certificates	30
XX. Explanations on avalized drafts and acceptances	30
XXI. Explanations on government grants	30
XXII. Cash and cash equivalents	30
XXIII. Explanations on segment reporting	30
XXIV. Explanations on other matters	30

**SECTION FOUR**  
**Explanations Related to the Financial Position and Risk Management of the Bank**

I. Explanations on the components of shareholders' equity	31-38
II. Explanations on the currency risk	38-40
III. Explanations on the interest rate risk	41-43
IV. Explanations on the position risk of equity instruments	44
V. Explanations on liquidity risk management and liquidity coverage ratio	45-49
VI. Explanations on leverage ratio	50
VII. Explanations on risk management	51-61
VIII. Explanations on hedge accounting	62
IX. Explanations on operating segments	62-65

**SECTION FIVE**  
**Explanations and Notes Related to Unconsolidated Financial Statements**

I. Explanations and notes related to assets	66-80
II. Explanations and notes related to liabilities	81-87
III. Explanations and notes related to off-balance sheet accounts	87-88
IV. Explanations and notes related to statement of profit or loss	89-93
V. Explanations and notes related to risk group that the Bank belongs to	94
VI. Explanations and notes related to subsequent events	94

**SECTION SIX**  
**Explanations on Auditor's Review Report**

I. Explanations on independent auditor's report	95
II. Explanations and notes prepared by the independent auditors	95

**SECTION SEVEN**  
**Explanations on Interim Activity Report**

I. Interim period activity report included assessments of chairman of the board of directors and CEO for the interim activities	96-105
---	--------

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED  
UNCONSOLIDATED FINANCIAL STATEMENTS  
ORIGINALLY ISSUED IN TURKISH**

**TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.  
NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF  
30 JUNE 2022**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”).)

**SECTION ONE**

**GENERAL INFORMATION ABOUT THE BANK**

**I. HISTORY OF THE BANK INCLUDING ITS INCORPORATION DATE, INITIAL LEGAL STATUS AND AMENDMENTS TO LEGAL STATUS**

The foundation of Türkiye Cumhuriyeti Ziraat Bankası A.Ş. (“Ziraat Bankası” or “the Bank”) is based on Government Funds established in 1863. In 1883, Government Funds were replaced with Benefit Funds. The Bank was officially established by the re-organization of the Benefit Funds in 1888, to grant loans to farmers, to accept interest-bearing deposits and to act as a moneylender and an intermediary for agricultural operations. All shares of the Bank, which was given the authority to perform all the banking activities, belonged to the Republic of Türkiye Prime Ministry Undersecretariat of Treasury (“Treasury”) transferred to the Turkish Wealth Fund with the decision of the Council of Ministers numbered 2017/9756 dated 24 January 2017. The Bank’s head office is located in Ankara.

**II. EXPLANATION ABOUT THE BANK’S CAPITAL STRUCTURE, SHAREHOLDERS OF THE BANK WHO ARE IN CHARGE OF THE MANAGEMENT AND/OR AUDITING OF THE BANK DIRECTLY OR INDIRECTLY, CHANGES IN THESE MATTERS (IF ANY) AND THE GROUP THE BANK BELONGS TO**

The total share capital of the Bank is TL 34.900.000. This capital is divided into 34.900.000.000 registered share with a nominal value of TL 1 each and is fully paid. The Bank's sole shareholder is the Turkish Wealth Fund.

The decision to increase the capital to TL 34.900.000 was approved at the Extraordinary General Assembly meeting of the Bank held on March 9, 2022, and the capital increase and the related amendment to the relevant article of the Articles of Association were registered on March 14, 2022. It was announced in the Trade Registry Gazette dated 14 March 2022 and numbered 10536. The accounting for the said capital increase was carried out on 14 March 2022, based on the permission obtained from the BRSA.

**III. INFORMATION ON THE BOARD OF DIRECTORS, MEMBERS OF THE AUDIT COMMITTEE, CEO AND EXECUTIVE VICE PRESIDENTS, CHANGES IN THESE MATTERS (IF ANY) AND SHARES OF THE BANK THEY POSSESS**

<b>Name</b>	<b>Administrative Function</b>
<b>Members of the Board of Directors</b>	
Burhaneddin TANYERİ	Chairman
Alpaslan ÇAKAR	CEO and Member
Veysi KAYNAK	Vice Chairman and Member
Dr. Ahmet GENÇ	Member
Faruk ÇELİK	Member
Fazlı KILIÇ	Member
Feyzi ÇUTUR	Member
Mahmut KAÇAR	Member
Serruh KALELİ	Member
<b>Audit Committee Members</b>	
Fazlı KILIÇ	Member
Mahmut KAÇAR	Member
<b>Executive Vice Presidents</b>	
Cüneyt SAĞLIK	Payment Systems and Credit Processes
Emrah GÜNDÜZ	Banking Operations and Corporate Communications
Ferhat PİŞMAF	Corporate Banking
Mehmet Şükrü TAŞCI	Credit Allocation and Management
Recep TÜRK	Credit Risk Monitoring and Liquidation
Yüksel CESUR	Retail Banking

The Bank's Chairman and Members of the Board of Directors, Members of the Audit Committee, General Manager and Deputy General Managers do not own any shares of the Bank.

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED  
UNCONSOLIDATED FINANCIAL STATEMENTS  
ORIGINALLY ISSUED IN TURKISH**

**TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.  
NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF  
30 JUNE 2022**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”).)

**GENERAL INFORMATION ABOUT THE BANK (Continued)**

**IV. INFORMATION ABOUT THE PERSONS AND INSTITUTIONS THAT HAVE QUALIFIED SHARES ATTRIBUTABLE TO THE BANK**

Name/Trade Name	Amount of Share	Percentage of Share (%)	Paid-in Shares	Unpaid Shares
Turkish Wealth Fund	34.900.000	100	34.900.000	-

The Bank's sole shareholder is the Turkish Wealth Fund.

**V. SUMMARY INFORMATION ON THE BANK’S ACTIVITIES AND SERVICES**

The purpose of activity of the Bank is stated in articles of association as to perform all kinds of banking activities including acceptance of deposits. For this purpose, the Bank can perform all sorts of operations, without prejudice to the provisions of the banking regulations and other legislations, such as launching all kinds of cash and non-cash loans in terms of Turkish Lira and foreign currencies, acting as an intermediary in trade and issue of the financial instruments that are used in local and international markets, performing investment banking transactions, forwards dealing in domestic and foreign futures markets, providing funds from interbank money market, domestic and foreign markets, making all kinds of capital market transactions, acting as an intermediary in export and import transactions, acting as an agency for insurance and other financial institutions, participating in all sort of partnership that is founded by domestic or foreign banks or participated by them within the terms of the related legislation or establishing new partnerships for this purpose, performing all kinds of transactions, such as; acquiring limited real and personal claims like all kinds of movable and immovable goods, industrial and intellectual properties, right of usufruct, easement, superficies and disposing and transferring acquired properties and rights, placing pledge and mortgage on those properties and rights, releasing pledged and mortgaged items and declaring leasing agreements and sale commitments to the registry office.

As of 30 June 2022, the Bank carries its activities with a grand total of 1.752, 1.727 domestic branches (31 December 2021: 1.727 domestic branches) and 25 branches abroad which are London branch in England, Baghdad and Arbil branches in Iraq, Athens, Komotini, and Xanthi branches in Greece, Sofia, Plovdiv, Kardzhali, Varna and Burgas branches in Bulgaria, Jeddah branch in Saudi Arabia, Prishtina, Prizren, Peja and Ferizaj branches in Kosovo, Bahrain branch in Bahrain, Lefkoşa, Girne, Güzelyurt, Gazimağusa, Gönyeli, Taşkınköy, Karaoğlanoğlu and İskele branches in Turkish Republic of Northern Cyprus. The Bank also has 1 representative office in Tehran, Iran. As of 30 June 2022, the Bank’s number of employee is 24.579. (31 December 2021: 24.607).

**VI. DIFFERENCES BETWEEN THE COMMUNIQUE ON PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS OF BANKS AND TURKISH ACCOUNTING STANDARDS AND SHORT EXPLANATION ABOUT THE ENTITIES SUBJECT TO FULL CONSOLIDATION OR PROPORTIONAL CONSOLIDATION AND ENTITIES WHICH ARE DEDUCTED FROM EQUITY OR ENTITIES WHICH ARE NOT INCLUDED IN THESE THREE METHODS**

According to Communiqué regarding the Preparation of the Consolidated Financial Statements and Turkish Accounting Standards, Arap Türk Bankası A.Ş., one of the associates of the Bank, and Turkmen Turkish Joint Stock Commercial Bank, entity under common control of the Bank, are accounted by using equity method in the consolidated financial statements of the Bank.

As Ziraat Teknoloji A.Ş. is one of the non-financial subsidiaries of the Bank, is not consolidated in the consolidated financial statements of the Bank in accordance with Communiqué of the Preparation Consolidated Financial Statements. Bileşim Finansal Teknolojiler ve Ödeme Sistemleri A.Ş. which is non-financial associate of the Bank is not consolidated in the consolidated financial statements. Central Oto Kiralama A.Ş., ZG Tarım Piyasaları A.Ş, which are subsidiaries of Ziraat Girişim Sermayesi Yatırım Ortaklığı A.Ş. and its subsidiaries, ZY Elektrikli Traktör San. ve Tic. A.S. and MESA İmalat Sanayi ve Ticaret A.Ş. as they are not financial institutions, they are not consolidated. All other associates and subsidiaries are fully consolidated.

**VII. CURRENT OR LIKELY, ACTUAL OR LEGAL BARRIERS TO IMMEDIATE TRANSFER OF EQUITY OR REPAYMENT OF DEBTS BETWEEN BANK AND ITS SUBSIDIARIES**  
None.

## **SECTION TWO**

### **Unconsolidated Financial Statements**

- I. Balance Sheet (Statement of Financial Position) - Assets
- II. Balance Sheet (Statement of Financial Position) - Liabilities
- III. Statement of Off-Balance Sheet Commitments
- IV. Statement of Profit or Loss
- V. Statement of Profit or Loss and Other Comprehensive Income
- VI. Statement of Changes in Shareholders' Equity
- VII. Statement of Cash Flows

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED UNCONSOLIDATED  
FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH**

**TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.  
UNCONSOLIDATED BALANCE SHEET (STATEMENT OF FINANCIAL POSITION)  
AS OF 30 JUNE 2022**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”))

I- BALANCE SHEET (STATEMENT OF FINANCIAL POSITION) ASSETS	Note (Section Five I)	Current Period 30 June 2022			Prior Period 31 December 2021		
		TL	FC	Total	TL	FC	Total
<b>I. FINANCIAL ASSETS (Net)</b>		<b>193.839.546</b>	<b>409.878.459</b>	<b>603.718.005</b>	<b>156.891.377</b>	<b>374.035.478</b>	<b>530.926.855</b>
<b>1.1 Cash and Cash Equivalents</b>		<b>20.751.158</b>	<b>208.528.094</b>	<b>229.279.252</b>	<b>24.359.462</b>	<b>197.701.960</b>	<b>222.061.422</b>
1.1.1 Cash and Balances with Central Bank	(1)	20.280.663	184.664.009	204.944.672	23.319.411	185.466.575	208.785.986
1.1.2 Banks	(4)	130.699	23.864.931	23.995.630	761.150	12.236.212	12.997.362
1.1.3 Money Markets Receivables		344.614	-	344.614	281.931	-	281.931
1.1.4 Expected Loss Provision (-)		4.818	846	5.664	3.030	827	3.857
<b>1.2 Financial Assets at Fair Value Through Profit or Loss</b>	(2)	<b>2.460.390</b>	<b>25.556.247</b>	<b>28.016.637</b>	<b>1.936.236</b>	<b>24.723.476</b>	<b>26.659.712</b>
1.2.1 Government Debt Securities		172.029	24.433.756	24.605.785	131.441	23.766.048	23.897.489
1.2.2 Equity Instruments		-	-	-	-	-	-
1.2.3 Other Financial Assets		2.288.361	1.122.491	3.410.852	1.804.795	957.428	2.762.223
<b>1.3 Financial Assets at Fair Value Through Other Comprehensive Income</b>	(5),(6)	<b>167.136.718</b>	<b>174.659.063</b>	<b>341.795.781</b>	<b>120.157.761</b>	<b>149.999.396</b>	<b>270.157.157</b>
1.3.1 Government Debt Securities		166.299.191	173.696.512	339.995.703	119.331.986	149.301.458	268.633.444
1.3.2 Equity Instruments		308.044	58.927	366.971	301.892	46.511	348.403
1.3.3 Other Financial Assets		529.483	903.624	1.433.107	523.883	651.427	1.175.310
<b>1.4 Derivative Financial Assets</b>	(3)	<b>3.491.280</b>	<b>1.135.055</b>	<b>4.626.335</b>	<b>10.437.918</b>	<b>1.610.646</b>	<b>12.048.564</b>
1.4.1 Derivative Financial Assets at Fair Value Through Profit or Loss		3.491.280	1.135.055	4.626.335	10.437.918	1.610.646	12.048.564
1.4.2 Derivative Financial Assets at Fair Value Through Other Comprehensive Income		-	-	-	-	-	-
<b>II. FINANCIAL ASSETS MEASURED AT AMORTISED COST (Net)</b>		<b>742.708.005</b>	<b>351.470.824</b>	<b>1.094.178.829</b>	<b>522.895.453</b>	<b>271.013.864</b>	<b>793.909.317</b>
<b>2.1 Loans</b>	(7)	<b>718.154.243</b>	<b>314.207.703</b>	<b>1.032.361.946</b>	<b>537.517.822</b>	<b>240.886.067</b>	<b>778.403.889</b>
<b>2.2 Lease Receivables</b>	(12)	-	-	-	-	-	-
<b>2.3 Factoring Receivables</b>		-	-	-	-	-	-
<b>2.4 Other Financial Assets Measured at Amortized Cost</b>	(8)	<b>57.052.920</b>	<b>37.393.079</b>	<b>94.445.999</b>	<b>14.359.307</b>	<b>30.224.509</b>	<b>44.583.816</b>
2.4.1 Government Debt Securities		56.920.006	37.078.181	93.998.187	14.243.051	29.999.817	44.242.868
2.4.2 Other Financial Assets		132.914	314.898	447.812	116.256	224.692	340.948
<b>2.5 Expected Credit Loss (-)</b>		<b>32.499.158</b>	<b>129.958</b>	<b>32.629.116</b>	<b>28.981.676</b>	<b>96.712</b>	<b>29.078.388</b>
<b>III. NON-CURRENT ASSETS OR DISPOSAL GROUPS “HELD FOR SALE” AND “HELD FROM DISCONTINUED OPERATIONS” (Net)</b>	(15)	<b>5.482.987</b>	-	<b>5.482.987</b>	<b>5.118.932</b>	-	<b>5.118.932</b>
3.1 Held for Sale Purpose		5.482.987	-	5.482.987	5.118.932	-	5.118.932
3.2 Held from Discontinued Operations		-	-	-	-	-	-
<b>IV. EQUITY INVESTMENTS</b>		<b>18.800.149</b>	<b>6.975.082</b>	<b>25.775.231</b>	<b>14.964.022</b>	<b>6.023.868</b>	<b>20.987.890</b>
<b>4.1 Investments in Associates (Net)</b>	(9)	<b>216.867</b>	-	<b>216.867</b>	<b>152.904</b>	-	<b>152.904</b>
4.1.1 Associates Valued Based on Equity Method		-	-	-	-	-	-
4.1.2 Unconsolidated Associates		216.867	-	216.867	152.904	-	152.904
<b>4.2 Subsidiaries (Net)</b>	(10)	<b>18.583.282</b>	<b>6.750.409</b>	<b>25.333.691</b>	<b>14.811.118</b>	<b>5.799.195</b>	<b>20.610.313</b>
4.2.1 Unconsolidated Financial Subsidiaries		18.531.456	6.750.409	25.281.865	14.759.292	5.799.195	20.558.487
4.2.2 Unconsolidated Non-Financial Subsidiaries		51.826	-	51.826	51.826	-	51.826
<b>4.3 Entities under Common Control (Joint Ventures) (Net)</b>	(11)	-	<b>224.673</b>	<b>224.673</b>	-	<b>224.673</b>	<b>224.673</b>
4.3.1 Joint Ventures Valued Based on Equity Method		-	-	-	-	-	-
4.3.2 Unconsolidated Joint Ventures		-	224.673	224.673	-	224.673	224.673
<b>V. PROPERTY AND EQUIPMENT (Net)</b>	(16)	<b>6.769.109</b>	<b>65.654</b>	<b>6.834.763</b>	<b>6.593.997</b>	<b>60.795</b>	<b>6.654.792</b>
<b>VI. INTANGIBLE ASSETS (Net)</b>		<b>1.601.024</b>	<b>45.157</b>	<b>1.646.181</b>	<b>1.328.388</b>	<b>36.707</b>	<b>1.365.095</b>
6.1 Goodwill		-	-	-	-	-	-
6.2 Other		1.601.024	45.157	1.646.181	1.328.388	36.707	1.365.095
<b>VII. INVESTMENT PROPERTY (Net)</b>	(14)	-	-	-	-	-	-
<b>VIII. CURRENT TAX ASSET</b>		-	-	-	-	-	-
<b>IX. DEFERRED TAX ASSET</b>		<b>2.833.853</b>	-	<b>2.833.853</b>	<b>1.519.079</b>	-	<b>1.519.079</b>
<b>X. OTHER ASSETS (Net)</b>	(20)	<b>12.825.727</b>	<b>3.048.520</b>	<b>15.874.247</b>	<b>8.116.674</b>	<b>2.291.634</b>	<b>10.408.308</b>
<b>TOTAL ASSETS</b>		<b>984.860.400</b>	<b>771.483.696</b>	<b>1.756.344.096</b>	<b>717.427.922</b>	<b>653.462.346</b>	<b>1.370.890.268</b>

The accompanying explanations and notes form an integral part of these financial statements.

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED UNCONSOLIDATED  
FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH**

**TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.  
UNCONSOLIDATED BALANCE SHEET (STATEMENT OF FINANCIAL POSITION)  
AS OF 30 JUNE 2022**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”))

II- BALANCE SHEET (STATEMENT OF FINANCIAL POSITION) LIABILITIES	Note (Section Five II)	Current Period 30 June 2022			Prior Period 31 December 2021		
		TL	FC	Total	TL	FC	Total
<b>I. DEPOSITS</b>	(1)	572.503.045	652.727.000	1.225.230.045	380.837.924	567.848.691	948.686.615
<b>II. FUNDS BORROWED</b>	(3)	739.776	85.643.123	86.382.899	394.280	58.922.381	59.316.661
<b>III. MONEY MARKETS BORROWINGS</b>	(4)	129.722.742	38.917.612	168.640.354	139.646.059	37.053.037	176.699.096
<b>IV. SECURITIES ISSUED (Net)</b>	(5)	1.010.690	22.349.171	23.359.861	1.010.690	25.151.351	26.162.041
4.1 Bills		-	124.507	124.507	-	97.988	97.988
4.2 Asset Backed Securities		-	-	-	-	-	-
4.3 Bonds		1.010.690	22.224.664	23.235.354	1.010.690	25.053.363	26.064.053
<b>V. FUNDS</b>		40.089	-	40.089	31.956	-	31.956
5.1 Borrower Funds		-	-	-	-	-	-
5.2 Other		40.089	-	40.089	31.956	-	31.956
<b>VI. FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS</b>		-	-	-	-	-	-
<b>VII. DERIVATIVE FINANCIAL LIABILITIES</b>	(2)	2.010.136	4.970.166	6.980.302	1.202.899	2.388.020	3.590.919
7.1 Derivative Financial Liabilities at Fair Value Through Profit or Loss		2.010.136	4.970.166	6.980.302	1.202.899	2.388.020	3.590.919
7.2 Derivative Financial Liabilities at Fair Value Through Other Comprehensive Income		-	-	-	-	-	-
<b>VIII. FACTORING LIABILITIES</b>		-	-	-	-	-	-
<b>IX. LEASE LIABILITIES (Net)</b>	(7)	1.012.237	35.939	1.048.176	747.354	42.129	789.483
<b>X. PROVISIONS</b>	(9)	21.027.041	26.199	21.053.240	9.042.970	17.042	9.060.012
10.1 Restructuring Provisions		-	-	-	-	-	-
10.2 Reserve for Employee Benefits		2.233.524	-	2.233.524	1.723.250	-	1.723.250
10.3 Insurance Technical Provisions (Net)		-	-	-	-	-	-
10.4 Other Provisions		18.793.517	26.199	18.819.716	7.319.720	17.042	7.336.762
<b>XI. CURRENT TAX LIABILITY</b>	(10)	5.018.770	11.001	5.029.771	1.259.239	13.192	1.272.431
<b>XII. DEFERRED TAX LIABILITY</b>	(10)	-	-	-	-	-	-
<b>XIII. LIABILITIES RELATED TO NON-CURRENT ASSETS “HELD FOR SALE” AND “HELD FROM DISCONTINUED OPERATIONS” (Net)</b>	(11)	-	-	-	-	-	-
13.1 Held for Sale Purpose		-	-	-	-	-	-
13.2 Held from Discontinued Operations		-	-	-	-	-	-
<b>XIV. SUBORDINATED DEBT INSTRUMENTS</b>	(12)	-	24.384.193	24.384.193	-	21.427.601	21.427.601
14.1 Loans		-	-	-	-	-	-
14.2 Other Debt Instruments		-	24.384.193	24.384.193	-	21.427.601	21.427.601
<b>XV. OTHER LIABILITIES</b>	(6)	36.783.680	4.364.292	41.147.972	22.674.910	4.078.784	26.753.694
<b>XVI. SHAREHOLDERS' EQUITY</b>	(13)	182.109.257	(29.062.063)	153.047.194	108.064.597	(10.964.838)	97.099.759
16.1 Paid-in capital		34.900.000	-	34.900.000	13.100.000	-	13.100.000
16.2 Capital Reserves		-	-	-	-	-	-
16.2.1 Share Premium		-	-	-	-	-	-
16.2.2 Share Cancellation Profits		-	-	-	-	-	-
16.2.3 Other Capital Reserves		-	-	-	-	-	-
16.3 Accumulated Other Comprehensive Income or Expense Not Reclassified Through Profit or Loss		19.584.242	(2.086.783)	17.497.459	17.819.572	(1.966.165)	15.853.407
16.4 Accumulated Other Comprehensive Income or Expense Reclassified Through Profit or Loss		37.448.088	(26.975.280)	10.472.808	3.162.858	(8.998.673)	(5.835.815)
16.5 Profit Reserves		73.956.519	-	73.956.519	67.627.159	-	67.627.159
16.5.1 Legal Reserves		5.779.782	-	5.779.782	5.463.080	-	5.463.080
16.5.2 Status Reserves		-	-	-	-	-	-
16.5.3 Extraordinary Reserves		68.176.737	-	68.176.737	62.164.079	-	62.164.079
16.5.4 Other Profit Reserves		-	-	-	-	-	-
16.6 Profit or (Loss)		16.220.408	-	16.220.408	6.355.008	-	6.355.008
16.6.1 Prior Periods' Profit or (Loss)		41.650	-	41.650	63.699	-	63.699
16.6.2 Current Period Profit or (Loss)		16.178.758	-	16.178.758	6.291.309	-	6.291.309
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<b>951.977.463</b>	<b>804.366.633</b>	<b>1.756.344.096</b>	<b>664.912.878</b>	<b>705.977.390</b>	<b>1.370.890.268</b>

The accompanying explanations and notes form an integral part of these financial statements.

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED UNCONSOLIDATED  
FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH**

**TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.  
UNCONSOLIDATED STATEMENT OF OFF BALANCE SHEET COMMITMENTS AS OF  
30 JUNE 2022**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

III.	STATEMENT OF OFF-BALANCE SHEET COMMITMENTS	Note (Section Five III)	Current Period 30 June 2022			Prior Period 31 December 2021		
			TL	FC	Total	TL	FC	Total
<b>A.</b>	<b>OFF-BALANCE SHEET COMMITMENTS (I-II+III)</b>		<b>302.690.533</b>	<b>777.139.140</b>	<b>1.079.829.673</b>	<b>237.933.561</b>	<b>657.847.925</b>	<b>895.781.486</b>
<b>I.</b>	<b>GUARANTEES AND WARRANTIES</b>	(1)	<b>89.726.118</b>	<b>270.983.429</b>	<b>360.709.547</b>	<b>56.163.538</b>	<b>206.409.718</b>	<b>262.573.256</b>
1.1	Letters of Guarantee		80.659.098	170.052.095	250.711.193	53.164.164	131.292.450	184.456.614
1.1.1	Guarantees Subject to State Tender Law		2.797.534	27.656.589	30.454.123	1.725.374	24.260.049	25.985.423
1.1.2	Guarantees Given for Foreign Trade Operations		65.591.103	101.630.417	167.221.520	44.923.837	76.456.270	121.380.107
1.1.3	Other Letters of Guarantee		12.270.461	40.765.089	53.035.550	6.514.953	30.576.131	37.091.084
1.2	Bank Acceptances		1.361.332	13.820.928	15.182.260	211.032	11.723.519	11.934.551
1.2.1	Import Letter of Acceptance		1.361.332	13.815.881	15.177.213	211.032	11.720.128	11.931.160
1.2.2	Other Bank Acceptances		-	5.047	5.047	-	3.391	3.391
1.3	Letters of Credit		1.310.338	82.544.867	83.855.205	845.948	59.326.676	60.172.624
1.3.1	Documentary Letters of Credit		1.310.338	82.506.861	83.817.199	845.948	59.296.678	60.142.626
1.3.2	Other Letters of Credit		-	38.006	38.006	-	29.998	29.998
1.4	Prefinancing Given as Guarantee		-	-	-	-	-	-
1.5	Endorsements		6.395.350	4.565.539	10.960.889	1.942.394	4.067.073	6.009.467
1.5.1	Endorsements to the Central Bank of Türkiye		6.395.350	4.565.539	10.960.889	1.942.394	4.067.073	6.009.467
1.5.2	Other Endorsements		-	-	-	-	-	-
1.6	Purchase Guarantees for Securities Issued		-	-	-	-	-	-
1.7	Factoring Guarantees		-	-	-	-	-	-
1.8	Other Guarantees		-	-	-	-	-	-
1.9	Other Collaterals		-	-	-	-	-	-
<b>II.</b>	<b>COMMITMENTS</b>		<b>136.511.930</b>	<b>19.943.856</b>	<b>156.455.786</b>	<b>112.493.520</b>	<b>25.614.771</b>	<b>138.108.291</b>
2.1	Irrevocable Commitments	(1)	136.511.930	19.943.856	156.455.786	112.493.520	25.614.771	138.108.291
2.1.1	Asset Purchase and Sales Commitments		8.895.899	14.451.993	23.347.892	5.931.540	18.329.423	24.260.963
2.1.2	Deposit Purchase and Sales Commitments		-	-	-	-	-	-
2.1.3	Share Capital Commitments to Associates and Subsidiaries		-	-	-	3.150	-	3.150
2.1.4	Loan Granting Commitments		35.866.255	6.203	35.872.458	22.868.861	19.212	22.888.073
2.1.5	Securities Issue Brokerage Commitments		-	-	-	-	-	-
2.1.6	Commitments for Reserve Requirements		-	-	-	-	-	-
2.1.7	Commitments for Cheques Payments		9.319.285	-	9.319.285	6.609.633	-	6.609.633
2.1.8	Tax and Fund Liabilities from Export Commitments		-	-	-	-	-	-
2.1.9	Commitments for Credit Card Limits		64.070.074	-	64.070.074	61.707.772	-	61.707.772
2.1.10	Commitments for Credit Cards and Banking Services Promotions		131.678	-	131.678	101.762	-	101.762
2.1.11	Receivables from Short Sale Commitments of Marketable Securities		-	-	-	-	-	-
2.1.12	Payables for Short Sale Commitments of Marketable Securities		-	-	-	-	-	-
2.1.13	Other Irrevocable Commitments		18.228.739	5.485.660	23.714.399	15.270.802	7.266.136	22.536.938
2.2	Revocable Commitments		-	-	-	-	-	-
2.2.1	Revocable Loan Granting Commitments		-	-	-	-	-	-
2.2.2	Other Revocable Commitments		-	-	-	-	-	-
<b>III.</b>	<b>DERIVATIVE FINANCIAL INSTRUMENTS</b>		<b>76.452.485</b>	<b>486.211.855</b>	<b>562.664.340</b>	<b>69.276.503</b>	<b>425.823.436</b>	<b>495.099.939</b>
3.1	Hedging Derivative Financial Instruments		-	-	-	-	-	-
3.1.1	Transactions for Fair Value Hedge		-	-	-	-	-	-
3.1.2	Transactions for Cash Flow Hedge		-	-	-	-	-	-
3.1.3	Transactions for Foreign Net Investment Hedge		-	-	-	-	-	-
3.2	Trading Derivative Financial Instruments		76.452.485	486.211.855	562.664.340	69.276.503	425.823.436	495.099.939
3.2.1	Forward Foreign Currency Buy/Sell Transactions		3.654.884	4.648.495	8.303.379	4.835.428	7.257.118	12.092.546
3.2.1.1	Forward Foreign Currency Transactions-Buy		3.311.384	1.012.333	4.323.717	2.421.698	3.628.653	6.050.351
3.2.1.2	Forward Foreign Currency Transactions-Sell		343.500	3.636.162	3.979.662	2.413.730	3.628.465	6.042.195
3.2.2	Swap Transactions Related to Foreign Currency and Interest Rates		69.883.032	465.967.284	535.850.316	64.441.075	408.569.888	473.010.963
3.2.2.1	Foreign Currency Swap-Buy		6.646.705	210.913.385	217.560.090	4.980.360	193.274.290	198.254.650
3.2.2.2	Foreign Currency Swap-Sell		62.956.327	157.265.939	220.222.266	59.090.715	131.020.654	190.111.369
3.2.2.3	Interest Rate Swap-Buy		140.000	48.893.980	49.033.980	185.000	42.137.472	42.322.472
3.2.2.4	Interest Rate Swap-Sell		140.000	48.893.980	49.033.980	185.000	42.137.472	42.322.472
3.2.3	Foreign Currency, Interest rate and Securities Options		-	12.972.017	12.972.017	-	9.996.430	9.996.430
3.2.3.1	Foreign Currency Options-Buy		-	6.486.429	6.486.429	-	4.998.463	4.998.463
3.2.3.2	Foreign Currency Options-Sell		-	6.485.588	6.485.588	-	4.997.967	4.997.967
3.2.3.3	Interest Rate Options-Buy		-	-	-	-	-	-
3.2.3.4	Interest Rate Options-Sell		-	-	-	-	-	-
3.2.3.5	Securities Options-Buy		-	-	-	-	-	-
3.2.3.6	Securities Options-Sell		-	-	-	-	-	-
3.2.4	Foreign Currency Futures		2.914.569	2.624.059	5.538.628	-	-	-
3.2.4.1	Foreign Currency Futures-Buy		-	2.624.059	2.624.059	-	-	-
3.2.4.2	Foreign Currency Futures-Sell		2.914.569	-	2.914.569	-	-	-
3.2.5	Interest Rate Futures		-	-	-	-	-	-
3.2.5.1	Interest Rate Futures-Buy		-	-	-	-	-	-
3.2.5.2	Interest Rate Futures-Sell		-	-	-	-	-	-
3.2.6	Other		-	-	-	-	-	-
<b>B.</b>	<b>CUSTODY AND PLEDGES RECEIVED (IV+V+VI)</b>		<b>2.435.474.252</b>	<b>749.056.925</b>	<b>3.184.531.177</b>	<b>1.952.713.000</b>	<b>584.318.513</b>	<b>2.537.031.513</b>
<b>IV.</b>	<b>ITEMS HELD IN CUSTODY</b>		<b>341.513.254</b>	<b>184.426.507</b>	<b>525.939.761</b>	<b>263.653.975</b>	<b>121.563.137</b>	<b>385.217.112</b>
4.1	Customer Fund and Portfolio Balances		20.181.062	69.574.908	89.755.970	14.933.991	53.322.559	68.256.550
4.2	Investment Securities Held in Custody		36.530.382	6.417.029	42.947.411	23.819.347	5.134.211	28.953.558
4.3	Cheques Received for Collection		30.493.227	2.254.146	32.747.373	21.450.680	1.632.830	23.083.510
4.4	Commercial Notes Received for Collection		8.816	-	8.816	-	-	8.816
4.5	Other Assets Received for Collection		198.109.422	1.619.999	199.729.421	178.476.218	811.746	179.287.964
4.6	Assets Received for Public Offering		56.188.696	104.560.425	160.749.121	24.963.274	60.661.791	85.625.065
4.7	Other Items Under Custody		1.649	-	1.649	-	-	1.649
4.8	Custodians		-	-	-	-	-	-
<b>V.</b>	<b>PLEDGES RECEIVED</b>		<b>2.091.978.230</b>	<b>555.389.770</b>	<b>2.647.368.000</b>	<b>1.687.499.546</b>	<b>454.506.906</b>	<b>2.142.006.452</b>
5.1	Marketable Securities		3.748.798	3.397.054	7.145.852	2.699.422	2.790.764	5.490.186
5.2	Guarantee Notes		33.000.214	6.011.318	39.011.532	23.434.768	5.116.179	28.550.947
5.3	Commodity		919.910	251.385	1.171.295	919.910	205.378	1.125.288
5.4	Warranty		-	-	-	-	-	-
5.5	Immovable		1.705.305.239	340.517.556	2.045.822.795	1.362.885.844	281.957.707	1.644.843.551
5.6	Other Pledged Items		348.998.860	205.152.679	554.151.539	164.388.763	461.943.156	614.943.156
5.7	Pledged Items-Depository		5.209	59.778	64.987	5.209	48.115	53.324
<b>VI.</b>	<b>ACCEPTED BILL, GUARANTEES AND WARRANTIES</b>		<b>1.982.768</b>	<b>9.240.648</b>	<b>11.223.416</b>	<b>1.559.479</b>	<b>8.248.470</b>	<b>9.807.949</b>
<b>TOTAL OFF-BALANCE SHEET COMMITMENTS (A+B)</b>			<b>2.738.164.785</b>	<b>1.526.196.065</b>	<b>4.264.360.850</b>	<b>2.190.646.561</b>	<b>1.242.166.438</b>	<b>3.432.812.999</b>

The accompanying explanations and notes form an integral part of these financial statements.

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED UNCONSOLIDATED  
FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH**

**TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.  
UNCONSOLIDATED STATEMENT OF PROFIT OR LOSS AS OF  
30 JUNE 2022**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

	Note (Section Five IV)	Current Period 1 January- 30 June 2022	Prior Period 1 January- 30 June 2021	Current Period 1 April- 30 June 2022	Prior Period 1 April- 30 June 2021
<b>IV. STATEMENT OF PROFIT OR LOSS INCOME AND EXPENSE ITEMS</b>					
<b>I. INTEREST INCOME</b>	<b>(1)</b>	<b>85.716.308</b>	<b>43.657.218</b>	<b>50.466.793</b>	<b>23.327.874</b>
1.1 Interest on Loans		51.240.726	32.357.107	27.909.437	16.937.338
1.2 Interest on Reserve Requirements		457.764	518.908	89.247	336.471
1.3 Interest on Banks		174.177	67.116	123.704	33.291
1.4 Interest on Money Market Transactions		3.810	29	3.722	16
1.5 Interest on Marketable Securities Portfolio		33.613.531	10.607.803	22.266.319	5.993.066
1.5.1 Fair Value Through Profit or Loss		286.160	140.219	144.962	80.021
1.5.2 Fair Value Through Other Comprehensive Income		25.891.915	9.233.424	16.611.331	5.213.032
1.5.3 Measured at Amortized Cost		7.435.456	1.234.160	5.510.026	700.013
1.6 Financial Lease Interest Income		-	-	-	-
1.7 Other Interest Income		226.300	106.255	74.364	27.692
<b>II. INTEREST EXPENSE (-)</b>	<b>(2)</b>	<b>38.827.790</b>	<b>30.008.597</b>	<b>21.069.794</b>	<b>16.068.266</b>
2.1 Interest on Deposits		28.499.115	19.369.309	15.848.380	10.287.122
2.2 Interest on Funds Borrowed		986.771	504.131	567.980	269.995
2.3 Interest Expense on Money Market Transactions		6.700.508	8.940.524	3.254.364	4.913.552
2.4 Interest on Securities Issued		1.348.557	899.935	665.636	460.909
2.5 Interest on Leases		89.776	51.744	51.729	26.840
2.6 Other Interest Expenses		1.203.063	242.954	681.705	109.848
<b>III. NET INTEREST INCOME/EXPENSE (I - II)</b>		<b>46.888.518</b>	<b>13.648.621</b>	<b>29.396.999</b>	<b>7.259.608</b>
<b>IV. NET FEES AND COMMISSIONS INCOME</b>		<b>5.362.389</b>	<b>2.216.131</b>	<b>3.118.233</b>	<b>1.172.972</b>
4.1 Fees and Commissions Received		7.564.107	3.145.309	4.558.187	1.676.832
4.1.1 Non-cash Loans		1.062.526	556.658	592.407	282.177
4.1.2 Other		6.501.581	2.588.651	3.965.780	1.394.655
4.2 Fees and Commissions Paid (-)		2.201.718	929.178	1.439.954	503.860
4.2.1 Non-cash Loans		437	332	219	162
4.2.2 Other		2.201.281	928.846	1.439.735	503.698
<b>V. DIVIDEND INCOME</b>		<b>246.209</b>	<b>111.605</b>	<b>245.404</b>	<b>109.632</b>
<b>VI. TRADING PROFIT/(LOSS) (Net)</b>	<b>(3)</b>	<b>(168.318)</b>	<b>(5.128.354)</b>	<b>(332.281)</b>	<b>(2.575.015)</b>
6.1 Trading Gains / (Losses) on Securities		453.099	71.341	5.501	70.680
6.2 Gains / (Losses) on Derivative Financial Transactions		(3.724.531)	(5.548.876)	(1.917.253)	(2.790.370)
6.3 Foreign Exchange Gains / (Losses)		3.103.114	349.181	1.579.471	144.675
<b>VII. OTHER OPERATING INCOME</b>	<b>(4)</b>	<b>3.853.375</b>	<b>2.107.414</b>	<b>2.155.036</b>	<b>929.228</b>
<b>VIII. GROSS OPERATING PROFIT (III+IV+V+VI+VII)</b>		<b>56.182.173</b>	<b>12.955.417</b>	<b>34.583.391</b>	<b>6.896.425</b>
<b>IX. EXPECTED CREDIT LOSS (-)</b>	<b>(5)</b>	<b>7.567.886</b>	<b>3.536.636</b>	<b>3.716.239</b>	<b>2.035.410</b>
<b>X. OTHER PROVISION EXPENSES (-)</b>	<b>(5)</b>	<b>14.380.673</b>	<b>112.833</b>	<b>12.403.895</b>	<b>38.773</b>
<b>XI. PERSONNEL EXPENSE (-)</b>		<b>3.990.171</b>	<b>2.500.903</b>	<b>1.954.494</b>	<b>1.296.947</b>
<b>XII. OTHER OPERATING EXPENSES (-)</b>	<b>(6)</b>	<b>6.303.958</b>	<b>4.283.515</b>	<b>3.178.696</b>	<b>2.223.820</b>
<b>XIII. NET OPERATING PROFIT/(LOSS) (VIII-IX-X-XI-XII)</b>		<b>23.939.485</b>	<b>2.521.530</b>	<b>13.330.067</b>	<b>1.301.475</b>
<b>XIV. EXCESS AMOUNT RECORDED AS INCOME AFTER MERGER</b>		-	-	-	-
<b>XV. PROFIT/LOSS FROM INVESTMENTS IN SUBSIDIARIES CONSOLIDATED BASED ON EQUITY METHOD</b>		-	-	-	-
<b>XVI. PROFIT/(LOSS) ON NET MONETARY POSITION</b>		-	-	-	-
<b>XVII. PROFIT/LOSS BEFORE TAX FROM CONTINUED OPERATIONS (XII+...+XV)</b>	<b>(7)</b>	<b>23.939.485</b>	<b>2.521.530</b>	<b>13.330.067</b>	<b>1.301.475</b>
<b>XVIII. TAX PROVISION FOR CONTINUED OPERATIONS (±)</b>	<b>(8)</b>	<b>(7.760.727)</b>	<b>(781.826)</b>	<b>(3.880.095)</b>	<b>(523.717)</b>
18.1 Current Tax Provision		(16.288.062)	(1.872.558)	(3.703.395)	(1.102.909)
18.2 Deferred Tax Expense Effect (+)		(1.960.275)	(305.729)	(1.084.739)	(142.515)
18.3 Deferred Tax Income Effect (-)		10.487.610	1.396.461	908.039	721.707
<b>XIX. CURRENT PERIOD PROFIT/LOSS FROM CONTINUED OPERATIONS (XVII±XVIII)</b>	<b>(9)</b>	<b>16.178.758</b>	<b>1.739.704</b>	<b>9.449.972</b>	<b>777.758</b>
<b>XX. INCOME FROM DISCONTINUED OPERATIONS</b>		-	-	-	-
20.1 Income from Non-current Assets Held for Sale		-	-	-	-
20.2 Profit from Sales of Associates, Subsidiaries and Entities under Common Control (Joint Ventures)		-	-	-	-
20.3 Income from Other Discontinued Operations		-	-	-	-
<b>XXI. EXPENSES FOR DISCONTINUED OPERATIONS (-)</b>		-	-	-	-
21.1 Expenses for Non-current Assets Held for Sale		-	-	-	-
21.2 Loss from Sales of Associates, Subsidiaries and Joint Ventures		-	-	-	-
21.3 Expenses from Other Discontinued Operations		-	-	-	-
<b>XXII. PROFIT/LOSS BEFORE TAX FROM DISCONTINUED OPERATIONS (XX-XXI)</b>		-	-	-	-
<b>XXIII. TAX PROVISION FOR DISCONTINUED OPERATIONS (±)</b>		-	-	-	-
23.1 Current Tax Provision		-	-	-	-
23.2 Deferred Tax Expense Effect (+)		-	-	-	-
23.3 Deferred Tax Income Effect (-)		-	-	-	-
<b>XXIV. CURRENT PERIOD PROFIT/LOSS FROM DISCONTINUED OPERATIONS (XXII±XXIII)</b>		-	-	-	-
<b>XXV. NET PROFIT/(LOSS) (XIX+XXIV)</b>	<b>(10)</b>	<b>16.178.758</b>	<b>1.739.704</b>	<b>9.449.972</b>	<b>777.758</b>
Earnings/(Loss) per share (in TL full)		0,617	0,133	0,232	0,060

The accompanying explanations and notes form an integral part of these financial statements.

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH**

**TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.  
UNCONSOLIDATED STATEMENT OF PROFIT OR LOSS AND  
OTHER COMPREHENSIVE INCOME AS OF 30 JUNE 2022**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”))

V. STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	Current Period	Prior Period
	1 January- 30 June 2022	1 January 30 June 2021
<b>I. PROFIT (LOSS)</b>	<b>16.178.758</b>	<b>1.739.704</b>
<b>II. OTHER COMPREHENSIVE INCOME</b>	<b>17.927.027</b>	<b>(3.868.366)</b>
2.1 Other Comprehensive Income That will Not Be Reclassified To Profit or Loss	1.618.404	607.166
2.1.1 Gains (Losses) on Revaluation of Property, Plant and Equipment	(46.809)	(53.674)
2.1.2 Gains (losses) on revaluation of Intangible Assets	-	-
2.1.3 Gains (losses) on remeasurements of defined benefit plans	-	235.774
2.1.4 Other Components of Other Comprehensive Income That Will Not Be Reclassified to Profit Or Loss	2.757.832	563.683
2.1.5 Taxes Relating To Components Of Other Comprehensive Income That Will Not Be Reclassified To Profit Or Loss	(1.092.619)	(138.617)
2.2 Other Comprehensive Income That Will Be Reclassified to Profit or Loss	16.308.623	(4.475.532)
2.2.1 Exchange Differences on Translation	-	-
2.2.2 Valuation and/or Reclassification Profit or Loss from financial assets at fair value through other comprehensive income	22.428.565	(5.773.210)
2.2.3 Income (Loss) Related with Cash Flow Hedges	-	-
2.2.4 Income (Loss) Related with Hedges of Net Investments in Foreign Operations	-	-
2.2.5 Other Components of Other Comprehensive Income that will be Reclassified to Other Profit or Loss	-	-
2.2.6 Taxes Relating To Components Of Other Comprehensive Income That Will Be Reclassified To Profit Or Loss	(6.119.942)	1.297.678
<b>III. TOTAL COMPREHENSIVE INCOME (I+II)</b>	<b>34.105.785</b>	<b>(2.128.662)</b>

The accompanying explanations and notes form an integral part of these financial statements

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED UNCONSOLIDATED  
FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH**

**TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.  
UNCONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY AS OF 30 JUNE 2022**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

VI. STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY	Paid-in Capital	Share Premiums	Share Cancell ation Profit	Other Capital Reserves	Accumulated Other Comprehensive Income or Expense Not Reclassified through Profit or Loss			Accumulated Other Comprehensive Income or Expense Reclassified through Profit or Loss			Profit Reserves	Prior Period Net Profit/(Loss)	Current Period Net Profit/(loss)	Total Equity
					1	2	3 <sup>(*)</sup>	4	5	6				
<b>CURRENT PERIOD 30 June 2022</b>														
<b>I. Prior Period End Balance</b>	13.100.000	-	-	-	4.760.771	203.462	10.889.174	-	(5.835.815)	-	67.627.159	6.355.008	-	97.099.759
<b>II. Made According to TAS 8</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.1 Effect of adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.2 Effect of the changes in accounting policies	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>III. Adjusted Beginning Balance (I+II)</b>	13.100.000	-	-	-	4.760.771	203.462	10.889.174	-	(5.835.815)	-	67.627.159	6.355.008	-	97.099.759
<b>IV. Total comprehensive income (loss)</b>	-	-	-	-	(165.849)	(12.717)	1.796.970	-	16.308.623	-	-	-	16.178.758	34.105.785
<b>V. Capital increase by cash</b>	21.800.000	-	-	-	-	-	-	-	-	-	-	-	-	21.800.000
<b>VI. Capital increase by internal sources</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>VII. Paid-in capital inflation adjustment difference</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>VIII. Convertible bonds to shares</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>IX. Subordinated debt instruments</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>X. Increase (decrease) by other changes</b>	-	-	-	-	-	-	-	-	-	-	-	41.650	-	41.650
<b>XI. Profit distribution</b>	-	-	-	-	-	-	25.648	-	-	-	6.329.360	(6.355.008)	-	-
11.1 Dividends paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11.2 Transfers to reserves	-	-	-	-	-	-	-	-	-	6.291.309	(6.291.309)	-	-	-
11.3 Other	-	-	-	-	-	-	25.648	-	-	38.051	(63.699)	-	-	-
<b>Balance at the end of the period (III+IV+.....+X+XI)</b>	34.900.000	-	-	-	4.594.922	190.745	12.711.792	-	10.472.808	-	73.956.519	41.650	16.178.758	153.047.194

1. Increases and decreases in Tangible and Intangible Assets Revaluation Reserve

2. Accumulated Gains / Losses on Remeasurements of Defined Benefit Plans

3. Other (Other Comprehensive Income of Associates and Joint Ventures Accounted for Using Equity Method that will not be Reclassified to Profit or Loss and Other Accumulated Amounts of Not Reclassified Through Profit or Loss)

4. Exchange Differences on Translation

5. Accumulated gains (losses) due to revaluation and/or reclassification of financial assets at fair value through other comprehensive income

6. Other (Accumulated Gains or Losses on Cash Flow Hedges, Other Comprehensive Income of Associates and Joint Ventures Accounted for Using Equity Method that will be Reclassified to Profit or Loss and Other Accumulated Amounts of Reclassified Through Profit or Loss)

<sup>(\*)</sup>The exemption amounts of the gains arising from the sale of immovables and affiliate shares amounting to TL 2.140.022 related to the Corporate Tax Law article 5. 1. e. are monitored.

The accompanying explanations and notes form an integral part of these financial statements

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED UNCONSOLIDATED  
FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH**

**TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.**

**UNCONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY AS OF 30 JUNE 2021**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

VI. STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY	Paid-in Capital	Share Premiums	Share Cancellation Profit	Other Capital Reserves	Accumulated Other Comprehensive Income or Expense Not Reclassified through Profit or Loss			Accumulated Other Comprehensive Income or Expense Reclassified through Profit or Loss			Profit Reserves	Prior Period Net Profit/(Loss)	Current Period Net Profit/(loss)	Total Equity
					1	2	3 <sup>(9)</sup>	4	5	6				
					<b>PRIOR PERIOD 30 June 2021</b>									
<b>I. Prior Period End Balance</b>	13.100.000	-	-	(17.745)	4.849.771	(12.616)	4.769.008	-	848.310	-	58.398.544	11.342.988	-	93.278.260
<b>II. Corrections and Accounting Policy Changes Made According to TAS 8</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.1 Effect of Corrections	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.2 Effect of the Changes in Accounting Policies	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>III. Adjusted Beginning Balance (I+II)</b>	13.100.000	-	-	(17.745)	4.849.771	(12.616)	4.769.008	-	848.310	-	58.398.544	11.342.988	-	93.278.260
<b>IV. Total comprehensive income</b>	-	-	-	-	(48.177)	188.619	466.724	-	(4.475.532)	-	-	-	1.739.704	(2.128.662)
<b>V. Capital increase by cash</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>VI. Capital increase by internal sources</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>VII. Paid-in capital inflation adjustment difference</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>VIII. Convertible bonds to Shares</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>IX. Subordinated debt Instruments</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>X. Increase (decrease) by other changes</b>	-	-	-	(3.031)	-	-	-	-	-	-	-	32.639	-	29.608
<b>XI. Profit distribution</b>	-	-	-	-	-	-	2.114.374	-	-	-	9.228.615	(11.342.989)	-	-
11.1 Dividends paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11.2 Transfers to reserves	-	-	-	-	-	-	-	-	-	-	8.577.454	(8.577.454)	-	-
11.3 Other	-	-	-	-	-	-	2.114.374	-	-	-	651.161	(2.765.535)	-	-
<b>Balance at the end of the period (III+IV+.....+X+XI)</b>	13.100.000	-	-	(20.776)	4.801.594	176.003	7.350.106	-	(3.627.222)	-	67.627.159	32.638	1.739.704	91.179.206

1. Increases and decreases in Tangible and Intangible Assets Revaluation Reserve

2. Accumulated Gains / Losses on Remeasurements of Defined Benefit Plans

3. Other (Other Comprehensive Income of Associates and Joint Ventures Accounted for Using Equity Method that will not be Reclassified to Profit or Loss and Other Accumulated Amounts of Not Reclassified Through Profit or Loss)

4. Exchange Differences on Translation

5. Accumulated gains (losses) due to revaluation and/or reclassification of financial assets at fair value through other comprehensive income

6. Other (Accumulated Gains or Losses on Cash Flow Hedges, Other Comprehensive Income of Associates and Joint Ventures Accounted for Using Equity Method that will be Reclassified to Profit or Loss and Other Accumulated Amounts of Reclassified Through Profit or Loss)

<sup>(9)</sup> Corporate Tax Law, 5. 1. e. The exemption amounts of the gains arising from the sale of immovables and affiliate shares amounting to TL 2.114.374 related to the article are monitored.

The accompanying explanations and notes form an integral part of these financial statements

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED  
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN  
TURKISH**

**TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.  
UNCONSOLIDATED STATEMENT OF CASH FLOWS  
AS OF 30 JUNE 2022**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”))

VII. STATEMENT OF CASH FLOWS	Note	Current Period 1 January- 30 June 2022	Prior Period 1 January- 30 June 2021
<b>A. CASH FLOWS FROM BANKING OPERATIONS</b>			
1.1 Operating Profit Before Changes in Operating Assets and Liabilities		17.197.588	1.142.222
1.1.1 Interest Received		70.870.042	39.841.506
1.1.2 Interest Paid		(33.947.280)	(28.909.773)
1.1.3 Dividend Received		246.209	111.605
1.1.4 Fees and Commissions Received		9.703.173	3.258.201
1.1.5 Other Income		1.951.882	568.085
1.1.6 Collections from Previously Written-off Loans and Other Receivables		2.640.983	1.528.192
1.1.7 Cash Payments to Personnel and Service Suppliers		(4.474.632)	(2.830.213)
1.1.8 Taxes Paid		(12.681.774)	(1.690.117)
1.1.9 Other		(17.111.015)	(10.735.264)
1.2 Changes in Operating Assets and Liabilities		(15.589.258)	11.516.599
1.2.1 Net (Increase) / Decrease in Financial Assets At Fair Value Through Profit Or Loss		(1.191.862)	(3.742.156)
1.2.2 Net (Increase) / Decrease in Due From Banks And Other Financial Institutions		(38.278.982)	(10.580.667)
1.2.3 Net (Increase) / Decrease in Loans		(202.233.977)	(26.323.945)
1.2.4 Net (Increase) / Decrease in Other Assets		(5.075.723)	(31.704)
1.2.5 Net Increase / (Decrease) in Bank Deposits		9.469.048	5.940.460
1.2.6 Net Increase / (Decrease) in Other Deposits		204.736.516	35.685.209
1.2.7 Net Increase / (Decrease) in Financial Liabilities At Fair Value Through Profit Or Loss		-	-
1.2.8 Net Increase / (Decrease) in Funds Borrowed		13.420.900	1.701.707
1.2.9 Net Increase / (Decrease) in Payables		-	-
1.2.10 Net Increase / (Decrease) in Other Liabilities		3.564.822	8.867.695
<b>I. Net Cash Provided from Banking Operation</b>		<b>1.608.330</b>	<b>12.658.821</b>
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>			
<b>II. Net Cash Provided from Investing Activities</b>		<b>(46.534.084)</b>	<b>(14.794.284)</b>
2.1 Cash Paid For Acquisition of Investments, Associates, Subsidiaries and Entities under Common Control (Joint Venture)		(1.369.177)	(606.041)
2.2 Cash Obtained From Disposal of Investments, Associates, Subsidiaries and Entities under Common Control (Joint Venture)		1.750	-
2.3 Purchases of Property and Equipment		(495.757)	(412.292)
2.4 Disposals of Property and Equipment		1.158.742	458.567
2.5 Purchase of Financial Assets at Fair Value Through Other Comprehensive Income		(26.496.641)	(30.922.144)
2.6 Sale of Financial Assets at Fair Value Through Other Comprehensive Income		17.816.977	14.276.687
2.7 Purchase of Financial Assets Measured at Amortized Cost		(38.042.178)	(195.214)
2.8 Sale of Financial Assets Measured at Amortized Cost		892.200	2.606.153
2.9 Other		-	-
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>			
<b>III. Net Cash Provided from Financing Activities</b>		<b>13.237.548</b>	<b>744.063</b>
3.1 Cash Obtained from Funds Borrowed and Securities Issued		1.105.108	5.276.340
3.2 Cash Used for Repayment of Funds Borrowed and Securities Issued		(9.581.597)	(4.393.118)
3.3 Issued Equity Instruments		21.800.000	-
3.4 Dividends Paid		-	-
3.5 Payments for Finance Leases		(85.963)	(139.159)
3.6 Other		-	-
<b>IV. Effect of Change in Foreign Exchange Rate on Cash and Cash Equivalents</b>		<b>492.485</b>	<b>1.717.177</b>
<b>V. Net Increase in Cash and Cash Equivalents (I+II+III+IV)</b>		<b>(31.195.721)</b>	<b>325.777</b>
<b>VI. Cash and Cash Equivalents at Beginning of the Period</b>		<b>100.775.019</b>	<b>34.847.422</b>
<b>VII. Cash and Cash Equivalents at End of the Period</b>		<b>69.579.298</b>	<b>35.173.199</b>

The accompanying explanations and notes form an integral part of these financial statements

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED  
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN  
TURKISH**

**TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.  
NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS  
AS OF 30 JUNE 2022**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”))

---

**SECTION THREE**

**EXPLANATIONS ON ACCOUNTING POLICIES**

**I. BASIS OF PRESENTATION**

The unconsolidated financial statements are prepared within the scope of the “Regulation on Accounting Applications for Banks and Safeguarding of Documents” (“Regulation”) related with Banking Law numbered 5411 published in the Official Gazette No. 26333 dated 1 November 2006 and other regulations related to reporting principles on accounting records of Banks published by Banking Regulation and Supervision Agency (“BRSA”) and circulars and interpretations published by BRSA (together referred as BRSA Accounting and Reporting Legislation) and in case where a specific regulation is not made by BRSA, Turkish Accounting Standards 34 (“TAS 34”) Interim Financial Reporting Standard and Turkish Financial Reporting Standards (“TFRS”) and (referred as “Turkish Accounting and Financial Reporting Regulations” or “Reporting Standards”) put into effect by Public Oversight Accounting and Auditing Standards Authority (“POA”).

The format and content of the publicly announced unconsolidated financial statements and notes to these statements have been prepared in accordance with the “Communiqué on Publicly Announced Financial Statements, Explanations and Notes to These Financial Statements” published in the Official Gazette No. 28337, dated 28 June 2012 and “Communiqué on Public Disclosures on Risk Management”, published in the Official Gazette No. 29511, dated 23 October 2015 and amendments to these Communiqué. The Bank maintains its books in Turkish Lira in accordance with the Banking Law, Turkish Commercial Code and Turkish Tax Legislation.

The unconsolidated financial statements have been prepared under the historical cost convention, except for the financial assets and liabilities carried at fair value.

The preparation of financial statements requires the use of certain critical estimates on assets and liabilities reported as of balance sheet date or amount of contingent assets and liabilities explained and amount of income and expenses occurred in related period. Although these estimates rely on the management’s best judgment, actual results can vary from these estimates. Judgements and estimates are explained in related notes.

Unless otherwise specified, all balances in the financial statements and related disclosures are expressed in Thousand Turkish Lira (“TL”).

The COVID-19 pandemic, which has emerged in China, has spread to various countries around the world, causing potentially fatal respiratory infections, affects both regional and global economic conditions negatively, as well as causing malfunctions in operations, especially in countries exposed to the pandemic. As a result of the spread of COVID-19 around the world, various measures have been taken in our country as well as in the world in order to prevent the transmission of the virus. In addition to these measures, economic measures are also taken to minimize the economic impact of the virus outbreak on individuals and businesses in our country and worldwide.

While preparing the interim financial statements dated 30 June 2022, the Bank reflected the possible effects of the COVID-19 outbreak on the estimates and judgments used in the preparation of the financial statements. Fair value measurements are revised within the scope of TFRS 13 Fair Value Measurement standard, with the expected credit loss provisions reflected in the financial statements and the assumptions and judgments used in estimating these losses.

# CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH

## TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş. NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2022

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”))

---

### EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

#### I. BASIS OF PRESENTATION (Continued)

As of 30 June 2022, due to the adverse effects of the COVID-19 pandemic, the Bank reviewed the valuation of financial assets whose fair value difference was reflected to other comprehensive income and whose fair value difference was reflected to profit or loss and as of the reporting date, corrections have been taken into account. The fair values were determined and accounted for as of the valuation date with the valuation reports prepared for the entity under common control monitored with their fair values, the entity under common control and the securities representing a share in the capital. On the other hand, the Bank evaluated the effects of the COVID-19 pandemic with regard to the financial instruments whose fair value hierarchy was determined as Level 3 due to the fact that it involves significant estimates and judgments and there are no changes that require any correction as of the reporting date. As of 30 June 2022, the Bank does not have any assets or liabilities in the fair value hierarchy that would require any adjustment due to COVID-19.

The Bank reflected the estimates and judgments into the calculation of expected credit losses with the maximum effort and the best estimation method. The Bank has revised its macroeconomic expectations and has reflected to the financial statement as of 30 June 2022, by taking into account the change in probability of default and loss given default.

In this context, the Bank has measured the impact of its macroeconomic expectations on NPL receivables in different scenarios. In the NPL conversion rate, it has taken into consideration in the calculation by reflecting the coefficient, which is considered to reflect the current situation, to the loan parameters. The Bank increased the weight of the adverse scenario in the expected credit loss calculation.

On 20 January 2022, the Public Oversight Authority made a statement on the Implementation of Financial Reporting in High Inflation Economies within the Scope of Turkish Financial Reporting Standards Accordingly, it has been stated that companies applying TFRS are not required to make any adjustments in their financial statements for 2021 within the scope of TAS 29 Financial Reporting in High Inflation Economies. As of 30 June 2022, no new announcement has been made by Public Oversight Accounting and Auditing Standards Authority (“POA”) in this context, and no inflation adjustment has been made in accordance with TAS 29 while preparing the financial statements dated 30 June 2022.

The Bank has a subsidiary operating in Russia with the title of “Ziraat Bank (Moscow) JSC”. The tension between Russia and Ukraine for a long time turned into a hot conflict in the first quarter of 2022. In the process that started with Russia's intervention in Ukraine, international sanctions against the Russian Federation and countermeasures implemented by Russia against them had significant effects on financial markets. Ziraat Bank (Moscow) JSC, the subsidiary of the bank, did not encounter any difficulties.

The new measures and practices introduced by the Central Bank of Russia were especially aimed at reducing the foreign exchange outflow from the country and keeping the credit channels provided to the real sector. All financial services previously provided by Ziraat Bank (Moscow) JSC are maintained in line with the rules of the local regulatory authority.

The crisis is not expected to have a negative impact on the Bank's operations. Developments that may occur on a global scale, their possible repercussions on the global and regional economy, and their effects on the Bank's operations are closely monitored and considered with the best estimation approach in the preparation of financial statements.

#### Changes in Accounting Policies

The Benchmark Interest Rate Reform, which brings amendments to TFRS 9, TAS 39, TFRS 7, TFRS 4 and TFRS 16, effective from 1 January 2021, has been implemented. With the amendments made, certain exceptions are provided for the basis used in determining contractual cash flows and hedge accounting provisions. The Bank has participated in international protocols within the scope of IBOR transformation. The Benchmark Interest Rate Reform process continues and the Bank has been continuing to work within the scope of adaptation to the changes.

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED  
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN  
TURKISH**

**TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.  
NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS  
AS OF 30 JUNE 2022**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”))

---

**EXPLANATIONS ON ACCOUNTING POLICIES (Continued)**

**II. EXPLANATIONS ON STRATEGY OF USING FINANCIAL INSTRUMENTS AND FOREIGN CURRENCY TRANSACTIONS**

Main activity of the Bank comprises of banking services, such as launching all kinds of cash and non-cash loans denominated in Turkish Lira and foreign currencies, performing transactions in local, international money and capital markets, supporting agricultural sector financially and collecting deposits denominated in Turkish Lira and foreign currencies. The Bank’s main funding sources are deposits, repurchase agreements, issued securities and shareholders’ equity. The Bank directs these funds to assets with high return and low risk that include predominantly domestic government bonds and loans. The Bank’s liquidity structure is considered the financing of all liabilities at due date. Although most of the sources in the Bank’s balance sheet are with fixed interest rate, some of the securities in assets return have floating interest rate. Since the remaining time to re-pricing date of sources is short, cost of sources is repriced in short periods based on the market conditions. Moreover, the Bank adopts higher return principle for its long-term placements.

Loans and securities are instruments from which the Bank gets returns above the average returns within its activity. Letter of guarantees, bank loans, commercial letter of credits, commitments for cheque payments and commitments for credit card limits are the most important risk areas within the off-balance sheet accounts.

Since the Bank’s total debt to the market is low among its total liabilities, the Bank can borrow easily from short-term markets, such as Borsa Istanbul (“BİST”), Central Bank of the Republic of Türkiye, Money Market or Interbank Money Market in case of need. In case of a liquidity crisis, the deposit base of the Bank is not presumed to be significantly affected from liquidity risk since the Bank is a public bank with an extensive branch network.

Cost and return of foreign currency assets are subject to a close follow up. Positive margin of profit is sustained by adjusting deposit interest rates in line with the market interest rates.

Foreign currency operations are valued by Bank’s prevailing counter currency buying rate at transaction date and reflected to records. At period ends, foreign currency asset and liability balances are valued at the Bank’s period end counter currency buying rates and converted to Turkish currency and the resulting exchange differences are recognized as a “foreign exchange profit or loss”

USD-denominated capital amounts and valuation differences sent to partnerships operating abroad are converted into Turkish currency at the exchange rate valid as of the valuation date and presented in the financial statements. For the exchange risk arising from foreign currency conversion of Ziraat Bank International AG, Ziraat Bank BH dd and Ziraat Bank Montenegro AD, the Bank’s subsidiaries to which capital was paid in Euro amounts, Euro deposits are used for hedging purposes. Information on fair value hedge accounting applied in order to hedge the said total capital amount of EUR 291.627 thousand (31 December 2021: EUR 288.527 thousand), which is associated with this purpose, from exchange rate risk effects arising from changes in foreign exchange rates, is presented in Section Four, article no VIII. Assets and liabilities of the overseas branches of the Bank are converted into Turkish Lira with the Bank’s prevailing counter currency buying rates at the balance sheet date.

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED  
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN  
TURKISH**

**TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.  
NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS  
AS OF 30 JUNE 2022**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

---

**EXPLANATIONS ON ACCOUNTING POLICIES (Continued)**

**III. EXPLANATIONS ON INVESTMENTS IN ASSOCIATES, SUBSIDIARIES AND JOINT VENTURES**

Investments related to joint ventures and financial subsidiaries are monitored with their fair values in the unconsolidated financial statements according to "Separate Financial Statements Türkiye Accounting Standard 27 (TAS 27)" and the scope of TFRS 9 Financial Instruments Standard. The fair values were determined with the valuation reports prepared for the mentioned partnerships and the changes in the fair values were accounted under equity as of the valuation date.

Subsidiaries are accounted for at their cost value within the scope of TAS 27 and are reflected in the unconsolidated financial statements after the provision for depreciation is deducted, if any.

**IV. EXPLANATIONS ON FORWARD TRANSACTIONS, OPTIONS AND DERIVATIVE INSTRUMENTS**

The Bank's derivative transactions include cross currency swaps, interest rate swaps, currency and precious metal swaps, long-term financing transactions, full indemnity options and forward foreign currency buy/sell transactions. The Bank has no embedded derivative instruments separated from the articles of association.

Derivative financial instruments of the Bank are classified under "TFRS 9 Financial Instruments Standard" ("TFRS 9"), "Derivative Financial Assets Measured at Fair Value Through Profit or Loss".

Derivative financial instruments are initially recognized at fair value. Derivative transactions, depending on the fair value being positive or negative is shown as derivative financial assets at fair value through profit or loss or derivative financial liabilities measured at fair value through profit or loss in the following periods of the recording. Differences in fair value as a result of the valuation are accounted for under profit/loss from derivative financial transactions and profit/loss from foreign exchange transactions in the commercial profit/loss item in the profit or loss statement.

The fair value of derivative instruments is calculated by considering the market values or by applying the cash flow model discounted with market rates.

Liabilities and receivables arising from the derivative instruments are followed in the off-balance sheet accounts with their contractual values.

**V. EXPLANATIONS ON INTEREST INCOME AND EXPENSE**

Interest income and expenses are recognized according to the effective interest method (rate equal to the rate in calculation of present value of future cash flows of financial assets or liabilities).

Interest income from financial assets is recognized as gross carrying amount according to the effective interest rate method except for interest income from purchased or originated credit-impaired financial assets or financial assets that are not purchased or originated credit-impaired financial assets but subsequently have become credit-impaired financial assets. The Bank has started to calculate rediscount as of 1 January 2018 for its non-performing loans. Rediscount is calculated over the net book value (Gross Book Value - Expected Credit Losses Reserve) of the non-performing loans.

If the expectations for the cash flows in the financial asset are revised for reasons other than the credit risk, the amendment is reflected in the carrying amount of the asset and in the related profit or loss statement line and is amortized over the estimated life of the financial asset.

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED  
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN  
TURKISH**

**TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.  
NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS  
AS OF 30 JUNE 2022**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”))

---

**EXPLANATIONS ON ACCOUNTING POLICIES (Continued)**

**VI. EXPLANATIONS ON FEE AND COMMISSION INCOME AND EXPENSE**

Income and expenses from banking, agency and intermediary services are recognized as income/expense and conformant with TFRS 15 Revenue from Contracts with Customers on the date they are collected.

Prepaid expense amounts are recognized as expense on an accrual basis during the service period.

Commission income from individual, corporate and commercial loans are transferred to income accounts according to periodicity principle using effective interest rate method on an accrual basis

**VII. EXPLANATIONS ON FINANCIAL ASSETS**

Financial assets are recognized or derecognized according to TFRS 9 Financial Instruments Part 3 “Recognition and Derecognition”. Financial assets are measured at fair value at initial recognition in the financial statements. They are included in the balance sheet of the Bank if the Bank is a legal party to these instruments.

The Bank classifies and recognizes its financial assets as “Financial Assets Measured at Fair Value Through Profit/Loss”, “Financial Assets Measured at Fair Value Through Other Comprehensive Income” or “Financial Assets Measured at Amortized Cost”. This classification is based on the contractual cash flow characteristics of the related business model used for management of the financial assets at initial recognition.

Financial assets mainly constitute the Bank’s commercial activities and operations. These instruments have the ability to expose, affect and diminish the liquidity, credit and interest rate risks in the financial statements.

**Classification and Measurement Within the Scope of TFRS 9**

In accordance with TFRS 9 Financial Instruments Standard, financial assets are measured at amortized cost, fair value through other comprehensive income and fair value through profit or loss by;

"Business Model Assessment" and "Contractual Cash Properties Test" are performed to determine the classification of financial assets.

**Financial Assets at Fair Value Through Profit or Loss**

Financial assets at fair value through profit or loss that are managed by business model other than the business model that aims to “hold to collect” and “hold & sell” the contractual cash flows; acquired for the purpose of generating profit from short-term fluctuations in price, or regardless of this purpose, the financial assets that are a part of a portfolio with evidence of short-time profit-taking; and the financial assets, whose terms do not give rise to cash flows that are solely payments of principal of interest at certain dates.

Financial assets at the fair value through profit or loss are initially recognized at fair value. All gains and losses arising from these valuations are reflected in the profit or loss statement. Earned interests are included in interest income and dividends received are included in dividend income.

Among the financial assets at fair value through profit or loss, Government Bonds and Treasury Bills traded in the BIST, the weighted average clearing prices formed in the BIST on the balance sheet date, and the financial assets not traded in the BIST, with the prices of the Central Bank of the Republic of Türkiye, Eurobonds Bench The transaction prices in the Upmarket and the funds in the Bank's portfolio are valued according to the fund price announced for the relevant day. Gains and losses resulting from the valuation are included in the profit/loss accounts.

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED  
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN  
TURKISH**

**TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.  
NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS  
AS OF 30 JUNE 2022**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”))

---

**EXPLANATIONS ON ACCOUNTING POLICIES (Continued)**

**VII. EXPLANATIONS ON FINANCIAL ASSETS (Continued)**

**Financial Assets at Fair Value Through Other Comprehensive Income**

Financial assets are classified as financial assets at fair value through other comprehensive income where the business models aim to hold financial assets in order to collect the contractual cash flows and selling assets and the terms of financial asset give rise to cash flows that are solely payments of principal of interest at certain dates.

Financial assets at fair value through other comprehensive income are subsequently measured at their fair value. The interest income of financial assets at fair value through other comprehensive income that are calculated by effective interest rate method and dividend income from equity instruments are reflected in the statement of profit or loss. “Unrealized profits and losses”, the difference between the fair value of debt instruments at fair value through other comprehensive income and their amortized cost, are not reflected in the statement of profit or loss for the period until the corresponding financial asset is collected, sold, disposed of or weakened and is followed in the “Other Comprehensive Income or Expenses to be Reclassified in Profit or Loss” account under equity. Accumulated fair value differences under equity are reflected to the income statement when such securities are collected or disposed.

Securities representing a share in the capital are recognized at fair value if they are traded in organized markets and / or their fair value can be determined reliably, and if they are not traded in organized markets, they are reflected in the financial statements with their values found using other valuation models. The valuation differences of the said securities are followed in the “Other Accumulated Comprehensive Income or Expenses Not to be Reclassified in Profit or Loss” account under equity.

**Financial Assets at Measured at Amortized Cost**

A financial asset is classified as a financial asset measured at amortized cost when the Bank’s policy within a business model is to hold the asset to collect contractual cash flows and the terms give rise to cash flows that are solely payments of principal of interest at certain dates.

Measured at amortized cost is recognized at cost which represents its fair value at initial recognition by adding the transaction costs and subsequently measured at amortized cost by using the effective interest rate method. Interest income related to the financial asset measured at amortized cost is recognized in the statement of profit or loss.

Financial assets measured at fair value through other comprehensive income and measured at amortized cost portfolios of the Bank include Consumer Price Index (CPI) indexed bonds. Mentioned securities are valued and accounted according to the effective interest rate method which is calculated according to the real coupon rate and the reference inflation index on the issue date. The actual coupon payment amounts of these securities, purchase and sale transactions and year-end valuations are calculated by using the index announced by the treasury. Index calculations related to CPI indexed bonds are made by the method specified in Ministry of Treasury and Finance's CPI Indexed Bonds Investor Guide.

The Bank also updates the estimated inflation rate used throughout the year in case of necessity. In this context, as of 30 June 2022, the valuation of the assets was made according to the annual 50% inflation forecast. At the end of the year, the actual inflation rate is used. A 1% increase in the CPI estimate will increase the profit before tax by TL 261.3 million as of 30 June 2022, while a 1% decrease will decrease it by TL 211.4 million.

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED  
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN  
TURKISH**

**TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.  
NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS  
AS OF 30 JUNE 2022**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”))

---

**EXPLANATIONS ON ACCOUNTING POLICIES (Continued)**

**VII. EXPLANATIONS ON FINANCIAL ASSETS (Continued)**

**Loans**

Loans consist of financial assets which are created by providing money, goods or services to the debtor. Loans are initially recognized at acquisition cost presenting their fair value and thereafter measured at amortized cost using the “Effective Interest Rate Method”.

Cash loans are accounted with their original balances in the accounts specified in Uniform Chart of Accounts and Prospectus according to their type, maturity, and collateral structures. Foreign exchange loans are recognized with fixed price and revalued by the counter foreign exchange buying rate of the Bank. Foreign exchange indexed loans are used as TL by the valid counter foreign exchange buying rate of the Bank at usage date. The repayments of foreign exchange indexed loans, which were extended in TL at the Bank's counter foreign exchange buying rate valid on the date of use, are collected in TL equivalents calculated over the Bank's counter foreign exchange selling rate valid on the installment collection date.

**VIII. EXPLANATIONS ON IMPAIRMENT OF FINANCIAL ASSETS**

**Explanations on Expected Loss Provisions**

The Bank sets aside the expected loss provision for its loans and receivables by taking into consideration the “Regulation on the Classification of Loans and the Procedures and Principles Regarding the Provisions to be Set Aside” published in the Official Gazette dated 22 June 2016 and numbered 29750. In this context, the Bank takes into consideration the general structure of the loan portfolio, the financial structure of the customers, the non-financial data, and the economic conjuncture in line with the credit risk policies and prudence principle when determining its estimates.

The main principle of the expected credit loss model is to reflect the general outlook of deterioration or improvement in the credit quality of financial instruments. The amount of expected credit losses known as loss provision or provision varies according to the degree of increase in credit risk. There are two measurements according to the general approach:

- 12-Month Expected Loss Provision (Stage 1) applies to all assets unless there is a significant deterioration in credit quality.
- Lifetime Expected Loss Provision (Stage 2 and Stage 3) is applied when there is a significant increase in credit risk.

In addition, using expert opinion, the Bank has made provision on the model outputs for customer groups that it believed that the model did not statistically respond to credit risk factors and/or were affected by the COVID-19 outbreak. The reserved provision will be reviewed in the following reporting periods, considering the impact of the pandemic, the loan portfolio, and changes in future expectations.

**Impairment**

The expected credit loss model includes instruments that are recorded at amortized cost or at fair value in other comprehensive income tables (such as bank deposits, loans, and securities) and, in addition, financial lease receivables that are not measured at fair value through profit or loss, credit commitments and financial guarantee contracts.

The guiding principle of the expected credit loss model is to reflect the increase in credit risk of financial instruments or the general view of the recovery. The amount of allowance for the loss depends on the extent of the increase in credit risk since the initial issuance of the loan.

Expected credit loss is an estimate of the expected credit losses over the life of a financial instrument and the following aspects are important for the measurement.

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED  
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN  
TURKISH**

**TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.  
NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS  
AS OF 30 JUNE 2022**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”))

---

**EXPLANATIONS ON ACCOUNTING POLICIES (Continued)**

**VIII. EXPLANATIONS ON IMPAIRMENT OF FINANCIAL ASSETS (Continued)**

**Impairment (Continued)**

- Probability-weighted and neutral amount determined by taking into account possible outcomes,
- Time value of the money,
- Reasonable and supportable information on past events, current conditions and forecast of future economic conditions at the time of reporting.

These financial assets are divided into three categories depending on the gradual increase in credit risk observed since their initial recognition:

***12 Month Expected Credit Losses (Stage 1)***

These are the financial assets that do not have a significant increase in credit risk at the time of recognition or since initial recognition. For such assets, impairment for credit risk is recorded in the amount of 12-month expected credit losses. It is valid for all assets unless there is a significant deterioration in the credit quality.

The expected 12-month loss values (within 12 months after the reporting date or within a shorter period if the life of a financial instrument is shorter than 12 months) are part of the estimation of lifetime loss expectancy.

***Significant Increase in Credit Risk (Stage 2)***

Financial assets are transferred to stage 2 if there is a significant increase in credit risk. While 1-year expected credit, loss is calculated for at stage 1, all remain maturity expected credit loss is calculated for loans at stage 2.

The main criteria taken into consideration in determining the credit risk of the financial asset to be significantly increased and transferred to the stage 2 are, having day-past-due more than and equal to 30 days, and the Bank's internal early warning system note.

***Credit-Impaired Losses (Stage 3)***

Includes financial assets that have objective evidence of impairment at the reporting date. For these assets, lifetime expected credit losses are recognized.

The Bank considers the debt to be in default in the following two cases:

- Objective Default Definition: It means debt having past due more than 90 days. This assumption can be proved otherwise in the light of supportable information.
- Subjective Default Definition: It means it is considered as unlikeliness to pay. Whenever it is considered that an obligor is unlikely to pay its credit obligations, it should be considered as defaulted regardless of the existence of any past-due amount or of the number of days past due.

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED  
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN  
TURKISH**

**TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.  
NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS  
AS OF 30 JUNE 2022**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”))

---

**EXPLANATIONS ON ACCOUNTING POLICIES (Continued)**

**VIII. EXPLANATIONS ON IMPAIRMENT OF FINANCIAL ASSETS (Continued)**

***Credit-Impaired Losses (Stage 3) (Continued)***

Collective assessment of financial instruments is based on homogeneous group assets referring to portfolio segmentation including similar credit risk and product characteristics. This section provides an overview of the risk parameter estimation methods for the expected loss calculation approach on a common basis for each stage.

Credits that differ in cash flows or have different characteristics with other credits may be subject to individual valuation instead of aggregate valuation. A credit loss can be defined as the difference between all contractual cash flows that are outstanding under the contract and the original expected Effective Interest Rate value and discounted cash flows.

When cash flows are estimated, the following situations are considered:

- All contractual terms of the financial instrument during the expected life,
- Cash flows expected to be obtained from collateral sales.

In the calculation of the expected credit loss, the basic parameters which are expressed as probability of default, loss in default and default amount are used.

**Probability of Default (PD)**

Probability of default refers to the likelihood that a loan will default at a certain time. In default probability models, sectorial information for the corporate portfolio and product information for the individual portfolio are taken as the basis.

**Exposure at Default (EAD)**

The EAD represents an estimate of the exposure to credit risk at the time of a potential default occurring during the life of a financial instrument.

**Loss Given Default (LGD)**

Loss given default refers to the ratio of the economic net loss resulting from the default of a loan to the default amount. In other words, it refers to the ratio of net loss due to a defaulted loan to the balance at the time of default.

**Future Expectations**

The effect of future expectations is included in the credit risk parameters used in the calculation of expected credit losses by using scenarios related to macroeconomic factors. The Bank uses the macroeconomic forecasting model developed during the creation of multiple scenarios to be used in expected credit loss calculations. The macroeconomic variables that stand out during this estimation are the Gross Domestic Product (GDP) and the consumer price index (CPI), and risk parameters are updated if deemed necessary, taking into account their compatibility with the portfolio. In addition to macroeconomic indicators, the Bank takes into account the future expectations of its portfolio and the possible effects of COVID-19 in its models by using its best estimations in the presence of model variables and taking expert opinion.

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED  
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN  
TURKISH**

**TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.  
NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS  
AS OF 30 JUNE 2022**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”))

---

**EXPLANATIONS ON ACCOUNTING POLICIES (Continued)**

**VIII. EXPLANATIONS ON IMPAIRMENT OF FINANCIAL ASSETS (Continued)**

**The Methodology of Behavioral Maturity Calculation**

The loans in Stage 1, expected loss provision is calculated until their maturity for the ones which have less than one year to due date and for 1 year which have more than one year to due date. The loans in Stage 2, expected loss provision is calculated for lifetime (until maturity date) of the loan. In this calculation, the remaining maturity information of the loan is taken as basis for each loan. While this information is used for products with real maturity information, behavioral maturity is calculated by analyzing historical data for products with no maturity information. Expected loss provisions are calculated based on these maturities depending on the type of loan

**Write-off Policy**

The amendment with respect to the regulation "Regulation on the Amendment of the Regulation on the Classification of Loans and the Procedures and Principles Regarding the Classification of Loans and Provisions for These" entered into force with its publication in the Official Gazette No,31533 on 6 July 2021. Pursuant to the regulation, the banks are enabled to write down and move off the balance sheet the portion of a loan which is classified as “Group V Loan” (Loans Classified as Loss) within the period deemed appropriate by the bank specific to the situation of the debtor, if it cannot reasonably be expected to be recovered. Since the reporting period, it can be written-off from the records under TFRS 9. The write-off is an accounting policy and does not result in the waiver of the right to receivable.

**IX. EXPLANATIONS ON OFFSETTING FINANCIAL INSTRUMENTS**

Financial assets and liabilities are offset, and the net amount is reported in the balance sheet when the Bank has legally enforceable rights to offset the recognized amounts and there is an intention to collect/pay the related financial assets and liabilities on a net basis, or to realize the asset and settle the liability simultaneously.

**X. EXPLANATIONS ON SALES AND REPURCHASE AGREEMENTS AND SECURITIES LENDING TRANSACTIONS**

Securities sold under agreements for repurchase agreements (“Repos”) are classified as “Fair Value Through Profit or Loss”, “Fair Value Through Other Comprehensive Income” and “Financial Asset Measured at Amortized Cost” in the portfolio of the bank, according to the purposes of the Bank, and they are subject to valuation according to the portfolio which are belong. Funds obtained in return for repo agreements are accounted in "Money Markets Receivables" account and interest expense accruals for the period are calculated with the effective interest rate method.

Securities purchased with Resale commitment (“Reverse Repo”) are accounted in “Money Markets Receivables” on the balance sheet and interest income accruals for the period are calculated with the effective interest rate method.

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED  
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN  
TURKISH**

**TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.  
NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS  
AS OF 30 JUNE 2022**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”))

---

**EXPLANATIONS ON ACCOUNTING POLICIES (Continued)**

**XI. INFORMATION ON NON-CURRENT ASSETS OR DISPOSAL GROUPS “HELD FOR SALE” AND RELATED TO DISCONTINUED OPERATIONS AND EXPLANATIONS ON LIABILITIES RELATED WITH THESE ASSETS**

The assets acquired by the Bank due to its receivables are accounted for in accordance with “TFRS 5 Turkish Financial Reporting Standard for Non-current Assets Held for Sale and Discontinued Operations” in financial statement of the Bank.

The assets that meet the criteria of being classified under assets held for sale are measured at the lower of their book values or fair value less costs to be incurred for sale, and depreciation for these assets is ceased and these assets are presented separately in the balance sheet. In order for an asset to be classified as an asset held for sale, the related asset (or the asset group to be disposed) shall be ready to be sold immediately under usual conditions and should have a high possibility to be sold. In order to have a high probability of sales, a plan for the sale of the asset (or group of assets to be disposed of) must have been prepared by an appropriate management team and an active program has been initiated to identify buyers and complete the plan. Various events or circumstances may extend the completion time of the sale transaction beyond one year. Assets are continued to be classified as held for sale if there is sufficient evidence that the delay is due to events or conditions beyond the Bank's control and that the Bank's plan to sell the related asset (or disposal group) is in progress.

The properties acquired by the Bank due to receivables are shown in the line of held for sale purpose in the financial statements depending on the termination of the term sales contract.

A discontinued operation is a division of a business that is classified as disposed or held for sale. The results related to discontinuing operations are presented separately in the profit or loss statement. The Bank does not have any discontinued operations.

**XII. EXPLANATIONS ON GOODWILL AND OTHER INTANGIBLE ASSETS**

As of the balance sheet date, there is no goodwill in the financial statements of the Bank

Other intangible assets are based on their initial acquisition amounts and other direct costs required to make the asset available. Other intangible assets were revalued over their remaining amounts after deducting the accumulated depreciation and, if any, the accumulated depreciation from the cost value in the period following their recording.

Other intangible assets are amortized using the straight-line method based on their useful lives. Useful lives of other intangible assets are determined with assessments such as the expected life of the asset, technical, technological, or other types of aging and the maintenance costs required to obtain the economic benefit expected from the asset. There is no change in the depreciation method applied in the current period. Expenditures for other intangible assets are amortized with equal amounts within the lease period, and if the lease period is not certain or is more than five years, the redemption period is accepted as five years (depreciation rate 20%).

The Bank recognizes its software costs incurred under the intangible assets-intangible rights account and the expenses that qualify as development are added to software's initial costs and amortized over 3 years considering the useful lives. The Bank has determined estimated useful lives of the intangible assets between 3 and 15 years and it applies depreciation rates between 33,3% to 6,7%.

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED  
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN  
TURKISH**

**TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.  
NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS  
AS OF 30 JUNE 2022**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”))

**EXPLANATIONS ON ACCOUNTING POLICIES (Continued)**

**XIII. EXPLANATIONS ON PROPERTY AND EQUIPMENT**

Property and equipment are measured at its cost when initially recognized and any directly attributable costs of setting the asset in working order for its intended use are included in the initial measurement.

As of 31 January 2014, the Bank has changed its accounting policies and has decided to pursue the real estates registered in its portfolio at fair values. Valuation differences arising as a result of the valuation made by independent expertise firms for real estates are accounted under the tangible fixed asset revaluation differences account under equity.

Property and equipment (except for immovables) are presented in the financial statements over their remaining cost after deducting accumulated depreciation from cost amounts, if any, and after deducting accumulated depreciation from their fair values. Property and equipment are depreciated over their estimated useful lives using the straight-line method. The amortization method applied in the current period has not been changed.

Estimated useful lives and amortization rates of property and equipment are below:

	<b>Estimated Useful Lives (Year)</b>	<b>Amortization Rate</b>
Buildings	50	2%
Safe-deposit boxes	50	2%
Other movable properties	3-25	4-33.33%
Assets held under leases	4-5	20-25%

Gains or losses emerging from the disposal of property and equipment are reflected in the profit or loss account as the difference between the net disposal revenue of tangible asset and its net book value.

Ordinary maintenance and repair expenses incurred for tangible assets items are recognized as expenses. Investment expenditures that increase the future benefit by enhancing the capacity of property and equipment are capitalized. The investment expenditures include the cost components which are used either to increase the useful life or the capacity of the asset or the quality of the product or to decrease the costs.

There are no mortgages, pledges or similar precautionary measures on tangible assets or commitments given for the purchase or any restrictions designated for the use of those tangible fixed assets.

**XIV. EXPLANATIONS ON LEASING TRANSACTIONS**

**Leases in TFRS 16**

The Bank measures the operational lease liabilities based on the present value of the lease payments that have not been paid at the date of lease is actually started, in accordance with TFRS 16. Lease payments are discounted by using the Bank’s incremental borrowing rate. 2-year government bond indicator interest rates are used for Turkish Lira rentals, and Eurobond indicator interest rates are used for foreign currency leasing transactions for ongoing contracts.

After the lease actually started, the Bank; Increases the carrying amount to reflect the interest in the lease obligation, reduce the carrying value to reflect the lease payments made, and re-measure the carrying value to reflect reassessments and changes to the lease, or to reflect fixed lease payments in revised core.

The interest on the lease liability for each period of the lease term, is the amount calculated by charging a fixed periodic interest rate on remaining balance of lease liability.

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED  
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN  
TURKISH**

**TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.  
NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS  
AS OF 30 JUNE 2022**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”))

---

**EXPLANATIONS ON ACCOUNTING POLICIES (Continued)**

**XIV. EXPLANATIONS ON LEASING TRANSACTIONS (Continued)**

**Leases in TFRS 16 (Continued)**

After the date of lease actually started, the Bank remeasures the lease liability to reflect the changes in lease payments. The Bank reflects the remeasurement amount of the lease liability, in financial statements as adjustments in right to use assets.

The Bank uses a revised discount rate that reflects changes in the interest rate if there is a change in the initial lease period or the use of the purchase option.

The Bank remeasures the lease liability by discounting the revised lease payments using a revised discount rate for a lease modification that is not accounted for as a separate lease, at the effective date of the lease modification. The revised discount rate is determined as the alternative borrowing interest rate at the effective date of the modification. The Bank decreases carrying amount of the right-of-use asset to reflect the partial or full termination of the lease for lease modifications that decrease the scope of the lease. Any gain or loss relating to the partial or full termination of the lease is recognized in profit or loss. A corresponding adjustment to the right-of-use asset is made for all other lease modifications.

The Bank does not apply the standard provisions for leases shorter than 1 year in line with the exception provisions of the relevant standard. The Bank reflects the lease payments associated with these leases linearly throughout the lease period and reflects them in the financial statements.

Tangible assets that are acquired under leasing are amortized with respect to the rates used for directly acquired assets that have similar nature. Assets held under leases are recognized under the tangible fixed assets account and are depreciated on annual and monthly basis with respect to their useful lives. Principal and installment paid for tangible fixed assets that are acquired under leasing are charged to liability account “Lease Liabilities”, whereas interests are recognized in “Deferred Leasing Expenses” account. At installment payments, principal and interest amount of installment amount is debited to “Lease Liabilities” account, whereas interest is credited in “Deferred Leasing Expenses” account and recorded to the “Other Interest Expenses”.

The Bank does not perform financial operations as “Lessor”.

**XV. EXPLANATIONS ON PROVISIONS, CONTINGENT ASSET AND LIABILITIES**

Provisions other than provisions for impairment set for loans and other receivables and provisory liabilities are accounted in accordance with TAS 37 “Turkish Accounting Standard on Provisions, Contingent Liabilities and Contingent Assets Corresponding”.

The Bank provides provision in case of an existing liability (legal or implicit) as a result of an incident that took place in the past, there is possibility of disposal of assets that bring economic benefit, and the liability is measurable. When a reliable estimate of the amount of obligation from the Bank cannot be made, it is considered that a “contingent” liability exists, and it is disclosed in the related notes to the financial statements

For transactions that can affect financial structure, provisions are provided by using the existing data if they are accurate, otherwise by using the estimates.

As of the balance sheet date, there are no probable contingent liabilities resulting from past events whose amount can be reliably measured.

Contingent assets usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits to the entity. Contingent assets are not recognized in financial statements since this may result in the recognition of income that may never be realized. Contingent assets are disclosed where an inflow of economic benefits is probable. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits will arise, the asset and the related income are recognized in the financial statements in which the change occurs.

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED  
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN  
TURKISH**

**TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.  
NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS  
AS OF 30 JUNE 2022**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”))

**EXPLANATIONS ON ACCOUNTING POLICIES (Continued)**

**XVI. EXPLANATIONS ON OBLIGATIONS RELATED TO EMPLOYEE RIGHTS**

**Severance Pay and Leave Rights**

The Bank recognizes its liabilities of employment terminations and vacation benefits in accordance with TAS 19 “Turkish Accounting Standard about Benefits for Employee” and estimates the net present value of future liabilities arising from employment terminations and vacation benefits and reflects this provision amount in the financial statements.

Under the Turkish legislation as supplemented by union agreements, Employment Termination Benefit payments are made in case of retirement or employment termination or resignation depending on the arise of the legal conditions. According to the related legislation, depending on the status and position of the employee in the Bank and social security institution, retirement bonus pension/severance payments are calculated for the time that the personnel has worked. Employment termination is calculated based on actuarial assumptions. These assumptions based on the calculation are below:

The Bank uses independent actuaries in determining liability, and also makes assumptions about issues such as discount rate and inflation. As of 30 June 2022, retirement benefit obligation is TL 1.660.743 (31 December 2021: TL 1.355.145).

	<b>Current Period</b>	<b>Prior Period</b>
Discount Rate	19,20%	19,20%
Inflation	14,30%	14,30%

The Bank recognize its actuarial profit and loss under shareholders’ equity in accordance with the revised TAS 19 Turkish Accounting Standard for Employee Benefits, which entered into force as of January 1, 2013. The Bank has reclassified actuarial gain of TL 190.745 after deferred tax effect under shareholders’ equity in the financials (31 December 2021: TL 203.462 gain).

Unused vacation liability is calculated based on number of unused vacation days which is calculated by subtracting used vacation days of all personnel from legally deserved vacation days.

The Bank is not employing its personnel by means of limited-period contracts.

**Liability of T.C. Ziraat Bankası and T. Halk Bankası Members Pension and Relief Fund (TZHEMSAN)**

Some of the Bank’s personnel are the members of T.C. Ziraat Bankası and T. Halk Bankası A.Ş. Employees' Pension Fund (“Fund”) which was established by 20th provisional article of Social Security Law Act numbered 506. In accordance with 23rd provisional clause of the Banking Law numbered 5411, the pension fund established within Social Security Law is expected to be transferred to the Social Security Institution by three years following the declaration of the Banking Law numbered 5411. Procedures and principles of the transfer are determined by the decision of Council of Ministers numbered 2006/11345 dated 30 November 2006. However, the 1st paragraph of the 1st article of the 23rd provisional clause of Banking Law numbered 5411 allowing pension funds to be transferred to Social Security Institution (“SSI”) is annulled following the resolution of Constitutional Court declared in the Official Gazette dated 31 March 2007 numbered 26479 E,2005/139, K,2007/13 and K,2007/33.

With the publication of the reasoning of the decision, the Grand National Assembly of Türkiye (“GNAT”) started to work on new legal arrangements regarding the transfer of the fund members to SSI and the related articles of the “Law Regarding the Changes in Social Insurance and General Health Insurance Law and Other Related Laws and Regulations” No 5754 (“the New Law”) regulating the transfer of the funds were approved by the GNAT on 17 April 2008. The New Law was published in the Official Gazette dated 8 May 2008, numbered 26870 and came into force.

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED  
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN  
TURKISH**

**TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.  
NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS  
AS OF 30 JUNE 2022**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”))

---

**EXPLANATIONS ON ACCOUNTING POLICIES (Continued)**

**XVI. EXPLANATIONS ON OBLIGATIONS RELATED TO EMPLOYEE RIGHTS (Continued)**

**Liability of T.C. Ziraat Bankası and T. Halk Bankası Members Pension and Relief Fund (TZHEMSAN) (Continued)**

According to the new law bank pension funds participants and salaried members or the rightful owners would be transferred to Social Security Institution and would be subject to its legislation within three years beginning from the date of publication without any required transaction. Three years transfer period would be extended by two years at most with the decision of Council of Ministers. In accordance with the related legislation, as of the transfer date, the cash value of the liabilities will be calculated by considering the income and expenses of the transferred funds by the insurance branches and by using the actuarial interest rate of 9,80%. Moreover, the unfulfilled other social rights and payments existed in the settlement deeds of the subjected pension funds of the transferred participants, members or the rightful owners will be continued to be fulfilled by the employer entities of the funds and its participants.

In accordance with 58th article and 7th provisional article of the Banking Law, restricting banks from transferring any funds to the pension funds in order to compensate the actuarial deficits effective from 1 January 2008, has been delayed up to 5 years.

Based on the Council of Ministers’ decree numbered 2011/1559 and issued in the Official Gazette numbered 27900, dated 9 April 2011, and 20th provisional article of law numbered 506, the deadline for transferring banks, insurance and reinsurance companies, chambers of commerce, chambers of industry, exchange markets and the participants of the funds that were founded for the personnel constituting these entities and the ones having salary or income and the right holders of them to Social Security Institution has been extended for two years.

Besides, the phrase of “two years” in Clause (2), Article 1 of the temporary 20th provision of the law numbered 5510 is revised as “four years” with the law numbered 6283 amending on the Social Insurance and General Health Insurance Law, published in the Official Gazette numbered 28227, dated 8 March 2012.

Based on the Council of Ministers’ decree numbered 2014/6042 and issued in the Official Gazette numbered 28987 dated 30 April 2014, the participants of the funds that were founded for the personnel constituting these entities and the ones having salary or income and the right holders of them to Social Security Institution has been extended for one year.

Lastly, 51st article of Law No,6645 dated 23 April 2015, published on Official Gazette and the first paragraph of the transient 20th article of Law No,5510 related to the transfer of Bank and Insurance Funds to Social Security Institution; “Council of Ministers is the authority to determine the date of transfer of banks, insurance and reinsurance companies, boards of trade, chambers of industry and stock markets or the participants of funds established for their constitute union personnel and the ones that were endowed salary or income and their beneficiaries within the scope of transient 20th article of Law No,506. As from the transfer date, the participants are considered as insured within the scope of clause (a), first paragraph and 4th article of this Law. Based on the decision of the Council of Ministers dated 24 February 2014; May 2015 was determined as the transfer period. As a result of the last amendment made in the first paragraph of the provisional article 20 of the Law No. 5510 and the Occupational Health and Safety Law No. 6645 published in the Official Gazette dated 23 April 2015 and numbered 29335; The Council of Ministers has been authorized to determine the transfer date and the President has been authorized to determine the transfer date in the repeated Official Gazette numbered 30473 on 9 July 2018.

The technical balance sheet report as of 31 December 2021 which is prepared in accordance with the new law and the rate determined as 9,80%, concluded no technical deficit arises in the above-mentioned fund. Since the Bank has no legal right to hold the present value of any economic benefits available in the form of refunds from Pension Fund or reductions in future contributions to Pension Fund, no asset is recognized in the Bank’s financial statements.

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED  
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN  
TURKISH**

**TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.  
NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS  
AS OF 30 JUNE 2022**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

---

**EXPLANATIONS ON ACCOUNTING POLICIES (Continued)**

**XVII. EXPLANATIONS ON TAXATION**

**Current Tax**

The corporate tax rate has been determined as 20%, effective as of 1 January 2006, with the Corporate Tax Law No. 5520, which was published in the Official Gazette dated 21 June 2006 numbered 26205.

However;

-With the temporary Article 10 added to the Corporate Tax Law on 5 December 2017, the 20% Corporate Tax in the first paragraph of Article 32 of this law has been applied as 22% for the corporate earnings of the companies for the 2018, 2019, 2020 taxation periods.

-In accordance with the regulation introduced with the Law No. 7316 on the "Law on the Collection of Public Claims and Amendments to Certain Laws", published in the Official Gazette dated April 22, 2021, while it is 25% to be applied to the corporate earnings for the 2021 taxation period and 23% to be applied to the corporate earnings of the 2022 taxation period,

-With the Law No. 7394 on Evaluation of Immovable Property Owned by the Treasury and Amending the Value Added Tax Law, which was published in the Official Gazette dated April 15, 2022 and numbered 31810, corporate tax rate has been determined as 25% for banks, companies within the scope of Law No. 6361, electronic payment and money institutions, authorized foreign exchange institutions, asset management companies, capital market institutions, insurance and reinsurance companies and pension companies. This provision entered into force on April 15, 2022 to be applied to corporate earnings for the 2022 taxation period. This amendment will be valid in the taxation of corporate earnings for the periods starting from 1 January 2022, starting with the declarations that must be submitted as of 1 July 2022. According to this; As of 30 June 2022, the corporate tax rate has been applied as 25% in the financial statements.

The corporate tax rate is applied to the tax base to be found as a result of the addition of the non-deductible expenses in accordance with the tax laws to the commercial income of the corporations, and deducting the exceptions (such as the participation earnings exemption) and deductions in the tax laws. No further tax is paid if the profit is not distributed.

Dividends paid to non-resident corporations, which have a place of business or permanent attorney in Türkiye or to resident corporations are not subject to withholding tax. While dividend payments made to individuals and institutions other than these are subject to 15% withholding tax, this rate has been changed to 10% with the Presidential Decision published in the Official Gazette dated 22 December 2021 and No. 31697. An increase in capital via issuing bonus shares is not considered as profit distribution and no withholding tax incurs in such a case.

Corporations calculate advance tax quarterly on their financial profits at the corporate tax rate valid for that year and declare and pay until the 17th day of the second month following that period. Advance tax paid by corporations for the current period is offset against the annual corporation tax calculated on the annual corporate income in the following year. Despite the offset, if there is temporary prepaid tax remaining, this balance can be used to offset any other financial liabilities to the government.

According to 5.1.e. article of Corporation Tax Law which is important tax exemption that is applied by banks, corporations' 50% of revenues that occur from selling of their real estates, are in assets, that belong to the corporations at least two years (730 days), 75% of revenues that occur from selling their founding bonds that are belong to the corporations as long as time of participation stocks, redeemed shares and option to call are exempted from corporation tax (It was changed with 89th article of code 7061 that entries into force in 5 December 2017).

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED  
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN  
TURKISH**

**TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.  
NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS  
AS OF 30 JUNE 2022**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”))

---

**EXPLANATIONS ON ACCOUNTING POLICIES (Continued)**

**XVII. EXPLANATIONS ON TAXATION (Continued)**

**Current Tax (Continued)**

This exemption applies to the period the sale is made and the part of return on sales that benefits from the exemption is held in a special fund in the liabilities account until the end of the fifth year started from the following year sale is made. However, the sales payment must be collected until the end of the second calendar year following the year in which the sale is made. Taxes which are not realized in time due to the exemption that hits uncollected sales payment are considered tax loss.

Taxes which do not accrue on time because the applying exemption for the transfer of the exempted part of revenue to the other accounts with other ways out of capitalizing in five years or withdrawn from company or transferring from limited taxpayer corporations to the headquarters, are considered as tax loss. This is also be applicable in the condition of liquidation of business (Except transfers and divisions that make according to this code).

Moreover, according to 5.1.f. article of Corporation Tax Law; corporations which have been fallen to legal proceedings because of owe to the bank or Savings Deposit Insurance Funds, and their warranters’ real estates, participation stocks, founding bonds, redeemed shares, options to call of mortgagors’ revenues that used for against debts or transferring to SDIF, 50% of the profits arising from the sale of the said assets obtained by the banks in this way, and 75% of the profits arising from the sale of others are exempted from corporation tax.

Under the Turkish Corporate Tax Law, losses can be carried forward to offset against future taxable income for up to five years. Losses cannot be carried back to offset profits from previous periods.

Tax returns are required to be filled and delivered to the related tax office until the end of the fourth month following the balance sheet date and the accrued tax is paid until the end of the same month. Tax returns are open for the end of the fifth year following the balance sheet date and during this period the tax authorities have the right to audit tax returns, and the related accounting records on which they are based and will issue re-assessments based on their findings. On the other hand, as of the end of the 2021 calendar year, the conditions sought for inflation adjustment in the calculation of corporate tax have been fulfilled, within the framework of the repeated provision of Article 298/A of the Tax Procedure Law. However, with the Law No. 7352 on the Amendment of the Tax Procedure Law and the Corporate Tax Law, published in the Official Gazette dated 29 January 2022 and numbered 31734, the temporary article 33 was added to the Tax Procedure Law No. 213, including the provisional tax periods. Financial statements will not be subject to inflation adjustment for the 2021 and 2022 accounting periods (for those designated as a special accounting period, as of the accounting periods ending in 2022 and 2023) and the provisional tax periods for the 2023 accounting period, regardless of whether the conditions for the repetitive inflation adjustment within the scope of Article 298 are met. It has been enacted that the 2023 financial statements will be subject to inflation adjustment regardless of whether the conditions for the inflation adjustment are met, and the profit/loss differences arising from the inflation adjustment to be made will be shown in the previous years’ profit/loss account.

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED  
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN  
TURKISH**

**TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.  
NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS  
AS OF 30 JUNE 2022**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”))

---

**EXPLANATIONS ON ACCOUNTING POLICIES (Continued)**

**XVII. EXPLANATIONS ON TAXATION (Continued)**

**Deferred Tax**

The Bank calculates deferred tax for the temporary differences between the applied accounting policies and valuation principles and the tax base value determined in accordance with the tax legislation, in accordance with TAS 12 “Turkish Accounting Standard on Income Taxes”, taking into account the additional regulation introduced with the Law No. 7316 dated April 22, 2021. and accounting.

In accordance with the Law No. 7316 published in the Official Gazette dated April 22, 2021, the corporate tax rate has been increased to 25% for the taxation period of 2021, starting from the declarations that must be submitted as of July 1, 2021 and being valid for the taxation period starting from January 1, 2021. It was announced that this rate would be applied as 23% for the taxation period of 2022 and 20% for the taxation periods of 2023 and beyond.

However, with the Law No. 7394 on the Evaluation of Immovable Property Owned by the Treasury and Amending the Value Added Tax Law, which was published in the Official Gazette dated April 15, 2022 and numbered 31810, and the Law on Amendments to Some Laws and Decree-Laws, Article 26 With the paragraph added to the temporary article 13 of the Corporate Tax Law No. 5520, it is stated that the Corporate Tax rate will be rearranged for the corporate earnings of the 2022 taxation period and the tax rate will be applied as 25% for the banks.

Deferred tax liability or assets are determined by calculating the tax effects of the temporary differences between the amounts of assets and liabilities shown in the financial statements and the amounts taken into account in the calculation of the legal tax base, according to the balance sheet method, taking into account the enacted tax rates. In the calculation of deferred tax, the Bank estimates the time when temporary differences will be taxable/deductible and uses enacted tax rates as of the balance sheet date in accordance with the current tax legislation. As the deferred tax assets or liabilities within the scope of TAS 12 are calculated based on the tax rates (and tax laws) that are in effect or nearly effective as of the end of the reporting period (balance sheet date), using the tax rates expected to be applied in the periods when the assets are converted into income or the liabilities are paid. As of 30 June 2022, the Bank has deferred tax calculations were made based on rate 25% on assets and liabilities. While deferred tax liabilities are calculated for all taxable temporary differences, deferred tax assets consisting of deductible temporary differences are calculated provided that it is highly probable to benefit from these differences by generating taxable profit in the future. Except for goodwill or business combinations, deferred tax liability or asset is not calculated for temporary timing differences arising from the initial recognition of assets or liabilities and which do not affect both commercial and financial profit or loss.

The carrying amount of a deferred tax asset is reviewed at each balance sheet date. Carrying amount of a deferred tax asset can be reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to be applied in the period in which the liability is settled, or the asset realized and reflected in the statement of income as expense or income. Moreover, if the deferred tax is related with items directly recorded under the equity in the same or different period, deferred tax is associated directly with equity.

Deferred tax asset and deferred tax liability are presented as net in these unconsolidated financial statements.

According to December 8, 2004 BRSA.DZM.2/13/1-a-3 notice, there is no deferred tax assets on general provision and free provision. In addition to this, deferred tax asset calculation has started to be measured over temporary expected provision losses differences according to TFRS 9 articles, beginning from January 1, 2018. Deferred rate calculation for free provisions is not calculated.

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED  
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN  
TURKISH**

**TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.  
NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS  
AS OF 30 JUNE 2022**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”))

**EXPLANATIONS ON ACCOUNTING POLICIES (Continued)**

**XVIII. EXPLANATIONS ON BORROWINGS**

The Bank recognizes its debt instruments in accordance with TFRS 9 “Financial Instruments” and all financial liabilities are carried at amortized cost by using effective interest rate method. The Bank has no borrowings that require hedging techniques for accounting and revaluation of debt instruments and liabilities representing the borrowings.

If required, the Bank borrows from domestic and foreign real people and entities with debt instruments such as bill/bond issuance. These transactions are recognized at fair value including acquisition costs at the transaction date while accounted with effective interest rate method over their discounted costs in the following periods. The Bank has issued no convertible bonds to shares and has no instruments representing its own borrowings.

**XIX. EXPLANATIONS ON ISSUANCE OF SHARE CERTIFICATES**

There are no issued shares by The Bank.

**XX. EXPLANATIONS ON AVALIZED DRAFTS AND ACCEPTANCES**

Commitments regarding bill guarantees and acceptances of the Bank are presented in the “Off-Balance Sheet” commitments.

**XXI. EXPLANATIONS ON GOVERNMENT GRANTS**

There are no government incentives utilized by the Bank as of the balance sheet date.

**XXII. CASH AND CASH EQUIVALENTS**

Cash and cash equivalents are cash on hand, demand deposits and other highly liquid short-term investments with maturities of 3 months or less following the date of acquisition, which is readily convertible to a known amount of cash and does not bear the risk of significant amount of value change. The book values of these assets represent their fair values. FC cash equivalents and balances regarding banks are valued by the period end counter foreign currency buying rate of the Bank.

For the purposes of the cash flow statement, “Cash” includes cash, effectives, cash in transit, purchased cheques and demand deposits including balances with the Central Bank; and “Cash equivalents” include interbank money market placements and time deposits at banks with original maturity periods of less than three months.

**XXIII. EXPLANATIONS ON SEGMENT REPORTING**

Information about operating segments which are determined in line with TFRS 8 “Turkish Accounting Standard Operating Segments” together with organizational and internal reporting structure of the Bank, are disclosed in Note IX of Section Four.

**XXIV. EXPLANATIONS ON OTHER MATTERS**

***Profit Distribution***

According to the Bank's Ordinary General Assembly Meeting dated on 25 March 2022;

In accordance with paragraph 1 of Article 33 of the Bank's Articles of Association regarding the determination, allocation and distribution of net profit for the period; has been set aside 5% (TL 314.565) of the remaining legal reserve from the net profit of TL 6.291.309.

Real estate sales revenue exception calculated in accordance with the TPL within the scope of the 5/1-e clause of the Corporate Tax Law no. 5520 after deducting 50% of its base, TL 4.685, which is the portion associated with the profit for the period, is taken into a special fund account under the shareholders' equity to be followed up until the end of the 5th year following the year of the sale, the remaining TL 5.972.059 is transferred to extraordinary reserves,

TL 20.963, which is 50% of the real estate sales income exemption base calculated according to the TPL within the scope of the 5/1-e clause of the Corporate Tax Law no. 5520, out of TL 63.699, which arises from real estate valuation differences and is monitored in the profit of previous years as required by TAS-16 to be monitored until the end of the fifth year following the year in which the sale was made, to a special fund account under equity, 5% (TL 2.137) of the remaining TL 42.736 to be allocated as legal reserves, and the remaining TL 40.599 to be decided to transfer to extraordinary reserves.

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED  
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN  
TURKISH**

**TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.  
NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS  
AS OF 30 JUNE 2022**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”))

**SECTION FOUR**

**EXPLANATIONS RELATED TO THE FINANCIAL POSITION AND RISK MANAGEMENT**

**I. EXPLANATIONS ON THE COMPONENTS OF SHAREHOLDERS' EQUITY**

Shareholders' equity and capital adequacy ratio were calculated within the framework of “Regulation on Banks' Equity” and “Regulation on Measurement and Evaluation of Capital Adequacy of Banks” and in addition to these, the following regulations of the BRSA.

- In accordance with the Decision of the Banking Regulation and Supervision Agency dated 28 April 2022 and numbered 10188, the Central Bank's foreign exchange buying rate of 31 December 2021 was used while calculating the valued amounts in foreign currency in calculating the amount subject to credit risk.
- Within the framework of the regulation dated December 21, 2021 No. 9996, if the net valuation differences of the securities held by banks in the portfolio of “Financial Assets at Fair Value through Other Comprehensive Income” are negative, these differences may not be taken into consideration in the calculation of equity amount. The said exception was not used in the calculation of equity on 30 June 2022.

As of 30 June 2022, Bank's total regulatory capital has been calculated as TL 188.740.546 (31 December 2021: TL 131.051.873), capital adequacy ratio is 15,64% (31 December 2021: 16,52%). This ratio is well above the minimum ratio required by the legislation.

**1. Information Related to The Components of Shareholders' Equity**

	Current Period 30 June 2022	Amount as per the regulation before 01/01/2014
<b>COMMON EQUITY TIER 1 CAPITAL</b>		
Paid-in capital following all debts in terms of claim in liquidation of the Bank	34.900.000	-
Share issue premiums	-	-
Reserves	73.956.519	-
Gains recognized in equity as per TAS	57.039.543	-
Profit	16.220.408	-
Current Period Profit	16.178.758	-
Prior Period Profit	41.650	-
Shares acquired free of charge from subsidiaries, affiliates and entities under common control and cannot be recognized within profit for the period	197.269	-
<b>Common Equity Tier 1 Capital Before Deductions</b>	<b>182.313.739</b>	-
<b>Deductions from Common Equity Tier 1 Capital</b>		
Common Equity as per the 1st clause of Provisional Article 9 of the Regulation on the Equity of Banks	-	-
Portion of the current and prior periods' losses which cannot be covered through reserves and losses reflected in equity in accordance with TAS	29.266.545	-
Improvement costs for operating leasing	10.410	-
Goodwill (net of related tax liability)	-	-
Other intangibles other than mortgage-servicing rights (net of related tax liability)	1.646.181	1.646.181
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	-	-
Differences are not recognized at the fair value of assets and liabilities subject to hedge of cash flow risk	-	-
Communique Related to Principles of the amount credit risk calculated with the Internal Ratings Based Approach, total expected loss amount exceeds the total provision	-	-
Gains arising from securitization transactions	-	-
Unrealized gains and losses due to changes in own credit risk on fair valued liabilities	-	-
Defined-benefit pension fund net assets	-	-
Direct and indirect investments of the Bank in its own Common Equity	-	-
Shares obtained contrary to the 4th clause of the 56th Article of the Law	-	-
Portion of the total of net long positions of investments made in equity items of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or less of the issued common share capital exceeding 10% of Common Equity of the Bank	-	-
Portion of the total of net long positions of investments made in equity items of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or more of the issued common share capital exceeding 10% of Common Equity of the Bank	-	-
Portion of mortgage servicing rights exceeding 10% of the Common Equity	-	-
Portion of deferred tax assets based on temporary differences exceeding 10% of the Common Equity	-	-

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED  
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN  
TURKISH**

**TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.  
NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS  
AS OF 30 JUNE 2022**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”))

**EXPLANATIONS RELATED TO THE FINANCIAL POSITION AND RISK MANAGEMENT  
(Continued)**

**I. EXPLANATIONS ON THE COMPONENTS OF SHAREHOLDERS EQUITY (Continued)**

**1. Information Related to The Components of Shareholders Equity (Continued)**

	Current Period 30 June 2022	Amount as per the regulation before 01/01/2014*
Amount exceeding 15% of the common equity as per the 2nd clause of the Provisional Article 2 of the Regulation on the Equity of Banks	-	-
Excess amount arising from the net long positions of investments in common equity items of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or more of the issued common share capital	-	-
Excess amount arising from mortgage servicing rights	-	-
Excess amount arising from deferred tax assets based on temporary differences	-	-
Other items to be Defined by the BRSA (-)	-	-
Deductions to be made from common equity due to insufficient Additional Tier I Capital or Tier II Capital	-	-
<b>Total Deductions from Common Equity Tier I Capital</b>	<b>30.923.136</b>	-
<b>Total Common Equity Tier I Capital</b>	<b>151.390.603</b>	-
<b>ADDITIONAL TIER I CAPITAL</b>		
Preferred Stock not Included in Common Equity Tier I Capital and the Related Share Premiums	-	-
Debt instruments and premiums approved by BRSA	24.163.580	-
Debt instruments and premiums approved by BRSA(Temporary Article 4)	-	-
<b>Additional Tier I Capital before Deductions</b>	<b>24.163.580</b>	-
<b>Deductions from Additional Tier I Capital</b>	-	-
Direct and Indirect Investments of the Bank on its own Additional Tier I Capital (-)	-	-
Investments of Bank to Banks that invest in Bank's additional equity and components of equity issued by financial institutions with compatible with Article 7.	-	-
Total of Net Long Positions of the Investments in Equity Items of Unconsolidated Banks and Financial Institutions where the Bank Owns 10% or less of the Issued Share Capital Exceeding the 10% Threshold of above Tier I Capital	-	-
The Total of Net Long Position of the Direct or Indirect Investments in Additional Tier I Capital of Unconsolidated Banks and Financial Institutions where the Bank Owns more than 10% of the Issued Share Capital	-	-
Other Items to be defined by the BRSA (-)	-	-
<b>Transition from the Core Capital to Continue to deduct Components</b>		
Goodwill and other intangible assets and related deferred tax liabilities which will not deducted from Common Equity Tier 1 capital for the purposes of the first sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds (-)	-	-
Net deferred tax asset/liability which is not deducted from Common Equity Tier 1 capital for the purposes of the sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds (-)	-	-
Deductions to be made from common equity in the case that adequate Additional Tier I Capital or Tier II Capital is not available (-)	-	-
<b>Total Deductions from Additional Tier I Capital</b>	-	-
<b>Total Additional Tier I Capital</b>	<b>24.163.580</b>	-
<b>Total Tier I Capital (Tier I Capital= Common Equity Tier I Capital + Additional Tier I Capital)</b>	<b>175.554.183</b>	-
<b>TIER II CAPITAL</b>		
Debt instruments and share issue premiums deemed suitable by the BRSA	-	-
Debt instruments and share issue premiums deemed suitable by BRSA (Temporary Article 4)	-	-
Provisions (Article 8 of the Regulation on the Equity of Banks)	13.211.495	-
<b>Tier II Capital Before Deductions</b>	<b>13.211.495</b>	-
<b>Deductions from Tier II Capital</b>	-	-
Direct and Indirect Investments of the Bank on its own Tier II Capital (-)	-	-
Investments of Bank to Banks that invest on Bank's Tier 2 and components of equity issued by financial institutions with the conditions declared in Article 8.	-	-
Portion of the total of net long positions of investments made in equity items of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or less of the issued common share capital exceeding 10% of Common Equity of the Bank(-)	-	-
Portion of the total of net long positions of investments made in Additional Tier I Capital item of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or more of the issued common share capital exceeding 10% of Common Equity of the Bank	-	-
Other items to be defined by the BRSA (-)	-	-
<b>Total Deductions from Tier II Capital</b>	-	-
<b>Total Tier II Capital</b>	<b>13.211.495</b>	-
<b>Total Capital (The sum of Tier I Capital and Tier II Capital)</b>	<b>188.765.678</b>	-

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED  
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN  
TURKISH**

**TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.  
NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS  
AS OF 30 JUNE 2022**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”))

**EXPLANATIONS RELATED TO THE FINANCIAL POSITION AND RISK MANAGEMENT  
(Continued)**

**I. EXPLANATIONS ON THE COMPONENTS OF SHAREHOLDERS EQUITY (Continued)**

**1. Information Related to The Components of Shareholders Equity (Continued)**

	Current Period 30 June 2022	Amount as per the regulation before 01/01/2014*
<b>Total Capital (The sum of Tier I Capital and Tier II Capital)</b>	<b>188.765.678</b>	-
Deductions from Capital Loans granted contrary to the 50th and 51st Article of the Law	-	-
Net Book Values of Movables and Immovables Exceeding the Limit Defined in the Article 57, Clause 1 of the Banking Law and the Assets Acquired against Overdue Receivables and Held for Sale but Retained more than Five Years	-	-
Other items to be defined by the BRSA	25.132	-
<b>In transition from Total Core Capital and Supplementary Capital (the capital) to Continue to Download Components</b>		
The Sum of net long positions of investments (the portion which exceeds the 10% of Banks Common Equity) in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the Bank does not own more than 10% of the issued common share capital of the entity which will not deducted from Common Equity Tier 1 capital, Additional Tier 1 capital, Tier 2 capital for the purposes of the first sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds (-)	-	-
The Sum of net long positions of investments in the Additional Tier 1 capital and Tier 2 capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued common share capital of the entity which will not deducted from Common Equity Tier 1 capital, Additional Tier 1 capital, Tier 2 capital for the purposes of the first sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds (-)	-	-
The Sum of net long positions of investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued common share capital of the entity, mortgage servicing rights, deferred tax assets arising from temporary differences which will not deducted from Common Equity Tier1 capital for the purposes of the first sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds (-)	-	-
<b>CAPITAL</b>		
Total Capital (Total of Tier I Capital and Tier II Capital)	188.740.546	-
Total Risk Weighted Assets	1.206.976.845	-
<b>CAPITAL ADEQUACY RATIOS</b>		
CET 1 Capital Ratio (%)	12,54	-
Tier I Capital Ratio (%)	14,55	-
Capital Adequacy Ratio (%)	15,64	-
<b>BUFFERS</b>		
Total additional core capital requirement ratio (a+b+c)	2,532	-
a) Capital conservation buffer requirement (%)	2,5	-
b) Bank specific countercyclical buffer requirement (%)	0,032	-
c) Higher bank buffer requirement ratio (%) (**)	-	-
Additional CET 1 Capital Over Total Risk Weighted Assets Ratio Calculated According to the Article 4 of Capital Conservation and Counter-Cyclical Capital Buffers Regulation	8,04	-
<b>Amounts Lower than Excesses as per Deduction Rules</b>		
Remaining Total of Net Long Positions of the Investments in Equity Items of Unconsolidated Banks and Financial Institutions where the Bank Owns 10% or less of the Issued Share Capital	290.322	-
Remaining Total of Net Long Positions of the Investments in Tier I Capital of Unconsolidated Banks and Financial Institutions where the Bank Owns more than 10% or less of the Issued Share Capital	120.312	-
Remaining Mortgage Servicing Rights	-	-
Net Deferred Tax Assets arising from Temporary Differences	2.833.853	-
<b>Limits for Provisions Used in Tier II Capital Calculation</b>		
General Loan Provisions for Exposures in Standard Approach (before limit of one hundred and twenty five per the thousand)	24.584.807	-
General Loan Provisions for Exposures in Standard Approach Limited by 1.25% of Risk Weighted Assets	13.211.495	-
Total Loan Provision that Exceeds Total Expected Loss Calculated According to Communiqué on Calculation of Credit Risk by Internal Ratings Based Approach	-	-
Total Loan Provision that Exceeds Total Expected Loss Calculated According to Communiqué on Calculation of Credit Risk by Internal Ratings Based Approach, Limited by 0.6% Risk Weighted Assets	-	-
<b>Debt Instruments Covered by Temporary Article 4 (effective between 1.1.2018-1.1.2022)</b>		
Upper Limit for Additional Tier I Capital Items subject to Temporary Article 4	-	-
Amount of Additional Tier I Capital Items Subject to Temporary Article 4 that Exceeds Upper Limit	-	-
Upper Limit for Additional Tier II Capital Items subject to Temporary Article 4	-	-
Amount of Additional Tier II Capital Items Subject to Temporary Article 4 that Exceeds Upper Limit	-	-

(\*) Amounts considered within transition provisions.

(\*\*) The systemic significant bank buffer ratio has been shown as “-” in the unconsolidated financial report since it is necessary to fill in the systematic significant banks that are not required to prepare financial statements in the context of the 4th paragraph of Article 4 of the “Regulation on Systemic Significant Banks”

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED  
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN  
TURKISH**

**TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.  
NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF  
30 JUNE 2022**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”))

**EXPLANATIONS RELATED TO THE FINANCIAL POSITION AND RISK MANAGEMENT  
(Continued)**

**I. EXPLANATIONS ON THE COMPONENTS OF SHAREHOLDERS’ EQUITY (Continued)**

**1. Information Related to The Components of Shareholders' Equity (Continued)**

	Prior Period 31 December 2021	Amount as per the regulation before 01/01/2014 *
<b>COMMON EQUITY TIER 1 CAPITAL</b>		
Paid-in capital following all debts in terms of claim in liquidation of the Bank	13.100.000	-
Share issue premiums	-	-
<b>Reserves</b>	<b>67.627.159</b>	<b>-</b>
Gains recognized in equity as per TAS	21.005.831	-
Profit	6.355.008	-
Current Period Profit	6.291.309	-
Prior Period Profit	63.699	-
Shares acquired free of charge from subsidiaries, affiliates and entities under common control and cannot be recognized within profit for the period	138.703	-
<b>Common Equity Tier 1 Capital Before Deductions</b>	<b>108.226.701</b>	<b>-</b>
<b>Deductions from Common Equity Tier 1 Capital</b>		
Common Equity as per the 1st clause of Provisional Article 9 of the Regulation on the Equity of Banks	-	-
Portion of the current and prior periods' losses which cannot be covered through reserves and losses reflected in equity in accordance with TAS	5.329.097	-
Improvement costs for operating leasing	10.219	-
Goodwill (net of related tax liability)	-	-
Other intangibles other than mortgage-servicing rights (net of related tax liability)	1.365.095	1.365.095
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	-	-
Differences are not recognized at the fair value of assets and liabilities subject to hedge of cash flow risk	-	-
Communiqué Related to Principles of the amount credit risk calculated with the Internal Ratings Based Approach, total expected loss amount exceeds the total provision	-	-
Gains arising from securitization transactions	-	-
Unrealized gains and losses due to changes in own credit risk on fair valued liabilities	-	-
Defined-benefit pension fund net assets	-	-
Direct and indirect investments of the Bank in its own Common Equity	-	-
Shares obtained contrary to the 4th clause of the 56th Article of the Law	-	-
Portion of the total of net long positions of investments made in equity items of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or less of the issued common share capital exceeding 10% of Common Equity of the Bank	-	-
Portion of the total of net long positions of investments made in equity items of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or more of the issued common share capital exceeding 10% of Common Equity of the Bank	-	-
Portion of mortgage servicing rights exceeding 10% of the Common Equity	-	-
Portion of deferred tax assets based on temporary differences exceeding 10% of the Common Equity	-	-
Amount exceeding 15% of the common equity as per the 2nd clause of the Provisional Article 2 of the Regulation on the Equity of Banks	-	-
Excess amount arising from the net long positions of investments in common equity items of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or more of the issued common share capital	-	-
Excess amount arising from mortgage servicing rights	-	-

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED  
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN  
TURKISH**

**TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.  
NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF  
30 JUNE 2022**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”))

**EXPLANATIONS RELATED TO THE FINANCIAL POSITION AND RISK MANAGEMENT  
(Continued)**

**I. EXPLANATIONS ON THE COMPONENTS OF SHAREHOLDERS’ EQUITY (Continued)**

**1. Information Related to The Components of Shareholders' Equity (Continued)**

	Prior Period 31 December 2021	Amount as per the regulation before 01/01/2014 *
Excess amount arising from deferred tax assets based on temporary differences	-	-
Other items to be Defined by the BRSA (-)	-	-
Deductions to be made from common equity due to insufficient Additional Tier I Capital or Tier II Capital	-	-
<b>Total Deductions from Common Equity Tier I Capital</b>	<b>6.704.411</b>	-
<b>Total Common Equity Tier I Capital</b>	<b>101.522.290</b>	-
<b>ADDITIONAL TIER I CAPITAL</b>		
Preferred Stock not Included in Common Equity Tier I Capital and the Related Share Premiums	-	-
Debt instruments and premiums approved by BRSA	20.710.200	-
Debt instruments and premiums approved by BRSA (Temporary Article 4)	-	-
<b>Additional Tier I Capital before Deductions</b>	<b>20.710.200</b>	-
<b>Deductions from Additional Tier I Capital</b>	-	-
Direct and Indirect Investments of the Bank on its own Additional Tier I Capital (-)	-	-
Investments of Bank to Banks that invest in Bank's additional equity and components of equity issued by financial institutions with compatible with Article 7.	-	-
Total of Net Long Positions of the Investments in Equity Items of Unconsolidated Banks and Financial Institutions where the Bank Owns 10% or less of the Issued Share Capital Exceeding the 10% Threshold of above Tier I Capital	-	-
The Total of Net Long Position of the Direct or Indirect Investments in Additional Tier I Capital of Unconsolidated Banks and Financial Institutions where the Bank Owns more than 10% of the Issued Share Capital	-	-
Other Items to be defined by the BRSA (-)	-	-
<b>Transition from the Core Capital to Continue to deduce Components</b>		
Goodwill and other intangible assets and related deferred tax liabilities which will not deducted from Common Equity Tier 1 capital for the purposes of the first sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds (-)	-	-
Net deferred tax asset/liability which is not deducted from Common Equity Tier 1 capital for the purposes of the sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds (-)	-	-
Deductions to be made from common equity in the case that adequate Additional Tier I Capital or Tier II Capital is not available (-)	-	-
<b>Total Deductions from Additional Tier I Capital</b>	-	-
<b>Total Additional Tier I Capital</b>	<b>20.710.200</b>	-
<b>Total Tier I Capital (Tier I Capital= Common Equity Tier I Capital + Additional Tier I Capital)</b>	<b>122.232.490</b>	-
<b>TIER II CAPITAL</b>		
Debt instruments and share issue premiums deemed suitable by the BRSA	-	-
Debt instruments and share issue premiums deemed suitable by BRSA (Temporary Article 4)	-	-
Provisions (Article 8 of the Regulation on the Equity of Banks)	8.833.639	-
<b>Tier II Capital Before Deductions</b>	<b>8.833.639</b>	-
<b>Deductions from Tier II Capital</b>	-	-
Direct and Indirect Investments of the Bank on its own Tier II Capital (-)	-	-
Investments of Bank to Banks that invest on Bank's Tier 2 and components of equity issued by financial institutions with the conditions declared in Article 8.	-	-
Portion of the total of net long positions of investments made in equity items of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or less of the issued common share capital exceeding 10% of Common Equity of the Bank (-)	-	-
Portion of the total of net long positions of investments made in Additional Tier I Capital item of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or more of the issued common share capital exceeding 10% of Common Equity of the Bank	-	-
Other items to be defined by the BRSA (-)	-	-
<b>Total Deductions from Tier II Capital</b>	-	-
<b>Total Tier II Capital</b>	<b>8.833.639</b>	-
<b>Total Capital (The sum of Tier I Capital and Tier II Capital)</b>	<b>131.066.129</b>	-

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED  
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN  
TURKISH**

**TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.  
NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF  
30 JUNE 2022**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”))

**EXPLANATIONS RELATED TO THE FINANCIAL POSITION AND RISK MANAGEMENT  
(Continued)**

**I. EXPLANATIONS ON THE COMPONENTS OF SHAREHOLDERS’ EQUITY (Continued)**

**1. Information Related to The Components of Shareholders' Equity (Continued)**

	Prior Period 31 December 2021	Amount as per the regulation before 01/01/2014 *
<b>Total Capital (The sum of Tier I Capital and Tier II Capital)</b>	<b>131.066.129</b>	-
Deductions from Capital Loans granted contrary to the 50th and 51st Article of the Law	-	-
Net Book Values of Movables and Immovables Exceeding the Limit Defined in the Article 57, Clause 1 of the Banking Law and the Assets Acquired against Overdue Receivables and Held for Sale but Retained more than Five Years	-	-
Other items to be defined by the BRSA (-)	14.256	-
<b>In transition from Total Core Capital and Supplementary Capital (the capital) to Continue to Download Components</b>		
The Sum of net long positions of investments (the portion which exceeds the 10% of Banks Common Equity) in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued common share capital of the entity which will not deducted from Common Equity Tier 1 capital, Additional Tier 1 capital, Tier 2 capital for the purposes of the first sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds (-)	-	-
The Sum of net long positions of investments in the Additional Tier 1 capital and Tier 2 capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued common share capital of the entity which will not deducted from Common Equity Tier 1 capital, Additional Tier 1 capital, Tier 2 capital for the purposes of the first sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds (-)	-	-
The Sum of net long positions of investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued common share capital of the entity, mortgage servicing rights, deferred tax assets arising from temporary differences which will not deducted from Common Equity Tier1 capital for the purposes of the first sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds (-)	-	-
<b>CAPITAL</b>		
Total Capital (Total of Tier I Capital and Tier II Capital)	131.051.873	-
Total Risk Weighted Assets	793.370.100	-
<b>CAPITAL ADEQUACY RATIOS</b>		
CET 1 Capital Ratio (%)	12,80	-
Tier I Capital Ratio (%)	15,41	-
Capital Adequacy Ratio (%)	16,52	-
<b>BUFFERS</b>		
Total additional core capital requirement ratio (a+b+c)	2,538	-
a) Capital conservation buffer requirement (%)	2,50	-
b) Bank specific countercyclical buffer requirement (%)	0,038	-
c) Higher bank buffer requirement ratio (%) (**)	-	-
Additional CET 1 Capital Over Total Risk Weighted Assets Ratio Calculated According to the Article 4 of Capital Conservation and Counter-Cyclical Capital Buffers Regulation	8,30	-
<b>Amounts Lower than Excesses as per Deduction Rules</b>		
Remaining Total of Net Long Positions of the Investments in Equity Items of Unconsolidated Banks and Financial Institutions where the Bank Owns 10% or less of the Issued Share Capital	255.802	-
Remaining Total of Net Long Positions of the Investments in Tier I Capital of Unconsolidated Banks and Financial Institutions where the Bank Owns more than 10% or less of the Issued Share Capital	95.387	-
Remaining Mortgage Servicing Rights	-	-
Net Deferred Tax Assets arising from Temporary Differences	1.519.079	-
<b>Limits for Provisions Used in Tier II Capital Calculation</b>		
General Loan Provisions for Exposures in Standard Approach (before limit of one hundred and twenty five per the thousand)	18.998.909	-
General Loan Provisions for Exposures in Standard Approach Limited by 1.25% of Risk Weighted Assets	8.833.639	-
Total Loan Provision that Exceeds Total Expected Loss Calculated According to Comminique on Calculation of Credit Risk by Internal Ratings Based Approach	-	-
Total Loan Provision that Exceeds Total Expected Loss Calculated According to Comminique on Calculation of Credit Risk by Internal Ratings Based Approach, Limited by 0.6% Risk Weighted Assets	-	-
<b>Debt Instruments Covered by Temporary Article 4 (effective between 01 January 2018-01 January 2022)</b>		
Upper Limit for Additional Tier I Capital Items subject to Temporary Article 4	-	-
Amount of Additional Tier I Capital Items Subject to Temporary Article 4 that Exceeds Upper Limit	-	-
Upper Limit for Additional Tier II Capital Items subject to Temporary Article 4	-	-
Amount of Additional Tier II Capital Items Subject to Temporary Article 4 that Exceeds Upper Limit	-	-

(\*) Amounts considered within transition provision.

(\*\*) The systemic significant bank buffer ratio has been shown as “-” in the unconsolidated financial report since it is necessary to fill in the systematic significant banks that are not required to prepare financial statements in the context of the 4th paragraph of Article 4 of the "Regulation on Systemic Significant Banks"

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED  
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN  
TURKISH**

**TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.  
NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF  
30 JUNE 2022**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”))

**EXPLANATIONS RELATED TO THE FINANCIAL POSITION AND RISK MANAGEMENT  
(Continued)**

**I. EXPLANATIONS ON THE COMPONENTS OF SHAREHOLDERS’ EQUITY (Continued)**

**2. Items Included in Capital Calculation**

<b>Information about instruments included in total capital calculation-Current Period</b>	
Issuer	T.C Ziraat Bankası A.Ş.
Identifier (CUSIP, ISIN etc.)	XS1984644739
Governing law (s) of the instrument	Subject to English Law and in terms of certain articles to Turkish Regulations. It is issued within the scope of the Communiqué VII-128.8 on Debt Instruments of the Capital Markets Board and the Regulation on Bank Capital of the BRSA.
<b>Regulatory treatment</b>	
Subject to 10% deduction as of 1/1/2015	None
Eligible on unconsolidated and /or consolidated basis	Eligible on unconsolidated and consolidated
Instrument type	Additional Capital Bond Issuance (Tier 1 Capital)
Amount recognized in regulatory capital (Currency in TL million, as of most recent reporting date)	24.164
Nominal value of instrument (TL million)	24.164
Accounting classification of the instrument	347001-Subordinated Debts
Original date of issuance	24.04.2019
Maturity structure of the instrument (perpetual/dated)	Perpetual
Issue date of the instrument	24.04.2019
Issuer call subject to prior supervisory (BRSA) approval	Yes
Call option dates, conditioned call dates and call amount	Subject to the approval of the BRSA, a repayment option is available at the end of each 5-year period from the date of issue.
Subsequent call dates, if applicable	24.042024
<b>Interest/dividend payment</b>	
Fixed or floating coupon/dividend payments	Fixed
Coupon rate and any related index	First 5 years fixed 5,076%, next 5 years MS + 5,031% fixed
Existence of any dividend payment restriction	None
Fully discretionary, partially discretionary or mandatory	Fully discretionary
Existence of step up or other incentive to redeem	None
Noncumulative or cumulative	Noncumulative
<b>Convertible into equity shares</b>	
If convertible, conversion trigger (s)	None
If convertible, fully or partially	None
If convertible, conversion rate	None
If convertible, mandatory or optional conversion	None
If convertible, type of instrument convertible into	None
If convertible, issuer of instrument to be converted into	None
<b>Write-down feature</b>	
If bonds can be written-down, write-down trigger(s)	Yes. Article 7 of the Regulation on Bank Capital
If bond can be written-down, full or partial	Has full or partial write down feature
If bond can be written-down, permanent or temporary	Has permanent or temporary write down feature
If temporary write-down, description of write-up mechanism.	Has-write up mechanism
Position in subordination hierarchy in case of liquidation (instrument type immediately senior to the instrument)	After the debt instruments to be included in secondary capital calculation, the depositors and all other creditors
In compliance with article number 7 and 8 of Regulation on Bank Capital	Instrument is in compliant with Article 7 of the Regulation on Bank Capital.
Details of incompliances with article number 7 and 8 of Regulation on Bank Capital	Instrument is in compliant with Article 7 of the Regulation on Bank Capital.

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED  
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN  
TURKISH**

**TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.  
NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF  
30 JUNE 2022**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”))

**EXPLANATIONS RELATED TO THE FINANCIAL POSITION AND RISK MANAGEMENT  
(Continued)**

**I. EXPLANATIONS ON THE COMPONENTS OF SHAREHOLDERS’ EQUITY (Continued)**

**3. Necessary Explanations in order to Reach an Agreement Between the Statement of Shareholders’ Equity and Balance-Sheet Amounts**

	<b>Current Period</b>	<b>Prior Period</b>
<b>Balance Sheet - Equity</b>	<b>153.047.194</b>	<b>97.099.759</b>
Operational Leasing Development Costs	(10.410)	(10.219)
Goodwill and Other Intangible Assets and Related Deferred Taxes Liabilities	(1.646.181)	(1.365.095)
TIER 2 Capital (Provisions)	13.211.495	8.833.639
Debt Instruments and the Related Issuance Premiums Defined by the BRSA TIER 2 Capital (Provisions)	24.163.580	20.710.200
Other deductions from common equity	(25.132)	(14.256)
Other regulations	-	5.797.845
<b>Amount recognized in regulatory capital</b>	<b>188.740.546</b>	<b>131.051.873</b>

**II. EXPLANATIONS ON THE CURRENCY RISK**

**1. Whether the Bank is Exposed to Foreign Currency Risk, Whether The Effects of This Matter are Estimated, Whether Limits for The Daily Followed Positions are Determined by The Board of Director**

The Bank’s policy is to avoid carrying significant position by means of foreign currency management. Risks are monitored by the currency risk tables prepared based on the standard method. Besides, Value at Risk (VAR) is calculated for daily foreign exchange position and reported to the related departments. VAR based currency risk limit approved by the Board of Directors is also monitored on daily basis. Additionally, dealer’s position and operational limits for foreign exchange transactions are under the authorization of the Board of Directors.

**2. Hedge Against Foreign Exchange Debt Instruments and Net Foreign Exchange Investments by Hedging Derivative Instruments, if Material**

None.

**3. Management Policy for Foreign Currency Risk**

Periodic “Liquidity Gap Analysis” and “Repricing Gap Analysis” to determine the liquidity and structural interest rate risks in the US Dollar and Euro, which are the most important foreign currencies in which the Bank operates, and the historical renewal rates of foreign exchange deposit accounts. “Structural Liquidity Gap Analysis” is performed. In addition, daily VAR analysis for the follow-up of the currency risk and within the scope of legal reporting, Foreign Currency Net General Position/Equity Standard Ratio and Foreign Currency Liquidity Position are regularly monitored. The Bank manages the Turkish Lira or foreign currency risks that may occur in domestic and international markets and follow the transactions that create these risks and manages these risks at the optimum level within the framework of market expectations and within the scope of its strategies by considering the balance with other financial risks. Sensitivity analysis regarding the currency risk that the Group is exposed to is explained in Note 6.

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED  
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN  
TURKISH**

**TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.  
NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF  
30 JUNE 2022**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”))

**EXPLANATIONS RELATED TO THE FINANCIAL POSITION AND RISK MANAGEMENT  
(Continued)**

**II. EXPLANATIONS ON THE CURRENCY RISK (Continued)**

**4. Current Foreign Exchange Bid Rates of The Bank for The Last 5 Business Days Prior to The Financial Statement Date**

	USD	EUR	AUD	DKK	SEK	CHF	CAD	NOK	GBP	SAR	100 JPY
23.06.2022	17,1946	18,1059	11,8918	2,4342	1,6898	17,9503	13,2664	1,7276	21,0977	4,5825	12,7907
24.06.2022	17,1963	18,1266	11,9394	2,4363	1,6972	18,0179	13,3150	1,7418	21,1343	4,5827	12,7220
27.06.2022	16,3756	17,3483	11,3647	2,3324	1,6266	17,1239	12,7159	1,6717	20,1354	4,3631	12,1166
28.06.2022	16,4687	17,3036	11,3914	2,3263	1,6245	17,1925	12,7882	1,6747	20,0736	4,3881	12,0889
29.06.2022	16,4617	17,2469	11,3207	2,3184	1,6150	17,2736	12,7878	1,6695	19,9483	4,3876	12,0273
30.06.2022	16,5243	17,2597	11,3787	2,3212	1,6116	17,2704	12,8145	1,6712	20,0804	4,4043	12,1610

**5. Simple Arithmetic Average of The Bank’s Current Foreign Exchange Bid Rates for The Last 30 Days Prior to The Balance Sheet Date**

USD	EUR	AUD	DKK	SEK	CHF	CAD	NOK	GBP	SAR	100 JPY
16,8334	17,7785	11,8190	2,3904	1,6774	17,3656	13,1316	1,7256	20,7355	4,4869	12,5666

**6. Information on The Foreign Currency Risk of The Bank**

Current Period	EUR	USD	Other FC	Total
<b>Assets</b>				
Cash (Cash in vault, effectives, money in transit, cheques purchased) and Balances with Central Bank of the Republic of Türkiye	80.271.239	74.378.358	30.014.411	184.664.008
Banks <sup>(6)</sup>	6.796.578	15.534.478	1.533.030	23.864.086
Financial Assets at Fair Value Through Profit and Loss	-	1.137.836	24.418.411	25.556.247
Money Markets Receivables	-	-	-	-
Financial Assets at Fair Value Through Other Comprehensive Income	11.969.682	162.293.971	395.410	174.659.063
Loans <sup>(1)</sup>	133.545.318	180.115.038	456.553	314.116.909
Subsidiaries, Associates, Entities Under Common Control (Joint Ventures)	4.161.451	2.813.631	-	6.975.082
Financial Assets Measured at Amortised Cost	28.289.272	9.011.141	92.666	37.393.079
Derivative Financial Assets for Hedging Purposes	-	-	-	-
Tangible Fixed Assets	28.552	5.885	31.217	65.654
Intangible Assets	12.455	8.438	24.264	45.157
Other Assets <sup>(3)</sup>	1.436.994	2.263.477	474.066	4.174.537
<b>Total Assets<sup>(4)</sup></b>	<b>266.511.541</b>	<b>447.562.253</b>	<b>57.440.028</b>	<b>771.513.822</b>
<b>Liabilities</b>				
Interbank Deposits	29.778.007	7.339.938	585.268	37.703.213
Foreign Currency Deposits	276.149.621	244.778.694	94.095.472	615.023.787
Money Market Borrowings	-	38.917.612	-	38.917.612
Funds Provided from Other Financial Institutions	32.204.664	52.194.531	1.243.928	85.643.123
Issued Marketable Securities <sup>(5)</sup>	24.384.193	21.943.929	405.242	46.733.364
Miscellaneous Payables	477.225	697.697	57.478	1.232.400
Derivative Financial Liabilities for Hedging Purposes	-	-	-	-
Other Liabilities	1.627.985	6.161.537	385.675	8.175.197
<b>Total Liabilities</b>	<b>364.621.695</b>	<b>372.033.938</b>	<b>96.773.063</b>	<b>833.428.696</b>
<b>Net Balance Sheet Position</b>	<b>(98.110.154)</b>	<b>75.528.315</b>	<b>(39.333.035)</b>	<b>(61.914.874)</b>
<b>Net Off-Balance Sheet Position<sup>(2)</sup></b>	<b>97.578.576</b>	<b>(84.549.442)</b>	<b>40.619.383</b>	<b>53.648.517</b>
Financial Derivative Assets	113.788.893	109.610.908	46.530.385	269.930.186
Financial Derivative Liabilities	16.210.317	194.160.350	5.911.002	216.281.669
<b>Non-Cash Loans</b>	<b>90.147.935</b>	<b>158.520.354</b>	<b>22.315.140</b>	<b>270.983.429</b>
<b>Prior Period</b>				
Total Assets	216.317.019	384.673.468	52.500.557	653.491.044
Total Liabilities	314.860.776	319.056.472	83.024.980	716.942.228
<b>Net Balance Sheet Position</b>	<b>(98.543.757)</b>	<b>65.616.996</b>	<b>(30.524.423)</b>	<b>(63.451.184)</b>
<b>Net Off-Balance Sheet Position<sup>(2)</sup></b>	<b>100.143.416</b>	<b>(69.826.336)</b>	<b>31.937.240</b>	<b>62.254.320</b>
Financial Derivative Assets	113.697.053	92.098.223	38.243.602	244.038.878
Financial Derivative Liabilities	13.553.637	161.924.559	6.306.362	181.784.558
<b>Non-Cash Loans</b>	<b>71.771.602</b>	<b>118.836.410</b>	<b>15.801.706</b>	<b>206.409.718</b>

(1) TL 28.974 (31 December 2021: TL 26.812) equivalent of loans granted is USD and TL 10.190 (31 December 2021: TL 13.291) equivalent of EUR balance is caused by foreign currency indexed loans

(2) Indicates the net balance of receivables and payables on derivative financial instruments.

(3) Prepaid expenses in other assets amounting to TL 9.038 are not included in the table.

(4) Expected loss provisions for financial assets and other assets are reflected in related items.

(5) Includes subordinated debt instruments.

(6) Includes the guarantees given for derivative and repo transactions with foreign banks

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED  
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN  
TURKISH**

**TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.  
NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF  
30 JUNE 2022**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”))

**EXPLANATIONS RELATED TO THE FINANCIAL POSITION AND RISK MANAGEMENT  
(Continued)**

**II. EXPLANATIONS ON THE CURRENCY RISK (Continued)**

**6. Information on The Foreign Currency Risk of The Bank (Continued)**

*Analysis of Sensitivity to Currency Risk*

The effect of 10% depreciation of TL against the USD, Euro and other currencies on the equity and profit or loss statement (excluding tax effects) for the six-month accounting periods ending on 30 June 2022 and 30 June 2021 is shown in the table below.

This analysis is prepared with the assumption that all other variables, especially interest rates, remain constant.

	Current Period – 30 June 2022		Prior Period – 30 June 2021	
	Profit/Loss Statement	Equity (*)	Profit/Loss Statement	Equity (*)
USD	(759.543)	(1.040.906)	(470.602)	(600.789)
EUR	(90.890)	(507.035)	(4.308)	(245.845)
Other currencies	13.750	13.750	3.991	3.991
<b>Total (Net) (**)</b>	<b>(836.683)</b>	<b>(1.534.191)</b>	<b>(470.919)</b>	<b>(842.643)</b>

(\*) Equity effect also includes the effect of the profit or loss to occur due to the 10% depreciation of the against the relevant foreign currencies.

(\*\*) Associates, subsidiaries, and entities under common control are included in the profit or loss statement impact calculation, but not in equity impact calculation. Tangible and intangible assets are not included in the equity and profit or loss statement impact calculation.

The effect of 10% appreciation of TL against the USD, Euro and other currencies on the equity and profit or loss statement (excluding tax effects) for six-month accounting periods ending on 30 June 2022 and 30 June 2021 is shown in the table below:

	Current Period – 30 June 2022		Prior Period – 30 June 2021	
	Profit/Loss Statement	Equity (*)	Profit/Loss Statement	Equity (*)
USD	759.543	1.040.906	470.602	600.789
EUR	90.890	507.035	4.308	245.845
Other currencies	(13.750)	(13.750)	(3.991)	(3.991)
<b>Total (Net) (**)</b>	<b>836.683</b>	<b>1.534.191</b>	<b>470.919</b>	<b>842.643</b>

(\*) Equity effect also includes the effect of the profit or loss to occur due to the 10% appreciation of the TL against the relevant foreign currencies.

(\*\*) Associates, subsidiaries, and entities under common control are included in the profit or loss statement impact calculation, but not in equity impact calculation. Tangible and intangible assets are not included in the equity and profit or loss statement impact calculation.

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED  
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN  
TURKISH**

**TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.  
NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF  
30 JUNE 2022**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”))

**EXPLANATIONS RELATED TO THE FINANCIAL POSITION AND RISK MANAGEMENT  
(Continued)**

**III. EXPLANATIONS ON THE INTEREST RATE RISK**

**1. Information Related to Interest Rate Sensitivity of Assets, Liabilities and Off-Balance Sheet Items**

(Based on days to repricing dates)

<b>Current Period</b>	<b>Up to 1 Month</b>	<b>1-3 Months</b>	<b>3-12 Months</b>	<b>1-5 Years</b>	<b>5 Years and Over</b>	<b>Non-Interest Bearing</b>	<b>Total</b>
<b>Assets</b>							
Cash (Cash in Vault, Effectives, Money in Transit, Cheques Purchased) and Balances with Central Bank of the Republic of Türkiye	18.246.206	-	-	-	-	186.696.298	204.942.504
Banks <sup>(7)</sup>	1.088.146	43.291	163.538	498.006	-	22.199.153	23.992.134
Financial Assets at Fair Value Through Profit and Loss	42.638	95.691	34.199	24.418.411	14.864	3.410.834	28.016.637
Money Markets Receivables	344.614	-	-	-	-	-	344.614
Financial Assets at Fair Value Through Other Comprehensive Income	66.881.332	49.231.836	58.961.846	105.582.883	59.487.002	1.650.882	341.795.781
Loans Given <sup>(3)</sup>	278.291.000	116.117.406	247.380.941	261.820.791	93.687.782	2.447.462	999.745.382
Financial Assets Measured at Amortised Cost	3.937.630	5.185.929	40.106.910	35.060.134	10.142.844	-	94.433.447
Other Assets <sup>(2)</sup>	1.325.258	1.702.847	1.020.388	509.970	702.257	57.812.877	63.073.597
<b>Total Assets <sup>(1)(5)</sup></b>	<b>370.156.824</b>	<b>172.377.000</b>	<b>347.667.822</b>	<b>427.890.195</b>	<b>164.034.749</b>	<b>274.217.506</b>	<b>1.756.344.096</b>
<b>Liabilities</b>							
Interbank Deposits	41.387.833	5.894.698	14.423.300	-	-	5.742.386	67.448.217
Other Deposits	433.288.350	227.400.721	60.318.799	2.481.103	28.497	434.264.358	1.157.781.828
Money Markets Borrowings	148.050.086	7.069.246	5.307.190	8.213.832	-	-	168.640.354
Miscellaneous Payables	-	-	-	-	-	23.495.625	23.495.625
Issued Marketable Securities <sup>(6)</sup>	124.507	388.188	625.856	46.605.503	-	-	47.744.054
Funds Provided from Other Financial Institutions	27.911.132	21.413.464	20.951.779	15.553.719	552.805	-	86.382.899
Other Liabilities <sup>(4)</sup>	4.398.341	588.243	1.523.992	683.339	874.652	196.782.552	204.851.119
<b>Total Liabilities <sup>(1)</sup></b>	<b>655.160.249</b>	<b>262.754.560</b>	<b>103.150.916</b>	<b>73.537.496</b>	<b>1.455.954</b>	<b>660.284.921</b>	<b>1.756.344.096</b>
<b>Balance Sheet Long Position</b>	<b>-</b>	<b>-</b>	<b>244.516.906</b>	<b>354.352.699</b>	<b>162.578.795</b>	<b>-</b>	<b>761.448.400</b>
<b>Balance Sheet Short Position</b>	<b>(285.003.425)</b>	<b>(90.377.560)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(386.067.415)</b>	<b>(761.448.400)</b>
Off-Balance Sheet Long Position	-	1.956.310	-	15	-	-	1.956.325
Off-Balance Sheet Short Position	(3.113.643)	-	(848.239)	-	(1.015.345)	-	(4.977.227)
<b>Total Position</b>	<b>(288.117.068)</b>	<b>(88.421.250)</b>	<b>243.668.667</b>	<b>354.352.714</b>	<b>161.563.450</b>	<b>(386.067.415)</b>	<b>(3.020.902)</b>

(1) Balances without fixed maturity are shown in the “Non-Interest Bearing” columns.

(2) Deferred tax asset is shown under the “Non-Interest Bearing” column.

(3) Net balance of loans under follow-up is shown under the “Non-Interest Bearing” column in loans given.

(4) Total shareholders’ equity is shown under the “Non-Interest Bearing” column.

(5) Allowance for expected losses for financial assets and other assets are reflected in the related items.

(6) Includes subordinated debt instruments.

(7) Includes the guarantees given for derivative and repo transactions with foreign banks.

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED  
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN  
TURKISH**

**TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.  
NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF  
30 JUNE 2022**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”))

**EXPLANATIONS RELATED TO THE FINANCIAL POSITION AND RISK MANAGEMENT  
(Continued)**

**III. EXPLANATIONS ON THE INTEREST RATE RISK (Continued)**

**1. Information Related to Interest Rate Sensitivity of Assets, Liabilities and Off-Balance Sheet Items  
(Continued)**

(Based on days to repricing dates)

Prior Period	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	5 Years and Over	Non-Interest Bearing	Total
<b>Assets</b>							
Cash (Cash in Vault, Effectives, Money in Transit, Cheques Purchased) and Balances with Central Bank of the Republic of Türkiye	20.747.759	-	-	-	-	188.035.974	208.783.733
Banks	3.304.258	66.892	197.651	26.674	-	9.400.283	12.995.758
Financial Assets at Fair Value Through Profit and Loss	52.804	6.091.471	3.044.935	14.694.397	13.883	2.762.222	26.659.712
Money Markets Receivables	281.931	-	-	-	-	-	281.931
Financial Assets at Fair Value Through Other Comprehensive Income	42.215.186	18.916.429	58.076.657	89.769.490	60.482.373	697.022	270.157.157
Loans Given <sup>(3)</sup>	250.585.887	76.865.425	146.926.458	213.152.913	58.808.968	2.991.869	749.331.520
Financial Assets Measured at Amortised Cost	813.083	1.110.034	10.183.161	26.068.356	6.403.163	-	44.577.797
Other Assets <sup>(2)</sup>	4.467.502	4.321.012	2.853.665	563.769	357.272	45.539.440	58.102.660
<b>Total Assets <sup>(1)(5)</sup></b>	<b>322.468.410</b>	<b>107.371.263</b>	<b>221.282.527</b>	<b>344.275.599</b>	<b>126.065.659</b>	<b>249.426.810</b>	<b>1.370.890.268</b>
<b>Liabilities</b>							
Interbank Deposits	30.528.589	5.066.998	16.050.940	-	-	3.708.562	55.355.089
Other Deposits	367.327.135	116.204.261	70.541.419	2.277.210	1.804	336.979.697	893.331.526
Money Markets Borrowings	149.756.072	21.374.101	2.553.454	3.015.469	-	-	176.699.096
Miscellaneous Payables	-	-	-	-	-	17.351.965	17.351.965
Issued Marketable Securities <sup>(6)</sup>	97.988	231.881	8.629.634	38.630.139	-	-	47.589.642
Funds Provided from Other Financial Institutions	2.548.228	21.139.126	24.584.477	10.468.740	576.090	-	59.316.661
Other Liabilities <sup>(4)</sup>	338.368	804.943	1.964.271	668.174	636.602	116.833.931	121.246.289
<b>Total Liabilities <sup>(1)</sup></b>	<b>550.596.380</b>	<b>164.821.310</b>	<b>124.324.195</b>	<b>55.059.732</b>	<b>1.214.496</b>	<b>474.874.155</b>	<b>1.370.890.268</b>
<b>Balance Sheet Long Position</b>	-	-	<b>96.958.332</b>	<b>289.215.867</b>	<b>124.851.163</b>	-	<b>511.025.362</b>
<b>Balance Sheet Short Position</b>	<b>(228.127.970)</b>	<b>(57.450.047)</b>	-	-	-	<b>(225.447.345)</b>	<b>(511.025.362)</b>
Off-Balance Sheet Long Position	7.299.963	2.263.522	-	10	-	-	9.563.495
Off-Balance Sheet Short Position	-	-	(408.869)	-	(1.015.345)	-	(1.424.214)
<b>Total Position</b>	<b>(220.828.007)</b>	<b>(55.186.525)</b>	<b>96.549.463</b>	<b>289.215.877</b>	<b>123.835.818</b>	<b>(225.447.345)</b>	<b>8.139.281</b>

<sup>(1)</sup> Balances without fixed maturity are shown in the “Non-Interest Bearing” columns.

<sup>(2)</sup> Deferred tax asset is shown under the “Non-Interest Bearing” column.

<sup>(3)</sup> Net balance of loans under follow-up is shown under the “Non-Interest Bearing” column in loans given.

<sup>(4)</sup> Total shareholders’ equity is shown under the “Non-Interest Bearing” column.

<sup>(5)</sup> Allowance for expected losses for financial assets and other assets are reflected in the related items.

<sup>(6)</sup> Includes subordinated debt instruments.

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED  
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN  
TURKISH**

**TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.  
NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF  
30 JUNE 2022**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”))

**EXPLANATIONS RELATED TO THE FINANCIAL POSITION AND RISK MANAGEMENT  
(Continued)**

**III. EXPLANATIONS ON THE INTEREST RATE RISK (Continued)**

**2. Average Interest Rate Applied to the Monetary Financial Instruments (%)**

	EUR	USD	JPY	TL
<b>Current Period <sup>(3)</sup></b>				
<b>Assets</b>				
Cash (Cash in Vault, Effectives, Money in Transit, Cheques Purchased) and Balances with the Central Bank of the Republic of Türkiye <sup>(1)</sup>	-	-	-	-
Banks	4,30	8,50	-	15,90
Financial Assets at Fair Value Through Profit or Loss	-	5,36	-	-
Money Markets Receivables	-	-	-	17,35
Financial Assets at Fair Value Through Other				
Comprehensive Income	3,72	4,89	-	20,46
Loans Given <sup>(1)</sup>	4,96	6,26	-	13,93
Financial Assets Measured at Amortised Cost	4,71	7,58	-	15,05
<b>Liabilities</b>				
Interbank Deposits	0,42	1,50	-	15,24
Other Deposits	0,58	1,94	-	15,22
Money Markets Borrowings	-	3,03	-	14,15
Miscellaneous Payables	-	-	-	-
Issued Marketable Securities <sup>(2)</sup>	5,08	5,01	-	16,99
Funds Provided from Other Financial Institutions	3,24	3,36	-	14,87

(1) Credit card loan balances are not included.

(2) Subordinated debt instruments are included.

(3) Foreign branches are excluded.

	EUR	USD	JPY	TL
<b>Prior Period <sup>(4)</sup></b>				
<b>Assets</b>				
Cash (Cash in Vault, Effectives, Money in Transit, Cheques Purchased) and Balances with the Central Bank of the Republic of Türkiye <sup>(1)</sup>	-	-	-	8,50
Banks	4,30	-	-	17,63
Financial Assets at Fair Value Through Profit or Loss	-	5,36	-	-
Money Markets Receivables	-	-	-	17,31
Financial Assets at Fair Value Through Other				
Comprehensive Income	3,72	4,83	-	14,70
Loans Given <sup>(2)</sup>	4,74	5,68	6,00	13,42
Financial Assets Measured at Amortised Cost	4,76	7,47	-	14,33
<b>Liabilities</b>				
Interbank Deposits	0,22	0,25	-	14,14
Other Deposits	0,27	0,93	-	14,15
Money Markets Borrowings	-	1,78	-	14,22
Miscellaneous Payables	-	-	-	-
Issued Marketable Securities <sup>(3)</sup>	5,08	5,05	-	16,99
Funds Provided from Other Financial Institutions	1,69	2,38	-	15,67

(1) The rate on TL column denotes the interest rates applied for required reserve at CBRT.

(2) Credit card loan balances are not included.

(3) Subordinated debt instruments are included.

(4) Foreign branches are excluded.

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED  
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN  
TURKISH**

**TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.  
NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF  
30 JUNE 2022**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”))

**EXPLANATIONS RELATED TO THE FINANCIAL POSITION AND RISK MANAGEMENT  
(Continued)**

**IV. EXPLANATIONS ON THE POSITION RISK OF EQUITY INSTRUMENTS**

**1. Equity Instruments Position Risk Derived from Banking Books**

*Comparison with the market value if the market value is significantly different from the fair value for balance sheet, fair and market values of equity share*

Investments in Equity Instruments - Current Period	Comparison		
	Balance Sheet Value	Fair Value	Market Value
1. Investment in Equity Instruments Group A	2.268.384	2.268.384	2.268.384
Traded on Stock Exchange	-	-	-
2. Investment in Equity Instruments Group B	9.815.120	9.815.120	9.815.120
Traded on Stock Exchange	9.815.120	9.815.120	9.815.120
3. Investment in Equity Instruments Group C	-	-	-
Traded on Stock Exchange	-	-	-
4. Investment in Equity Instruments Group Other	-	-	-
Other <sup>(1)</sup>	366.972	366.972	-

<sup>(1)</sup> The mentioned stock investments are not traded on the stock exchange and there is no stock market price since they are not publicly traded.

Investments in Equity Instruments - Prior Period	Comparison		
	Balance Sheet Value	Fair Value	Market Value
1. Investment in Equity Instruments Group A	1.742.260	1.742.260	1.742.260
Traded on Stock Exchange	-	-	-
2. Investment in Equity Instruments Group B	7.538.625	7.538.625	7.538.625
Traded on Stock Exchange	7.538.625	7.538.625	7.538.625
3. Investment in Equity Instruments Group C	-	-	-
Traded on Stock Exchange	-	-	-
4. Investment in Equity Instruments Group Other	-	-	-
Other <sup>(1)</sup>	347.431	347.431	-

<sup>(1)</sup> The mentioned stock investments are not traded on the stock exchange and there is no stock market price since they are not publicly traded.

*The breakdown of capital requirements on the basis of related investments in equity instruments depending on the method of the calculation of capital requirement which is chosen by Bank among approaches that are allowed to be used within the Communiqué regarding Credit Risk Standard Method or the Calculation of Counterparty Credit Risk based upon Internal Rating Approaches*

The investments in equity instruments, partaking in banking accounts according to the credit risk standard method, are amounted TL 366.972 and all of them are 100% risk weighted (31 December 2021: are amounted TL 347.431 and all of them are 100% risk weighted)

*Total unrealized gains or losses, total revaluation value increases and their amounts included in principal and contribution capital*

Portfolio	Realized Gain/Loss in Current Period	Revaluation Surplus		Unrealized Gain and Loss		
		Total	Included in Supplementary Capital	Total	Included in Supplementary Capital	Included in Contribution Capital
1. Private Capital Investments	-	-	-	-	-	-
2. Stocks Traded in the Stock Exchange	-	7.820.014	7.820.014	-	-	-
3. Other Stocks	-	80.876	80.876	-	-	-
<b>Total</b>	-	<b>7.900.890</b>	<b>7.900.890</b>	-	-	-

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED  
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN  
TURKISH**

**TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.  
NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF  
30 JUNE 2022**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”))

---

**EXPLANATIONS RELATED TO THE FINANCIAL POSITION AND RISK MANAGEMENT  
(Continued)**

**V. EXPLANATIONS ON THE LIQUIDITY RISK MANAGEMENT AND LIQUIDITY COVERAGE RATIO**

Matters related to liquidity and financial emergency management are determined in the Liquidity and Financial Emergency Management-Liquidity Funding Plan Approved by the Board of Directors.

The Bank conducts the remaining maturity analysis in order to observe the maturity structure of its balance sheet, liquidity gap and structural liquidity gap analysis to monitor the liquidity need by periods, and Liquidity Stress Test in order to evaluate the liquidity need of the Bank in the worst possible situation. Core deposit analysis is carried out to determine the stable part of the deposit, which is the most important fund resource of the Bank. In addition, the Bank-sector maturity structures and legal liquidity ratios are monitored in order to compare the Bank's liquidity risk level with the sector.

**1. Liquidity Risk**

*Explanations related to the liquidity risk management including the Bank's risk capacity, responsibilities and structure of liquidity risk management, reporting of liquidity risk in internal banking, the strategy of liquidity risk and how to provide the communication of policies and implementations with board of directors and business lines*

The Bank's risk capacity, risk appetite, responsibilities and tasks of liquidity risk management and sharing of issues related to liquidity risk management with the bank network are explained in Bank's "Regulations of Risk Management, Stress Test Program and ICAAP Regulations" of the Bank. In this context, liquidity risk strategies, policies and implementations are shared within the Bank on a weekly, monthly, quarterly and annual basis with all relevant departments and the Bank's senior management. The analysis and reports made within this scope are handled at the Asset-Liability Committee meetings and the Board of Directors is informed through the Audit Committee.

*Liquidity management and the degree of centralization of fund strategies, the information about the procedure between Bank and the subsidiaries of Bank*

Continuously the information exchange is actualized about the liquidity need and surpluses between the Bank and its subsidiaries, the necessary guidance and procedures are moderated by Treasury Management and International Banking Group Presidency in order to manage liquidity need and surplus in effective way.

*Information on the Bank's funding strategy, including policies on diversity of funding sources and duration*

The Bank's main funding resource is deposit and the strategy of preserving the granular deposit structure is sustained. Moreover, within the diversification of funding strategy, long-term and cost-effective non-deposit funding is also targeted. In the non-deposit funding; repurchase agreements, post finance, syndication loan facility, loans from international financial institutions, marketable securities issuances, subordinated debt instruments and bilateral loan agreements are at the forefront.

*Explanation related to liquidity management as currencies forming at least 5 percentage of aggregate liabilities of the Bank*

The Bank's total liabilities are consisted of mostly TL, USD and EUR currencies. Besides these currencies, for other currencies, daily and long-term cash flows are monitored, and future projections are made for effective liquidity management purposes.

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED  
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN  
TURKISH**

**TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.  
NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF  
30 JUNE 2022**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”))

---

**EXPLANATIONS RELATED TO THE FINANCIAL POSITION AND RISK MANAGEMENT  
(Continued)**

**V. EXPLANATIONS ON THE LIQUIDITY RISK MANAGEMENT AND LIQUIDITY COVERAGE  
RATIO (Continued)**

*Information related to the techniques about the reduction of current liquidity risk*

The Bank’s source of funds is mainly formed of deposits. The Bank’s deposits do not fluctuate considerably in line with the broadly dispersed customer network and the granular structure of the deposits. Besides, in order to increase the diversification of funds and decrease the maturity gap between assets and liabilities, non-deposit funds such as bond/bill issuances, repo transactions and funds borrowed are executed.

*Explanation regarding the usage of the stress test*

In the presence of unexpected negative circumstances, periodical stress tests being done in order to test the endurance of the bank. These actions have been shared with key management of the Bank and all related units for the purpose of taking necessary precautions. Additionally, stress tests also taken into consideration on subjects like the Bank’s estimated financial position for the next period, the progress of legal ratios and the liquidity need in short and long term as part of budget practices.

*General information on liquidity urgent and unexpected situation plan*

The internal and external sources which can be used in an emergency case to satisfy the liquidity need are periodically monitored and the borrowing limits of the Bank from organized market and other banks are on the level where they meet the structural liquidity deficits on different maturity segments. The Bank lines off its exposition to liquidity risk by limits that are approved by Board of Directors and within the frame of “Regulation on Risk Management, Stress Test Program and ICAAP Regulations”. In addition, matters related to liquidity and financial emergency management have been identified.

**2. Liquidity Coverage Ratio**

Within the framework of "Regulation on Calculation of Liquidity Covered Rate of Banks" published in the Official Gazette dated 21 March 2014 and numbered 28948 by the BRSA, the Bank calculates the liquidity coverage ratio and transmits unconsolidated on weekly and consolidated on monthly basis to the BRSA. Within the last 3 months the unconsolidated lowest ratios are as follows: For FC 249,3 in the week of 17 June 2022; and for the total 185,32 in the week of 17 June 2022. The highest ratios that took place were for FC as 417,85 in the week of 22 April 2022 and for the total as 233,9 in the week of 29 April 2022 (31 December 2021: Within the last 3 months the unconsolidated lowest ratios are as follows: For FC as 360,79 in the week of 19 November 2021; and for the total 164,49 in the week of 5 November 2021. As for the highest ratios that took place were for FC as 590,73 in the week of 15 October 2021 and for the total as 211,97 in the week of 17 December 2021.)

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED  
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN  
TURKISH**

**TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.  
NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF  
30 JUNE 2022**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”))

**EXPLANATIONS RELATED TO THE FINANCIAL POSITION AND RISK MANAGEMENT  
(Continued)**

**V. EXPLANATIONS ON THE LIQUIDITY RISK MANAGEMENT AND LIQUIDITY COVERAGE  
RATIO (Continued)**

**2. Liquidity Coverage Ratio (Continued)**

<b>Current Period</b>	<b>Total Unweighted Value (Average) <sup>(*)</sup></b>		<b>Total Weighted Value (Average) <sup>(*)</sup></b>	
	<b>TL+FC</b>	<b>FC</b>	<b>TL+FC</b>	<b>FC</b>
<b>HIGH QUALITY LIQUID ASSETS</b>				
High Quality Liquid Assets			450.917.707	258.801.451
<b>CASH OUTFLOWS</b>				
Retail and Small Business Customers, of which;	757.506.503	437.565.209	67.976.538	43.756.521
Stable deposits	155.482.244	-	7.774.112	-
Less stable deposits	602.024.259	437.565.209	60.202.426	43.756.521
Unsecured wholesale funding, of which;	379.682.755	170.594.999	185.131.239	90.393.311
Operational deposit	28.184.651	1.527.519	7.046.163	381.880
Non-operational deposits	284.653.110	139.094.855	124.828.792	60.165.589
Other unsecured funding	66.844.994	29.972.625	53.256.284	29.845.842
Secured funding	-	-	-	-
Other cash outflows, of which;	158.594.611	27.096.616	18.319.863	15.931.269
Derivatives cash outflow and liquidity needs related to market valuation changes on derivatives or other transactions	6.773.077	12.736.396	6.773.077	12.736.396
Obligations related to structured financial products	-	-	-	-
Commitments related to debts to financial markets and other off-balance sheet obligations	151.821.534	14.360.220	11.546.786	3.194.873
Other revocable off-balance sheet commitments and contractual obligations	-	-	-	-
Other irrevocable or conditionally revocable off-balance sheet obligations	117.065.443	88.980.088	6.681.511	4.449.004
<b>TOTAL CASH OUTFLOWS</b>			<b>278.109.151</b>	<b>154.530.105</b>
<b>CASH INFLOWS</b>				
Secured lending	-	-	-	-
Unsecured lending	93.708.941	44.224.531	63.377.178	29.667.771
Other cash inflows	903.124	45.763.005	903.124	45.763.005
<b>TOTAL CASH INFLOW</b>	<b>94.612.065</b>	<b>89.987.536</b>	<b>64.280.302</b>	<b>75.430.776</b>
			<b>Upper Limit Applied Amounts</b>	
<b>TOTAL HQLA STOCK</b>			<b>450.917.707</b>	<b>258.801.451</b>
<b>TOTAL NET CASH OUTFLOWS</b>			<b>213.828.849</b>	<b>79.099.329</b>
<b>LIQUIDITY COVERAGE RATIO (%)</b>			<b>210,88</b>	<b>327,19</b>

<sup>(\*)</sup> The average of last three months' liquidity coverage ratio calculated by weekly simple averages.

<b>Prior Period</b>	<b>Total Unweighted Value (Average) <sup>(*)</sup></b>		<b>Total Weighted Value (Average) <sup>(*)</sup></b>	
	<b>TL+FC</b>	<b>FC</b>	<b>TL+FC</b>	<b>FC</b>
<b>HIGH QUALITY LIQUID ASSETS</b>				
High Quality Liquid Assets			300.736.856	200.714.763
<b>CASH OUTFLOWS</b>				
Retail and Small Business Customers, of which;	581.812.451	332.382.725	51.406.715	33.238.272
Stable deposits	135.490.601	-	6.774.530	-
Less stable deposits	446.321.850	332.382.725	44.632.185	33.238.272
Unsecured wholesale funding, of which;	282.060.859	128.934.723	131.806.306	63.046.713
Operational deposit	21.302.776	1.054.124	5.325.694	263.531
Non-operational deposits	211.440.349	115.759.087	96.058.640	50.798.731
Other unsecured funding	49.317.734	12.121.512	30.421.972	11.984.451
Secured funding	-	-	-	-
Other cash outflows, of which;	122.992.761	21.838.758	12.973.546	12.897.830
Derivatives cash outflow and liquidity needs related to market valuation changes on derivatives or other transactions	3.394.483	9.552.971	3.394.483	9.552.971
Obligations related to structured financial products	-	-	-	-
Commitments related to debts to financial markets and other off-balance sheet obligations	119.598.278	12.285.787	9.579.063	3.344.859
Other revocable off-balance sheet commitments and contractual obligations	-	-	-	-
Other irrevocable or conditionally revocable off-balance sheet obligations	72.709.422	52.737.203	4.156.946	2.636.860
<b>TOTAL CASH OUTFLOWS</b>			<b>200.343.513</b>	<b>111.819.675</b>
<b>CASH INFLOWS</b>				
Secured lending	-	-	-	-
Unsecured lending	53.225.618	24.182.269	32.425.321	15.797.790
Other cash inflows	3.807.508	50.122.404	3.807.508	50.122.404
<b>TOTAL CASH INFLOW</b>	<b>57.033.126</b>	<b>74.304.673</b>	<b>36.232.829</b>	<b>65.920.194</b>
			<b>Upper Limit Applied Amounts</b>	
<b>TOTAL HQLA STOCK</b>			<b>300.736.856</b>	<b>200.714.763</b>
<b>TOTAL NET CASH OUTFLOWS</b>			<b>164.110.684</b>	<b>45.960.150</b>
<b>LIQUIDITY COVERAGE RATIO (%)</b>			<b>183,25</b>	<b>436,71</b>

<sup>(\*)</sup> The average of last three months' liquidity coverage ratio calculated by weekly simple averages

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED  
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN  
TURKISH**

**TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.  
NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF  
30 JUNE 2022**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”))

**EXPLANATIONS RELATED TO THE FINANCIAL POSITION AND RISK MANAGEMENT  
(Continued)**

**V. EXPLANATIONS ON THE LIQUIDITY RISK MANAGEMENT AND LIQUIDITY COVERAGE RATIO (Continued)**

**3. Explanations on Liquidity Coverage Ratio**

***Important points affecting the results of liquidity coverage ratio and the changes of the considered items in the course of time to calculate this ratio***

Bank deposits, which constitute a significant part of its resources and cash outflows in the liquidity coverage ratio, have a non-fluctuating structure, but may cause periodic changes in total deposits compared to public deposits and other deposits. While considering the previous periods, the amount of the total deposits has an increasing trend.

Although they have low conversion into cash rate, non-cash loans also have a remarkable extent in proportion to financial statement, they have an impact on the calculation of liquidity coverage ratio. Comparing to previous periods, non-cash loans are in increasing trend.

Bonds and bills in the securities portfolio are being used in repo transactions as collateral. Since the securities used in repo transactions lose the characteristic of being free, in accordance with that securities can be used as collateral, liquidity coverage ratio is affected.

***The content of high-quality liquid assets***

All of the high-quality liquid assets in the calculation of liquidity coverage ratio are first quality liquid assets. These are cash, the accounts in Central Bank, reserve requirements and securities portfolio (the important part of bonds and T-bills issued by Ministry of Treasury and Finance and other bonds).

***The content of funds and their share in the total liabilities and funding***

A major part of the resources of funds in Bank is comprised of deposits, the remaining is divided according to their share in the balance sheet as repo, funds borrowed, and issued securities.

***Information about cash out-flows arising from derivative operations and margin operations likely to processing***

Derivative operations in Bank are carried out on the purpose of protection from the risks that may exist or occur in the balance sheet, liquidity management, or meeting customer demand. Customer operations are carried out under the “Framework Agreement on Purchase and Sale of Derivative Instruments” or ISDA (International Swaps and Derivatives Association) and CSA (Credit Support Annex), as well as transactions with banks are performed again under ISDA and CSA agreements signed. Operations performed under the said contracts in the determined periods are subject to daily market valuation and additional cash margining. Operations could create additional collateral inflow or outflow depending on market valuation.

***The concentration limits regarding collateral and counterparty and product-based fund resources***

For the counterparty and product-based concentration limits are determined under Regulation on Risk Management, Stress Test Program, and the Bank’s Internal Capital Adequacy Assessment Process (“ICAAP”) with the approval of Senior Management. These limits are followed in particular frequency. Besides, it is being reported to the relevant units and senior management. There is no excess regarding the limits during operating period.

***Liquidity risk and needed funding on the basis of the bank itself, the branches in foreign countries and the partnerships consolidated by considering operational and legal factors preventing liquidity transfer***

The needed and surplus of liquidity of the branches in foreign countries of the bank and partnerships consolidated are followed and managed regularly. There is no constraint of operational and legal factors preventing liquidity transfer. In the analysis made, it is observed that the impact of the foreign branches and subsidiaries on the Bank’s liquidity structure remain limited comparing to the size of the balance sheet. The need and surplus of the liquidity is encountered properly between partnerships, as well as the branches abroad.

***Explanations of cash in-flow and cash out-flow items that are considered to be related to liquidity profile of the Bank and to be placed on the calculation of liquidity coverage ratio but not on the second paragraph of the disclosure template***

All items on the calculation of liquidity coverage ratio are included in calculation in aggregated form on the table. In this context, there is no point included in the calculation of liquidity coverage ratio and not included in the disclosure template.

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED  
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN  
TURKISH**

**TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.  
NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF  
30 JUNE 2022**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”))

**EXPLANATIONS RELATED TO THE FINANCIAL POSITION AND RISK MANAGEMENT  
(Continued)**

**V. EXPLANATIONS ON THE LIQUIDITY RISK MANAGEMENT AND LIQUIDITY COVERAGE  
RATIO (Continued)**

**4. Presentation of Assets and Liabilities According to Their Remaining Maturities**

	Demand	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	5 Years and Over	Undistributed (1)	Total
<b>Current Period</b>								
<b>Assets</b>								
Cash (Cash in Vault, Effectives, Money in Transit, Cheques Purchased) and Balances with the Central Bank of the Republic of Türkiye	63.882.107	141.060.397	-	-	-	-	-	204.942.504
Banks (4)	22.199.153	1.088.146	43.291	163.538	498.006	-	-	23.992.134
Financial Assets at Fair Value Through Profit and Loss	-	42.637	95.691	34.199	24.418.411	14.864	3.410.835	28.016.637
Money Markets Receivables	-	344.614	-	-	-	-	-	344.614
Financial Assets at Fair Value Through Other Comprehensive Income	-	30.700.291	34.167.634	36.086.550	156.220.782	84.253.553	366.971	341.795.781
Loans Given	-	34.185.162	98.528.376	361.263.303	344.017.044	159.304.035	2.447.462	999.745.382
Investments Held-to-Maturity	-	505.259	557.088	5.455.317	37.009.626	50.906.157	-	94.433.447
Other Assets	11.466.485	1.280.864	1.729.953	1.020.388	527.260	702.257	46.346.390	63.073.597
<b>Total Assets</b> (2)	<b>97.547.745</b>	<b>209.207.370</b>	<b>135.122.033</b>	<b>404.023.295</b>	<b>562.691.129</b>	<b>295.180.866</b>	<b>52.571.658</b>	<b>1.756.344.096</b>
<b>Liabilities</b>								
Interbank Deposits	5.742.386	41.387.833	5.894.698	14.423.300	-	-	-	67.448.217
Other Deposits	434.264.358	433.218.555	227.449.132	60.228.307	2.588.952	32.524	-	1.157.781.828
Funds Provided from Other Financial Institutions	-	1.146.531	8.019.768	38.292.434	31.867.772	7.056.394	-	86.382.899
Money Markets Borrowings	-	148.050.086	7.069.246	5.307.190	8.213.832	-	-	168.640.354
Issued Marketable Securities (3)	-	124.507	388.188	625.856	46.605.503	-	-	47.744.054
Miscellaneous Payables	3.409.136	20.086.489	-	-	-	-	-	23.495.625
Other Liabilities	16.057.591	5.643.317	4.373.039	1.523.992	683.339	3.108.173	173.461.668	204.851.119
<b>Total Liabilities</b>	<b>459.473.471</b>	<b>649.657.318</b>	<b>253.194.071</b>	<b>120.401.079</b>	<b>89.959.398</b>	<b>10.197.091</b>	<b>173.461.668</b>	<b>1.756.344.096</b>
<b>Liquidity Gap</b>	<b>(361.925.726)</b>	<b>(440.449.948)</b>	<b>(118.072.038)</b>	<b>283.622.216</b>	<b>472.731.731</b>	<b>284.983.775</b>	<b>(120.890.010)</b>	<b>-</b>
<b>Net Off-Balance Sheet Position</b>	<b>-</b>	<b>(3.526.746)</b>	<b>(109.228)</b>	<b>(848.239)</b>	<b>15</b>	<b>1.876.408</b>	<b>-</b>	<b>(2.607.790)</b>
Financial Derivative Assets	-	169.851.464	31.770.988	24.364.649	2.115.441	2.891.753	-	230.994.295
Financial Derivative Liabilities	-	173.378.210	31.880.216	25.212.888	2.115.426	1.015.345	-	233.602.085
<b>Non-cash Loans</b>	<b>117.839.545</b>	<b>17.376.504</b>	<b>34.989.373</b>	<b>129.503.619</b>	<b>49.665.084</b>	<b>11.335.422</b>	<b>-</b>	<b>360.709.547</b>
<b>Prior Period</b>								
Total Assets	104.286.501	170.059.967	90.191.450	339.918.709	441.096.517	180.142.146	45.194.978	1.370.890.268
Total Liabilities	353.078.824	563.576.406	144.996.297	123.985.350	72.064.557	8.260.880	104.927.954	1.370.890.268
<b>Liquidity Gap</b>	<b>(248.792.323)</b>	<b>(393.516.439)</b>	<b>(54.804.847)</b>	<b>215.933.359</b>	<b>369.031.960</b>	<b>171.881.266</b>	<b>(59.732.976)</b>	<b>-</b>
<b>Net Off-Balance Sheet Position</b>	<b>-</b>	<b>6.986.546</b>	<b>307.117</b>	<b>(408.868)</b>	<b>10</b>	<b>1.267.128</b>	<b>-</b>	<b>8.151.933</b>
Financial Derivative Assets	-	148.284.721	33.587.880	23.589.508	1.558.882	2.282.473	-	209.303.464
Financial Derivative Liabilities	-	141.298.175	33.280.763	23.998.376	1.558.872	1.015.345	-	201.151.531
<b>Non-cash Loans</b>	<b>80.872.752</b>	<b>10.955.329</b>	<b>32.527.108</b>	<b>83.606.042</b>	<b>46.844.385</b>	<b>7.767.640</b>	<b>-</b>	<b>262.573.256</b>

(1) Assets which are required for banking operations and could not be converted into cash in short-term, such as; property and equipment, associates, subsidiaries and entities under common control, office supply inventory, prepaid expenses and net under follow-up loans as well as securities representing a share in capital; and other liabilities such as provisions which are not considered as payables and equity are classified as undistributed.

(2) Expected Loss Provision for financial assets and other assets are recognized in the related account.

(3) Includes subordinated debt instruments.

(4) Includes the guarantees given for derivative and repo transactions with foreign banks.

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED  
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN  
TURKISH**

**TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.  
NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF  
30 JUNE 2022**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”))

**EXPLANATIONS RELATED TO THE FINANCIAL POSITION AND RISK MANAGEMENT  
(Continued)**

**VI. EXPLANATIONS ON LEVERAGE RATIO**

**1. Explanations on Issues that Cause Differences Between Leverage Ratios**

The Bank’s leverage calculated by force of the regulation “Regulation on Measurement and Assessment of Leverage Ratios of Banks” is 8,10 % (31 December 2021: 6,70%). The increase in the leverage ratio resulted from the increase in the Tier 1 capital amount. The regulation sentenced the minimum leverage ratio as 3%.

<b>Balance sheet assets</b>	<b>Current Period (*)</b>	<b>Prior Period (*)</b>
On-balance sheet items (excluding derivative financial instruments and credit derivatives but including collateral)	1.658.182.475	1.270.737.165
(Assets deducted in determining Tier 1 capital)	(24.113.592)	(10.259.737)
<b>Total on-balance sheet risks (sum of lines 1 and 2)</b>	<b>1.634.068.883</b>	<b>1.260.477.428</b>
<b>Derivative financial instruments and credit derivatives</b>		
Replacement cost associated with all derivative financial instruments and credit derivatives	6.022.792	10.774.720
Add-on amounts for PFE associated with all derivative financial instruments and credit derivatives	3.193.303	2.681.655
<b>Total risks of derivative financial instruments and credit derivatives</b>	<b>9.216.095</b>	<b>13.456.375</b>
<b>Securities or commodity financing transactions (SCFT)</b>		
Risks from SCFT assets(Excluding the balance sheet)	22.172.106	18.956.230
Risks from brokerage activities related exposures	-	-
<b>Total risks related with securities or commodity financing transactions</b>	<b>22.172.106</b>	<b>18.956.230</b>
<b>Other off-balance sheet transactions</b>		
Gross notional amounts of off-balance sheet transactions	541.944.017	364.362.353
(Adjustments for conversion to credit equivalent amounts)	-	-
<b>Total risks of off-balance sheet items</b>	<b>541.944.017</b>	<b>364.362.353</b>
<b>Capital and total risks</b>		
Tier 1 capital	178.804.641	110.958.241
<b>Total risks</b>	<b>2.207.401.101</b>	<b>1.657.252.386</b>
<b>Leverage ratio</b>		
Leverage ratio %	8,10	6,70

(\*) Three-month average of the amounts in the table are taken into account.

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED  
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN  
TURKISH**

**TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.  
NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF  
30 JUNE 2022**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”))

**EXPLANATIONS RELATED TO THE FINANCIAL POSITION AND RISK MANAGEMENT  
(Continued)**

**VII. EXPLANATIONS ON RISK MANAGEMENT**

Notes and explanations prepared in accordance with “the Communiqué on Disclosures about Risk Management to Be Announced to Public by Banks” published in Official Gazette no. 29511 on 23 October 2015 and became effective as of 31 March 2016 are presented in this section.

**1. Explanations on Risk Management and Risk Weighted Amount**

*Overview of Risk Weighted Amounts*

		Risk Weighted Amount		Minimum capital Requirement
		Current Period	Prior Period	Current Period
1	Credit Risk (excluding counterparty credit risk)	1.030.017.042	684.077.782	82.401.363
2	Standardised approach	1.030.017.042	684.077.782	82.401.363
3	Internal rating-based approach	-	-	-
4	Counterparty credit risk	11.838.154	11.260.224	947.052
5	Standardised approach for counterparty credit risk	11.838.154	11.260.224	947.052
6	Internal model method	-	-	-
7	Basic risk weight approach to internal model’s equity position in the banking account	-	-	-
8	Investments made in collective investment companies-look through approach	-	-	-
9	Investments made in collective investment companies-mandate-based approach	15.064.411	11.353.137	1.205.153
10	Investments made in collective investment companies-1250% weighted risk approach	-	-	-
11	Settlement risk	-	-	-
12	Securitization positions in banking accounts	-	-	-
13	IRB ratings-based approach	-	-	-
14	IRB Supervisory Formula approach	-	-	-
15	SA/simplified supervisory formula approach	-	-	-
16	Market risk	94.076.029	39.765.354	7.526.082
17	Standardised approach	94.076.029	39.765.354	7.526.082
18	Internal model approaches	-	-	-
19	Operational risk	55.981.209	46.913.603	4.478.497
20	Basic Indicator approach	55.981.209	46.913.603	4.478.497
21	Standard approach	-	-	-
22	Advanced measurement approach	-	-	-
23	The amount of the discount threshold under the equity (subject to a 250% risk weight)	-	-	-
24	Floor adjustment	-	-	-
25	<b>Total (1+4+7+8+9+10+11+12+16+19+23+24)</b>	<b>1.206.976.845</b>	<b>793.370.100</b>	<b>96.558.147</b>

**2. Explanations on Credit Risk**

*Credit Quality of Assets*

Current Period	Gross amount evaluated in accordance with TAS in the consolidated financial statements prepared according to legal consolidation		Provisions/Amortization and impairments	Net value
	Defaulted	Non-defaulted		
Loans	13.902.467	1.018.459.479	32.616.564	999.745.382
Debt securities	-	387.511.619	20.397.577	367.114.042
Off-balance sheet exposures	1.339.186	515.826.147	4.726.067	512.439.266
<b>Total</b>	<b>15.241.653</b>	<b>1.921.797.245</b>	<b>57.740.208</b>	<b>1.879.298.690</b>

Prior Period	Gross amount evaluated in accordance with TAS in the consolidated financial statements prepared according to legal consolidation		Provisions/Amortization and impairments	Net value
	Defaulted	Non-defaulted		
Loans	15.140.631	763.263.258	29.072.369	749.331.520
Debt securities	-	255.715.754	8.388.604	247.327.150
Off-balance sheet exposures	1.222.526	399.459.021	3.285.225	397.396.322
Credits	<b>16.363.157</b>	<b>1.418.438.033</b>	<b>40.746.198</b>	<b>1.394.054.992</b>

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED  
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN  
TURKISH**

**TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.  
NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF  
30 JUNE 2022**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”))

**EXPLANATIONS RELATED TO THE FINANCIAL POSITION AND RISK MANAGEMENT  
(Continued)**

**VII. EXPLANATIONS ON RISK MANAGEMENT (Continued)**

**2. Explanations on Credit Risk (Continued)**

*Credit Quality of Assets*

*Changes in default receivables and debt instruments inventor*

	<b>Current Period</b>
<b>1 The amount of defaulted loans and borrowing instruments at the end of the previous reporting period</b>	<b>15.140.631</b>
2 Loans and borrowing instruments that defaulted since the last reporting period	2.031.827
3 Receivables that have not re-defaulted	629.008
4 Amounts write-off from assets	-
5 Other changes	(2.640.983)
<b>6 The amount of defaulted loans and borrowing instruments at the end of the reporting period (1 + 2-3-4 ± 5)</b>	<b>13.902.467</b>

	<b>Prior Period</b>
<b>1 The amount of defaulted loans and borrowing instruments at the end of the previous reporting period</b>	<b>13.895.119</b>
2 Loans and borrowing instruments that defaulted since the last reporting period	6.433.514
3 Receivables that have not re-defaulted	1.053.332
4 Amounts write-off from assets	-
5 Other changes	(4.134.670)
<b>6 The amount of defaulted loans and borrowing instruments at the end of the reporting period (1 + 2-3-4 ± 5)</b>	<b>15.140.631</b>

*Credit risk mitigation techniques - Overview*

<b>Current Period</b>	<b>Unsecured receivables: TAS probable valued amount</b>	<b>Receivables secured by guarantee</b>	<b>Collateralized portions of collateralized receivables</b>	<b>Receivables protected by financial guarantees</b>	<b>Collateralized portions of receivables protected by financial guarantees</b>	<b>Loans protected by credit derivatives</b>	<b>Collateralized portions of receivables protected by credit derivatives</b>
Loans	793.405.360	175.792.290	40.343.261	165.020.818	36.181.621	-	-
Debt securities	328.627.394	-	-	-	-	-	-
<b>Total</b>	<b>1.122.032.754</b>	<b>175.792.290</b>	<b>40.343.261</b>	<b>165.020.818</b>	<b>36.181.621</b>	-	-
Defaulted	12.975.553	916.737	223.384	900.263	221.801	-	-

<b>Prior Period</b>	<b>Unsecured receivables: TAS probable valued amount</b>	<b>Receivables secured by guarantee</b>	<b>Collateralized portions of collateralized receivables</b>	<b>Receivables protected by financial guarantees</b>	<b>Collateralized portions of receivables protected by financial guarantees</b>	<b>Loans protected by credit derivatives</b>	<b>Collateralized portions of receivables protected by credit derivatives</b>
Loans	538.224.704	153.309.865	52.175.656	145.862.713	49.627.733	-	-
Debt securities	200.984.844	-	-	-	-	-	-
<b>Total</b>	<b>739.209.548</b>	<b>153.309.865</b>	<b>52.175.656</b>	<b>145.862.713</b>	<b>49.627.733</b>	-	-
Defaulted	14.129.917	990.865	281.821	973.812	280.901	-	-

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED  
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN  
TURKISH**

**TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.  
NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF  
30 JUNE 2022**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”))

**EXPLANATIONS RELATED TO THE FINANCIAL POSITION AND RISK MANAGEMENT (Continued)**

**VII. EXPLANATIONS ON RISK MANAGEMENT (Continued)**

**2. Explanations on Credit Risk (Continued)**

*Standard Approach- Exposure to credit risk and credit risk mitigation effects*

Current Period	Exposures before CCF and CRM		Exposures post-CCF and CRM		RWA and RWA density	
	On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	On-balance amount	Off-balance sheet amount
<b>Risk classes</b>						
Receivables from central government or central banks	602.893.225	1.593.911	638.624.641	804.681	2.073.081	0,3%
Receivables from regional or local governments	352.931	178.100	362.209	121.474	208.890	43,2%
Receivables from administrative units and non-commercial enterprises	7.514.231	2.427.004	7.504.253	1.155.882	8.635.256	99,7%
Receivables from multilateral development banks	-	-	-	-	-	-
Receivables from international organizations	-	-	-	-	-	-
Receivables from banks and intermediary institutions	90.015.200	22.274.750	90.386.906	12.812.727	26.932.122	26,1%
Corporate receivables	459.665.879	286.233.423	448.237.608	165.228.123	609.033.958	99,3%
Retail receivables	279.716.102	124.470.493	255.698.889	15.105.801	202.497.126	74,8 %
Receivables secured with real estate mortgage for residence	112.844.609	2.426.691	112.420.435	1.112.600	39.731.988	35,0%
Receivables secured by real estate mortgage	49.527.983	5.203.879	49.527.983	3.212.146	30.330.852	57,5%
Delayed receivables	2.438.977	-	2.217.181	-	1.565.701	70,6%
Receivables with high risk determined by the Board	48.780.625	340.083	48.772.417	170.131	83.712.108	171,0%
Mortgage-backed securities	-	-	-	-	-	-
Short-term receivables from banks and intermediary institutions and short-term corporate receivables	-	-	-	-	-	-
Investments in the nature of collective investment enterprise	15.055.069	147.804	15.052.309	73.851	15.064.411	99,6%
Other receivables	37.988.990	-	37.988.990	-	27.378.620	72,1%
Equity investments	12.449.278	-	12.449.278	-	7.365.415	59,2%
<b>Total</b>	<b>1.719.243.099</b>	<b>445.296.138</b>	<b>1.719.243.099</b>	<b>199.797.416</b>	<b>1.054.529.528</b>	<b>55,0%</b>

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED  
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN  
TURKISH**

**TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.  
NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF  
30 JUNE 2022**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”))

**EXPLANATIONS RELATED TO THE FINANCIAL POSITION AND RISK MANAGEMENT (Continued)**

**VII. EXPLANATIONS ON RISK MANAGEMENT (Continued)**

**2. Explanations on Credit Risk (Continued)**

*Standard Approach- Exposure to credit risk and credit risk mitigation effects (Continued)*

Prior Period	Exposures before CCF and CRM		Exposures post-CCF and CRM		RWA and RWA density	
	On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	On-balance amount	Off-balance sheet amount
<b>Risk Classes</b>						
Receivables from central government or central banks	448.448.814	513.114	496.650.060	665.485	9.543.672	1,9%
Receivables from regional or local governments	485.866	74.499	421.360	104.362	234.769	44,7%
Receivables from administrative units and non-commercial enterprises	5.817.265	566.846	5.159.064	566.846	5.704.900	99,6%
Receivables from multilateral development banks	-	-	-	-	-	-
Receivables from international organizations	-	-	-	-	-	-
Receivables from banks and intermediary institutions	82.505.805	9.057.008	74.259.520	10.138.734	16.432.472	19,5%
Corporate receivables	379.851.827	100.591.550	281.490.310	99.441.099	378.199.467	99,3%
Retail receivables	360.370.732	11.630.728	238.056.751	11.517.405	186.524.904	74,7%
Receivables secured with real estate mortgage for residence	67.845.397	477.136	66.963.648	477.136	23.602.123	35,0%
Receivables secured by real estate mortgage	31.527.592	1.922.107	30.405.544	1.922.107	18.867.278	58,4%
Delayed receivables	2.900.742	-	2.619.845	-	2.191.142	83,6%
Receivables with high risk determined by the Board	14.975.081	32.426	14.934.885	32.238	22.304.678	149,0%
Mortgage-backed securities	-	-	-	-	-	-
Short-term receivables from banks and intermediary institutions and short-term corporate receivables	-	-	-	-	-	-
Investments in the nature of collective investment enterprise	11.420.172	75.916	11.339.832	75.916	11.353.137	99,5%
Other receivables	28.162.738	-	28.162.737	-	21.459.602	76,2%
Equity investments	9.926.637	-	9.926.637	-	5.742.774	57,9%
<b>Total</b>	<b>1.444.238.668</b>	<b>124.941.330</b>	<b>1.260.390.193</b>	<b>124.941.328</b>	<b>702.160.918</b>	<b>50,7%</b>

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH**

**TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.  
NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF  
30 JUNE 2022**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”))

**EXPLANATIONS RELATED TO THE FINANCIAL POSITION AND RISK MANAGEMENT (Continued)**

**VII. EXPLANATIONS ON RISK MANAGEMENT (Continued)**

**2. Explanations on Credit Risk (Continued)**

*Receivables related with Risk Classes and Risk Weights*

Risk Classes/ Risk Weight – Current Period	0%	10%	20%	25%	35% Secured by property mortgage	50% Secured by property mortgage	50% (*)	75%	100%	150%	250%	Other	Total risk amount (post-CCF and CRM)
Receivables from central government or central banks	637.244.172	-	19.151	-	-	-	193.497	-	1.972.502	-	-	-	639.429.322
Receivables from regional or local governments	58.044	-	24.081	-	-	-	394.968	-	6.590	-	-	-	483.683
Receivables from administrative units and non-commercial enterprises	24.748	-	164	-	-	-	-	-	8.635.223	-	-	-	8.660.135
Receivables from multilateral development banks	-	-	-	-	-	-	-	-	-	-	-	-	-
Receivables from international organizations	-	-	-	-	-	-	-	-	-	-	-	-	-
Receivables from banks and intermediary institutions	45.417.630	-	12.290.483	-	-	-	42.023.877	-	3.461.974	-	-	5.669	103.199.633
Corporate receivables	2.378.036	-	1.093.236	-	-	-	2.358.296	-	607.636.163	-	-	-	613.465.731
Retail receivables	2.353.447	-	564.546	-	-	-	-	262.009.920	5.876.777	-	-	-	270.804.690
Receivables secured with real estate mortgage for residence	10.686	-	5.557	-	113.516.792	-	-	-	-	-	-	-	113.533.035
Receivables secured by real estate mortgage	-	-	-	-	-	44.818.555	-	-	7.921.574	-	-	-	52.740.129
Delayed receivables	438	-	1.065	-	-	-	1.300.380	-	915.298	-	-	-	2.217.181
Receivables with high risk determined by the Board	106.779	-	3.645	-	-	-	19.054	-	974	27.846.628	-	20.965.468	48.942.548
Mortgage-backed securities	-	-	-	-	-	-	-	-	-	-	-	-	-
Short-term receivables from banks and intermediary institutions and short-term corporate receivables	-	-	-	-	-	-	-	-	-	-	-	-	-
Investments in the nature of collective investment enterprise	61.749	-	-	-	-	-	-	-	15.064.411	-	-	-	15.126.160
Equity investments	5.083.863	-	-	-	-	-	-	-	7.365.415	-	-	-	12.449.278
Other receivables	10.608.479	-	2.364	-	-	-	-	-	27.378.147	-	-	-	37.988.990
<b>Total</b>	<b>703.348.071</b>	<b>-</b>	<b>14.004.292</b>	<b>-</b>	<b>113.516.792</b>	<b>44.818.555</b>	<b>46.290.072</b>	<b>262.009.920</b>	<b>686.235.048</b>	<b>27.846.628</b>	<b>-</b>	<b>20.971.137</b>	<b>1.919.040.515</b>

(\*) “Demonstrates all receivables that are consisting of 50% risk weighted and out of the line “Exposures secured by commercial property”.

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH**

**TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.  
NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF  
30 JUNE 2022**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”))

**EXPLANATIONS RELATED TO THE FINANCIAL POSITION AND RISK MANAGEMENT (Continued)**

**VII. EXPLANATIONS ON RISK MANAGEMENT (Continued)**

**2. Explanations on Credit Risk (Continued)**

*Receivables related with Risk Classes and Risk Weights (Continued)*

Risk Classes/ Risk Weight – Prior Period	0%	10%	20%	25%	35% Secured by property mortgage	50% Secured by property mortgage	50% <sup>(*)</sup>	75%	100%	150%	250%	Other	Total risk amount (post-CCF and CRM)
Receivables from central government or central banks	479.872.931	-	270.902	-	-	-	15.364.442	-	1.807.270	-	-	-	497.315.545
Receivables from regional or local governments	58.780	-	24.081	-	-	-	425.818	-	17.043	-	-	-	525.722
Receivables from administrative units and non-commercial enterprises	20.841	-	212	-	-	-	-	-	5.704.857	-	-	-	5.725.910
Receivables from multilateral development banks	-	-	-	-	-	-	-	-	-	-	-	-	-
Receivables from international organizations	-	-	-	-	-	-	-	-	-	-	-	-	-
Receivables from banks and intermediary institutions	48.262.942	-	9.185.815	-	-	-	22.501.096	-	3.322.238	-	-	1.126.163	84.398.254
Corporate receivables	1.602.202	-	783.308	-	-	-	1.003.914	-	377.540.825	-	-	1.160	380.931.409
Retail receivables	1.599.739	-	654.718	-	-	-	3.772	243.695.409	3.620.518	-	-	-	249.574.156
Receivables secured with real estate mortgage for residence	5.075	-	2.495	-	67.433.214	-	-	-	-	-	-	-	67.440.784
Receivables secured by real estate mortgage	-	-	-	-	-	26.920.745	-	-	5.406.906	-	-	-	32.327.651
Delayed receivables	797	-	21	-	-	-	855.778	-	1.763.249	-	-	-	2.619.845
Receivables with high risk determined by the Board	78.736	-	3.482	-	-	-	23.120	-	511	14.861.274	-	-	14.967.123
Mortgage-backed securities	-	-	-	-	-	-	-	-	-	-	-	-	-
Short-term receivables from banks and intermediary institutions and short-term corporate receivables	-	-	-	-	-	-	-	-	-	-	-	-	-
Investments in the nature of collective investment enterprise	62.611	-	-	-	-	-	-	-	11.353.137	-	-	-	11.415.748
Equity investments	4.183.863	-	-	-	-	-	-	-	5.742.774	-	-	-	9.926.637
Other receivables	6.703.116	-	25	-	-	-	-	-	21.459.596	-	-	-	28.162.737
<b>Total</b>	<b>542.451.633</b>	<b>-</b>	<b>10.925.059</b>	<b>-</b>	<b>67.433.214</b>	<b>26.920.745</b>	<b>40.177.940</b>	<b>243.695.409</b>	<b>437.738.924</b>	<b>14.861.274</b>	<b>-</b>	<b>1.127.323</b>	<b>1.385.331.521</b>

<sup>(\*)</sup> “Demonstrates all receivables that are consisting of 50% risk weighted and out of the line “Exposures secured by commercial property”.

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED  
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN  
TURKISH**

**TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.  
NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF  
30 JUNE 2022**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”))

**EXPLANATIONS RELATED TO THE FINANCIAL POSITION AND RISK MANAGEMENT  
(Continued)**

**VII. EXPLANATIONS ON RISK MANAGEMENT (Continued)**

**3. Counterparty Credit Risk**

*Evaluation of Counterparty Credit Risk in Accordance with the Measurement Methods*

		Replacement cost	Potential future exposure	EEPE (Effective Expected Positive Exposure) <sup>(*)</sup>	Alpha used for computing regulatory EAD	Exposure at default post CRM	RWA
	<b>Current Period</b>						
	Valuation Method according to fair value - CCR (for derivatives)	2.617.030	2.587.811			5.204.841	2.181.604
1	Standardised approach – CCR (for derivatives)	-	-		1,4	-	-
2	Internal Model Method (for derivatives, Repo Transactions, Marketable Securities or Commodity lending or borrowing transactions with a long settlement time, Marketable Security transactions with credit)			-	-	-	-
3	Simple Approach for credit risk mitigation (for derivatives, Repo Transactions, Marketable Securities or Commodity lending or borrowing transactions with a long settlement time, Marketable Security transactions with credit)					135.869.578	4.708.018
4	Comprehensive Approach for credit risk mitigation (for derivatives, Repo Transactions, Marketable Securities or Commodity lending or borrowing transactions, transactions with a long settlement time, Marketable Security transactions with credit)					19.165.410	2.558.340
5	Commodity lending or borrowing transactions, transactions with a long settlement time, Marketable Security transactions with credit					-	-
6	<b>Total</b>						<b>9.447.962</b>

<sup>(\*)</sup> Effective Expected Positive Exposure

		Replacement cost	Potential future exposure	EEPE (Effective Expected Positive Exposure) <sup>(*)</sup>	Alpha used for computing regulatory EAD	Exposure at default post CRM	RWA
	<b>Prior Period</b>						
	Valuation Method according to fair value – CCR (for derivatives)	7.543.403	1.966.845			9.510.248	2.292.993
1	Standardised approach – CCR (for derivatives)	-	-		1,4	-	-
2	Internal Model Method (for derivatives, Repo Transactions, Marketable Securities or Commodity lending or borrowing transactions, transactions with a long settlement time, Marketable Security transactions with credit)			-	-	-	-
3	Simple Approach for credit risk mitigation (for derivatives, Repo Transactions, Marketable Securities or Commodity lending or borrowing transactions, transactions with a long settlement time, Marketable Security transactions with credit)					121.364.657	3.246.183
4	Comprehensive Approach for credit risk mitigation (for derivatives, Repo Transactions, Marketable Securities or Commodity lending or borrowing transactions, transactions with a long settlement time, Marketable Security transactions with credit)					20.922.022	1.168.277
5	Commodity lending or borrowing transactions, transactions with a long settlement time, Marketable Security transactions with credit					-	-
6	<b>Total</b>						<b>6.707.453</b>

<sup>(\*)</sup> Effective Expected Positive Exposure

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED  
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN  
TURKISH**

**TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.  
NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF  
30 JUNE 2022**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”))

**EXPLANATIONS RELATED TO THE FINANCIAL POSITION AND RISK MANAGEMENT  
(Continued)**

**VII. EXPLANATIONS ON RISK MANAGEMENT (Continued)**

**3. Counterparty Credit Risk (Continued)**

*Capital Requirement for Loan Valuation Adjustments*

	<b>Current Period</b>	<b>Exposure at default post-CRM</b>	<b>RWA</b>
	Total portfolios subject to the Advanced CVA capital charge	-	-
1	(i) Value at Risk (VaR) component (including the 3×multiplier)	-	-
2	(ii) Stressed VaR component (including the 3×multiplier)	-	-
3	All portfolios subject to the Standardised CVA capital charge	5.204.841	2.375.709
<b>4</b>	<b>Total subject to the CVA capital charge</b>	<b>5.204.841</b>	<b>2.375.709</b>

	<b>Prior Period</b>	<b>Exposure at default post-CRM</b>	<b>RWA</b>
	Total portfolios subject to the Advanced CVA capital charge	-	-
1	(i) Value at Risk (VaR) component (including the 3×multiplier)	-	-
2	(ii) Stressed VaR component (including the 3×multiplier)	-	-
3	All portfolios subject to the Standardised CVA capital charge	9.510.248	4.510.541
<b>4</b>	<b>Total subject to the CVA capital charge</b>	<b>9.510.248</b>	<b>4.510.541</b>

CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH

TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.  
NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF  
30 JUNE 2022

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”))

EXPLANATIONS RELATED TO THE FINANCIAL POSITION AND RISK MANAGEMENT (Continued)

VII. EXPLANATIONS ON RISK MANAGEMENT (Continued)

3. Counterparty Credit Risk (Continued)

*Standardised approach - CCR exposures by risk class and risk weights*

Current Period Risk Weight /Risk Classes	%0	%10	%20	%50	%75	%100	%150	Other	Total credit exposure <sup>(*)</sup>
Receivables from central government or central banks	104.944.156	-	-	-	-	-	-	-	104.944.156
Receivables from regional or local governments	2.291	-	-	-	-	-	-	-	2.291
Receivables from administrative units and non-commercial enterprises	8.201	-	-	-	-	-	-	-	8.201
Receivables from multilateral development banks	-	-	-	-	-	-	-	-	-
Receivables from international organizations	-	-	-	-	-	-	-	-	-
Receivables from banks and intermediary institutions	31.725.298	-	10.119.327	11.841.039	-	362.041	-	5.669	54.053.374
Corporate receivables	306.602	-	-	-	-	483.141	-	-	789.743
Retail receivables	8.570	-	-	-	466	-	-	-	9.036
Other receivables (**)	-	-	-	-	-	-	438.697	-	438.697
<b>Total</b>	<b>136.995.118</b>	<b>-</b>	<b>10.119.327</b>	<b>11.841.039</b>	<b>466</b>	<b>845.182</b>	<b>438.697</b>	<b>5.669</b>	<b>160.245.498</b>

(\*) Total credit risk: the amount relevant for the capital requirements calculation, having applied CRM techniques.

(\*\*) Other receivables: the amount excludes exposures to “Central counterparty” which are reported in Counterparty credit risk.

Prior Period Risk Weight /Risk Classes	%0	%10	%20	%50	%75	%100	%150	Other	Total credit exposure <sup>(*)</sup>
Receivables from central government or central bank	98.780.005	-	-	-	-	-	-	-	98.780.005
Receivables from regional or local government	3.736	-	-	215	-	-	-	-	3.951
Receivables from administrative units and non-commercial enterprises	6.272	-	-	-	-	393	-	-	6.665
Receivables from multilateral development banks	-	-	-	-	-	-	-	-	-
Receivables from international organizations	-	-	-	-	-	-	-	-	-
Receivables from banks and intermediary institutions	35.725.103	-	8.256.265	6.343.737	-	222.724	-	1.126.163	51.673.992
Corporate receivables	778.467	-	-	-	-	1.651.846	-	1.160	2.431.473
Retail receivables	15.817	-	-	-	12.347	-	-	-	28.164
Other receivables (**)	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>135.309.400</b>	<b>-</b>	<b>8.256.265</b>	<b>6.343.952</b>	<b>12.347</b>	<b>1.874.963</b>	<b>-</b>	<b>1.127.323</b>	<b>152.924.250</b>

(\*) Total credit risk: the amount relevant for the capital requirements calculation, having applied CRM techniques.

(\*\*) Other assets: the amount excludes exposures to “Central counterparty” which are reported in Counterparty credit risk.

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED  
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN  
TURKISH**

**TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.  
NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF  
30 JUNE 2022**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”))

**EXPLANATIONS RELATED TO THE FINANCIAL POSITION AND RISK MANAGEMENT  
(Continued)**

**VII. EXPLANATIONS ON RISK MANAGEMENT (Continued)**

**3. Counterparty Credit Risk (Continued)**

*Collaterals used for counterparty credit risk*

Current Period	Collateral for derivative transactions				Collateral for other transactions	
	Collateral received		Collateral given		Collateral received	Collateral given
	Segregated	Nonsegregated	Segregated	Nonsegregated		
Cash-domestic currency	-	-	-	-	354.403	-
Cash-foreign currency	-	-	-	-	45.381.025	-
Domestic sovereign debts	-	-	-	-	-	-
Other sovereign debts	-	-	-	-	-	-
Government agency debts	-	-	-	-	-	-
Corporate debts	-	-	-	-	-	-
Equity securities	-	-	-	-	-	-
Other collateral	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	<b>45.735.428</b>	-

Prior Period	Collateral for derivative transactions				Collateral for other transactions	
	Collateral received		Collateral given		Collateral received	Collateral given
	Segregated	Nonsegregated	Segregated	Nonsegregated		
Cash-domestic currency	-	-	-	-	14.321.418	-
Cash-foreign currency	-	-	-	-	34.393.015	-
Domestic sovereign debts	-	-	-	-	-	-
Other sovereign debts	-	-	-	-	-	-
Government agency debts	-	-	-	-	-	-
Corporate debts	-	-	-	-	-	-
Equity securities	-	-	-	-	-	-
Other collateral	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	<b>48.714.433</b>	-

*Credit Derivatives*

None (31 December 2021: None).

*Risks Related with Central Counterparty*

	Current Period	Exposure at default (post-CRM)	RAW
1	<b>Exposure to Qualified Central Counterparties (QCCPs) (total)</b>	<b>724.144</b>	<b>14.483</b>
2	Exposures for trades at QCCPs (excluding initial margin and default fund contributions); of which	-	-
3	(i) OTC Derivatives	5.669	113
4	(ii) Exchange-traded Derivatives	-	-
5	(iii) Securities financing transactions	-	-
6	(iv) Netting sets where cross-product netting has been approved	-	-
7	Segregated initial margin	-	-
8	Non-segregated initial margin	-	-
9	Pre-funded default fund contributions	718.475	14.370
10	Unfunded default fund contributions	-	-
11	<b>Exposures to non-QCCPs (total)</b>	-	-
12	Exposures for trades at non-QCCPs (excluding initial margin and default fund contributions); of which	-	-
13	(i) OTC Derivatives	-	-
14	(ii) Exchange-traded Derivatives	-	-
15	(iii) Securities financing transactions	-	-
16	(iv) Netting sets where cross-product netting has been approved	-	-
17	Segregated initial margin	-	-
18	Non-segregated initial margin	-	-
19	Pre-funded default fund contributions	-	-
20	Unfunded default fund contributions	-	-

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED  
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN  
TURKISH**

**TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.  
NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF  
30 JUNE 2022**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”))

**EXPLANATIONS RELATED TO THE FINANCIAL POSITION AND RISK MANAGEMENT  
(Continued)**

**VII. EXPLANATIONS ON RISK MANAGEMENT (Continued)**

**3. Counter Party Credit Risk (Continued)**

*Risks Related with Central Counterparty (Continued)*

	Prior Period	Exposure at default (post-CRM)	RAW
1	<b>Exposure to Qualified Central Counterparties (QCCPs) (total)</b>	<b>2.111.507</b>	<b>42.230</b>
2	Exposures for trades at QCCPs (excluding initial margin and default fund contributions); of which	-	-
3	(i) OTC Derivatives	5.122	102
4	(ii) Exchange-traded Derivatives	-	-
5	(iii) Securities financing transactions	1.122.201	22.444
6	(iv) Netting sets where cross-product netting has been approved	-	-
7	Segregated initial margin	-	-
8	Non-segregated initial margin	-	-
9	Pre-funded default fund contributions	984.184	19.684
10	Unfunded default fund contributions	-	-
11	<b>Exposures to non-QCCPs (total)</b>	-	-
12	Exposures for trades at non-QCCPs (excluding initial margin and default fund contributions); of which )	-	-
13	(i) OTC Derivatives	-	-
14	(ii) Exchange-traded Derivatives	-	-
15	(iii) Securities financing transactions	-	-
16	(iv) Netting sets where cross-product netting has been approved	-	-
17	Segregated initial margin	-	-
18	Non-segregated initial margin	-	-
19	Pre-funded default fund contributions	-	-
20	Unfunded default fund contributions	-	-

**4. Explanations on Market Risk**

*Structure and Scope of Risk Reporting and/or Measurement Systems*

Standard approach	RWA	
	Current Period	Prior Period
<b>Outright products</b>		
1 Interest rate risk (general and specific)	77.156.739	30.809.989
2 Equity risk (general and specific)	6.821.672	4.312.614
3 Foreign exchange risk	10.097.618	4.642.751
4 Commodity risk	-	-
<b>Options</b>		
5 Simplified approach	-	-
6 Delta-plus method	-	-
7 Scenario approach	-	-
8 Securitization	-	-
9 <b>Total</b>	<b>94.076.029</b>	<b>39.765.354</b>

The following tables that should be given in quarterly and six-month periods in accordance with the footnotes and related explanations prepared in accordance with the “Communiqué on Public Disclosures by the Banks” published in the Official Gazette dated 23 October 2015 and numbered 29511 by the BRSA and entered into force as of 31 March 2016. As of 30 June 2022, since the standard approach is used in the calculation of the market risk of the Bank:

Market risk RWA (Risk Weighted Assets) change table according to the internal model approach

Internal model approach for trading account

Comparison of VAR (Value at Risk) estimates with profit / loss

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED  
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN  
TURKISH**

**TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.  
NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF  
30 JUNE 2022**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”))

**EXPLANATIONS RELATED TO THE FINANCIAL POSITION AND RISK MANAGEMENT  
(Continued)**

**VIII. EXPLANATION ON HEDGE ACCOUNTING**

Along with the hedging accounting, it is aimed to protect the capital amounts allocated to foreign partnerships in the unconsolidated financial statements of the Bank from the effects of exchange rate risk arising from changes in foreign exchange rates. Within the scope of fair value hedge accounting, the fair value changes of the hedging instrument are recognized in the income statement together with the fair value changes of the hedged item.

The efficiency test is performed using the “Amount balancing method” (“Dollar off-set method”) to compare the changes in fair value of the hedging instrument and the item subject to financial risk hedging. Efficiency tests are carried out at the beginning of hedge accounting and as of reporting periods. According to this method, the change in the value of the hedged item between the date when the hedging relationship started, and the end of each reporting period is compared with the change in the value of the hedging instrument and the effectiveness ratio of the hedging relationship is calculated.

Hedge accounting is terminated when the hedging instrument expires, realizes, is sold or the effectiveness test is ineffective. If efficiency is restored, hedge accounting can be resumed.

<b>Hedging instrument</b>	<b>Hedged Item</b>	<b>Risk Exposure</b>	<b>Fair Value Difference of Hedging Instrument</b>	<b>Fair Value Difference of Hedged Items</b>	<b>Ineffective Portion</b>
FC Deposit (EUR)	EUR Capital Amounts Allocated to Foreign Partnerships	Foreign exchange rate risk	(2.913.201)	2.913.201	-

**IX. EXPLANATIONS ON OPERATING SEGMENTS**

Organizational and internal reporting structure of the Bank is determined in line with TFRS 8 “Operating Segments”.

The Bank has operations in retail banking, corporate and commercial banking, specialized banking, investment banking and international banking areas.

Known as having the most extensive branch network in retail banking sector, the Bank renders services, such as deposits, consumer loans, loans originated from public funds whose risk does not belong to the Bank, pension payments, credit cards, automatic and regular payment, cheques and notes, money transfer order, foreign exchange transactions, ATM, internet banking, mobile banking, safe-deposit box and insurance brokerage services. Moreover, existing banking products are improved, and new banking products are launched in order to increase profitability and benefit from the services undertaken as being a state bank. By “Anahtar” IT system, which is working in a centralized manner, the Bank has the technical infrastructure required by modern banking to meet its clients’ needs.

In the context of corporate and commercial banking, the Bank allocates working capital loans, mid-term and long-term investment loans, foreign trade financing loans, letter of credits and guarantees in Turkish Lira and foreign currencies; renders project financing, other corporate finance related services, foreign exchange transactions and banking services to large-scale corporate clients and middle-small scale enterprises.

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED  
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN  
TURKISH**

**TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.  
NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF  
30 JUNE 2022**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”))

---

**EXPLANATIONS RELATED TO THE FINANCIAL POSITION AND RISK MANAGEMENT  
(Continued)**

**IX. EXPLANATIONS ON OPERATING SEGMENTS (Continued)**

As the Bank is the main financial institution that meets the financing needs of agricultural sector in Türkiye, it extends agricultural working capital and investment loans from its own sources for crop and animal production, fishery products and agricultural mechanization directly to producers and The Central Union of Turkish Agricultural Credit Cooperatives. Besides, it gives support to entities and enterprises having operations in agricultural sector by acting as an intermediary for loans originated from public funds.

Treasury transactions and international banking activities are conducted by the Treasury Management and International Banking Group and, spot and forward TL, foreign currency, precious metal, securities, derivative transactions are executed in local and international organized and over the counter money and capital markets. Also, the Bank's liquidity and securities portfolio management, deposit and non-deposit funding management activities are being executed. Additionally, the distribution of treasury products to branches and other channels for marketing purposes and the intermediation to the customers' trade finance are other responsibilities. The Bank acts as an intermediary for sale and purchase of securities, for public offerings as an agency of Ziraat Yatırım Menkul Değerler A.Ş. and for transaction of mutual funds founded by Ziraat Portföy Yönetimi A.Ş. and another portfolio management companies. It also provides custody service for these financial instruments and besides, long term financing from banks and international financial institutions, issuing bonds in local and international markets, managing relationship with correspondent banks so as to diversify its funding base are among the responsibilities of the department.

Besides, the Bank has commission revenue from life, non-life and private pension insurance and other finance institutions by rendering agency services through its branches.

As of 30 June 2022, explanations on segment reporting as shown on the following page are in line with Communiqué on “Financial Statements to be Publicly Announced and the Accompanying Policies and Disclosures”.

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED  
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN  
TURKISH**

**TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.  
NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF  
30 JUNE 2022**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”))

**EXPLANATIONS RELATED TO THE FINANCIAL POSITION AND RISK MANAGEMENT  
(Continued)**

**IX. EXPLANATIONS ON OPERATING SEGMENTS (Continued)**

**1. Table for Segment Reporting**

Current Period	Retail Banking	Corporate/ Commercial Banking	Specialized Banking	Treasury/ Investment Banking	Other	Total
<b>OPERATING INCOME/EXPENSE</b>						
Interest Income	11.728.519	24.541.994	9.709.539	39.509.956	226.300	85.716.308
Interest Expenses	16.315.846	9.944.473	-	11.274.632	1.292.839	38.827.790
<b>Net Interest Income/Expense</b>	<b>(4.587.327)</b>	<b>14.597.521</b>	<b>9.709.539</b>	<b>28.235.324</b>	<b>(1.066.539)</b>	<b>46.888.518</b>
<b>Net Fees and Commission Income/Expense</b>	<b>3.795.829</b>	<b>2.679.670</b>	<b>196.578</b>	<b>(2.024.082)</b>	<b>714.394</b>	<b>5.362.389</b>
Dividend Income	-	-	-	246.209	-	246.209
<b>Trading Profit / Loss (Net)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(168.318)</b>	<b>-</b>	<b>(168.318)</b>
Other Operating Income	26.894	641.828	52.719	4.035	3.127.899	3.853.375
<b>Provision for Expected Loss (-)</b>	<b>1.443.628</b>	<b>4.968.198</b>	<b>1.156.060</b>	<b>4.352.626</b>	<b>10.028.047</b>	<b>21.948.559</b>
Other Expenses	2.421.978	97.841	112.692	-	7.661.618	10.294.129
<b>Net Operating Profit / Loss</b>	<b>(4.630.210)</b>	<b>12.852.980</b>	<b>8.690.084</b>	<b>21.940.542</b>	<b>(14.913.911)</b>	<b>23.939.485</b>
<b>Profit/Loss on Equity Method Applied Subsidiaries</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Tax Provision</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(7.760.727)</b>	<b>(7.760.727)</b>
<b>Net Profit / Loss</b>	<b>(4.630.210)</b>	<b>12.852.980</b>	<b>8.690.084</b>	<b>21.940.542</b>	<b>(22.674.638)</b>	<b>16.178.758</b>
<b>SEGMENT ASSETS</b>						
Financial Assets at Fair Value Through Profit or Loss (Net)	-	-	-	28.016.637	-	28.016.637
Banks and Receivables from Money Markets	-	-	-	24.336.748	-	24.336.748
Financial Assets at Fair Value Through Other Comprehensive Income (Net)	-	-	-	341.795.781	-	341.795.781
Loans	194.202.177	593.867.322	156.592.521	55.083.362	-	999.745.382
Financial Assets Measured at Amortized Cost (Net)	-	-	-	94.433.447	-	94.433.447
Derivative Financial Assets	-	-	-	4.626.335	-	4.626.335
Associates, Subsidiaries and Entities under Common Control	-	-	-	25.775.231	-	25.775.231
Other Assets	5.263	4.954.496	86.135	193.199.077	39.369.564	237.614.535
<b>Total Segment Assets</b>	<b>194.207.440</b>	<b>598.821.818</b>	<b>156.678.656</b>	<b>767.266.618</b>	<b>39.369.564</b>	<b>1.756.344.096</b>
<b>SEGMENT LIABILITIES</b>						
Deposits	846.083.162	232.878.263	-	67.448.217	78.820.403	1.225.230.045
Derivative Financial Liabilities Held for Trading	-	-	-	6.980.302	-	6.980.302
Funds Borrowed	-	-	-	86.382.899	-	86.382.899
Money Markets Borrowing	10.909	107.969.860	-	60.659.585	-	168.640.354
Securities Issued (Net)	-	-	-	23.359.861	-	23.359.861
Provisions	-	4.726.067	-	-	16.327.173	21.053.240
Other Liabilities	-	-	-	-	71.650.201	71.650.201
Shareholders' Equity	-	-	-	-	153.047.194	153.047.194
<b>Total Segment Liabilities</b>	<b>846.094.071</b>	<b>345.574.190</b>	<b>-</b>	<b>244.830.864</b>	<b>319.844.971</b>	<b>1.756.344.096</b>

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED  
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN  
TURKISH**

**TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.  
NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF  
30 JUNE 2022**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”))

**EXPLANATIONS RELATED TO THE FINANCIAL POSITION AND RISK MANAGEMENT  
(Continued)**

**IX. EXPLANATIONS ON OPERATING SEGMENTS (Continued)**

**1. Table for Segment Reporting (Continued)**

Prior Period	Retail Banking	Corporate/ Commercial Banking	Specialized Banking	Treasury/ Investment Banking	Other	Total
<b>OPERATING INCOME/EXPENSE</b>						
Interest Income	9.473.754	14.148.603	5.562.316	14.366.290	106.255	43.657.218
Interest Expenses	11.546.584	5.868.591	-	12.298.724	294.698	30.008.597
<b>Net Interest Income/Expense</b>	<b>(2.072.830)</b>	<b>8.280.012</b>	<b>5.562.316</b>	<b>2.067.566</b>	<b>(188.443)</b>	<b>13.648.621</b>
<b>Net Fees and Commission Income/Expense</b>	<b>1.477.829</b>	<b>1.331.001</b>	<b>86.124</b>	<b>(821.778)</b>	<b>142.955</b>	<b>2.216.131</b>
Dividend Income	-	-	-	111.605	-	111.605
Trading Profit / Loss (Net)	-	-	-	(5.128.354)	-	(5.128.354)
Other Operating Income	13.445	96.442	23.586	3.076	1.970.865	2.107.414
Provision for Expected Loss (-)	916.346	2.065.925	554.365	108.234	4.599	3.649.469
Other Expenses	1.830.172	43.449	51.818	0	4.858.979	6.784.418
<b>Net Operating Profit / Loss</b>	<b>(3.328.074)</b>	<b>7.598.081</b>	<b>5.065.843</b>	<b>(3.876.119)</b>	<b>(2.938.201)</b>	<b>2.521.530</b>
Profit/Loss on Equity Method Applied Subsidiaries	-	-	-	-	-	-
Tax Provision	-	-	-	-	(781.826)	(781.826)
<b>Net Profit / Loss</b>	<b>(3.328.074)</b>	<b>7.598.081</b>	<b>5.065.843</b>	<b>(3.876.119)</b>	<b>(3.720.027)</b>	<b>1.739.704</b>
<b>SEGMENT ASSETS</b>						
Financial Assets at Fair Value Through Profit or Loss (Net)	-	-	-	26.659.712	-	26.659.712
Banks and Receivables from Money Markets	-	-	-	13.277.689	-	13.277.689
Financial Assets at Fair Value Through Other Comprehensive Income (Net)	-	-	-	270.157.157	-	270.157.157
Loans	165.351.499	452.349.808	116.303.978	15.326.235	-	749.331.520
Financial Assets Measured at Amortized Cost (Net)	-	-	-	44.577.797	-	44.577.797
Derivative Financial Assets	-	-	-	12.048.564	-	12.048.564
Associates, Subsidiaries and Entities under Common Control	-	-	-	20.987.890	-	20.987.890
Other Assets	7.334	4.806.870	121.636	200.444.597	28.469.502	233.849.939
<b>Total Segment Assets</b>	<b>165.358.833</b>	<b>457.156.678</b>	<b>116.425.614</b>	<b>603.479.641</b>	<b>28.469.502</b>	<b>1.370.890.268</b>
<b>SEGMENT LIABILITIES</b>						
Deposits	697.033.528	129.831.454	-	55.355.089	66.466.544	948.686.615
Derivative Financial Liabilities Held for Trading	-	-	-	3.590.919	-	3.590.919
Funds Borrowed	-	-	-	59.316.661	-	59.316.661
Money Markets Borrowing	13.812	120.192.120	-	56.493.164	-	176.699.096
Securities Issued (Net)	-	-	-	26.162.041	-	26.162.041
Provisions	-	3.285.225	-	-	5.774.787	9.060.012
Other Liabilities	-	-	-	-	50.275.165	50.275.165
Shareholders' Equity	-	-	-	-	97.099.759	97.099.759
<b>Total Segment Liabilities</b>	<b>697.047.340</b>	<b>253.308.799</b>	<b>-</b>	<b>200.917.874</b>	<b>219.616.255</b>	<b>1.370.890.268</b>

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED  
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN  
TURKISH**

**TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.  
NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF  
30 JUNE 2022**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”))

**SECTION FIVE**

**EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS**

**I. EXPLANATIONS AND NOTES RELATED TO ASSETS**

**1. Information related to cash equivalents and the account of the Central Bank of the Republic of Türkiye (the “CBRT”)**

	Current Period		Prior Period	
	TL	FC	TL	FC
Cash in TL/Foreign Currency	2.123.096	9.804.440	2.631.639	5.664.428
Central Bank of the Republic of Türkiye	18.155.867	174.627.632	20.687.772	179.575.342
Other	1.700	231.937	-	226.805
<b>Total</b>	<b>20.280.663</b>	<b>184.664.009</b>	<b>23.319.411</b>	<b>185.466.575</b>

*Explanation on reserve requirements*

Banks that are established in Türkiye or performing their operations by opening branches in Türkiye are subject to Communiqué on Required Reserves of Central Bank of the Republic of Türkiye’s numbered 2013/15. Based on accounting standards and registration layout for banks and financing companies, the items specified within the Communiqué, except from liabilities to Central Bank, Treasury, Domestic banks, and head offices and branches in Türkiye of the banks established by international agreements, constitute required reserves liabilities.

Banks are required to maintain reserves with Central Bank of the Republic of Türkiye for their TL and FC liabilities that are specified in the aforementioned Communiqué. Required reserves are calculated every two weeks as of Friday and established for 14-day intervals.

Required reserve rates vary according to the maturity structure of the liabilities and are applied between 3%-8% for TL deposits and other liabilities, 5%-26% for FX deposits and for other FC liabilities.

*Information on the account of the Central Bank of the Republic of Türkiye*

	Current Period		Prior Period	
	TL	FC	TL	FC
Unrestricted Demand Deposit	14.603.158	37.094.933	20.125.127	41.371.285
Unrestricted Time Deposit	-	-	-	18.403.250
Restricted Time Deposit	-	584	-	682
Other <sup>(1)</sup>	3.552.709	137.532.115	562.645	119.800.125
<b>Total</b>	<b>18.155.867</b>	<b>174.627.632</b>	<b>20.687.772</b>	<b>179.575.342</b>

<sup>(1)</sup> Includes required reserves and CBRT restricted electronic money funds amounting to TL 22.257. Required reserve of branches abroad amounting to TL 475.601 is presented in this line. TL 4.395.612 of the current period’s FC required reserve is the part of the required reserves that are held in FC (31 December 2021: Includes required reserves and CBRT restricted electronic money funds amounting to TL 16.046. Required reserve of branches abroad amounting to TL 399.329 is presented in this line. TL 3.731.084 of the current period’s FC required reserve is the part of the required reserves that are held in FC).

**2. Information on Financial Assets at Fair Value Through Profit and Loss Given or Blocked as Collateral or Subject to Repurchase Agreements**

	Current Period	Prior Period
Assets Subject to Repurchase Agreements	-	-
Assets Blocked/Given as Collateral	24.605.675	23.897.387
<b>Total</b>	<b>24.605.675</b>	<b>23.897.387</b>

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED  
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN  
TURKISH**

**TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.  
NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF  
30 JUNE 2022**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”))

**EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS  
(Continued)**

**I. EXPLANATIONS AND NOTES RELATED TO ASSETS (Continued)**

**3. Positive Differences Statement Regarding Trading Derivative Financial Asset**

	Current Period		Prior Period	
	TL	FC	TL	FC
Forward Transactions	269.694	11.323	805.568	6.458
Swap Transactions	3.220.617	937.319	9.632.350	1.531.626
Futures Transactions	969	-	-	-
Options	-	186.413	-	72.562
Other	-	-	-	-
<b>Total</b>	<b>3.491.280</b>	<b>1.135.055</b>	<b>10.437.918</b>	<b>1.610.646</b>

**4. Information on Bank Account and Foreign Banks**

**4.1. Information on Bank Balances**

	Current Period		Prior Period	
	TL	FC	TL	FC
Banks				
Domestic Banks	-	257.000	-	156.451
Foreign Banks	130.699	23.607.931	761.150	12.079.761
Foreign Head Office and Branches	-	-	-	-
<b>Total</b>	<b>130.699</b>	<b>23.864.931</b>	<b>761.150</b>	<b>12.236.212</b>

**5. Explanation Regarding to the Comparison of Net Values of Financial Assets at Fair Value Through Other Comprehensive Income or Blocked as Collateral and Subject to Repurchase Agreements**

	Current Period	Prior Period
Assets Subject to Repurchase Agreements	133.343.540	170.822.248
Assets Blocked/Given as Collateral	103.560.028	52.938.310
<b>Total</b>	<b>236.903.568</b>	<b>223.760.558</b>

**6. Information on Financial Assets at Fair Value Through Other Comprehensive Income**

	Current Period	Prior Period
Debt Securities	370.424.063	283.683.100
Quoted in Stock Exchange	369.586.190	283.103.217
Not Quoted in Stock Exchange	837.873	579.883
Share Certificates	435.979	403.034
Quoted in Stock Exchange	1.130	1.130
Not Quoted in Stock Exchange	434.849	401.904
Provision for Impairment (-)	29.064.261	13.928.977
<b>Total</b>	<b>341.795.781</b>	<b>270.157.157</b>

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED  
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN  
TURKISH**

**TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.  
NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF  
30 JUNE 2022**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”))

**EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS  
(Continued)**

**I. EXPLANATIONS AND NOTES RELATED TO ASSETS (Continued)**

**7. Information Related to Loans**

**7.1. Information on All Types of Loans and Advances Given to Shareholders and Employees of The Bank**

	Current Period		Prior Period	
	Cash	Non-Cash	Cash	Non-Cash
Direct Loans Granted to Shareholders	-	-	-	-
Granted loans to Legal Entity partners	-	-	-	-
Granted loans to Individual partners	-	-	-	-
Indirect Loans Granted to Shareholders	-	-	-	-
Loans Granted to Employees <sup>(1)(2)</sup>	998.123	-	680.721	-
<b>Total</b>	<b>998.123</b>	<b>-</b>	<b>680.721</b>	<b>-</b>

<sup>(1)</sup> Interest rediscount and interest accrual amounting TL 9.953. are not included (31 December 2021: Interest rediscount and interest accrual amounting TL 6.094 are not included).

<sup>(2)</sup> Since the balance of overdraft accounts related to employees amounting TL 31.959, is showed under Table 7.3. as overdraft accounts (real person), it is not included to the table above (31 December:2021: Since the balance of overdraft accounts related to employees amounting TL 32.334, is showed under Table 7.3. as overdraft accounts (real person), it is not included to the table above).

**7.2. Information on the First and Second Group Loans and Other Receivables Including Restructured or Rescheduled Loans**

Current Period		Loans Under Close Monitoring		
		Standard Loans	Not Under the Scope of Restructuring	Loans under restructuring
			Loans with revised contract terms	Refinancing
<b>Cash Loans</b>				
Non-Specialized Loans	777.642.800	14.189.719	1.070.489	55.636.041
Commercial Loans	505.371.697	10.156.869	898.979	55.528.994
Export Loans	42.579.912	195.117	-	-
Import Loans	-	-	-	-
Loans Given to Financial Sector	12.308.333	-	-	-
Consumer Loans	167.001.202	2.599.516	171.510	105.700
Credit Cards	46.403.244	1.211.613	-	1.347
Other	3.978.412	26.604	-	-
Specialized Lending <sup>(1)</sup>	143.343.576	2.420.962	34.044	1.151.351
Other Receivables	-	-	-	-
Interest Income Accruals	18.871.096	418.170	28.030	3.653.201
<b>Total</b>	<b>939.857.472</b>	<b>17.028.851</b>	<b>1.132.563</b>	<b>60.440.593</b>

<sup>(1)</sup> Agricultural loans to support farmers are shown in specialized loans.

Prior Period		Loans Under Close Monitoring		
		Standard Loans	Not Under the Scope of Restructuring	Loans under restructuring
			Loans with revised contract terms	Refinancing
<b>Cash Loans</b>				
Non-Specialized Loans	566.176.396	21.827.316	1.060.894	46.423.145
Commercial Loans	377.447.969	13.878.516	843.686	46.271.295
Export Loans	8.496.269	181.335	-	-
Import Loans	-	-	-	-
Loans Given to Financial Sector	6.648.631	-	-	-
Consumer Loans	139.705.521	5.242.855	217.208	150.676
Credit Cards	31.310.393	2.369.584	-	1.174
Other	2.567.613	155.026	-	-
Specialized Lending <sup>(1)(2)</sup>	104.062.560	3.789.550	38.766	1.269.130
Other Receivables	-	-	-	-
Interest Income Accruals	13.081.851	816.949	38.443	4.678.258
<b>Total</b>	<b>683.320.807</b>	<b>26.433.815</b>	<b>1.138.103</b>	<b>52.370.533</b>

<sup>(1)</sup> Agricultural loans to support farmers are shown in specialized loans.

	Current Period		Prior Period	
	Standard Loans	Loans Under Close Monitoring	Standard Loans	Loans Under Close Monitoring
Expected Credit Loss of Stage 1 and Stage 2	-	-	-	-
12 Month Expected Credit Losses	3.451.874	-	2.159.100	-
Significant Increase in Credit Risk	-	17.709.685	-	14.764.508

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED  
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN  
TURKISH**

**TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.  
NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF  
30 JUNE 2022**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”))

**EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS  
(Continued)**

**I. EXPLANATIONS AND NOTES RELATED TO ASSETS (Continued)**

**7. Information Related to Loans (Continued)**

**7.3. Information on Consumer Loans, Personal Credit Cards and Personnel Loans and Personnel Credit Card**

<b>Current Period</b>	<b>Short-Term</b>	<b>Medium and Long-Term</b>	<b>Total</b>
Consumer Loans-TL	1.975.096	164.351.815	166.326.911
Mortgage Loans	22.692	107.563.394	107.586.086
Automotive Loans	31.683	2.824.712	2.856.395
Consumer Loans	1.920.721	53.963.709	55.884.430
Other	-	-	-
Consumer Loans- Indexed to FC	-	-	-
Mortgage Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Consumer Loans-FC	2.070	134.668	136.738
Mortgage Loans	-	11.264	11.264
Automotive Loans	-	-	-
Consumer Loans	2.070	123.404	125.474
Other	-	-	-
Retail Credit Cards-TL	21.188.277	286.968	21.475.245
With Installment	5.880.082	254.839	6.134.921
Without Installment	15.308.195	32.129	15.340.324
Retail Credit Cards-FC	1.542	-	1.542
With Installment	-	-	-
Without Installment	1.542	-	1.542
Personnel Loans-TL	30.983	670.357	701.340
Mortgage Loans	-	130	130
Automotive Loans	-	-	-
Consumer Loans	30.983	670.227	701.210
Other	-	-	-
Personnel Loans-Indexed to FC	-	-	-
Mortgage Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Personnel Loans-FC	-	-	-
Mortgage Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Personnel Credit Cards-TL	288.576	8.126	296.702
With Installment	92.204	7.227	99.431
Without Installment	196.372	899	197.271
Personnel Credit Cards-FC	81	-	81
With Installment	-	-	-
Without Installment	81	-	81
Overdraft Accounts-TL (Real Person)	2.712.939	-	2.712.939
Overdraft Accounts-FC (Real Person)	-	-	-
<b>Total <sup>(1)</sup></b>	<b>26.199.564</b>	<b>165.451.934</b>	<b>191.651.498</b>

(1) TL 1.481.012 amounting of interest income rediscount and accrual is not included.

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED  
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN  
TURKISH**

**TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.  
NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF  
30 JUNE 2022**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”))

**EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS  
(Continued)**

**I. EXPLANATIONS AND NOTES RELATED TO ASSETS (Continued)**

**7. Information Related to Loans (Continued)**

**7.3. Information on Consumer Loans, Personal Credit Cards and Personnel Loans and Personnel  
Credit Card (Continued)**

<b>Prior Period</b>	<b>Short-Term</b>	<b>Medium and Long-Term</b>	<b>Total</b>
Consumer Loans-TL	1.160.323	141.206.544	142.366.867
Mortgage Loans	11.624	85.779.706	85.791.330
Automotive Loans	7.212	666.168	673.380
Consumer Loans	1.141.487	54.760.670	55.902.157
Other	-	-	-
Consumer Loans- Indexed to FC	-	-	-
Mortgage Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Consumer Loans-FC	2.044	113.465	115.509
Mortgage Loans	-	11.511	11.511
Automotive Loans	-	-	-
Consumer Loans	2.044	101.954	103.998
Other	-	-	-
Retail Credit Cards-TL	17.032.219	219.848	17.252.067
With Installment	4.840.781	196.427	5.037.208
Without Installment	12.191.438	23.421	12.214.859
Retail Credit Cards-FC	1.415	-	1.415
With Installment	-	-	-
Without Installment	1.415	-	1.415
Personnel Loans-TL	20.826	425.907	446.733
Mortgage Loans	-	74	74
Automotive Loans	-	-	-
Consumer Loans	20.826	425.833	446.659
Other	-	-	-
Personnel Loans-Indexed to FC	-	-	-
Mortgage Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Personnel Loans-FC	-	-	-
Mortgage Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Personnel Credit Cards-TL	226.732	7.216	233.948
With Installment	61.138	6.537	67.675
Without Installment	165.594	679	166.273
Personnel Credit Cards-FC	40	-	40
With Installment	-	-	-
Without Installment	40	-	40
Overdraft Accounts-TL (Real Person)	2.387.151	-	2.387.151
Overdraft Accounts-FC (Real Person)	-	-	-
<b>Total <sup>(1)</sup></b>	<b>20.830.750</b>	<b>141.972.980</b>	<b>162.803.730</b>

<sup>(1)</sup> TL 1.202.131 amounting of interest income rediscount and accrual is not included.

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED  
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN  
TURKISH**

**TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.  
NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF  
30 JUNE 2022**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”))

**EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS  
(Continued)**

**I. EXPLANATIONS AND NOTES RELATED TO ASSETS (Continued)**

**7. Information Related to Loans (Continued)**

**7.4. Information on Commercial Installment Loans and Corporate Credit Cards**

<b>Current Period</b>	<b>Short-Term</b>	<b>Medium and Long-Term</b>	<b>Total</b>
Installment Based Commercial Loans-TL	7.884.878	84.066.669	91.951.547
Mortgage Loans	12.489	1.166.421	1.178.910
Automotive Loans	265.077	3.681.388	3.946.465
Consumer Loans	7.607.312	79.218.860	86.826.172
Other	-	-	-
Installment Based Commercial Loans- Indexed to FC	-	-	-
Mortgage Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Installment Based Commercial Loans - FC	124.911	84.073.438	84.198.349
Mortgage Loans	-	6.230	6.230
Automotive Loans	-	2.088	2.088
Consumer Loans	124.911	84.065.120	84.190.031
Other	-	-	-
Corporate Credit Cards-TL	25.224.229	616.373	25.840.602
With Installment	11.172.219	615.373	11.787.592
Without Installment	14.052.010	1.000	14.053.010
Corporate Credit Cards-FC	2.032	-	2.032
With Installment	-	-	-
Without Installment	2.032	-	2.032
Overdraft Account-TL (Legal Entity)	2.405.296	-	2.405.296
Overdraft Account-FC (Legal Entity)	-	-	-
<b>Total <sup>(1)</sup></b>	<b>35.641.346</b>	<b>168.756.480</b>	<b>204.397.826</b>

(1) Accrual and rediscount amounts related to loans are not included in the table.

<b>Prior Period</b>	<b>Short - Term</b>	<b>Medium and Long-Term</b>	<b>Total</b>
Installment Based Commercial Loans-TL	3.636.789	88.457.130	92.093.919
Mortgage Loans	3.577	812.938	816.515
Automotive Loans	128.475	2.621.274	2.749.749
Consumer Loans	3.504.737	85.022.918	88.527.655
Other	-	-	-
Installment Based Commercial Loans- Indexed to FC	-	-	-
Mortgage Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Installment Based Commercial Loans - FC	126.647	70.121.314	70.247.961
Mortgage Loans	-	6.864	6.864
Automotive Loans	-	1.582	1.582
Consumer Loans	126.647	70.112.868	70.239.515
Other	-	-	-
Corporate Credit Cards-TL	15.944.209	247.639	16.191.848
With Installment	7.042.609	247.539	7.290.148
Without Installment	8.901.600	100	8.901.700
Corporate Credit Cards-FC	1.833	-	1.833
With Installment	-	-	-
Without Installment	1.833	-	1.833
Overdraft Account-TL (Legal Entity)	1.463.188	-	1.463.188
Overdraft Account-FC (Legal Entity)	-	-	-
<b>Total <sup>(1)</sup></b>	<b>21.172.666</b>	<b>158.826.083</b>	<b>179.998.749</b>

(1) Accrual and rediscount amounts related to loans are not included in the table.

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED  
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN  
TURKISH**

**TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.  
NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF  
30 JUNE 2022**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”))

**EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS  
(Continued)**

**I. EXPLANATIONS AND NOTES RELATED TO ASSETS (Continued)**

**7. Information Related to Loans (Continued)**

**7.5 Distribution of Domestic and Foreign Loans**

	<b>Current Period</b>	<b>Prior Period</b>
Domestic Loans	986.791.220	736.873.161
Foreign Loans	8.697.762	7.774.596
Interest Income Accruals of Loans	22.970.497	18.615.501
<b>Total</b>	<b>1.018.459.479</b>	<b>763.263.258</b>

**7.6. Loans Granted to Investments in Associates and Subsidiaries**

	<b>Current Period</b>	<b>Prior Period</b>
Direct loans granted to subsidiaries and associates	4.626.005	4.147.452
Indirect loans granted to subsidiaries and associates	-	-
<b>Total</b>	<b>4.626.005</b>	<b>4.147.452</b>

**7.7. Credit-Impaired Losses (Stage III / Specific Provision)**

	<b>Current Period</b>	<b>Prior Period</b>
Loans and other receivables with limited collectability	176.294	352.969
Loans and other receivables with doubtful collectability	751.878	758.849
Uncollectible loans and other receivables	10.526.833	11.036.943
<b>Total</b>	<b>11.455.005</b>	<b>12.148.761</b>

**7.8. Information on Non-performing Loans (net)**

**7.8.1. Information on Non-performing Loans Restructured or Rescheduled and other Receivables**

	<b>Group III</b>	<b>Group IV</b>	<b>Group V</b>
	<b>Loans with limited collectability</b>	<b>Loans with doubtful collectability</b>	<b>Uncollectible loans</b>
<b>Current Period</b>			
Gross amounts before the provisions	79.611	349.137	1.194.892
Restructured loans	79.611	349.137	1.194.892
<b>Prior Period</b>			
Gross amounts before the provisions	176.132	282.169	1.629.295
Restructured loans	176.132	282.169	1.629.295

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED  
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN  
TURKISH**

**TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.  
NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF  
30 JUNE 2022**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”))

**EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS  
(Continued)**

**I. EXPLANATIONS AND NOTES RELATED TO ASSETS (Continued)**

**7. Information Related to Loans (Continued)**

**7.8. Information on Non-performing Loans (Net) (Continued)**

**7.8.2. Information on the Movement of Total Non-performing Loans**

	<b>Group III</b>	<b>Group IV</b>	<b>Group V</b>
	<b>Loans with limited collectibility</b>	<b>Loans with doubtful collectibility</b>	<b>Uncollectible loans</b>
<b>Prior Period Ending Balance</b>	<b>997.656</b>	<b>1.688.208</b>	<b>12.454.767</b>
Additions (+)	1.666.071	166.579	199.177
Transfers from Other Categories of Loans under Follow-Up (+)	-	1.566.024	1.455.053
Transfers to Other Categories of Loans under Follow-Up (-)	1.566.024	1.455.053	-
Collections (-) <sup>(1)</sup>	602.250	491.996	2.175.745
Write-offs (-)	-	-	-
Sold	-	-	-
Corporate and Commercial Loans	-	-	-
Consumer Loans	-	-	-
Credit Cards	-	-	-
Other	-	-	-
<b>Current Period End Balance</b>	<b>495.453</b>	<b>1.473.762</b>	<b>11.933.252</b>
Provision (-)	176.294	751.878	10.526.833
<b>Net Balance on Balance Sheet</b>	<b>319.159</b>	<b>721.884</b>	<b>1.406.419</b>

<sup>(1)</sup> Includes transfers to first and second group loans amounting to TL 629.008

**7.8.3. Information on Non-performing Loans Granted as Foreign Currency Loans**

	<b>Group III</b>	<b>Group IV</b>	<b>Group V</b>
	<b>Loans with limited collectibility</b>	<b>Loans with doubtful collectibility</b>	<b>Uncollectible loans</b>
<b>Current Period:</b>			
<b>Period Ending Balance</b>	<b>644</b>	<b>12.800</b>	<b>2.633.411</b>
Provision (-)	295	11.470	2.580.385
<b>Net Balance on Balance Sheet</b>	<b>349</b>	<b>1.330</b>	<b>53.026</b>
<b>Prior Period:</b>			
<b>Period Ending Balance</b>	<b>2.404</b>	<b>7.789</b>	<b>56.684</b>
Provision (-)	673	6.340	54.531
<b>Net Balance on Balance Sheet</b>	<b>1.731</b>	<b>1.449</b>	<b>2.153</b>

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED  
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN  
TURKISH**

**TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.  
NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF  
30 JUNE 2022**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”))

**EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS  
(Continued)**

**I. EXPLANATIONS AND NOTES RELATED TO ASSETS (Continued)**

**7. Information Related to Loans (Continued)**

**7.8. Information on Non-performing Loans (Net) (Continued)**

**7.8.4. Breakdown of Non-performing Loans According to Their Gross and Net Values**

	<b>Group III</b>	<b>Group IV</b>	<b>Group V</b>
	<b>Loans with limited collectibility</b>	<b>Loans with doubtful collectibility</b>	<b>Uncollectible loans</b>
<b>Current Period (Net)</b>	<b>319.159</b>	<b>721.884</b>	<b>1.406.419</b>
Loans to Real Persons and Legal Entities (Gross)	495.453	1.473.762	11.768.003
Provisions (-)	176.294	751.878	10.361.584
Loans to Real Persons and Legal Entities (Net)	319.159	721.884	1.406.419
Banks (Gross)	-	-	-
Provisions (-)	-	-	-
Banks (Net)	-	-	-
Other Loans and Receivables (Gross)	-	-	165.249
Provisions (-)	-	-	165.249
Other Loans and Receivables (Net)	-	-	-
<b>Prior Period (Net)</b>	<b>644.687</b>	<b>929.359</b>	<b>1.417.824</b>
Loans to Real Persons and Legal Entities (Gross)	997.656	1.688.208	12.298.052
Provisions (-)	352.969	758.849	10.880.228
Loans to Real Persons and Legal Entities (Net)	644.687	929.359	1.417.824
Banks (Gross)	-	-	-
Provisions (-)	-	-	-
Banks (Net)	-	-	-
Other Loans and Receivables (Gross)	-	-	156.715
Provisions (-)	-	-	156.715
Other Loans and Receivables (Net)	-	-	-

**7.8.5. Information on Interest Accruals, Rediscount and Valuation Effect and Their Provisions Calculated for Non-Performing Loans Banks which Provide Expected Credit Loss According to TFRS 9**

	<b>Group III</b>	<b>Group IV</b>	<b>Group V</b>
	<b>Loans with limited collectibility</b>	<b>Loans with doubtful collectibility</b>	<b>Uncollectible loans</b>
<b>Current Period (Net)</b>	<b>12.799</b>	<b>19.830</b>	<b>63.697</b>
Interest Accruals and Valuation Differences	22.664	53.025	596.607
Provisions (-)	9.865	33.195	532.910
<b>Prior Period (Net)</b>	<b>24.345</b>	<b>41.925</b>	<b>71.583</b>
Interest Accruals and Valuation Differences	41.171	81.810	660.824
Provisions (-)	16.826	39.885	589.241

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED  
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN  
TURKISH**

**TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.  
NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF  
30 JUNE 2022**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”))

**EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS  
(Continued)**

**I. EXPLANATIONS AND NOTES RELATED TO ASSETS (Continued)**

**8. Other Financial Assets Measured at Amortized Cost**

**8.1. Information on Financial Assets Subject to Repurchase Agreements and those Given as Collateral/Blocked**

*Financial Assets Measured at Amortized Cost subject to repo transactions*

	Current Period		Prior Period	
	TL	FC	TL	FC
Government Bonds	20.881.493	3.855.234	1.390.806	3.209.928
Treasury Bills	-	-	-	-
Other Government Debts	-	-	-	-
Bank Bonds and Bank Guaranteed Bonds	-	-	-	-
Asset Backed Securities	-	-	-	-
Other	-	-	-	-
<b>Total</b>	<b>20.881.493</b>	<b>3.855.234</b>	<b>1.390.806</b>	<b>3.209.928</b>

*Financial Assets Measured at Amortized Cost given as collateral or blocked*

	Current Period		Prior Period	
	TL	FC	TL	FC
Bills	969.321	-	-	-
Bonds and Similar Investment Securities	25.883.157	30.738.994	607.105	25.626.356
Other	-	-	-	-
<b>Total</b>	<b>26.852.478</b>	<b>30.738.994</b>	<b>607.105</b>	<b>25.626.356</b>

**8.2. Information on Government Debt Securities at Amortized Cost**

	Current Period	Prior Period
Government Bonds	92.610.175	43.952.455
Treasury Bills	990.737	-
Other Public Sector Debt Securities	397.275	290.413
<b>Total</b>	<b>93.998.187</b>	<b>44.242.868</b>

**8.3. Information on Financial Assets Measured at Amortized Cost**

	Current Period	Prior Period
Debt securities	94.445.999	44.583.816
Quoted at Stock Exchange	93.998.187	44.242.868
Unquoted at Stock Exchange	447.812	340.948
Provision for Impairment (-)	-	-
<b>Total</b>	<b>94.445.999</b>	<b>44.583.816</b>

**8.4. The Movements of Financial Assets Measured at Amortized Cost**

	Current Period	Prior Period
<b>Beginning Balance</b>	<b>44.583.816</b>	<b>29.686.696</b>
Foreign Currency Differences on Monetary Assets	5.893.476	10.816.560
Purchases During the Year <sup>(1)</sup>	44.860.907	6.870.391
Disposals through Sales and Redemptions	(892.200)	(2.789.831)
Provision for Impairment (-)	-	-
<b>Period End Balance</b>	<b>94.445.999</b>	<b>44.583.816</b>

<sup>(1)</sup> Accruals are shown in “Purchases During the Year”.

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED  
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN  
TURKISH**

**TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.  
NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF  
30 JUNE 2022**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”))

**EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS  
(Continued)**

**I. EXPLANATIONS AND NOTES RELATED TO ASSETS (Continued)**

**9. Information on Investments in Associates (Net)**

**9.1. Information about Investment in Associates**

Description	Address (City/ Country)	The Bank's Share Percentage, if Different, Voting Percentage (%)	The Bank's Risk Group Share Percentage (%)
1 Arap Türk Bankası A.Ş.	İstanbul/Türkiye	15,43	15,43
2 Bileşim Finansal Teknolojiler ve Ödeme Sistemleri A.Ş.	İstanbul/Türkiye	33,34	33,34

	Total Assets <sup>(1)</sup>	Shareholders' Equity <sup>(1)</sup>	Total Non- Current Assets <sup>(1)(2)</sup>	Interest Income <sup>(1)</sup>	Income from Marketable Securities <sup>(1)</sup>	Current Period Profit / Loss <sup>(1)</sup>	Prior Period Profit / Loss <sup>(1)</sup>	Fair Value
1	12.042.579	1.432.768	222.670	314.356	108.044	103.361	81.798	-
2	422.893	356.678	107.868	16.621	-	11.012	11.230	-

(1) Current period financial information has been provided from unaudited financial statements as of 30 June 2022. Prior period profit/loss information has been provided from audited financial statements as of 30 June 2021.

(2) Total fixed assets include tangible and intangible assets.

(3) The share transfer agreement for the sale of the Bank's shares in Platform Ortak Kartlı Sistemler A.Ş., which was previously a subsidiary, to Türkiye Halk Bankası A.Ş. was signed on 21 June 2022 and all of the participation shares were transferred to Türkiye Halk Bankası A.Ş.

**9.2. Information on Financial Associates**

	Current Period	Prior Period
<b>Balance at the Beginning of the Period</b>	<b>88.846</b>	<b>88.846</b>
<b>Movement During the Period</b>	-	-
Additions	-	-
Bonus Share Certificates	-	-
Shares of Current Year Profits	-	-
Transfer (-)	-	-
Sales	-	-
Revaluation Increase	-	-
Revaluation/Impairment	-	-
<b>Balance at the End of the Period</b>	<b>88.846</b>	<b>88.846</b>
Capital Commitments	-	-
Share Percentage at the End of the Period (%)	-	-

**9.3. Sectoral Information on Financial Associates and the Related Carrying Amounts**

	Current Period	Prior Period
Banks	88.846	88.846
Insurance Companies	-	-
Factoring Companies	-	-
Leasing Companies	-	-
Finance Companies	-	-
Other Financial Associates	-	-

**9.4. Subsidiaries Quoted to the Stock Exchange**

None (31 December 2021: None).

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED  
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN  
TURKISH**

**TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.  
NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF  
30 JUNE 2022**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

**EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS  
(Continued)**

**I. EXPLANATIONS AND NOTES RELATED TO ASSETS (Continued)**

**10. Information on Subsidiaries (Net)**

**10.1. Information on Subsidiaries**

Financial subsidiaries are followed in the unconsolidated financial statements at fair value within the scope of "Separate Financial Statements Türkiye Accounting Standard 27 (TAS 27)" in accordance with IFRS 9 Financial Instruments. Fair values were determined with the valuation reports prepared for these partnerships and were accounted under equity as of the valuation date.

	Description	Address (City/ Country)	The Bank's Share Percentage-if different Voting Percentage (%)	The Bank's Risk Group Share Percentage (%)
1	Ziraat Yatırım Menkul Değerler A.Ş.	İstanbul / Türkiye	99,60	99,60
2	Ziraat Portföy Yönetimi A.Ş.	İstanbul / Türkiye	74,90	99,80
3	Ziraat Katılım Bankası A.Ş.	İstanbul / Türkiye	100,00	100,00
4	Ziraat Gayrimenkul Yatırım Ortaklığı A.Ş.	İstanbul / Türkiye	81,06	81,06
5	Ziraat Girişim Sermayesi Yatırım Ortaklığı A.Ş.	İstanbul / Türkiye	100,00	100,00
6	Ziraat Teknoloji A.Ş.	İstanbul / Türkiye	100,00	100,00
7	Ziraat Bank International A.G.	Frankfurt / Germany	100,00	100,00
8	Ziraat Bank BH d.d.	Sarajevo / Bosnia Herzegovina	100,00	100,00
9	Ziraat Bank (Moscow) JSC	Moscow / Russia	99,91	100,00
10	Kazakhstan Ziraat Int. Bank	Almaty / Kazakhstan	99,83	99,83
11	Ziraat Bank Azerbaycan ASC	Baku / Azerbaijan	99,98	100,00
12	Ziraat Bank Montenegro AD	Podgorica / Montenegro	100,00	100,00
13	JSC Ziraat Bank Georgia	Tbilisi / Georgia	100,00	100,00
14	Ziraat Bank Uzbekistan JSC	Tashkent / Uzbekistan	100,00	100,00

	Total Assets	Shareholder's Equity	Total Non- Current Assets	Interest Income	Income from Marketable Securities	Current Period Profit / Loss	Prior Period Profit/Loss	Fair Value	Sharehold er's equity amount needed
1	1.256.160	691.534	4.445	85.459	-	190.214	201.313	1.415.705	-
2	253.551	231.460	5.923	10.926	-	48.880	30.523	268.123	-
3	151.597.581	8.168.125	673.519	8.587.342	2.808.436	2.111.581	187.350	3.668.158	-
4	9.227.506	8.560.886	8.267.932	24.985	-	159.690	72.594	12.083.504	-
5	1.098.516	1.097.215	686	17.329	-	19.466	21.882	1.095.967	-
6	143.597	28.441	9.108	915	21	8.884	70	51.826	-
7	16.598.947	4.235.858	54.523	231.658	1.639	(204.770)	105.319	3.389.282	-
8	11.080.876	1.440.908	73.899	104.008	-	28.140	33.272	509.196	-
9	3.340.438	1.264.690	52.173	88.454	515	48.294	21.184	674.735	-
10	4.971.718	1.340.600	424.135	118.088	-	(152.734)	36.015	1.025.043	-
11	4.243.197	925.452	233.635	97.481	8.182	3.786	14.348	535.517	-
12	1.277.080	284.302	13.549	17.036	3.455	(1.366)	1.243	184.221	-
13	974.089	354.809	32.972	23.984	339	14.815	2.156	216.604	-
14	2.827.093	584.784	34.896	71.377	1.339	49.034	(6.637)	215.812	-

(1) The amounts shown in the interest income column of Ziraat Katılım Bankası include profit share income.

(2) The current period financial statement information of the subsidiaries is taken from the unaudited financial statements dated 30 June 2022 and the profit/loss figures for the previous period are taken from the reviewed financial statements dated 30 June 2021.

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED  
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN  
TURKISH**

**TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.  
NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF  
30 JUNE 2022**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

**EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS  
(Continued)**

**I. EXPLANATIONS AND NOTES RELATED TO ASSETS (Continued)**

**10. Information on Subsidiaries (Net) (Continued)**

**10.1. Information on Subsidiaries (Continued)**

	<b>Current Period</b>	<b>Prior Period</b>
<b>Balance at the Beginning of the Period</b>	<b>20.558.487</b>	<b>13.901.878</b>
<b>Movements During the Period</b>	<b>4.723.378</b>	<b>6.656.609</b>
Additions to Scope of Consolidation	-	-
Purchases	1.275.375	767.894
Bonus Shares Obtained	28.088	99.967
Dividends from current year income	-	-
Sales	-	-
Revaluation Increase <sup>(1)</sup>	3.419.915	7.476.690
Impairment Provision (-)	-	1.687.942
Transfer (-)	-	-
<b>Balance at the End of the Period</b>	<b>25.281.865</b>	<b>20.558.487</b>
Capital Commitments	-	-
Share percentage at the end of the period (%)	-	-

<sup>(1)</sup> Includes changes arising from conversion of subsidiaries, whose capitals are paid in Euro amounts, into TL at period end currency rate

<sup>(2)</sup> Non-financial subsidiaries are not included in the table.

**10.2. Sectoral Information on Financial Subsidiaries and the Related Carrying Amounts**

	<b>Current Period</b>	<b>Prior Period</b>
Banks	10.418.567	8.567.353
Insurance Companies	-	-
Factoring Companies	-	-
Leasing Companies	-	-
Financing Companies	-	-
Other Financial Subsidiaries	14.863.298	11.991.134

**10.3. Subsidiaries Quoted to the Stock Exchange**

	<b>Current Period</b>	<b>Prior Period</b>
Quoted at domestic stock exchanges	12.083.504	9.280.885
Quoted at international stock exchanges	-	-

**11. Information on Entities Under Common Control (Joint Ventures)**

Investments on entities under common control are monitored at fair value in the unconsolidated financial statements within the scope of "Separate Financial Statements Türkiye Accounting Standard 27 (TAS 27)" according to TFRS 9 Financial Instruments Standard. The fair values were determined with the valuation reports prepared for these joint ventures and were accounted under equity as of the valuation date.

<b>Entities under Common Control (Joint Ventures)</b>	<b>Bank's Share (%)</b>	<b>Bank's Risk Group Share (%)</b>	<b>Current Assets</b>	<b>Non-Current Assets</b>	<b>Long Term Liabilities</b>	<b>Income</b>	<b>Expense</b>
Turkmen Turkish Joint Stock Commercial Bank	50,00	50,00	11.940.606	47.491	13.591	251.640	105.769

<sup>(1)</sup> Information on entity under joint control is provided from the unaudited financial statements as of 30 June 2022.

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED  
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN  
TURKISH**

**TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.  
NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF  
30 JUNE 2022**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira ("TL"))

**EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS  
(Continued)**

**I. EXPLANATIONS AND NOTES RELATED TO ASSETS (Continued)**

**12. Information on Lease Receivables**

The Bank has no financial lease receivables.

**13. Information on Derivative Financial Assets for Hedging Purposes**

The Bank has no hedging derivative financial assets.

**14. Information on the Investment Property**

None.

**15. Information on Non-Currents Assets or Disposal Groups "Held for Sale" and "From Discontinued Operations"**

Bank does not have any discontinuing operations. The assets held for sale are composed of immovables acquired due to consumer, commercial and agricultural loans and immovables for which has no necessity of usage exists by the Bank. Those immovables considered for sales are announced at the web site of the Bank.

The total of the partnership shares acquired by the Bank due to the aforementioned receivables is TL 415.578 (31 December 2021: TL 181.483). The Bank's immovables acquired amount to TL 5.045.894 (31 December 2021: TL 4.935.840) consisting of TL 5.263 (31 December 2021: TL 7.334) due to consumer loans, TL 4.954.496 (31 December 2021: TL 4.806.870) on its commercial loans and TL 86.135 (31 December 2021: TL 121.636) on its agricultural loans. Also, the sum of movables acquired from consumer loans amounts to TL 21.515 (31 December 2021: TL 1.609). The net book value of the Bank's fixed assets held for sale acquired through fiduciary rights is TL 2.127.377 (31 December 2021: TL 1.551.212).

**16. Explanations on Tangible Assets**

	Immovables	Immovables with Right of Use	Movables	Movables with Right of Use	Leasing Development Costs	Other Tangibles	Total
<b>Prior Period End</b>							
Cost	6.250.005	834.218	1.828.003	218.638	275.752	-	9.406.616
Accumulated Depreciation (-)	931.843	170.075	1.238.517	143.533	265.533	-	2.749.501
Impairment (-)	2.323	-	-	-	-	-	2.323
<b>Net Book Value</b>	<b>5.315.839</b>	<b>664.143</b>	<b>589.486</b>	<b>75.105</b>	<b>10.219</b>	-	<b>6.654.792</b>
<b>Current Period End</b>							
Net Book Value at the Beginning of the Period	5.315.839	664.143	589.486	75.105	10.219	-	6.654.792
<b>Change During the Period (Net)</b>	<b>(62.074)</b>	<b>157.629</b>	<b>2.868</b>	<b>81.357</b>	<b>191</b>	-	<b>179.971</b>
Cost	(57.608)	98.265	124.832	67.598	(1.657)	-	231.430
Depreciation – Net (-)	4.466	(59.364)	121.964	(13.759)	(1.848)	-	51.459
Impairment (-)	-	-	-	-	-	-	-
Net Currency Translation from Foreign Subsidiaries	-	-	-	-	-	-	-
Cost at Period End	6.192.397	932.483	1.952.835	286.236	274.095	-	9.638.046
Accumulated Depreciation at Period End (-)	936.309	110.711	1.360.481	129.774	263.685	-	2.800.960
Impairment (-)	2.323	-	-	-	-	-	2.323
<b>Closing Net Book Value</b>	<b>5.253.765</b>	<b>821.772</b>	<b>592.354</b>	<b>156.462</b>	<b>10.410</b>	-	<b>6.834.763</b>

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED  
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN  
TURKISH**

**TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.  
NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF  
30 JUNE 2022**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”))

**EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS  
(Continued)**

**I. EXPLANATIONS AND NOTES RELATED TO ASSETS (Continued)**

**17. The Impairment Provision Set or Cancelled in The Current Period According to The Asset Groups Not Individually Significant but Materially Affecting the Overall Financial Statements, and The Reason and Conditions for This**

None.

**18. Pledges, mortgages and other restrictions on the tangible assets, expenses arising from the construction for tangible assets, commitments given for the purchases of tangible assets**

None.

**19. Information on Expected Credit Loss for Financial Assets**

	<b>Current Period</b>	<b>Prior Period</b>
Cash and Balances at Central Bank	2.168	2.253
Banks and Receivables from Money Markets	3.496	1.604
Financial Assets Measured at Amortized Cost	12.552	6.019
Other assets	71.910	39.431
<b>Total</b>	<b>90.126</b>	<b>49.307</b>

**20. Information on Other Assets**

As of 30 June 2022, other assets do not exceed 10% of the total assets excluding off-balance sheet commitments.

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED  
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN  
TURKISH**

**TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.  
NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF  
30 JUNE 2022**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”))

**EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS  
(Continued)**

**II. EXPLANATIONS AND NOTES RELATED TO LIABILITIES**

**1. Information on Deposits/Funds Collected**

**1.1. Information on Maturity Structure of Deposits**

Current Period	Demand	7 Day Call Accounts	Up to 1 Month	1-3 Months	3-6 Months	6 Months-1 Year	1 Year and Over	Cumulative Deposits	Total
Saving Deposits <sup>(*)</sup>	90.405.076	-	12.816.149	157.869.035	32.078.196	5.050.253	11.568.878	162.389	309.949.976
Foreign Currency Deposits	219.253.535	-	65.842.502	147.289.333	27.721.759	18.113.117	57.899.851	13.089	536.133.186
Residents in Türkiye	181.034.247	-	64.416.981	125.312.656	18.769.765	8.799.065	25.195.291	11.085	423.539.090
Residents on Abroad	38.219.288	-	1.425.521	21.976.677	8.951.994	9.314.052	32.704.560	2.004	112.594.096
Public Sector Deposits	20.342.871	-	43.842.162	8.042.726	1.000.181	289.979	11.677	-	73.529.596
Commercial Deposits	35.015.217	-	32.809.679	23.533.729	19.531.220	25.426.241	583.578	-	136.899.664
Other Institutions Deposits	3.424.379	-	3.456.320	12.706.661	2.032.752	502.051	326.840	-	22.449.003
Precious Metals Deposit	65.823.280	-	1.574.395	9.600.507	869.130	457.767	495.324	-	78.820.403
Interbank Deposits	5.742.386	-	36.659.073	5.790.340	-	11.224.468	8.031.950	-	67.448.217
The CBRT	1.381.029	-	-	-	-	-	-	-	1.381.029
Domestic Banks	511.542	-	31.949.153	-	-	-	3.456.321	-	35.917.016
Foreign Banks	2.805.295	-	264.883	5.790.340	-	11.224.468	4.575.629	-	24.660.615
Participation Banks	1.044.520	-	4.445.037	-	-	-	-	-	5.489.557
Other	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>440.006.744</b>	<b>-</b>	<b>197.000.280</b>	<b>364.832.331</b>	<b>83.233.238</b>	<b>61.063.876</b>	<b>78.918.098</b>	<b>175.478</b>	<b>1.225.230.045</b>

<sup>(\*)</sup> As of 30 June 2022, the balance of savings deposits includes TL 76.667.243 Treasury Currency Protected Deposits and TL 76.729.467 CBRT Currency Protected Deposits.

Prior Period	Demand	7 Day Call Accounts	Up to 1 Month	1-3 Months	3-6 Months	6 Months-1 Year	1 Year and Over	Cumulative Deposits	Total
Saving Deposits	69.081.481	-	12.341.347	106.372.892	23.985.121	2.673.848	7.565.839	181.935	222.202.463
Foreign Currency Deposits	173.028.421	-	49.157.167	160.231.048	25.048.802	15.563.665	51.786.493	15.469	474.831.065
Residents in Türkiye	145.652.163	-	47.805.777	140.021.008	17.513.749	7.925.055	23.353.389	13.806	382.284.947
Residents on Abroad	27.376.258	-	1.351.390	20.210.040	7.535.053	7.638.610	28.433.104	1.663	92.546.118
Public Sector Deposits	13.981.623	-	8.730.365	7.609.837	788.442	381.429	12.929	-	31.504.625
Commercial Deposits	23.812.359	-	31.349.097	15.987.692	625.219	2.164.146	956.357	-	74.894.870
Other Institutions Deposits	2.774.107	-	7.880.478	10.860.196	1.161.427	442.151	313.600	-	23.431.959
Precious Metals Deposit	54.301.706	-	1.279.645	9.197.319	770.292	469.926	447.656	-	66.466.544
Interbank Deposits	3.708.562	-	29.940.583	5.466.808	26.430	9.629.879	6.582.827	-	55.355.089
The CBRT	349.015	-	-	-	-	-	-	-	349.015
Domestic Banks	289.262	-	28.744.372	310.661	-	-	2.662.812	-	32.007.107
Foreign Banks	2.285.699	-	113.667	5.156.147	26.430	9.629.879	3.920.015	-	21.131.837
Participation Banks	784.586	-	1.082.544	-	-	-	-	-	1.867.130
Other	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>340.688.259</b>	<b>-</b>	<b>140.678.682</b>	<b>315.725.792</b>	<b>52.405.733</b>	<b>31.325.044</b>	<b>67.665.701</b>	<b>197.404</b>	<b>948.686.615</b>

<sup>(\*)</sup> As of 31 December 2021, the balance of savings deposits includes TL 13.001.011 Treasury Currency Protected Deposits and TL 2.696.662 CBRT Currency Protected Deposits

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED  
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN  
TURKISH**

**TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.  
NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF  
30 JUNE 2022**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”))

**EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS  
(Continued)**

**II. EXPLANATIONS AND NOTES RELATED TO LIABILITIES (Continued)**

**1. Information on Deposits /Funds Collected (Continued)**

**1.2. Information on Saving Deposits Under the Guarantee of the Saving Deposit Insurance Fund and Amounts Exceeding the Limit of the Deposit Insurance Fund**

Saving Deposits	Under the Guarantee of Deposit Insurance		Exceeding Deposit Insurance Limit	
	Current Period	Prior Period	Current Period	Prior Period
Saving Deposits <sup>(1)</sup>	179.810.138	136.169.941	129.006.303	85.235.756
Foreign Currency Saving Deposits <sup>(1)</sup>	149.479.237	119.403.684	292.474.247	258.417.350
Other Deposits in the form of Saving Deposits	-	-	-	-
Foreign Branches’ Deposits under the Guarantees of Foreign Authority Insurance <sup>(2)</sup>	3.996.543	3.353.517	1.774.377	1.629.055
Off-Shore Banking Regions’ and under Foreign Authorities’ Insurance	-	-	-	-

<sup>(1)</sup> Related deposit balances do not include foreign branches.

<sup>(2)</sup> In Bulgaria and Greece, since both real person and legal entity’s saving deposits are under the guarantee of insurance and since such balances included in insurance limit are calculated by the system, the legal entity saving deposits amounting to TL 1.587.374 and TL 42.830 respectively, cannot be decomposed by type and are therefore included in the table above (31 December 2021: TL 1.208.852 and TL 34.311).

Based on the Council of Minister’s decree dated 29 December 2003 and numbered 2003/6668, TL 445 (31 December 2021: TL 479) of demand deposits is not included in the above calculation, since the Bank paid the saving deposits amount attributable to T. İmar Bank T.A.Ş.

Savings Deposit Insurance Fund premiums are calculated based on deposit amount attributable to real persons in domestic branches of the banks. As total of capital amount and interest expense accruals of saving deposits up to TL 200 attributable to a real person is covered by the insurance, TL 4.663.772 (31 December 2021: TL 2.114.087) of interest expense accrual is included in the above-mentioned figures in accordance with the Communiqué on Insurance Deposits and Participation Funds and Premiums Collected by the Savings Deposit Insurance Fund published in the Official Gazette dated 25 September 2019 and numbered 30899.

**1.3. Information on Saving Deposits/Real Persons’ Private Current and Accession Accounts Not Related to Commercial Transactions in a Turkish Branch of The Bank Whose Head Office is Abroad, And Reasons if it is Covered in Where The Head Office is Located**

The Bank’s head office is located in Türkiye.

**1.4. Saving Deposits of Real Persons which are Not Under the Guarantee of Saving Deposit Insurance Fund**

	Current Period	Prior Period
Deposits and other Accounts in Branches Abroad	98.413	12.236
Deposits of Ultimate Shareholders and Their Close Family Members	-	-
Deposits of Chairman and Members of the Board of Directors, CEO, Executive Vice Presidents and Their Close Family Members	37.333	30.545
Deposits Obtained through Illegal Acts Defined in the 282 <sup>nd</sup> Article of the 5237 numbered Turkish Criminal Code dated September 26, 2004	-	-
Saving Deposits in Banks Established in Türkiye Exclusively for Off-Shore Banking Activities	-	-

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED  
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN  
TURKISH**

**TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.  
NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF  
30 JUNE 2022**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”))

**EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS  
(Continued)**

**II. EXPLANATIONS AND NOTES RELATED TO LIABILITIES (Continued)**

**2. Negative Differences Statement Regarding Trading Derivative Financial Assets**

	Current Period		Prior Period	
	TL	FC	TL	FC
Forward Transactions	159.554	11.094	798.079	6.271
Swap Transactions	1.842.562	4.773.273	404.820	2.309.871
Futures Transactions	8.020	-	-	-
Options	-	185.799	-	71.878
Other	-	-	-	-
<b>Total</b>	<b>2.010.136</b>	<b>4.970.166</b>	<b>1.202.899</b>	<b>2.388.020</b>

**3. Information on Banks and Other Financial Institutions**

**3.1. General Information on Banks and Other Financial Institutions**

	Current Period		Prior Period	
	TL	FC	TL	FC
Borrowings from CBRT	-	-	-	-
Domestic Banks and Institutions	734.622	11.127.660	383.712	8.878.194
Foreign Banks, Institutions and Funds	5.154	74.515.463	10.568	50.044.187
<b>Total</b>	<b>739.776</b>	<b>85.643.123</b>	<b>394.280</b>	<b>58.922.381</b>

**3.2. Information on Maturity Structure of Borrowings**

	Current Period		Prior Period	
	TL	FC	TL	FC
Short-Term	733.837	2.667.354	382.907	3.654.798
Medium and Long-Term	5.939	82.975.769	11.373	55.267.583
<b>Total</b>	<b>739.776</b>	<b>85.643.123</b>	<b>394.280</b>	<b>58.922.381</b>

**3.3. Further Information is Disclosed for the Areas of Liability Concentrations. Main Liability Concentration Areas are Fund Suppliers, Sector Groups, or other Risk Concentration Criteria**

69,76% of the Bank’s total liabilities consist of deposits. Deposits have a diversified base and have steady structures. The Bank’s liabilities are not subject to a significant concentration risk.

**4. Information on Money Market Borrowings**

	Current Period		Prior Period	
	TL	FC	TL	FC
<b>From Domestic Transactions</b>	<b>129.722.742</b>	<b>-</b>	<b>139.646.059</b>	<b>-</b>
Financial Institutions and Organizations	129.594.779	-	139.473.430	-
Other Institutions and Organizations	117.056	-	158.819	-
Real Person	10.907	-	13.810	-
<b>From Overseas Operations</b>	<b>-</b>	<b>38.917.612</b>	<b>-</b>	<b>37.053.037</b>
Financial Institutions and Organizations	-	38.917.612	-	37.053.037
Other Institutions and Organizations	-	-	-	-
Real Person	-	-	-	-
<b>Total</b>	<b>129.722.742</b>	<b>38.917.612</b>	<b>139.646.059</b>	<b>37.053.037</b>

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED  
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN  
TURKISH**

**TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.  
NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF  
30 JUNE 2022**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”))

**EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS  
(Continued)**

**II. EXPLANATIONS AND NOTES RELATED TO LIABILITIES (Continued)**

**5. Information on Securities Issued**

	Current Period		Prior Period	
	TL	FC	TL	FC
Bank Bills	-	124.507	-	97.988
Asset-Backed Securities	-	-	-	-
Treasury Bonds	1.010.690	22.224.664	1.010.690	25.053.363
<b>Total</b>	<b>1.010.690</b>	<b>22.349.171</b>	<b>1.010.690</b>	<b>25.151.351</b>

**6. If Other Foreign Liabilities exceed 10% of The Total Balance Sheet, Names and Amounts of Sub Accounts That Make Up At Least 20% of These**

Other foreign liabilities do not exceed 10% of the total balance sheet.

**7. Information on Lease Liabilities (Net)**

Information on lease liabilities represented in the table below.

	Current Period		Prior Period	
	Gross	Net	Gross	Net
Less than 1 Year	65.425	53.284	23.256	11.893
Between 1-4 Years	458.967	399.617	360.218	329.674
More than 4 Years	1.154.134	595.275	812.434	447.916
<b>Total</b>	<b>1.678.526</b>	<b>1.048.176</b>	<b>1.195.908</b>	<b>789.483</b>

**8. Information on the Hedging Derivative Financial Liabilities**

There are no hedging derivative financial liabilities.

**9. Information on Provisions**

**9.1. Provisions Related with Principal Foreign Currency Decrease of Foreign Indexed Loans and Finance Leasing Receivables**

There are no foreign exchange loss provisions on foreign currency indexed loans and financial lease receivables (31 December 2021: None).

**9.2. Liabilities on Employee Benefits Provision**

**9.2.1. Termination Benefit and Unused Vacation Rights**

The Bank accounts for its vacation and retirement pay obligations in accordance with the TAS 19 “Employee Benefits”. The vacation and retirement pay obligations recognized in the balance sheet represent the present value of the defined benefit obligation. As of 30 June 2022, unpaid vacation liability amounted to TL 572.781 and employment termination amounted to TL 1.660.743 are presented under the “Employee Benefits Provision” in the financial statements (31 December 2021 unpaid vacation liability amounted to TL 368.105 and employment termination amounted to TL 1.355.145 are presented under the “Employee Benefits Provision” in the financial statements).

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED  
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN  
TURKISH**

**TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.  
NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF  
30 JUNE 2022**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”))

**EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS  
(Continued)**

**II. EXPLANATIONS AND NOTES RELATED TO LIABILITIES (Continued)**

**9. Information on Provisions (Continued)**

**9.3. Information on Other Provision**

Except for the requirements of the BRSA Accounting and Financial Reporting Legislation, the Bank's management has free provisions amounting to TL 13.700.000. of which TL 3.710.000 has been reserved in previous periods and TL 9.990.000 has been set to be in the current year. (31 December 2021: Except for the requirements of the BRSA Accounting and Financial Reporting Legislation, the Bank's management has free provisions amounting to TL 3.710.000 thousand, of which TL 3.460.000 thousand has been reserved in previous periods and TL 250.000 thousand has been set to be in the current year.)

Expected loss provisions for non-cash loans are TL 4.726.067 (December 31, 2021: Expected loss provisions for non-cash loans are TL 3.285.225). Regarding the lawsuits filed against the Bank amounting to TL 212.480, a provision of TL 107.500 has been provided in these financial statements for cases that are likely to result against the Bank but are not yet finalized. (31 December 2021: For the lawsuits filed against the Bank amounting to TL 186.058, a provision of TL 92.600 has been provided in these financial statements for cases that are likely to result against the Bank but are not yet finalized). In addition, there is another provisions amount to TL 286.149 (December 31, 2021: Other provisions amounting to TL 248.937.)

**10. Explanations on Tax Liability**

**10.1. Explanations on Current Tax Liability**

**10.1.1. Information on Taxes Payable**

As of 30 June 2022, the remaining corporate tax liability after deducting temporary taxes paid for the period is TL 3.695.806 (As of 31 December 2021, the remaining corporate tax liability after deducting temporary taxes paid for the period is TL 107.752).

**10.1.2. Information on Current Taxes Payable**

	<b>Current Period</b>	<b>Prior Period</b>
Corporate Tax Payable	3.695.806	107.752
Taxation on Income From Securities	467.320	407.297
Property Tax	4.513	3.716
Banking Insurance Transactions Tax (BITT)	607.037	444.573
Foreign Exchange Transactions Tax	40.060	114.244
Value Added Tax Payable	30.304	41.867
Other	99.445	91.426
<b>Total</b>	<b>4.944.485</b>	<b>1.210.875</b>

**10.1.3. Information on Premium Payables**

	<b>Current Period</b>	<b>Prior Period</b>
Social Security Premiums Employee	96	62
Social Security Premiums - Employer	144	83
Bank Social Aid Pension Fund Premium - Employee	31.702	22.904
Bank Social Aid Pension Fund Premium - Employer	46.473	33.563
Pension Fund Membership Fees and Provisions - Employee	10	4
Pension Fund Membership Fees and Provisions - Employer	58	15
Unemployment Insurance - Employee	2.267	1.641
Unemployment Insurance - Employer	4.536	3.284
Other	-	-
<b>Total</b>	<b>85.286</b>	<b>61.556</b>

**10.2. Information on Deferred Tax Liabilities If Any**

The Bank does not have any deferred tax liability.

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED  
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN  
TURKISH**

**TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.  
NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF  
30 JUNE 2022**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”))

**EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS  
(Continued)**

**II. EXPLANATIONS AND NOTES RELATED TO LIABILITIES (Continued)**

**11. Information on liabilities related to non-current assets “held for sale” and “held from discontinued operations”**

The Bank does not have any liabilities related to non-current assets held for sale and held from discontinued operations.

**12. Information on Subordinated Loans**

	Current Period		Prior Period	
	TL	FC	TL	FC
Debt instruments to be included in additional capital calculation	-	24.384.193	-	21.427.601
Subordinated loans	-	-	-	-
Subordinated debt instruments	-	24.384.193	-	21.427.601
Debt instruments to be included in contribution capital calculation	-	-	-	-
Subordinated loans	-	-	-	-
Subordinated debt instruments	-	-	-	-
<b>Total</b>	-	<b>24.384.193</b>	-	<b>21.427.601</b>

(\*) Subordinated loans are explained in detail in the Note “Information on debt instruments included in the calculation of equity” in Section Four.

**13. Information on Shareholders’ Equity**

**13.1. Presentation of Paid-In Capital**

	Current Period	Prior Period
Common stock	34.900.000	13.100.000
Preferred stock	-	-

**13.2. Amount of Paid-In Capital, Explanation as to Whether the Registered Share Capital System is Applied, if so the Amount of Registered Share Capital Ceiling**

The Bank does not have a registered capital system.

**13.3. Capital Increases and Sources in the Current Period and Other Information Based on Increased Capital Share**

The decision to increase the capital to TL 34.900.000 was approved at the Bank's Extraordinary General Assembly meeting held on March 9, 2022. It was announced in the Trade Registry Gazette numbered 10536. The accounting for the said capital increase was carried out on 14 March 2022, based on the permission obtained from the BRSA.

Increase Date	Increase Amount	Cash	Profit Reserves Subject to Increase	Capital Reserves Subject to Increase
14 March 2022	21.800.000	21.800.000	-	-

**13.4. Other Information on Capital Increases and Increased Share Capital with Reserves within the Current Period**

There is no share capital amount included in capital.

**13.5. Information on Capital Commitments, the Purpose and the Sources Until the End of the Fiscal Year and the Subsequent Interim Period**

The Bank has no capital commitments.

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED  
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN  
TURKISH**

**TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.  
NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF  
30 JUNE 2022**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”))

**EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS  
(Continued)**

**II. EXPLANATIONS AND NOTES RELATED TO LIABILITIES (Continued)**

**13. Information on Shareholders’ Equity (Continued)**

**13.6. The effects of anticipations based on the financial figures for prior periods regarding the Bank’s income, profitability and liquidity, and possible effects of these future assumptions on the Bank’s equity due to uncertainties at these indicators**

In the current period, the Bank follows its operations in line with the previous periods. The Bank’s balance sheet has been managed with precaution by being affected by the interest, rate of exchange and credit risks at the minimum level. This helps to reduce the effects of fluctuations in the market to the Bank’s performance and contributes to the profitability structure to be sustainable.

**13.7. Summary Information on Privileges Given to Shares Representing the Capital**

The Bank has no preferred shares.

**13.8. Information on Marketable Securities Value Increase Fund**

	Current Period		Prior Period	
	TL	FC	TL	FC
From Associates, Subsidiaries, and Entities under Common Control (Joint Ventures)	8.412.167	(2.159.169)	6.526.598	(2.023.299)
Valuation Difference	37.448.088	(26.975.280)	3.162.858	(8.998.673)
Foreign Exchange Difference	4.060.946	-	4.060.946	-
<b>Total</b>	<b>49.921.201</b>	<b>(29.134.449)</b>	<b>13.750.402</b>	<b>(11.021.972)</b>

**III. EXPLANATIONS AND NOTES RELATED TO OFF-BALANCE SHEET ACCOUNTS**

**1. Explanations on Off-Balance Sheet Commitments**

**1.1. Nature and Amount of Irrevocable Loan Commitments**

	Current Period	Prior Period
Asset Purchase Sale Commitments	23.347.892	24.260.963
Subsidiaries and Associates Capital Contribution Commitments	-	3.150
Loan Granting Commitments	35.872.458	22.888.073
Commitments for Cheque Payments	9.319.285	6.609.633
Commitments for Credit Card Expenditure Limits	64.070.074	61.707.772
Promotion Campaigns Commitments Relating to Credit Card and Bank Services	131.678	101.762
Other Irrevocable Commitments	23.714.399	22.536.938
<b>Total</b>	<b>156.455.786</b>	<b>138.108.291</b>

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED  
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN  
TURKISH**

**TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.  
NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF  
30 JUNE 2022**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”))

**EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS  
(Continued)**

**III. EXPLANATIONS AND NOTES RELATED TO OFF-BALANCE SHEET ACCOUNTS  
(Continued)**

**1. Explanations on Off-Balance Sheet Commitments (Continued)**

**1.2. A Nature and Amount of Possible Losses and Commitments Arising from the Off-Balance Sheet  
Items Including the Below Mentioned**

The Bank has provided provision amounting to TL 4.726.067 for expected credit losses arising from the off-balance sheet items in the current period. (31 December 2021: TL 3.285.225).

**1.2.1. Non-Cash Loans Including Guarantees, Acceptances, Financial Guarantees and Other  
Letter of Credits**

	<b>Current Period</b>	<b>Prior Period</b>
Letters of Guarantee	250.711.193	184.456.614
Letters of Credit	83.855.205	60.172.624
Bank Acceptances	15.182.260	11.934.551
Endorsements	10.960.889	6.009.467
<b>Total</b>	<b>360.709.547</b>	<b>262.573.256</b>

**1.2.2. Certain Guarantees, Temporary Guarantees, Surety Ships and Similar Transactions**

	<b>Current Period</b>	<b>Prior Period</b>
Letters of Certain Guarantees	155.892.149	113.961.477
Letters of Advance Guarantees	34.803.353	29.420.428
Letters of Temporary Guarantees	6.980.139	3.983.624
Letters of Guarantees Given to Customs Offices	3.077.321	1.830.957
Other Letters of Guarantees	49.958.231	35.260.128
<b>Total</b>	<b>250.711.193</b>	<b>184.456.614</b>

**1.3. Explanations on Non-Cash Loans**

**1.3.1. Total Non-Cash Loans**

	<b>Current Period</b>	<b>Prior Period</b>
<b>Non-Cash Loans for Providing Cash Loans</b>	<b>42.097.545</b>	<b>30.904.082</b>
With Original Maturity of One Year or Less	26.677.993	18.644.642
With Original Maturity of More than One Year	15.419.552	12.259.440
<b>Other Non-Cash Loans</b>	<b>318.612.002</b>	<b>231.669.174</b>
<b>Total</b>	<b>360.709.547</b>	<b>262.573.256</b>

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED  
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN  
TURKISH**

**TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.  
NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF  
30 JUNE 2022**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”))

**EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS  
(Continued)**

**IV. EXPLANATIONS AND NOTES RELATED TO STATEMENT OF PROFIT OR LOSS**

**1. Interest Income**

**1.1. Information on Interest Income from Loans**

	Current Period		Prior Period	
	TL	FC	TL	FC
<b>Interest on Loans <sup>(1)</sup></b>	<b>42.992.618</b>	<b>8.248.108</b>	<b>27.975.746</b>	<b>4.381.361</b>
Short Term Loans	15.057.719	903.914	7.101.899	366.880
Medium and Long Term Loans	27.058.555	7.344.194	20.429.749	4.014.481
Interest on Loans Under Follow-up	876.344	-	444.098	-
Premiums from Resource Utilization Support Fund	-	-	-	-

<sup>(1)</sup> Includes fees and commissions income on cash loans.

**1.2. Information on Interest Income on Banks**

	Current Period		Prior Period	
	TL	FC	TL	FC
Central Bank of the Republic of Türkiye	-	-	-	-
Domestic Banks	87.537	16	-	10
Foreign Banks	60.279	26.345	60.079	7.027
Headquarters and Branches Abroad	-	-	-	-
<b>Total</b>	<b>147.816</b>	<b>26.361</b>	<b>60.079</b>	<b>7.037</b>

**1.3. Information on Interest Income on Marketable Securities**

	Current Period		Prior Period	
	TL	FC	TL	FC
Financial Assets at Fair Value Through Profit or Loss	284.148	2.012	139.026	1.193
Financial Assets at Fair Value Through Other Comprehensive Income	21.365.184	4.526.731	6.888.712	2.344.712
Financial Assets Measured at Amortized Cost	6.509.904	925.552	737.604	496.556
<b>Total</b>	<b>28.159.236</b>	<b>5.454.295</b>	<b>7.765.342</b>	<b>2.842.461</b>

As stated in Note VII of Section Three, the Bank's securities portfolios, whose fair value difference is reflected in other comprehensive income and measured at amortized cost, include consumer price (“CPI”) indexed bonds. These securities are valued and accounted for using the effective interest method, based on the real coupon rates, the reference inflation index on the issue date, and the index calculated by taking into account the estimated inflation rate. The reference indices used in the calculation of the actual coupon payment amounts of these securities are created according to the CPI of two months ago. The bank determines the estimated inflation rate in parallel with this. The estimated inflation rate used is updated during the year when deemed necessary. In this context, as of June 30, 2022, the valuation of the said assets was made according to the annual 50% inflation forecast. A 1% increase in the CPI forecast will increase the profit before tax by TL 261,3 million as of June 30, 2022, while a 1% decrease will decrease it by TL 211.4 million.

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED  
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN  
TURKISH**

**TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.  
NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF  
30 JUNE 2022**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”))

**EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS  
(Continued)**

**IV. EXPLANATIONS AND NOTES RELATED TO STATEMENT OF PROFIT OR LOSS  
(Continued)**

**1. Interest Income (Continued)**

**1.4. Information on Interest Income Received from Associates and Subsidiaries**

	Current Period		Prior Period	
Interest Income from Associates and Subsidiaries	117.289		117.701	

**2. Interest Expense**

**2.1. Information of Interest Expense on Borrowings**

	Current Period		Prior Period	
	TL	FC	TL	FC
Banks <sup>(1)</sup>	97.986	888.785	61.856	442.275
Central Bank of the Republic of Türkiye	-	-	-	-
Domestic Banks	62.029	161.737	30.805	82.163
Foreign Banks	35.957	727.048	31.051	360.112
Foreign Headquarters and Branches Abroad	-	-	-	-
Other Institutions	-	-	-	-
<b>Total</b>	<b>97.986</b>	<b>888.785</b>	<b>61.856</b>	<b>442.275</b>

<sup>(1)</sup> Includes fees and commissions expenses on cash loans

**2.2. Information on Interest Expense Given to Associates and Subsidiaries**

	Current Period		Prior Period	
Interest Expenses Given to Subsidiaries and Associates	76.837		100.294	

**2.3. Information on Interest Expense Given on Securities Issued**

	Current Period		Prior Period	
	TL	FC	TL	FC
Interest Expenses on Securities Issued	84.949	1.263.608	84.949	814.986

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED  
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN  
TURKISH**

**TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.  
NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF  
30 JUNE 2022**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”))

**EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS  
(Continued)**

**IV. EXPLANATIONS AND NOTES RELATED TO STATEMENT OF PROFIT OR LOSS  
(Continued)**

**2. Interest Expense (Continued)**

**2.4. Maturity Structure of the Interest Expense on Deposits**

Current Period	Demand Deposit	Time Deposits					More Than 1 year	Cumulative Deposit	Total
		Up to 1 Month	Up to 3 Months	Up to 6 Months	Up to 1 Year				
TL									
Bank Deposit	-	2.169.619	-	-	-	-	-	-	2.169.619
Saving Deposit	-	755.361	9.870.703	2.202.852	368.917	2.010.970	7.805	-	15.216.608
Public Sector Deposit	49	1.718.971	627.003	51.830	22.250	837	-	-	2.420.940
Commercial Deposit	62	2.134.310	1.286.878	1.182.319	1.600.842	43.979	-	-	6.248.390
Other Deposit	-	252.800	884.356	81.617	32.918	23.452	-	-	1.275.143
Deposit with 7 Days Notification	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>111</b>	<b>7.031.061</b>	<b>12.668.940</b>	<b>3.518.618</b>	<b>2.024.927</b>	<b>2.079.238</b>	<b>7.805</b>	<b>-</b>	<b>27.330.700</b>
FC									
Foreign Currency Deposit	1.354	226.587	605.884	68.563	42.000	124.359	1	-	1.068.748
Bank Deposit	17	9.346	14.244	-	16.236	29.334	-	-	69.177
Deposit with 7 Days Notification	-	-	-	-	-	-	-	-	-
Precious Metal Deposits	-	3.511	22.709	2.006	1.097	1.167	-	-	30.490
<b>Total</b>	<b>1.371</b>	<b>239.444</b>	<b>642.837</b>	<b>70.569</b>	<b>59.333</b>	<b>154.860</b>	<b>1</b>	<b>-</b>	<b>1.168.415</b>
<b>Grand Total</b>	<b>1.482</b>	<b>7.270.505</b>	<b>13.311.777</b>	<b>3.589.187</b>	<b>2.084.260</b>	<b>2.234.098</b>	<b>7.806</b>	<b>-</b>	<b>28.499.115</b>

Prior Period	Demand Deposit	Time Deposits					More Than 1 year	Cumulative Deposit	Total
		Up to 1 Month	Up to 3 Months	Up to 6 Months	Up to 1 Year				
TL									
Bank Deposit	-	1.895.680	1.653	-	-	-	-	-	1.897.333
Saving Deposit	-	687.893	7.522.624	1.703.575	215.714	467.488	5.749	-	10.603.043
Public Sector Deposit	570	683.377	490.553	35.780	8.357	4.614	-	-	1.223.251
Commercial Deposit	71	1.670.122	1.493.024	38.852	283.731	3.784	-	-	3.489.584
Other Deposit	-	172.518	849.521	67.093	50.453	16.173	-	-	1.155.758
Deposit with 7 Days Notification	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>641</b>	<b>5.109.590</b>	<b>10.357.375</b>	<b>1.845.300</b>	<b>558.255</b>	<b>492.059</b>	<b>5.749</b>	<b>-</b>	<b>18.368.969</b>
FC									
Foreign Currency Deposit	1.336	101.888	579.622	59.329	53.283	128.493	2	-	923.953
Bank Deposit	29	762	26.135	939	8.156	20.780	-	-	56.801
Deposit with 7 Days Notification	-	-	-	-	-	-	-	-	-
Precious Metal Deposits	-	1.917	14.753	1.245	976	695	-	-	19.586
<b>Total</b>	<b>1.365</b>	<b>104.567</b>	<b>620.510</b>	<b>61.513</b>	<b>62.415</b>	<b>149.968</b>	<b>2</b>	<b>-</b>	<b>1.000.340</b>
<b>Grand Total</b>	<b>2.006</b>	<b>5.214.157</b>	<b>10.977.885</b>	<b>1.906.813</b>	<b>620.670</b>	<b>642.027</b>	<b>5.751</b>	<b>-</b>	<b>19.369.309</b>

**3. Information on Trading Profit/Loss (Net)**

	Current Period	Prior Period
<b>Profit</b>	<b>223.646.928</b>	<b>127.158.870</b>
Trading Gains on Securities	566.065	87.632
Gains on Derivative Financial Transactions	7.316.501	5.276.302
Foreign Exchange Profits	215.764.362	121.794.936
<b>Loss (-)</b>	<b>223.815.246</b>	<b>132.287.224</b>
Trading Losses on Securities	112.966	16.291
Losses on Derivative Financial Instruments	11.041.032	10.825.178
Foreign Exchange Loss	212.661.248	121.445.755

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED  
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN  
TURKISH**

**TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.  
NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF  
30 JUNE 2022**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”))

**EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS  
(Continued)**

**IV. EXPLANATIONS AND NOTES RELATED TO STATEMENT OF PROFIT OR LOSS  
(Continued)**

**4. Information on Other Operating Income**

Significant proportion of other operating income consists of reversals from prior period provisions amounting to TL 2.454.220 and income from sales of assets amounting to TL 380.689 (30 June 2021: Significant proportion of other operating income consists of reversals from prior period provisions amounting to TL 1.554.713 and income from sales of assets amounting to TL 160.809).

**5. Expected Credit Loss and Other Provision Expense**

	<b>Current Period</b>	<b>Prior Period</b>
Expected Credit Loss Provisions	7.567.886	3.536.636
12 Month Expected Credit Loss (Stage 1)	1.501.943	174.927
Significant Increase in Credit Risk (Stage 2)	4.089.834	1.582.281
Non-Performing Loans (Stage 3)	1.976.109	1.779.428
Marketable Securities Impairment Expense	4.352.626	108.234
Financial Assets at Fair Value through Profit or Loss	-	-
Financial Assets at Fair Value Through Other Comprehensive Income	4.352.626	108.234
Subsidiaries, Associates and Entities Under Common Control Impairment Provision	-	-
Associates	-	-
Subsidiaries	-	-
Entities Under Common Control	-	-
Other <sup>(*)</sup>	10.028.047	4.599
<b>Total</b>	<b>21.948.559</b>	<b>3.649.469</b>

(\*) Includes TL 9.990.000 free provision expense

**6. Information Related to Other Operating Expenses**

	<b>Current Period</b>	<b>Prior Period</b>
Reserve for Employee Termination Benefits	305.597	222.054
Bank Social Aid Fund Deficit Provision	-	-
Impairment Expenses of Tangible Assets	100	-
Depreciation Expenses of Tangible Assets	275.743	245.849
Impairment Expenses of Intangible Assets	-	-
Goodwill Impairment Expense	-	-
Amortization Expenses of Intangible Assets	83.652	58.111
Impairment Expense of Equity Participations for which Equity Method is Applied	-	-
Impairment Expenses of Assets Held for Sale	-	-
Depreciation Expenses of Assets Held for Sale	-	-
Impairment Expenses for Non-Current Assets Held for Sale and Discontinued Operations	-	-
Other Operating Expenses	2.894.379	2.157.394
Leasing Expenses Related to TFRS 16 Exceptions	48.953	40.405
Maintenance Expenses	131.600	100.846
Advertisement Expenses	150.805	129.436
Other Expenses	2.563.021	1.886.707
Loss on Sales of Assets	1.617	1.395
Other <sup>(1)</sup>	2.742.870	1.598.712
<b>Total</b>	<b>6.303.958</b>	<b>4.283.515</b>

<sup>(1)</sup> TL 1.112.399 of other items consists of Saving Deposit Insurance Fund accrual expense while TL 1.055.578 consists of taxes, duties and charges expense (30 June 2021: TL 740.245 of other items consists of Saving Deposit Insurance Fund accrual expense while TL 502.135 consists of taxes, duties and charges expense

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED  
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN  
TURKISH**

**TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.  
NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF  
30 JUNE 2022**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”))

**EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS  
(Continued)**

**IV. EXPLANATIONS AND NOTES RELATED TO STATEMENT OF PROFIT OR LOSS  
(Continued)**

**7. Information on Profit/Loss Before Tax from Continuing and Discontinuing Operations**

The Bank does not have any discontinuing operations. The compositions of the profit/loss before tax from the continuing operations are following:

	<b>Current Period</b>	<b>Prior Period</b>
Net Interest Income	46.888.518	13.648.621
Net Fees and Commissions Income	5.362.389	2.216.131
Other Operating Income	3.853.375	2.107.414
Dividend Income	246.209	111.605
Trading Profit/Loss (Net)	(168.318)	(5.128.354)
Personnel Expenses (-)	3.990.171	2.500.903
Expected Credit Loss (-)	7.567.886	3.536.636
Other Provision Expenses (-)	14.380.673	112.833
Other Operating Expenses (-)	6.303.958	4.283.515
<b>Profit / Loss From Continuing Operations</b>	<b>23.939.485</b>	<b>2.521.530</b>

**8. Information on Tax Provision for Continued and Discontinued Operations**

As of 30 June 2022 TL 7.760.727 of the Bank’s total tax provision expense amounting to TL 16.288.062 consists of current tax expense while remaining balances amounting to TL 8.527.335 consists of deferred tax income. (As of 30 June 2021, TL 781.826 of the Bank’s total tax provision expense amounting to TL 1.872.558 consists of current tax expense while remaining balances amounting to TL 1.090.732 consists of deferred tax income)

**9. Explanation on Current Period Net Profit and Loss of Continued and Discontinued Operations**

The Bank’s net operating income after tax amounts to TL 16.178.758 (30 June 2021: TL 1.739.704).

**10. Information on Net Profit/Loss**

**10.1. Nature, Amount and Frequency of Income and Expenses Arising from Ordinary Banking Activities, if Required for the Understanding the Performance of the Bank in The Current Period**

The Bank mainly utilizes its resources from domestic deposits on loans, securities and interbank operations. Besides, it obtains income via commissions taken from non-cash loans, other banking operations and insurance agencies.

**10.2. The Effect of the Change in Accounting Estimates to the Net Profit/Loss; Including the Effects to the Future Period, if any**

As of the balance sheet date, there is no change in accounting estimates that may require further explanations in the current period.

**11. If Other Items in the Profit or Loss Statement Exceed 10% of the Profit or Loss Statement Total, Sub-Accounts Constituting At Least 20% of These Items are Shown Below**

The “Other” statement under the “Fees and Commission Income” in the Profit or Loss Statement mainly consists of commissions received from credit card and fees and commissions received from banking transactions.

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED  
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN  
TURKISH**

**TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.  
NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF  
30 JUNE 2022**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”))

**EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS  
(Continued)**

**V. EXPLANATIONS AND NOTES RELATED TO RISK GROUP THAT THE BANK BELONGS TO**

**1. Information on the Volume of Transactions Relating to the Bank’s Risk Group, Outstanding Loan and Deposit Transactions and Profit and Loss of the Period**

**1.1 Information on Loans of the Bank’s Risk Group**

Risk Group of the Bank	Subsidiaries, Associates and Entities Under Common Control (Joint Ventures)		Direct or Indirect Shareholders of the Bank		Other Real and Legal Persons in the Risk Group	
	Cash	Non-cash	Cash	Non-cash	Cash	Non-cash
<b>Current Period</b>						
<b>Loans</b>						
Beginning Balance	4.147.452	8.985.638	-	-	-	-
Ending Balance	4.626.005	6.889.357	-	-	-	-
Interest and Commissions Income	117.289	384	-	-	-	-

Risk Group of the Bank	Subsidiaries, Associates and Entities Under Common Control (Joint Ventures)		Direct or Indirect Shareholders of the Bank		Other Real and Legal Persons in the Risk Group	
	Cash	Non-cash	Cash	Non-cash	Cash	Non-cash
<b>Prior Period</b>						
<b>Loans</b>						
Beginning Balance	2.513.483	7.410.848	-	-	-	-
Ending Balance	4.147.452	8.985.638	-	-	-	-
Interest and Commissions Income	117.701	274	-	-	-	-

**1.2. Information on Deposits of the Bank’s Risk Group**

Risk Group of the Bank	Subsidiaries, Associates and Entities Under Common Control (Joint Venture)		Direct or Indirect Shareholders of the Bank		Other Real and Legal Persons in the Risk Group	
	Current Period	Prior Period	Current Period	Prior Period	Current Period	Prior Period
<b>Deposits</b>						
Beginning Balance	3.495.970	1.674.595	-	-	-	-
Ending Balance	6.653.951	3.495.970	-	-	56.905	-
Interest Expense on Deposits	76.837	100.294	-	-	381	-

**1.3. Information on Forward and Option Agreements and Other Similar Agreements made with the Bank’s Risk Group**

Risk Group of the Bank	Subsidiaries, Associates and Entities Under Common Control (Joint Ventures)		Direct or Indirect Shareholders of the Bank		Other Real and Legal Persons in the Risk Group	
	Current Period	Prior Period	Current Period	Prior Period	Current Period	Prior Period
<b>Transactions at fair value through Profit or Loss</b>						
Beginning Balance	489.081	1.126.974	-	-	-	-
Ending Balance	-	489.081	-	-	-	-
Total Profit/Loss	(1.635)	(32.677)	-	-	-	-
<b>Risk Protection Oriented Processes</b>						
Beginning Balance	-	-	-	-	-	-
Ending Balance	-	-	-	-	-	-
Total Profit/Loss	-	-	-	-	-	-

**1.4. Information Regarding Benefits Provided to the Bank’s Key Management**

Fees paid to the Bank’s key management amount to TL 12.084 (30 June 2021: TL 9.471)

**VI. EXPLANATIONS AND NOTES RELATED TO SUBSEQUENT EVENTS**

None.

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED  
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN  
TURKISH**

**TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.  
NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF  
30 JUNE 2022**

(Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”))

---

**SECTION SIX**

**EXPLANATIONS ON INDEPENDENT AUDIT REPORT**

**I. MATTERS TO BE EXPLAINED ON THE INDEPENDENT AUDITOR’S REPORT**

The unconsolidated financial statements prepared as of 30 June 2022 and for the fiscal period ending on the same date have been prepared by PwC Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. is subject to audit by the independent auditors' report dated 12 August 2022 is presented preceding the unconsolidated financial statements.

**II. EXPLANATIONS AND NOTES PREPARED BY THE INDEPENDENT AUDITORS**

None.

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED  
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN  
TURKISH**

**TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.  
NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF  
30 JUNE 2022**

(Unless otherwise stated amounts are expressed in Turkish Lira Full (“TL”))

---

**SECTION SEVEN**

**EXPLANATION ON INTERIM ACTIVITY REPORT**

**I. CHAIRMAN’S ASSESSMENT**

While the post-pandemic global economy is following the normalization process, the geopolitical risks which emerged with the Ukraine-Russia war; started to cause downward movement in the global growth outlook in the second quarter of 2022. High inflation, which became more resilient as a result of the rise in commodity prices, forced the central banks to tighten their monetary policies faster than anticipated in this period.

Global supply chain problems also caused inflation to deepen due to the increase in risks and concerns regarding energy supply security in Europe. In the light of these developments, leading developed country central banks strengthened their hawk stance in order to prevent the persistence of inflation. In this environment, where the tightening in financial conditions has strengthened, the possibility of global recession has become a topic of discussion. The IMF revised its global growth forecast downwards for the third time this year and announced the 2022 growth forecast of the global economy, which grew by 6.1% in 2021, as 3.2%.

The US Federal Reserve (Fed) has increased its interest rates by a total of 225 basis points since March. While concerns about energy supply security in Europe and political uncertainty in Italy continued, the European Central Bank (ECB) increased its interest rates by 50 basis points in July to control inflation. China and Japan, which have different conditions of their own, maintained their expansionary stances in their monetary policies.

In the second quarter, in which the reflections on global growth and inflation concerns were observed, the Turkish economy continued its strong growth path with the contribution of external and domestic demand, and accordingly, a significant improvement was observed in unemployment rates. In the first half of the year, with the support of both the economic activity and the inflationary environment, the budget posted a significant surplus with the strong increase in revenues, and the 12-month cumulative budget deficit/GDP ratio fell to its lowest level since 2016. In addition to the positive developments, the second quarter was a period in which some difficulties were also observed. High inflation maintained its course especially due to the price increases in the energy and food sectors. Having an important role in reaching a healthy growth composition of the economy, exports continued to increase periodically and the capacity utilization rate was above the historical average, indicating that the investment appetite continues. Despite the strong course in exports and the ongoing recovery in the tourism sector, the current account deficit widened in the second quarter due to rising energy imports.

Ziraat Bank, as it has done always, has continued to increase its support for our country's economy in the recent period, when global economic developments have followed a volatile course, and continued to direct its funds to more efficient, productive and value-added areas by making loans mainly to the real sector, with a selective policy.

**Burhaneddin TANYERİ**  
**Chairman of the Board**

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED  
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN  
TURKISH**

**TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.  
NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF  
30 JUNE 2022**

(Unless otherwise stated amounts are expressed in Turkish Lira Full (“TL”))

---

**EXPLANATION ON INTERIM ACTIVITY REPORT (Continued)**

**II. ASSESSMENT OF GENERAL MANAGER**

We witness difficulty for the year 2022 with the impact of the war in our nearby geography, supply problems especially in the fields of food and energy, rising inflation all over the world, tighter monetary policies implemented and recession concerns.

Although the extraordinary developments experienced had negative effects on our country's economy as well as on the global economy, our Banking Sector continued to increase its support for areas in need of financing.

Ziraat Bank, the leading bank of the Turkish banking sector, continued its loan-based growth with its selective policy in this period. The loans provided are mainly aimed at supporting exports, employment, investment and production. In this context, our total assets increased by 28% to TL 1.8 trillion in the first half of the year, while our cash loans increased by 33% to reach TL 1 trillion in the first half of the year.

While 70% of our cash loans consist of loans in Turkish Lira, the share of corporate loans in total cash loans was 81%. This distribution is a result of our priority strategies based on the principle of meeting the financing needs of the real sector with Turkish Lira loans.

Our Bank considers agriculture as the sector with the highest priority among the sectors financed. In recent years, the pressure created by meteorological conditions such as drought due to climate change, irregular and extraordinary weather events on agricultural activities has increased the effect of food inflation, lastly, the problems caused by the war in our nearby geography in the supply of food products showed that more importance should be given to agriculture in all countries.

Our agricultural loan portfolio reached TL 150 billion with favourable interest rates and mostly interest-subsidised. We continue to increase the added value of agriculture with products and practices aimed at plant and animal production, modern irrigation systems, agricultural mechanization, development of the agricultural industry for domestic production of food products, and increasing the use of renewable energy. We consider agricultural activities within the framework of an ecosystem, and we support women and young farmers in this ecosystem, sustainability in agriculture, agricultural production based on the principle of joint business, with products specific to these areas. From the smallest scaled farmers to agro-industrial companies, we are a pioneer in the solution of agricultural problems, as well as financing in all areas of agriculture.

We attach great importance to credit processes and credit quality management in order to bring the funds we acquire in Turkish Lira and foreign currency including deposit, which is our main source of financing, into the economy in the most efficient way. We continue to keep our NPL ratio, which is an indicator of our effectiveness in credit quality management, below the sector average. On the other hand, the provisions we set aside for non-performing loans stood at 82%.

In the first half of this year, our balance sheet growth was financed mainly with deposits, which is our main funding source. We aim to contribute to the development of our country's savings balance and to reduce the savings gap by preserving the widespread and granular structure of our deposits.

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED  
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN  
TURKISH**

**TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.  
NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF  
30 JUNE 2022**

(Unless otherwise stated amounts are expressed in Turkish Lira Full (“TL”))

---

**EXPLANATION ON INTERIM ACTIVITY REPORT (Continued)**

**II. ASSESSMENT OF GENERAL MANAGER (Continued)**

We continue to diversity funding with non-deposit funds. In the first half of the year, we renewed the syndicated loan amounting to USD 1.2 billion with the same amount. In this period, the outstanding amount of external funds we obtained from abroad is over USD 10 billion.

As the bank with the most extensive service network of Türkiye with 1.727 domestic branches and over 7.200 ATMs in the country, we continue to invest and develop in digital banking practices. In addition, we continue our development in the areas of accessibility and digital banking through our mobile and digital branches.

Ziraat Bank, in addition to its responsibility to be the leading bank of our country, continues its activities as more than a bank, continues to support areas that will provide added value and to meet the financial needs of its customers in the most rational way, while continuing to renew and develop itself in accordance with these basic principles.

**Alpaslan ÇAKAR**  
**Member of the Board and CEO**

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED  
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN  
TURKISH**

**TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.  
NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF  
30 JUNE 2022**

(Unless otherwise stated amounts are expressed in Turkish Lira Full (“TL”))

---

**EXPLANATION ON INTERIM ACTIVITY REPORT (Continued)**

**III. CORPORATE PROFILE**

Since its establishment in 1863, Ziraat Bank has provided funds to all segments of the economy with its main mission of financing agriculture, and has been among the greatest promoters of the development of the country.

The Bank, which produces effective financial solutions to meet all financial needs of the traders, businesspeople, industrialists, entrepreneurs, pensioners, employees, and particularly the farmers, increases its competitive power with its ability to provide end-to-end financial services. Ziraat Bank uses its competitive power for the domestic economy and financial solutions that offer value to its customers from all segments.

Ziraat Bank has a broad domestic and international subsidiaries portfolio in banking, investment services, portfolio management, venture capital, real estate investment trust and financial technologies.

Ziraat Bank offers its customers superior and quality services corporate, commercial and retail banking with;

- 1.752 domestic and foreign branch.
- 24.579 employees,
- Domestic and foreign ATMs,
- Internet Banking (Retail and Corporate Internet Branch),
- Mobile Banking (Ziraat Mobile, Ziraat Tablet, Bankkart Mobile)
- Telephone and SMS Banking,

In line with the strategy of the Ziraat Finance Group, it produces integrated solutions with domestic and foreign subsidiary banks, branches and financial companies in order to meet the financial needs of the Ziraat Bank customers as a whole, and offers these solutions to its customers in the most efficient way by taking advantage of the economies of scale provided by the benefit of being a finance group.

**IV. SHAREHOLDING STRUCTURE**

The paid in capital of T.C. Ziraat Bank is TL 34.900.000.000. The Bank's sole shareholder is Turkish Wealth Fund.

Chairman and Members of the Board of Directors, Members of the Supervisory Board and General Manager and Vice General Managers are not a shareholder in the Bank.

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED  
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN  
TURKISH**

**TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.  
NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF  
30 JUNE 2022**

(Unless otherwise stated amounts are expressed in Turkish Lira Full (“TL”))

**EXPLANATION ON INTERIM ACTIVITY REPORT (Continued)**

**V. MAIN FINANCIAL INDICATORS**

<b>ASSETS (TL Million)</b>	<b>30.06.2022</b>	<b>31.12.2021</b>
Cash and Cash Equivalents	229.279	222.061
Securities Portfolio	464.258	341.401
Cash Loans (Gross)	1.032.362	778.404
Other Assets	30.445	29.024
<b>Total Assets</b>	<b>1.756.344</b>	<b>1.370.890</b>
<b>LIABILITIES (TL Million)</b>	<b>30.06.2022</b>	<b>31.12.2021</b>
Deposits	1.225.230	948.687
Non-deposits Funds	302.767	283.605
Other Liabilities	75.300	41.498
Shareholders' Equity	153.047	97.100
<b>Total Liabilities</b>	<b>1.756.344</b>	<b>1.370.890</b>
<b>SUMMARY OF PROFIT OR LOSS TABLE (TL Million)</b>	<b>30.06.2022</b>	<b>30.06.2021</b>
Net Interest Income	46.889	13.649
Net Fees and Commission Income	5.362	2.216
Other Operations Income	3.853	2.107
Other Operations Expense	6.304	4.284
Allowance for Expected Credit Losses	7.568	3.537
<b>Net Profit/Losses</b>	<b>16.179</b>	<b>1.740</b>
<b>RATIOS (%)</b>	<b>30.06.2022</b>	<b>31.12.2021</b>
Capital Adequacy Ratio	15,64	16,52
Equity / Total Assets	8,7	7,1
Cash Loans (Gross) / Total Assets	58,8	56,8
Loans under follow-up (Gross) / Total Loans	1,3	1,9
Liquid Assets / Total Assets	13,1	16,2

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED  
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN  
TURKISH**

**TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.  
NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF  
30 JUNE 2022**

(Unless otherwise stated amounts are expressed in Turkish Lira Full (“TL”))

**EXPLANATION ON INTERIM ACTIVITY REPORT (Continued)**

**VI. 2022 II. INTERIM PERIOD OPERATIONS**

**Credit Rating Agencies**

International credit rating agency Fitch Ratings downgraded Türkiye's long-term rating to "B+", Ziraat Bank's long-term foreign currency rating to "B" and long-term local currency rating to "B+" in February 2022. In the assessment announced on April 1, 2022, Fitch confirmed Bank's long-term and short-term ratings, downgraded its negative financial capacity rating to “b” and removed its negative monitoring status.

The ratings of the Bank are as follows:

Credit Rating Agency	Category	Credit Grade	Date
Fitch Ratings	FC Long Term IDR	B	April 2022
	Outlook	Negative	
	FC Short Term IDR	B	
	TL Long Term IDR	B+	
	Outlook	Negative	
	TL Short Term IDR	B	
	National Long Term	AA	
	Outlook	Stable	
	Support	b-	
	Viability Rating	b	
Moody's	Outlook	Negative	December 2020
	Long Term Deposit- FC	B2	
	Short Term Deposit –FC	Not-Prime	
	Long Term Deposit- TL	B2	
	Short Term Deposit- TL	Not-Prime	
	Long Term Issuer- FC	B2	
	Baseline Credit Assessment	caa1	
	Adjusted Baseline Credit Assessment	caa1	
JCR Eurasia	Long Term International FC	BB	January 2022
	Outlook	Stable	
	Long Term International TL	BB	
	Outlook	Stable	
	Long Term National	AAA (Trk)	
	Outlook	Stable	
	Short Term International FC	B	
	Outlook	Stable	
	Short Term International TL	B	
	Outlook	Stable	
	Short Term National	A-1+ (Trk)	
	Sponsor Support	1	
	Stand Alone	A	

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED  
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN  
TURKISH**

**TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.  
NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF  
30 JUNE 2022**

(Unless otherwise stated amounts are expressed in Turkish Lira Full (“TL”))

---

**EXPLANATION ON INTERIM ACTIVITY REPORT (Continued)**

**VI. 2022 II. INTERIM PERIOD OPERATIONS (Continued)**

**Bonds Issuance in Global Markets**

As part of the efforts to diversify the Bank's funding base and obtain cost-effective, long-term funding, Bank's USD 7 billion GMTN (Global Medium Term Notes) program has been updated as of May 5, 2022, for borrowing from international capital markets.

Within the scope of the GMTN Program, the foreign bond issuance with a maturity of 5 years, amounting to USD 600 million, which is exported in 2017, expired on May 3, 2022, and coupon and principal redemption payments were made.

The Bank continued to provide foreign funding through private placement under the GMTN (Global Medium Term Notes) program in the second quarter of 2022.

**Sustainability**

In line with the agreement signed by the bank on April 8, 2022, a syndicated loan consisting of two tranches of Euros 814 million and USD 352.5 million with a maturity of 367 days was obtained with the participation of 45 banks from 21 countries. The syndication loan for 2022 was renewed to include the commitment to use the acquired funds in financing foreign trade, as well as to achieve performance targets that show positive contributions to the environment or social life for the first time this year. Performance indicators shows, increasing the volume of loans granted within the scope of sustainable agriculture, carrying out training activities to increase awareness of sustainability within the bank, and the renovation of service points under the umbrella of barrier-free banking.

**Foreign Trade Operations**

With the structure of “Customer Oriented Foreign Trade Operation”, the Bank’s market share in the country's foreign trade volume increased from 14,1% as of the end of 2021 to 17,3% as of June 30, 2022. As of the end of 2021, the Bank is the leader in the sector with a letter of credit volume of TL 60 billion. At the end of 30 June 2022, this amount reached approximately TL 84 billion.

In the first half of 2022, approximately 450 external letters of guarantee amounting to USD 1.3 billion were issued, providing support mainly to contracting companies and exporting companies.

Within the framework of the special limits provided by the CBRT to the Bank, in the first half of 2022, CBRT rediscount credits amounting to approximately USD 483 million were extended, thereby supporting the exports of 851 companies.

In 2022, new developments such as the issuance of an Export Price Acceptance Certificate and foreign currency transfer transactions via internet banking in order to reduce the transaction intensity in branches and direct customers to non-branch channels, enabled mass-intensive transactions to be carried out without visiting the branch.

The Bank was deemed worthy of the “Straight Through Processing Excellence Award” for its operational success in FX transfers to its correspondent bank Citibank N.A. and its error-free rate of 99,72% in 2021.

**Financing of Agriculture Sector**

As Ziraat Bank, while the Bank continue to provide financial support to the agricultural sector, the Bank also develop projects aimed at the solution of structural problems of the sector and facilitating access to finance. The Bank have been working with related institutions, and agricultural organizations. In this context, facilitating access to direct financing especially to small-scale farmers, which constitute the most important link in the agricultural value chain, is one of the top priorities.

Contractual production model, controlled greenhouse agriculture, increasing the production of products that will reduce imports, bringing agricultural enterprises to the economic scale, evaluating idle business capacities, increasing the level of agricultural mechanization of enterprises, using technology to increase productivity in agriculture, will create added value in agricultural production and investments and activities aimed at increasing the capacity of storage, processing, packaging and marketing of agricultural enterprises' own products, especially the investment projects that can respond, and licensed warehousing and cold storage investments, stand out among the target production areas of the Bank.

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED  
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN  
TURKISH**

**TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.  
NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF  
30 JUNE 2022**

(Unless otherwise stated amounts are expressed in Turkish Lira Full (“TL”))

---

**EXPLANATION ON INTERIM ACTIVITY REPORT (Continued)**

**VI. 2022 II. INTERIM PERIOD OPERATIONS (Continued)**

***TL 146,9 billion of loans for financing the agricultural sector***

Ziraat Bank has allocated TL 71,6 billion loans in the first six months of 2022 to more than 408 thousand customers from its own funds for financing the agricultural sector and number of the customers and within the period more than 46 thousand new customers have been added to the portfolio.

The balance of agricultural loans extended from the bank’s funds reached TL 146,9 billion as of the end of the first half of 2022, and the number of loan customers exceeded 753 thousand.

When evaluated as a whole, the sum of the loans extended by Ziraat Bank from its own funds for the financing of the agricultural sector and the intermediated fund sourced loans reached TL 148,9 billion as of the first half of 2022, and the number of loan customers reached over 832 thousand. In the first half of 2022, approximately 274 thousand producers and companies operating in the agricultural sector were provided with subsidized (interest-reduced) loans amounting to TL 58,4 billion.

***“I Have a Flock of Reasons To Live in My Village” Project***

In the last quarter of 2020, this project was implemented for reducing animal imports and providing financial solution alternatives for small businesses while enhancing the scale of the enterprises operating in the field of small cattle breeding, bringing idle business capacities into production, ensuring regional development with domestic sheep breeds, increasing the demand for domestically born female animals, while creating a market. As of the end of the first half of 2022; The number of governorships with which the protocol was signed reached 36, the number of producers benefiting from the project reached over 6 thousand, the loan amount extended within the scope of the project reached TL 855 million and the number of animals obtained with these loans reached 580 thousand heads.

***Restructuring of Non-Performing Bank-Originated Agricultural Loans***

In addition to its support in financing all the needs of its customers engaged in agricultural activities, Ziraat Bank also provides its customers with agricultural loan debtors who have difficulties in payment, to facilitate their payments. In the event that the agricultural loan debt in the non-performing loan accounts is closed at once, no interest is demanded under the name of default or any other name for the period after the date the loans are transferred to non-performing loan accounts. It is paid in interest-free installments up to 60 months in accordance with the income generation periods of the customers who continue their activities. In this context, TL 365 million of restructuring transactions was made to approximately 3.400 customers.

**VII. OTHER IMPORTANT ACTIVITIES**

“The My First Home Housing Loan” product was created in May in order to enable the Bank's customers to own a home for the first time with favorable financing conditions. In this context, as of the end of the second quarter, more than 4.500 people were provided with TL 2 billion from the My First Home Housing Loan package.

“The Extended Housing Loan” product was created to support the bank's customers in purchasing new or second-hand housing. In this context, as of the end of the second quarter, approximately TL 77 million of Extended Housing Loans were provided to 173 people.

Within the scope of the Retail Energy Efficiency and Retail Energy Management loan, which was put into use in order to increase energy efficiency within the scope of the Environmental Loan products within the scope of Sustainability products directive, the “Houses Heat Insulation Loan” was created to provide financial support only for the expenditures to be made for the thermal insulation of the houses in order to increase the energy efficiency and reduce the energy costs.

TL Currency Protected Term Deposits, FX Conversion Currency Protected TL Term Deposits, Yuvam TL Term Deposits, which were introduced to meet the needs of customers who are sensitive to exchange rate changes and to prevent customers who evaluate their investments in Turkish Lira from being adversely affected by exchange rate risk, and to prevent them from being victims of volatility in exchange rates. Account openings for all the products mentioned are continued.

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED  
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN  
TURKISH**

**TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.  
NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF  
30 JUNE 2022**

(Unless otherwise stated amounts are expressed in Turkish Lira Full (“TL”))

---

**EXPLANATIONS ON INTERIM ACTIVITY REPORT (Continued)**

**VII. OTHER IMPORTANT ACTIVITIES (Continued)**

***Bankkart Brand is growing***

As of the end of the second quarter of 2022, the number of credit cards was 10.8 million, the market share of credit cards number was 11,9% and the monthly turnover market share was 9,8%. The trend is expected to continue in the medium and long term. The number of debit cards reached 43 million and the Bank’s sector leadership continued with a market share of 22,7% in terms of monthly turnover.

As of the end of the second quarter of 2022, the number of contracted merchants of the Bank is 962 thousand and the total number of physical terminals is over 674 thousand. The second quarter total turnover of the merchant is TL 147 billion, and the Bank's turnover market share in June 2022 was 16,0%. With the rapid expansion of the card and contracted merchant network, the Bankkart brand's journey towards leadership continues, and the Bank's efforts to expand the card systems market continue.

***Advertising Activities***

The Bank provided support to the 4th Productivity and Technology Fair, which was held in Ankara ATO Congressium between 18-21 May 2022, in order to exhibit technological products that contribute to increasing productivity in our country and in the world, to deliver these studies to large masses, and to raise awareness in the field of productivity.

***Cultural Values are protected***

Ziraat Bank has been supporting cultural and artistic fields continuously, acting with the spirit of social community for 158 years. Within the framework of these values, the Bank provided necessary support to health, education, culture, service and sports activities in the second quarter of 2022 as part of its social responsibility.

***Supporting art is a tradition at Ziraat Bank***

Ziraat Bank defining the importance it gives to art and artist since its establishment with the motto ‘‘Art in Art’’, continues to engage in various activities in all branches of art.

Opened on February 4, 2022 at Ankara Çukurambar Art Gallery, the ‘‘Dreams of the Aegean’’ Exhibition, featuring works by Artist Teoman Südor, continued until April 30, 2022. Then, the ‘‘40 AMBAR’’ Glass Painting and Sculpture Exhibition, which features the works of Artist Mevlüt Akyıldız, opened at the gallery on May 11, 2022, can be visited until August 1, 2022.

***First Banking Museum from Ziraat***

Ziraat Bank Museum is the first Banking museum of Türkiye as witnessing every stage of Republic that exhibited the deep-rooted history of Ziraat Bank.

Ziraat Bank Museum was opened in 1981 in the ground floor Honor Hall of the Ziraat Bank Head Office in the Ulus district of Ankara, one of the buildings of the First National Architecture Period built by Italian Architect Giulio Mongeri in 1929 in order to transfer the know-how and experience of the bank to the future. From the beginning to the present, Türkiye's commercial banking system, economic, political, cultural, artistic, educational exchanges and in the past, which have the ability to show the progress to date Ziraat Bank Museum, many antique objects used in hosting and banking systems of these properties are exhibited in a historical atmosphere.

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED  
UNCONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN  
TURKISH**

**TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.  
NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF  
30 JUNE 2022**

(Unless otherwise stated amounts are expressed in Turkish Lira Full (“TL”))

---

**EXPLANATIONS ON INTERIM ACTIVITY REPORT (Continued)**

**VII. OTHER IMPORTANT ACTIVITIES (Continued)**

***First Banking Museum from Ziraat (Continued)***

The museum, which was closed to visitors due to the pandemic, was reopened as of May 18, 2022 and has been visited by more than 1.500 people since that date. In addition, with the Ziraat Bank Museum Virtual Tour, which is prepared by transferring all sections and details to digital media with three-dimensional imaging technology and accessed via the Bank's website, the Museum will be able to be visited and experienced step by step via computer and mobile phone.

In the virtual tour, information and visuals about the objects and ephemera (historical papers / documents) exhibited in the museum are included, as well as the works of the Ziraat Bank Art Collection, thanks to the application prepared using special techniques, offers the opportunity to examine them in ultra high resolution with the finest detail.

***Digital Platforms and Field Research***

Ziraat Bank's corporate website, ziraatbank.com.tr, features user-friendly menus that provide easy access to content, and features such as the most up-to-date financial data, campaigns, announcements, products, and calculation tools. Ziraat Assistant chatbot application provides easy access to Ziraat Bank services and functions, and the functionality of the corporate website is increased by integrating the innovations brought by technology into the website.

In the social media channels operating in order to meet the demands and expectations in the best way and to keep the customer satisfaction at the highest level in every platform where the customers are located, it has become the most active bank in the sector on the Facebook page and as of the second quarter of 2022, more than 2.3 million likes and followers have been reached. The Bank has approximately 450 thousand followers on Twitter, more than 226 thousand followers on Instagram, with more than 81 million views on YouTube page and sharing on other platforms, the Bank's social media activity is increasing day by day.

In addition, as of the second quarter, the number of bank digital customers reached 29.5 million and the number of active digital customers reached 18.2 million. The rate of realization of financial transactions through digital channels was approximately 94%.

***Career Management***

In order to meet the personnel needs of Ziraat Finance Group, after the recruitment exam held on February 20, 2022 in cooperation with Anadolu University, Service Officer between April 11-15, 2022, and Assistant Specialist and Assistant Inspector between April 25-29, 2022, interviews were arranged in Ankara and Istanbul. As a result of the interviews, 279 Service Officers started to work, and plans were made for 145 Assistant Specialists and 32 Assistant Inspectors to start their duties in the future.

Within the scope of TalentforBIZ-2022, organized by the Presidential Career Office, career fairs were attended in England and Germany, and the Bank and the Banking School were promoted.

.....