

**TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI  
ANONİM ŞİRKETİ**

**UNCONSOLIDATED FINANCIAL STATEMENTS AND  
RELATED DISCLOSURES AS OF 30 SEPTEMBER 2023  
WITH AUDITORS' REVIEW REPORT  
(CONVENIENCE TRANSLATION OF UNCONSOLIDATED FINANCIAL  
STATEMENTS AND RELATED DISCLOSURES  
ORIGINALLY ISSUED IN TURKISH)**



## 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 September 2023 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 nine-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 this 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 September 2023 include a free provision amounting to TL 17.300.000 thousand which consist of TL 28.300.000 thousand provided in prior periods and TL 11.000.000 thousand reversed in the current period 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 September 2023 and the results of its unconsolidated operations and its unconsolidated cash flows for the nine-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 September 2023. 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, 10 November 2023



**THE UNCONSOLIDATED FINANCIAL AUDIT REPORT OF  
TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş. AS OF 30 SEPTEMBER 2023**

The Bank's Headquarter Address: Finanskent Mahallesi Finans Caddesi  
No:44/A Ümraniye/İSTANBUL  
Phone: (216) 590 20 00  
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The unconsolidated financial report for the nine-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
- INFORMATION 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 nine-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

Dr. İsmail İlhan HATİPOĞLU  
Member of the Board,  
Member of the Audit Committee

Süleyman YALÇIN  
Assistant General Manager for  
Financial Coordination

Rehber BİRKAN  
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 : Menşure BEŞKAYA / Financial Statements Manager  
Telephone Number : 0216 590 59 24

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**TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.**  
**NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS**  
**AS OF 30 SEPTEMBER 2023**

(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 Türkiye Wealth Fund with the decision of the Council of Ministers numbered 2017/9756 dated 24 January 2017. The Parent Bank's head office is located in Istanbul.

**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 84.600.000. This capital is divided into 84.600.000.000 registered share with a nominal value of TL each and is fully paid. The Bank's sole and controlling shareholder is the Türkiye Wealth Fund.

The decision to increase the capital to TL 84.600.000 was approved at the Extraordinary General Assembly meeting of the Bank held on 29 March 2023, and the capital increase and the related amendment made in the relevant article of the Articles of Association were registered on 30 March 2023. It was announced in the Trade Registry Gazette dated 30 March 2023 and numbered 10801. The accounting for the mentioned capital increase was carried out on 30 March 2023, 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. İsmail İlhan HATİPOĞLU <sup>(*)</sup>	Member
Fatih AYDOĞAN <sup>(*)</sup>	Member
Fazlı KILIÇ	Member
Feyzi ÇUTUR	Member
Serdar KILIÇ <sup>(*)</sup>	Member
Serruh KALELİ	Member
<b>Audit Committee Members</b>	
Dr. İsmail İlhan HATİPOĞLU <sup>(*)</sup>	Member
Fazlı KILIÇ	Member
<b>Executive Vice Presidents</b>	
Ahmet ACAR	Credit Risk Monitoring and Liquidation
Cüneyt SAĞLIK	Digital Banking and Payment Systems
Emrah GÜNDÜZ	Banking Operations and Corporate Communications
Ferhat PIŞMAF	Corporate Banking
Hüseyin ÖZUYSAL	Human Resources
Mehmet Şükrü TAŞCI	Credit Allocation and Management
Süleyman YALÇIN	Financial Coordination
Yasin ÖZTÜRK	Treasury Management
Yüksel CESUR	Retail Banking

(\*) They were appointed at the Bank's Ordinary General Assembly meeting held on 2 August 2023 and started their duties as of 8 August 2023. Deputy General Manager Recep TÜRK resigned on 11 August 2023 and resigned from his position.

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.

**TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.**  
**NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS**  
**AS OF 30 SEPTEMBER 2023**

(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
Türkiye Wealth Fund	84.600.000	100	84.600.000	-

The Bank's sole shareholder is the Türkiye 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 September 2023, the Bank has 1.744 domestic branches (31 December 2022: 1.733 domestic branches), London branch abroad in England, Baghdad and Erbil branches in Iraq, Athens, Komotini and Xanthi branches in Greece, Sofia, Plovdiv, Kardzhali, Varna and Burgas branches in Bulgaria, Jeddah branch in Saudi Arabia, Pristina, Prizren, Peja and Ferizaj branches in Kosovo, Bahrain branch in Bahrain, Lefkoşa, Girne, Güzelyurt, Gazimağusa, Gönyeli, Taşkinköy, Karaoğlanoğlu and İskele branches in Turkish Republic of Northern Cyprus, with a total of 25 branches and a general total of 1.769 branches (31 December 2022: 1.758 branches).As of 30 September 2023, the Bank’s number employee is 25.719 (31 December 2022: 24.484).

**TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.**  
**NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS**  
**AS OF 30 SEPTEMBER 2023**

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

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

**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. and Birleşim Varlık Yönetim A.Ş., one of the associates of the Bank, and Turkmen Turkish Joint Stock Commercial Bank, jointly controlled partnership of the Bank, are accounted by using equity method in the consolidated financial statements of the Bank.

As Ziraat Teknoloji A.Ş. is 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. is non-financial associates 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.

With the Bank's Extraordinary General Assembly Resolution dated 13 December 2022, it was decided to establish Ziraat Bankası Eğitim Vakfı (Foundation). The Foundation was established on 30 December 2022 to carry the Bank's deep-rooted education experience, which has been going on for nearly 100 years, to a different point. The Bank will continue to contribute to the Turkish Banking Sector with the Education Foundation, which will become operational after the legal processes are completed.

**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

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## UNCONSOLIDATED BALANCE SHEET (STATEMENT OF FINANCIAL POSITION) AS OF 30 SEPTEMBER 2023)

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

I- BALANCE SHEET (STATEMENT OF FINANCIAL POSITION)		Note (Section Five I)	Current Period 30 September 2023			Prior Period 31 December 2022		
			TL	FC	Total	TL	FC	Total
<b>ASSETS</b>								
<b>I. FINANCIAL ASSETS (Net)</b>			<b>428.336.877</b>	<b>687.441.862</b>	<b>1.115.778.739</b>	<b>236.867.343</b>	<b>592.221.704</b>	<b>829.089.047</b>
<b>1.1 Cash and Cash Equivalents</b>			<b>169.821.476</b>	<b>349.360.488</b>	<b>519.181.964</b>	<b>34.126.115</b>	<b>357.118.201</b>	<b>391.244.316</b>
1.1.1 Cash and Balances with Central Bank	(1)		167.940.949	319.853.383	487.794.332	28.245.022	346.153.321	374.398.343
1.1.2 Banks	(4)		1.410.399	29.512.999	30.923.398	505.686	10.965.746	11.471.432
1.1.3 Money Markets Receivables			472.134	-	472.134	5.380.282	-	5.380.282
1.1.4 Expected Loss Provision (-)			2.006	5.894	7.900	4.875	866	5.741
<b>1.2 Financial Assets at Fair Value Through Profit or Loss</b>	(2)		<b>9.876.820</b>	<b>43.903.725</b>	<b>53.780.545</b>	<b>4.302.137</b>	<b>28.992.742</b>	<b>33.294.879</b>
1.2.1 Government Debt Securities			229.924	41.420.778	41.650.702	198.276	27.692.529	27.890.805
1.2.2 Equity Instruments			-	-	-	-	-	-
1.2.3 Other Financial Assets			9.646.896	2.482.947	12.129.843	4.103.861	1.300.213	5.404.074
<b>1.3 Financial Assets at Fair Value Through Other Comprehensive Income</b>	(5),(6)		<b>241.515.781</b>	<b>291.312.931</b>	<b>532.828.712</b>	<b>195.185.687</b>	<b>200.487.478</b>	<b>395.673.165</b>
1.3.1 Government Debt Securities			239.918.647	290.022.096	529.940.743	193.770.230	199.565.626	393.335.856
1.3.2 Equity Instruments			1.067.650	62.199	1.129.849	885.974	41.654	927.628
1.3.3 Other Financial Assets			529.484	1.228.636	1.758.120	529.483	880.198	1.409.681
<b>1.4 Derivative Financial Assets</b>	(3)		<b>7.122.800</b>	<b>2.864.718</b>	<b>9.987.518</b>	<b>3.253.404</b>	<b>5.623.283</b>	<b>8.876.687</b>
1.4.1 Derivative Financial Assets at Fair Value Through Profit or Loss			7.122.800	2.864.718	9.987.518	3.253.404	5.623.283	8.876.687
1.4.2 Derivative Financial Assets at Fair Value Through Other Comprehensive Income			-	-	-	-	-	-
<b>II. FINANCIAL ASSETS MEASURED AT AMORTISED COST (Net)</b>			<b>1.554.137.381</b>	<b>556.274.291</b>	<b>2.110.411.672</b>	<b>983.847.530</b>	<b>393.877.661</b>	<b>1.377.725.191</b>
<b>2.1 Loans</b>	(7)		<b>1.351.305.589</b>	<b>521.605.071</b>	<b>1.872.910.660</b>	<b>916.747.756</b>	<b>349.603.094</b>	<b>1.266.350.850</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>234.630.894</b>	<b>65.055.133</b>	<b>299.686.027</b>	<b>114.911.984</b>	<b>44.439.493</b>	<b>159.351.477</b>
2.4.1 Government Debt Securities			231.447.702	63.849.712	295.297.414	111.764.300	43.408.245	155.172.545
2.4.2 Other Financial Assets			3.183.192	1.205.421	4.388.613	3.147.684	1.031.248	4.178.932
<b>2.5 Expected Credit Loss (-)</b>			<b>31.799.102</b>	<b>30.385.913</b>	<b>62.185.015</b>	<b>47.812.210</b>	<b>164.926</b>	<b>47.977.136</b>
<b>III. NON-CURRENT ASSETS OR DISPOSAL GROUPS "HELD FOR SALE" AND "HELD FROM DISCONTINUED OPERATIONS" (Net)</b>	(15)		<b>6.558.608</b>	-	<b>6.558.608</b>	<b>6.853.866</b>	-	<b>6.853.866</b>
3.1 Held for Sale Purpose			6.558.608	-	6.558.608	6.853.866	-	6.853.866
3.2 Held from Discontinued Operations			-	-	-	-	-	-
<b>IV. EQUITY INVESTMENTS</b>			<b>42.330.214</b>	<b>9.885.219</b>	<b>52.215.433</b>	<b>35.291.161</b>	<b>7.913.605</b>	<b>43.204.766</b>
<b>4.1 Investments in Associates (Net)</b>	(9)		<b>336.152</b>	-	<b>336.152</b>	<b>216.867</b>	-	<b>216.867</b>
4.1.1 Associates Valued Based on Equity Method			-	-	-	-	-	-
4.1.2 Unconsolidated Associates			336.152	-	336.152	216.867	-	216.867
<b>4.2 Subsidiaries (Net)</b>	(10)		<b>41.994.062</b>	<b>8.714.981</b>	<b>50.709.043</b>	<b>35.074.294</b>	<b>7.006.700</b>	<b>42.080.994</b>
4.2.1 Unconsolidated Financial Subsidiaries			41.909.103	8.714.981	50.624.084	34.939.335	7.006.700	41.946.035
4.2.2 Unconsolidated Non-Financial Subsidiaries			84.959	-	84.959	134.959	-	134.959
<b>4.3 Entities under Common Control (Joint Ventures) (Net)</b>	(11)		-	<b>1.170.238</b>	<b>1.170.238</b>	-	<b>906.905</b>	<b>906.905</b>
4.3.1 Joint Ventures Valued Based on Equity Method			-	-	-	-	-	-
4.3.2 Unconsolidated Joint Ventures			-	1.170.238	1.170.238	-	906.905	906.905
<b>V. PROPERTY AND EQUIPMENT (Net)</b>	(16)		<b>19.561.827</b>	<b>161.378</b>	<b>19.723.205</b>	<b>16.137.593</b>	<b>85.466</b>	<b>16.223.059</b>
<b>VI. INTANGIBLE ASSETS (Net)</b>			<b>3.012.030</b>	<b>57.706</b>	<b>3.069.736</b>	<b>2,229.670</b>	<b>42.931</b>	<b>2,272.601</b>
6.1 Goodwill			-	-	-	-	-	-
6.2 Other			3.012.030	57.706	3.069.736	2,229.670	42.931	2,272.601
<b>VII. INVESTMENT PROPERTY (Net)</b>	(14)		-	-	-	-	-	-
<b>VIII. CURRENT TAX ASSET</b>			-	-	-	-	-	-
<b>IX. DEFERRED TAX ASSET</b>	(20)		<b>5,398.511</b>	-	<b>5,398.511</b>	-	-	-
<b>X. OTHER ASSETS (Net)</b>	(21)		<b>46,483.833</b>	<b>3,743.496</b>	<b>50,227.329</b>	<b>31,548.535</b>	<b>4,747.959</b>	<b>36,296.494</b>
<b>TOTAL ASSET</b>			<b>2,105,819,281</b>	<b>1,257,563,952</b>	<b>3,363,383,233</b>	<b>1,312,775,698</b>	<b>998,889,326</b>	<b>2,311,665,024</b>

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

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## UNCONSOLIDATED BALANCE SHEET (STATEMENT OF FINANCIAL POSITION) AS OF 30 SEPTEMBER 2023)

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

II- BALANCE SHEET (STATEMENT OF FINANCIAL POSITION)		Note (Section Five II)	Current Period 30 September 2023			Prior Period 31 December 2022		
			TL	FC	Total	TL	FC	Total
			<b>LIABILITIES</b>					
<b>I. DEPOSITS</b>	(1)	1.525.410.113	1.056.505.824	2.581.915.937	917.910.341	821.358.519	1.739.268.860	
<b>II. FUNDS BORROWED</b>	(3)	373.236	139.716.547	140.089.783	10.407.287	99.798.785	110.206.072	
<b>III. MONEY MARKETS BORROWINGS</b>	(4)	47.409.484	79.427.004	126.836.488	21.024.860	64.037.829	85.062.689	
<b>IV. SECURITIES ISSUED (Net)</b>	(5)	1.010.690	38.068.583	39.079.273	1.010.690	26.757.289	27.767.979	
4.1 Bills		-	973.467	973.467	-	644.547	644.547	
4.2 Asset Backed Securities		-	-	-	-	-	-	
4.3 Bonds		1.010.690	37.095.116	38.105.806	1.010.690	26.112.742	27.123.432	
<b>V. FUNDS</b>		26.106	-	26.106	34.703	-	34.703	
5.1 Borrower Funds		-	-	-	-	-	-	
5.2 Other		26.106	-	26.106	34.703	-	34.703	
<b>VI. FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS</b>		-	-	-	-	-	-	
<b>VII. DERIVATIVE FINANCIAL LIABILITIES</b>	(2)	178.948	7.530.466	7.709.414	230.714	2.925.405	3.156.119	
7.1 Derivative Financial Liabilities at Fair Value Through Profit or Loss		178.948	7.530.466	7.709.414	230.714	2.925.405	3.156.119	
7.2 Derivative Financial Liabilities at Fair Value Through Other Comprehensive Income		-	-	-	-	-	-	
<b>VIII. FACTORING LIABILITIES</b>		-	-	-	-	-	-	
<b>IX. LEASE LIABILITIES (Net)</b>	(7)	4.341.173	69.370	4.410.543	1.367.826	40.791	1.408.617	
<b>X. PROVISIONS</b>	(9)	32.213.535	5.720.715	37.934.250	48.706.257	32.511	48.738.768	
10.1 Restructuring Provisions		-	-	-	-	-	-	
10.2 Reserve for Employee Benefits		7.293.758	-	7.293.758	6.744.741	-	6.744.741	
10.3 Insurance Technical Provisions (Net)		-	-	-	-	-	-	
10.4 Other Provisions		24.919.777	5.720.715	30.640.492	41.961.516	32.511	41.994.027	
<b>XI. CURRENT TAX LIABILITY</b>	(10)	19.770.611	42.681	19.813.292	7.769.264	29.300	7.798.564	
<b>XII. DEFERRED TAX LIABILITY</b>	(10)	-	-	-	279.092	-	279.092	
<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)	-	41.087.935	41.087.935	-	28.949.062	28.949.062	
14.1 Loans		-	-	-	-	-	-	
14.2 Other Debt Instruments		-	41.087.935	41.087.935	-	28.949.062	28.949.062	
<b>XV. OTHER LIABILITIES</b>	(6)	63.101.042	10.013.201	73.114.243	45.004.077	11.510.559	56.514.636	
<b>XVI. SHAREHOLDERS' EQUITY</b>	(13)	325.004.703	(33.638.734)	291.365.969	227.943.969	(25.464.106)	202.479.863	
16.1 Paid-in capital		84.600.000	-	84.600.000	34.900.000	-	34.900.000	
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		39.035.055	(6.719.498)	32.315.557	40.631.246	(5.661.848)	34.969.398	
16.4 Accumulated Other Comprehensive Income or Expense Reclassified Through Profit or Loss		31.074.257	(26.919.236)	4.155.021	37.318.737	(19.802.258)	17.516.479	
16.5 Profit Reserves		115.054.225	-	115.054.225	73.956.519	-	73.956.519	
16.5.1 Legal Reserves		7.835.469	-	7.835.469	5.779.782	-	5.779.782	
16.5.2 Status Reserves		-	-	-	-	-	-	
16.5.3 Extraordinary Reserves		107.218.756	-	107.218.756	68.176.737	-	68.176.737	
16.5.4 Other Profit Reserves		-	-	-	-	-	-	
16.6 Profit or (Loss)		55.241.166	-	55.241.166	41.137.467	-	41.137.467	
16.6.1 Prior Periods' Profit or (Loss)		104.539	-	104.539	45.090	-	45.090	
16.6.2 Current Period Profit or (Loss)		55.136.627	-	55.136.627	41.092.377	-	41.092.377	
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<b>2.018.839.641</b>	<b>1.344.543.592</b>	<b>3.363.383.233</b>	<b>1.281.689.080</b>	<b>1.029.975.944</b>	<b>2.311.665.024</b>	

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

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## UNCONSOLIDATED STATEMENT OF OFF BALANCE SHEET COMMITMENTS AS OF 30 SEPTEMBER 2023

(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 September 2023			Prior Period 31 December 2022		
			TL	FC	Total	TL	FC	Total
<b>A.</b>	<b>OFF-BALANCE SHEET COMMITMENTS (I+II+III)</b>		<b>919.605.835</b>	<b>1.402.225.361</b>	<b>2.321.831.196</b>	<b>443.044.881</b>	<b>926.343.332</b>	<b>1.369.388.213</b>
<b>I.</b>	<b>GUARANTEES AND WARRANTIES</b>	(1)	<b>252.759.772</b>	<b>432.851.487</b>	<b>685.611.259</b>	<b>139.416.948</b>	<b>275.237.703</b>	<b>414.654.651</b>
1.1	Letters of Guarantee		203.913.007	330.851.866	534.764.873	123.250.008	197.439.272	320.689.280
1.1.1	Guarantees Subject to State Tender Law		5.020.319	62.135.431	67.155.750	3.652.771	28.243.145	31.895.916
1.1.2	Guarantees Given for Foreign Trade Operations		158.175.688	225.670.658	383.846.346	97.271.017	133.916.200	231.187.217
1.1.3	Other Letters of Guarantee		40.717.000	43.045.777	83.762.777	22.326.220	35.279.921	57.606.147
1.2	Bank Acceptances		1.393.391	10.715.944	12.109.335	1.808.014	10.394.731	12.202.745
1.2.1	Import Letter of Acceptance		1.393.391	10.687.889	12.081.280	1.808.014	10.376.020	12.184.034
1.2.2	Other Bank Acceptances		-	28.055	28.055	-	18.711	18.711
1.3	Letters of Credit		323.736	90.777.052	91.100.788	1.446.907	65.974.036	67.420.943
1.3.1	Documentary Letters of Credit		323.736	90.714.499	91.038.235	1.446.907	65.931.029	67.377.936
1.3.2	Other Letters of Credit		-	62.553	62.553	-	43.007	43.007
1.4	Prefinancing Given as Guarantee		-	-	-	-	-	-
1.5	Endorsements		47.129.638	506.625	47.636.263	12.912.019	1.429.664	14.341.683
1.5.1	Endorsements to the Central Bank of Türkiye		47.129.638	506.625	47.636.263	12.912.019	1.429.664	14.341.683
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>484.115.654</b>	<b>131.832.733</b>	<b>615.948.387</b>	<b>198.675.812</b>	<b>27.851.451</b>	<b>226.527.263</b>
2.1	Irrevocable Commitments	(1)	484.115.654	131.832.733	615.948.387	198.675.812	27.851.451	226.527.263
2.1.1	Asset Purchase and Sales Commitments		72.291.464	121.961.846	194.253.310	16.255.671	22.607.820	38.863.491
2.1.2	Deposit Purchase and Sales Commitments		-	-	-	-	-	-
2.1.3	Share Capital Commitments to Associates and Subsidiaries		13.908	-	13.908	150.000	-	150.000
2.1.4	Loan Granting Commitments		79.577.279	6.663	79.583.942	51.521.682	3.956	51.525.638
2.1.5	Securities Issue Brokerage Commitments		-	-	-	-	-	-
2.1.6	Commitments for Reserve Requirements		-	-	-	-	-	-
2.1.7	Commitments for Cheque Payments		18.454.202	-	18.454.202	10.117.968	-	10.117.968
2.1.8	Tax and Fund Liabilities from Export Commitments		-	-	-	-	-	-
2.1.9	Commitments for Credit Card Limits		280.258.645	-	280.258.645	100.861.357	-	100.861.357
2.1.10	Commitments for Credit Cards and Banking Services Promotions		256.791	-	256.791	162.372	-	162.372
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		33.263.365	9.864.224	43.127.589	19.606.762	5.239.675	24.846.437
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>182.730.409</b>	<b>837.541.141</b>	<b>1.020.271.550</b>	<b>104.952.121</b>	<b>623.254.178</b>	<b>728.206.299</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		182.730.409	837.541.141	1.020.271.550	104.952.121	623.254.178	728.206.299
3.2.1	Forward Foreign Currency Buy/Sell Transactions		3.077.540	5.130.685	8.208.225	1.079.526	1.022.713	2.102.239
3.2.1.1	Forward Foreign Currency Transactions-Buy		1.542.093	2.565.941	4.108.034	898.509	229.297	1.127.806
3.2.1.2	Forward Foreign Currency Transactions-Sell		1.535.447	2.564.744	4.100.191	181.017	793.416	974.433
3.2.2	Swap Transactions Related to Foreign Currency and Interest Rates		179.652.869	822.420.307	1.002.073.176	100.584.309	610.138.769	710.723.078
3.2.2.1	Foreign Currency Swap-Buy		12.841.694	420.975.791	433.817.485	22.688.302	282.745.839	305.434.141
3.2.2.2	Foreign Currency Swap-Sell		166.661.175	269.288.088	435.949.263	77.616.007	222.289.742	299.905.749
3.2.2.3	Interest Rate Swap-Buy		75.000	66.078.214	66.153.214	140.000	52.551.594	52.691.594
3.2.2.4	Interest Rate Swap-Sell		75.000	66.078.214	66.153.214	140.000	52.551.594	52.691.594
3.2.3	Foreign Currency, Interest rate and Securities Options		-	9.990.149	9.990.149	2.588.463	11.531.741	14.120.204
3.2.3.1	Foreign Currency Options-Buy		-	4.995.074	4.995.074	1.205.579	5.851.074	7.056.653
3.2.3.2	Foreign Currency Options-Sell		-	4.995.075	4.995.075	1.382.884	5.680.667	7.063.551
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		-	-	-	699.823	560.955	1.260.778
3.2.4.1	Foreign Currency Futures-Buy		-	-	-	-	560.955	560.955
3.2.4.2	Foreign Currency Futures-Sell		-	-	-	699.823	-	699.823
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>5.119.505.624</b>	<b>1.421.402.957</b>	<b>6.540.908.581</b>	<b>3.379.520.046</b>	<b>847.760.601</b>	<b>4.227.280.647</b>
<b>IV.</b>	<b>ITEMS HELD IN CUSTODY</b>		<b>706.650.838</b>	<b>296.020.112</b>	<b>1.002.670.950</b>	<b>585.210.290</b>	<b>198.435.705</b>	<b>783.645.995</b>
4.1	Customer Fund and Portfolio Balances		-	-	-	-	-	-
4.2	Investment Securities Held in Custody		14.801.640	138.914.821	153.716.461	23.400.765	84.080.210	107.480.975
4.3	Cheques Received for Collection		91.206.388	3.118.022	94.324.410	54.866.609	2.720.301	57.586.910
4.4	Commercial Notes Received for Collection		55.276.685	3.103.201	58.379.886	37.245.905	2.216.300	39.462.205
4.5	Other Assets Received for Collection		8.816	8.816	8.816	8.816	-	8.816
4.6	Assets Received for Public Offering		381.086.812	27.081.647	408.168.459	370.354.780	4.478.652	374.833.432
4.7	Other Items Under Custody		164.268.848	123.802.421	288.071.269	99.331.766	104.940.242	204.272.008
4.8	Custodians		1.649	-	1.649	1,649	-	1,649
<b>V.</b>	<b>PLEDGES RECEIVED</b>		<b>4.410.685.908</b>	<b>1.107.144.780</b>	<b>5.517.830.688</b>	<b>2.792.249.655</b>	<b>638.206.635</b>	<b>3.430.456.290</b>
5.1	Marketable Securities		3.624.423	8.262.119	11.886.542	3.633.077	3.962.984	7.596.061
5.2	Guarantee Notes		62.053.267	6.576.475	68.629.742	37.835.013	4.706.254	42.541.267
5.3	Commodity		919.630	411.085	1.330.715	919.630	283.969	1.203.599
5.4	Warranty		-	-	-	-	-	-
5.5	Immovable		3.730.255.032	715.887.590	4.446.142.622	2.292.712.885	394.481.029	2.687.193.914
5.6	Other Pledged Items		613.828.347	375.908.865	989.737.212	457.143.841	234.704.393	691.848.234
5.7	Pledged Items-Depository		5.209	98.646	103.855	5.209	68.006	73.215
<b>VI.</b>	<b>ACCEPTED BILL, GUARANTEES AND WARRANTIES</b>		<b>2.168.878</b>	<b>18.238.065</b>	<b>20.406.943</b>	<b>2.060.101</b>	<b>11.118.261</b>	<b>13.178.362</b>
<b>TOTAL OFF-BALANCE SHEET COMMITMENTS (A+B)</b>			<b>6.039.111.459</b>	<b>2.823.628.318</b>	<b>8.862.739.777</b>	<b>3.822.564.927</b>	<b>1.774.103.933</b>	<b>5.596.668.860</b>

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

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## UNCONSOLIDATED STATEMENT OF PROFIT OR LOSS AS OF 30 SEPTEMBER 2023

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

	Note (Section Five IV)	Current Period 1 January- 30 September 2023	Prior Period 1 January- 30 September 2022	Current Period 1 July- 30 September 2023	Prior Period 1 July- 30 September 2022
<b>IV. STATEMENT OF PROFIT OR LOSS INCOME AND EXPENSE ITEMS</b>					
<b>I. INTEREST INCOME</b>	(1)	<b>255.144.643</b>	<b>148.366.406</b>	<b>123.202.710</b>	<b>62.650.098</b>
1.1 Interest on Loans		156.556.864	84.660.332	68.525.991	33.419.606
1.2 Interest on Reserve Requirements		19.525	467.772	12.818	10.008
1.3 Interest on Banks		2.612.959	966.524	548.249	792.347
1.4 Interest on Money Market Transactions		148.939	14.165	134.957	10.355
1.5 Interest on Marketable Securities Portfolio		90.574.177	61.928.301	49.140.883	28.314.770
1.5.1 Fair Value Through Profit or Loss		684.216	438.669	253.721	152.509
1.5.2 Fair Value Through Other Comprehensive Income		54.566.983	44.705.301	28.860.871	18.813.386
1.5.3 Measured at Amortized Cost		35.322.978	16.784.331	20.026.291	9.348.875
1.6 Financial Lease Interest Income		-	-	-	-
1.7 Other Interest Income		5.232.179	329.312	4.839.812	103.012
<b>II. INTEREST EXPENSE (-)</b>	(2)	<b>169.940.927</b>	<b>66.935.673</b>	<b>73.691.589</b>	<b>28.107.883</b>
2.1 Interest on Deposits		147.458.067	49.130.616	71.959.678	20.631.501
2.2 Interest on Funds Borrowed		6.710.417	1.844.084	2.724.092	857.313
2.3 Interest Expense on Money Market Transactions		9.066.719	10.066.199	3.008.822	3.365.691
2.4 Interest on Securities Issued		3.706.194	2.063.457	1.426.209	714.900
2.5 Interest on Leases		331.693	147.896	150.291	58.120
2.6 Other Interest Expenses		2.667.837	3.683.421	(5.577.503)	2.480.358
<b>III. NET INTEREST INCOME/EXPENSE (I - II)</b>		<b>85.203.716</b>	<b>81.430.733</b>	<b>49.511.121</b>	<b>34.542.215</b>
<b>IV. NET FEES AND COMMISSIONS INCOME</b>		<b>20.252.533</b>	<b>8.741.114</b>	<b>8.047.646</b>	<b>3.378.725</b>
4.1 Fees and Commissions Received		28.217.322	12.311.948	12.802.768	4.747.841
4.1.1 Non-cash Loans		3.420.644	1.781.979	1.347.164	719.453
4.1.2 Other		24.796.678	10.529.969	11.455.604	4.028.388
4.2 Fees and Commissions Paid (-)		7.964.789	3.570.834	4.755.122	1.369.116
4.2.1 Non-cash Loans		983	709	387	272
4.2.2 Other		7.963.806	3.570.125	4.754.735	1.368.844
<b>V. DIVIDEND INCOME</b>		<b>331.470</b>	<b>246.239</b>	<b>318.184</b>	<b>30</b>
<b>VI. TRADING PROFIT/(LOSS) (Net)</b>	(3)	<b>25.110.362</b>	<b>1.004.341</b>	<b>5.017.655</b>	<b>1.172.659</b>
6.1 Trading Gains / (Losses) on Securities		3.788.845	1.079.802	3.099.126	626.703
6.2 Gains / (Losses) on Derivative Financial Transactions		(6.750.793)	(6.300.499)	(4.665.212)	(2.575.968)
6.3 Foreign Exchange Gains / (Losses)		28.072.310	6.225.038	6.583.741	3.121.924
<b>VII. OTHER OPERATING INCOME</b>	(4)	<b>28.573.040</b>	<b>6.125.010</b>	<b>3.280.694</b>	<b>2.271.635</b>
<b>VIII. GROSS OPERATING INCOME (III+IV+V+VI+VII)</b>		<b>159.471.121</b>	<b>97.547.437</b>	<b>66.175.300</b>	<b>41.365.264</b>
<b>IX. EXPECTED CREDIT LOSS (-)</b>	(5)	<b>25.456.693</b>	<b>13.185.555</b>	<b>12.731.528</b>	<b>5.617.669</b>
<b>X. OTHER PROVISION EXPENSES (-)</b>	(5)	<b>97.420</b>	<b>27.503.133</b>	<b>(1.382.133)</b>	<b>13.122.460</b>
<b>XI. PERSONNEL EXPENSE (-)</b>		<b>15.606.735</b>	<b>6.483.239</b>	<b>5.390.976</b>	<b>2.493.068</b>
<b>XII. OTHER OPERATING EXPENSES (-)</b>	(6)	<b>49.749.012</b>	<b>10.431.262</b>	<b>10.256.194</b>	<b>4.127.304</b>
<b>XIII. NET OPERATING PROFIT/(LOSS) (VIII-IX-X-XI-XII)</b>		<b>68.561.261</b>	<b>39.944.248</b>	<b>39.178.735</b>	<b>16.004.763</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 (XIII+...+XVI)</b>	(7)	<b>68.561.261</b>	<b>39.944.248</b>	<b>39.178.735</b>	<b>16.004.763</b>
<b>XVIII. TAX PROVISION FOR CONTINUED OPERATIONS (±)</b>	(8)	<b>(13.424.634)</b>	<b>(15.111.602)</b>	<b>(9.783.657)</b>	<b>(7.350.875)</b>
18.1 Current Tax Provision		(16.246.311)	(24.367.735)	(16.163.916)	(8.079.673)
18.2 Deferred Tax Expense Effect (+)		(7.824.080)	(2.672.400)	1.551.823	(712.125)
18.3 Deferred Tax Income Effect (-)		10.645.757	11.928.533	4.828.436	1.440.923
<b>XIX. CURRENT PERIOD PROFIT/LOSS FROM CONTINUED OPERATIONS (XVII±XVIII)</b>	(9)	<b>55.136.627</b>	<b>24.832.646</b>	<b>29.395.078</b>	<b>8.653.888</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>	(10)	<b>55.136.627</b>	<b>24.832.646</b>	<b>29.395.078</b>	<b>8.653.888</b>
Earnings/(Loss) per share (in TL full)		0,804	0,852	0,378	0,235

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

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## UNCONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME AS OF 30 SEPTEMBER 2023

(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 September 2023	1 January – 30 September 2022
<b>I. PROFIT (LOSS)</b>	<b>55.136.627</b>	<b>24.832.646</b>
<b>II. OTHER COMPREHENSIVE INCOME</b>	<b>(16.055.060)</b>	<b>23.800.389</b>
<b>2.1 Other Comprehensive Income That Will Not Be Reclassified To Profit or Loss</b>	<b>(2.693.602)</b>	<b>4.374.741</b>
2.1.1 Gains (Losses) on Revaluation of Property, Plant and Equipment	(180.937)	(50.648)
2.1.2 Gains (losses) on revaluation of Intangible Assets	-	-
2.1.3 Gains (losses) on remeasurements of defined benefit plans	-	-
2.1.4 Other Components of Other Comprehensive Income That Will Not Be Reclassified to Profit Or Loss	(1.310.844)	6.411.586
2.1.5 Taxes Relating to Components of Other Comprehensive Income That Will Not Be Reclassified to Profit Or Loss	(1.201.821)	(1.986.197)
<b>2.2 Other Comprehensive Income That Will Be Reclassified to Profit or Loss</b>	<b>(13.361.458)</b>	<b>19.425.648</b>
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	(17.419.205)	25.455.830
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	4.057.747	(6.030.182)
<b>III. TOTAL COMPREHENSIVE INCOME (I+II)</b>	<b>39.081.567</b>	<b>48.633.035</b>

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

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## UNCONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY AS OF 30 SEPTEMBER 2023

(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 Reserves	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	4	5	6				
					<b>CURRENT PERIOD</b> <b>30 September 2023</b>									
<b>I. Prior Period End Balance</b>	34.900.000	-	-	-	13.239.005	(2.780.427)	24.510.820	-	17.516.479	-	73.956.519	41.137.467	-	202.479.863
<b>II. Corrections and Accounting Policy Changes Made According to TAS 8</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.1 Effects of Adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.2 Effects of the Changes in Accounting Policies	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>III. New Balance (I+II)</b>	34.900.000	-	-	-	13.239.005	(2.780.427)	24.510.820	-	17.516.479	-	73.956.519	41.137.467	-	202.479.863
<b>IV. Total Comprehensive Income (loss)</b>	-	-	-	-	(1.041.259)	185.362	(1.837.705)	-	(13.361.458)	-	-	-	55.136.627	39.081.567
<b>V. Capital Increase in Cash</b>	49.700.000	-	-	-	-	-	-	-	-	-	-	-	-	49.700.000
<b>VI. Capital Increase Through Internal Reserves</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>VII. Paid-in Capital Inflation Adjustment Difference</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>VIII. Convertible Bonds</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>IX. Subordinated Debt Instruments</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>X. Increase / (decrease) Through Other Changes</b>	-	-	-	-	-	-	-	-	-	-	-	104.539	-	104.539
<b>XI. Profit Distribution</b>	-	-	-	-	-	-	39.761	-	-	-	41.097.706	(41.137.467)	-	-
11.1 Dividends Paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11.2 Transfers to Reserves	-	-	-	-	-	-	-	-	-	41.092.377	(41.092.377)	-	-	-
11.3 Other	-	-	-	-	-	-	39.761	-	-	5.329	(45.090)	-	-	-
<b>Balance at the end of the period (III+IV+.....+X+XI)</b>	84.600.000	-	-	-	12.197.746	(2.595.065)	22.712.876	-	4.155.021	-	115.054.225	104.539	55.136.627	291.365.969

1. Increases and decreases in Tangible 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)

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

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## UNCONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY AS OF 30 SEPTEMBER 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 Cancellation Reserves	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	4	5	6				
					<b>PRIOR PERIOD</b>									
<b>30 September 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. Corrections and Accounting Policy Changes Made According to TAS 8</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.1 Effects of Adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.2 Effects of the Changes in Accounting Policies	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>III. New 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>	-	-	-	-	(169.209)	(12.717)	4.556.667	-	19.425.648	-	-	-	24.832.646	48.633.035
<b>V. Capital Increase in Cash</b>	21.800.000	-	-	-	-	-	-	-	-	-	-	-	-	21.800.000
<b>VI. Capital Increase Through Internal Reserves Paid-in Capital Inflation Adjustment</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>VII. Difference</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>VIII. Convertible Bonds</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>IX. Subordinated Debt Instruments Increase / (decrease) Through Other Changes</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>X. Profit Distribution</b>	-	-	-	-	-	-	25.648	-	-	-	6.329.360	43.943	-	43.943
11.1 Dividends Paid	-	-	-	-	-	-	-	-	-	-	-	(6.355.008)	-	-
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	-	-	-	4.591.562	190.745	15.471.489	-	13.589.833	-	73.956.519	43.943	24.832.646	167.576.737

1. Increases and decreases in Tangible 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)

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

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## UNCONSOLIDATED STATEMENT OF CASH FLOWS AS OF 30 SEPTEMBER 2023

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

VII. STATEMENT OF CASH FLOWS	Note	Current Period 1 January – 30 September 2023	Prior Period 1 January – 30 September 2022
<b>A. CASH FLOWS FROM BANKING OPERATIONS</b>			
<b>1.1 Operating Profit Before Changes in Operating Assets and Liabilities</b>		<b>6.572.328</b>	<b>20.558.977</b>
1.1.1 Interest Received		193.009.191	128.216.793
1.1.2 Interest Paid		(145.029.532)	(63.005.924)
1.1.3 Dividend Received		331.470	246.239
1.1.4 Fees and Commissions Received		27.250.018	17.098.399
1.1.5 Other Income		8.475.604	3.530.050
1.1.6 Collections from Previously Written-off Loans and Other Receivables		3.255.730	3.751.909
1.1.7 Cash Payments to Personnel and Service Suppliers		(18.102.840)	(7.529.013)
1.1.8 Taxes Paid		(5.497.246)	(16.369.539)
1.1.9 Other		(57.120.067)	(45.379.937)
<b>1.2 Changes in Operating Assets and Liabilities</b>		<b>161.131.178</b>	<b>136.946.757</b>
1.2.1 Net (Increase) / Decrease in Financial Assets at Fair Value Through Profit or Loss		(19.657.183)	(2.399.441)
1.2.2 Net (Increase) / Decrease in Due from Banks and Other Financial Institutions		2.408.882	(69.897.115)
1.2.3 Net (Increase) / Decrease in Loans		(506.605.293)	(296.957.954)
1.2.4 Net (Increase) / Decrease in Other Assets		(16.292.560)	(6.349.146)
1.2.5 Net Increase / (Decrease) in Bank Deposits		35.912.264	19.295.307
1.2.6 Net Increase / (Decrease) in Other Deposits		597.443.756	518.514.094
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		4.865.285	13.825.870
1.2.9 Net Increase / (Decrease) in Payables		-	-
1.2.10 Net Increase / (Decrease) in Other Liabilities		63.056.027	(39.084.858)
<b>I. Net Cash Provided from Banking Operation</b>		<b>167.703.506</b>	<b>157.505.734</b>
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>			
<b>II. Net Cash Provided from Investing Activities</b>		<b>(155.450.302)</b>	<b>(74.516.598)</b>
2.1 Cash Paid for Acquisition of Investments, Associates, Subsidiaries and Entities under Common Control (Joint Venture)		(7.684.966)	(3.221.558)
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		(2.481.970)	(850.637)
2.4 Disposals of Property and Equipment		731.103	1.451.371
2.5 Purchase of Financial Assets at Fair Value Through Other Comprehensive Income		(215.749.129)	(73.139.777)
2.6 Sale of Financial Assets at Fair Value Through Other Comprehensive Income		164.588.923	56.915.410
2.7 Purchase of Financial Assets Measured at Amortized Cost		(105.764.097)	(56.771.868)
2.8 Sale of Financial Assets Measured at Amortized Cost		10.909.834	1.098.711
2.9 Other		-	-
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>			
<b>III. Net Cash Provided from Financing Activities</b>		<b>48.418.388</b>	<b>13.113.059</b>
3.1 Cash Obtained from Funds Borrowed and Securities Issued		11.128.722	1.105.114
3.2 Cash Used for Repayment of Funds Borrowed and Securities Issued		(11.582.497)	(9.705.529)
3.3 Issued Equity Instruments		49.700.000	21.800.000
3.4 Dividends Paid		-	-
3.5 Payments for Finance Leases		(827.837)	(86.526)
3.6 Other		-	-
<b>IV. Effect of Change in Foreign Exchange Rate on Cash and Cash Equivalents</b>		<b>27.496.326</b>	<b>404.961</b>
<b>V. Net Increase in Cash and Cash Equivalents (I+II+III+IV)</b>		<b>88.167.918</b>	<b>96.507.156</b>
<b>VI. Cash and Cash Equivalents at Beginning of the Period</b>		<b>196.275.719</b>	<b>95.667.786</b>
<b>VII. Cash and Cash Equivalents at End of the Period</b>		<b>284.443.637</b>	<b>192.174.942</b>

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

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2023

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

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### 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”).

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2023

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

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### EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

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

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 September 2023, 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.

On 20 January 2022, the Public Oversight Authority made a statement on whether the Financial Reporting Standard (“TAS 29”) in Hyperinflationary Economies shall be applied within the scope of Türkiye Financial Reporting Standards. Accordingly, it has been stated that businesses applying TFRS do not need to make any adjustments in their financial statements for 2021 within the scope of TAS 29 Financial Reporting in High Inflation Economies. As of the preparation date of these financial statements, no new announcement has been made by the Public Oversight Authority in this context, and no inflation adjustment has been made in the financial statements dated 30 September 2023 within the scope of TAS 29 Financial Reporting Standard in Hyperinflationary Economies.

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 open. 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.

#### **Benchmark Interest Rate Reform**

As of June 30, 2023, the Bank has completed the necessary systemic infrastructure for switching to overnight interest rates in USD Libor indexed derivatives, money market instruments, bonds, loan products and risk management systems. As of 30 June 2023, alternative interest rates have started to be used in floating rate transactions. In terms of current transactions, the transition to alternative interest rates for interbank derivative transactions and money market transactions has been completed, and the transition process for customer transactions continues. The transition to alternative interest rates does not have a significant impact on the Bank's financials.

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

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### 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 (“BIST”), 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 regarding the investment hedge accounting for the operation abroad, which is applied to protect the total capital amount associated for this purpose, 346.853 thousand Euros (31 December 2022: 336.627 thousand Euros), from the effect of exchange rate risk arising from changes in foreign exchange rates, in the Fourth Chapter VIII. It is given in article no. The assets and liabilities of the Bank’s branches established abroad are converted into Turkish currency at the Bank’s counter foreign exchange buying rates valid on the balance sheet date.

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### 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 taking into account 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) 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.

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### 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.

"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;

- managed by a business model other than the business model aimed at holding contractual cash flows for collection and the business model aiming at collecting and selling contractual cash flows,
  - are obtained in order to profit from fluctuations in prices and similar factors in the short-term in the market, or are part of a portfolio aimed at making a profit in the short-term, regardless of the reason for the acquisition,
  - the terms of the contract for the financial asset do not result in cash flows that only include principal and interest payments on the principal balance at specified dates.
- are financial assets.

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.

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### EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

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

##### Financial Assets at Fair Value Through Profit or Loss (Continued)

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.

##### 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.

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### EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

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

##### Financial Assets at Measured at Amortized Cost (Continued)

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 estimated inflation rate used during the year can be updated if necessary. In this context, as of 30 September 2023, the valuation of the assets was made according to the annual inflation forecast of 50%. At the end of the year, the actual inflation rate is used. A 5% increase in the CPI estimate will increase pre-tax profit by TL 4.927 million as of 30 September 2023, while a 5% decrease will decrease it by TL 5.341 million.

##### 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.

#### 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.

In calculating the expected loss provision for its loans, the Bank has also taken into account the possible difficulties that the uncertainties related to the earthquake disaster experienced on 6 February 2023 may cause in the cash flows or payments of the customers.

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:

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### EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

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

##### Explanations on Expected Loss Provisions (Continued)

- 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, the Bank made provision on the model outputs for customer groups, which it believed that the model did not statistically respond to credit risk factors, using expert opinion. The reserve will be reviewed in the following reporting periods, taking into account 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.

- 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.

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### EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

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

##### Impairment (Continued)

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

Financial assets are transferred to the 2nd stage if it is determined that there is a significant increase in credit risk. While the expected loss provision is calculated for 1 year for loans in the 1st stage, it is calculated by taking into account the entire remaining maturity for loans in the 2nd stage.

The main criteria taken into account in determining the significant increase in the credit risk of the financial asset and its transfer to the 2nd stage are as follows:

- Receivables with a delay of 30 days or more
- Close monitoring criteria in the Bank's Early Warning System
- Early warning note
- Configuration

##### *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.

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.

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### EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

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

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

##### **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 the estimation are the Gross Domestic Product (GDP) and the Consumer Price Index (CPI), and the risk parameters are updated if deemed necessary, taking into account the compatibility with the portfolio. In addition to macroeconomic indicators, the Bank preferred the precautionary approach by adding expert opinion while creating macroeconomic models, taking into account the economic conditions, and the numerical effects of these risks were also included in the models.

##### **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.

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### EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

#### 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.

#### 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 “IFRS 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.

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### EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

#### 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 do 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%.

#### XIII. EXPLANATIONS ON PROPERTY AND EQUIPMENT

Property and equipment are measured at its cost when initially recognised 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. The valuation differences resulting from the valuations of real estate’s made by independent appraisal firms are accounted for in the revaluation differences account of tangible fixed assets under shareholders' 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.

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### EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

#### XIII. EXPLANATIONS ON PROPERTY AND EQUIPMENT (Continued)

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

	Estimated Useful Lives (Year)	Amortization Rate
Buildings	50	2%
Safe-deposit boxes	50	2%
Other movable properties	3-15	4-33,33%
Assets held under leases	4-5	20-25%

Gains or losses arising from the disposal of property and equipment are reflected in the profit or loss accounts as the difference between the net disposal revenue of the tangible asset and the 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 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.

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.

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### EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

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

##### Leases in TFRS 16 (Continued)

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 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.

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2023

(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

##### Employment Termination and Vacation Benefits

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 September 2023, retirement benefit obligation is TL 6.492.558 (31 December 2022: TL 5.997.944).

	Current Period	Prior Period
Discount Rate	10,60%	10,60%
Inflation	10,08%	10,08%

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 1 January 2013. The Bank has reclassified actuarial loss of TL 2.595.065 after deferred tax effect under shareholders’ equity in the financials (31 December 2022: TL 2.780.427 loss).

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

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.

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2023

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

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### 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 (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 2022 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.

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2023

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

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### EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

#### XVII. EXPLANATIONS ON TAXATION

##### Current Tax

The corporate tax rate of 20% was designated in Corporate Tax Law No. 5520 which was taken into effect on 1 January 2006 after being published in the Official Gazette dated 21 June 2006 numbered 26205 for corporate earnings.

However;

Pursuant to Article 25 of Law No. 7394 published in the Official Gazette dated 15 April 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 is determined as 25%, and this rate will be effective as of 1 July 2022. It came into force to start with the declarations that must be submitted and to be applied to corporate earnings for accounting periods starting from 1 January 2022.

In accordance with Article 21 of the Law No. 7456 published in the Official Gazette dated 15 July 2023 and numbered 32249, starting from the declarations that must be submitted as of 1/10/2023; The corporate tax rate to be applied to the earnings of corporations in 2023 and the following taxation periods has been increased from 25% to 30% for banks and other institutions mentioned in the law. As of 30 September 2023, the corporate tax rate has been applied as 30% 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 dividends paid to individuals and corporations were subject to withholding tax at the rate of 15%, 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. On the other hand, the exemption application for real estates held in the Bank's assets for at least two years was abolished with the 19th article of the Law No. 7456 published in the Official Gazette dated 15 July 2023 and numbered 32249, and in the 22nd article of the law “... The 50% rate in subparagraph (e) of the first paragraph of Article 5 is applied as 25% for the immovable sales earnings to be made after the effective date of this article.” and it has been announced that the exception rate will be 50% for sales made before 15 July 2023 and 25% for sales made after.

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2023

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

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### 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 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 5 years from the beginning of the 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 may issue re-assessments based on their findings. 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 financial statements dated 31 December 2023 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.

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2023

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

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### 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 “Income Taxes Standard”, taking into account the additional regulation introduced with the Law No. 7316 dated 22 April 2021. and accounting.

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, with Article 26 of the Law No. 5520 With the paragraph added to the temporary article 13 of the Corporate Tax Law, the Corporate Tax rate was rearranged for the corporate earnings of the 2022 taxation period and it was stated that the tax rate would be applied as 25% for the banks. In accordance with Article 21 of Law No. 7456 published in the Official Gazette No. 32249 dated 15 July 2023, starting from the declarations that must be submitted as of October 1, 2023; The corporate tax rate to be applied to the profits of corporations in 2023 and the following taxation periods has been increased from 25% to 30% for banks and other institutions mentioned in the law.

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 September 2023, the Bank has deferred tax calculations were made based on rates varying 30% 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.

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2023

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

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### EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

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

##### Deferred Tax (Continued)

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.

#### XVIII. EXPLANATIONS ON BORROWING

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.

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2023

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

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### EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

#### 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*

With the decision taken at the Bank Ordinary General Assembly Meeting held on August 2, 2023;

In accordance with paragraph 1, article 33 of the Bank's Articles of Association regarding determination, allocation and distribution of the net profit for the period; out of the net profit for the period amounting to TL 41.092.377 legal reserve at the rate of 5% (TL 2.054.619) be set aside, as per article 5/1-e of the Corporate Tax Law numbered 5520, TL 15.957 and TL 78 respectively the amount associated with the profit within 50% of the tax base of the real estate sales revenue exemption and of the 75% of subsidiary shares sales exemptions as calculated according to the Tax Procedure Law (VUK), and be moved to a special fund account under shareholders' equity for monitoring until end of the 5th year following year of sale, the remaining amount of TL 39.021.724 be transferred to extraordinary reserves, out of TL 45.090 due to the real estate valuation differences and monitored under retained earnings as per TAS, TL 23.726 the amount associated with equity accounts within 50% of the tax base of the real estate sales revenue exemption as calculated according to the Tax Procedure Law (VUK) under article 5/1e of the Corporate Tax Law numbered 5520 be moved to a special fund account under shareholders' equity for monitoring until end of the 5th year following year of sale, legal reserve at the rate of 5% (TL 1.068) over the remaining amount of TL 21.363 be set aside and the remaining amount of TL 20.295 be transferred to extraordinary reserves.

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2023

(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 31 January 2023 and numbered 10496, the Central Bank's foreign exchange buying rate of 31 December 2022 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 21 December 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 September 2023.

As of 30 September 2023, Bank’s total regulatory capital has been calculated as TL 352.705.484 (31 December 2022: TL 244.685.816), capital adequacy ratio is 15,93% (31 December 2022: 16,53%). This ratio is well above the minimum ratio required by the legislation.

##### 1. Information Related to The Components of Shareholders’ Equity

	Current Period 30 September 2023	Prior Period 31 December 2022
<b>COMMON EQUITY TIER 1 CAPITAL</b>		
Paid-in capital following all debts in terms of claim in liquidation of the Bank	84.600.000	34.900.000
Share issue premiums	-	-
Reserves	115.054.225	73.956.519
Gains recognized in equity as per TAS	73.776.455	81.600.342
Profit	55.241.166	41.137.467
Current Period Profit	55.136.627	41.092.377
Prior Period Profit	104.539	45.090
Shares acquired free of charge from subsidiaries, affiliates and entities under common control and cannot be recognized within profit for the period	824.071	279.341
<b>Common Equity Tier 1 Capital Before Deductions</b>	<b>329.495.917</b>	<b>231.873.669</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	38.129.948	29.393.805
Improvement costs for operating leasing	11.041	10.269
Goodwill (net of related tax liability)	-	-
Other intangibles other than mortgage-servicing rights (net of related tax liability)	3.069.736	2.272.601
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	-	-

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2023

(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 September 2023	Prior Period 31 December 2022
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>41.210.725</b>	<b>31.676.675</b>
<b>Total Common Equity Tier I Capital</b>	<b>288.285.192</b>	<b>200.196.994</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	40.225.500	27.979.840
Debt instruments and premiums approved by BRSA(Temporary Article 4)	-	-
<b>Additional Tier I Capital before Deductions</b>	<b>40.225.500</b>	<b>27.979.840</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>40.225.500</b>	<b>27.979.840</b>
<b>Total Tier I Capital (Tier I Capital= Common Equity Tier I Capital + Additional Tier I Capital)</b>	<b>328.510.692</b>	<b>228.176.834</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)	24.250.465	16.524.427
<b>Tier II Capital Before Deductions</b>	<b>24.250.465</b>	<b>16.524.427</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>24.250.465</b>	<b>16.524.427</b>
<b>Total Capital (The sum of Tier I Capital and Tier II Capital)</b>	<b>352.761.157</b>	<b>244.701.261</b>

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2023

(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 September 2023	Prior Period 31 December 2022
<b>Total Capital (The sum of Tier I Capital and Tier II Capital)</b>	<b>352.761.157</b>	<b>244.701.261</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	55.673	15.445
<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)	352.705.484	244.685.816
Total Risk Weighted Assets	2.213.643.225	1.480.273.848
<b>CAPITAL ADEQUACY RATIOS</b>		
CET 1 Capital Ratio (%)	13,02	13,52
Tier I Capital Ratio (%)	14,84	15,42
Capital Adequacy Ratio (%)	15,93	16,53
<b>BUFFERS</b>		
Total additional core capital requirement ratio (a+b+c)	2,529	2,531
a) Capital conservation buffer requirement (%)	2,5	2,50
b) Bank specific countercyclical buffer requirement (%)	0,029	0,031
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	8,52	9,02
<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	396.491	311.791
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	196.716	135.876
Remaining Mortgage Servicing Rights	-	-
Net Deferred Tax Assets arising from Temporary Differences	5.398.511	-
<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)	58.459.722	44.106.096
General Loan Provisions for Exposures in Standard Approach Limited by 1.25% of Risk Weighted Assets	24.250.465	16.524.427
Total Loan Provision that Exceeds Total Expected Loss Calculated According to Communique on Calculation of Credit Risk by Internal Ratings Based Approach	-	-
Total Loan Provision that Exceeds Total Expected Loss Calculated According to Communique 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	-	-

(\*) 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.

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2023

(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	No
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)	40.226
Nominal value of instrument (TL million)	40.226
Accounting classification of the instrument	347001-Subordinated Debts
Original date of issuance	24 April 2019
Maturity structure of the instrument (perpetual/dated)	Perpetual
Issue date of the instrument	24 April 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 April 2024
<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.

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2023

(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 Shareholder’ Equity and Balance Sheet Amounts

	Current Period	Prior Period
<b>Balance Sheet - Equity</b>	<b>291.365.969</b>	<b>202.479.863</b>
Operational Leasing Development Costs	(11.041)	(10.269)
Goodwill and Other Intangible Assets and Related		
Deferred Taxes Liabilities	(3.069.736)	(2.272.601)
TIER 2 Capital (Provisions)	24.250.465	16.524.427
Debt Instruments and the Related Issuance Premiums		
Defined by the BRSA TIER 2 Capital (Provisions)	40.225.500	27.979.840
Other deductions from common equity	(55.673)	(15.445)
Other regulations	-	-
<b>Amount recognized in regulatory capital</b>	<b>352.705.484</b>	<b>244.685.816</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.

##### 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
22.09.2023	26,9477	28,7217	17,4075	3,8523	2,4258	29,7585	20,0327	2,5139	33,0577	7,1845	18,1969
25.09.2023	26,9911	28,5473	17,2939	3,8293	2,4421	29,5536	20,0148	2,4975	32,9193	7,1959	18,1270
26.09.2023	27,0476	28,6167	17,3506	3,8383	2,4572	29,6020	20,0480	2,5063	32,9072	7,2104	18,1741
27.09.2023	27,0888	28,4762	17,2753	3,8195	2,4569	29,4696	20,0435	2,5171	32,8637	7,2218	18,1275
28.09.2023	27,1999	28,6743	17,4138	3,8460	2,4788	29,6325	20,1232	2,5315	33,1122	7,2381	18,1796
29.09.2023	27,1969	28,7325	17,5256	3,8536	2,4959	29,6889	20,0778	2,5431	33,1329	7,2373	18,1967

##### 5. Simply 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
26,5289	28,8635	17,3681	3,8735	2,4547	30,0314	19,7820	2,5312	33,5726	7,0729	18,3639

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2023

(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

	EUR	USD	Other FC	Total
<b>Current Period</b>				
<b>Assets</b>				
Cash (Cash in vault, effectives, money in transit, cheques purchased) and Balances with Central Bank of the Republic of Türkiye	136.240.726	142.570.315	41.038.954	319.849.995
Banks <sup>(6)</sup>	7.587.517	15.494.516	6.428.460	29.510.493
Financial Assets at Fair Value Through Profit and Loss	-	2.510.004	41.393.721	43.903.725
Money Markets Receivables	-	-	-	-
Financial Assets at Fair Value Through Other Comprehensive Income	19.496.307	271.395.124	421.500	291.312.931
Loans <sup>(1)</sup>	236.016.453	254.197.130	1.029.661	491.243.244
Subsidiaries, Associates, Entities Under Common Control (Joint Ventures)	5.046.563	4.838.656	-	9.885.219
Financial Assets Measured at Amortised Cost	50.116.514	14.793.519	136.318	65.046.351
Derivative Financial Assets for Hedging Purposes	-	-	-	-
Tangible Fixed Assets	65.151	11.963	84.264	161.378
Intangible Assets	19.247	13.887	24.572	57.706
Other Assets <sup>(3)</sup>	1.852.878	4.445.692	180.279	6.478.849
<b>Total Assets <sup>(4)</sup></b>	<b>456.441.356</b>	<b>710.270.806</b>	<b>90.737.729</b>	<b>1.257.449.891</b>
<b>Liabilities</b>				
Interbank Deposits	29.251.552	4.696.327	741.354	34.689.233
Foreign Currency Deposits	434.267.618	422.912.386	164.636.587	1.021.816.591
Money Market Borrowings	21.614.944	57.812.060	-	79.427.004
Funds Provided from Other Financial Institutions	57.073.209	82.643.338	-	139.716.547
Issued Marketable Securities <sup>(5)</sup>	41.087.935	36.487.777	1.580.806	79.156.518
Miscellaneous Payables	2.998.131	1.636.841	123.542	4.758.514
Derivative Financial Liabilities for Hedging Purposes	-	-	-	-
Other Liabilities	5.040.087	12.345.978	1.231.854	18.617.919
<b>Total Liabilities</b>	<b>591.333.476</b>	<b>618.534.707</b>	<b>168.314.143</b>	<b>1.378.182.326</b>
<b>Net Balance Sheet Position</b>	<b>(134.892.120)</b>	<b>91.736.099</b>	<b>(77.576.414)</b>	<b>(120.732.435)</b>
<b>Net Off-Balance Sheet Position <sup>(2)</sup></b>	<b>140.408.662</b>	<b>(72.131.282)</b>	<b>83.411.519</b>	<b>151.688.899</b>
Financial Derivative Assets	170.968.135	232.637.832	91.009.053	494.615.020
Financial Derivative Liabilities	30.559.473	304.769.114	7.597.534	342.926.121
<b>Non-Cash Loans</b>	<b>152.406.223</b>	<b>243.952.688</b>	<b>36.492.576</b>	<b>432.851.487</b>
<b>Prior Period</b>				
Total Assets	302.354.197	625.330.476	71.218.584	998.903.257
Total Liabilities	435.412.765	504.715.466	115.311.819	1.055.440.050
<b>Net Balance Sheet Position</b>	<b>(133.058.568)</b>	<b>120.615.010</b>	<b>(44.093.235)</b>	<b>(56.536.793)</b>
<b>Net Off-Balance Sheet Position <sup>(2)</sup></b>	<b>130.762.635</b>	<b>(114.769.780)</b>	<b>44.630.485</b>	<b>60.623.340</b>
Financial Derivative Assets	160.463.664	131.768.443	49.706.652	341.938.759
Financial Derivative Liabilities	29.701.029	246.538.223	5.076.167	281.315.419
<b>Non-Cash Loans</b>	<b>96.706.419</b>	<b>155.445.406</b>	<b>23.085.878</b>	<b>275.237.703</b>

<sup>(1)</sup> TL 15.304 equivalent of loans granted is USD and there is no EUR balance (31 December 2022: TL 26.837 equivalent of US Dollars and TL 6.049 equivalent EUR balance of the loans given are from foreign currency indexed loans.).

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

<sup>(3)</sup> Prepaid expenses in other assets amounting to TL 129.365 are not included in the table.

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

<sup>(5)</sup> Includes subordinated debt instruments.

<sup>(6)</sup> Includes the guarantees given for derivative and repo transactions with foreign banks

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2023

(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 nine-month accounting periods ending on 30 September 2023 and 30 September 2022 is shown in the table below.

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

	Current Period – 30 September 2023		Prior Period – 30 September 2022	
	Profit/Loss Statement	Equity (*)	Profit/Loss Statement	Equity (*)
USD	3.238.646	2.754.780	(441.695)	(831.998)
EUR	(1.113.900)	(1.618.556)	(81.943)	(595.651)
Other currencies	45.202	45.202	10.970	10.970
<b>Total (Net) (**)</b>	<b>2.169.948</b>	<b>1.181.426</b>	<b>(512.668)</b>	<b>(1.416.679)</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 the nine-month accounting periods ending on 30 September 2023 and 30 September 2022 is shown in the table below.

	Current Period – 30 September 2023		Prior Period – 30 September 2022	
	Profit/Loss Statement	Equity (*)	Profit/Loss Statement	Equity (*)
USD	(3.238.646)	(2.754.780)	441.695	831.998
EUR	1.113.900	1.618.556	81.943	595.651
Other currencies	(45.202)	(45.202)	(10.970)	(10.970)
<b>Total (Net) (**)</b>	<b>(2.169.948)</b>	<b>(1.181.426)</b>	<b>512.668</b>	<b>1.416.679</b>

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

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2023

(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 dates to repricing dates)

Current 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	162.272.676	-	-	-	-	325.516.446	487.789.122
Banks <sup>(7)</sup>	6.839.485	-	119.080	-	-	23.962.143	30.920.708
Financial Assets at Fair Value Through Profit and Loss	461.113	34.545	30.133.736	11.348.844	26.716	11.775.591	53.780.545
Money Markets Receivables	472.134	-	-	-	-	-	472.134
Financial Assets at Fair Value Through Other Comprehensive Income	12.265.322	78.125.451	185.419.123	146.648.019	107.650.882	2.719.915	532.828.712
Loans Given <sup>(3)</sup>	724.206.271	330.195.182	247.771.975	411.429.403	93.614.317	3.548.954	1.810.766.102
Financial Assets Measured at Amortised Cost	33.301.997	7.080.704	132.994.126	49.618.148	76.650.595	-	299.645.570
Other Assets <sup>(2)</sup>	2.268.989	7.574.256	276.997	319.611	56.471	136.684.016	147.180.340
<b>Total Assets <sup>(1)(5)</sup></b>	<b>942.087.987</b>	<b>423.010.138</b>	<b>596.715.037</b>	<b>619.364.025</b>	<b>277.998.981</b>	<b>504.207.065</b>	<b>3.363.383.233</b>
<b>Liabilities</b>							
Interbank Deposits	95.459.784	18.187.672	194.397	-	-	8.393.612	122.235.465
Other Deposits	1.036.662.741	429.053.611	140.012.394	9.424.948	26.134	844.500.644	2.459.680.472
Money Market Borrowings	64.013.929	31.050.942	4.360.356	27.411.261	-	-	126.836.488
Miscellaneous Payables	-	-	-	-	-	48.031.032	48.031.032
Issued Marketable Securities <sup>(6)</sup>	356.701	2.852.366	41.725.347	35.232.794	-	-	80.167.208
Funds Provided from Other Financial Institutions	65.398.495	53.412.185	11.390.384	9.324.564	564.155	-	140.089.783
Other Liabilities <sup>(4)</sup>	4.688.210	2.857.709	204.090	3.062.258	1.333.796	374.196.722	386.342.785
<b>Total Liabilities <sup>(1)</sup></b>	<b>1.266.579.860</b>	<b>537.414.485</b>	<b>197.886.968</b>	<b>84.455.825</b>	<b>1.924.085</b>	<b>1.275.122.010</b>	<b>3.363.383.233</b>
<b>Balance Sheet Long Position</b>	-	-	<b>398.828.069</b>	<b>534.908.200</b>	<b>276.074.896</b>	-	<b>1.209.811.165</b>
<b>Balance Sheet Short Position</b>	<b>(324.491.873)</b>	<b>(114.404.347)</b>	-	-	-	<b>(770.914.945)</b>	<b>(1.209.811.165)</b>
Off-Balance Sheet Long Position	-	1.832.587	1.288	-	-	-	1.833.875
Off-Balance Sheet Short Position	(2.942.467)	-	-	-	(1.015.345)	-	(3.957.812)
<b>Total Position</b>	<b>(327.434.340)</b>	<b>(112.571.760)</b>	<b>398.829.357</b>	<b>534.908.200</b>	<b>275.059.551</b>	<b>(770.914.945)</b>	<b>(2.123.937)</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.

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2023

(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	23.833.556	-	-	-	-	350.560.829	374.394.385
Banks	2.183.979	137.416	-	-	-	9.148.254	11.469.649
Financial Assets at Fair Value Through Profit and Loss	85.080	73.869	39.864	27.673.058	18.934	5.404.074	33.294.879
Money Markets Receivables	5.380.282	-	-	-	-	-	5.380.282
Financial Assets at Fair Value Through Other Comprehensive Income	96.599.354	21.764.806	124.793.492	76.978.487	73.459.368	2.077.658	395.673.165
Loans Given <sup>(3)</sup>	449.812.713	135.106.786	266.775.244	275.177.974	89.441.302	2.081.194	1.218.395.213
Financial Assets Measured at Amortised Cost	2.731.393	50.061.035	22.778.137	60.817.641	22.941.772	-	159.329.978
Other Assets <sup>(2)</sup>	4.570.330	2.350.830	2.072.668	386.820	71.640	104.275.185	113.727.473
<b>Total Assets <sup>(1)(5)</sup></b>	<b>585.196.687</b>	<b>209.494.742</b>	<b>416.459.405</b>	<b>441.033.980</b>	<b>185.933.016</b>	<b>473.547.194</b>	<b>2.311.665.024</b>
<b>Liabilities</b>							
Interbank Deposits	50.842.278	10.190.916	9.120.029	-	-	8.296.037	78.449.260
Other Deposits	748.232.969	239.271.172	102.969.345	3.829.858	29.287	566.486.969	1.660.819.600
Money Market Borrowings	50.167.586	20.373.383	6.970.742	7.550.978	-	-	85.062.689
Miscellaneous Payables	-	-	-	-	-	35.403.969	35.403.969
Issued Marketable Securities <sup>(6)</sup>	-	1.435.966	12.381.209	42.899.866	-	-	56.717.041
Funds Provided from Other Financial Institutions	25.344.316	47.016.823	24.468.356	9.814.082	3.562.495	-	110.206.072
Other Liabilities <sup>(4)</sup>	580.697	716.088	1.868.940	871.365	562.349	280.406.954	285.006.393
<b>Total Liabilities <sup>(1)</sup></b>	<b>875.167.846</b>	<b>319.004.348</b>	<b>157.778.621</b>	<b>64.966.149</b>	<b>4.154.131</b>	<b>890.593.929</b>	<b>2.311.665.024</b>
<b>Balance Sheet Long Position</b>	-	-	<b>258.680.784</b>	<b>376.067.831</b>	<b>181.778.885</b>	-	<b>816.527.500</b>
<b>Balance Sheet Short Position</b>	<b>(289.971.159)</b>	<b>(109.509.606)</b>	-	-	-	<b>(417.046.735)</b>	<b>(816.527.500)</b>
Off-Balance Sheet Long Position	3.604.188	2.684.526	262.625	-	-	-	6.551.339
Off-Balance Sheet Short Position	-	-	-	-	(1.015.345)	-	(1.015.345)
<b>Total Position</b>	<b>(286.366.971)</b>	<b>(106.825.080)</b>	<b>258.943.409</b>	<b>376.067.831</b>	<b>180.763.540</b>	<b>(417.046.735)</b>	<b>5.535.994</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.

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2023

(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</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	-	-	-	-
Banks	3,78	5,97	-	-
Financial Assets at Fair Value Through Profit or Loss	-	5,36	-	-
Money Market Receivables	-	-	-	41,18
Financial Assets at Fair Value Through Other				
Comprehensive Income	3,71	6,17	-	24,60
Loans Given <sup>(1)</sup>	7,36	8,77	-	21,63
Financial Assets Measured at Amortised Cost	4,58	8,39	-	15,54
<b>Liabilities</b>				
Interbank Deposits	4,57	5,00	-	31,80
Other Deposits	0,89	3,18	-	27,22
Money Market Borrowings	6,90	7,47	-	31,28
Miscellaneous Payables	-	-	-	-
Issued Marketable Securities <sup>(2)</sup>	5,08	6,75	-	16,90
Funds Provided from Other Financial Institutions	6,59	7,65	-	25,56

<sup>(1)</sup> Credit card loan balances are not included.

<sup>(2)</sup> Subordinated debt instruments are included.

	EUR	USD	JPY	TL
<b>Prior 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	-	-	-	-
Banks	4,30	-	-	-
Financial Assets at Fair Value Through Profit or Loss	-	5,36	-	-
Money Market Receivables	-	5,41	-	26,23
Financial Assets at Fair Value Through Other				
Comprehensive Income	3,70	5,16	-	26,73
Loans Given <sup>(1)</sup>	5,83	7,71	-	13,59
Financial Assets Measured at Amortised Cost	4,66	7,58	-	15,90
<b>Liabilities</b>				
Interbank Deposits	1,40	4,17	-	10,43
Other Deposits	1,03	3,44	-	15,67
Money Market Borrowings	3,52	5,58	-	9,17
Miscellaneous Payables	-	-	-	-
Issued Marketable Securities <sup>(2)</sup>	5,08	5,05	-	16,99
Funds Provided from Other Financial Institutions	2,84	4,85	-	8,83

<sup>(1)</sup> Credit card loan balances are not included.

<sup>(2)</sup> Subordinated debt instruments are included.

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2023

(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	3.881.761	3.881.761	3.881.761
Traded on Stock Exchange	-	-	-
2. Investment in Equity Instruments Group B	16.796.080	16.796.080	16.796.080
Traded on Stock Exchange	16.796.080	16.796.080	16.796.080
3. Investment in Equity Instruments Group C	-	-	-
Traded on Stock Exchange	-	-	-
4. Investment in Equity Instruments Group Other	-	-	-
Other <sup>(1)</sup>	1.129.849	1.129.849	-

<sup>(1)</sup> The said 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	4.033.616	4.033.616	4.033.616
Traded on Stock Exchange	-	-	-
2. Investment in Equity Instruments Group B	17.453.146	17.453.146	17.453.146
Traded on Stock Exchange	17.453.146	17.453.146	17.453.146
3. Investment in Equity Instruments Group C	-	-	-
Traded on Stock Exchange	-	-	-
4. Investment in Equity Instruments Group Other	-	-	-
Other <sup>(1)</sup>	927.626	927.626	-

<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 1.129.849 and all of them are 100% risk weighted (31 December 2022: are amounted TL 927.626 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. Publicly Traded Stocks	-	16.414.350	16.414.350	-	-	-
3. Other Stocks	-	617.114	617.114	-	-	-
<b>Total</b>	-	<b>17.031.464</b>	<b>17.031.464</b>	-	-	-

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2023

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

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

#### V. EXPLANATIONS ON THE LIQUIDITY RISK MANAGERMENTS 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.

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2023

(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)

##### 1. Liquidity Risk (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. The lowest and highest unconsolidated rates in the last three months are shown in the table below.

###### Current Period – 30 September 2023

Liquidity Coverage Ratio	FC		TL+FC	
	Date	Ratio	Date	Ratio
The Lowest	29 September 2023	318,60	7 July 2023	136,70
The Highest	21 July 2023	576,33	18 August 2023	187,98

###### Prior Period - 31 December 2022

Liquidity Coverage Ratio	FC		TL+FC	
	Date	Ratio	Date	Ratio
The Lowest	7 October 2022	336,22	7 October 2022	177,16
The Highest	23 December 2022	451,68	30 December 2022	203,51

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2023

(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)

Current Period	Total Unweighted Value (Average) <sup>(*)</sup>		Total Weighted Value (Average) <sup>(*)</sup>	
	TL+FC	FC	TL+FC	FC
<b>HIGH QUALITY LIQUID ASSETS</b>				
High Quality Liquid Assets			820.697.152	408.819.260
<b>CASH OUTFLOWS</b>				
Retail and Small Business Customers, of which;	<b>1.483.029.691</b>	<b>688.298.905</b>	<b>130.706.194</b>	<b>68.829.891</b>
Stable deposits	351.935.514	-	17.596.776	-
Less stable deposits	1.131.094.177	688.298.905	113.109.418	68.829.891
Unsecured wholesale funding, of which;	917.128.918	372.281.997	445.580.611	186.370.830
Operational deposit	39.752.054	4.058.492	9.938.013	1.014.623
Non-operational deposits	737.418.134	312.143.432	324.354.201	129.917.868
Other unsecured funding	139.958.730	56.080.073	111.288.397	55.438.339
Secured funding				
Other cash outflows, of which;	500.603.485	52.066.451	61.832.048	30.574.688
Derivatives cash outflow and liquidity needs related to market valuation changes on derivatives or other transactions	20.406.369	25.860.728	20.406.369	25.860.728
Obligations related to structured financial products	-	-	-	-
Commitments related to debts to financial markets and other off-balance sheet obligations	480.197.116	26.205.723	41.425.679	4.713.960
Other revocable off-balance sheet commitments and contractual obligations	-	-	-	-
Other irrevocable or conditionally revocable off-balance sheet obligations	176.178.432	118.127.190	10.139.231	5.906.360
<b>TOTAL CASH OUTFLOWS</b>			<b>648.258.084</b>	<b>291.681.769</b>
<b>CASH INFLOWS</b>				
Secured lending	-	-	-	-
Unsecured lending	177.141.957	83.347.512	132.745.030	72.131.807
Other cash inflows	27.404.145	152.112.439	27.404.145	152.112.439
<b>TOTAL CASH INFLOW</b>	<b>204.546.102</b>	<b>235.459.951</b>	<b>160.149.175</b>	<b>224.244.246</b>
			<b>Upper Limit Applied Values</b>	
<b>TOTAL HQLA STOCK</b>			<b>820.697.152</b>	<b>408.819.260</b>
<b>TOTAL NET CASH OUTFLOWS</b>			<b>488.108.909</b>	<b>67.437.523</b>
<b>LIQUIDITY COVERAGE RATIO (%)</b>			<b>168,14</b>	<b>606,22</b>

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

Prior Period	Total Unweighted Value (Average) <sup>(*)</sup>		Total Weighted Value (Average) <sup>(*)</sup>	
	TL+FC	FC	TL+FC	FC
<b>HIGH QUALITY LIQUID ASSETS</b>				
High Quality Liquid Assets			667.210.887	425.824.875
<b>CASH OUTFLOWS</b>				
Retail and Small Business Customers, of which;	938.174.603	503.453.039	83.648.337	50.345.304
Stable deposits	203.382.476	-	10.169.124	-
Less stable deposits	734.792.127	503.453.039	73.479.213	50.345.304
Unsecured wholesale funding, of which;	683.071.175	326.241.383	315.380.061	158.917.974
Operational deposit	29.898.821	1.696.100	7.474.705	424.025
Non-operational deposits	568.987.053	284.775.401	242.743.155	119.347.850
Other unsecured funding	84.185.301	39.769.882	65.162.201	39.146.099
Secured funding				
Other cash outflows, of which;	222.857.471	33.502.393	28.510.672	21.272.889
Derivatives cash outflow and liquidity needs related to market valuation changes on derivatives or other transactions	14.041.376	18.607.584	14.041.376	18.607.584
Obligations related to structured financial products	-	-	-	-
Commitments related to debts to financial markets and other off-balance sheet obligations	208.816.095	14.894.809	14.469.296	2.665.305
Other revocable off-balance sheet commitments and contractual obligations	-	-	-	-
Other irrevocable or conditionally revocable off-balance sheet obligations	120.470.284	83.658.058	7.183.869	4.182.903
<b>TOTAL CASH OUTFLOWS</b>			<b>434.722.939</b>	<b>234.719.070</b>
<b>CASH INFLOWS</b>				
Secured lending	-	-	-	-
Unsecured lending	124.404.168	51.608.797	84.123.630	36.510.970
Other cash inflows	1.061.122	91.291.081	1.061.122	91.291.081
<b>TOTAL CASH INFLOW</b>	<b>125.465.290</b>	<b>142.899.878</b>	<b>85.184.752</b>	<b>127.802.051</b>
			<b>Upper Limit Applied Amounts</b>	
<b>TOTAL HQLA STOCK</b>			<b>667.210.887</b>	<b>425.824.875</b>
<b>TOTAL NET CASH OUTFLOWS</b>			<b>349.538.187</b>	<b>106.917.019</b>
<b>LIQUIDITY COVERAGE RATIO (%)</b>			<b>190,88</b>	<b>398,28</b>

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

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2023

(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.

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2023

(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 <sup>(1)</sup>	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	252.896.816	234.892.306	-	-	-	-	-	487.789.122
Banks <sup>(4)</sup>	23.962.143	6.839.485	-	119.080	-	-	-	30.920.708
Financial Assets at Fair Value Through Profit and Loss	-	461.113	34.545	30.133.736	11.348.844	26.716	11.775.591	53.780.545
Money Market Receivables	-	472.134	-	-	-	-	-	472.134
Financial Assets at Fair Value Through Other Comprehensive Income	-	2.822.469	22.346.535	114.586.723	268.770.446	123.172.690	1.129.849	532.828.712
Loans Given	-	80.576.851	216.645.443	727.939.849	590.228.792	191.826.213	3.548.954	1.810.766.102
Investments Held-to-Maturity	-	4.400.725	1.756.912	93.820.669	87.279.082	112.388.182	-	299.645.570
Other Assets	23.616.649	2.268.989	7.574.256	276.997	319.612	56.471	113.067.366	147.180.340
<b>Total Assets<sup>(2)</sup></b>	<b>300.475.608</b>	<b>332.734.072</b>	<b>248.357.691</b>	<b>966.877.054</b>	<b>957.946.776</b>	<b>427.470.272</b>	<b>129.521.760</b>	<b>3.363.383.233</b>
<b>Liabilities</b>								
Interbank Deposits	8.393.612	95.459.784	18.187.672	194.397	-	-	-	122.235.465
Other Deposits	844.500.644	1.036.651.915	429.019.140	139.937.867	9.540.158	30.748	-	2.459.680.472
Funds Provided from Other Financial Institutions	-	7.612.233	4.803.245	53.456.590	63.839.701	10.378.014	-	140.089.783
Money Market Borrowings	-	64.013.929	31.050.942	4.360.356	27.411.261	-	-	126.836.488
Issued Marketable Securities <sup>(3)</sup>	-	356.701	2.852.366	41.725.347	35.232.794	-	-	80.167.208
Miscellaneous Payables	10.680.607	37.350.425	-	-	-	-	-	48.031.032
Other Liabilities	23.311.973	8.291.454	19.067.756	204.090	3.062.258	8.627.554	323.777.700	386.342.785
<b>Total Liabilities</b>	<b>886.886.836</b>	<b>1.249.736.441</b>	<b>504.981.121</b>	<b>239.878.647</b>	<b>139.086.172</b>	<b>19.036.316</b>	<b>323.777.700</b>	<b>3.363.383.233</b>
<b>Liquidity Gap</b>	<b>(586.411.228)</b>	<b>(917.002.369)</b>	<b>(256.623.430)</b>	<b>726.998.407</b>	<b>818.860.604</b>	<b>408.433.956</b>	<b>(194.255.940)</b>	<b>-</b>
<b>Net Off-Balance Sheet Position</b>	<b>-</b>	<b>(2.942.466)</b>	<b>(2.926.871)</b>	<b>1.288</b>	<b>-</b>	<b>3.744.113</b>	<b>-</b>	<b>(2.123.936)</b>
Financial Derivative Assets	-	300.127.159	131.847.924	4.683.734	1.502.318	4.759.458	-	442.920.593
Financial Derivative Liabilities	-	303.069.625	134.774.795	4.682.446	1.502.318	1.015.345	-	445.044.529
<b>Non-cash Loans</b>	<b>256.468.004</b>	<b>13.392.087</b>	<b>49.232.519</b>	<b>173.694.660</b>	<b>122.524.449</b>	<b>70.299.540</b>	<b>-</b>	<b>685.611.259</b>
<b>Prior Period</b>								
Total Assets	205.330.392	291.622.138	153.335.296	610.555.422	624.309.201	326.266.694	100.245.881	2.311.665.024
Total Liabilities	600.828.709	877.437.493	287.231.979	182.450.543	95.449.741	17.986.828	250.279.731	2.311.665.024
<b>Liquidity Gap</b>	<b>(395.498.317)</b>	<b>(585.815.355)</b>	<b>(133.896.683)</b>	<b>428.104.879</b>	<b>528.859.460</b>	<b>308.279.866</b>	<b>(150.033.850)</b>	<b>-</b>
<b>Net Off-Balance Sheet Position</b>	<b>-</b>	<b>3.136.730</b>	<b>(120.249)</b>	<b>262.625</b>	<b>-</b>	<b>2.256.893</b>	<b>-</b>	<b>5.535.999</b>
Financial Derivative Assets	-	219.758.868	74.538.453	14.240.461	2.369.535	3.272.238	-	314.179.555
Financial Derivative Liabilities	-	216.622.138	74.658.702	13.977.836	2.369.535	1.015.345	-	308.643.556
<b>Non-cash Loans</b>	<b>121.162.934</b>	<b>13.767.347</b>	<b>43.662.871</b>	<b>137.071.719</b>	<b>84.474.216</b>	<b>14.515.564</b>	<b>-</b>	<b>414.654.651</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.

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2023

(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 7,26% (31 December 2022: 7,58%). 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)	3.266.668.137	2.216.761.493
(Assets deducted in determining Tier 1 capital)	(37.541.569)	(28.827.832)
Total on-balance sheet risks (sum of lines 1 and 2)	3.229.126.568	2.187.933.661
<b>Derivative financial instruments and credit derivatives</b>		
Replacement cost associated with all derivative financial instruments and credit derivatives	11.628.106	8.549.253
Add-on amounts for PFE associated with all derivative financial instruments and credit derivatives	11.917.633	7.697.119
Total risks of derivative financial instruments and credit derivatives	23.545.739	16.246.372
<b>Securities or commodity financing transactions (SCFT)</b>		
Risks from SCFT assets(Excluding the balance sheet)	69.499.047	40.472.923
Risks from brokerage activities related exposures	-	-
Total risks related with securities or commodity financing transactions	69.499.047	40.472.923
<b>Other off-balance sheet transactions</b>		
Gross notional amounts of off-balance sheet transactions	1.174.482.264	623.647.421
(Adjustments for conversion to credit equivalent amounts)	-	-
Total risks of off-balance sheet items	1.174.482.264	623.647.421
<b>Capital and total risks</b>		
Tier 1 capital	326.413.659	217.487.486
Total risks	4.496.653.618	2.868.300.377
<b>Leverage ratio</b>		
Leverage ratio %	7,26	7,58

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

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2023

(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)	1.875.321.720	1.267.703.360	150.025.738
2	Standardized approach	1.875.321.720	1.267.703.360	150.025.738
3	Internal rating-based approach	-	-	-
4	Counterparty credit risk	37.715.596	27.821.921	3.017.248
5	Standardized approach for counterparty credit risk	37.715.596	27.821.921	3.017.248
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	26.999.863	26.428.914	2.159.989
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	144.764.642	102.338.444	11.581.171
17	Standardized approach	144.764.642	102.338.444	11.581.171
18	Internal model approaches	-	-	-
19	Operational risk	128.841.404	55.981.209	10.307.312
20	Basic Indicator approach	128.841.404	55.981.209	10.307.312
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>2.213.643.225</b>	<b>1.480.273.848</b>	<b>177.091.458</b>

#### 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 performed 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 value change in 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.

Hedging Instrument	Hedged Item	Risk Exposure	Fair Value Difference of Hedging Instrument	Fair Value Difference of Hedged Items	Ineffective Portion
FC Deposit (EUR )	EUR Capital Amounts Allocated to Foreign Partnerships	Foreign exchange rate risk	(6.814.977)	6.814.977	-

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2023

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

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

#### 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.

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 other 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.

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2023

(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)

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 September 2023, 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”.

#### 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	27.997.187	70.562.541	38.017.589	113.335.147	5.232.179	255.144.643
Interest Expenses	77.798.474	62.968.116	-	26.174.807	2.999.530	169.940.927
<b>Net Interest Income/Expense</b>	<b>(49.801.287)</b>	<b>7.594.425</b>	<b>38.017.589</b>	<b>87.160.340</b>	<b>2.232.649</b>	<b>85.203.716</b>
<b>Net Fees and Commission Income/Expense</b>	<b>15.787.759</b>	<b>8.642.531</b>	<b>1.006.103</b>	<b>(7.020.305)</b>	<b>1.836.445</b>	<b>20.252.533</b>
<b>Dividend Income</b>	-	-	-	<b>331.470</b>	-	<b>331.470</b>
<b>Trading Profit / Loss (Net)</b>	-	-	-	<b>25.110.362</b>	-	<b>25.110.362</b>
<b>Other Operating Income</b>	<b>71.810</b>	<b>2.061.007</b>	<b>124.928</b>	<b>16.680</b>	<b>26.298.615</b>	<b>28.573.040</b>
<b>Provision for Expected Loss (-)</b>	<b>4.137.228</b>	<b>15.551.889</b>	<b>5.767.576</b>	<b>760</b>	<b>96.660</b>	<b>25.554.113</b>
<b>Other Expenses</b>	<b>13.987.785</b>	<b>361.308</b>	<b>685.918</b>	-	<b>50.320.736</b>	<b>65.355.747</b>
<b>Net Operating Profit / Loss</b>	<b>(52.066.731)</b>	<b>2.384.766</b>	<b>32.695.126</b>	<b>105.597.787</b>	<b>(20.049.687)</b>	<b>68.561.261</b>
<b>Profit/Loss on Equity Method Applied Subsidiaries</b>	-	-	-	-	-	-
<b>Tax Provision</b>	-	-	-	-	<b>(13.424.634)</b>	<b>(13.424.634)</b>
<b>Net Profit / Loss</b>	<b>(52.066.731)</b>	<b>2.384.766</b>	<b>32.695.126</b>	<b>105.597.787</b>	<b>(33.474.321)</b>	<b>55.136.627</b>
<b>SEGMENT ASSETS</b>						
Financial Assets at Fair Value Through Profit or Loss (Net)	-	-	-	53.780.545	-	53.780.545
Banks and Receivables from Money Markets	-	-	-	31.392.842	-	31.392.842
Financial Assets at Fair Value Through Other Comprehensive Income (Net)	-	-	-	532.828.712	-	532.828.712
Loans	299.832.262	941.135.822	421.499.027	148.298.991	-	1.810.766.102
Financial Assets Measured at Amortized Cost (Net)	-	-	-	299.645.570	-	299.645.570
Derivative Financial Assets	-	-	-	9.987.518	-	9.987.518
Associates, Subsidiaries and Entities under Common Control	-	-	-	52.215.433	-	52.215.433
Other Assets	14.947	5.067.107	91.509	464.634.131	102.958.817	572.766.511
<b>Total Segment Assets</b>	<b>299.847.209</b>	<b>946.202.929</b>	<b>421.590.536</b>	<b>1.592.783.742</b>	<b>102.958.817</b>	<b>3.363.383.233</b>
<b>SEGMENT LIABILITIES</b>						
Deposits	1.692.499.284	630.019.991	-	122.235.465	137.161.197	2.581.915.937
Derivative Financial Liabilities Held for Trading	-	-	-	7.709.414	-	7.709.414
Funds Borrowed	-	-	-	140.089.783	-	140.089.783
Money Markets Borrowing	38.122	47.371.362	-	79.427.004	-	126.836.488
Securities Issued (Net)	-	-	-	39.079.273	-	39.079.273
Provisions	-	10.084.205	-	-	27.850.045	37.934.250
Other Liabilities	-	-	-	-	138.452.119	138.452.119
Shareholders' Equity	-	-	-	-	291.365.969	291.365.969
<b>Total Segment Liabilities</b>	<b>1.692.537.406</b>	<b>687.475.558</b>	<b>-</b>	<b>388.540.939</b>	<b>594.829.330</b>	<b>3.363.383.233</b>

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

**NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS  
AS OF 30 SEPTEMBER 2023**

(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	18.942.454	40.109.899	16.059.387	72.925.354	329.312	148.366.406
Interest Expenses	27.684.631	17.852.584	-	17.567.141	3.831.317	66.935.673
<b>Net Interest Income/Expense</b>	<b>(8.742.177)</b>	<b>22.257.315</b>	<b>16.059.387</b>	<b>55.358.213</b>	<b>(3.502.005)</b>	<b>81.430.733</b>
<b>Net Fees and Commission Income/Expense</b>	<b>5.947.729</b>	<b>4.546.456</b>	<b>325.091</b>	<b>(3.288.266)</b>	<b>1.210.104</b>	<b>8.741.114</b>
Dividend Income	-	-	-	246.239	-	246.239
<b>Trading Profit / Loss (Net)</b>	-	-	-	<b>1.004.341</b>	-	<b>1.004.341</b>
<b>Other Operating Income</b>	<b>41.840</b>	<b>970.427</b>	<b>86.387</b>	<b>7.923</b>	<b>5.018.433</b>	<b>6.125.010</b>
<b>Provision for Expected Loss (-)</b>	<b>2.433.452</b>	<b>8.563.976</b>	<b>2.188.127</b>	<b>2.863.213</b>	<b>24.639.920</b>	<b>40.688.688</b>
<b>Other Expenses</b>	<b>3.943.597</b>	<b>141.793</b>	<b>190.527</b>	-	<b>12.638.584</b>	<b>16.914.501</b>
<b>Net Operating Profit / Loss</b>	<b>(9.129.657)</b>	<b>19.068.429</b>	<b>14.092.211</b>	<b>50.465.237</b>	<b>(34.551.972)</b>	<b>39.944.248</b>
<b>Profit/Loss on Equity Method Applied Subsidiaries</b>	-	-	-	-	-	-
<b>Tax Provision</b>	-	-	-	-	<b>(15.111.602)</b>	<b>(15.111.602)</b>
<b>Net Profit / Loss</b>	<b>(9.129.657)</b>	<b>19.068.429</b>	<b>14.092.211</b>	<b>50.465.237</b>	<b>(49.663.574)</b>	<b>24.832.646</b>
<b>SEGMENT ASSETS</b>						
Financial Assets at Fair Value Through Profit or Loss (Net)	-	-	-	33.294.879	-	33.294.879
Banks and Receivables from Money Markets	-	-	-	16.849.931	-	16.849.931
Financial Assets at Fair Value Through Other Comprehensive Income (Net)	-	-	-	395.673.165	-	395.673.165
Loans	214.070.201	677.988.885	243.390.998	82.945.129	-	1.218.395.213
Financial Assets Measured at Amortized Cost (Net)	-	-	-	159.329.978	-	159.329.978
Derivative Financial Assets	-	-	-	8.876.687	-	8.876.687
Associates, Subsidiaries and Entities under Common Control	-	-	-	43.204.766	-	43.204.766
Other Assets	12.446	4.980.515	98.632	361.012.143	69.936.669	436.040.405
<b>Total Segment Assets</b>	<b>214.082.647</b>	<b>682.969.400</b>	<b>243.489.630</b>	<b>1.101.186.678</b>	<b>69.936.669</b>	<b>2.311.665.024</b>
<b>SEGMENT LIABILITIES</b>						
Deposits	1.106.633.965	461.324.145	-	78.449.260	92.861.490	1.739.268.860
Derivative Financial Liabilities Held for Trading	-	-	-	3.156.119	-	3.156.119
Funds Borrowed	-	-	-	110.206.072	-	110.206.072
Money Markets Borrowing	38.795	20.986.065	-	64.037.829	-	85.062.689
Securities Issued (Net)	-	-	-	27.767.979	-	27.767.979
Provisions	-	9.108.014	-	-	39.630.754	48.738.768
Other Liabilities	-	-	-	-	94.984.674	94.984.674
Shareholders' Equity	-	-	-	-	202.479.863	202.479.863
<b>Total Segment Liabilities</b>	<b>1.106.672.760</b>	<b>491.418.224</b>	-	<b>283.617.259</b>	<b>429.956.781</b>	<b>2.311.665.024</b>

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2023

(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	6.000.636	17.931.983	4.720.221	10.141.295
Central Bank of the Republic of Türkiye	161.940.313	301.329.462	23.524.801	335.746.356
Other	-	591.938	-	265.670
<b>Total</b>	<b>167.940.949</b>	<b>319.853.383</b>	<b>28.245.022</b>	<b>346.153.321</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, 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. Establishment of required reserves begins on Friday, two weeks after the liability calculation date, and lasts for 14 days. Required reserves can be kept in Turkish Lira, USD, EUR and standard gold in accordance with the “Communiqué on Required Reserves” at the Central Bank of the Republic of Türkiye. Required reserve ratios vary according to the maturity structure of the liabilities and are applied between 0% and 8% for Turkish Lira deposits and other liabilities, for foreign currency deposits and other liabilities, it is applied in the range of 5% - 29%, and for accounts with exchange rate/price protection support, it is applied in the range of 5% - 25%.

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2023

(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)

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

	Current Period		Prior Period	
	TL	FC	TL	FC
Unrestricted Demand Deposit	161.493.404	61.379.966	23.328.884	42.424.961
Unrestricted Time Deposit	-	5.439.380	-	102.841.750
Restricted Time Deposit	-	-	-	-
Other <sup>(1)</sup>	446.909	234.510.116	195.917	190.479.645
<b>Total</b>	<b>161.940.313</b>	<b>301.329.462</b>	<b>23.524.801</b>	<b>335.746.356</b>

<sup>(1)</sup> Includes required reserves and CBRT restricted electronic money funds amounting to TL 59.509 required reserve of branches abroad amounting to TL 1.310.640 is presented in this line. (31 December 2022: Includes required reserves and CBRT restricted electronic money funds amounting to TL 17.157 required reserve of branches abroad amounting to TL 656.479 is presented in this line. TL 7.425.368 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	41.645.045	27.890.664
<b>Total</b>	<b>41.645.045</b>	<b>27.890.664</b>

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

	Current Period		Prior Period	
	TL	FC	TL	FC
Forward Transactions	15.180	6.951	155.217	1.318
Swap Transactions	7.107.620	2.672.696	3.089.376	5.539.380
Futures Transactions	-	-	276	-
Options	-	185.071	8.535	82.585
Other	-	-	-	-
<b>Total</b>	<b>7.122.800</b>	<b>2.864.718</b>	<b>3.253.404</b>	<b>5.623.283</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	-	848.498	-	140.059
Foreign Banks	1.410.399	28.664.501	505.686	10.825.687
Foreign Head Office and Branches	-	-	-	-
<b>Total</b>	<b>1.410.399</b>	<b>29.512.999</b>	<b>505.686</b>	<b>10.965.746</b>

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2023

(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)

##### 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	142.371.329	83.133.879
Assets Blocked/Given as Collateral	248.755.921	101.454.331
<b>Total</b>	<b>391.127.250</b>	<b>184.588.210</b>

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

	Current Period	Prior Period
Debt Securities	563.486.552	413.036.166
Quoted in Stock Exchange	562.368.819	412.230.503
Not Quoted in Stock Exchange	1.117.733	805.663
Share Certificates	1.279.132	1.030.428
Quoted in Stock Exchange	3.661	3.127
Not Quoted in Stock Exchange	1.275.471	1.027.301
Provision for Impairment (-)	31.936.972	18.393.429
<b>Total</b>	<b>532.828.712</b>	<b>395.673.165</b>

##### 7. Explanations 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>	3.025.877	-	1.476.723	-
<b>Total</b>	<b>3.025.877</b>	<b>-</b>	<b>1.476.723</b>	<b>-</b>

(1) Interest rediscount and interest accrual amounting TL 31.280, are not included in the table above (31 December 2022: Interest rediscount and interest accrual amounting TL 12.850 are not included).

(2) Since the balance of overdraft accounts related to employees amounting TL 95.902, is showed under Table 7.3. as overdraft accounts (real person), it is not included to the table above (31 December 2022: Since the balance of overdraft accounts related to employees amounting TL 44.832, is showed under Table 7.3. as overdraft accounts (real person), it is not included to the table above).

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2023

(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. Explanations Related to Loans (Continued)

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

Current Period	Standard Loans	Loans Under Close Monitoring		
		Not Under the Scope of Restructuring	Loans Under Restructuring	
			Loans with Revised Contract Terms	Refinancing
<b>Cash Loans</b>				
Non-Specialized Loans	1.295.636.860	23.837.224	3.416.884	83.987.362
Commercial Loans	759.569.327	18.853.125	3.284.345	83.914.204
Export Loans	127.830.562	472.516	-	-
Import Loans	-	-	-	-
Loans Given to Financial Sector	19.995.910	-	-	-
Consumer Loans	200.480.350	2.204.656	132.539	69.305
Credit Cards	187.446.546	2.306.927	-	3.853
Other	314.165	-	-	-
Specialized Lending <sup>(1)</sup>	391.503.201	2.619.621	26.477	540.577
Other Receivables	-	-	-	-
Interest Income Accruals and Rediscounts	50.839.897	728.234	235.050	3.892.525
<b>Total</b>	<b>1.737.979.958</b>	<b>27.185.079</b>	<b>3.678.411</b>	<b>88.420.464</b>

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

Prior Period	Standard Loans	Loans Under Close Monitoring		
		Not Under the Scope of Restructuring	Loans Under Restructuring	
			Loans with Revised Contract Terms	Refinancing
<b>Cash Loans</b>				
Non-Specialized Loans	913.250.392	11.492.774	2.975.409	66.134.223
Commercial Loans	581.587.522	7.459.699	2.829.454	66.057.451
Export Loans	66.637.634	551.710	-	-
Import Loans	-	-	-	-
Loans Given to Financial Sector	15.755.785	-	-	-
Consumer Loans	177.044.650	2.395.648	145.955	75.924
Credit Cards	71.697.802	1.082.951	-	848
Other	526.999	2.766	-	-
Specialized Lending <sup>(1)</sup>	228.426.244	2.147.318	36.231	873.521
Other Receivables	-	-	-	-
Interest Income Accruals and Rediscounts	24.341.159	357.784	65.246	2.549.658
<b>Total</b>	<b>1.166.017.795</b>	<b>13.997.876</b>	<b>3.076.886</b>	<b>69.557.402</b>

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

Expected Credit Loss of Stage 1 and Stage 2	Current Period		Prior Period	
	Standard Loans	Loans Under Close Monitoring	Standard Loans	Loans Under Close Monitoring
12 Month Expected Credit Losses	8.942.856	-	7.710.927	-
Significant Increase in Credit Risk	-	41.103.908	-	28.625.013

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2023

(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. Explanations Related to Loans (Continued)

##### 7.3. Information on Consumer Loans, Retail Credit Cards and Personnel Loans and Personnel Credit Card

Current Period	Short-Term	Medium and Long-Term	Total
Consumer Loans-TL	7.069.001	188.000.336	195.069.337
Mortgage Loans	7.159	112.293.251	112.300.410
Automotive Loans	440.762	11.746.334	12.187.096
Consumer Loans	6.621.080	63.960.751	70.581.831
Other	-	-	-
Consumer Loans- Indexed to FC	-	-	-
Mortgage Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Consumer Loans-FC	4.296	250.909	255.205
Mortgage Loans	-	19.794	19.794
Automotive Loans	-	-	-
Consumer Loans	4.296	231.115	235.411
Other	-	-	-
Retail Credit Cards-TL	91.650.713	1.657.456	93.308.169
With Installment	39.876.472	1.394.846	41.271.318
Without Installment	51.774.241	262.610	52.036.851
Retail Credit Cards-FC	7.135	-	7.135
With Installment	-	-	-
Without Installment	7.135	-	7.135
Personnel Loans-TL	458.817	1.486.834	1.945.651
Mortgage Loans	-	229	229
Automotive Loans	-	-	-
Consumer Loans	458.817	1.486.605	1.945.422
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	1.060.656	19.202	1.079.858
With Installment	487.015	19.202	506.217
Without Installment	573.641	-	573.641
Personnel Credit Cards-FC	368	-	368
With Installment	-	-	-
Without Installment	368	-	368
Overdraft Accounts-TL (Real Person)	5.616.657	-	5.616.657
Overdraft Accounts-FC (Real Person)	-	-	-
<b>Total <sup>(1)</sup></b>	<b>105.867.643</b>	<b>191.414.737</b>	<b>297.282.380</b>

<sup>(1)</sup> TL 3.564.434 amounting of interest income rediscount and accrual is not included.

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

**NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS  
AS OF 30 SEPTEMBER 2023**

(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. Explanations Related to Loans (Continued)**

**7.3. Information on Consumer Loans, Retail 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	3.292.146	172.758.145	176.050.291
Mortgage Loans	18.499	112.301.081	112.319.580
Automotive Loans	96.909	7.747.143	7.844.052
Consumer Loans	3.176.738	52.709.921	55.886.659
Other	-	-	-
Consumer Loans- Indexed to FC	-	-	-
Mortgage Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Consumer Loans-FC	3.184	162.020	165.204
Mortgage Loans	-	14.485	14.485
Automotive Loans	-	-	-
Consumer Loans	3.184	147.535	150.719
Other	-	-	-
Retail Credit Cards-TL	31.231.156	442.363	31.673.519
With Installment	11.907.800	390.426	12.298.226
Without Installment	19.323.356	51.937	19.375.293
Retail Credit Cards-FC	4.285	-	4.285
With Installment	-	-	-
Without Installment	4.285	-	4.285
Personnel Loans-TL	54.329	850.107	904.436
Mortgage Loans	-	242	242
Automotive Loans	-	-	-
Consumer Loans	54.329	849.865	904.194
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	562.180	9.753	571.933
With Installment	228.405	9.753	238.158
Without Installment	333.775	-	333.775
Personnel Credit Cards-FC	354	-	354
With Installment	-	-	-
Without Installment	354	-	354
Overdraft Accounts-TL (Real Person)	2.542.246	-	2.542.246
Overdraft Accounts-FC (Real Person)	-	-	-
<b>Total <sup>(1)</sup></b>	<b>37.689.880</b>	<b>174.222.388</b>	<b>211.912.268</b>

<sup>(1)</sup> TL 1.852.609 amounting of interest income rediscount and accrual is not included.

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2023

(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. Explanations Related to Loans (Continued)

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

Current Period	Short-Term	Medium and Long-Term	Total
Installment Based Commercial Loans-TL	1.973.861	96.498.007	98.471.868
Mortgage Loans	-	960.797	960.797
Automotive Loans	79.766	2.166.430	2.246.196
Consumer Loans	1.894.095	93.370.780	95.264.875
Other	-	-	-
Installment Based Commercial Loans- Indexed to FC	-	-	-
Mortgage Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Installment Based Commercial Loans - FC	49.279	117.993.029	118.042.308
Mortgage Loans	-	112.007	112.007
Automotive Loans	-	8.682	8.682
Consumer Loans	49.279	117.872.340	117.921.619
Other	-	-	-
Corporate Credit Cards-TL	82.430.089	12.926.412	95.356.501
With Installment	39.529.763	12.923.396	52.453.159
Without Installment	42.900.326	3.016	42.903.342
Corporate Credit Cards-FC	5.295	-	5.295
With Installment	-	-	-
Without Installment	5.295	-	5.295
Overdraft Account-TL (Legal Entity)	9.545.133	-	9.545.133
Overdraft Account-FC (Legal Entity)	-	-	-
<b>Total <sup>(1)</sup></b>	<b>94.003.657</b>	<b>227.417.448</b>	<b>321.421.105</b>

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

Prior Period	Short - Term	Medium and Long-Term	Total
Installment Based Commercial Loans-TL	4.083.052	67.901.923	71.984.975
Mortgage Loans	9.650	1.122.055	1.131.705
Automotive Loans	143.109	3.135.466	3.278.575
Consumer Loans	3.930.293	63.644.402	67.574.695
Other	-	-	-
Installment Based Commercial Loans- Indexed to FC	-	-	-
Mortgage Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	-	-	-
Other	-	-	-
Installment Based Commercial Loans - FC	77.099	88.332.897	88.409.996
Mortgage Loans	-	5.108	5.108
Automotive Loan	-	2.842	2.842
Consumer Loans	77.099	88.324.947	88.402.046
Other	-	-	-
Corporate Credit Cards-TL	38.094.333	2.434.194	40.528.527
With Installment	18.027.575	2.431.070	20.458.645
Without Installment	20.066.758	3.124	20.069.882
Corporate Credit Cards-FC	2.983	-	2.983
With Installment	-	-	-
Without Installment	2.983	-	2.983
Overdraft Account-TL (Legal Entity)	3.939.794	-	3.939.794
Overdraft Account-FC (Legal Entity)	-	-	-
<b>Total <sup>(1)</sup></b>	<b>46.197.261</b>	<b>158.669.014</b>	<b>204.866.275</b>

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

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2023

(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. Explanations Related to Loans (Continued)

##### 7.5. Distribution of Domestic and Foreign Loans

	Current Period	Prior Period
Domestic Loans	1.784.939.693	1.214.493.519
Foreign Loans	16.628.513	10.842.593
Interest Income Accruals of Loans	55.695.706	27.313.847
<b>Total</b>	<b>1.857.263.912</b>	<b>1.252.649.959</b>

##### 7.6. Loans Granted to Investments in Associates and Subsidiaries

	Current Period	Prior Period
Direct loans granted to subsidiaries and associates	8.026.728	5.664.719
Indirect loans granted to subsidiaries and associates	-	-
<b>Total</b>	<b>8.026.728</b>	<b>5.664.719</b>

##### 7.7. Credit-Impaired Losses (Stage III)

	Current Period	Prior Period
Loans and other receivables with limited collectability	272.681	748.202
Loans and other receivables with doubtful collectability	1.841.631	525.534
Uncollectible loans and other receivables	9.983.482	10.345.961
<b>Total</b>	<b>12.097.794</b>	<b>11.619.697</b>

##### 7.8. Information on Non-performing Loans (Net)

##### 7.8.1. Information on Non-performing Loans Restructured or Rescheduled and Other Receivables

	Group III Loans with Limited Collectibility	Group IV Loans with Doubtful Collectibility	Group V Uncollectible Loans
<b>Current Period</b>			
Gross amounts before the provisions	75.629	903.220	668.427
Restructured loans	75.629	903.220	668.427
<b>Prior Period</b>			
Gross amounts before the provisions	39.880	150.689	1.266.024
Restructured loans	39.880	150.689	1.266.024

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

**NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS  
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(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. Explanations 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 Loans with Limited Collectibility</b>	<b>Group IV Loans with Doubtful Collectibility</b>	<b>Group V Uncollectible Loans</b>
<b>Prior Period Ending Balance</b>	<b>1.042.398</b>	<b>1.029.387</b>	<b>11.629.106</b>
Additions (+)	4.696.818	302.894	829.639
Transfers from Other Categories of Loans under Follow-Up (+)	-	4.349.132	1.111.565
Transfers to Other Categories of Loans under Follow-Up (-)	4.349.132	1.111.565	-
Collections (-) <sup>(1)</sup>	713.659	762.373	2.407.462
Write-offs (-)	-	-	-
Sold	-	-	-
Corporate and Commercial Loans	-	-	-
Consumer Loans	-	-	-
Credit Cards	-	-	-
Other	-	-	-
<b>Current Period End Balance</b>	<b>676.425</b>	<b>3.807.475</b>	<b>11.162.848</b>
Provision (-)	272.681	1.841.631	9.983.482
<b>Net Balance on Balance Sheet</b>	<b>403.744</b>	<b>1.965.844</b>	<b>1.179.366</b>

(1) It includes transfers to the first and second group loans amounting to TL 627.764

**7.8.3. Information on Non-performing Loans Granted as Foreign Currency Loans**

	<b>Group III Loans with Limited Collectibility</b>	<b>Group IV Loans with Doubtful Collectibility</b>	<b>Group V Uncollectible Loans</b>
<b>Current Period:</b>			
<b>Period Ending Balance</b>	<b>6.717</b>	<b>2.377.185</b>	<b>2.651.717</b>
Provision (-)	6.484	1.099.055	2.560.833
<b>Net Balance on Balance Sheet</b>	<b>233</b>	<b>1.278.130</b>	<b>90.884</b>
<b>Prior Period:</b>			
<b>Period Ending Balance</b>	<b>92.929</b>	<b>147.575</b>	<b>2.566.709</b>
Provision (-)	92.721	80.440	2.536.973
<b>Net Balance on Balance Sheet</b>	<b>208</b>	<b>67.135</b>	<b>29.736</b>

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

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(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>403.744</b>	<b>1.965.844</b>	<b>1.179.366</b>
Loans to Real Persons and Legal Entities (Gross)	676.425	3.807.475	10.980.954
Provisions (-)	272.681	1.841.631	9.801.588
Loans to Real Persons and Legal Entities (Net)	403.744	1.965.844	1.179.366
Banks (Gross)	-	-	-
Provisions (-)	-	-	-
Banks (Net)	-	-	-
Other Loans (Gross)	-	-	181.894
Provisions (-)	-	-	181.894
Other Loans (Net)	-	-	-
<b>Prior Period (Net)</b>	<b>294.196</b>	<b>503.853</b>	<b>1.283.145</b>
Loans to Real Persons and Legal Entities (Gross)	1.042.398	1.029.387	11.468.806
Provisions (-)	748.202	525.534	10.185.661
Loans to Real Persons and Legal Entities (Net)	294.196	503.853	1.283.145
Banks (Gross)	-	-	-
Provisions (-)	-	-	-
Banks (Net)	-	-	-
Other Loans (Gross)	-	-	160.300
Provisions (-)	-	-	160.300
Other Loans (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>21.302</b>	<b>51.231</b>	<b>42.282</b>
Interest Accruals and Valuation Differences with Rediscounts	40.762	119.807	526.328
Provisions (-)	19.460	68.576	484.046
<b>Prior Period (Net)</b>	<b>12.600</b>	<b>16.719</b>	<b>51.738</b>
Interest Accruals and Valuation Differences with Rediscounts	63.027	41.547	610.448
Provisions (-)	50.427	24.828	558.710

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

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(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	12.624.586	8.372.017	16.898.737	5.705.067
Treasury Bills	-	-	-	-
Other Government Debts	-	-	-	-
Bank Bonds and Bank Guaranteed Bonds	-	-	-	-
Asset Backed Securities	-	-	-	-
Other	-	-	-	-
<b>Total</b>	<b>12.624.586</b>	<b>8.372.017</b>	<b>16.898.737</b>	<b>5.705.067</b>

*Financial Assets Measured at Amortized Cost given as collateral or blocked*

	Current Period		Prior Period	
	TL	FC	TL	FC
Bills	-	-	1.107.792	-
Bonds and Similar Investment Securities	142.277.625	55.177.717	57.126.063	36.259.758
Other	-	-	-	-
<b>Total</b>	<b>142.277.625</b>	<b>55.177.717</b>	<b>58.233.855</b>	<b>36.259.758</b>

**8.2. Information on Government Debt Securities at Amortized Cost**

	Current Period	Prior Period
Government Bonds	294.054.116	152.996.336
Treasury Bills	-	1.107.792
Other Public Sector Debt Securities	1.243.298	1.068.417
<b>Total</b>	<b>295.297.414</b>	<b>155.172.545</b>

**8.3. Information on Financial Assets Measured at Amortized Cost**

	Current Period	Prior Period
Debt securities	299.686.027	159.351.477
Quoted at Stock Exchange	295.297.414	155.172.545
Unquoted at Stock Exchange	4.388.613	4.178.932
Provision for Impairment (-)	-	-
<b>Total</b>	<b>299.686.027</b>	<b>159.351.477</b>

**8.4. The Movements of Financial Assets Measured at Amortized Cost**

	Current Period	Prior Period
<b>Beginning Balance</b>	<b>159.351.477</b>	<b>44.583.816</b>
Foreign Currency Differences on Monetary Assets	16.821.558	10.860.407
Purchases During the Year <sup>(1)</sup>	134.422.826	105.683.154
Disposals through Sales and Redemptions	(10.909.834)	(1.775.900)
Provision for Impairment (-)	-	-
<b>Period End Balance</b>	<b>299.686.027</b>	<b>159.351.477</b>

<sup>(1)</sup> Rediscounts are shown in “Purchases During the Year”.

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2023

(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	Birleşim Varlık Yönetim A.Ş. <sup>(3)</sup>	İstanbul/Türkiye	16,00	16,00
3	Birleşim 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	13.825.789	1.773.976	568.095	322.578	259.853	65.567	178.126	-
2	896.838	754.841	27.815	239.351	-	100.195	-	-
3	501.857	329.265	157.296	35.510	-	(9.771)	(22.711)	-

<sup>(1)</sup> The current period financial statement information of the associates is obtained from the unaudited financial statements dated 30 September 2023, and the profit/loss figures for the previous period are obtained from the reviewed financial statements dated 30 September 2022.

<sup>(2)</sup> Total fixed assets include tangible and intangible assets.

<sup>(3)</sup> Necessary permissions have been obtained from the BRSA regarding the purchase by the Bank of 12.000 000 Group B Shares, 16% owned by the Savings Deposit Insurance Fund (TMSF), in the capital of Birleşim Varlık Yönetim A.Ş., with all its rights and obligations in return for TL 119.285 share purchase transactions were completed on 1 March 2023.

##### 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>	<b>119.285</b>	<b>-</b>
Purchases	119.285	-
Free Shares Obtained Profit From Current Years Share	-	-
Dividends From Current Year Income	-	-
Sales	-	-
Revaluation Increase	-	-
Impairment provision (-)	-	-
<b>Balance at the End of the Period</b>	<b>208.131</b>	<b>88.846</b>
Capital Commitments	-	-
Share Percentage at the End of the Period (%)	-	-

<sup>(\*)</sup> The total of our non-financial subsidiaries is TL 128.021 (31.12.2022: TL 128.021).

##### 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	119.285	-

##### 9.4. Subsidiaries Quoted to the Stock Exchange

None (31 December 2022: None).

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2023

(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.	Istanbul / Türkiye	99,60	99,60
2	Ziraat Portföy Yönetimi A.Ş.	Istanbul / Türkiye	74,90	99,80
3	Ziraat Katılım Bankası A.Ş.	Istanbul / Türkiye	100,00	100,00
4	Ziraat Gayrimenkul Yatırım Ortaklığı A.Ş.	Istanbul / Türkiye	81,06	81,06
5	Ziraat Girişim Sermayesi Yatırım Ortaklığı A.Ş.	Istanbul / Türkiye	100,00	100,00
6	Ziraat Dinamik Banka A.Ş. <sup>(*)</sup>	Istanbul / Türkiye	100,00	100,00
7	Ziraat Teknoloji A.Ş.	Istanbul / Türkiye	100,00	100,00
8	Ziraat Finansal Teknolojiler Elektronik Para ve Ödeme Hizmetleri A.Ş. <sup>(**)</sup>	Istanbul / Türkiye	100,00	100,00
9	Ziraat Bank International A.G.	Frankfurt / Germany	100,00	100,00
10	Ziraat Bank BH d.d.	Sarajevo / Bosnia Herzegovina	100,00	100,00
11	Ziraat Bank (Moscow) JSC	Moscow / Russia	99,91	100,00
12	Kazakhstan Ziraat Int. Bank	Almaty / Kazakhstan	99,92	99,92
13	Ziraat Bank Azerbaycan ASC	Baku / Azerbaijan	99,98	100,00
14	Ziraat Bank Montenegro AD	Podgorica / Montenegro	100,00	100,00
15	JSC Ziraat Bank Georgia	Tbilisi / Georgia	100,00	100,00
16	Ziraat Bank Uzbekistan JSC	Tashkent / Uzbekistan	100,00	100,00

(\*) The Bank's Subsidiary, Ziraat Dinamik Banka A.Ş., was established with the permission of the BRSA dated March 23, 2023 and numbered 10542 and was registered on April 18, 2023, and has not started operations yet as of the end of the period.

(\*\*) Ziraat Finansal Teknolojiler Elektronik Para ve Ödeme Hizmetleri A.Ş., which is among the subsidiaries. It started to be followed as a financial partnership.

	Total Assets	Shareholders' Equity	Total Non- Current Assets	Interest Income	Income from Marketable Securities	Current Period Profit / Loss	Prior Period Profit / Loss	Fair Value	Shareholder's equity amount needed
1	5.384.259	2.286.070	25.975	832.215	-	1.337.332	378.417	2.019.128	-
2	845.941	698.355	24.789	67	-	326.873	90.952	392.794	-
3	347.762.090	17.799.709	2.157.573	27.668.480	4.667.452	3.153.570	3.387.993	13.520.209	-
4	23.463.578	20.437.652	22.177.821	54.675	-	890.222	253.473	20.677.840	-
5	2.606.516	2.603.876	720	129.643	-	138.039	45.527	2.599.132	-
6	2.500.000	2.500.000	-	-	-	-	-	2.500.000	-
7	578.175	100.639	47.724	3.689	-	42.365	20.686	84.959	-
8	209.611	208.842	4.656	10.550	-	7.825	-	200.000	-
9	29.377.688	9.310.364	1.243.399	801.511	4.835	391.206	(254.345)	3.543.258	-
10	20.289.214	2.917.527	149.254	355.161	-	204.060	(64.477)	1.054.736	-
11	3.169.940	1.403.804	49.881	174.333	1.130	172.471	91.981	785.393	-
12	12.612.698	3.958.081	861.219	575.678	3.220	554.610	(499.221)	1.847.545	-
13	11.183.584	1.696.691	362.551	328.480	17.000	89.714	21.290	412.793	-
14	2.741.425	494.601	19.653	52.033	12.063	12.350	(1.602)	342.171	-
15	2.238.615	736.394	59.931	86.129	3.136	58.723	29.760	282.825	-
16	6.629.061	985.532	116.728	179.495	6.501	56.107	71.916	446.260	-

(1) The amounts shown in the interest income column of Ziraat Katılım Bankası A.Ş. include profit share income.

(2) Current period financial statement information has been taken from the limited audited financial statements of Ziraat Katılım Bankası A.Ş. dated 30 September 2023 and from the financial statements of other subsidiaries that have not undergone limited audit, and in the profit/loss figures for the previous period, Ziraat Katılım Bankası A.Ş.'s limited audited financial statements dated 30 September 2022, and the financial statements of other subsidiaries that have not undergone limited auditing.

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2023

(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)

	Current Period	Prior Period
<b>Balance at the Beginning of the Period</b>	<b>41.946.035</b>	<b>20.558.487</b>
<b>Movements During the Period</b>	<b>8.678.049</b>	<b>21.387.548</b>
Purchases	7.615.682	3.249.300
Free Shares Obtained Profit From Current Years Share	-	86.121
Dividends from current year income	-	-
Sales	-	-
Revaluation Increase <sup>(1)</sup>	3.401.262	22.601.876
Impairment Provision (-)	2.338.895	4.549.749
<b>Balance at the End of the Period <sup>(2)</sup></b>	<b>50.624.084</b>	<b>41.946.035</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 amounting to TL 84.959 are not included in the table (31 December 2022: Non-financial subsidiaries amounting to TL 134.959 are not included in the table).

##### 10.2. Sectoral Information on Financial Subsidiaries and the Related Carrying Amounts

	Current Period	Prior Period
Banks	24.735.189	15.826.908
Insurance Companies	-	-
Factoring Companies	-	-
Leasing Companies	-	-
Financing Companies	-	-
Other Financial Subsidiaries	25.888.895	26.119.127

##### 10.3. Subsidiaries Quoted to the Stock Exchange

	Current Period	Prior Period
Quoted at Domestic Stock Exchanges	20.677.840	21.486.762
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.

Entities under Common Control (Joint Ventures) <sup>(1)</sup>	Bank's Share (%)	Bank's Risk Group Share (%)	Current Assets	Non-Current Assets	Long Term Liabilities	Income	Expense
Turkmen Turkish Joint Stock Commercial Bank	50,00	50,00	16.560.155	97.075	22.665	674.996	333.560

<sup>(1)</sup> Information on entity under joint control is provided from the unaudited financial statements as of 30 September 2023.

#### 12. Information on Lease Receivables

The Bank has no financial lease receivables.

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2023

(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)

##### 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 interests of the Bank due to its receivables is TL 38.948 (31 December 2022: TL 415.578). To be TL 14.947 (31 December 2022: TL 12.446) due to the individual receivables of the Bank, TL 5.067.107 (31 December 2022: TL 4.980.515) due to its trade receivables, TL 91.509 (31 December 2022: TL 98.632) due to its agricultural receivables. The total of the real estates acquired for the purpose of sale is TL 5.173.563 (31 December 2022: TL 5.091.593) and the total of other real estates held for sale is TL 1.325.408 (31 December 2022: TL 1.325.408). In addition, the total of the movables acquired due to its receivables is TL 20.689 (31 December 2022: TL 21.287). The net book value of the Bank's assets held for sale acquired through fiduciary rights is TL 2.400.627 (31 December 2022: TL 2.310.546).

##### 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	14.703.225	1.269.012	2.723.217	386.799	278.024	-	19.360.277
Accumulated Depreciation (-)	892.951	142.228	1.655.007	179.199	267.755	-	3.137.140
Impairment (-)	78	-	-	-	-	-	78
<b>Net Book Value</b>	<b>13.810.196</b>	<b>1.126.784</b>	<b>1.068.210</b>	<b>207.600</b>	<b>10.269</b>	<b>-</b>	<b>16.223.059</b>
<b>Current Period End</b>							
Net Book Value at the Beginning of the Period	13.810.196	1.126.784	1.068.210	207.600	10.269	-	16.223.059
Change During the Period (Net)	(305.965)	2.670.268	888.777	246.294	772	-	3.500.146
- Cost	(160.244)	2.891.711	1.346.162	308.402	14.203	-	4.400.234
- Revaluation Differences	-	-	-	-	-	-	-
- Depreciation Net (-)	145.721	221.443	457.385	62.108	13.431	-	900.088
- Impairment (-)	-	-	-	-	-	-	-
Net Currency Translation from Foreign Subsidiaries	-	-	-	-	-	-	-
<b>Cost at Period End</b>	<b>14.542.981</b>	<b>4.160.723</b>	<b>4.069.379</b>	<b>695.201</b>	<b>292.227</b>	<b>-</b>	<b>23.760.511</b>
Accumulated Depreciation at Period End (-)	1.038.672	363.671	2.112.392	241.307	281.186	-	4.037.228
Impairment (-)	78	-	-	-	-	-	78
<b>Closing Net Book Value</b>	<b>13.504.231</b>	<b>3.797.052</b>	<b>1.956.987</b>	<b>453.894</b>	<b>11.041</b>	<b>-</b>	<b>19.723.205</b>

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2023

(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**

	Current Period	Prior Period
Cash and Balances at Central Bank	5.210	3.958
Banks and Receivables from Money Markets	2.690	1.783
Financial Assets Measured at Amortized Cost	40.457	21.499
Other assets	191.420	76.006
<b>Total</b>	<b>239.777</b>	<b>103.246</b>

**20. Explanation on Deferred Tax Asset**

The Bank calculates and reflects deferred tax in accordance with the provisions of “Income Taxes Standard” (“TAS 12”) for taxable temporary differences that arise between the book value of an asset or liability and its tax basis determined in accordance with the tax legislation. In the calculation of deferred tax, enacted tax rates valid as of the balance sheet date are used in accordance with the current tax legislation.

Deferred tax assets consisting of deductible temporary differences are calculated on the condition that it is highly probable to benefit from these differences by earning taxable profit in the future. Calculated deferred tax receivables and deferred tax liabilities are shown in the financial statements by netting.

As of 30 September 2023, deferred tax asset is TL 5.398.511 (31 December 2022: None).

**21. Information on Other Assets**

As of 30 September 2023, and 31 December 2022, other assets do not exceed 10% of the total assets excluding off-balance sheet commitments.

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2023

(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	188.022.084	-	22.843.968	170.074.844	367.267.633	16.311.365	43.384.442	132.581	808.036.917
Foreign Currency Deposits	415.932.098	-	158.312.952	170.158.643	40.893.443	26.410.315	72.737.320	17.596	884.462.367
Residents in Türkiye	309.251.390	-	154.653.262	139.373.580	26.250.247	10.100.544	24.393.338	13.542	664.035.903
Residents on Abroad.	106.680.708	-	3.659.690	30.785.063	14.643.196	16.309.771	48.343.982	4.054	220.426.464
Public Sector Deposits	37.770.174	-	84.192.562	19.518.318	1.530.762	58.440	7.613	-	143.077.869
Commercial Inst. Deposits	74.389.693	-	107.550.295	122.461.054	106.294.077	7.043.389	12.406.273	-	430.144.781
Other Inst. Deposits	8.710.360	-	4.524.485	37.567.088	5.213.435	420.738	361.235	-	56.797.341
Precious Metals Deposit	119.676.235	-	2.667.204	11.853.670	1.724.554	520.456	719.078	-	137.161.197
Interbank Deposits	8.393.612	-	87.586.734	10.972.996	7.453.394	7.765.483	63.246	-	122.235.465
The CBRT	3.787.893	-	-	-	-	-	-	-	3.787.893
Domestic Banks	522.517	-	84.385.481	-	-	-	-	-	84.907.998
Foreign Banks	3.112.793	-	696.881	10.972.996	7.453.394	7.765.483	63.246	-	30.064.793
Participation Banks	970.409	-	2.504.372	-	-	-	-	-	3.474.781
Other	-	-	-	-	-	-	-	-	-
<b>Total (*)</b>	<b>852.894.256</b>	<b>-</b>	<b>467.678.200</b>	<b>542.606.613</b>	<b>530.377.298</b>	<b>58.530.186</b>	<b>129.679.207</b>	<b>150.177</b>	<b>2.581.915.937</b>

(\*) As of 30 September 2023, the deposit balance includes TL 129.260.662 Treasury Currency Protected Deposit, TL 312.238.366 CBRT Currency Protected Deposit and TL 57.246.150 YUVAM Account 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	128.264.260	-	17.521.519	222.771.598	19.102.610	8.532.376	19.995.801	148.528	416.336.692
Foreign Currency Deposits	258.588.422	-	141.626.859	175.601.183	28.186.122	22.282.870	63.997.018	14.799	690.297.273
Residents in Türkiye	204.853.054	-	137.470.201	150.336.995	18.784.624	11.236.616	28.241.731	12.343	550.935.564
Residents on Abroad	53.735.368	-	4.156.658	25.264.188	9.401.498	11.046.254	35.755.287	2.456	139.361.709
Public Sector Deposits	19.931.009	-	101.367.318	10.148.460	797.037	727.651	7.615	-	132.979.090
Commercial Inst. Deposits	76.001.456	-	101.681.473	92.964.817	4.251.238	18.892.065	2.110.247	-	295.901.296
Other Inst. Deposits	5.337.693	-	5.502.521	17.896.309	3.320.224	67.784	319.228	-	32.443.759
Precious Metals Deposit	78.364.129	-	1.890.618	10.529.097	983.185	523.067	571.394	-	92.861.490
Interbank Deposits	8.296.037	-	42.960.484	8.245.071	-	18.488.125	459.543	-	78.449.260
The CBRT	2.711.406	-	-	-	-	-	-	-	2.711.406
Domestic Banks	375.551	-	39.786.877	-	-	-	402.578	-	40.565.006
Foreign Banks	2.394.674	-	312.061	8.245.071	-	18.488.125	56.965	-	29.496.896
Participation Banks	2.814.406	-	2.861.546	-	-	-	-	-	5.675.952
Other	-	-	-	-	-	-	-	-	-
<b>Total (*)</b>	<b>574.783.006</b>	<b>-</b>	<b>412.550.792</b>	<b>538.156.535</b>	<b>56.640.416</b>	<b>69.513.938</b>	<b>87.460.846</b>	<b>163.327</b>	<b>1.739.268.860</b>

(\*) As of 31 December 2022, the balance of the deposit includes TL 83.323.364 Treasury Currency Protected Deposit, TL 83.778.421 CBRT Currency Protected Deposit and TL 16.200.004 YUVAM Account Deposits.

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2023

(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>	379.453.851	217.359.340	427.452.328	197.898.374
Foreign Currency Saving Deposits <sup>(1)</sup>	279.827.308	158.452.416	366.191.214	344.415.016
Other Deposits in the form of Saving Deposits	-	-	-	-
Foreign Branches’ Deposits under the Guarantees of Foreign Authority Insurance <sup>(2)</sup>	7.715.169	5.057.008	3.716.198	2.838.629
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 3.751.992 and TL 76.955 respectively, cannot be decomposed by type and are therefore included in the table above (31 December 2022: TL 2.643.374 and TL 35.817).

Pursuant to the Regulation Amending the Regulation on Deposits and Participation Funds Subject to Insurance and Premiums to be Collected by the Savings Deposit Insurance Fund, published in the Official Gazette dated 27 August 2022 and numbered 31936, other than those belonging to official institutions, credit institutions and financial institutions in the presence of credit institutions; all deposit and participation funds are covered by insurance. In line with this change, commercial deposits amounting to TL 44.361.800 (31 December 2022: TL 26.393.503) within the scope of insurance are not included in the table. The portion of the said deposits exceeding the insurance limit is TL 941.644.466 (31 December 2022: TL 699.147.186).

Based on the Council of Minister’s decree dated 29 December 2003 and numbered 2003/6668, TL 386 (31 December 2022: TL 434) of demand deposits is not included in the above calculation, since the Bank paid the saving deposits amount attributable to T. İmar Bankası T.A.Ş.

##### 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
Foreign branches’ saving deposits and other accounts	16.349	12.805
Deposits and other accounts belonging to dominant partners as well as their fathers, mothers, spouses and children under their custody	-	-
Deposits and other accounts belonging to the chairman and members of the board of directors, general managers and deputy general managers as well as their fathers, mothers, spouses and children under their custody	35.938	51.853
Deposits and other accounts covered by assets generated through the offenses mentioned in Article 282 of the Turkish Penal Code No.5237 and dated 26 September 2004	-	-
Deposits in the banks to be engaged exclusively in offshore banking in Türkiye	-	-

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2023

(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	9.783	5.754	12.129	1.290
Swap Transactions	169.165	7.341.109	218.585	2.834.279
Futures Transactions	-	-	-	-
Options	-	183.603	-	89.836
Other	-	-	-	-
<b>Total</b>	<b>178.948</b>	<b>7.530.466</b>	<b>230.714</b>	<b>2.925.405</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	-	-	10.208.007	-
Domestic Banks and Institutions	373.236	11.391.262	199.280	13.050.361
Foreign Banks, Institutions and Funds	-	128.325.285	-	86.748.424
<b>Total</b>	<b>373.236</b>	<b>139.716.547</b>	<b>10.407.287</b>	<b>99.798.785</b>

###### 3.2. Information on Maturity Structure of Borrowings

	Current Period		Prior Period	
	TL	FC	TL	FC
Short-Term	372.425	9.158.837	10.406.512	6.285.936
Medium and Long-Term	811	130.557.710	775	93.512.849
<b>Total</b>	<b>373.236</b>	<b>139.716.547</b>	<b>10.407.287</b>	<b>99.798.785</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

77% 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>47.409.484</b>	<b>-</b>	<b>21.024.860</b>	<b>-</b>
Financial Institutions and Organizations	47.313.095	-	20.860.674	-
Other Institutions and Organizations	58.267	-	125.400	-
Real Person	38.122	-	38.786	-
<b>From Overseas Operations</b>	<b>-</b>	<b>79.427.004</b>	<b>-</b>	<b>64.037.829</b>
Financial Institutions and Organizations	-	79.427.004	-	40.090.932
Other Institutions and Organizations	-	-	-	23.946.897
Real Person	-	-	-	-
<b>Total</b>	<b>47.409.484</b>	<b>79.427.004</b>	<b>21.024.860</b>	<b>64.037.829</b>

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2023

(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	-	973.467	-	644.547
Asset-Backed Securities	-	-	-	-
Treasury Bonds	1.010.690	37.095.116	1.010.690	26.112.742
<b>Total</b>	<b>1.010.690</b>	<b>38.068.583</b>	<b>1.010.690</b>	<b>26.757.289</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

Information on lease liabilities represented in the table below.

	Current Period		Prior Period	
	Gross	Net	Gross	Net
Less than 1 Year	60.442	49.559	47.708	24.603
Between 1-4 Years	1.285.497	1.196.296	924.110	786.166
More than 4 Years	4.707.667	3.164.688	1.135.590	597.848
<b>Total</b>	<b>6.053.606</b>	<b>4.410.543</b>	<b>2.107.408</b>	<b>1.408.617</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 2022: 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 September 2023, unpaid vacation liability amounted to TL 801.200 and employment termination amounted to TL 6.492.558 are presented under the “Employee Benefits Provision” in the financial statements (31 December 2022 unpaid vacation liability amounted to TL 746.797 and employment termination amounted to TL 5.997.944 are presented under the “Employee Benefits Provision” in the financial statements).

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2023

(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 BRSA Accounting and Financial Reporting Legislation requirements, the Bank's management has free provisions amounting to TL 17.300.000, of which TL 28.300.000 has been reserved in previous periods and TL 11.000.000 has been cancelled in the current period. (31 December 2022: Except for the BRSA Accounting and Financial Reporting Legislation requirements, the Bank's management has set aside a free provision amounting to TL 28.300.000, of which TL 3.710.000 is in previous periods and TL 24.590.000 is in the current period).

Expected loss provisions for non-cash loans are TL 10.084.205 (31 December 2022: Expected loss provisions for non-cash loans are TL 9.108.014). The Bank has made a provision amounting to TL 164.400 for cases that are not yet finalized (31 December 2022: The Bank has made a provision amounting to TL 110.500 for cases that are not yet finalized). There is also other provisions amounting to TL 3.091.887 (31 December 2022: Other provisions amounting to TL 4.475.512).

##### 10. Explanations on Tax Liability

##### 10.1. Explanations on Current Tax Liability

##### 10.1.1. Information on Tax Provision

As of 30 September 2023, the remaining corporate tax liability after deducting temporary taxes paid for the period is TL 16.181.381 (As of 31 December 2022, the remaining corporate tax liability after deducting temporary taxes paid for the period is TL 5.909.763).

##### 10.1.2. Information on Current Taxes Payable

	Current Period	Prior Period
Corporate Tax Payable	16.181.381	5.909.763
Taxation on Income From Securities	1.289.518	527.578
Property Tax	7.839	5.640
Banking Insurance Transactions Tax (BITT)	1.561.167	785.989
Foreign Exchange Transactions Tax	42.915	39.653
Value Added Tax Payable	106.327	125.560
Other	290.878	272.208
<b>Total</b>	<b>19.480.025</b>	<b>7.666.391</b>

##### 10.1.3. Information on Premium Payables

	Current Period	Prior Period
Social Security Premiums Employee	250	120
Social Security Premiums - Employer	318	153
Bank Social Aid Pension Fund Premium - Employee	114.420	45.528
Bank Social Aid Pension Fund Premium - Employer	167.752	66.725
Pension Fund Membership Fees and Provisions - Employee	86	-
Pension Fund Membership Fees and Provisions - Employer	30	36
Unemployment Insurance - Employee	16.803	6.536
Unemployment Insurance - Employer	33.608	13.075
Other	-	-
<b>Total</b>	<b>333.267</b>	<b>132.173</b>

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2023

(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)

##### 10.2. Regarding Deferred Tax Debt, If Found

The Bank has no deferred tax liability (31 December 2022: TL 279.092).

##### 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	-	41.087.935	-	28.949.062
Subordinated loans	-	-	-	-
Subordinated debt instruments	-	41.087.935	-	28.949.062
Debt instruments to be included in contribution capital calculation	-	-	-	-
Subordinated loans	-	-	-	-
Subordinated debt instruments	-	-	-	-
<b>Total</b>	-	<b>41.087.935</b>	-	<b>28.949.062</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	84.600.000	34.900.000
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 84.600.000 was approved at the Extraordinary General Assembly meeting of the Bank held on 29 March 2023, and the capital increase and the related amendment made in the relevant article of the Articles of Association were registered on 30 March 2023. It was announced in the Trade Registry Gazette No. 10801 and dated 30 March 2023. The accounting for the mentioned capital increase was carried out on 30 March 2023, based on the permission obtained from the BRSA.

Increase Date	Increase Amount	Cash	Profit Reserves Subject to Increase	Capital Reserves Subject to Increase
30 March 2023	49.700.000	49.700.000	-	-

###### 13.4. Information on Share Capital Increases from Capital Reserves During 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.

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2023

(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)	20.748.639	(7.311.813)	21.648.593	(5.781.840)
Financial Assets at Fair Value Through Other Comprehensive Income	31.074.257	(26.919.236)	37.318.737	(19.802.258)
Foreign Exchange Difference	5.838.443	-	5.838.443	-
<b>Total</b>	<b>57.661.339</b>	<b>(34.231.049)</b>	<b>64.805.773</b>	<b>(25.584.098)</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	194.253.310	38.863.491
Subsidiaries and Associates Capital Contribution Commitments	13.908	150.000
Loan Granting Commitments	79.583.942	51.525.638
Commitments for Cheque Payments	18.454.202	10.117.968
Commitments for Credit Card Expenditure Limits	280.258.645	100.861.357
Promotion Campaigns Commitments Relating to Credit Card and Bank Services	256.791	162.372
Other Irrevocable Commitments	43.127.589	24.846.437
<b>Total</b>	<b>615.948.387</b>	<b>226.527.263</b>

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2023

(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 10.084.206 for expected credit losses arising from the off-balance sheet items in the current period (31 December 2022: TL 9.108.014).

##### 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	534.764.873	320.689.280
Letters of Credit	91.100.788	67.420.943
Bank Acceptances	12.109.335	12.202.745
Endorsements	47.636.263	14.341.683
<b>Total</b>	<b>685.611.259</b>	<b>414.654.651</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	333.392.874	197.592.777
Letters of Advance Guarantees	105.910.843	55.127.711
Letters of Temporary Guarantees	11.698.379	10.362.644
Letters of Guarantees Given to Customs Offices	3.988.666	4.308.628
Other Letters of Guarantees	79.774.111	53.297.520
<b>Total</b>	<b>534.764.873</b>	<b>320.689.280</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>64.435.450</b>	<b>42.693.247</b>
With Original Maturity of One Year or Less	30.313.181	24.259.594
With Original Maturity of More than One Year	34.122.269	18.433.653
<b>Other Non-Cash Loans</b>	<b>621.175.809</b>	<b>371.961.404</b>
<b>Total</b>	<b>685.611.259</b>	<b>414.654.651</b>

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2023

(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</b> <sup>(1)</sup>	<b>128.191.754</b>	<b>28.365.110</b>	<b>70.560.160</b>	<b>14.100.172</b>
Short Term Loans	52.086.563	3.839.098	25.859.570	1.536.700
Medium and Long Term Loans	74.946.989	24.526.012	43.380.081	12.563.472
Interest on Loans Under Follow-up	1.158.202	-	1.320.509	-
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	157.292	-	-	-
Domestic Banks	29.951	1.918.777	90.142	740.489
Foreign Banks	200.065	306.874	82.274	53.619
Headquarters and Branches Abroad	-	-	-	-
<b>Total</b>	<b>387.308</b>	<b>2.225.651</b>	<b>172.416</b>	<b>794.108</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	680.531	3.685	435.843	2.826
Financial Assets at Fair Value Through Other Comprehensive Income	42.705.510	11.861.473	37.286.603	7.418.698
Financial Assets Measured at Amortized Cost	32.893.688	2.429.290	15.297.052	1.487.279
<b>Total</b>	<b>76.279.729</b>	<b>14.294.448</b>	<b>53.019.498</b>	<b>8.908.803</b>

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2023

(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 (Continued)

##### 1.4. Information on Interest Income Received from Associates and Subsidiaries

	Current Period	Prior Period
Interest Income from Associates and Subsidiaries	414.848	194.053

##### 2. Interest Expense

##### 2.1. Information of Interest Expense on Borrowings

	Current Period		Prior Period	
	TL	FC	TL	FC
Banks <sup>(1)</sup>	307.501	6.402.916	163.194	1.680.890
Central Bank of the Republic of Türkiye	436	-	-	-
Domestic Banks	220.158	537.755	104.594	289.823
Foreign Banks	86.907	5.865.161	58.600	1.391.067
Foreign Headquarters and Branches Abroad	-	-	-	-
Other Institutions	-	-	-	-
<b>Total</b>	<b>307.501</b>	<b>6.402.916</b>	<b>163.194</b>	<b>1.680.890</b>

<sup>(1)</sup> Includes fee 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	361.032	108.591

##### 2.3. Information on Interest Expense Given on Securities Issued

	Current Period		Prior Period	
	TL	FC	TL	FC
Interest Expenses on Securities Issued	127.424	3.578.770	127.424	1.936.033

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2023

(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 Deposit					Cumulative Deposit	Total
		Up to 1 Month	Up to 3 Months	Up to 6 Months	Up to 1 Year	More Than 1 year		
TL								
Bank Deposit	-	5.610.578	-	-	-	-	-	5.610.578
Saving Deposit	-	2.791.102	26.582.459	36.923.675	1.430.643	2.976.370	8.594	70.712.843
Public Sector Deposit	98	11.035.411	2.468.818	94.318	22.044	625	-	13.621.314
Commercial Deposit	197	14.099.503	12.927.301	8.895.576	6.558.317	704.901	-	43.185.795
Other Deposit	-	1.064.866	4.547.670	483.167	23.698	41.607	-	6.161.008
Deposit with 7 Days Notification	-	-	-	-	-	-	-	-
<b>Total</b>	<b>295</b>	<b>34.601.460</b>	<b>46.526.248</b>	<b>46.396.736</b>	<b>8.034.702</b>	<b>3.723.503</b>	<b>8.594</b>	<b>139.291.538</b>
FC								
Foreign Currency Deposit	1.050	4.166.434	1.506.069	262.579	424.088	668.065	1	7.028.286
Bank Deposit	-	171.129	556.232	162.155	189.723	1.661	-	1.080.900
Deposit with 7 Days Notification	-	-	-	-	-	-	-	-
Precious Metal Deposits	-	7.929	40.191	4.885	1.874	2.464	-	57.343
<b>Total</b>	<b>1.050</b>	<b>4.345.492</b>	<b>2.102.492</b>	<b>429.619</b>	<b>615.685</b>	<b>672.190</b>	<b>1</b>	<b>8.166.529</b>
<b>Grand Total</b>	<b>1.345</b>	<b>38.946.952</b>	<b>48.628.740</b>	<b>46.826.355</b>	<b>8.650.387</b>	<b>4.395.693</b>	<b>8.595</b>	<b>147.458.067</b>

Prior Period	Demand Deposit	Time Deposit					Cumulative Deposit	Total
		Up to 1 Month	Up to 3 Months	Up to 6 Months	Up to 1 Year	More Than 1 year		
TL								
Bank Deposit	-	3.444.033	-	-	-	-	-	3.444.033
Saving Deposit	-	1.187.336	16.889.305	2.965.455	573.910	2.749.591	11.340	24.376.937
Public Sector Deposit	69	4.245.210	921.620	88.002	44.657	1.129	-	5.300.687
Commercial Deposit	96	3.601.348	2.488.328	1.592.176	2.796.033	78.373	-	10.556.354
Other Deposit	-	389.351	1.382.504	137.344	50.470	35.873	-	1.995.542
Deposit with 7 Days Notification	-	-	-	-	-	-	-	-
<b>Total</b>	<b>165</b>	<b>12.867.278</b>	<b>21.681.757</b>	<b>4.782.977</b>	<b>3.465.070</b>	<b>2.864.966</b>	<b>11.340</b>	<b>45.673.553</b>
FC								
Foreign Currency Deposit	1.711	1.212.644	1.593.930	159.057	81.551	213.024	1	3.261.918
Bank Deposit	21	33.240	27.811	-	43.915	44.379	-	149.366
Deposit with 7 Days Notification	-	-	-	-	-	-	-	-
Precious Metal Deposits	-	5.376	33.982	3.037	1.647	1.737	-	45.779
<b>Total</b>	<b>1.732</b>	<b>1.251.260</b>	<b>1.655.723</b>	<b>162.094</b>	<b>127.113</b>	<b>259.140</b>	<b>1</b>	<b>3.457.063</b>
<b>Grand Total</b>	<b>1.897</b>	<b>14.118.538</b>	<b>23.337.480</b>	<b>4.945.071</b>	<b>3.592.183</b>	<b>3.124.106</b>	<b>11.341</b>	<b>49.130.616</b>

##### 3. Explanations on Trading Profit/Loss (Net)

	Current Period	Prior Period
<b>Profit</b>	<b>475.101.175</b>	<b>314.617.479</b>
Trading Gains on Securities	3.906.733	1.343.515
Gains on Derivative Financial Transactions	13.157.583	8.593.902
Foreign Exchange Profits	458.036.859	304.680.062
<b>Loss (-)</b>	<b>449.990.813</b>	<b>313.613.138</b>
Trading Losses on Securities	117.888	263.713
Losses on Derivative Financial Instruments	19.908.376	14.894.401
Foreign Exchange Loss	429.964.549	298.455.024

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2023

(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 23.929.989 and income from sales of assets amounting to TL 1.540.650 (30 September 2022: Significant proportion of other operating income consists of reversals from prior period provisions amounting to TL 3.920.586 and income from sales of assets amounting to TL 512.237).

##### 5. Expected Credit Loss and Other Provision Expense

	Current Period	Prior Period
Expected Credit Loss Provisions	25.456.693	13.185.555
12 Month Expected Credit Loss (Stage 1)	4.125.353	1.533.142
Significant Increase in Credit Risk (Stage 2)	17.383.073	8.493.185
Non-Performing Loans (Stage 3)	3.948.267	3.159.228
Marketable Securities Impairment Expense	760	2.863.213
Financial Assets at Fair Value through Profit or Loss	-	-
Financial Assets at Fair Value Through Other Comprehensive Income	760	2.863.213
Subsidiaries, Associates and Entities Under Common Control Impairment Provision	-	-
Associates	-	-
Subsidiaries	-	-
Entities Under Common Control	-	-
Other	96.660	24.639.920
<b>Total</b>	<b>25.554.113</b>	<b>40.688.688</b>

##### 6. Information Related to Other Operating Expenses

	Current Period	Prior Period
Reserve for Employee Termination Benefits	494.613	495.218
Bank Social Aid Fund Deficit Provision	-	-
Impairment Expenses of Tangible Assets	-	100
Depreciation Expenses of Tangible Assets	1.164.915	454.882
Impairment Expenses of Intangible Assets	-	-
Goodwill Impairment Expense	-	-
Amortization Expenses of Intangible Assets	221.052	137.429
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	18.345.258	4.982.974
Leasing Expenses Related to TFRS 16 Exceptions	128.332	75.220
Maintenance Expenses	1.457.697	244.242
Advertisement Expenses	545.862	266.906
Other Expenses	16.213.367	4.396.606
Loss on Sales of Assets	2.766	1.915
Other <sup>(1)</sup>	29.520.408	4.358.744
<b>Total</b>	<b>49.749.012</b>	<b>10.431.262</b>

<sup>(1)</sup> TL 3.763.189 is from Savings Deposit Insurance Fund rediscount expenses, TL 4.067.027 is from taxes, duties and fees, and TL 20.000.000 is from donations made to AFAD due to the earthquake disaster in Kahramanmaraş and surrounding provinces in February. (30 December 2022: TL 1.916.480 consists of Savings Deposit Insurance Fund rediscount expenses, TL 1.555.011 consists of taxes, duties and fees).

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2023

(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:

	Current Period	Prior Period
Net Interest Income	85.203.716	81.430.733
Net Fees and Commissions Income	20.252.533	8.741.114
Other Operating Income	28.573.040	6.125.010
Dividend Income	331.470	246.239
Trading Profit/Loss (Net)	25.110.362	1.004.341
Personnel Expenses (-)	15.606.735	6.483.239
Expected Credit Loss (-)	25.456.693	13.185.555
Other Provision Expenses (-)	97.420	27.503.133
Other Operating Expenses (-)	49.749.012	10.431.262
<b>Profit / (Loss) From Continuing Operations</b>	<b>68.561.261</b>	<b>39.944.248</b>

##### 8. Information on Tax Provision for Continued and Discontinued Operations

As of 30 September 2023, TL 13.424.634 of the Bank’s total tax provision expense amounting to TL 16.246.311 consists of current tax expense while remaining balances amounting to TL 2.821.677 consists of deferred tax income. (As of 30 September 2022, TL 15.111.602 of the Bank’s total tax provision expense amounting to TL 24.367.735 consists of current tax expense while remaining balances amounting to TL 9.256.133 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 55.136.627 (30 September 2022: TL 24.832.646).

##### 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.

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2023

(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	5.664.719	6.688.146	-	-	-	-
Ending Balance	8.026.728	14.175.715	-	-	-	-
Interest and Commissions Income	414.848	1.023	-	-	-	-

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	4.147.452	8.985.638	-	-	-	-
Ending Balance	5.664.719	6.688.146	-	-	-	-
Interest and Commissions Income	194.053	635	-	-	-	-

###### 1.2. Information on Deposits 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	
	Current Period	Prior Period	Current Period	Prior Period	Current Period	Prior Period
<b>Deposits</b>						
Beginning Balance	7.116.434	3.495.970	-	-	-	-
Ending Balance	9.054.307	7.116.434	-	-	-	-
Interest Expense on Deposits	361.032	108.591	-	-	-	-

###### 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	217.368	489.081	-	-	-	-
Ending Balance	76.021	217.368	-	-	-	-
Total Profit/Loss	(64.764)	(15.052)	-	-	-	-
<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 35.524 (30 September 2022: TL 18.234).

#### VI. EXPLANATIONS AND NOTES RELATED TO SUBSEQUENT EVENTS

None.

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

**NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS  
AS OF 30 SEPTEMBER 2023**

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

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**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 September 2023 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 10 November 2023 is presented preceding the unconsolidated financial statements.

**II. EXPLANATIONS AND NOTES PREPARED BY THE INDEPENDENT AUDITORS**

None.

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2023

(Unless otherwise stated amounts are expressed in Turkish Lira (TL) Full.)

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### SECTION SEVEN

#### EXPLANATION ON INTERIM ACTIVITY REPORT

##### I. CHAIRMAN'S ASSESSMENT

In the third quarter of 2023, continuing global monetary tightening practices, making progress, albeit limited, in the fight against inflation, slowing down in economic activity, continuing downward risks to the global growth outlook and geopolitical risks were the issues on the agenda.

Following the tightening monetary policies, including interest rate increases, implemented by central banks globally to reduce inflationary pressures, the tightening in financial conditions and the slowdown in global economic activity continue. Although there were some decreasing activity in many countries, it was observed that inflation continued to remain above the long-term averages and the targets of central banks. In this context, central banks in many countries have given guidance that they will keep policy rates at levels that will maintain the tightness of the monetary stance for a long time. In addition, it has been observed that the peak of monetary tightening cycles is approaching in many countries and expectations for additional tightening in limited amounts have gained weight. The increase in oil prices and developments regarding the Grain Corridor Agreement highlighted concerns that inflationary pressures on oil and food prices may be effective for a longer time and that central banks may take even stronger measures.

While private consumption expenditures supported growth in the USA, with the support of the tight labour market, economic activity was quite weak in the Eurozone economy. The decline in industrial production and retail sales continued, especially in Germany, which is the largest economy of Europe with its manufacturing industry and export-oriented structure. In China, which is the largest developing economy in the world, a significant slowdown was observed in the second quarter due to the slowdown in the global economy as well as the debt problems in the real estate sector, and then a recovery above expectations was observed in the third quarter of the year with monetary and fiscal loosening steps.

In the second quarter of this year, the Turkish economy grew above expectations, with the support of investments, especially private and public consumption, despite the slowdown in the global economy, the weakening in many of our main export markets and the ongoing negative effects of the earthquakes in our country. The Turkish economy has maintained its annual growth performance for 12 consecutive quarters since the second quarter of 2020, when epidemic measures were implemented. In particular, the contribution of the investments, which is of key importance in increasing the production capacity of the economy, to growth in the second quarter came to the fore.

In the third quarter of the year, the fight against inflation was continued with determination by using coordinated monetary and fiscal policies effectively by the economic management, and reducing inflation to single-digit levels in the medium term and ensuring price stability were emphasized as the first priority. It was stated that financial stability was also targeted in addition to price stability. It was emphasized that while the process of fighting inflation continues, the priority will be to ensure that growth has a balanced and sustainable structure, and to direct resources to areas that create the most added value in a way that will increase investment, production, exports and employment rather than consumption. In this context, gradual interest rate increases were made in monetary policy and macroprudential regulations were simplified. In addition to interest rate increases, selective credit and quantitative tightening decisions continued to be taken to support the monetary tightening process. Tourism revenues, on the other hand, maintained their strong course despite the negative effects of geopolitical risks and continued to contribute significantly to the current account balance.

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

## **NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2023**

(Unless otherwise stated amounts are expressed in Turkish Lira (TL) Full.)

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### **EXPLANATION ON INTERIM ACTIVITY REPORT (Continued)**

#### **I. CHAIRMAN'S ASSESSMENT (Continued)**

The positive effects of the new economic policies implemented in the third quarter began to be seen quickly in many areas. In this context, with the combination of effective and determined economic policy, international rating agencies made positive evaluations about the Turkish Economy and increased the credit rating outlook from "negative" to "stable". While the CDS risk premium was around 500 basis points in early July it fell below the 400 basis point level in September reaching the lowest levels since September 2021. In addition, while there were increases in portfolio investment inflows from foreign residents, there were significant increases in the CBRT's gross and net reserves.

We continue our activities to contribute to the development of our country within the framework of global and domestic developments and the monetary and fiscal policies implemented. In order to provide higher added value to our economy with the resources we provide domestically and abroad, we prioritize the fields of production, investment, employment, current account balance and agriculture and finance the real sector mainly. While we continue our banking activities effectively at all our service points at home and abroad, we also continue our investments in digitalization with an increasing pace. As Ziraat Bank, which celebrates its 160th anniversary in 2023, when we celebrate the 100th anniversary of our Republic, I would like to thank all of our stakeholders including current and prior employees, customers and business partners who have supported us to be "More than a Bank" from our deep-rooted past and today.

**Burhaneddin TANYERİ**  
**Chairman of the Board**

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2023

(Unless otherwise stated amounts are expressed in Turkish Lira (TL) Full.)

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### EXPLANATION ON INTERIM ACTIVITY REPORT (Continued)

#### II. ASSESSMENT OF GENERAL MANAGER

In recent years, we have seen an ongoing high inflation environment globally and tightening monetary policy practices as a solution to this. In an environment where geopolitical risks are increasing, all countries are trying to solve the inflation problem while also trying to maintain growth. Financial stability concerns may also be encountered during the volatile and difficult process.

Our country is also affected by the developments on a global scale, while the economic management prioritizes price stability, it also aims to establish a structure that aims at financial stability and will ensure balanced and sustainable growth by directing funds to areas that create the most added value to increase investment, production, exports and employment rather than consumption is working.

Banks, which are one of the basic elements of this structure, continue their activities for the healthy growth of our economy within the framework of the decisions and regulations of the economic management.

Ziraat Bankası maintains its position as the leading bank in the sector with its asset size reaching TL 3.4 trillion, an increase of approximately 46% in the first 9 months of 2023. In order for this size to provide more added value to the economy, it creates its balance sheet in a credit-oriented structure and provides its loans by giving priority to the financing of agriculture, investment, exports and production.

Our cash loan size increased by 48% in this period, reaching TL 1.9 trillion, and our total loans including non-cash loans reached 2.6 trillion. 72% of our loans consist of TL loans and we achieve growth with TL loans. 80% of the increase in our TL loans in 2023 consisted of loans extended to the real sector. Agriculture and manufacturing were the leading sectors in the growth in loans extended to the real sector. Thus, by using the funds we provide domestically and abroad effectively, sectors that are of strategic importance for our country and will provide more added value have been prioritized.

The agricultural sector is considered the most important and strategic sector for our Bank, and our agricultural loans reached TL 395 billion with an increase of 71% in the first 9 months. We continue our efforts to increase the added value of agriculture within the framework of our practices that offer solutions in all areas of agriculture, provide widespread, sustainable and accessible financing with low-interest loans, carry out effective customer management with restructurings, when necessary, support agricultural investments and mechanization, diversified products and coordinated work with the stakeholders of agriculture. Thus, we support increasing the contribution of agriculture to price stability, growth of our economy, employment and current account balance.

Deposits, which are the main source of funding, increased by 48% in this period. Improving the TL-weighted and granular structure of deposits continues to be among our goals. In addition to deposits, we attach particular importance to sourcing resources from abroad. In 2023, a significant number of funds were provided from abroad through Eurobond issuance, syndication, DPR, post financing, FX repo and bilateral agreements, and we continue our work within this framework without slowing down.

We continue to meet different financial needs end-to-end and in the most appropriate way within the framework of our product diversity, through our digital banking applications as well as our domestic and international network. In order to enable access to financial services anywhere and anytime and to do so effectively, we continue our investments in branch banking, digital banking, our subsidiaries offering different financial solutions in the country and our subsidiary banks and branches in various countries abroad.

Providing services with a large variety of transactions in digital channels, our Bank is the industry leader in this field with more than 21.5 million active digital banking customers. Recently, we are one of the first banks in the sector to implement remote customer acquisition of legal entities, as well as open banking applications. We offer value propositions to our customers in the retail and SME segments in the field of platform banking with our ecosystem applications such as Ziraat Süper Platform and Z-Transformation.

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

## **NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2023**

(Unless otherwise stated amounts are expressed in Turkish Lira (TL) Full.)

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### **EXPLANATION ON INTERIM ACTIVITY REPORT (Continued)**

#### **II. ASSESSMENT OF GENERAL MANAGER (Continued)**

Süper Şube, our new service model that carries out all banking transactions of our retail customers with simple, reliable and fast digital flows through centrally located portfolio managers, has acquired 650 thousand customers in a very short time and is growing quickly and efficiently.

We have received establishment permission from BRSA for our digital bank, Ziraat Dinamik Banka, and we have moved on to the operating permit stage. Establishment permission has been received from the CBRT for Ziraat Pay, which will operate in the field of financial technology, payment and e-money, and we have reached the final stage for the operating permit. Both of our subsidiaries will add new excitement to the Ziraat Finance Group as of next year, with new customer acquisitions and the added value they will provide, in preparation for the financial world of the future.

We continue our investments in card systems and continue to develop and increase our market share in this field. Recently, we have focused on digital-based derivatives of card systems and the specific needs of all our customer segments. Our main goal in this field is; To support the development of the registered economy by benefiting from the advantages of the advantages of cashless life and to facilitate access to fast and advantageous financial services for all our customers.

We are celebrating the 100th anniversary of our Republic in 2023. Ziraat Bankası, which operates with a responsible banking approach as the leading bank of our country with the principle of "More than a Bank" and will celebrate its 160th anniversary this year, will continue its activities within the framework of the same principles in the coming periods to provide more support to the development of our country.

**Alpaslan ÇAKAR**  
**Member of the Board and CEO**

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2023

(Unless otherwise stated amounts are expressed in Turkish Lira (TL) Full.)

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### EXPLANATION ON INTERIM ACTIVITY REPORT (Continued)

#### III. CORPORATE PROFILE

Since its establishment in 1863, Ziraat Bank has made significant advances in fundamental issues such as business style, product variety and service approach, in line with its strategy built on the principles of multifaceted efficiency and effectiveness.

The Bank, which produces effective financial solutions to meet all financial needs of particularly the farmers, the tradesman, the businessperson, the industrialist, the entrepreneurs, the pensioners and the employees, 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;

- 1.770 domestic and foreign branch,
- 25.719 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 Bankası A.Ş. is TL 84.600.000.000 The Bank's sole shareholder is Türkiye 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.

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2023

(Unless otherwise stated amounts are expressed in Turkish Lira (TL) Full.)

### EXPLANATION ON INTERIM ACTIVITY REPORT (Continued)

#### V. AMENDMENTS TO THE ARTICLES OF ASSOCIATION IN 2023

The decision to increase the capital to TL 84.600.000.000 was approved at the Bank's Extraordinary General Assembly meeting held on March 29, 2023. It was announced in the Trade Registry Gazette No. 10801. The accounting for the mentioned capital increase was carried out on 30 March 2023, based on the permission obtained from the BRSA. In this framework, the relevant article of the Articles of Association has been updated as indicated below.

Former Version of Article 6: The Bank's capital is 34.900.000.000 Turkish Lira, all of which belong to the Türkiye Wealth Fund. The capital is divided into 34.900.000.000 registered shares, each with a nominal value of 1 Turkish Lira. The former capital of 13.100.000.000 Turkish Lira has been fully paid. This time, the capital increased by 21.800.000.000 Turkish Liras has been committed in cash and free from collusion and has been fully paid before the registration date.

New Version of Article 6: The capital of the Bank is 84.600.000.000 Turkish Lira. All of the capital is owned by the Türkiye Wealth Fund. The capital was divided into 84.600.000.000 registered nominative shares with a value of 1 Turkish Lira each. The Bank's former capital of 34.900.000.000 Turkish Lira was paid up. This time, the increased amount of 49.700.000.000 Turkish Lira was committed as cash and without collusion and was paid up before the registration date.

#### VI. MAIN FINANCIAL INDICATORS

<b>ASSETS (TL Million)</b>	<b>30.09.2023</b>	<b>31.12.2022</b>
Cash and Cash Equivalents	519.182	391.244
Securities Portfolio	886.295	588.320
Cash Loans (Gross)	1.872.911	1.266.351
Other Assets	84.995	65.750
<b>Total Assets</b>	<b>3.363.383</b>	<b>2.311.665</b>
<b>LIABILITIES (TL Million)</b>	<b>30.09.2023</b>	<b>31.12.2022</b>
Deposits	2.581.916	1.739.269
Non-deposits Funds	347.093	251.986
Other Liabilities	143.008	117.930
Shareholders' Equity	291.366	202.480
<b>Total Liabilities</b>	<b>3.363.383</b>	<b>2.311.665</b>
<b>SUMMARY OF PROFIT OR LOSS TABLE (TL Million)</b>	<b>30.09.2023</b>	<b>30.09.2022</b>
Net Interest Income	85.204	81.431
Net Fees and Commission Income	20.253	8.741
Other Operations Income	28.573	6.125
Other Operations Expense	49.749	10.431
Allowance for Expected Credit Losses	25.457	13.186
<b>Net Profit/Losses</b>	<b>55.137</b>	<b>24.833</b>
<b>RATIOS (%)</b>	<b>30.09.2023</b>	<b>31.12.2022</b>
Capital Adequacy Ratio	15,93	16,53
Equity / Total Assets	8,7	8,8
Cash Loans (Gross) / Total Assets	55,7	54,8
Loans under follow-up (Gross) / Total Loans	0,8	1,1
Liquid Assets / Total Assets	15,4	16,9

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2023

(Unless otherwise stated amounts are expressed in Turkish Lira (TL) Full.)

### EXPLANATION ON INTERIM ACTIVITY REPORT (Continued)

#### VII. 2023 III. INTERIM PERIOD OPERATIONS

##### Credit Rating Agencies

International credit rating agency Fitch Ratings affirmed Türkiye's long-term credit rating at "B" level on September 08, 2023; updated the outlook from “negative” to “stable.” Then, on September 25, 2023, the Agency affirmed all of Ziraat Bank's ratings and revised outlooks from “negative” to “stable.”

As of 30 September 2023, the credit ratings of the Bank are as follows:

Credit Rating Agency	Category	Rating Note	Date
Fitch Ratings	FC Long Term IDR	B-	September 2023
	Outlook	Stable	
	FC Short Term IDR	B	
	TL Long Term IDR	B	
	Outlook	Stable	
	TL Short Term IDR	B	
	National Long Term	AA (tur)	
	Outlook	Stable	
	Government Support	Ns	
Viability Rating	b-		
Moody's	Outlook	Stable	August 2022
	Long Term Deposit- FC	B3	
	Short Term Deposit –FC	Not-Prime	
	Long Term Deposit- TL	B3	
	Short Term Deposit- TL	Not-Prime	
	Long Term Issuer- FC	B3	
	Long Term Issuer- TL	B3	
	Baseline Credit Assessment	caa1	
Adjusted Baseline Credit Assessment	caa1		
JCR Eurasia	Long Term International FC	BB	January 2023
	Outlook	Negative	
	Long Term International TL	BB	
	Outlook	Negative	
	Long Term National	AAA (Tr)	
	Outlook	Stable	
	Short Term International	J1+(tr)	
Outlook	Stable		

##### Bonds Issuance in Global Markets

With the bond issuance of 500 million USD with a maturity of 3,5 years made by the Bank in the first quarter of the year, the Bank's total Eurobond issuance outstanding as of the third quarter of 2023 is 1,1 billion dollars.

In the third quarter of 2023, foreign resources continued to be provided through issuances in the form of private placement within the GMTN (Global Medium-Term Notes) program. As of September 2023, the total issuances made through private placement are around 90 million dollars.

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2023

(Unless otherwise stated amounts are expressed in Turkish Lira (TL) Full.)

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### EXPLANATION ON INTERIM ACTIVITY REPORT (Continued)

#### VII. 2023 III. INTERIM PERIOD OPERATIONS (Continued)

##### **Financing of Agriculture Sector**

Ziraat Bank, while continue to provide financial support to the agricultural sector, they also develop projects aimed at solving the structural problems of the sector and facilitating access to finance. They have been working with authorized 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.

##### ***TL 394,7 billion loan from Bank funds to finance the agricultural sector***

In 2023, the Bank provided TL 271,2 billion in loans to approximately 703 thousand customers for the financing of the agricultural sector, adding more than 93 thousand new customers to the portfolio.

The balance of agricultural loans extended from bank resources reached TL 394,7 billion as of the end of the third quarter of 2023, and the number of ago loan customers exceeded 866 thousand.

When evaluated as a whole, the sum of the loans extended by Ziraat Bank from its own resources for the financing of the agricultural sector and the fund-based loans it mediated reached TL 396,8 billion as of the third quarter of 2023, and the number of customers on loans reached over 940 thousand.

In 2023, TL 207,1 billion of interest-reduced (subsidized) loans were extended to approximately 563 thousand producers and companies operating in the agricultural sector.

At the end of October 2022, increasing the scale of enterprises operating in cattle dairy farming with qualified animal breeds, diversifying the financial solution alternatives of small enterprises, bringing idle operating capacities into production, increasing the demand for domestically born female animals, on the one hand, excess capacity in existing dairy farms. While creating a market for female animals, the “I Have Many Reasons to Live in My Village-Cattle Livestock Project” was put into practice for producers operating in cattle dairy farming, within the scope of supporting efforts to reduce animal imports. Protocols continue to be signed between the Central Unions/Headquarters of agricultural producer organizations that will cooperate within the scope of the project and the Bank; By the end of the third quarter of 2023, the number of producers reached 379 and the loan amount extended to TL 177 million.

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2023

(Unless otherwise stated amounts are expressed in Turkish Lira (TL) Full.)

### EXPLANATIONS ON INTERIM ACTIVITY REPORT (Continued)

#### VIII. OTHER IMPORTANT ACTIVITIES

With the structure of “Customer Oriented Foreign Trade Operation”, the share of the bank in the country's foreign trade volume was 15.46% as of 30 September 2023.

Definitive is a payment method introduced in the second quarter of 2023, where Corporate, Commercial and Retail customers can create future-dated orders for their debts under the guarantee of Ziraat Bank, in cash or in flexible installments, partially or completely transfer the orders to third parties, and convert the orders they have received into cash before their due dates. As of the third quarter of 2023, the total amount of orders in the payment product reached more than 17 thousand orders and an order amount of TL 9 billion.

As of the third quarter of 2023, the number of companies defined in Kolay Kasa product, which is a cash management service that enables stores, branches or dealers to deposit their cash generated during the day directly from ATMs to the company's main account free of charge, without the need for any intermediary, is 2.901, and the number of sub-companies. 12.915 and the transaction volume was TL 563,8 million.

#### *Bankkart Brand is growing*

As of the third quarter of 2023, the number of credit cards of the bank was 12,13 million, the market share of credit cards was 10.76% and the monthly turnover market share was approximately 11.18%. It is anticipated that this development will continue in the medium and long term. The number of debit cards exceeded 47 million and the sector leadership continued with a 22.97% monthly shopping turnover market share.

As of the third quarter of 2023, the number of member workplaces of the Bank is over 1.1 million and the total number of physical terminals is over 728 thousand. The total turnover of the member merchants in the third quarter is over TL 406 billion, and the turnover market share of the Bank in September 2023 was approximately 16.3%. With the rapid expansion of the card and member merchant network, the Bankkart brand's journey towards leadership continues, and the Bank's efforts to expand the card systems market continue.

#### *Sponsorship & Advertising Activities*

The sponsorship support of the Bank to Ziraat Bank Sports Club, which rejoiced the Ziraat Finance Group by winning its third championship in a row in Efeler League with the sponsorship of the Bank and the great support of its employees, will continue in the 2023-2024 season.

Royalty sponsorship of the Bank for Ziraat Türkiye Cup which the bank has been supporting for contributing to Turkish football, continues in the 2023-2024 season. Royalty sponsorship of the Bank for Ziraat Türkiye Cup has continued for 15 years along with this season.

#### *Supporting art is a tradition at Ziraat Bank*

Ziraat Bank, which has integrated the importance of art and artists with the slogan "For Art, Within Art" since its establishment, continues to engage in various activities in various branches of art. Ziraat Bank continues its support for art with Kuğulu, Tünel and Çukurambar Art Galleries.

Ankara Kuğulu Art Gallery, which closed the 2022-2023 season in June, opened the 2023-2024 exhibition season on September 25 with the "Faruk Çelik painting exhibition". The exhibition will continue until October 20, 2023. Approximately 95 people visited the gallery in the third interim period.

Çukurambar Art Gallery, The Painting Exhibition of Hacettepe University Faculty of Fine Arts Painting Department Faculty Members, which opened on July 7, 2023, ended on September 4, 2023. The Zeliha Akçaoğlu exhibition, which opened on September 8, will continue until November 6, 2023. Approximately 4 thousand people visited the gallery in the third quarter of 2023.

State Theatres Ziraat Stage, which was implemented in cooperation with the Bank and the General Directorate of State Theaters, is also at the service of theatre lovers.

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2023

(Unless otherwise stated amounts are expressed in Turkish Lira (TL) Full.)

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### EXPLANATIONS ON INTERIM ACTIVITY REPORT (Continued)

#### VIII. OTHER IMPORTANT ACTIVITIES (Continued)

##### *The First Banking Museum*

Ziraat Bank Museum, where the deep-rooted history of Ziraat Bank, which witnessed almost every stage of the Republic, is exhibited, is Türkiye's first banking museum.

The museum was visited by 4.685 people in the third quarter of 2023.

Aiming to further increase its support for art and artists, Ziraat Bank opened the "Ziraat Bank Izmir Art Museum" to art lovers in its historical building in Alsancak, Izmir, on September 12, 2023. The museum, which is the first art museum opened by a bank, hosts many important works from the Ziraat Bank's Art Collection.

##### *Istanbul Finance Center Ziraat Towers Art Gallery*

Ziraat Bank, which always stands by art and artists, has started intensive work to open the Ziraat Towers Art Gallery in the Istanbul Finance Center in order to add a new one to the breakthroughs it has made for the advancement of art activities in our country. The gallery, which will be opened to visitors on the 100th anniversary of the Republic with the exhibition "One Hundred Years of Banking in Türkiye", is in full speed.

##### *Digital Platforms and Field Research*

Ziraat Bank's corporate website, ziraatbank.com.tr, has features like user-friendly menus that provide easy access to content, the most up-to-date financial data, campaigns, announcements, products, and calculation tools. In addition, Ziraat Assistant chatbot application provides easy access to Ziraat Bank services and functions, and the functionality of our corporate website is increased by integrating the innovations brought by technology into the website.

In order to meet the demands and expectations of customers in the best way possible, to inform about the Bank's products and services, and to keep customer satisfaction at the highest level, it maintained its position as the most effective bank in the sector in social media channels. With 2.2 million likes and followers on its Facebook page as of 2023, over 459 thousand followers on Twitter, over 249 thousand followers on Instagram, as well as over 84 million YouTube views and shares on other platforms, the Bank's effectiveness in social media is increasing day by day.

Additionally, as of the third quarter, the Bank's number of digital customers reached approximately 33.6 million and the number of active digital customers reached approximately 21.5 million.

##### *Other Activities*

The Bank participated in the 16th Çorlu Tarımtech Agriculture and Livestock Fair held in Tekirdağ between 31 July and 5 August, the Gediz Agricultural Livestock Machinery Technologies and Feed Fair held in Kütahya between 4-7 September and 26-30 September. participated in the Tokat Agricultural Fair.