



DEVELOPMENT
INVESTMENT
BANK OF TÜRKİYE



Investor Presentation

2024 Q4



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DEVELOPMENT
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1. Executive Summary



DEEP ROOTED PAST

Development and Investment Bank of Türkiye is the half century old bank of our hundred year old Republic.



THE MISSION HOLDER BANK

TKYB, a public development institution, works with the mission of supporting Türkiye's development and sustainable growth.



INVESTMENT BANKING

In 2018, TKYB was structured to operate in the field of investment banking in addition to its role in development banking.



TÜRKİYE DEVELOPMENT FUND

Türkiye Development Fund makes direct and indirect investments in domestic and international funds, as well as funds focused on regional development, technology and innovation and risk capital under its management.



STRONG COLLABORATIONS

Our bank maintains long-term relationships with many prestigious institutions such as the World Bank, KFW, EIB, CEB, JBIC, AIIB; It is also one of the founding signatories of the UN Environment Program Finance Initiative Principles for Responsible Banking.



Development Banking

- Project Finance & Corporate Loans
 - Industrial Investments
 - Renewable Energy Investments
 - Energy & Resource Efficiency Investments
 - Environmental Investments
 - Tourism, Education and Health Investments
 - Wholesale Banking (APEX)
- Grant Programs and COMCEC Project Finance Program

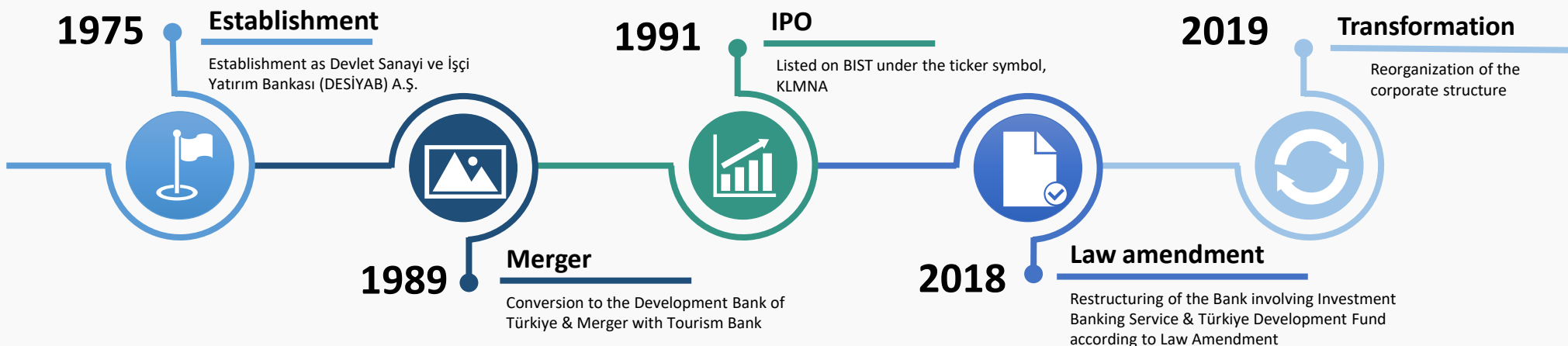
Investment Banking

- Merger & Acquisition Advisory
- Capital Markets Advisory
- Financial Advisory
- Debt Restructuring Advisory

Türkiye Development Fund

- Conversion of Public Resources into Capital Investments Focused on Country Development
 - Private Equity Fund Investments
 - Venture Capital Investments
 - Investments of Fund of Funds

Deep rooted Bank growing in line with Türkiye's objectives for sustainable development



| | 2021 | 2022 | 2023 | 2024 |
|--|-------|------------|------------|------------|
| FITCH RATING | BB- | B- | B | BB- |
| CORPORATE GOVERNANCE RATING SCORE | - | 9,32/10,00 | 9,40/10,00 | 9,52/10,00 |
| SUSTAINALYTICS RATING | - | (Low Risk) | (Low Risk) | (Low Risk) |
| TOTAL ASSETS (bn TRY) | 48,4 | 91,6 | 134,8 | 153,6 |
| TOTAL LOANS (bn TRY) | 37,5 | 60,3 | 84,2 | 94,8 |
| TOTAL EQUITY (bn TRY) | 4,5 | 6,8 | 10,9 | 20,0 |
| NET BANKING INCOME (bn TRY) | 1,5 | 3,0 | 6,5 | 9,9 |
| NET INTEREST MARGIN (%) | 3,9% | 4,1% | 6,5% | 7,7% |
| RETURN ON ASSETS (%) | 2,4% | 2,4% | 3,6% | 4,3% |
| RETURN ON EQUITY (%) | 20,2% | 31,1% | 45,7% | 38,2% |
| LOAN / ASSET RATIO (%) | 77,5% | 65,9% | 62,4% | 61,7% |
| NPL RATIO (%) | 2,3% | 1,5% | 1,0% | 0,8% |
| NPL COVERAGE RATIO (%) | 61,8% | 63,5% | 62,4% | 78,7% |
| TOTAL CAR (%) | 14,3% | 16,7% | 16,9% | 18,0% |

Key Financial Highlights

Million TRY

153,596
Asset Size

94,813
Loans

108,285
Funds
Borrowed

19,997
Equity

6,168
Net Profit

Development Banking

In the 2023-2024 period, financing agreements on different themes were signed with development finance institutions and support to the earthquake zone was prioritized. In addition, loan disbursements within the scope of the Central Bank of Türkiye Investment Support TRY Loan and KGF Loan continued.

| | | | | | | | |
|---|--|--|---|---|---|---|--|
| <p>World Bank Industrial Emission Reduction USD 200 million & EUR 200 million Loan (IBRD) April 2024</p> | <p>World Bank Distributed Solar and Energy Storage EUR 300 million Loan (IBRD) USD 15 million Loan (CTF) USD 1,5 million Grant (ESMAP) May 2024</p> | <p>kfW Climate Finance EUR 100 million Loan EUR 10 million Grant April 2023</p> | <p>Japan Bank for International Cooperation (JBIC) Green IV Financing USD 200 million Loan December 2023</p> | <p>Islamic Development Bank Earthquake Zone Food Security Financing USD 100 million Loan December 2023</p> | <p>OPEC Fund for International Development (OFID) Food security USD 50 million Loan March 2024</p> | <p>Islamic Trade Finance Corporation (ITFC) Murabaha Financing agreement USD 100 million August 2024</p> | <p>BSTB Earthquake Zone Financing EUR 5 million Loan September 2023</p> |
|---|--|--|---|---|---|---|--|

Investment Banking

Our strong activities in the field of investment banking continued in 2024.

| | | |
|--|--|---|
| <p>IPO</p> <p>Oba Makarna TRY 3,78 billion</p> <p>Meka Global TRY 422 million</p> <p>Big Chefs TRY 833 million</p> <p>Ahlacı Doğalgaz TRY 3,48 billion</p> <p>Obase Bilgisayar TRY 147 million</p> | <p>Sukuk Issues</p> <p>Carrefour SA TRY 940 million</p> <p>Biotrend Enerji TRY 100 million</p> <p>Tarfin Tarım TRY 710 million</p> <p>Tarım Kredi Ted. TRY 150 million</p> <p>Altınmarka Gıda TRY 50 million</p> | <p>Financial Advisory</p> <p>Acquisition of Traçim Cement by AC Çimento</p> <p>successfully provided exclusive buy side advisory services to Ac Çimento in its acquisition of Traçim Çimento San. Ve Tic. A.Ş. ("Traçim")</p> <p>As the exclusive financial advisor of the Privatization Administration of Türkiye, we have been working for the privatization processes of 3 power plants owned by EUAS and Cemel Port</p> |
|--|--|---|

Türkiye Development Fund

- TÜBİTAK BIGG Fund invested in 112 startups
- Regional Development Fund made follow-on investment in Zaxe
- Technology and Innovation Fund invested in Syntonym and Vispera
- Development ODTÜ Teknokent VCIF invested in RNV.ai.

Sustainability

- TKYB has positioned itself among the leading institutions in Türkiye with a risk score of 12.4 in the assessments conducted within the scope of environmental, social, and governance (ESG) criteria by the international sustainability rating agency Sustainalytics.
- We became the first and only institution in Türkiye to sign the Operating Principles for Impact Management led by the International Finance Corporation (IFC). We published Türkiye's third Impact Report in line with Impact Principles. Our Impact Report is subject to EY Independent Assurance Audit.
- Awarded in the "Best Development Bank for Sustainable Finance in CEE" category at The Global Sustainable Finance Awards.



CONTINUED GOVERNMENT SUPPORT

- The Ministry of Treasury & Finance owns 99%+ of TKYB and has demonstrated continuous support through the provision of government guarantees, subordinated debt and regular capital injections



STRONG ASSET QUALITY

- At 0.8%, NPL ratios are well-below the Turkish banking sector average



STABLE ACCESS TO SUPPORTIVE DFI FUNDING

- Low-cost long-term funding from a well-diversified pool of DFIs aligned with the Bank's developmental focus



SUSTAINABILITY FOCUS

- 96% of loan portfolio consists of sustainability-themed loans
- TKYB was among 50 institutions included in Sustainalytics's 'ESG Industry Top Rated' and 'ESG Regional Top Rated' branches in the Most Admired ESG Companies List
- The first and only institution in Türkiye to sign the Operating Principles for Impact Management led by the The Global Impact Investing Network (GIIN)



EXPERIENCED MANAGEMENT TEAM

- The Executive Management team have an average of c. 27.5-years of experience in their relevant fields of banking and IT
- Well-reputed Board of Directors comprised of industry leaders and professionals as well as government representatives

Main Funding Sources



Funding Purposes

- Renewable Energy
(inc. Wind, Solar, Geothermal, Biomass and others)
- Energy Efficiency
- Working Capital Loans for SME's and Large Enterprises
- Employment Creation
- Manufacturing Industry
- Health and Education
- APEX
- Industrial Emission Reduction
- Distributed Solar and Energy Storage
- Food Security

Eurobond Issuance

Eurobond issuance

The funds obtained from the Eurobond issuance in September 2022 which is privately placed by AFD - Agence Française de Développement, amounting Euro 100 million for 11 years for financing of green and social projects

'Investment Support' TRY Loan

"Investment Support" TRY loan originating from the Central Bank of the Republic of Türkiye with a maturity of up to 10 years is used for investments that will contribute to exports, employment, and the current account deficit.

Foreign Funding Sources (million USD)

USD
3.711

EUR
2.728

Total
USD 6.439 mn



DEVELOPMENT
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BANK OF TÜRKİYE

2. Business Highlights





Development Banking

Providing Financial Structures and Products Compatible with Türkiye's Sustainable Development Plans

Supporting priority sectors in the Development Plans and Programs with long-term investment loans and local currency

Establishing a strong and diversified funding structure in order to support sustainable portfolio growth

To reduce foreign dependency and current account deficit by financing investments that will support exports and import substitution

Raising the inflow of funding to our Bank from development finance institutions and similar lenders

Supporting Regional development and priority sectors and increasing employment

To support the green transformation process of our country and to strengthen the ecosystem that will enable the development of green finance



Investment Banking

Enhancing Turkish Capital Markets to the Standards of International Best Practices and Supporting Foreign Capital Inflows

Providing All Investment Banking Services at International Standards

Developing Financing Solutions to Attract Foreign Direct Investments

Developing Alternative Financing Tools for the Capital Needs of Business

Creating Capital Solutions to Increase the Competitive Advantage of Local Firms.

Working to raise the level of the Turkish Capital Markets & Developing Innovative Capital Market Products

Providing Structuring Advisory Services for Financial / Administrative Bottlenecks of Firms



Türkiye Development Fund

Transform Public Resources into Capital Investments that are Focused on Türkiye's Development

Together with sub-funds, while supporting strategically important sectors in regard to the sustainable growth of Türkiye, to play a significant role in the development of the startup ecosystem by also investing in next-generation ventures.



IT and Business Processes

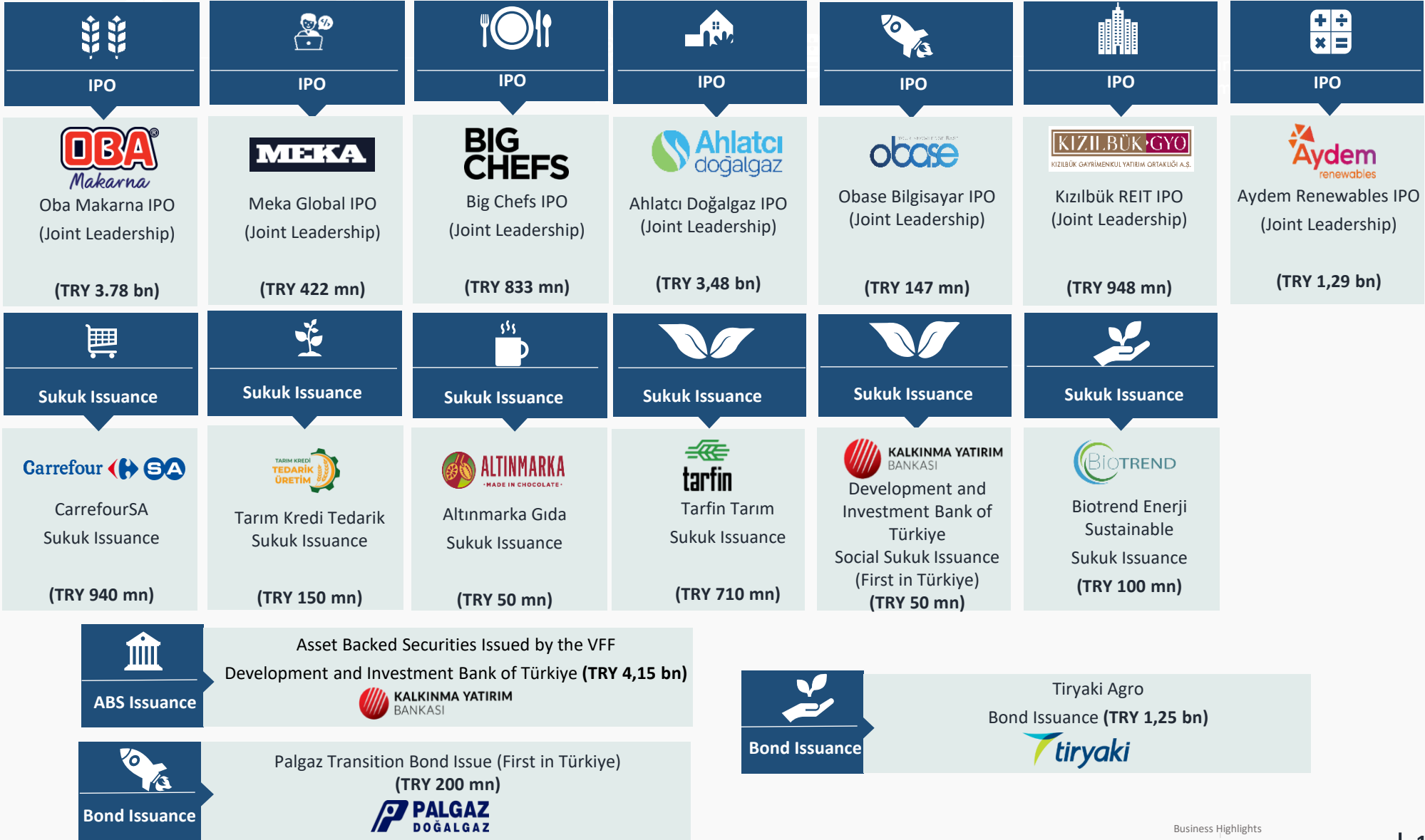
Creating corporate structures and processes supported by information technologies, and focused on digitalization, ensuring operational efficiency and productivity in all areas of activity

Established Funds

























| | Regional Development Fund | Technology and Innovation Fund | Innovative and Advanced Technologies VCIF | Development Participation Venture Capital Investment Fund | DIBT Fund | Development ODTÜ Teknokent Venture Capital Investment Fund | TÜBİTAK BIGG Fund | DIBT Fund of Funds | TÜBİTAK BIGG+ VCIF |
|--------------------|--|--|--|--|--|--|---|---|---|
| STRATEGY | Direct Equity Investments | Direct and indirect (Fund of Funds) venture capital investments | Direct Equity Investments | Direct Equity Investments | Direct and indirect (Fund of Funds) venture capital investments | Direct Early Stage Venture Capital Investments | Direct Equity Investments | Fund of Funds Investment | Direct Equity Investments |
| FUND SIZE | TRY 525 mn | TRY 475 mn | TRY 611 mn | TRY 154 mn | TRY 430 mn | 22,2 mn USD | 8 mn USD | 50 mn USD | TRY 100 mn |
| INVESTORS | | | | | | | | | |
| TARGET INVESTMENTS | Middle sized enterprises with high growth potential, contributing to Türkiye's development | Technology focused, post revenue stage startups with high growth potential and venture capital funds which target such companies | Companies targeting high technology production, which can also be applicable in the defense industry | Middle sized enterprises with high growth potential, contributing to Türkiye's development | Technology focused, post revenue stage startups with high growth potential and venture capital funds which target such companies | Early-stage companies with deep-tech focus | Business ideas that have received the seal of excellence from TÜBİTAK | Commitments will be made to investment funds that will invest in start-ups and enterprises. | Technology focused early-stage startups |

| INVESTMENTS | Technology and Innovation Fund | Regional Development Fund | Innovative and Advanced Technologies VCIF | Development Participation VCIF | DIBT Fund | Development ODTÜ VCIF |
|-------------|--|---------------------------|---|--------------------------------|------------------------------|--------------------------------------|
| | | | | | | |

Investment Banking Consultancy Transactions Closed Between The Years 2019 and 2024



Investment Banking Consultancy Transactions Closed Between The Years 2021 and 2024

| | | | | | | | | |
|--|--|--|--|--|---|--|--|--|
|  Privatization |  Privatization |  Privatization |  Privatization |  Privatization |  Privatization |  Privatization |  Privatization | |
|  Gebze Dilovası NGCCP 253,4 Mwe TRY 157 mn <i>Approved</i> |  Tortum HEPP 26,2 MWe TRY 222,71 mn <i>Approved</i> |  Çamlıca 1 HEPP 84 MWe TRY 580,50 mn <i>Approved</i> |  Çal HEPP 2,5 Mwe TRY 9,37 mn <i>Approved</i> |  Girlevik HEPP 11,85 MWe TRY 135,5 mn <i>Approved</i> |  Taşucu Port TRY 684 mn <i>Approved</i> |  Topçam HEPP 61,35 Mwe TRY 925 mn <i>Approved</i> |  Dereiçi HEPP 400 kwe TRY 32,5 mn <i>Approved</i> | |
|  Privatization |  Privatization |  Sell Side Advisory |  Buy Side Advisory | | | | | |
|  Esenyurt NGCCP <i>In Approval Phase</i> |  Kalamış Marina USD 505 mn <i>Approved</i> |  Waste management company with 55 MW energy generation license ÜSTYAPI Exclusive Sell Side Advisory |  Acquisition of Tracim Cement with 2mn tons clinker capacity by AC Çimento | | | | | |

Investment Banking Consultancy Transactions Closed Between The Years 2021 and 2024

| | | | | | | | |
|---|---|---|--|--|---|--|--|
|  Feasibility |  Valuation |  Valuation |  Feasibility |  Valuation |  Financial Advisory |  Valuation |  Financial Advisory |
| <p>Energy 120 MW Storage Licensed Solar Power Plant Feasibility Report</p> | <p>Valuation of 8 MWe installed capacity Biomass Energy Plant</p> | <p>Valuation of companies under management of Savings Deposit Insurance Fund of Türkiye</p> | <p>Epoxy Resin Greenfield Investment PBIC Feasibility Report</p> | <p>Valuation of a Company in defence sector for the purpose of IPO</p> | <p>Sectoral analysis and financial feasibility services to a group for selected sectors as an investment alternative</p> | <p>Valuation of a Shopping Mall operating in Istanbul</p> | <p>Corporate structuring of a group operating in multiple sectors</p> |
|  Valuation |  Financial Restructuring |  Feasibility |  Feasibility |  Valuation |  Feasibility |  Financial Advisory |  Financial Advisory |
| <p>Valuation of a Solar Portfolio having 153 MWp installed capacity</p> | <p>Financial Restructuring of a company active in casting industry (USD 55 mn)</p> | <p>Capacity Extension Project of a company active in defence industry PBIC Feasibility Report</p> | <p>Biomass Energy Project of a company active in chemical industry Feasibility Report</p> | <p>Valuation service provided for a company producing input to energy and infrastructure business</p> | <p>Feasibility study of a company in the defence industry within the scope of project-based incentives</p> | <p>Corporate Restructuring of a group active in multiple sectors before IPO</p> | <p>Corporate Restructuring of a group active in multiple sectors before IPO</p> |
|  Financial Advisory |  Valuation |  Feasibility |  Feasibility |  Sectoral Research Feasibility | | | |
| <p>Advisory services to a group of company in electricity distribution and sales IPO Preparation</p> | <p>Valuation of companies producing agricultural machinery IPO Preparation</p> | <p>Feasibility study of a foreign company in the automotive industry within the scope of project- based incentives</p> | <p>Feasibility study of a company for its 3 projects in the defence industry within the scope of project-based incentives</p> | <p>Sectoral Research and Financial Feasibility Study of a greenfield investment in food sector</p> | | | |

Ongoing Investment Banking Consultancy Transactions

| | | | |
|--|---|--|---|
| <p>Privatization</p> | <p>Privatization</p> | <p>Sell-Side Advisory</p> | <p>Sell-Side Advisory</p> |
| <p>Privatization of select power plants operational in Türkiye</p> | <p>Privatization of select ports and Kıbrıs Türk Denizcilik Ltd</p> | <p>Geothermal Energy Companies</p> <p>Exclusive Sell Side Advisory</p> | <p>Solar Energy Companies</p> <p>Exclusive Sell Side Advisory</p> |
| <p>Sell-Side Advisory</p> | <p>Sell-Side Advisory</p> | <p>Sell-Side Advisory</p> | <p>Sell-Side Advisory</p> |
| <p>Mobility and Micromobility Companies</p> <p>Exclusive Sell Side Advisory</p> | <p>Company in Clothing and Accessorize Sector</p> <p>Financial / Strategic Partnership</p> | <p>Company in Automotive Sector</p> <p>Financial / Strategic partnership or IPO</p> | <p>Chemical Company</p> <p>Sell Side Advisory in divestment / partnership negotiations</p> |
| <p>Sell-Side Advisory</p> | <p>Sell-Side Advisory</p> | <p>Buy-Side Advisory</p> | <p>Sell-Side Advisory</p> |
| <p>Company in Sharing Economy</p> <p>Exclusive Sell Side Advisory</p> | <p>Chocolate and Confectionary Producer</p> <p>Exclusive Sell Side Advisory</p> | <p>Tourism Sector</p> <p>Exclusive Buy Side Advisory</p> | <p>Service Provider</p> <p>Exclusive Sell Side Advisory</p> |

- Financial Advisory services provided to the **Ministry of Treasury and Finance Privatization Administration (“PA”)** under two different projects.
 - Selected **power plants** belonging to **EÜAŞ** and
 - **Tekirdağ Çeşmeli Port** included in PA’s program
- Sell-side advisory services to
 - **A leading energy company** (unlicensed SPP’s)
 - **2 geothermal energy companies** with significant expansion capacity potential
 - **Plastic packaging company** and its shareholders
 - A **chemical company** and its shareholders
 - **Micro-mobility and EV charging station company** and their shareholders
 - **A leading clothing and accessorize company** and its shareholders
 - **A sharing economy company** and its shareholders
 - **A polymer manufacturing company** and its shareholders
 - **A chocolate and confectionery producer** company
 - **A sustainable textile manufacturing company** and its shareholders
 - **E-commerce platform provider company** and its shareholders
 - **A service provider company**

Ongoing Investment Banking Consultancy Transactions



Feasibility

Financial Feasibility Study of a greenfield investment in **real estate** sector



Feasibility

Feasibility study of a company **for its electrolyser investment** within the scope of project-based incentives



Project Finance

Financial advisory for a company to **raise Acquisition/Project Finance to acquire a renewable asset abroad.**



Sell-Side Advisory

Plastic Packaging Company

Sell-Side Advisory in divestment / partnership negotiations



Sell-Side & Buy-Side

Casting Firm

Buy Side & Sell Side Advisory



Sell-Side Advisory

E-commerce Platform Provider

Exclusive Sell Side Advisory



Sell-Side Advisory

Polymer Producer

Exclusive Sell Side Advisory



Buy-Side Advisory

Textile Sector

Exclusive Buy Side Advisory

- ❑ **Financial Advisory** service is being provided for a company aims to raise acquisition/project finance for up to 10 MW renewable energy plant.
- ❑ Financial advisory service is being provided to a company that aims to make an investment in **real estate** industry
- ❑ **Feasibility study** is being carried out within the scope of project-based incentive application for the electrolyser investment of a company in **energy industry**.
- ❑ As an exclusive advisor of one leading iron casting company providing;
 - sell side advisory for finding a strategic partner and
 - buy side advisory for its investment strategies in Europe
- ❑ Buy side advisor to a company in tourism sector for its investment strategies in Turkey
- ❑ Buy side advisor to a company in textile sector for its sustainable energy investment strategies in Europe



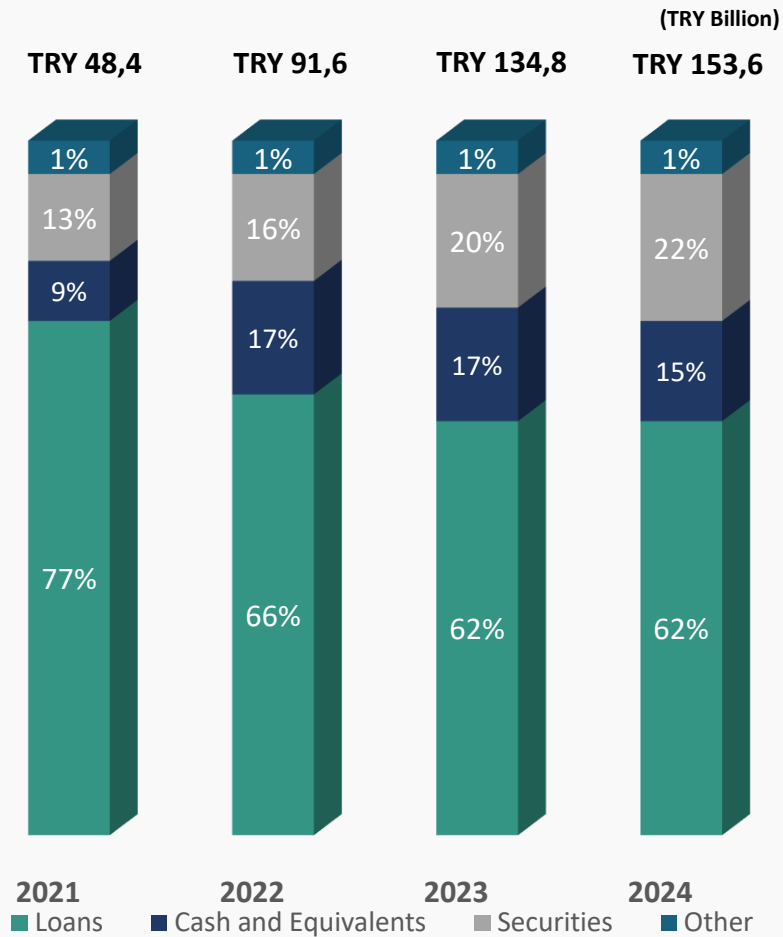
DEVELOPMENT
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3. Financial Highlights

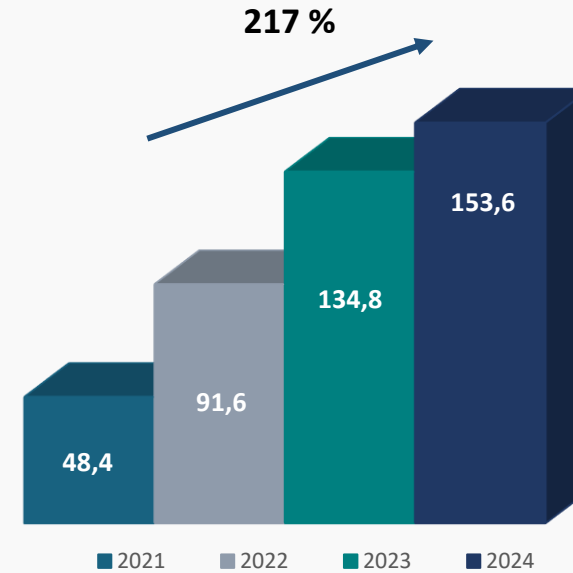


Strong resource structure obtained from international financial institutions and high-quality asset structure, mostly consisting of loans

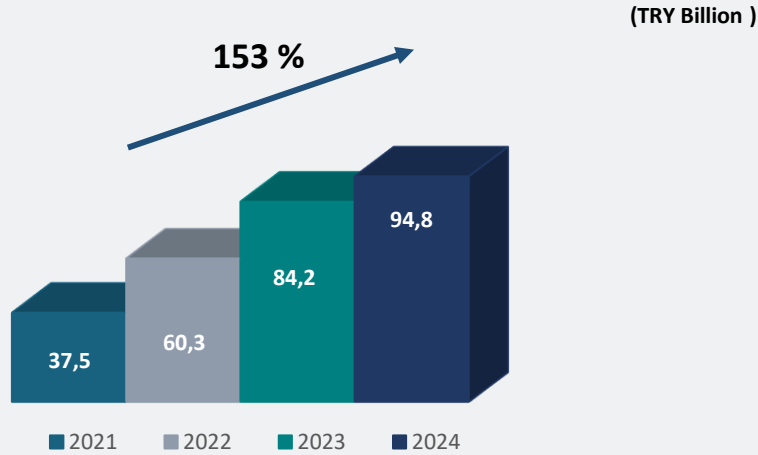
Asset Breakdown



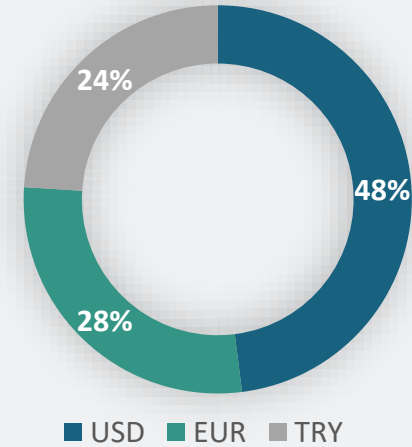
Asset Growth



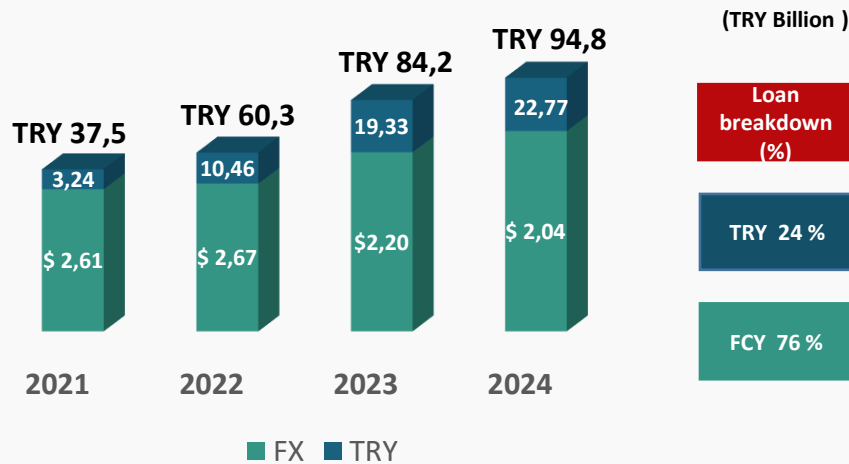
Loan Portfolio Growth



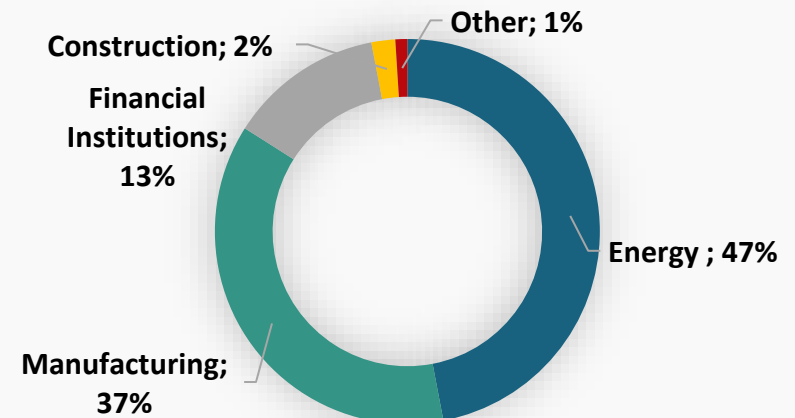
Loan Currency Breakdown



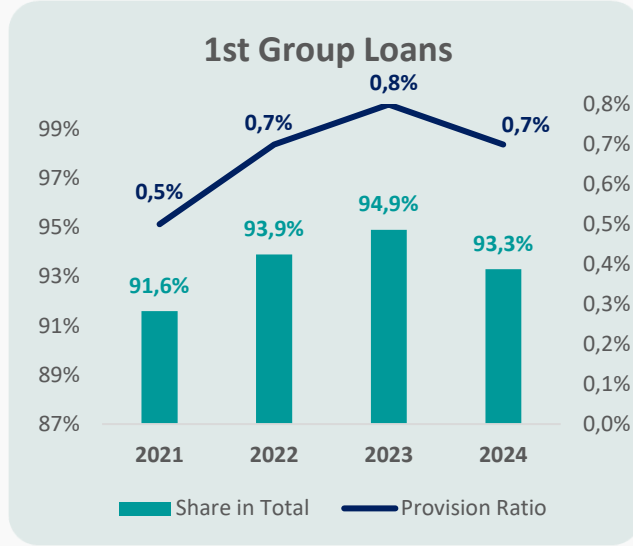
Loan Breakdown



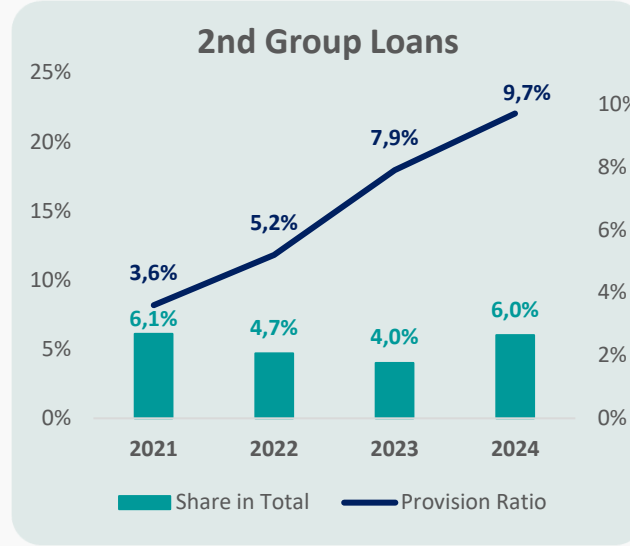
Sectoral Loan Breakdown



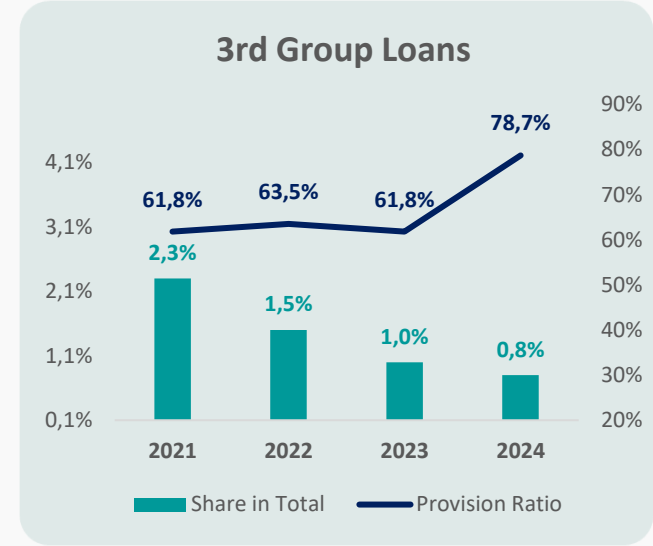
Loan Quality by Groups



1st Group Loans: Performing Loans



2nd Group Loans: Deferred and restructured loans with overdue debts up to 30 days

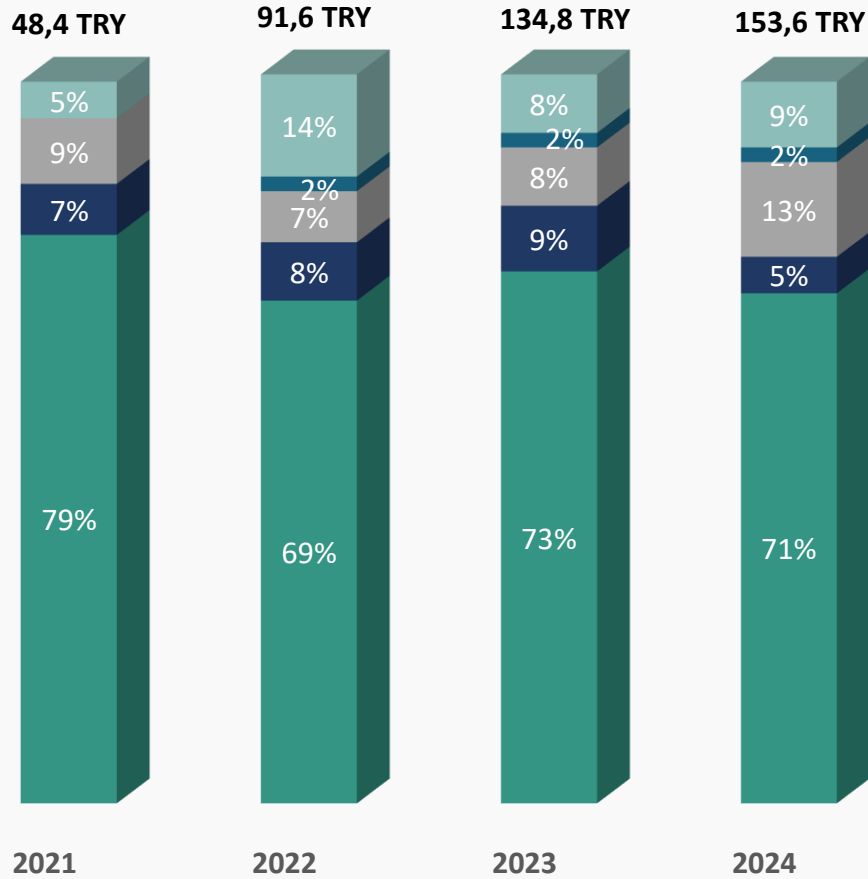


3rd Group Loans: Loans that are overdue for more than 90 days and are subject to under follow-up

| TRY Million | 2021 | | | | 2022 | | | | 2023 | | | | 2024 | | | |
|--------------|---------------|----------------|-----------------|------------|---------------|----------------|-----------------|--------------|---------------|----------------|-----------------|--------------|---------------|----------------|-----------------|--------------|
| | Total Gross | Share in Total | Provision Ratio | Provisions | Total Gross | Share in Total | Provision Ratio | Provisions | Total Gross | Share in Total | Provision Ratio | Provisions | Total Gross | Share in Total | Provision Ratio | Provisions |
| 1st Group | 34.337 | 91,6% | 0,5% | 178 | 56.639 | 93,9% | 0,7% | 395 | 79.908 | 94,9% | 0,8% | 600 | 88.422 | 93,3% | 0,7% | 578 |
| 2nd Group | 2.291 | 6,1% | 3,6% | 82 | 2.806 | 4,7% | 5,2% | 145 | 3.402 | 4,0% | 7,9% | 267 | 5.658 | 6,0% | 9,7% | 548 |
| 3rd Group | 855 | 2,3% | 61,8% | 528 | 894 | 1,5% | 63,5% | 568 | 848 | 1,0% | 61,8% | 524 | 733 | 0,8% | 78,7% | 576 |
| Total | 37.483 | 100,0% | 2,1% | 788 | 60.340 | 100,0% | 1,8% | 1.108 | 84.159 | 100,0% | 1,7% | 1.392 | 94.813 | 100,0% | 1,8% | 1.703 |

Total Liabilities

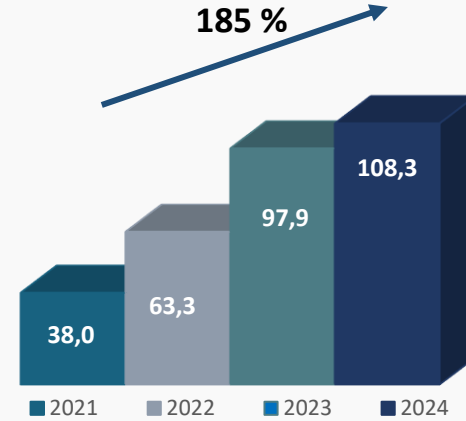
(billion TRY)



Loans Received Subordinated Debt Equity Securities Issued Other

Borrowings

(billion TRY)

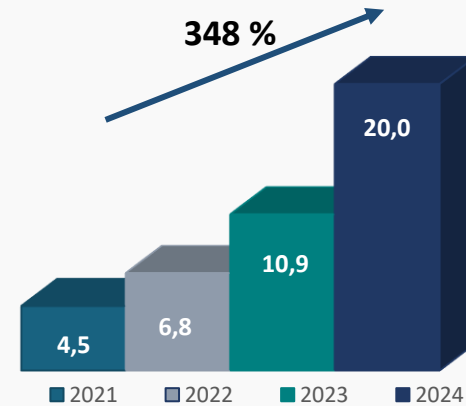


185 %

2021 2022 2023 2024

Equity

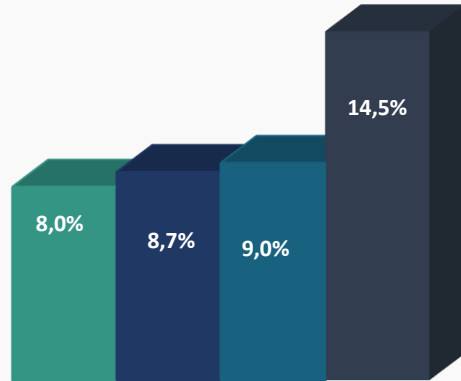
(billion TRY)



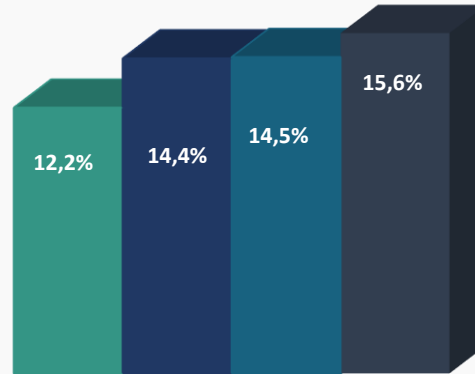
348 %

2021 2022 2023 2024

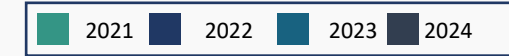
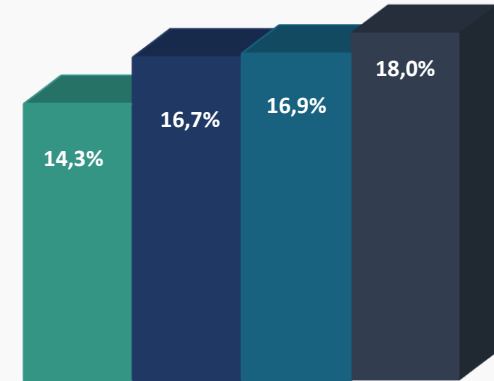
CET-1



TIER-1

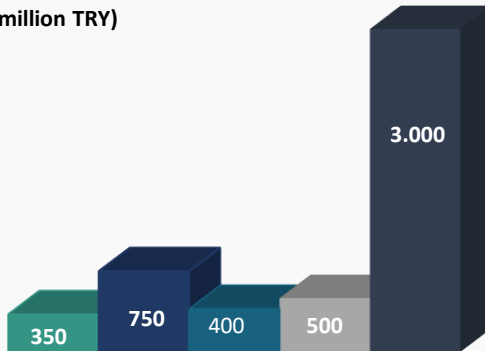


Capital Adequacy Ratio



Capital Increases

(million TRY)

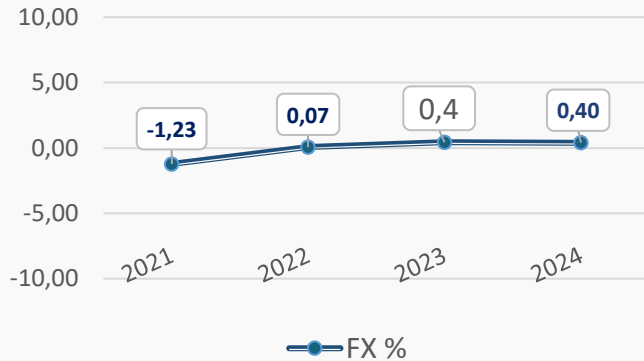


| | CET-1 | TIER-1 | CAR |
|--------------------------|-------|--------|------|
| Regulatory minimum rates | 4,5% | 6% | 12%* |

*This ratio should be minimum 8% according to Basel II standards and 12% according to BRSA regulations.

Currency Risk Management

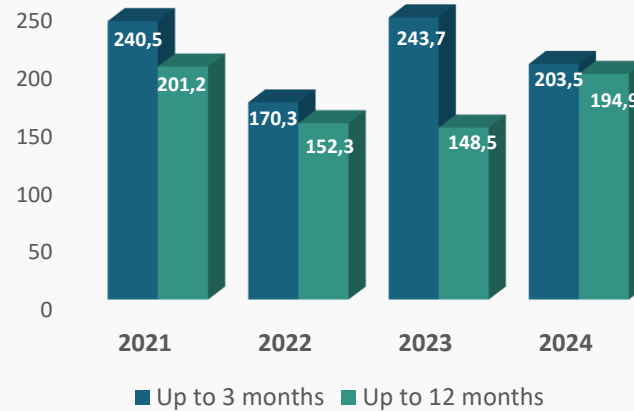
FCR (%)



The foreign currency risk ratio, against regulatory limit of 10% (Foreign currency net general position / capital base), has been reported to the BRSA as 0,40 %.

Liquidity Risk Management

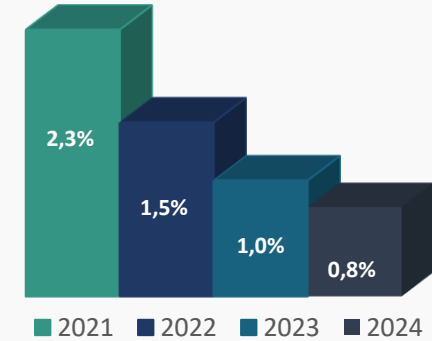
Liquidity Risk (%)



The Liquidity Ratio in 2024 Q4 is 194,9 % for up to 12 months tenor and 203,5 % for up to 3 months tenor.

Credit Risk Management

NPL (%)



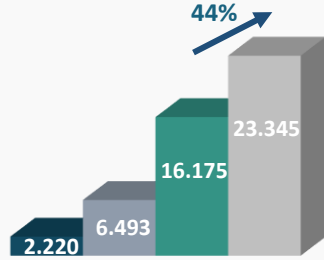
NPL / Total Loan Ratio is 0,77% in 2024 Q4.

Avg. Maturity of Funding: 6.7 Years

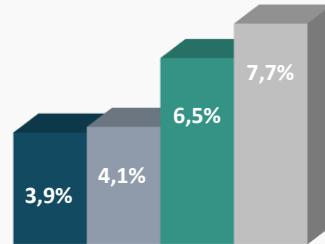
Avg. Maturity of Loans: 3.6 Years

2021 - 2022 - 2023 - 2024 Profitability

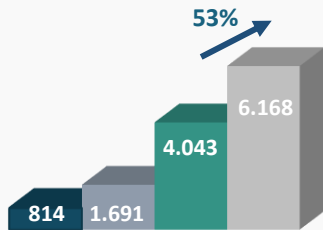
Million TRY



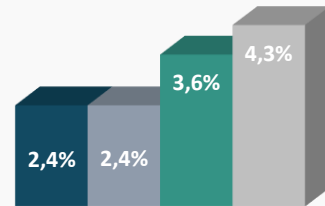
Interest Income



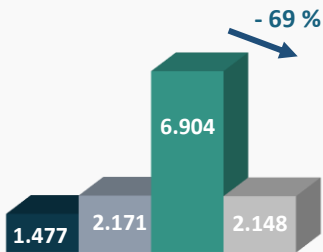
Net Interest Margin (NIM)



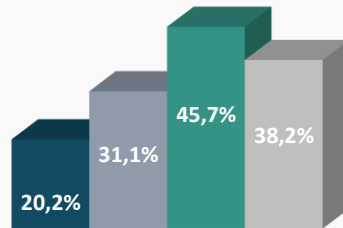
Net Profit



Return of Assets (ROA)



Non Interest Income

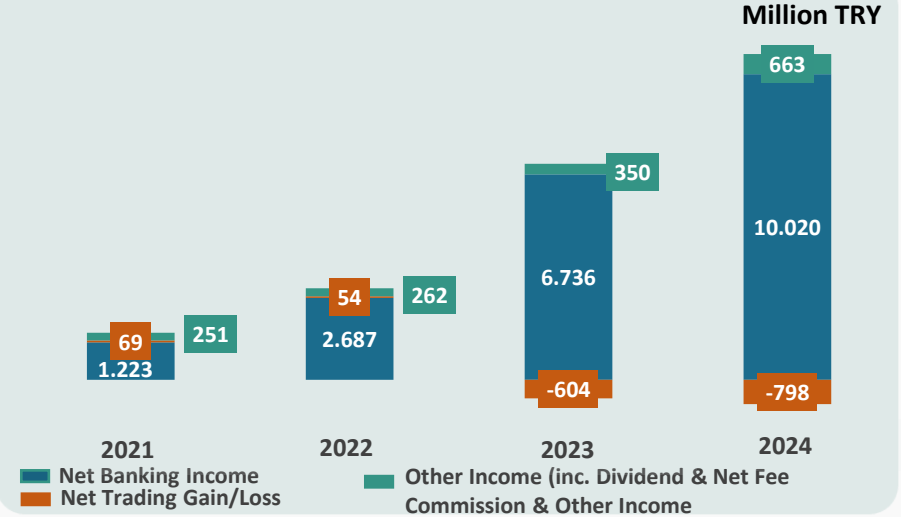


Return of Equity (ROE)



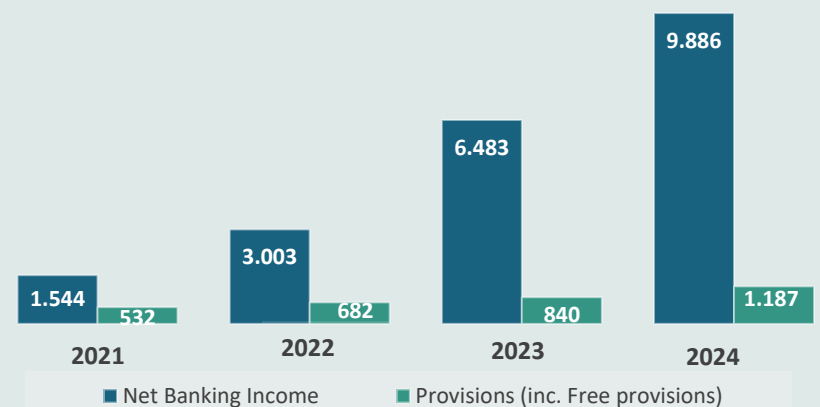
Net Banking Income

Million TRY

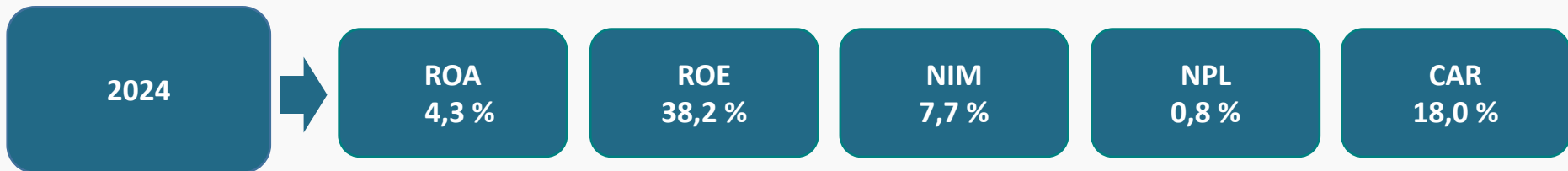
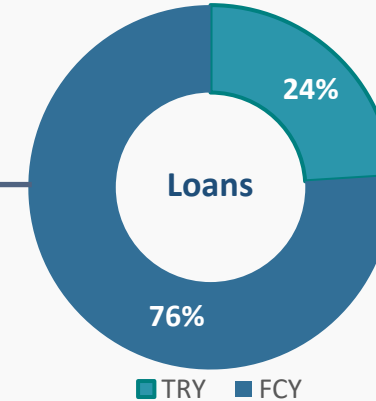
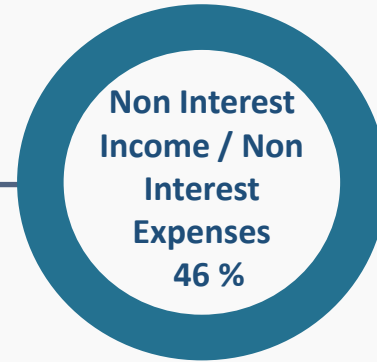
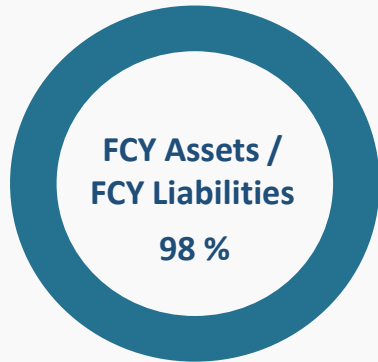
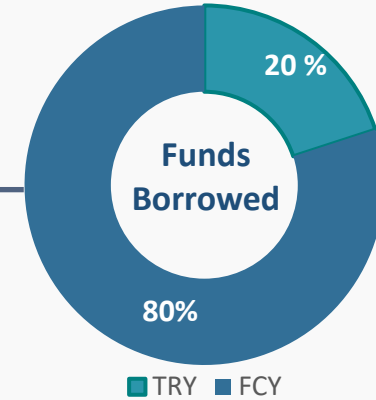
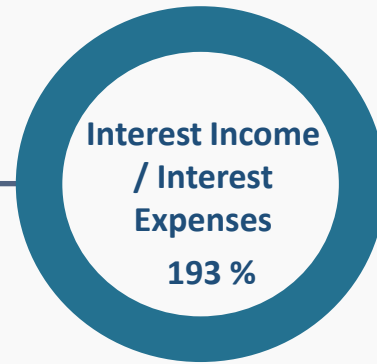


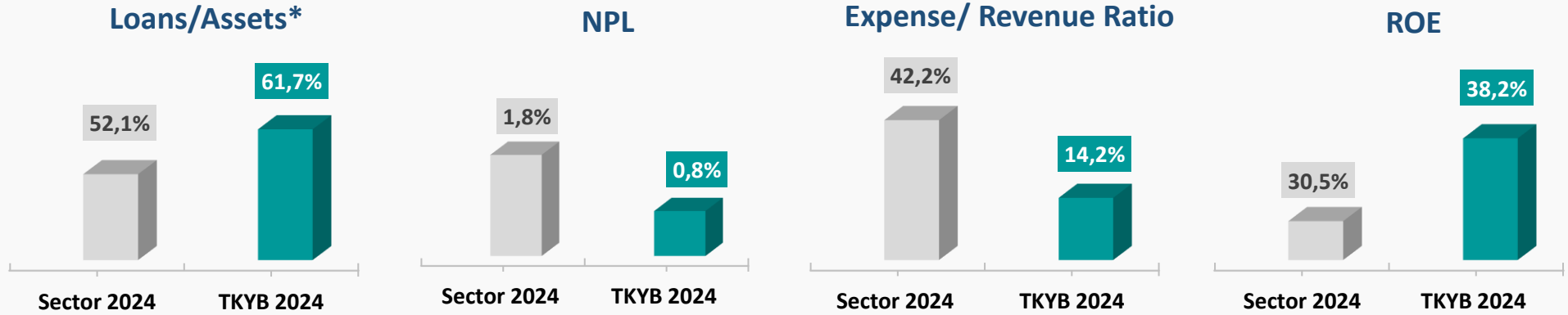
Net Banking Income and Provisions

Million TRY

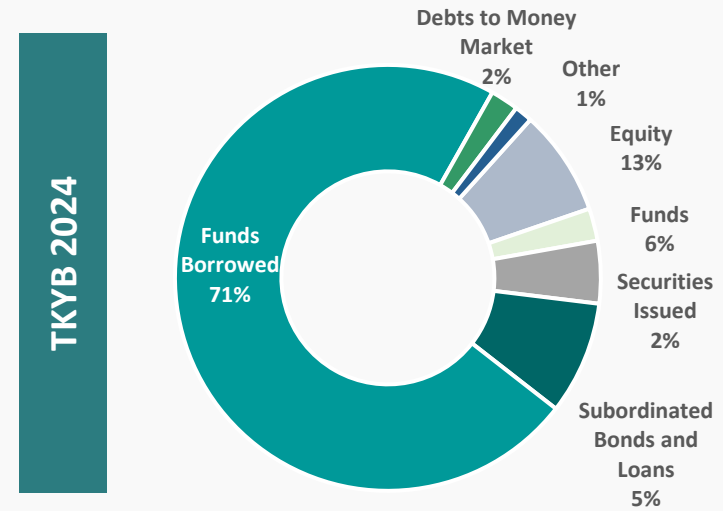
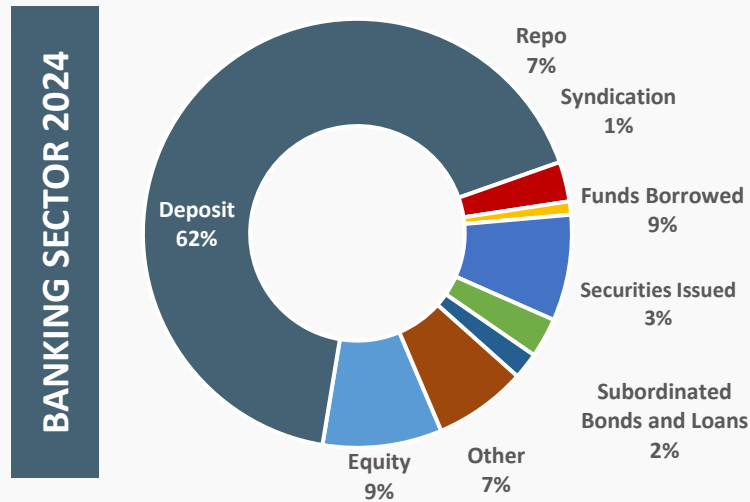


Our ratios reflect harmonious composition of our assets and liabilities with strong financial performance





*Non-performing loans and rediscounts are included.



Source: BRSA



DEVELOPMENT
INVESTMENT
BANK OF TÜRKİYE

4. Sustainability at TKYB



Our International ESG Risk Rating

TKYB has positioned itself among the leading institutions in Türkiye with a risk score of 12.4 in the assessments conducted within the scope of environmental, social, and governance (ESG) criteria by the international sustainability rating agency Sustainalytics.

Türkiye Kalkınma ve Yatırım Bankası AS

Development Banks Turkey IST:KLNMA.E

ESG Risk Rating

12.4

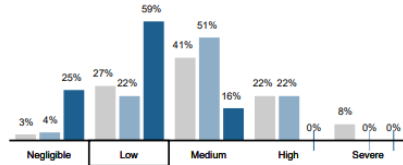
Last Full Update Oct 26, 2023

[ESG Risk Rating Score Change Log](#)

Low Risk



ESG Risk Rating Distribution



ESG Risk Rating Ranking

| UNIVERSE | RANK | PERCENTILE |
|-------------------------------|---------------------------------|-------------------------------|
| | (1 st = lowest risk) | (1 st = Top Score) |
| Global Universe | 933/16216 | 7th |
| Banks INDUSTRY | 70/1052 | 7th |
| Development Banks SUBINDUSTRY | 37/104 | 36th |



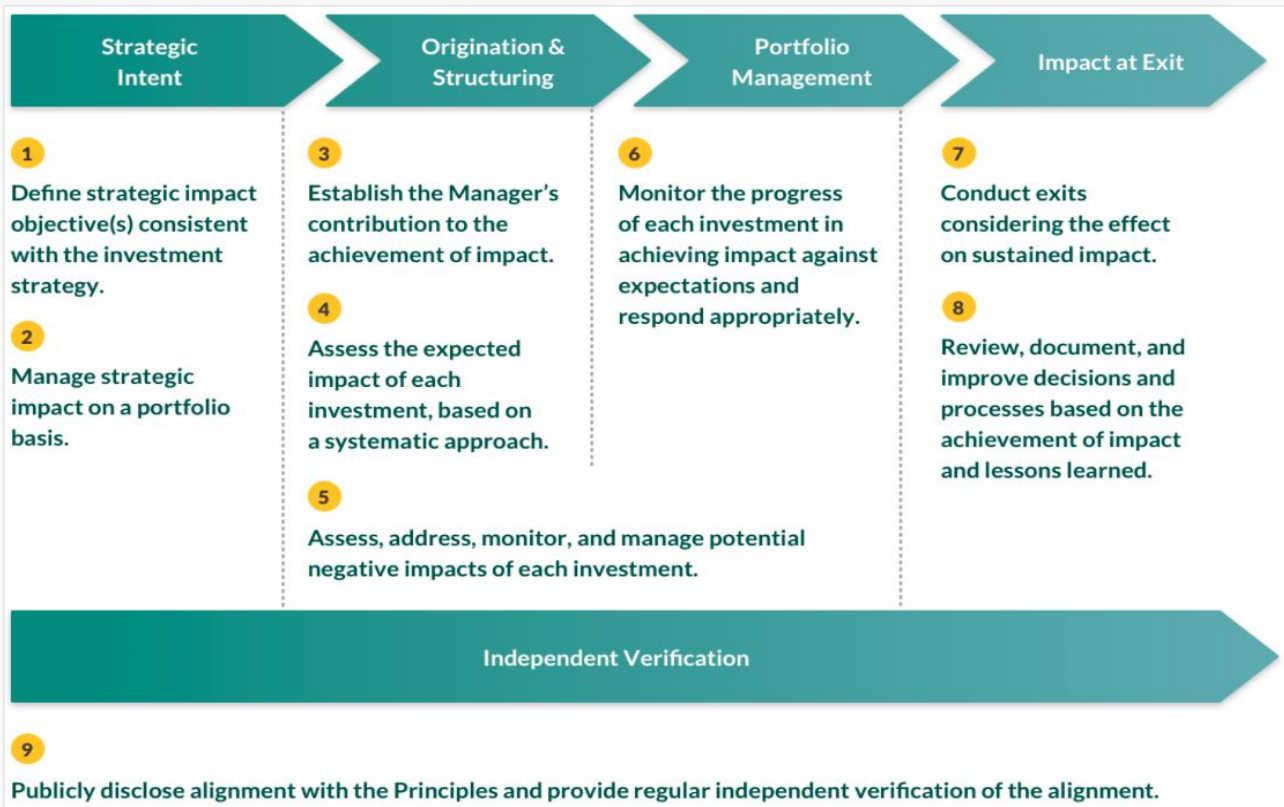
As a result of the evaluation of about 15 thousand institutions worldwide, carried out by the international ESG rating agency Sustainalytics, we were included in the 'ESG Industry Top Rated' and 'ESG Regional Top Rated' branches in the Most Admired ESG Companies List and were among the 50 banks that were entitled to receive these titles.



TKYB is the **first and only institution** in Türkiye to sign up to the Operating Principles for Impact Management which is a global initiative coordinated by the International Finance Corporation (IFC). We have published Türkiye's first Impact Report which is in line with Impact Principles and disclosed our statements accordingly.

To contribute to measurable positive social or environmental impact alongside financial returns, the Bank continues strategic cooperation with national and international institutions

With the global standards of the Impact Principles, in our activities that create a positive environmental and social impact in addition to financial returns, we aim to provide more discipline, transparency and measurability



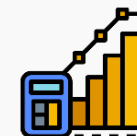
Operating Principles for Impact Management



Signatories
185



Countries
40



Covered Assets
US\$ 591,202 MM

The Bank carries out Environmental and Social risk assessments and monitoring processes of the projects in accordance with national and international legislations and global standards

Applying the E&S Risk assessment process to all loan types, all sectors without exception



Environmental and Social issues as a part of Decision Making processes



Compliance with National Environmental Legislation



Compliance with International E&S Standards (World Bank and IFC)



Combating climate change and protecting biodiversity



Continuous improvement of our direct and indirect impacts



Not financing activities that are environmentally and socially incompatible with the policy (Exclusion List)



Continuous interaction with external and internal stakeholders (Grievance Redress Mechanism)



Our Sustainability Performance & National and International Memberships

We directly and indirectly contributed to **15 of the 17 United Nations Sustainable Development Goals**



96% of our loan portfolio consists of sustainability-themed loans

With the projects we financed, we have prevented a total of **4.6 million tons of greenhouse gas emissions**



We received a **B (management) score** in the Carbon Disclosure Project (CDP) Climate Change program in 2024 and became one of the financial institutions with the highest score in Türkiye

Our bank's share in Türkiye's renewable energy capacity reached to **6 %**



We mediated the issuance of **Türkiye's first Low Carbon Economy Transition Bond**

We issued **Türkiye's first social sukuk**, which is worth TRY 50 mn.



We were deemed worthy of the **"Most Sustainable Bank" award in Türkiye** at the World Finance Banking Awards 2024 organized by World Finance Magazine, one of the respected publications of the international finance world.



Operating Principles for Impact Management

First Signatory from Türkiye



Founding Member



Member



Founder Signatory



Signatory



Member



Member



Member



TKYB has positioned itself among the leading institutions in Türkiye with a risk score of **12.4** in the assessments conducted within the scope of environmental, social, and governance (ESG) criteria by the international sustainability rating agency Sustainalytics.



TKYB is the **first and only institution** in Türkiye to sign up to the Operating Principles for Impact Management which is a global initiative coordinated by the International Finance Corporation (IFC). We have published first Impact Report in line with the Impact Principles in Türkiye. With this global standard we will manage our corporate banking, project finance, venture capital and private equity Investment activities through the “impact lens” by providing greater discipline, transparency and measurability.



TKYB received a **B (management)** score in the Carbon Disclosure Project (CDP) Climate Change program in 2024 and became one of the financial institutions with the highest score in Türkiye. We assessed risks and opportunities linked with climate change in this report, while questions on strategy, governance, emission metrics, goals, performance, and value chain interaction are answered voluntarily.



Development and Investment Bank has placed supporting Türkiye's development a guide in sustainable finance at the core of its banking approach. As end of 2024, **96%** of our portfolio consists of **sustainability-themed loans**.



TKYB published the **first Impact Report** which is aligned with Impact Principles in Türkiye.

The Bank's HR Figures



A Young and Dynamic Workforce

- Total Number of Employees is 348 with an Average Age of 37



Improving Gender Balance

- 57% Male
- 43% Female



94% of the Employees are Higher Education Graduates

- 63% University Graduate
- 29% Post Graduate
- 2% PHD



79% of Employees Having 5 Years+ Experience

| | |
|-----------------|------------------|
| 0-5 Years : 21% | 16-25 Years: 21% |
| 6-15 Years: 52% | 25+ Years : 6% |



2024
Best WorkPlace
Great Place To
Work



DEVELOPMENT
INVESTMENT
BANK OF TÜRKİYE

Appendix




Awards & Achievements

2024
Best Regional Development Bank
Most Innovative Sukuk Structures
 International Finance Awards




2024
Most Sustainable Bank in Türkiye
 World Finance Banking Awards 2024



2024
Outstanding Leadership in Sustainable Finance by a Multilateral Institution
 Global Finance Magazine Sustainable Finance Awards





2024
Green Finance Innovator Türkiye 2024
 cfi.co Awards 2024



2024
Best WorkPlace
 Great Place To Work




2024
Human Resources Team of The Year Gold Winner
Chief Human Resources Officer of The Year Bronz Winner
 The Stevie® Awards 2024



2024
Most Innovative Sukuk Structures
 GBO Awards 2024




2024
Best Team Development Program Silver Winner
Best Team Development Program Bronze Winner
Best Advance in Selecting and Onboarding Interns Bronze Winner
 Brandon Hall HCM Excellence Awards



2024
Transformation of the Year Gold Winner
CEO of the Year Silver Winner
Human Resources Management Leadership Gold Winner
 Globe Awards 2024




Selected Balance Sheet Items

| Selected Financials | 2021 | | | 2022 | | | 2023 | | | 2024 | | | 2024 vs 2023 |
|-------------------------|-------|--------|---------------|--------|--------|---------------|--------|--------|----------------|--------|--------|----------------|--------------|
| | TRY | FCY | TOTAL | TRY | FCY | TOTAL | TRY | FCY | TOTAL | TRY | FCY | TOTAL | % |
| Total Assets | 7.730 | 40.651 | 48.381 | 31.292 | 60.306 | 91.598 | 47.745 | 87.103 | 134.847 | 57.124 | 96.472 | 153.596 | 14% |
| Financial Assets | 4.933 | 3.489 | 8.422 | 18.032 | 6.311 | 24.343 | 22.296 | 15.544 | 37.840 | 25.304 | 23.656 | 48.960 | 29% |
| Loans (Gross) | 3.239 | 34.244 | 37.483 | 10.461 | 49.880 | 60.340 | 19.334 | 64.825 | 84.159 | 22.773 | 72.040 | 94.813 | 13% |
| Provisions | 790 | 0 | 790 | 1.110 | 0 | 1.110 | 1.423 | 0 | 1.423 | 1.729 | 0 | 1.729 | 22% |
| Funds Borrowed | 2.376 | 35.587 | 37.963 | 8.959 | 54.381 | 63.340 | 17.995 | 79.952 | 97.947 | 21.904 | 86.380 | 108.285 | 11% |
| Funds | 464 | 1.065 | 1.529 | 6.158 | 2.261 | 8.419 | 2.676 | 3.722 | 6.398 | 2.255 | 6.148 | 8.403 | 31% |
| Equity | 4.497 | -33 | 4.463 | 6.855 | -12 | 6.843 | 10.795 | 87 | 10.882 | 19.906 | 91 | 19.997 | 84% |

Selected Income Statement Items

| Income Statement (TRY Million) | 2021 | 2022 | 2023 | 2024 | 2023 vs 2024 | 2024 Q3 | 2024 Q4 | 2024 Q3 vs 2024 Q4 |
|-----------------------------------|--------------|--------------|--------------|---------------|--------------------|--------------|--------------|--------------------------|
| Net Interest Income | 1.377 | 3.003 | 7.520 | 11.267 | 50% | 2.850 | 2.865 | 1% |
| Fee Income | 39 | 69 | 109 | 202 | 85% | 38 | 77 | 106% |
| Other Income (*) | 281 | 247 | -363 | -337 | -7% | 19 | 230 | 1.134% |
| Revenues | 1.697 | 3.319 | 7.267 | 11.132 | 53% | 2.907 | 3.173 | 9% |
| Operating Expense (-) | 153 | 316 | 784 | 1.246 | 59% | 323 | 354 | 10% |
| Pre-Provisions Profit | 1.544 | 3.003 | 6.483 | 9.886 | 52% | 2.584 | 2.819 | 9% |
| Provisions (-) | 532 | 682 | 840 | 1.187 | 41% | 269 | 295 | 10% |
| Pre-Tax Profit | 1.012 | 2.321 | 5.643 | 8.699 | 54% | 2.315 | 2.524 | 9% |
| Taxes (-) | 198 | 629 | 1.599 | 2.531 | 58% | 694 | 711 | 2% |
| Net Profit | 814 | 1.691 | 4.043 | 6.168 | 53% | 1.621 | 1.813 | 12% |

(*) Other income includes trading income, subsidiary income and other operating income.

| Selected Financial Ratios | 2024 YE Results | 2025 Forecast |
|-----------------------------------|-----------------|---------------|
| Loan/Asset Ratio | 61,7% | ~ 60% |
| Net Payment & Commission Increase | 85,2% | > 70% |
| Operation Expense Increase | 79,9% | < 100% |
| NIM | 7,7% | > 6,0% |
| ROE | 38,2% | ~ 30% |
| ROA | 4,3% | ~ 4,0% |
| Expense/ Revenue Ratio | 14,2% | ~ 20% |
| Capital Adequacy Ratio | 18,0% | ~ 20% |
| NPL | 0,8% | < 1,5% |
| Cost of Risk | 0,8% | < 1,5% |
| Loan Growth | 12,7% | ~30% |

Disclaimer

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