

**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI
CONSOLIDATED INTERIM FINANCIAL STATEMENTS
AND RELATED DISCLOSURES AT SEPTEMBER 30, 2023
TOGETHER WITH LIMITED REVIEW REPORT**

**(Convenience Translation of Publicly Announced
Consolidated Interim Financial Statements and Limited Review Report
Originally Issued in Turkish)**

Convenience Translation of the Auditor's Review Report Originally Issued in Turkish

Independent Auditors' Review Report on Consolidated Interim Financial Information

To the Board of Directors of Türkiye Vakıflar Bankası Türk Anonim Ortaklığı

Introduction

We have reviewed the consolidated statement of financial position of Türkiye Vakıflar Bankası T.A.O. ("the Bank") and its subsidiaries (together will be referred as "the Group") at September 30, 2023 and the related consolidated statement of profit or loss, consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in shareholders' equity, consolidated statement of cash flows and a summary of significant accounting policies and other explanatory notes to the consolidated financial statements for the nine-month-period then ended. The Group management is responsible for the preparation and fair presentation of these consolidated of interim financial information in accordance with the Banking Regulation and Supervision Agency ("BRSA") Accounting and Financial Reporting Legislation which includes "Regulation on Accounting Applications for Banks and Safeguarding of Documents" published in the Official Gazette no.26333 dated 1 November 2006, and other regulations on accounting records of Banks published by Banking Regulation and Supervision Agency and circulars and interpretations published by BRSA and Turkish Accounting Standard 34 "Interim Financial Reporting" for those matters not regulated by the aforementioned regulations. Our responsibility is to express a conclusion on these consolidated interim financial statements based on our review.

Scope of Review

We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, "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 of Qualified Conclusion

As stated in section 5, II.7 of Explanations and Footnotes Related to the consolidated Financial Statements the accompanying consolidated financial statements as of September 30, 2023, include a free provision amounting to TL 6,750,000 thousand, of which TL 19,000,000 thousand was provided in prior years and TL 12,250,000 thousand was reversed in the current period by the Group management, due to the possible effects of negative circumstances in the economy and markets, which does not meet the recognition criteria of TAS 37 "Provisions, Contingent Liabilities, and Contingent Assets".

Qualified Conclusion

Based on our review, except for the effect of the matter referred in the basis of qualified conclusion paragraph on the consolidated financial statements, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not give a true view of the financial position of the Group at September 30, 2023 and of the results of its operations and its cash flows for the nine-month-period then ended in all aspects 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 VIII, are not consistent with the consolidated financial statements and disclosures in all material respects.

Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik Anonim Şirketi
A member firm of Ernst & Young Global Limited



Damla Harman, SMMM
Partner

November 9, 2023
İstanbul, Türkiye

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED
CONSOLIDATED FINANCIAL STATEMENTS AND INDEPENDENT
AUDITOR'S REVIEW REPORT
ORIGINALLY ISSUED IN TURKISH**

**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI
CONSOLIDATED FINANCIAL REPORT
AS AT AND FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2023**

Address : Finanskent Mahallesi Finans Caddesi No: 40/1 Ümraniye/İstanbul
Telephone : 0216 724 10 00
Fax : 0216 724 39 09
Electronic web site : www.vakifbank.com.tr
Electronic mail address : mevzuat@vakifbank.com.tr

The consolidated financial report as at and for the nine-month period ended September 30, 2023 prepared in accordance with the "Communiqué of Financial Statements and Related Disclosures and Footnotes to be Publicly Announced by Banks" as regulated by Banking Regulation and Supervision Agency, is comprised of the following sections:

- GENERAL INFORMATION ABOUT THE PARENT BANK
- CONSOLIDATED INTERIM FINANCIAL STATEMENTS OF THE PARENT BANK
- DISCLOSURES ON ACCOUNTING POLICIES APPLIED IN THE PERIOD
- INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE GROUP
- DISCLOSURES AND FOOTNOTES ON CONSOLIDATED FINANCIAL STATEMENTS
- OTHER DISCLOSURES AND FOOTNOTES
- LIMITED REVIEW REPORT
- INTERIM ACTIVITY REPORT

The subsidiaries and associates included in the consolidated financial report are as follows:

SUBSIDIARIES	ASSOCIATES	JOINT-VENTURES
Vakıf Faktoring AŞ	Kıbrıs Vakıflar Bankası Ltd.	-
Vakıf Finansal Kiralama AŞ	Türkiye Sınai Kalkınma Bankası AŞ	-
Vakıf Yatırım Menkul Değerler AŞ	Birleşim Varlık Yönetim AŞ	-
VakıfBank International AG	-	-
Vakıf Gayrimenkul Yatırım Ortaklığı AŞ	-	-
Vakıf Menkul Kıymet Yatırım Ortaklığı AŞ	-	-

In addition, VB DPR Finance Company, which is a "Structured Entity", although not a subsidiary of our Bank, is included in the consolidation.

The accompanying consolidated financial statements for the nine-month period, related disclosures and footnotes which have been limited reviewed, are prepared in accordance with the Regulation on Accounting Applications for Banks and Safeguarding of Documents, Turkish Accounting Standards, Turkish Financial Reporting Standards, the related statements and guidance and in compliance with the financial records of our Bank and unless otherwise stated, presented in thousands of Turkish Lira.

November 9, 2023

Mustafa SAYDAM
Chairman of The Board

Abdülkadir AKSU
Board and Audit
Committee Member

Sadık YAKUT
Board and Audit
Committee Member

Abdi Serdar ÜSTÜNSALİH
General Manager and
Board Member

Şuayyip İLBİLGİ
Assistant General Manager

Korhan TURGUT
Director of Accounting and
Financial Affairs

The authorized contact person for questions on this financial report:

Name-Surname/Title: Korhan TURGUT / Director
Phone no : +90 216 724 32 05
Fax no : +90 216 724 49 55

Name-Surname/Title: Mehmet Fatih METE / Asst. Manager
Phone no : +90 216 724 31 38
Fax no : +90 216 724 49 55

	<u>SECTION ONE</u>	Page No:
	General Information	
I.	History of the Parent Bank including its incorporation date, initial legal status, amendments to legal status	1
II.	The Parent Bank's shareholder structure, management and internal audit, direct and indirect shareholders, change in shareholder structure during the period and information on Bank's risk group	1-3
III.	Information on the Parent Bank's chairman and members of the board of directors, audit committee members, general manager, assistant general managers and their shares in the Bank	4-5
IV.	Information on the Parent Bank's qualified shareholders	5
V.	Information about the services and nature of activities of the Parent Bank	6
VI.	Differences between the communicate on preparation of consolidated financial statements of banks and Turkish accounting standards and short explanation about the institutions subject to line-by-line method or proportional consolidation and institutions which are deducted from equity or not included in these three methods	7
VII.	Current or likely actual or legal barriers to immediate transfer of equity or repayment of debts between the Parent Bank and its subsidiaries	7
	<u>SECTION TWO</u>	
	Consolidated Financial Statements	
I.	Consolidated balance sheet – Assets	9
II.	Consolidated balance sheet - Liabilities and equity	10
III.	Consolidated off-balance sheet items	11
IV.	Consolidated statement of profit or loss	12
V.	Consolidated statement of profit or loss and other comprehensive income	13
VI.	Consolidated statement of changes in shareholders' equity	14-15
VII.	Consolidated statement of cash flows	16
	<u>SECTION THREE</u>	
	Accounting Policies	
I.	Basis of presentation	17-18
II.	Strategy for the use of financial instruments and information on foreign currency transactions	18
III.	Information on associates that are consolidated and subsidiaries that are accounted according to equity method	19-20
IV.	Information on forwards, options and other derivative transactions	21
V.	Information on interest income and expenses	21
VI.	Information on fees and commissions	21
VII.	Information on financial assets	22-24
VIII.	Information on expected credit loss provisions	25-27
IX.	Information on offsetting of financial instruments	27
X.	Information on sales and repurchase agreements and securities lending	28
XI.	Information on assets held for sale discounted operations and related liabilities	28
XII.	Information on goodwill and other intangible assets	28
XIII.	Information on tangible assets	29
XIV.	Information on leasing activities	29
XV.	Information on provisions, contingent liabilities and assets	30
XVI.	Information on obligations of the Group concerning employee rights	30-31
XVII.	Information on taxation	32-34
XVIII.	Information on cash and cash equivalents	34
XIX.	Additional information on borrowings	34
XX.	Information on issuance of equity securities	35
XXI.	Information on confirmed bills of exchange and acceptances	36
XXII.	Information on government incentives	36
XXIII.	Information on segment reporting	36
XXIV.	Other matters	36
	<u>SECTION FOUR</u>	
	Information Related to the Consolidated Financial Position and Risk Management	
I.	Information on consolidated equity items	37-43
II.	Consolidated foreign currency exchange risk	43-45
III.	Consolidated interest rate risk	46-48
IV.	Consolidated stock position risk	49-50
V.	Consolidated liquidity risk and coverage ratio	51-54
VI.	Consolidated leverage ratio	55
VII.	Consolidated segment reporting	56-57
VIII.	Information on risk management	58
	<u>SECTION FIVE</u>	
	Disclosures and Footnotes on Consolidated Financial Statements	
I.	Information and disclosures related to consolidated assets	59-80
II.	Information and disclosures related to consolidated liabilities	81-88
III.	Information and disclosures related to consolidated off-balance sheet items	89-90
IV.	Information and disclosures related to consolidated statement of income	91-95
V.	Information and disclosures related to Parent Bank's risk group	96
	<u>SECTION SIX</u>	
	Other Disclosures and Footnotes	
I.	Other disclosures on the Parent Bank's activity	97
II.	Information on the Parent Bank's rating given by international credit rating institutions	97
III.	Significant events and matters subsequent to balance sheet date that are not resulted	98
	<u>SECTION SEVEN</u>	
	Auditors' Review Report	
I.	Information on Limited review report	98
II.	Explanations and footnotes prepared by independent auditor	98
	<u>SECTION EIGHT</u>	
	Information on Interim Activity Report	
I.	Interim period activity report included chairman of the board of directors and CEO's assessments for the interim activities	99-105

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

TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT SEPTEMBER 30, 2023

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

SECTION ONE

GENERAL INFORMATION

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

Türkiye Vakıflar Bankası Türk Anonim Ortaklığı ("The Bank" or "The Parent Bank") was established to operate as stated in the disclosure V of this section, under the authorization of a special law numbered 6219, called "the Law of Türkiye Vakıflar Bankası Türk Anonim Ortaklığı", on January 11, 1954 within the framework of the authority granted to The General Directorate of the Foundations of the Republic of Türkiye ("The General Directorate of the Foundations"). The Bank's statute has not been changed since its establishment.

II. THE PARENT BANK'S SHAREHOLDERS STRUCTURE, MANAGEMENT AND INTERNAL AUDIT, DIRECT AND INDIRECT SHAREHOLDERS, CHANGE IN SHAREHOLDER STRUCTURE DURING THE PERIOD AND INFORMATION ON BANK'S RISK GROUP

The Ministry of Treasury and Finance of the Republic of Türkiye (The Ministry of Treasury and Finance), in addition to its A Group and B Group shares, is indirectly the controlling shareholder in the Parent Bank's capital when the shares of the Türkiye Wealth Fund (D Group) are included.

As of September 30, 2023 the Parent Bank's paid-in capital is TL 9,915,922; (December 31, 2022: TL 7,111,364) divided into 991,592,152,254 shares with each has a nominal value of Kr 1 (December 31, 2022: 711,136,411,675).

The Parent Bank's shareholders structure as at September 30, 2023 and December 31, 2022 are stated below:

Shareholders September 30, 2023	Number of Shares (100 unit)	Nominal Value of the Shares – Thousands of TL	Share Percentage (%)
Türkiye Wealth Fund (Group D)	7,415,921,523	7,415,922	74.79
The Ministry of Treasury and Finance (Group A)	1,075,058,640	1,075,058	10.84
Vakıfbank Memur ve Hizmetlileri Emekli ve Sağlık Yardım Sandığı Vakfı (Group C)	402,552,666	402,553	4.06
The Ministry of Treasury and Finance (Group B)	387,673,328	387,673	3.91
Other appendant foundations (Group B)	2,591,250	2,591	0.03
Other real persons and legal entities (Group C)	1,527,393	1,528	0.02
Publicly traded (Group D)	630,596,723	630,597	6.35
Total	9,915,921,523	9,915,922	100.00

Shareholders December 31, 2022	Number of Shares (100 unit)	Nominal Value of the Shares – Thousands of TL	Share Percentage (%)
Türkiye Wealth Fund (Group D)	4,611,364,117	4,611,364	64.85
The Ministry of Treasury and Finance (Group A)	1,075,058,640	1,075,058	15.12
Vakıfbank Memur ve Hizmetlileri Emekli ve Sağlık Yardım Sandığı Vakfı (Group C)	402,552,666	402,553	5.66
The Ministry of Treasury and Finance (Group B)	387,673,328	387,673	5.45
Other appendant foundations (Group B)	2,591,250	2,591	0.04
Other real persons and legal entities (Group C)	1,527,393	1,528	0.02
Publicly traded (Group D)	630,596,723	630,597	8.86
Total	7,111,364,117	7,111,364	100.00

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

**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT SEPTEMBER 30, 2023**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

GENERAL INFORMATION (Continued)

**II. THE PARENT BANK'S SHAREHOLDERS STRUCTURE, MANAGEMENT AND INTERNAL
AUDIT, DIRECT AND INDIRECT SHAREHOLDERS, CHANGE IN SHAREHOLDER
STRUCTURE DURING THE PERIOD AND INFORMATION ON BANK'S RISK
GROUP(Continued)**

With the Decree Law No. 696 published in the Official Gazette dated December 24, 2017, the "Türkiye Vakıflar Bankası Turkish Joint-Stock Company Law" No. 6219 was amended.

With the Presidential Decree dated December 3, 2019, published in line with the relevant provisions of Law No. 6219, 58.51% of the total of 43.00% (A) Group and 15.51% (B) Group, managed and represented by the General Directorate of Foundations per share value of share is determined.

In accordance with the relevant provisions of the Law No. 6219, the provisions of the Capital Market Law, including the obligation to propose shares regarding the transfer transactions regarding the shares specified in the Presidential Decree of December 3, 2019, will not be applied. There will be no changes regarding the 25.22% shares of the (D) Group traded at the stock exchange.

The process regarding the transfer of bank shares has been completed as of December, 11 2019 and 58.51% of the Parent Bank's share has been transferred to the Treasury and has been recorded in the Parent Bank's share book on behalf of the Ministry of Treasury and Finance of the Republic of Türkiye.

With the decision of the Parent Bank's Board of Directors dated May 11, 2020, it has been decided to increase the paid in capital of TL 2,500,000 provided that it remains within the registered capital ceiling, by completely restricting the pre-emptive rights of the current shareholders and by increasing cash capital increase, which will generate a total sales revenue of TL 7,000,000 in total. Within the framework of the relevant legislation of the Capital Markets Board ("CMB"), the Banking Regulation and Supervision Agency ("BRSA") and the Procedure for Borsa İstanbul's Wholesale Purchase and Sales Transactions, all of the shares to be issued due to the capital increase, are set to be transferred to Türkiye Wealth Fund, without public offering and by dedicated sales method.

In the material event disclosure published by the Bank on May 15, 2020, it was announced that the sales price of the shares to be issued was determined as TL 4.98 for a share with a nominal value of TL 1, and that the paid in capital will be increased from TL 2,500,000 to TL 3,905,622 as a result of the capital increase.

It has been announced that the shares with a nominal value of TL 1,405,622 issued by the Bank are sold with a dedicated sales method for a share with a nominal value of TL 1, with a total sales revenue of TL 7,000,000 over the price of TL 4.98. As of the May 20, 2020, the shares were sold to Türkiye Wealth Fund through the wholesale transaction method in stock market and the capital increase transactions have been completed.

By the Decision of the Parent Bank's Board of Directors dated February 9, 2022, provided that the Parent Bank will remain within the registered capital ceiling, the Parent Bank's paid-in capital of TL 3,905,622 will be increased through the method of cash increase of capital to be obtained from the allocated and cash total sales revenue of TL 13,400,000 by completely restricting the rights of the existing shareholders, and all shares to be issued due to this capital increase will be increased within the framework of the relevant legislation of the Capital Market Board, the Banking Regulation and Supervision Agency, and Borsa İstanbul's Procedure for Wholesale Transactions, it has been decided to sell to the Turkish Wealth Fund by allocated sales method without a public offering.

In the special circumstances disclosure issued by the Parent Bank on February 25, 2022, it was announced that the sale price of the shares to be issued was determined as TL 4.18 for TL 1 nominal value share and that the capital paid as a result of the capital increase would be increased from TL 3,905,622 to TL 7,111,364.

Shares of the nominal value of TL 3,205,742 issued by the Parent Bank was sold to the Turkish Wealth Fund on March 9, 2022, through a wholesale transaction in the Stock Exchange share market with the private placement method with a total sales revenue of TL 13,400,000 at a price of TL 4.18 for a nominal value share of TL 1, and that capital increase transactions were completed.

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

**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT SEPTEMBER 30, 2023**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

GENERAL INFORMATION (Continued)

**II. THE PARENT BANK'S SHAREHOLDERS STRUCTURE, MANAGEMENT AND INTERNAL
AUDIT, DIRECT AND INDIRECT SHAREHOLDERS, CHANGE IN SHAREHOLDER
STRUCTURE DURING THE PERIOD AND INFORMATION ON BANK'S RISK
GROUP(Continued)**

On March 21, 2023, the Bank's Board of Directors decided to increase the Parent Bank's paid-in capital of TL 7,111,364 by allotted and cash capital increase with a total sales proceeds of TL 32,000,000 by fully restricting the pre-emptive rights of the existing shareholders, provided that it remains within the Parent Bank's registered capital ceiling, and all of the shares to be issued due to this capital increase, within the framework of the relevant legislation of the Capital Markets Board ("CMB"), the Banking Regulation and Supervision Agency ("BRSA"), and the Procedure for Wholesale Transactions of Borsa İstanbul, it has been decided to sell the shares to the Türkiye Wealth Fund through private placement without a public offering.

On March 28, 2023, the Parent Bank announced that the sale price of the shares to be issued was determined as TL 11.41 per share with a nominal value of TL 1 and that the paid-in capital would be increased from TL 7,111,364 to TL 9,915,922 as a result of the capital increase.

The shares with a nominal value of TL 2,804,557 issued by the Parent Bank were sold to the Türkiye Wealth Fund through a wholesale transaction in the equity market on March 28, 2023, through the allocated sales method with a total sales revenue of TL 32,000,000 at a price of TL 11.41 per share with a nominal value of TL 1 and the capital increase transactions were completed.

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

**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT SEPTEMBER 30, 2023**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

GENERAL INFORMATION (Continued)

III. INFORMATION ON THE PARENT BANK'S CHAIRMAN AND MEMBERS OF THE BOARD OF DIRECTORS, AUDIT COMMITTEE MEMBERS, GENERAL MANAGER, ASSISTANT GENERAL MANAGERS AND THEIR SHARES IN THE BANK

Name and Surname	Responsibility	Date of Appointment	Education	Experience in Banking and Management
<u>Board of Directors</u>				
Mustafa SAYDAM	Chairman	March 26, 2021	Bachelor's	29 years
Dr. Cemil Ragıp ERTEM	Deputy Chairman	June 12, 2020	PhD	25 years
Abdi Serdar ÜSTÜNSALİH	Member – General Manager	May 27, 2019	Master's	32 years
Dr. Adnan ERTEM	Member	October 28, 2010	PhD	35 years
Şahin UĞUR	Member	June 9, 2017	Bachelor's	37 years
Sadık YAKUT	Member	May 27, 2019	Bachelor's	4 years
Abdülkadir AKSU	Member	May 27, 2019	Bachelor's	4 years
Haydar Kemal KURT	Member	March 25, 2022	Bachelor's	1 years
Abdullah Erdem CANTİMUR	Member	August 2, 2023	Master's	22 years
<u>Audit Committee</u>				
Abdülkadir AKSU	Member	March 25, 2022	Bachelor's	4 years
Sadık YAKUT	Member	March 25, 2022	Bachelor's	4 years
<u>Auditor</u>				
Hasan TÜRE	Auditor	June 9, 2017	Bachelor's	39 years
Mehmet Emin BAYSA	Auditor	June 12, 2020	Master's	4 years
<u>Assistant General Managers</u>				
Metin Recep ZAFER	Credit, Customer and Account Operations Department, Core Banking Software Development Department, Digital Channels, Business Intelligence and Payment Systems Department, Banking Operations Department, Treasury Operations Department, Foreign Operations Department, It System and Software Support Department, R&D, Marketing and Infrastructure Software Development Department, System Management Department, It Planning and Coordination Department	June 13, 2006	PhD	28 years
Muhammet Lütfü ÇELEBİ	Human Resources Department, Organization Development Performance Management and Academy Department	October 23, 2013	Bachelor's	28 years
Şuayyip İLBİLĞİ	General Accounting and Financial Affairs, Strategy and Planning, Subsidiaries and Affiliates	August 1, 2017	Bachelor's	26 years
Mikail HİDİR	Office of Chief Legal Counsel Department, Credit Risk Liquidation Department, Legal Affairs Department	December 26, 2018	Bachelor's	20 years
Hazım AKYOL	Corporate Loans Allocation Management, Commercial Loans Allocation Management 1-2, Special Loans Management Retail and SME Loans Allocation Management	May 31, 2019	Bachelor's	29 years
Alaattin ŞİMŞEK	Corporate Banking Marketing Commercial Banking Marketing SME Banking Marketing Retail Banking Marketing Corporate Branches Cash Management Product Development and Foreign Trade Marketing, Public Institutions and Local Governments Banking Marketing	May 31, 2019	Bachelor's	28 years
Ferkan MERDAN	Payment Systems, Digital Banking and Distribution Channels, Corporate Communication Customer Experience and Management	May 31, 2019	Master's	26 years
Muhammed Onay ÖZKAN	Treasury Management., International Banking and Investor Relations Treasury Middle Office	May 31, 2019	Bachelor's	23 years
Arif ÇOKÇETİN	Credit Risk Planning and Monitoring, Financial Analysis and Rating Department	July 8, 2020	Bachelor's	28 years
Kadir KARATAŞ	Support Services	August 13, 2020	Master's	26 years
Mustafa TURAN	Individual Banking Marketing, Deposit Management and Marketing Department, Payment Systems Marketing Department	January 4, 2022	Bachelor's	20 years

The persons mentioned above do not have a significant share in the non-public portion of the Bank's shares.

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

**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT SEPTEMBER 30, 2023**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

GENERAL INFORMATION (Continued)

III. INFORMATION ON THE PARENT BANK'S CHAIRMAN AND MEMBERS OF THE BOARD OF DIRECTORS, AUDIT COMMITTEE MEMBERS, GENERAL MANAGER, ASSISTANT GENERAL MANAGERS, AND THEIR SHARES IN THE BANK (Continued)

The Parent Bank's Credit Policies and Processes Implementation Departments, Secure Banking Departments and Board of Directors Affairs Unit are working dependent to the General Manager.

At the Parent Bank's Board of Directors Meeting held on August 2, 2023, in accordance with the Related Articles of our Bank's Articles of Association:

- Mr. Mustafa Saydam has been elected as the Chairman of the Board,
- Mr. Cemil Ragıp Ertem has been elected as the Deputy Chairman of the Board of Directors,
- Mr. Abdi Serdar Üstünsalih has been elected as the General Manager

by unanimous vote.

IV. INFORMATION ON THE PARENT BANK'S QUALIFIED SHAREHOLDERS

Current Period - September 30, 2023

Shareholders	Nominal Value of Shares	Share Percentage	Paid Shares	
			(Nominal)	Unpaid Shares
Türkiye Wealth Fund (Group D)	7,415,922	74.79	7,415,922	-
The Ministry of Treasury and Finance (Group A)	1,075,058	10.84	1,075,058	-
Vakıfbank Memur ve Hizmetlileri Emekli ve				
Sağlık Yardım Sandığı Vakfı (Group C)	402,553	4.06	402,553	-
The Ministry of Treasury and Finance (Group B)	387,673	3.91	387,673	-

Prior Period - December 31, 2022

Shareholders	Nominal Value of Shares	Share Percentage	Paid Shares	
			(Nominal)	Unpaid Shares
Türkiye Wealth Fund (Group D)	4,611,364	64.85	4,611,364	-
The Ministry of Treasury and Finance (Group A)	1,075,058	15.12	1,075,058	-
Vakıfbank Memur ve Hizmetlileri Emekli ve				
Sağlık Yardım Sandığı Vakfı (Group C)	402,553	5.66	402,553	-
The Ministry of Treasury and Finance (Group B)	387,673	5.45	387,673	-

With the Decree Law No. 696 published in the Official Gazette dated December 24, 2017, the Presidential decision dated December 3, 2019, and the material event disclosure made by the Parent Bank on February 25, 2022 and March 21, 2023 the material event disclosure made by the Parent Bank and the changes brought about the Parent Bank's capital structure are explained in detail in the I. Section General Information section of the report, under heading II.

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

**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT SEPTEMBER 30, 2023**

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

GENERAL INFORMATION (Continued)

V. INFORMATION ABOUT THE SERVICES AND NATURE OF ACTIVITIES OF THE PARENT BANK

The Parent Bank was established under the authorization of special law numbered 6219, called “The Law of Türkiye Vakıflar Bankası Türk Anonim Ortaklığı”, on January 11, 1954 within the framework of the authority granted to The General Directorate of the Foundations. Operational activities of the Parent Bank as stated at its Articles of Association are as follows:

The Parent Bank's objective is to carry out all kinds of banking activities that deposit banks can perform, provided that the obligations specified in the Banking Law and other relevant legislation are fulfilled.

The Parent Bank shall exercise all the powers recognized by the provisions of the Banking Law and other relevant legislation in order to achieve its objectives.

In this framework, the Parent Bank shall engage in activities such as to issue all kinds of cash and non-cash loans, either in Turkish Lira or foreign currency, to act as an intermediary in the export, purchase and sale of financial instruments, to carry out investment banking transactions, to buy, sell or transfer loans as wholesale or retail, to complete transactions in domestic and foreign futures markets, to provide funds from domestic and foreign interbank money market, to perform capital market transactions, to act as intermediary for import and export transactions, to act as agent for insurance and other financial institutions, and to participate in any partnership to which they may become a partner, without prejudice to the provisions of the capital market legislation, or to establish new partnerships for this purpose or to quit established partnerships.

The Parent Bank is also authorized to carry out the banking services of the registered and appendant foundations as well as the cash registers under the agreements to be made by the General Directorate of Foundations.

Without prejudice to the provisions of the relevant legislation, The Parent Bank may acquire, grant, issue, sell, transfer, pledge or mortgage to others, take pledges and mortgages on securities and real estate in its may lease or lease similar rights, annotate the lease and sale promise contracts to the title deed in his favor, and remove annotations for all kinds of movable properties, real estates and their rights, particularly industrial, intellectual and similar rights, right of incorporation and loyalty, rights of usufruct, easement and superior rights. The Parent Bank can establish, either individually or collectively in an equal manner, pledge or mortgage.

The Parent Bank may acquire securities and real estates in order to carry out banking activities or collect its receivables within the legal limits and may dispose of them by sale, exchange and other forms when necessary.

The Parent Bank may obtain all kinds of collateral, guarantee in kind and personal guarantees, for the collection and provision of its rights and receivables. In this regard, the deed, tax offices and other public and private institutions before registration, cancellation, assignment and all other operations can do.

As at September 30, 2023, The Parent Bank has 937 domestic, 4 foreign, in total 941 branches (December 31, 2022: 945 domestic, 4 foreign, in total 949 branches). As of September 30, 2023, The Parent Bank has 17,433 employees (December 31, 2022: 16,961 employees).

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

**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT SEPTEMBER 30, 2023**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

GENERAL INFORMATION (Continued)

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

As at and for the nine-month period ended September 30, 2023, the financial statements of T. Vakıflar Bankası T.A.O., VakıfBank International AG, Vakıf Finansal Kiralama AŞ, Vakıf Faktoring AŞ, Vakıf Yatırım Menkul Değerler AŞ, Vakıf Gayrimenkul Yatırım Ortaklığı AŞ and Vakıf Menkul Kıymet Yatırım Ortaklığı AŞ have been included in the full consolidated financial statements of the Group.

As at and for the nine-month period ended September 30, 2023, the financial statements of Kıbrıs Vakıflar Bankası Ltd. and Türkiye Sınai Kalkınma Bankası AŞ and Birleşim Varlık Yönetim AŞ have been consolidated per equity method in the consolidated financial statements of the Group.

İstanbul Takas ve Saklama Bankası AŞ, Kredi Garanti Fonu AŞ and Birleşik İpotek Finansmanı AŞ are excluded from the scope of consolidation according to the Communiqué on Preparation of Consolidated Financial Statements. Since Bankalararası Kart Merkezi AŞ, Kredi Kayıt Bürosu AŞ, Roketsan Roket Sanayi ve Ticaret AŞ, Güçbirliği Holding AŞ, İzmir Enternasyonal Otelcilik AŞ, Türkiye Ürün İhtisas Borsası AŞ, Bileşim Finansal Teknolojiler ve Ödeme Sistemleri AŞ, JCR Avrasya Derecelendirme AŞ are not financial associates; these associates have not been consolidated. These associates have been accounted for as per TFRS-9 in the consolidated financial statements.

Vakıf Enerji ve Madencilik AŞ, Taksim Otelcilik AŞ, Vakıf Pazarlama Sanayi ve Ticaret AŞ, Vakıf Gayrimenkul Değerleme AŞ and Vakıf Elektronik Para ve Ödeme Hizmetleri AŞ have not been consolidated since they are not among the financial subsidiaries of the Parent Bank. Therefore, the subsidiaries whose fair value can be reliably measured are reflected in the consolidated financial statements at their fair values in accordance with TFRS 9.

**VII. CURRENT OR LIKELY ACTUAL OR LEGAL BARRIERS TO IMMEDIATE TRANSFER OF
EQUITY OR REPAYMENT OF DEBTS BETWEEN THE PARENT BANK AND ITS SUBSIDIARIES**

None.

SECTION TWO
CONSOLIDATED FINANCIAL STATEMENTS

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

**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL SUBSIDIARIES
CONSOLIDATED BALANCE SHEET (STATEMENT OF FINANCIAL POSITION) AS AT SEPTEMBER 30, 2023**
(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

ASSETS	Notes	Current Period September 30, 2023			Prior Period December 31, 2022		
		TL	FC	Total	TL	FC	Total
I. FINANCIAL ASSETS (Net)		252,998,559	448,020,299	701,018,858	159,588,166	388,649,309	548,237,475
1.1 Cash and cash equivalents	V-I-1	132,285,646	264,104,824	396,390,470	60,622,683	249,196,605	309,819,288
1.1.1 Cash and balances at Central Bank	V-I-1	123,136,836	211,955,778	335,092,614	48,395,442	220,579,872	268,975,314
1.1.2 Banks	V-I-3	347,583	52,166,807	52,514,390	143,920	28,616,758	28,760,678
1.1.3 Receivables from Money Markets		8,803,136	-	8,803,136	12,096,010	-	12,096,010
1.1.4 Allowance for expected credit losses (-)	V-I-16	1,909	17,761	19,670	12,689	25	12,714
1.2 Financial assets at fair value through profit or loss	V-I-2	4,318,193	27,369,369	31,687,562	504,753	16,862,130	17,366,883
1.2.1 Public debt securities		-	26,748,386	26,748,386	115,680	16,478,799	16,594,479
1.2.2 Equity instruments		186,868	620,983	807,851	190,053	383,331	573,384
1.2.3 Other financial assets		4,131,325	-	4,131,325	199,020	-	199,020
1.3 Financial assets at fair value through other comprehensive income	V-I-4	92,120,253	151,937,691	244,057,944	84,231,073	119,452,406	203,683,479
1.3.1 Public debt securities		89,825,697	148,235,060	238,060,757	81,886,540	116,584,580	198,471,120
1.3.2 Equity instruments		154,452	16,523	170,975	124,461	10,128	134,589
1.3.3 Other financial assets		2,140,104	3,686,108	5,826,212	2,220,072	2,857,698	5,077,770
1.4 Derivative financial assets	V-I-2	24,274,467	4,608,415	28,882,882	14,229,657	3,138,168	17,367,825
1.4.1 Derivative financial assets at fair value through profit or loss		24,274,467	4,608,415	28,882,882	14,229,657	3,138,168	17,367,825
1.4.2 Derivative financial assets at fair value through other comprehensive income		-	-	-	-	-	-
II. FINANCIAL ASSETS MEASURED AT AMORTISED COST (Net)		1,224,762,635	467,480,831	1,692,243,466	755,139,843	334,290,143	1,089,429,986
2.1 Loans	V-I-5	967,955,905	423,901,824	1,391,857,729	646,001,138	296,228,477	942,229,615
2.2 Receivables from leasing transactions	V-I-10	10,619,361	5,196,000	15,815,361	4,317,489	4,106,488	8,423,977
2.3 Factoring receivables		24,520,154	648,225	25,168,379	22,125,575	538,086	22,663,661
2.4 Financial assets measured at amortised cost	V-I-6	263,579,543	49,269,390	312,848,933	124,556,209	34,036,643	158,592,852
2.4.1 Public debt securities		263,520,603	48,964,855	312,485,458	124,497,259	33,829,671	158,326,930
2.4.2 Other financial assets		58,940	304,535	363,475	58,950	206,972	265,922
2.5 Allowance for expected credit losses (-)		41,912,328	11,534,608	53,446,936	41,860,568	619,551	42,480,119
III. NON-CURRENTS ASSETS OR DISPOSAL GROUPS "HELD FOR SALE" AND "FROM DISCONTINUED OPERATIONS (Net)"	V-I-14	178,431	-	178,431	410,978	-	410,978
3.1 Held for sale purpose		178,431	-	178,431	410,978	-	410,978
3.2 Held from discontinued operations		-	-	-	-	-	-
IV. INVESTMENTS IN ASSOCIATES, SUBSIDIARIES AND JOINT VENTURES		5,872,300	3	5,872,303	5,028,623	3	5,028,626
4.1 Investments in associates (Net)	V-I-7	4,783,262	3	4,783,265	4,139,585	3	4,139,588
4.1.1 Associates accounted by using equity method		1,766,883	-	1,766,883	1,116,825	-	1,116,825
4.1.2 Unconsolidated associates		3,016,379	3	3,016,382	3,022,760	3	3,022,763
4.2 Investments in subsidiaries (Net)	V-I-8	1,089,038	-	1,089,038	889,038	-	889,038
4.2.1 Unconsolidated financial subsidiaries		-	-	-	-	-	-
4.2.2 Unconsolidated non-financial subsidiaries		1,089,038	-	1,089,038	889,038	-	889,038
4.3 Jointly Controlled Partnerships (Joint Ventures) (Net)	V-I-9	-	-	-	-	-	-
4.3.1 Jointly controlled partnerships accounted by using equity method		-	-	-	-	-	-
4.3.2 Unconsolidated jointly controlled partnerships		-	-	-	-	-	-
V. PROPERTY AND EQUIPMENT (Net)		14,071,001	111,885	14,182,886	11,632,986	50,261	11,683,247
VI. INTANGIBLE ASSETS AND GOODWILL (Net)		842,868	14,516	857,384	459,233	10,643	469,876
6.1 Goodwill		14,631	-	14,631	14,631	-	14,631
6.2 Other		828,237	14,516	842,753	444,602	10,643	455,245
VII. INVESTMENT PROPERTIES (Net)	V-I-12	1,867,152	-	1,867,152	1,307,194	-	1,307,194
VIII. CURRENT TAX ASSETS		597	-	597	-	-	-
IX. DEFERRED TAX ASSETS	V-I-13	786,575	191,068	977,643	2,840,206	221,208	3,061,414
X. OTHER ASSETS	V-I-15	66,756,079	9,266,021	76,022,100	39,254,646	8,148,415	47,403,061
TOTAL ASSETS		1,568,136,197	925,084,623	2,493,220,820	975,661,875	731,369,982	1,707,031,857

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

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

**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL SUBSIDIARIES
CONSOLIDATED BALANCE SHEET (STATEMENT OF FINANCIAL POSITION) AS AT SEPTEMBER 30, 2023**
(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

LIABILITIES AND EQUITY	Notes	Current Period September 30, 2023			Prior Period December 31, 2022		
		TL	FC	Total	TL	FC	Total
I. DEPOSITS	V-II-1	1,071,373,025	641,813,702	1,713,186,727	678,221,429	453,876,314	1,132,097,743
II. BORROWINGS	V-II-3	34,225,556	177,439,917	211,665,473	14,481,137	124,887,682	139,368,819
III. MONEY MARKET FUNDS		73,113,411	68,600,755	141,714,166	56,775,981	82,298,008	139,073,989
IV. MARKETABLE SECURITIES ISSUED (Net)	V-II-3	2,010,630	106,892,684	108,903,314	7,537,971	63,540,148	71,078,119
4.1 Bills		999,646	2,197,454	3,197,100	5,977,873	1,411,042	7,388,915
4.2 Asset backed securities		-	-	-	-	-	-
4.3. Bonds		1,010,984	104,695,230	105,706,214	1,560,098	62,129,106	63,689,204
V. FUNDS		3,005	-	3,005	3,005	-	3,005
5.1 Borrower funds		-	-	-	-	-	-
5.2 Other		3,005	-	3,005	3,005	-	3,005
VI. FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS		-	-	-	-	-	-
VII. DERIVATIVE FINANCIAL LIABILITIES	V-II-2	549,428	7,084,427	7,633,855	207,781	4,511,816	4,719,597
7.1 Derivative financial liabilities at fair value through profit or loss		549,428	7,084,427	7,633,855	207,781	4,511,816	4,719,597
7.2 Derivative financial liabilities at fair value through other comprehensive income		-	-	-	-	-	-
VIII. FACTORING PAYABLES		5,496	-	5,496	5,468	-	5,468
IX. LEASE PAYABLES (Net)	V-II-5	2,659,928	4,251	2,664,179	1,020,639	4,080	1,024,719
X. PROVISIONS	V-II-7	13,363,979	330,511	13,694,490	23,225,345	150,999	23,376,344
10.1 Provision for restructuring		-	-	-	-	-	-
10.2 Reserves for employee benefits		4,578,581	22,010	4,600,591	3,754,831	12,879	3,767,710
10.3 Insurance technical reserves (Net)		-	-	-	-	-	-
10.4 Other provisions		8,785,398	308,501	9,093,899	19,470,514	138,120	19,608,634
XI. CURRENT TAX LIABILITIES	V-II-8	3,323,722	16,439	3,340,161	5,390,526	19,871	5,410,397
XII. DEFERRED TAX LIABILITIES	V-II-8	119,014	-	119,014	56,404	-	56,404
XIII. LIABILITIES RELATED TO NON-CURRENT ASSETS "HELD FOR SALE" AND "DISCONTINUED OPERATIONS" (Net)	V-II-9	-	-	-	-	-	-
13.1 Held for sale		-	-	-	-	-	-
13.2 Related to discontinued operations		-	-	-	-	-	-
XIV. SUBORDINATED DEBT	V-II-10	10,163,238	20,741,068	30,904,306	9,567,360	14,475,926	24,043,286
14.1 Loans		-	-	-	-	-	-
14.2 Other debt instruments		10,163,238	20,741,068	30,904,306	9,567,360	14,475,926	24,043,286
XV. OTHER LIABILITIES	V-II-4	79,733,630	24,605,576	104,339,206	45,171,865	15,076,574	60,248,439
XVI. SHAREHOLDERS' EQUITY	V-II-11	152,198,889	2,848,539	155,047,428	105,154,480	1,371,048	106,525,528
16.1 Paid-in capital	V-II-11	9,915,922	-	9,915,922	7,111,364	-	7,111,364
16.2 Capital reserves		44,881,036	-	44,881,036	16,277,467	128,856	16,406,323
16.2.1 Equity share premiums		45,307,198	-	45,307,198	16,469,500	-	16,469,500
16.2.2 Share cancellation profits		-	-	-	-	-	-
16.2.3 Other capital reserves		(426,162)	-	(426,162)	(192,033)	128,856	(63,177)
16.3 Other accumulated comprehensive income that will not be reclassified in profit or loss		5,828,160	-	5,828,160	5,504,921	-	5,504,921
16.4 Other accumulated comprehensive income that will be reclassified in profit or loss		7,805,342	1,715,771	9,521,113	11,670,632	294,149	11,964,781
16.5 Profit reserves		61,554,392	447,897	62,002,289	37,034,559	446,150	37,480,709
16.5.1 Legal reserves		6,867,616	28,297	6,895,913	3,973,387	26,550	3,999,937
16.5.2 Statutory reserves		6,337	-	6,337	6,337	-	6,337
16.5.3 Extraordinary reserves		52,966,976	415,985	53,382,961	31,488,616	415,985	31,904,601
16.5.4 Other profit reserves		1,713,463	3,615	1,717,078	1,566,219	3,615	1,569,834
16.6 Profit or loss		19,477,860	680,201	20,158,061	25,753,468	497,223	26,250,691
16.6.1 Prior years' profits or losses		1,894,727	(23,561)	1,871,166	345,471	93,771	439,242
16.6.2 Current period net profit or loss		17,583,133	703,762	18,286,895	25,407,997	403,452	25,811,449
16.7 Minority interests		2,736,177	4,670	2,740,847	1,802,069	4,670	1,806,739
TOTAL LIABILITIES AND EQUITY		1,442,842,951	1,050,377,869	2,493,220,820	946,819,391	760,212,466	1,707,031,857

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

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

**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL SUBSIDIARIES
CONSOLIDATED OFF-BALANCE SHEET ITEMS AS AT SEPTEMBER 30, 2023**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

	Notes	Current Period September 30, 2023			Prior Period December 31, 2022		
		TL	FC	Total	TL	FC	Total
A.	OFF-BALANCE SHEET COMMITMENTS AND CONTINGENCIES (I-II-III)	806,603,691	1,134,298,044	1,940,901,735	362,476,271	666,875,897	1,029,352,168
I.	GUARANTEES AND SURETIES V-III-2	198,794,263	200,176,473	398,970,736	127,324,685	152,031,546	279,356,231
1.1.	Letters of guarantee V-III-1	195,196,812	129,605,362	324,802,174	123,541,954	97,329,707	220,871,661
1.1.1.	Guarantees subject to state tender law	6,316,110	-	6,316,110	4,903,928	35,090,731	39,994,659
1.1.2.	Guarantees given for foreign trade operations	12,668,822	65,721,286	78,390,108	5,938,641	-	5,938,641
1.1.3.	Other letters of guarantee	176,211,880	63,884,076	240,095,956	112,699,385	62,238,976	174,938,361
1.2.	Bank acceptances	49,258	4,190,068	4,239,326	49,258	3,630,388	3,679,646
1.2.1.	Import letter of acceptance	-	853,258	853,258	-	873,407	873,407
1.2.2.	Other bank acceptances	49,258	3,336,810	3,386,068	49,258	2,756,981	2,806,239
1.3.	Letters of credit V-III-4	366,958	61,203,941	61,570,899	1,714,806	47,594,116	49,308,922
1.3.1.	Documentary letters of credit	366,958	61,203,941	61,570,899	1,714,806	47,594,116	49,308,922
1.3.2.	Other letters of credit	-	-	-	-	-	-
1.4.	Pre-financings given as guarantee	-	21,805	21,805	-	14,896	14,896
1.5.	Endorsements	-	-	-	-	-	-
1.5.1.	Endorsements to the Central Bank of the Republic of Türkiye	-	-	-	-	-	-
1.5.2.	Other endorsements	-	-	-	-	-	-
1.6.	Purchase guarantees for securities issued	-	-	-	-	-	-
1.7.	Factoring guarantees	1,149,330	2,419,217	3,568,547	1,127,137	1,707,246	2,834,383
1.8.	Other guarantees	356,904	487,934	844,838	161,529	316,843	478,372
1.9.	Other warranties	1,675,001	2,248,146	3,923,147	730,001	1,438,350	2,168,351
II.	COMMITMENTS	443,343,412	257,213,200	700,556,612	196,350,452	149,570,373	345,920,825
2.1.	Irrevocable commitments V-III-1	410,901,458	105,449,293	516,350,751	167,179,222	52,771,984	219,951,206
2.1.1.	Asset purchase and sales commitments	66,619,397	103,338,887	169,958,284	5,100,287	51,092,262	56,192,549
2.1.2.	Deposit purchase and sales commitments	-	-	-	-	-	-
2.1.3.	Share capital commitments to associates and subsidiaries	13,908	-	13,908	-	-	-
2.1.4.	Loan granting commitments	103,184,374	3,375	103,187,749	60,802,246	2,754	60,805,000
2.1.5.	Securities issuance brokerage commitments	-	-	-	-	-	-
2.1.6.	Commitments for reserve deposit requirements	-	-	-	-	-	-
2.1.7.	Commitments for cheque payments	9,860,157	-	9,860,157	6,916,438	-	6,916,438
2.1.8.	Tax and fund liabilities from export commitments	-	-	-	-	-	-
2.1.9.	Commitments for credit card expenditure limits	215,651,865	-	215,651,865	81,979,697	-	81,979,697
2.1.10.	Commitments for credit cards and banking services promotions	2,756,084	-	2,756,084	5,676,476	-	5,676,476
2.1.11.	Receivables from short sale commitments on marketable securities	-	-	-	-	-	-
2.1.12.	Payables for short sale commitments on marketable securities	-	-	-	-	-	-
2.1.13.	Other irrevocable commitments	12,815,673	2,107,031	14,922,704	6,704,078	1,676,968	8,381,046
2.2.	Revocable commitments	32,441,954	151,763,907	184,205,861	29,171,230	96,798,389	125,969,619
2.2.1.	Revocable loan granting commitments	32,441,954	151,763,907	184,205,861	29,171,230	96,798,389	125,969,619
2.2.2.	Other revocable commitments	-	-	-	-	-	-
III.	DERIVATIVE FINANCIAL INSTRUMENTS	164,466,016	676,908,371	841,374,387	38,801,134	365,273,978	404,075,112
3.1.	Derivative financial instruments held for hedging	-	-	-	-	-	-
3.1.1.	Fair value hedges	-	-	-	-	-	-
3.1.2.	Cash flow hedges	-	-	-	-	-	-
3.1.3.	Hedging for investments made in foreign countries	-	-	-	-	-	-
3.2.	Trading transactions	164,466,016	676,908,371	841,374,387	38,801,134	365,273,978	404,075,112
3.2.1.	Forward foreign currency purchase and sale transactions	12,347,630	13,302,231	25,649,861	1,031,528	1,153,908	2,185,436
3.2.1.1.	Forward foreign currency purchase transactions	6,190,069	6,651,433	12,841,502	933,919	249,366	1,183,285
3.2.1.2.	Forward foreign currency sales	6,157,561	6,650,798	12,808,359	97,609	904,542	1,002,151
3.2.2.	Currency and interest rate swaps	144,368,065	497,369,040	641,737,105	25,130,648	280,115,374	305,246,022
3.2.2.1.	Currency swap purchase transactions	1,928,975	199,313,635	201,242,610	1,203,410	80,360,744	81,564,154
3.2.2.2.	Currency swap sale transactions	140,589,090	79,975,971	220,565,061	22,417,238	55,865,357	78,282,595
3.2.2.3.	Interest rate swap purchase transactions	925,000	109,039,717	109,964,717	755,000	71,944,637	72,699,637
3.2.2.4.	Interest rate swap sale transactions	925,000	109,039,717	109,964,717	755,000	71,944,636	72,699,636
3.2.3.	Currency, interest rate and security options	6,580,567	7,137,654	13,718,221	10,648,322	11,846,306	22,494,628
3.2.3.1.	Currency purchase options	6,568,695	506,516	7,075,211	10,648,322	716,531	11,364,853
3.2.3.2.	Currency sale options	11,872	6,631,138	6,643,010	-	11,129,775	11,129,775
3.2.3.3.	Interest rate purchase options	-	-	-	-	-	-
3.2.3.4.	Interest rate sale options	-	-	-	-	-	-
3.2.3.5.	Security purchase options	-	-	-	-	-	-
3.2.3.6.	Security sale options	-	-	-	-	-	-
3.2.4.	Currency futures	-	-	-	820,882	655,550	1,476,432
3.2.4.1.	Currency purchase futures	-	-	-	-	655,550	655,550
3.2.4.2.	Currency sales futures	-	-	-	820,882	-	820,882
3.2.5.	Interest rate futures	-	-	-	-	-	-
3.2.5.1.	Interest rate purchases futures	-	-	-	-	-	-
3.2.5.2.	Interest rate sales futures	-	-	-	-	-	-
3.2.6.	Other	1,169,754	159,099,446	160,269,200	1,169,754	71,502,840	72,672,594
B.	CUSTODY AND PLEDGED ITEMS (IV+V+VI)	22,247,281,051	18,331,139,487	40,578,420,538	14,030,466,860	12,053,825,441	26,084,292,301
IV.	ITEMS HELD IN CUSTODY	258,437,286	143,020,018	401,457,304	162,969,413	72,430,393	235,399,806
4.1.	Customer fund and portfolio balances	13,020,593	-	13,020,593	8,967,602	-	8,967,602
4.2.	Securities held in custody	56,983,001	67,362,917	124,345,918	60,034,179	23,547,755	83,581,934
4.3.	Checks received for collection	76,260,580	2,683,671	78,944,251	44,976,704	2,032,540	47,009,244
4.4.	Commercial notes received for collection	39,876,373	6,217,223	46,093,596	21,891,692	4,640,850	26,532,542
4.5.	Other assets received for collection	2,152	1,097	3,249	2,152	749	2,901
4.6.	Securities received for public offering	-	-	-	-	-	-
4.7.	Other items under custody	1,264,717	58,568,701	59,833,418	1,006,161	36,811,019	37,817,180
4.8.	Custodians	71,029,870	8,186,409	79,216,279	26,090,923	5,397,480	31,488,403
V.	PLEDGED ITEMS	4,035,423,667	944,434,959	4,979,858,626	2,228,692,422	619,386,476	2,848,078,898
5.1.	Marketable securities	280,060	4,650,955	4,931,015	1,137,763	1,876,845	3,014,608
5.2.	Guarantee notes	15,427,717	9,297,923	24,725,640	5,376,514	6,818,656	12,195,170
5.3.	Commodity	275,526,132	11,550,903	287,077,035	168,878,389	8,073,124	176,951,513
5.4.	Warrant	-	-	-	-	-	-
5.5.	Immovables	3,219,403,826	758,661,678	3,978,065,504	1,783,113,213	504,987,569	2,288,100,782
5.6.	Other pledged items	524,442,291	160,090,152	684,532,443	269,844,038	97,432,224	367,276,262
5.7.	Depositories receiving pledged items	343,641	183,348	526,989	342,505	198,058	540,563
VI.	ACCEPTED GUARANTEES AND WARRANTIES	17,953,420,098	17,243,684,510	35,197,104,608	11,638,805,025	11,362,008,572	23,000,813,597
TOTAL	TOTAL OFF-BALANCE SHEET COMMITMENTS (A+B)	23,053,884,742	19,465,437,531	42,519,322,273	14,392,943,131	12,720,701,338	27,113,644,469

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

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

**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL SUBSIDIARIES
CONSOLIDATED STATEMENT OF PROFIT OR LOSS FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER
30, 2023**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

	Notes	Current Period January 1, 2023- September 30, 2023	Current Period July 1, 2023- September 30, 2023	Prior Period January 1, 2022- September 30, 2022	Prior Period July 1, 2022- September 30, 2022
I. INTEREST INCOME	V-IV-1	187,743,040	89,282,369	99,215,785	39,735,315
1.1 Interest on loans	V-IV-1	117,717,934	52,795,123	60,095,082	23,898,189
1.2 Interest received from reserve deposits		910,415	245,667	273,019	-
1.3 Interest received from banks	V-IV-1	1,006,717	329,221	194,712	143,568
1.4 Interest received from money market transactions		141,948	24,610	7,376	6,155
1.5 Interest received from marketable securities portfolio	V-IV-1	64,285,408	34,219,167	37,765,977	15,303,377
1.5.1 Financial assets at fair value through profit or loss		421,543	159,856	334,317	136,761
1.5.2 Financial assets at fair value through other comprehensive income		20,900,297	10,072,980	16,033,574	6,104,532
1.5.3 Financial assets measured at amortised cost		42,963,568	23,986,331	21,398,086	9,062,084
1.6 Finance lease interest income		2,381,504	1,098,923	642,687	287,197
1.7 Other interest income		1,299,114	569,658	236,932	96,829
II. INTEREST EXPENSES (-)	V-IV-2	160,416,152	72,553,162	58,558,564	23,449,765
2.1 Interest on deposits	V-IV-2	133,872,691	61,830,007	39,496,768	17,463,571
2.2 Interest on funds borrowed	V-IV-2	10,524,858	4,354,267	3,051,386	1,316,116
2.3 Interest on money market transactions		7,992,272	3,432,708	9,221,305	2,352,559
2.4 Interest on securities issued	V-IV-2	6,741,823	2,631,990	5,830,247	2,135,746
2.5 Leasing interest income		443,952	176,008	168,781	65,730
2.6 Other interest expenses		840,556	128,182	790,077	116,043
III. NET INTEREST INCOME/EXPENSE (I - II)		27,326,888	16,729,207	40,657,221	16,285,550
IV. NET FEES AND COMMISSIONS INCOME/EXPENSES		15,675,417	6,798,073	6,887,706	2,934,677
4.1 Fees and commissions received		20,046,688	8,872,313	8,865,874	3,759,633
4.1.1 Non-cash loans		2,269,403	901,753	1,280,666	493,650
4.1.2 Other		17,777,285	7,970,560	7,585,208	3,265,983
4.2 Fees and commissions paid (-)		4,371,271	2,074,240	1,978,168	824,956
4.2.1 Non-cash loans		66,994	37,237	30,649	8,845
4.2.2 Other		4,304,277	2,037,003	1,947,519	816,111
V. DIVIDEND INCOME		51,550	39,523	55,953	2,566
VI. TRADING PROFIT/LOSS (Net)	V-IV-3	18,844,247	6,112,936	3,587,901	1,620,226
6.1 Profit/losses from capital market transactions	V-IV-3	4,501,001	2,832,897	1,164,119	549,622
6.2 Profit/losses from derivative financial transactions	V-IV-3	3,596,713	932,671	(965,934)	(243,817)
6.3 Foreign exchange profit/losses	V-IV-3	10,746,533	2,347,368	3,389,716	1,314,421
VII. OTHER OPERATING INCOME	V-IV-4	35,447,236	4,262,922	8,194,798	2,534,075
VIII. GROSS PROFIT FROM OPERATING ACTIVITIES (III+IV+V+VI+VII)		97,345,338	33,942,661	59,383,579	23,377,094
IX. ALLOWANCES FOR EXPECTED CREDIT LOSSES (-)	V-IV-5	33,336,066	11,161,531	15,196,818	3,451,106
X. OTHER PROVISION EXPENSES (-)	V-IV-5	73,319	3,056	7,928,543	5,502,101
XI. PERSONNEL EXPENSES (-)		10,794,250	4,193,357	4,983,958	1,892,187
XII. OTHER OPERATING EXPENSES (-)	V-IV-6	29,703,285	6,262,445	6,839,961	2,744,617
XIII. NET OPERATING PROFIT/LOSS (VIII-IX-X-XI)		23,438,418	12,322,272	24,434,299	9,787,083
XIV. SURPLUS WRITTEN AS GAIN AFTER MERGER		-	-	-	-
XV. PROFIT/LOSS FROM EQUITY METHOD APPLIED SUBSIDIARIES		446,081	164,070	224,770	94,873
XVI. NET MONETARY POSITION GAIN/LOSS		-	-	-	-
XVII. PROFIT/LOSS BEFORE TAXES FROM CONTINUING OPERATIONS (XIII+...+XVI)	V-IV-7	23,884,499	12,486,342	24,659,069	9,881,956
XVIII. PROVISION FOR TAXES ON INCOME FROM CONTINUING OPERATIONS (±)	V-IV-10	(4,986,205)	(1,936,886)	(7,526,052)	(3,746,195)
18.1 Current tax provision	V-IV-10	(2,259,567)	(593,945)	(16,038,041)	(5,436,591)
18.2 Expense effect of deferred tax (+)	V-IV-10	(12,663,033)	(5,069,699)	(4,479,455)	(601,251)
18.3 Income effect of deferred tax (-)	V-IV-10	9,936,395	3,726,758	12,991,444	2,291,647
XIX. NET PROFIT/LOSS FROM CONTINUING OPERATIONS (XVII±XVIII)	V-IV-9	18,898,294	10,549,456	17,133,017	6,135,761
XX. INCOME FROM DISCONTINUED OPERATIONS		-	-	-	-
20.1 Income from assets held for sale		-	-	-	-
20.2 Profit from sale of associates, subsidiaries and joint ventures		-	-	-	-
20.3 Other income from discontinued operations		-	-	-	-
XXI. EXPENSES FROM DISCONTINUED OPERATIONS (-)		-	-	-	-
21.1 Expenses on assets held for sale		-	-	-	-
21.2 Losses from sale of associates, subsidiaries and joint ventures		-	-	-	-
21.3 Other expenses from discontinued operations		-	-	-	-
XXII. PROFIT/LOSS BEFORE TAXES FROM DISCONTINUED OPERATIONS (XX-XXI)		-	-	-	-
XXIII. TAX PROVISION FOR DISCONTINUED OPERATIONS (±)		-	-	-	-
23.1 Current tax provision		-	-	-	-
23.2 Expense effect of deferred tax (+)		-	-	-	-
23.3 Income effect of deferred tax (-)		-	-	-	-
XXIV. NET PROFIT/LOSS FROM DISCONTINUED OPERATIONS (XXII±XXIII)		-	-	-	-
XXV. NET PROFIT/LOSSES (XIX+XXIV)	V-IV-11	18,898,294	10,549,456	17,133,017	6,135,761
25.1 Group's profit/(loss)		18,286,895	10,397,539	16,519,159	5,750,087
25.2 Profit/(Loss) from Minority shares (-)		611,399	151,917	613,858	385,674
Profit/Loss per 100 shares (full TL)	III-XXIV	1.9871	1.0639	2.6957	0.8628

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

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

**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL SUBSIDIARIES
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE
NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2023**

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

		Current Period January 1, 2023- September 30, 2023	Prior Period January 1, 2022- September 30, 2022
PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME			
I.	PROFIT (LOSS)	18,898,294	17,133,017
II.	OTHER COMPREHENSIVE INCOME	(2,114,104)	8,696,319
2.1.	Other comprehensive income that will not be reclassified to profit or loss	329,564	(96,881)
2.1.1.	Gains (Losses) on Revaluation of Property, Plant and Equipment	(18,701)	(33,999)
2.1.2.	Gains (losses) on revaluation of Intangible Assets	-	-
2.1.3.	Gains (losses) on remeasurements of defined benefit plans	(6,437)	13,558
2.1.4.	Other Components of Other Comprehensive Income That Will Not Be Reclassified to Profit Or Loss	142,154	(56,628)
2.1.5.	Taxes Relating To Components Of Other Comprehensive Income That Will Not Be Reclassified To Profit Or Loss	212,548	(19,812)
2.2.	Other Comprehensive Income That Will Be Reclassified to Profit or Loss	(2,443,668)	8,793,200
2.2.1.	Exchange Differences on Translation	707,530	304,319
2.2.2.	Valuation and/or Reclassification Profit or Loss from financial assets at fair value through other comprehensive income	(3,199,475)	11,130,570
2.2.3.	Income (Loss) Related with Cash Flow Hedges	-	-
2.2.4.	Income (Loss) Related with Hedges of Net Investments in Foreign Operations	(353,530)	241,902
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	401,807	(2,883,591)
III.	TOTAL COMPREHENSIVE INCOME (I+II)	16,784,190	25,829,336

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

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

**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL SUBSIDIARIES CONSOLIDATED STATEMENT OF CHANGES IN
SHAREHOLDERS' EQUITY FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2023**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY					Accumulated Other Comprehensive Income or Expense Not Reclassified through Profit or Loss			Accumulated Other Comprehensive Income or Expense Reclassified through Profit or Loss									
	Notes	Paid in Capital	Share Premium	Share Cancellation Profits	Other Capital Reserves	1	2	3	4	5	6	Profit Reserves	Prior Period Profit or (Loss)	Current Period Profit or (Loss)	Total SE Except minority share	Minority interest	Total Shareholders' Equity
Current Period September 30, 2023																	
I.	Prior Period End Balance	7,111,364	16,469,500	-	(63,177)	3,381,054	(800,579)	2,924,446	1,490,653	10,802,217	(328,089)	37,480,709	26,250,691	-	104,718,789	1,806,739	106,525,528
II.	Corrections and Accounting Policy Changes Made																
2.1.	According to TAS 8	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.2.	Effects of Corrections	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Effects of the Changes in Accounting Policies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
III.	Adjusted Beginning Balance (I+II)	7,111,364	16,469,500	-	(63,177)	3,381,054	(800,579)	2,924,446	1,490,653	10,802,217	(328,089)	37,480,709	26,250,691	-	104,718,789	1,806,739	106,525,528
IV.	Total Comprehensive Income	-	-	-	-	171,492	47,549	104,198	707,530	(3,002,153)	(149,045)	-	-	18,286,895	16,166,466	617,724	16,784,190
V.	Capital Increase by Cash	2,804,558	29,120,489	-	-	-	-	-	-	-	-	-	-	-	31,925,047	-	31,925,047
VI.	Capital Increase by Internal Resources	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VII.	Paid-in capital inflation adjustment difference	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VIII.	Convertible Bonds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IX.	Subordinated Debt Instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
X.	Increase/Decrease by Other Changes	-	(282,791)	-	(364,182)	-	-	-	-	-	-	175,452	(31,286)	-	(502,807)	318,198	(184,609)
XI.	Profit Distribution	-	-	-	1,197	-	-	-	-	-	-	24,346,128	(24,348,239)	-	(914)	(1,814)	(2,728)
11.1.	Dividends paid	-	-	-	-	-	-	-	-	-	-	-	(908)	-	(908)	(1,814)	(2,722)
11.2.	Transfers to Reserves	-	-	-	-	-	-	-	-	-	-	24,333,957	(24,333,963)	-	(6)	-	(6)
11.3.	Other	-	-	-	1,197	-	-	-	-	-	-	12,171	(13,368)	-	-	-	-
	Ending Balance	9,915,922	45,307,198	-	(426,162)	3,552,546	(753,030)	3,028,644	2,198,183	7,800,064	(477,134)	62,002,289	1,871,166	18,286,895	152,306,581	2,740,847	155,047,428

1. Property & Equipment Revaluation Increase/Decrease

2. Defined Benefit Pension Plan Remeasurement Gain/Loss

3. Other (Accumulated Amount of the Shares Stated as Other Comprehensive Income Not Reclassified Through Profit or Loss and Components Not Reclassified as Other Profit or Loss of the Investments Valued by Equity Method)

4. Translation Differences from Foreign Currency Transactions

5. Accumulated Revaluation and/or Remeasurement Gain/Loss of the Financial Assets at Fair Value Through Other Comprehensive Income

6. Other (Cash Flow Hedge Income/Loss, Accumulated Amount of the Shares Stated as Other Comprehensive Income Reclassified Through Profit or Loss and Components Reclassified as Other Profit or Loss of the Investments Valued by Equity Method).

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

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

**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL SUBSIDIARIES CONSOLIDATED STATEMENT OF CHANGES IN
SHAREHOLDERS' EQUITY FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2022**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY						Accumulated Other Comprehensive Income or Expense Not Reclassified through Profit or Loss			Accumulated Other Comprehensive Income or Expense Reclassified through Profit or Loss								
	Notes	Paid in Capital	Share Premium	Share Cancellation Profits	Other Capital Reserves	1	2	3	4	5	6	Profit Reserves	Prior Period Profit or (Loss)	Current Period Profit or (Loss)	Total SE Except minority share	Minority interest	Total Shareholders' Equity
	Prior Period September 30, 2022																
I.	Prior Period End Balance	3,905,622	6,303,367	-	(110,744)	892,669	(233,150)	1,627,520	977,197	1,703,781	(446,759)	33,168,288	5,197,169	-	52,984,960	1,215,068	54,200,028
II.	Corrections and Accounting Policy Changes Made																
2.1.	According to TAS 8	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.2.	Effects of Corrections	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Effects of the Changes in Accounting Policies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
III.	Adjusted Beginning Balance (I+II)	3,905,622	6,303,367	-	(110,744)	892,669	(233,150)	1,627,520	977,197	1,703,781	(446,759)	33,168,288	5,197,169	-	52,984,960	1,215,068	54,200,028
IV.	Total Comprehensive Income	-	-	-	-	(33,757)	11,364	(73,764)	304,319	8,246,979	241,902	-	-	16,519,159	25,216,202	613,134	25,829,336
V.	Capital Increase by Cash	3,205,742	10,164,768	-	-	-	-	-	-	-	-	-	-	-	13,370,510	-	13,370,510
VI.	Capital Increase by Internal Resources	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VII.	Paid-in capital inflation adjustment difference	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VIII.	Convertible Bonds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IX.	Subordinated Debt Instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
X.	Increase/Decrease by Other Changes	-	1,366	-	63,672	-	-	-	-	-	-	171,699	(629,207)	-	(392,470)	1,173	(391,297)
XI.	Profit Distribution	-	-	-	-	-	-	-	-	-	-	4,138,796	(4,139,007)	-	(211)	(789)	(1,000)
11.1.	Dividends paid	-	-	-	-	-	-	-	-	-	-	-	(195)	-	(195)	(789)	(984)
11.2.	Transfers to Reserves	-	-	-	-	-	-	-	-	-	-	4,135,183	(4,135,199)	-	(16)	-	(16)
11.3.	Other	-	-	-	-	-	-	-	-	-	-	3,613	(3,613)	-	-	-	-
	Ending Balance	7,111,364	16,469,501	-	(47,072)	858,912	(221,786)	1,553,756	1,281,516	9,950,760	(204,857)	37,478,783	428,955	16,519,159	91,178,991	1,828,586	93,007,577

- Property & Equipment Revaluation Increase/Decrease
- Defined Benefit Pension Plan Remeasurement Gain/Loss
- Other (Accumulated Amount of the Shares Stated as Other Comprehensive Income Not Reclassified Through Profit or Loss and Components Not Reclassified as Other Profit or Loss of the Investments Valued by Equity Method)
- Translation Differences from Foreign Currency Transactions
- Accumulated Revaluation and/or Remeasurement Gain/Loss of the Financial Assets at Fair Value Through Other Comprehensive Income
- Other (Cash Flow Hedge Income/Loss, Accumulated Amount of the Shares Stated as Other Comprehensive Income Reclassified Through Profit or Loss and Components Reclassified as Other Profit or Loss of the Investments Valued by Equity Method).

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

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED CONSOLIDATED FINANCIAL
ORIGINALLY ISSUED IN TURKISH**

**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL SUBSIDIARIES
CONSOLIDATED STATEMENT OF CASH FLOW FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30,
2023**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

	Notes	Current Period September 30, 2023	Prior Period September 30, 2022
A. CASH FLOWS FROM BANKING OPERATIONS			
1.1 Operating profit before changes in operating assets and liabilities		57,882,162	29,536,676
1.1.1 Interest received		176,267,876	78,777,513
1.1.2 Interest paid		(159,187,685)	(57,430,110)
1.1.3 Dividends received		51,550	55,953
1.1.4 Fee and commissions received		12,403,734	5,414,264
1.1.5 Other income		4,662,744	927,163
1.1.6 Collections from previously written off loans and other receivables		3,925,609	3,477,855
1.1.7 Cash payments to personnel and service suppliers		(11,924,978)	(5,377,372)
1.1.8 Taxes paid		(1,475,811)	(1,849,322)
1.1.9 Other		33,159,123	5,540,732
1.2 Changes in operating assets and liabilities subject to banking operations		208,232,379	(28,772,088)
1.2.1 Net (Increase) Decrease in Financial Assets at Fair Value through Profit or Loss		(14,040,278)	926,679
1.2.2 Net increase (decrease) in due from banks		37,331,140	(50,374,135)
1.2.3 Net increase (decrease) in loans		(324,730,334)	(159,638,674)
1.2.4 Net increase (decrease) in other assets		(18,036,123)	(13,003,006)
1.2.5 Net increase (decrease) in bank deposits		(10,797,489)	21,016,349
1.2.6 Net increase (decrease) in other deposits		486,809,377	255,713,328
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		18,736,177	(1,996,853)
1.2.9 Net increase (decrease) in matured payables		-	-
1.2.10 Net increase (decrease) in other liabilities		32,959,909	(81,415,776)
I. Net cash flow provided from banking operations		266,114,541	764,588
B. CASH FLOWS FROM INVESTING ACTIVITIES			
II. Net cash provided from investing activities		(187,942,127)	(24,556,608)
2.1 Cash paid for the purchase of associates, subsidiaries and joint ventures		(312,751)	(162,226)
2.2 Cash obtained from the sale of associates, subsidiaries and joint ventures		-	1,750
2.3 Cash paid for the purchase of tangible and intangible asset		(8,470,153)	(5,678,173)
2.4 Cash obtained from the sale of tangible and intangible asset		5,073,348	1,517,572
2.5 Cash paid for the purchase of financial assets at fair value through other comprehensive income		(80,568,769)	(19,735,969)
2.6 Cash obtained from the sale of financial assets at fair value through other comprehensive income		8,423,478	25,190,230
2.7 Cash paid for the purchase of financial assets at amortized cost		(126,283,530)	(27,378,526)
2.8 Cash obtained from sale of financial assets at amortized cost		14,650,808	1,874,785
2.9 Other		(454,558)	(186,051)
C. CASH FLOWS FROM FINANCING ACTIVITIES			
III. Net cash flows from financing activities		44,984,463	15,278,839
3.1 Cash obtained from funds borrowed and securities issued		55,303,951	30,530,606
3.2 Cash outflow from funds borrowed and securities issued		(9,874,793)	(15,997,160)
3.3 Equity instruments issued		142,000	1,134,000
3.4 Dividends paid		-	-
3.5 Payments for finance lease liabilities		(586,695)	(388,607)
3.6 Other		-	-
IV. Effect of change in foreign exchange rate on cash and cash equivalents		718,112	406,440
V. Net increase/decrease in cash and cash equivalents		123,874,989	(8,106,741)
VI. Cash and cash equivalents at beginning of the period		129,679,153	98,987,321
VII. Cash and cash equivalents at end of the period		253,554,142	90,880,580

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

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED CONSOLIDATED FINANCIAL
ORIGINALLY ISSUED IN TURKISH**

**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL
SUBSIDIARIES CONSOLIDATED FINANCIAL REPORT AS AT SEPTEMBER 30, 2023**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

**SECTION THREE
ACCOUNTING POLICIES**

I. BASIS OF PRESENTATION

The consolidated financial statements are prepared within the scope of the "Regulation on Accounting Applications for Banks and Safeguarding of Documents" related with Banking Act numbered 5411 published in the Official Gazette no.26333 dated November 1, 2006 and in accordance with the regulations, communiqués, interpretations and legislations related to accounting and financial reporting principles published by the Banking Regulation and Supervision Agency ("BRSA"), and in case where a specific regulation is not made by BRSA Türkiye Accounting Standard 34 ("TAS 34") , Interim Financial Reporting Standard and Türkiye Financial Reporting Standards ("TFRS") enforced by Public Oversight, Accounting and Auditing Standards Authority ("POA") (together referred as BRSA Accounting and Reporting Legislation). The format and content of the publicly announced consolidated 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" and "Communiqué on Disclosures about Risk Management to be Announced to Public by Banks" and amendments to this Communiqué. General board and some regulatory authorities has the authorization to change the legal financial statements after they are published. The Parent Bank maintains its accounting records in Turkish Lira, in accordance with the Banking Law, Turkish Commercial Code and Turkish Tax Legislation.

Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.

The accounting policies and valuation principles applied in the preparation of the consolidated financial statements have been determined and applied by BRSA in accordance with the regulations, communiqués, explanations and circulars published in accordance with the accounting and financial reporting principles and if no specific regulation has been made by BRSA, it has been determined and applied according to the principles of TFRS.

The preparation of consolidated financial statements according to TFRS requires the use of certain critical estimates on assets and liabilities reported as of balance sheet date and 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. Judgments and estimates are explained in related notes.

Benchmark Rate Reform - Stage 2, which introduces amendments to TFRS 9, TAS 39, TFRS 7, TFRS 4 and TFRS 16, effective from January 2021, was published in December 2020 and early application of the changes is permitted. With the amendments made, certain exceptions are provided in the basis used in determining the contractual cash flows and in the hedge accounting provisions. The changes came into effect from January 1, 2021. Loans given from items indexed to benchmark interest rates in the Parent Bank's financial statements and securities assets; Securities issued, derivative transactions and loans obtained through repo constitute liabilities. These changes do not have a significant impact on the Parent Bank's financial position or performance. As of September 30, 2023, the Parent Bank has no hedging transactions based on the benchmark interest rate. As of July 1, 2023, the secured overnight financing rate (SOFR) has been introduced in floating rate open transactions indexed to USD LIBOR. These changes did not have a material impact on the Parent Bank's financial statements as of September 30, 2023.

TAS 29 Financial Reporting in Hyperinflation Economies requires entities whose functional currency is that of a hyperinflationary economy to prepare their financial statements in terms of the measuring unit current at the end of the reporting period. IAS 29 identifies characteristics that may indicate an economy is a hyperinflationary. At the same time, according to TAS 29, all entities reporting in the currency of a hyperinflationary economy are required to apply this standard from the same date. From this basis, as stated in TAS 29, it is expected that all entities will start to apply TAS 29 simultaneously, with the announcement to be made by the Public Oversight, Accounting, and Auditing Standards Authority (POA) in order to ensure consistency in practice across the country. Nevertheless, POA has not made a statement regarding whether an adjustment will be made within the scope of TAS 29 in the financial statements for the accounting period ending on September 30, 2023. Therefore, TAS 29 has not been applied, and no inflation adjustment has been made in the financial statements as of September 30, 2023.

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED CONSOLIDATED FINANCIAL
ORIGINALLY ISSUED IN TURKISH**

**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL
SUBSIDIARIES CONSOLIDATED FINANCIAL REPORT AS AT SEPTEMBER 30, 2023**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

ACCOUNTING POLICIES (Continued)

I. BASIS OF PRESENTATION (Continued)

Tensions between Russia and Ukraine have turned into a crisis and heated conflict within Ukraine. The Parent Bank does not have direct activity in the relevant geography and the crisis is not expected to have a direct impact on bank operations. However, the course of the crisis is uncertain as of the date of the report, developments are monitored, and its estimated effects are evaluated within the scope of the relevant accounting standards and taken into account in the preparation of financial statements.

The accounting policies applied in the current period are in line with the previous period financial statements. The accounting policies followed and the valuation principles used in the preparation of financial statements are presented in detail below.

II. STRATEGY FOR THE USE OF FINANCIAL INSTRUMENTS AND INFORMATION ON FOREIGN CURRENCY TRANSACTIONS

Strategy for the use of financial instruments

The Parent Bank's core operations are based on retail banking, corporate banking, private banking, foreign exchange operations, money market operations, investment security transactions, and international banking in accordance with the requirements of its economic development while utilizing foundation resources. As a result of the nature of its operations, the Parent Bank intensively utilizes financial instruments. The Parent Bank accepts deposits consisting various maturities as the main source of funding with deposits being in high return as well as carefully utilizing them in high quality financial activities.

The most important fund sources of the Parent Bank other than the deposits are its equity and medium and long-term borrowings obtained from foreign financial institutions. The Parent Bank pursues an effective asset-liability management strategy by securing balance between funding resources and investments so as to reduce risks and increase returns. Accordingly, the Parent Bank attaches great significance to long-term placements bearing higher interest rates.

It is essential to consider the maturity structure of assets and liabilities in liquidity management. The essence of asset liability management is the keep the liquidity risk, exchange rate risk and credit risk within reasonable limits; while enhancing profitability and strengthening the Parent Bank's shareholders' equity.

Investments in marketable securities and lending loans generate higher return than the average rate of return of the Parent Bank's operating activities on the basis of maturity structures and market conditions. When bank placements are considered, they have short term maturity in terms of liquidity management and have lower return. The Parent Bank can take various positions on short-term foreign exchange risk, interest rate risk and market risk in money and capital markets, by considering market conditions, within specified limits set by regulations. The Parent Bank hedges itself and controls its position against the foreign exchange risk being exposed due to foreign currency available-for-sale investments, investments in other portfolios and other foreign currency transactions by various derivative transactions and setting the equilibrium between foreign currency denominated assets and liabilities.

Within the legal limitations and the regulations of The Parent Bank's internal control, the foreign currency position is being followed, the foreign currency position is established according to the basket equilibrium that is determined by taking into account current market conditions.

In order to avoid interest rate risk, assets and liabilities having fixed and floating interest rates are kept in balance, taking the maturity structure into consideration.

Information on foreign currency transactions

Exchange differences arising on amortized cost of financial assets at fair value through profit or loss are recognized in the profit or loss statement. Exchange differences arising on unrealized gains and losses are recognized in other comprehensive income or expense in profit or loss. Foreign exchange profits and losses arising from the translation of monetary items and the collection and payment of foreign currency transactions are included in the profit or loss statement.

While foreign exchange differences arising from amortized cost values of financial assets that fair value differences in foreign currency is reflected in other comprehensive income are recognized in the profit or loss statement, the exchange differences calculated on unrealized gains and losses are accounted under the "Accumulated Other Comprehensive Income or Expense Reclassified through Profit or Loss" item in equity.

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED CONSOLIDATED FINANCIAL
ORIGINALLY ISSUED IN TURKISH**

**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL
SUBSIDIARIES CONSOLIDATED FINANCIAL REPORT AS AT SEPTEMBER 30, 2023**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

ACCOUNTING POLICIES (Continued)

**III. INFORMATION ON ASSOCIATES THAT ARE CONSOLIDATED AND SUBSIDIARIES THAT ARE
ACCOUNTED ACCORDING TO EQUITY METHOD**

On March 24, 2020, Türkiye Vakıflar Bankası T.A.O. Memur ve Hizmetlileri Emekli ve Sağlık Yardım Sandığı Vakfı (ESV) shares, which are presented in the paid-in capital of VakıfBank International AG, are purchased by the Parent Bank. Because of the exchange risk arise from the 75.7 million EUR of VakıfBank International AG's paid-in capital shares amounting to 100 million EUR, net investment hedging strategy has been applied. In this context, 76 million EUR portion of the securities issued by the Parent Bank on April 24, 2019 with a nominal amount of 700 million Euros and the redemption date of April 24, 2024, were determined as hedging instruments. In this transaction, fair value changes related to the investment abroad, which is a hedged item, are reflected in the profit or loss statement as long as the hedging transaction is effective. In this context, as of September 30, 2023, the foreign exchange income presented in the profit or loss statement is TL 681,618. The effectiveness of the transaction is the degree to balance the changes in the fair value of the hedged item that can be associated with the hedged currency risk by the hedging instrument.

As of September 30, 2023, it was identified that the evaluations that were made about the process to protect from the net investment hedge were effective. Efficiency testing, which is consistent with the Parent Bank's risk strategies, is conducted using the "Dollar off-set method" in the protection from risk process. According to this method, hedging compares the change in value of protection subject from risk with the change in value of protection tool from risk and calculates the relation with the effectiveness ratio of the hedge. The calculated effectiveness ratio is being evaluated within the TAS-39 Financial Instruments: Recognition and Measurement standards and hedge accounting principles are being applied. The Parent Bank documents the hedging strategies along with risk management goals. Hedge accounting ends when protection subject from risk ends or being sold or effectiveness test results are not effective anymore.

Consolidated subsidiaries

As at September 30, 2023, the financial statements of T. Vakıflar Bankası T.A.O, VakıfBank International AG, Vakıf Finansal Kiralama AŞ, Vakıf Faktoring AŞ, Vakıf Yatırım Menkul Değerler AŞ, Vakıf Gayrimenkul Yatırım Ortaklığı AŞ and Vakıf Menkul Kıymet Yatırım Ortaklığı AŞ have been included in the consolidated financial statements of the Group.

VakıfBank International AG was established in 1999 to operate in the banking sector in foreign countries, in line with the Bank's globalization policy. Its head office is in Vienna.

Vakıf Finansal Kiralama AŞ was established in 1988 to enter into finance lease operations and related transactions and contracts. Its head office is in Istanbul.

Vakıf Faktoring AŞ was established in 1998 to perform factoring transactions and any kind of financing transactions. Factoring, the main operation of the Company, is a financing method that includes the trade receivables of production, distribution and service companies to be sold to intermediary institutions. Its head office is in Istanbul.

Vakıf Yatırım Menkul Değerler AŞ was established in 1996 to provide service to investors through making capital market transactions, issuance of capital market tools, commitment of repurchase and sales, and purchase (repo) and sales (reverse repo) of marketable securities, operating as a member of stock exchange, investment consultancy, and portfolio management. Its head office is in Istanbul.

Vakıf Gayrimenkul Yatırım Ortaklığı AŞ was established as the first real estate investment partnership in finance sector under the adjudication of Capital Markets Law in 1996. The Company's main operation is in line with the scope in the Capital Markets Board's regulations relating to real estate investment trusts like, real estates, capital market tools based on real estates, real estate projects and investment on capital market tools. Its head office is in Istanbul.

Vakıf Menkul Kıymet Yatırım Ortaklığı AŞ was established in 1991 in Istanbul. The main operation of the Company is to invest on a portfolio including marketable debt securities, equity securities without having managerial power in the partnerships whose securities have been acquired; gold and other precious metals traded in national and international stock exchange markets or active markets other than stock exchange markets, in accordance with the principles and regulations promulgated by Capital Markets Board. Its head office is in Istanbul.

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED CONSOLIDATED FINANCIAL
ORIGINALLY ISSUED IN TURKISH**

**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL
SUBSIDIARIES CONSOLIDATED FINANCIAL REPORT AS AT SEPTEMBER 30, 2023**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

ACCOUNTING POLICIES (Continued)

**III. INFORMATION ON ASSOCIATES THAT ARE CONSOLIDATED AND SUBSIDIARIES THAT ARE
ACCOUNTED ACCORDING TO EQUITY METHOD (Continued)**

Pursuant to the March 4, 2010 dated and 764 numbered decisions of Board of Directors of Central Bank of Turkish Republic of Northern Cyprus, the official authorisation of World Vakıf UBB Ltd., a subsidiary which was subject to consolidation in previous periods, is abrogated due to incompliance with the 7th and 9th articles of 41/2008 numbered Law of International Banking Units. World Vakıf UBB Ltd. will be liquidated according to May 24, 2010 dated decision of the Nicosia Local Court. Therefore, the financial statements of the company have not been consolidated as at September 30, 2023 and December 31, 2022 but until the liquidation decision date its accumulated previous years' loss has been included in the accompanying consolidated financial statements.

The liquidation process of World Vakıf Off UBB Ltd., an associate of the Parent Bank, has been carried out by NCTR Collecting and Liquidation Office. The application of the company for cancellation of the liquidation has been rejected and the decision of liquidation has been agreed. Thus, the company's name has been changed as "World Vakıf UBB Ltd. in Liquidation".

As per the resolution of the Board of Directors of the Parent Bank held on September 8, 2011, it has been decided to merge Vakıf Sistem Pazarlama Yazılım Servis Güvenlik Temizlik Ticaret ve Sanayi AŞ with Vakıf Pazarlama Ticaret AŞ with dissolution of Vakıf Sistem Pazarlama Yazılım Servis Güvenlik Temizlik Ticaret ve Sanayi AŞ without liquidation, in accordance with Mülga Law No: 6762, article 451 of Turkish Commercial Code. Since Vakıf Pazarlama ve Ticaret AŞ is not a financial subsidiary anymore, its financial statements have not been consolidated as at September 30, 2023 and December 31, 2022, but its equity until the merger date has been included in the accompanying consolidated financial statements.

Investments in associates consolidated per equity method

As at September 30, 2023, the financial statements of Kıbrıs Vakıflar Bankası Ltd and Türkiye Sınai Kalkınma Bankası AŞ and Birleşim Varlık Yönetim AŞ have been consolidated per equity method in the consolidated financial statements of the Group.

Kıbrıs Vakıflar Bankası Ltd. was established in 1982 in Turkish Republic of Northern Cyprus, mainly to encourage the credit cards issued by the Bank, and increase foreign exchange inflow, and carry on retail and commercial banking operations. Its head office is in Lefkosa.

Türkiye Sınai Kalkınma Bankası AŞ was established in 1950 to support investments in all economic sectors. Its head office is in Istanbul.

Birleşim Varlık Yönetim AŞ was established in 2016. It carries out activities such as buying, selling, collecting, converting into cash, or restructuring the receivables and assets of banks, participation banks and other financial institutions, as well as purchasing, leasing or selling movable and real estate properties. The head office of the company is in Istanbul. Consolidation has started as of the current period.

In cases where the accounting policies for the preparation of the financial statements of Financial Subsidiaries are different than those of the Parent Bank, the differences have been adjusted to the accounting policies of the Parent Bank, taking the materiality principle into account. The financial statements of local Financial Subsidiaries, and foreign Financial Subsidiaries preparing their financial statements according to the principles of the countries which they are located in, have been adjusted in accordance with Reporting Standards as at the related reporting dates. Inter-company balances and transactions, and any unrealized gains and losses arising from inter-company transactions, are eliminated in preparing these consolidated financial statements.

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED CONSOLIDATED FINANCIAL
ORIGINALLY ISSUED IN TURKISH**

**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL
SUBSIDIARIES CONSOLIDATED FINANCIAL REPORT AS AT SEPTEMBER 30, 2023**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

ACCOUNTING POLICIES (Continued)

IV. INFORMATION ON FORWARDS, OPTIONS AND OTHER DERIVATIVE TRANSACTIONS

The Parent Bank's derivative transactions mainly consist of currency and interest rate swaps, precious metals swaps, foreign currency forward contracts and currency options. The Parent Bank has classified its derivative transactions, mentioned above, as "Derivative Financial Assets at Fair Value Through Profit or Loss" in accordance with the "IFRS 9 – Financial Instruments".

Derivatives are initially recorded at their purchase costs. The notional amounts of derivative transactions are recorded in off-balance sheet accounts based on their contractual amounts.

Derivative transactions are valued at their fair values subsequent to their acquisition and in accordance with the classification of derivative financial instruments, if the fair value is positive, the amount is classified as "Derivative Financial Assets Designated at Fair Value Through Profit or Loss", if the fair value is negative, the amount is classified as "Derivative Financial Liabilities Designated at Fair Value Through Profit or Loss". The fair value differences of derivative financial instruments are recognized in the profit or loss statement.

Embedded derivative products are not separated from the articles of association and are accounted according to the standard on which the articles of association are based.

V. INFORMATION ON INTEREST INCOME AND EXPENSES

Banking activities

Interest income and expenses are recognized using the effective interest method.

Starting from January 1, 2018, the Parent Bank has started accruing interest income on non-performing loans. Net book value of the non-performing loans (Gross Book Value - Expected Credit Loss) are rediscounted through effective interest rate of and recognized through the gross book value of the non performing loan.

Finance leasing activities

The total of minimum rent amounts are recorded at finance lease receivables account in gross amounts comprising the principal amounts and interests. The interest, the difference between the total of rent amounts and the cost of the fixed assets, is recorded at unearned income account. As the rents are collected, finance lease receivables account is decreased by the rent amount; and the interest component is recorded in the consolidated statement of income as interest income.

Factoring operations

Factoring receivables are initially recorded at their historical costs less transaction costs. They are amortized using the effective interest method, taking their historical costs and future cash flows into account and the amortized amounts are recognized as "other interest income" in the consolidated profit or loss statement.

VI. INFORMATION ON FEES AND COMMISSIONS

Banking service income is recorded as income when it is collected. Other fee and commission income is transferred to profit/loss accounts according to time period principle on the basis of accrual using the principle of the effective interest method. Fee and commission expenses are recorded as expense at the time they are paid.

Fees and commissions other than those that are an integral part of the effective interest rate of financial instruments measured at amortized cost are accounted in accordance with the IFRS 15 "Revenue from Contracts with Customers" standard.

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED CONSOLIDATED FINANCIAL
ORIGINALLY ISSUED IN TURKISH**

**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL
SUBSIDIARIES CONSOLIDATED FINANCIAL REPORT AS AT SEPTEMBER 30, 2023**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

ACCOUNTING POLICIES (Continued)

VII. INFORMATION ON FINANCIAL ASSETS

Group categorizes its financial assets as "Fair Value Through Profit/Loss", "Fair Value Through Other Comprehensive Income" or "Measured at Amortized Cost". Such financial assets are recognized or derecognized according to TFRS 9 Financial Instruments Part 3 Issued for classification and measurement of the financial instruments published in the Official Gazette No. 29953 dated January 19, 2017 by the Public Oversight Accounting and Auditing Standards Authority (POA). Financial assets are measured at fair value at initial recognition in the financial statements. During the initial recognition of financial assets other than "Financial Assets at Fair Value Through Profit or Loss", transaction costs are added to fair value or deducted from fair value.

Group recognizes a financial asset into financial statements when it becomes a party to the contractual terms of a financial instrument. During the first recognition of a financial asset into the financial statements, business model determined by The Parent Bank management and the nature of contractual cash flows of the financial asset are taken into consideration.

Classification and Measurement of Financial Instruments

According to TFRS 9, the classification and measurement of financial assets is determined according to the business model in which the financial asset is managed and whether it depends on the contractual cash flows that include interest payments only on the principal and principal balances.

Assessments on whether contractual cash flows include only principal balances and interest payments on the principal

Within the scope of this evaluation; principal is defined as the fair value of the financial asset when it is first recognized in the financial statements. For the time value of money, interest takes into account the costs (eg liquidity risk and management costs) for the credit risk and other underlying credit risks and profit margin associated with the principal amount over a period of time.

The Parent Bank takes into consideration the contractual terms of the financial asset in the evaluation of the contractual cash flows that only include principal and interest payments on the principal. This includes assessing whether the financial asset includes a contractual condition that could change the timing or amount of contractual cash flows.

While performing the assessment, The Parent Bank fulfills the on-balance sheet classification and measurement criteria by applying the procedures defined in TFRS 9 Financial Instruments including events that may change the amount and timing of cash flows, leverage structure of the financial product, early payment options, contingent interest rate changes and similar conditions.

At the time of initial recognition, each financial asset is classified as measured at fair value through profit or loss, at amortized cost or at fair value other comprehensive income.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit/loss are financial assets other than the ones that are managed with business model that aims to hold to collect contractual cash flows or business model that aims to collect both the contractual cash flows and cash flows arising from the sale of the assets; and if the contractual terms of the financial asset do not lead to cash flows representing solely payments of principal and interest at certain date; that are either acquired for generating a profit from short term fluctuations in prices or are financial assets included in a portfolio aiming to short-term profit making. Financial assets at the fair value through profit or loss are initially recognized at fair value and remeasured at their fair value after recognition. All gains and losses arising from these valuations are reflected in the profit or loss statement. Equity securities classified as financial assets at fair value through profit/loss are recognized at fair value.

Marketable securities classified as financial assets at fair value through profit or loss are recognized at their fair values.

In addition to financial assets within a business model that aims to hold to collect contractual cash flows and aims to hold to sell, financial assets with contractual terms that lead to cash flows are solely payments of principal and interest at certain dates, they are classified as fair value through other comprehensive income.

ACCOUNTING POLICIES (Continued)

VII. INFORMATION ON FINANCIAL ASSETS (Continued)

Financial Assets at Fair Value Through Other Comprehensive Income

Financial assets at fair value through other comprehensive income are recognized by adding transaction cost to acquisition cost reflecting the fair value of the financial asset. After the recognition, financial assets at fair value through other comprehensive income are remeasured at fair value. Interest income calculated with effective interest rate method arising from financial assets at fair value through other comprehensive income and dividend income from equity securities are recorded to profit or loss statement. "Unrealized gains and losses" arising from the difference between the amortised cost and the fair value of financial assets at fair value through other comprehensive income are not reflected in the profit or loss statement of the period until the acquisition of the asset, sale of the asset, the disposal of the asset, and impairment of the asset and they are accounted under the "Accumulated other comprehensive income or expense to be reclassified through profit or loss" under shareholders' equity.

Securities representing the share in the capital classified as financial assets at fair value through other comprehensive income are recognized at fair value. Exceptionally, cost may be an appropriate estimation method for determining fair value. This is only possible if there is not enough recent information on the measurement of fair value or if the fair value can be measured with more than one method and the cost reflects the fair value estimation among these methods in the best way.

During initial recognition an entity can choose in an irrevocable was to record the changes of the fair value of the investment in an equity instrument that is not held for trading purposes in the other comprehensive income. In the case of this preference, the dividend from the investment is taken into the financial statements as profit or loss.

Financial Assets Measured at Amortized Cost

Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are classified as financial assets measured at amortized cost.

Financial assets measured at amortized cost are initially recognized at acquisition cost including the transaction costs which reflect the fair value of those instruments and subsequently recognized at amortized cost by using effective interest rate method. Interest income obtained from financial assets measured at amortized cost is accounted in profit or loss statement.

In addition, the Parent Bank's securities portfolio includes, Consumer Price Indexed (CPI) Government Bonds classified as both financial assets at fair value through other comprehensive income and financial assets measured at amortised cost. These securities are valued and recorded according to the effective interest rate method on the basis of the real coupon rates and the reference inflation index at the date of issuance and the index calculated by taking into account the estimated inflation rate. As stated in the CPI Indexed Bonds Investor Guide of the Ministry of Treasury and Finance, the reference indices used in the calculation of the actual coupon payment amounts of these securities are formed according to the CPI ratio of two months ago. The Bank determines the estimated inflation rate parallel to this. The rate, which is estimated by taking into account the expectations of the Central Bank of the Republic of Türkiye and the Parent Bank, is updated when deemed necessary during the year.

Derivative Financial Assets

The Group's derivative transactions mainly consist of foreign currency swaps and interest rate swaps, cross currency swaps, currency options and forward foreign currency purchase / sale contracts.

The derivative financial instruments of the Group are classified as Financial assets at fair value through profit and loss in accordance with "TFRS 9 Financial Instruments" (TFRS 9). Liabilities and receivables arising from derivative transactions are recorded in off-balance sheet accounts.

Loans

Loans are financial assets that have fixed or determinable payments terms and are not quoted in an active market. Loans are initially recognized at acquisition cost plus transaction costs presenting their fair value and thereafter measured at amortized cost using the "Effective Interest Rate (internal rate of return) Method". Loans of The Parent Bank are retained under the "Measured at Amortized Cost" accounts due to holding loans in scope of a business model for the collection of contractual cash flows and contractual terms of loans that leads to cash flows representing solely payments of principal and interest at certain date.

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED CONSOLIDATED FINANCIAL
ORIGINALLY ISSUED IN TURKISH**

**TÜRKİYE VAKIFLAR BANKASI TÜRİK ANONİM ORTAKLIĐI AND ITS FINANCIAL
SUBSIDIARIES CONSOLIDATED FINANCIAL REPORT AS AT SEPTEMBER 30, 2023**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

ACCOUNTING POLICIES (Continued)

VII. INFORMATION ON EXPECTED CREDIT LOSS PROVISIONS

As of January 1, 2018, the Parent Bank recognizes provisions for expected loss in accordance with TFRS 9 requirements according to the "Regulation on the Procedures and Principles for Classification of Loans by Banks and Provisions to be set aside" published in the Official Gazette dated June 22, 2016 numbered 29750. Expected credit loss model is applied to financial assets measured at amortized cost or financial assets at fair value through other comprehensive income (e.g. placements, loans and leasing receivables), loan commitments and financial guarantee contracts.

The expected credit loss estimates are required to be unbiased, probability-weighted, considering the time value of money and including supportable information about past events, current conditions, and forecasts of future economic conditions.

It is possible to perform the expected credit loss calculations in accordance with TFRS 9, with three main parameters for each loan. Exposure at Default (EAD), Loss Given Default (LGD), Probability of Default (PD).

Expected Credit Loss (ECL) Calculation - Input and Forecasting Methodologies

Exposure at Default (EAD): Represents the amount of risk on the default date of the borrower in case of default. According to TFRS 9 in calculating EAD, the estimation of how customer risk rating changes over time is important. Amount of EAD for cash and non-cash loans are calculated in different ways.

Cash loans are divided into two parts as loans with payment plan and loans without payment plan. For loans with payment plan, EAD is calculated by considering the installments to be paid in the future. For cash loans without payment plan, EAD is calculated by keeping credit balance constant. For non-cash loans and limit commitments EAD is calculated by regarding to credit conversion factor and behavioral maturity periods.

Loss Given Default: The ratio that provides the uncollectable amount of the loans in the process after the default. The LGD ratio is the division of the uncollectable amount of a defaulted loan into the defaulted loan amount. This ratio enables to predetermine the risks in the case of default for the active credit portfolio and allows for provision under TFRS 9. In LGD methodology, all non-performing loans amounts and long-term collection process has been taken into account and LGD rate is calculated after deducting net collections amounts from the default amount and discounted with effective interest rates or approximate rate over the net amounts with an approximate value.

For corporate and retail portfolios, different LGD calculations are performed. Since the dragging effect, LGD rates in corporate portfolios are considered on customer basis. In accordance with TFRS 9, in order to differentiate according to different risk characteristics, individual and corporate segments are separated into LGD pools, taking into account the collateral status of the receivable and the change in risk balance.

Probability of Default (PD): Represents the probability of default of the debtor in a defined time lag in the future.

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED CONSOLIDATED FINANCIAL
ORIGINALLY ISSUED IN TURKISH**

**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL
SUBSIDIARIES CONSOLIDATED FINANCIAL REPORT AS AT SEPTEMBER 30, 2023**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

ACCOUNTING POLICIES (Continued)

VIII. INFORMATION ON EXPECTED CREDIT LOSS PROVISIONS (Continued)

Expected Credit Loss (ECL) Calculation- Input and Forecasting Methodologies (Continued)

The models used in PD calculations were developed based on historical data on past and quarterly and non-defaultable loans. PD rates used within the scope of TFRS 9 are calculated separately for each rating model and rating information. In this context, firstly, PD rates are calculated from historical data (through the cycle) from this model and rating values, then lifetime default rate curves are created. These lifetime default rate curves provide the following two basic estimation data in the calculation of expected credit losses as follows:

- 12 Months PD ratio: The probability of default within 12 months from the reporting date estimate
- Lifetime PD ratio: Estimation of the probability of default over the expected life of the financial instrument

The models developed under TFRS 9 have detailed segment structures based on corporate and retail portfolios.

While creating the corporate PD rates, the rating values assigned to the customers as of the date of each rating and the customers who default on the corporate side are considered. Retail portfolios are divided into sub-segments according to product groups and lifetime default rate curves vary according to product groups. By taking into account the periodic PD rates, a PD rate scale is generated on the basis of rating and model code through the cycle.

The relation of all risk parameters with macroeconomic conditions has been tested and it has been determined that macroeconomic conditions have an effect on the probability of default. In this context, point in time PD values have been established by taking into account the macroeconomic forecasts in the change of the default probability.

Different macroeconomic models have been created for the individual portfolio and commercial portfolio, and macroeconomic forecasts affect the expected loss provision calculations in two separate scenarios, base and bad. The scenario weights used in the calculation of the "Expected Credit Loss Provision" were reconsidered in the year of 2020 and the weight of negative scenario was increased and adjustments were made in macroeconomic estimates in order to reflect the effects of Covid-19. The same approach has been continued in 2022 and September 30, 2023. The future macroeconomic expectations taken into account into TFRS 9 are in line with the Parent Bank's current budget and ISEDES forecasts.

In the calculation of the expected credit loss in accordance with TFRS 9, a certain part of commercial and corporate loans are subject to individual assessment on a customer basis in accordance with internal evaluations. As of the date of the report, the Parent Bank has reviewed its provisions on a customer and industry basis and reflected them in its financial statements, taking into account its sustainability approach to the expected credit loss provisions calculations under TFRS 9. The models and methodologies used for TFRS 9 are evaluated by the relevant teams responsible for model and methodology in terms of accuracy and suitability at least once a year. Models and other issues created within the scope of TFRS 9 that need updates are periodically reviewed and revised to reflect in the financial statements when necessary.

In addition to the aid provided to the region due to the earthquake disaster in Kahramanmaraş and surrounding provinces in February 2023, the Parent Bank monitors the possible effects of the earthquake disaster on its loan portfolio by taking into account current regulations and data.

Macroeconomic forecasts and risk delinquency data used in risk parameter models are re-evaluated every quarter to reflect changes in economic conjuncture and are updated if needed.

The maximum period to determine the expected credit losses except for demand and revolving loans is up to the contractual life of the financial asset.

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED CONSOLIDATED FINANCIAL
ORIGINALLY ISSUED IN TURKISH**

**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL
SUBSIDIARIES CONSOLIDATED FINANCIAL REPORT AS AT SEPTEMBER 30, 2023**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

ACCOUNTING POLICIES (Continued)

VIII. INFORMATION ON EXPECTED CREDIT LOSS PROVISIONS (Continued)

Staging

Financial assets are divided into the following three categories based on the increase in the credit risks observed since the initial acquisition:

Stage 1:

Financial assets that do not have a significant increase in the credit risk at the first time they are received in the financial statements or after the first time they are taken to the financial statements. For these assets, credit risk impairment provision is accounted for 12 months expected credit losses. The Parent Bank applies the expected 12-month default probabilities to the estimated default amount and multiplies with the loss given default and downgrades to the present day with the original effective interest rate of the loan. For these assets, an expected 12-month credit loss is recognized and interest income is calculated over the gross carrying amount. 12-month expected credit loss is the loss arising from possible risks in the first 12 months following the reporting date.

Stage 2:

A financial asset is transferred to stage 2 in the event that there is a significant increase in the credit risk after the first time the financial asset is taken in the financial statements. The Parent Bank determines the credit risk impairment provision of the financial asset according to lifetime expected credit loss. Lifetime expected credit losses are credit losses arising from all events that may occur during the expected life of the financial asset. The probability of default, and loss given default are estimated over the life of the loan including the use of multiple scenarios. Expected cash flows are discounted using the original effective interest rate.

Stage 3:

Stage 3 includes financial assets with objective evidence of impairment as of the reporting date. Lifetime expected credit loss is recorded for these assets. The Parent Bank's methodology for loans at this stage is similar to loans classified in Stage 2, but the probability of default is considered 100%. Loss given default is calculated considering the period the loan waits in the non-performing loans and an aging curve formed from the historical data.

Significant Increase in Credit Risk

The Standard requires the assessment of whether there is a significant increase in the credit risk of financial assets by the date of initial recognition based on the information available without excessive effort and cost as of the reporting date. The factors that show a significant increase in credit risk under TFRS 9 are as follows:

Past Due Date; significant increase in the credit risk since the granting date in the case of loans overdue more than 30 days.

Restruction: Classification of financial assets under the stage 2 as a result of the emergence of privileges and financial difficulties in the case of restructuring of financial receivables.

Qualitative Criteria: Implementation of set of qualitative criteria set by The Parent Bank in accordance with the information obtained.

Quantitative Criteria: As of the reporting date, the default risk for the borrower and the default risk as of the date of the initial allowance are compared with the change in the grade / score information as a result of the application of statistically determined threshold values.

The Parent Bank has accounted for the effect of applying the new provisions at the date of January 1, 2018 by recording a reversal in the opening records of previous years' profit and loss accounts. The primary impact is due to changes in the allowance for credit losses in accordance with the new impairment provisions and the tax effects of the corresponding provisions.

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED CONSOLIDATED FINANCIAL
ORIGINALLY ISSUED IN TURKISH**

**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL
SUBSIDIARIES CONSOLIDATED FINANCIAL REPORT AS AT SEPTEMBER 30, 2023**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

ACCOUNTING POLICIES (Continued)

VIII. INFORMATION ON EXPECTED CREDIT LOSS PROVISIONS (Continued)

Default Definition

The Parent Bank takes into account the requirements of TFRS 9 and the relevant BRSA in order to determine the default situation in accordance with the definition of default and its indicators included in the Communiqué on the Calculation of Provisions Regulation and the Amount Based on the Internal Risk Based Approach of the Credit Risk.

In terms of the default definition, the bank has set the following criterias;

- Over 90 days delayed collection of principal and / or interest amount,
- The customer has been bankrupt or has been found to apply for bankruptcy,
- The customer's creditworthiness is impaired,
- It is decided that the principal and / or interest payments of the borrower will be delayed by more than 90 days since the collaterals and / or borrower's own funds are insufficient to cover the payment of the receivables at maturity,
- It is decided that the principal and / or interest payments of the customer will be delayed by more than 90 days due to macroeconomic, sector specific or customer specific reasons.

Write off Policy

The amendment with respect to the regulation on the Principles and Procedures Regarding the Classification of Loans and Reserves Set Aside for These Loans entered into force with its publication in the Official Gazette No.30961 on November 27, 2019. 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) if it cannot reasonably be expected to be recovered. In accordance with the amendment in the related regulation on provisions, the deduction of loans from the records is an accounting practice and does not result in the right to waive. In the current period, a write-off transaction has been made for non-performing loans in the amount of TL 696,915 for which 100% provision has been made (December 31, 2022: TL 3,186,885).

Asset Sales Policy

Banks that are directly or indirectly owned by the public or banks that are controlled by the public and financial institutions qualified as subsidiaries to these Banks can sell non-performing loans to asset management companies. As of September 30, 2023 and December 31, 2022 there are no transactions of this nature at the Parent Bank.

IX. INFORMATION ON OFFSETTING OF FINANCIAL INSTRUMENTS

Financial assets and liabilities are reported in the balance sheet as net amount in the cases of the Parent Bank's right and right to sanction to finalize and have the intention to receive/pay related financial asset or liability over the recognized amount or have the right to finalize the related asset and liability simultaneously.

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED CONSOLIDATED FINANCIAL
ORIGINALLY ISSUED IN TURKISH**

**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL
SUBSIDIARIES CONSOLIDATED FINANCIAL REPORT AS AT SEPTEMBER 30, 2023**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

ACCOUNTING POLICIES (Continued)

X. INFORMATION ON SALES AND REPURCHASE AGREEMENTS AND SECURITIES LENDING

Securities sold under repurchase agreements ("repo") are classified under "Financial Assets at Fair Value through Profit or Loss", "Financial Assets at Fair Value through Other Comprehensive Income" and/or "Financial Assets Measured at Amortised cost" portfolios according to their holding purposes in The Parent Bank's portfolio, and they are valued based on the revaluation principles of the related portfolios. Funds received through repurchase agreements are classified in balance sheet under "Money Market Funds" and the related interest expenses are accounted on an accrual basis of balance sheet date.

Securities purchased under resale agreements ("reverse repo") are classified in balance sheet under "Receivables from Money Markets". The income accrual is calculated for the securities purchased under resale agreements via the difference between buying and selling prices on the balance sheet date.

XI. INFORMATION ON ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS AND RELATED LIABILITIES

As per TFRS 5 - "Non-current Assets Held for Sale and Discontinued Operations", a fixed asset classified as an asset kept for sales purposes (or a group of fixed assets to be disposed of) is measured with either its book value or fair value less costs to sell (with the lower one).

A discontinued operation is a part of the Group's business classified as sold or held-for-sale. The operating results of the discontinued operations are disclosed separately in the profit or loss statement. The Group has no discontinued operations.

XII. INFORMATION ON GOODWILL AND OTHER INTANGIBLE ASSETS

As of the balance sheet date, there is no goodwill in the financial statements of the Parent Bank. The difference between the values of net assets in the financial statements prepared as of the date of the change of shares in the real estate project in which Vakıfbank Gayrimenkul Yatırım Ortaklığı AŞ, which is a subsidiary of the Parent Bank, participates and fair value of the project partnership are classified under Intangible Assets - Goodwill Arising from Purchasing Accounting. As of September 30, 2023, the goodwill amount is TL 14,631 (December 31, 2022: TL 14,631)

The Group's intangible assets consist of software. Intangible assets are initially recorded at their costs in compliance with the TAS 38 - *Intangible Assets*.

The costs of the intangible assets purchased before December 31, 2004 are restated from the purchasing dates to December 31, 2004, the date the hyperinflationary period is considered to be ended. The intangible assets purchased after this date are recorded at their historical costs. The intangible assets are amortized based on straight line amortization.

The Parent Bank, there is objective evidence of impairment, the asset's recoverable amount is estimated in accordance with the TAS 36 - *Impairment of Assets* and if the recoverable amount is less than the carrying value of the related asset, a provision for impairment loss is made.

Estimated useful lives of the Parent Bank's intangible assets are 3-15 years, and amortization rates are between 6.67% and 33.33%.

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED CONSOLIDATED FINANCIAL
ORIGINALLY ISSUED IN TURKISH**

**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL
SUBSIDIARIES CONSOLIDATED FINANCIAL REPORT AS AT SEPTEMBER 30, 2023**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

ACCOUNTING POLICIES (Continued)

XIII. INFORMATION ON TANGIBLE ASSETS

The costs of the tangible assets purchased before December 31, 2004 are restated from the purchasing dates to December 31, 2004, the date the hyperinflationary period is considered to be ended. In subsequent periods no inflation adjustment is made for tangible assets, and costs which are restated as of December 31, 2004 are considered as their historical costs. Tangible assets purchased after January 1, 2005 were recorded at their historical costs after foreign exchange differences and financial expenses are deducted if any. The Group decided to pursue the properties for use according to their fair values in terms of separating the land and buildings within the context of TAS 16 "Turkish Accounting Standard on Property, Plant and Equipment" after the change in the accounting policy as of September 30, 2015.

Tangible fixed assets followed at fair value in 2022 are revalued in the current period and reflected in the financial statements.

Gains and losses arising from the disposal of the tangible assets are calculated as the difference between the net book value and the net sales price and is recognized in the profit or loss statement of the period.

Maintenance costs of tangible fixed assets are capitalized if they extend the economic useful life of related assets. Other maintenance costs are expensed.

There are no restrictions such as pledges, mortgages or any other restriction on tangible assets. Depreciation rates of tangible assets and estimated useful lives are:

Tangible assets	Estimated useful life (years)	Depreciation rate (%)
Buildings	50	2
Office equipment, furniture and fixture, and motor vehicles	5-10	10-20
Assets obtained through finance leases	4-5	20-25

There are no changes in the accounting estimates that are expected to have an impact in the current or subsequent periods.

At each reporting date, the Group evaluates whether there is objective evidence of impairment on its assets. If there is an objective evidence of impairment, the asset's recoverable amount is estimated in accordance with the TAS 36 - Impairment of Assets and if the recoverable amount is less than the carrying value of the related asset, a provision for impairment loss is made.

XIV. INFORMATION ON LEASING ACTIVITIES

The difference between operating leases and financial leases has been eliminated with the "TFRS 16 Leases" effective as of January 1, 2019, and on the transition date, the Group has applied the simplified transition approach and elected not to restate comparative figures. The group operates as a lessee and lessor.

The Parent Bank started to apply the "TFRS 16 Leases" standard which went into effect on January 1, 2019 to leases of service buildings and car rentals. However, ATMs which are determined as low value by the Parent Bank and short-term lease contracts with a duration of 12 months or less, have been evaluated within the scope of the exemption granted by the standard. The payments for these contracts are recorded as expense in the period they occurred.

In accordance with "TFRS 16 Leases" standard, the Group calculates the "right to use" amount on the basis of the present value of the lease payments of the fixed asset leased at the beginning of the lease and includes them in "tangible fixed assets". In calculating assets having a right to use, outstanding rent amounts were discounted by a specific rate, considering the remaining term of the lease contract signed with the property owner, to determine net present value.

Instead of recognising leases in the scope of the "TFRS 16 Leases" standard as expenses or prepaid expenses, the Group recognised the total lease liabilities to be paid by the end of the lease contract as "Lease Payables" under liabilities on the balance sheet. Changes that may impact the lease liability are remeasured and included in the balance sheet accounts.

Monthly interest and depreciation are calculated on the net present value based on the period of the lease contract, and are recognised on the profit or loss statement.

Footnotes on right-of-use assets and liabilities are presented in Note 5, Part II of Section V.

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED CONSOLIDATED FINANCIAL
ORIGINALLY ISSUED IN TURKISH**

**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL
SUBSIDIARIES CONSOLIDATED FINANCIAL REPORT AS AT SEPTEMBER 30, 2023**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

ACCOUNTING POLICIES (Continued)

XV. INFORMATION ON PROVISIONS, CONTINGENT LIABILITIES AND ASSETS

Provisions and contingent liabilities are accounted in accordance with TAS 37 "Turkish Accounting Standard for Provisions, Contingent Liabilities and Contingent Assets".

In the financial statements, a provision is made for an existing commitment resulted from past events if it is probable that the commitment will be settled and a reliable estimate can be made of the amount of the obligation. Provisions are calculated based on the best estimates of management on the expenses to incur as at the balance sheet date and, if material, such expenses are discounted for their present values. If the amount is not reliably estimated and there is no probability of cash outflow from the Parent Bank to settle the liability, the related liability is considered as "contingent" and disclosed in the notes to the financial statements.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of unplanned or unexpected one or more uncertain future events not wholly within the control of 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 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 of the period in which the change occurs. If an inflow of economic benefits has become probable, the Parent Bank discloses the contingent asset.

XVI. INFORMATION ON OBLIGATIONS OF THE GROUP CONCERNING EMPLOYEE RIGHTS

Reserve for employee termination benefits

In accordance with existing Turkish Labor Law, the Group is required to make lump-sum termination indemnities to each employee who has completed one year of service with the Group and whose employment is terminated due to retirement or for reasons other than resignation or misconduct. The computation of the liability is based upon the retirement pay ceiling announced by the Government. The applicable ceiling amount as of September 30, 2023 is TL 23,490 (full TL) (December 31, 2022: TL 15,371 (full TL)).

The Group uses actuarial method to calculate severance indemnity provision in accordance with TAS 19 - Employee Benefits.

Other benefits to employees

The Group has provided provision for undiscounted other employee benefits earned during the financial period (unused vacations, premium and dividend) as per services rendered in compliance with TAS 19 in the accompanying consolidated financial statements.

In accordance with TAS 19, the Parent Bank recognizes actuarial gains and losses generated in related reporting periods in equity.

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED CONSOLIDATED FINANCIAL
ORIGINALLY ISSUED IN TURKISH**

**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL
SUBSIDIARIES CONSOLIDATED FINANCIAL REPORT AS AT SEPTEMBER 30, 2023**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

ACCOUNTING POLICIES (Continued)

**XVI. INFORMATION ON OBLIGATIONS OF THE GROUP CONCERNING EMPLOYEE RIGHTS
(Continued)**

Pension fund

The employees of the Parent Bank are the members of "Türkiye Vakıflar Bankası Türk Anonim Ortaklığı Memur ve Hizmetlileri Emekli ve Sağlık Yardım Sandığı Vakfı" ("the Fund") established on May 15, 1957 as per the temporary article no. 20 of the Social Security Law no. 506.

As part of Social Security Law's 506 numbered, temporary article no.20, monthly income or salary is eligible for whose disabled with fund's associates, senility and death insurance is subjected according to the first paragraph of the temporary article no. 23 which states the Banks should transfer pension funds to the Social Security Institution within three years after the November 1, 2005 dated and 25983 numbered Official Gazette, has been cancelled by the Constitutional Court's March 22, 2007 dated and 2007/33 numbered decision. Reasoned ruling of the Constitutional Court has been issued on December 15, 2007 in the Official Gazette no. 26731. The reason for the cancellation decision by Constitutional Court was stated as possible future losses on acquired rights of Fund members.

Following the publication of the ruling, the Turkish Parliament started to work on new legal arrangements and the Social Security Law no. 5754 ("the Law") has been approved on April 17, 2008. The Law is enacted by the approval of the President of Türkiye and issued on the May 8, 2008 dated and 26870 numbered Official Gazette.

In accordance with the temporary article no. 20 of the Article no. 73 of the Law;

The discounted liability for each fund in terms of the persons transferred as at the transfer date, including the contributors left the fund, should be calculated by the assumptions below:

- a) The technical interest rate to be used for the actuarial calculation is 9.80%.
- b) Income and expenditures in respect to fund's insurance division are considered in the calculation of discounted liability.

Law requires the transfer to be completed in three years beginning from January 1, 2008. The three-year period has expired on May 8, 2011; however, it has been extended to May 8, 2013 with the decision of Council of Ministers published in Official Gazette dated April 9, 2011. Before the expiration date, with the decision of Council of Ministers published in Official Gazette dated May 3, 2013, the period for transferring banks, insurance and reinsurance firms, board of trade, exchanges or participants, monthly salary paid individuals and beneficiaries of the funds that are constructed for their personnel to Social Security Institution in the scope of the temporary article no. 20 of the Social Security Law no. 506 published in Official Gazette dated April 30, 2014 extended for one year. The Council of Ministers has been lastly authorized to determine the transfer date in accordance with the last amendment in the first paragraph of the 20th provisional article of Law No.5510 implemented by the Law No. 6645 on Amendment of the Occupational Health and Safety Law and Other Laws and Decree Laws published in the Official Gazette dated April 23, 2015 numbered 29335. "Council of Ministers" expression in "Council of Ministers is authorized to determine the date of transfer to the Social Security Institution" stated in provisional article 20 of Social Insurance and Universal Health Insurance Law No. 5510 is replaced with the "President" pursuant to the paragraph (I) of Article 203 of Statutory Decree No. 703 promulgated in repeated Official Gazette No. 30473, dated July 9, 2018.

The employer of pension fund participants (the Banks) will continue to pay the non-transferable social rights, which are already disclosed in the article of association of the pension fund, to the pension participants and their right owners, even though the salary payment obligation has been transferred to the Social Security Foundation.

The technical financial statements of the Fund are audited by the certified actuary according to the "Actuaries Regulation" which is issued as per the Article no. 21 of the 5684 numbered Insurance Law. As per the actuarial report regarding December 31, 2022 in compliance with the principles explained above, there is no technical or actual deficit determined which requires provision against as at September 30, 2023.

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED CONSOLIDATED FINANCIAL
ORIGINALLY ISSUED IN TURKISH**

**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL
SUBSIDIARIES CONSOLIDATED FINANCIAL REPORT AS AT SEPTEMBER 30, 2023**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

ACCOUNTING POLICIES (Continued)

XVII. INFORMATION ON TAXATION

Corporate tax

According to Article 21 of the Law No. 7456 published in the Official Gazette dated July 15, 2023 and numbered 32249, starting from the declarations to be submitted as of October 1, 2023, the corporate tax rate of 25% over the corporate earnings of 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 has been increased from 25% to 30% to be applied to the earnings of the institutions in 2023 and the following taxation periods. In this context, for the first time, the rate of 30% will be applied for the temporary tax covering the period January 1, 2023-September 30, 2023 and which must be declared and paid on November 17, 2023. Furthermore, with the same law, the exemption for the gains derived from the sale of immovable properties acquired as of July 15, 2023 has been terminated, the exemption rate for profits arising from the sale of immovable properties in the assets of institutions before this date has been determined as 25%.

Dividends paid to the resident institutions and the institutions working through local offices or representatives are not subject to withholding tax. Except for the dividend payments to these institutions, the withholding tax rate on the dividend payments is 10%. In applying the withholding tax rates on dividend payments to the nonresident institutions and the individuals, the withholding tax rates covered in the related Double Tax Treaty Agreements are taken into account. Appropriation of the retained earnings to capital is not considered as profit distribution and therefore is not subject to withholding tax. No further tax is paid if the profit is not distributed.

75% of the profit from sales of associate shares that held at least 2 years is exceptional from corporate taxes if there is a capital increase according to Corporate Tax Law or it is hold for 5 years on a special fund account. The Parent Bank follows these profits in "Other Profit Reserves" under the equity.

The Parent bank shall be responsible for all of the profits corresponding to the part of the proceeds used in the liquidation of these debts from the transfer of immovable properties, participation shares, founder's shares, usufruct shares and priority rights to the banks, in return for these debts, of the institutions that are under follow-up due to their debts and their guarantors and mortgagers, and all of the profits obtained by the banks in this way. 50% of the gains arising from the sale of immovables obtained by the banks in this way, and 75% of the gains arising from the sale of others It is exempt from corporate tax.

Advance tax that is calculated with the current rate through profit from quarterly period has to be declared on the 17th day and paid until the 17th night of the second following month after the period end. Advance taxes paid during the year are set off on corporate tax which is calculated in yearly corporate tax return for that year. In the case of excess amount of advance tax, the amount can be reimbursed in cash or be set off to other financial debts.

According to tax legislation, financial losses which are not exceed over 5 years can be deducted from profit of the company. Losses cannot be set off from retained earnings.

There is no procedure in Türkiye that provides the opportunity to come to a mutual agreement with the tax authorities about tax due. Corporate tax return declared until the evening of the last day of the fourth month following the end of the accounting period. Firms that allowed to analyze taxes, can examine the accounting records within five years and change the tax amount if there is a wrong transaction.

As the end of 2021 calendar year, the necessary conditions for inflation adjustment have been fulfilled in the calculation of corporate tax, within the framework of the repetitive provision of Article 298/A of the Tax Procedure Law. However, with the regulation made with the "Law on the Amendment of the Tax Procedure Law and the Corporate Tax Law" numbered 7352 published in the Official Gazette dated January 29, 2022 and numbered 31734, the application of inflation adjustment in the calculation of corporate tax was postponed to 2023. Accordingly, TPL financial statements for the 2021 and 2022 accounting periods including the provisional tax periods will not be subject to inflation adjustment, 2023 accounting period will not be subject to inflation adjustment as of the temporary tax periods and it will be subject to inflation adjustment regardless of whether the TPL financial statements inflation adjustments conditions have been met.

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED CONSOLIDATED FINANCIAL
ORIGINALLY ISSUED IN TURKISH**

**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL
SUBSIDIARIES CONSOLIDATED FINANCIAL REPORT AS AT SEPTEMBER 30, 2023**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

ACCOUNTING POLICIES (Continued)

XVII. INFORMATION ON TAXATION (Continued)

With Law No. 7338 published in the Official Gazette dated October 26, 2021, and numbered 31640, the revaluation of immovables and economic assets subject to depreciation has been introduced in the repeated Article 298, paragraph (Ç) and provisional Article 32 added to the Tax Procedure Law. With the Tax Procedure Law General Communiqués numbered 537 and 547 published in the Official Gazette on May 14, 2022, and January 14, 2023, the procedures and principles regarding the implementation were determined. The immovables and depreciable economic assets that meet the conditions under the reiterated paragraph (Ç) of Article 298 of the Tax Procedure Law No. 213 and the temporary article 32 were first revalued within the scope of the temporary article 32 and then in accordance with the repeated article 298/Ç. In accordance with the relevant legislation, the value increase amounts arising as a result of the revaluation are monitored in a special fund account in the liabilities of the balance sheet. Within the scope of temporary Article 32 of the Tax Procedure Law No. 213, the increase in value is taxed at a rate of 2%.

Law No. 7440 on the Restructuring of Certain Receivables and Amending Some Laws, published in the Official Gazette dated March 12, 2023, and numbered 32130, was enacted. With this law, tax at the rate of 10% is calculated by corporate taxpayers on the exemptions and deductions made the subject of deduction from corporate earnings following the regulations contained in Law No. 5520 and other Laws by showing in the corporate tax return for the year 2022 and on their basis subject to reduced corporate tax within the scope of Article 32/A of the same Law, without being associated with the period earnings. 5% additional tax is calculated on the exemption regulated in subparagraph (a) of the first paragraph of Article 5 of Law No. 5520 and on the exempt earnings obtained from abroad and certified to carry a tax burden of at least 15%. The first installment of this tax shall be paid within the payment period of the corporate tax and the second installment shall be paid in the fourth month following this period.

Corporation tax legislation for the foreign branches

Bahrain

The Parent Bank's branch that is operating in Bahrain is nontaxable because there is no corporate tax practice in that country. Bahrain Branch's income is added to headquarters income and it is taxed in Türkiye according to Law No. 5520 on Corporate Tax Laws published in the Official Gazette dated June 5, 2012, numbered B.07.1.GİB.4.99.16.02-KVK-5/1-b-128.

Erbil

The Parent Bank's branch that is operating in Erbil is taxable according to the country's law legislation. Declaration of financial records and their tax payments are differed from cities that are related to centralized government and cities that are related to North Iraq. On the other hand, North Iraq tax administrations can impute taxes rather than the designated rates.

New York

The Parent Bank's branch that is operating in New York is taxable according to state law legislation and country law legislation. Double Tax Treaty Agreements is stated for being taxed in Türkiye.

Qatar

The branch of the Parent Bank operating in Qatar is taxed according to the legislation of this country. Since the branch is located in the Qatar Financial Center, there is a withholding tax exemption. In addition, although the branch is subject to the corporate tax of the relevant country, the Double Taxation Agreements signed between the two countries are based.

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED CONSOLIDATED FINANCIAL
ORIGINALLY ISSUED IN TURKISH**

**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL
SUBSIDIARIES CONSOLIDATED FINANCIAL REPORT AS AT SEPTEMBER 30, 2023**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

ACCOUNTING POLICIES (Continued)

XVII. INFORMATION ON TAXATION (Continued)

Deferred taxes

According to the TAS 12 - Income Taxes; deferred tax assets and liabilities are recognized, on all taxable temporary differences arising between the carrying values of assets and liabilities in the financial statements and their corresponding balances considered in the calculation of the tax base, and initial recognition of assets and liabilities which affect neither accounting nor taxable profit. The delayed tax debt or assets is determined by calculating the "taxable temporary differences "between the assets" and debts' book values versus the values on the legal tax base accounts. According to tax legislation, differences that do not affect the financial or commercial profit of the assets or liabilities at the acquisition date are excluded from these calculations.

For the deferred tax assets and liabilities calculated within the scope of TAS 12, deferred tax calculations were made at the rate of 30% for the assets and liabilities as of the end of the reporting period.

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.

Deferred taxes' book value is revised in every balance sheet date. If there is a condition met, where no possible taxable profit could be generated in case of a full or partial deferred tax asset benefit could be enabled by the Parent Bank, the book value of the deferred tax asset will be decreased.

Calculated deferred tax assets and deferred tax liabilities are shown net in the financial statements only if the Parent Bank has a legal right to offset current tax assets with current tax liabilities and deferred tax assets and liabilities are related to the income tax of the same taxable entity.

In case valuation differences resulting from the subsequent measurement of the items are recognized in the statement of income, then the related current and or deferred tax effects are also recognized in the statement of income. On the other hand, if valuation differences are recognized in shareholders' equity, then the related current or deferred tax effects are also recognized directly in the shareholders' equity. The other hand, if valuation differences are recognized in shareholders' equity, then the related current or deferred tax effects are also recognized directly in the shareholders' equity.

Transfer Pricing

In Türkiye, the transfer pricing provisions have been stated under the Article 13 of Corporate Tax Law with heading of "disguised profit distribution via transfer pricing". The General Communiqué on disguised profit distribution via Transfer Pricing, dated November 18, 2007 sets details about implementation.

Pursuant to the relevant Communiqué, if a taxpayer enters into transactions regarding sale or purchase of goods and services with related parties, where the prices are not set in accordance with arm's length principle, then related profits are considered to be distributed in a disguised manner through transfer pricing. Such disguised profit distributions through transfer pricing are not accepted as tax deductible for corporate income tax purposes.

XVIII. INFORMATION ON CASH AND CASH EQUIVALENT

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 of the Republic of Türkiye (CBRT); and cash equivalents include interbank money market placements and time deposits at banks with original maturity periods of less than three months.

XIX. ADDITIONAL INFORMATION ON BORROWINGS

The Parent Bank provides funding resources such as syndication and securitization transactions in case of need. In the current period, the Parent Bank has started to obtain funds through domestic and international bonds and bills since August 2011.

These transactions are initially recognized at acquisition costs at the transaction date and are subsequently measured at amortized cost using effective interest method.

The Parent Bank is not hedging about debt instruments.

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED CONSOLIDATED FINANCIAL
ORIGINALLY ISSUED IN TURKISH**

**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL
SUBSIDIARIES CONSOLIDATED FINANCIAL REPORT AS AT SEPTEMBER 30, 2023**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

ACCOUNTING POLICIES (Continued)

XX. INFORMATION ON ISSUANCE OF EQUITY SECURITIES

The shares of the Parent Bank having nominal value of TL 322,000, representing the 25.18% of the Parent Bank's outstanding shares, was publicly offered at a price between TL 5.13-5.40 for each share having a nominal value of TL 1 on November 2005, and TL 1,172,347 was recorded as "Share Premiums" in shareholders' equity. TL 448,429 of this amount has been utilized in capital increase on December 19, 2006.

With the decision of the Parent Bank's Board of Directors dated May 11, 2020, it has been decided to increase the paid in capital of TL 2,500,000 provided that it remains within the registered capital ceiling, by completely restricting the pre-emptive rights of the current shareholders and by increasing cash capital increase, which will generate a total sales revenue of TL 7,000,000 in total. Within the framework of the relevant legislation of the Capital Markets Board, the Banking Regulation and Supervision Agency and the Procedure for Borsa İstanbul's Wholesale Purchase and Sales Transactions, all of the shares to be issued due to the capital increase, are set to be transferred to Türkiye Wealth Fund, without public offering and by private placement.

In the special circumstances disclosure published by the Parent Bank on May 15, 2020, it was announced that the sales price of the shares to be issued was determined as TL 4.98 for a share with a nominal value of TL 1, and the issued capital due to capital increase will be increased from TL 2,500,000 to TL 3,905,622.

Shares of a nominal value of TL 1,405,622 issued by the Parent Bank were sold to the Turkish Wealth Fund on May 20, 2020 through a wholesale transaction in the Stock Exchange market with an allocated sales method of TL 7,000,000 at a price of TL 4.98 for a nominal valued share of TL 1, and capital increase transactions were completed.

With the decision of the Parent Bank's Board of Directors dated February 9, 2022, provided that the Parent Bank's registered capital ceiling is limited, the Parent Bank's paid-in capital of TL 3,905,622 will be increased by way of cash capital increase, which will result in a total sales revenue of TL 13,400,000 in cash and allocated, by completely restricting the pre-emption rights of the existing shareholders and all of the shares to be issued due to this capital increase, within the framework of the relevant legislation of the Capital Markets Board, the relevant legislation of the Banking Regulation and Supervision Agency and Borsa İstanbul's Procedure on Wholesale Purchases and Sales Transactions, by the Turkish Wealth Fund by private sale method without public offering. It has been decided to sell to Türkiye Varlık Fonu.

In the material event statement published by the Parent Bank on February 25, 2022, it was announced that the selling price of the shares to be issued was determined as TL 4.18 for the share with a nominal value of TL 1, and the paid-in capital would be increased from TL 3,905,622 to TL 7,111,364 as a result of the capital increase.

The shares with a nominal value of TL 3,205,742 issued by the Parent Bank were sold to the Turkish Wealth Fund through a wholesale transaction on the stock market on March 9, 2022, with a total sales revenue of TL 13,400,000 for a share with a nominal value of TL 1, with a total sales revenue of TL 13,400,000. The capital increase transactions have been completed.

On March 21, 2023, the Parent Bank's Board of Directors decided to increase the Parent Bank's paid-in capital of TL 7,111,364 by allotted and cash capital increase with a total sales proceeds of TL 32,000,000 by fully restricting the pre-emptive rights of the existing shareholders, provided that it remains within the Parent Bank's registered capital ceiling, and all of the shares to be issued due to this capital increase, within the framework of the relevant legislation of the Capital Markets Board ("CMB"), the Banking Regulation and Supervision Agency ("BRSA"), and the Procedure for Wholesale Transactions of Borsa İstanbul, it has been decided to sell the shares to the Türkiye Wealth Fund through private placement without a public offering.

On March 28, 2023, the Parent Bank announced that the sale price of the shares to be issued was determined as TL 11.41 per share with a nominal value of TL 1 and that the paid-in capital would be increased from TL 7,111,364 to TL 9,915,922 as a result of the capital increase.

The shares with a nominal value of TL 2,804,557 issued by the Parent Bank were sold to the Türkiye Wealth Fund through a wholesale transaction in the equity market on March 28, 2023, through the allocated sales method with a total sales revenue of TL 32,000,000 at a price of TL 11.41 per share with a nominal value of TL 1 and the capital increase transactions were completed.

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED CONSOLIDATED FINANCIAL
ORIGINALLY ISSUED IN TURKISH**

**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL
SUBSIDIARIES CONSOLIDATED FINANCIAL REPORT AS AT SEPTEMBER 30, 2023**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

ACCOUNTING POLICIES (Continued)

XXI. INFORMATION ON CONFIRMED BILLS OF EXCHANGE AND ACCEPTANCES

Confirmed bills of exchange and acceptances are realized simultaneously with the customer payments and recorded in off-balance sheet accounts as possible debt and commitment, if any.

XXII. INFORMATION ON GOVERNMENT INCENTIVES

None.

XXIII. INFORMATION ON SEGMENT REPORTING

An operating segment is a component of an entity:

- That engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity),
- Whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and
- For which discrete financial information is available.

Segment reporting was selected as a fundamental section reporting method considering Group's risk and return structure and key sources which is disclosed in Section 4 Note VII.

XXIV. OTHER MATTERS

Earnings per shares

Earnings per share has been calculated by dividing the net profit for the period to weighted average of outstanding shares. In Türkiye, the companies may perform capital increase ("Bonus Shares") from retained earnings. In earning per share computation bonus shares are treated as issued shares.

As at and for the nine-month period ended September 30, 2023, earnings per 100 shares are full TL 1.9871 (September 30, 2022: full TL 2.6957).

Related parties

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. Shareholders, top executives and board members are accepted as related party personally, with their families and companies according to TAS 24 - Related Party Disclosures Standard. Transactions made with related parties are disclosed in Section 5 Note V.

Classifications

Adjustments were made in the previous period of the cash flow statement to be compatible with the current period.

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED CONSOLIDATED FINANCIAL
ORIGINALLY ISSUED IN TURKISH**

**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL
SUBSIDIARIES CONSOLIDATED FINANCIAL REPORT AS AT SEPTEMBER 30, 2023**
(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

SECTION FOUR

**INFORMATION RELATED TO CONSOLIDATED FINANCIAL POSITION AND RISK
MANAGEMENT**

I. INFORMATION ON CONSOLIDATED EQUITY ITEMS

Total Capital amount and Capital Adequacy Standard Ratio have been calculated in accordance with the "Regulation on Equity of Banks" and "Regulation on Measurement and Assessment of Capital Adequacy of Banks".

Additionally, the recent revision changes considered are as follows:

In accordance with the BRSA's regulation dated December 21, 2021 and numbered 9996, prior to this date used in the calculation of the capital adequacy ratio, the equity amount calculated omitting the negative valuation differences related to the securities in the portfolio "Securities at fair value through other comprehensive income".

Pursuant to the BRSA's letter no. 10496 dated January 31, 2023, the exchange rates announced by the CBRT as of December 31, 2022, were used in the calculation of the amount based on credit risk.

As of September 30, 2023 Group's equity amount TL 201,362,854 (December 31, 2022: TL 142,255,854) and capital adequacy ratio is 14.33 % (December 31, 2022: 14.34 %).

Information about the consolidated shareholder equity items

	Current Period	Prior Period
COMMON EQUITY TIER I CAPITAL		
Paid-in capital to be entitled for compensation after all creditors	9,915,922	7,111,364
Share Premium	45,307,198	16,469,500
Reserves	62,002,289	37,480,709
Income recognized under equity in accordance with TAS	17,478,202	20,250,745
Profit	20,158,061	26,250,691
Current Period's Profit	18,286,895	25,811,449
Prior Period's Profit	1,871,166	439,242
Bonus shares from associates, subsidiaries and joint-ventures not accounted in current period's profit	106,904	(63,177)
Minority shares	2,737,659	1,803,499
Common Equity Tier 1 Capital Before Deductions	157,706,235	109,303,331
Deductions from Common Equity Tier 1 Capital		
Valuation adjustments calculated as per the (i) item of first paragraph of Article 9	-	-
Net loss for the prior year losses and uncovered portion of the total reserves and losses that are recognized under equity in accordance with TAS	941,135	1,311,258
Leasehold Improvements on Operational Leases	259,267	207,555
Goodwill netted with deferred tax liability	14,631	14,631
Other intangible assets netted with deferred tax liabilities except mortgage servicing rights	557,619	449,004
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	149,762	-
Excess amount expressed in the law (Article 56 4th paragraph)	-	-
Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible long positions, where the bank does not own more than 10% of the issued share capital (amount above 10% threshold)	-	-
Significant investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible long positions (amount above 10% threshold) of Tier 1 Capital	-	-
Mortgage servicing rights (amount above 10% threshold) of Tier 1 Capital	-	-
Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability)	-	-
Amounts exceeding 15% of Tier 1 Capital according to Regulation on Measurement and Assessment of Capital Adequacy Ratios of Banks (2nd article temporary second paragraph)	-	-
Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible long positions, where the bank does not own more than 10% of the issued common share capital of the entity (amount above 10% threshold)	-	-
Amounts related to mortgage servicing rights	-	-
Excess amount of deferred tax assets from temporary differences	-	-
Other Items Determined by BRSA	-	-
The amount to be deducted from common equity tier 1 capital	-	-
Total regulatory adjustments to Common equity Tier 1	1,922,414	1,982,448
Common Equity Tier 1 capital (CET1)	155,783,821	107,320,883
Additional Tier 1 capital: instruments		
Premiums that are not included in Common Equity Tier 1 capital	-	-
Bank's borrowing instruments and related issuance premium	25,283,180	18,979,365
Bank's borrowing instruments and related issuance premium (Temporary Article 4)	-	-
Third parties' share in the Additional Tier 1 capital -	-	-
Third parties' share in the Additional Tier 1 capital (Temporary Article 3)	-	-
Additional Tier 1 Capital before deductions	25,283,180	18,979,365
Deductions from Additional Tier 1 Capital		
Bank's a direct or indirect investment in Tier 1 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%	-	-
Unconsolidated Banks and Financial Institutions where the Bank Owns more than 10% of the Issued Share Capital	-	-
Other Items Determined by BRSA	-	-

CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED CONSOLIDATED FINANCIAL ORIGINALLY ISSUED IN TURKISH

TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL SUBSIDIARIES CONSOLIDATED FINANCIAL REPORT AS AT SEPTEMBER 30, 2023 (Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

INFORMATION RELATED TO CONSOLIDATED FINANCIAL POSITION AND RISK MANAGEMENT (Continued)

I. INFORMATION ON CONSOLIDATED EQUITY ITEMS (Continued)

	Current Period	Prior Period
Transition from the Core Capital to Continue to deduce Components		
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 (-)	-	-
The amount to be deducted from Additional Tier 1 Capital (-)	-	-
Total Deductions from Additional Tier 1 capital		
Total Additional Tier 1 capital	25,283,180	18,979,365
Total Tier 1 Capital (Tier 1 Capital=Common Equity+Additional Tier 1 Capital)	181,067,001	126,300,248
TIER 2 CAPITAL		
Bank's borrowing instruments and related issuance premium	4,040,000	4,145,000
Bank's borrowing instruments and related issuance premium (Temporary Article 4)	-	-
Third parties' share in the Tier II Capital -	-	-
Third parties' share in the Tier II Capital (Temporary Article 3)	3,188	3,240
Provisions (Article 8 of the Regulation on the Equity of Banks)	16,288,196	11,829,968
Tier 2 Capital Before Deductions	20,331,384	15,978,208
Deductions From Tier 2 Capital		
Bank's direct or indirect investment in Tier 2 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	-	-
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 Common Equity Tier 1 Capital (-)	-	-
The Total of Net Long Position of the Direct or Indirect Investments in Additional Core Capital and Tier 2 Capital of Unconsolidated Banks and Financial Institutions where the Bank Owns 10% or more of the Issued Share Capital Exceeding the 10% Threshold of Tier 1 Capital	-	-
Other Items Determined by BRSA (-)	-	-
Total Deductions From Tier 2 Capital	-	-
Tier 2 Capital	20,331,384	15,978,208
Total Capital (The sum of Tier 1 Capital and Tier 2 Capital)	201,398,385	142,278,456
The sum of Tier 1 Capital and Tier 2 Capital (Total Capital)		
Loan granted to Customer against the Articles 50 and 51 of the Banking Law	-	-
Net Book Values of Immovables Exceeding 50% of the Equity and of Assets Acquired against Overdue Receivables and Held for Sale as per the Article 57 of the Banking Law but Retained More Than Five Years (-)	-	-
Other items to be defined by the BRSA (-)	35,531	22,602
In transition from Total Core Capital and Supplementary Capital (the capital) to Continue to Download Components		
Portion of the total of net long positions of investments made in Common 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 not to be deducted from the Common Equity, Additional Tier 1 Capital, Tier 2 Capital as per the 1st clause of the Provisional Article 2 of the Regulation on the Equity of Banks	-	-
Portion of the total of net long positions of direct or indirect investments made in Additional Tier 1 and Tier 2 Capital 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 not to be deducted from the Additional Tier 1 Capital and Tier 2 Capital as per the 1st clause of the Provisional Article 2 of the Regulation on the Equity of Banks	-	-
Portion of the total of net long positions of investments made 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, deferred tax assets based on temporary differences and mortgage servicing rights not deducted from Common Equity as per the 1st and 2nd Paragraph of the 2nd clause of the Provisional Article 2 of the Regulation on the Equity of Banks	-	-
TOTAL CAPITAL		
Total Capital	201,362,854	142,255,854
Total Risk Weighted Amounts	1,405,401,472	991,995,262
CAPITAL ADEQUACY RATIOS		
Consolidated Core Capital Adequacy Ratio (%)	11.09	10.82
Consolidated Tier 1 Capital Adequacy Ratio (%)	12.88	12.73
Consolidated Capital Adequacy Ratio (%)	14.33	14.34
BUFFERS		
Total buffer requirement (a+b+c)	4.034	4.024
a) Capital conservation buffer requirement (%)	2.500	2.500
b) Bank specific counter-cyclical buffer requirement (%)	0.034	0.024
c) Systemically important banks buffer requirement (%) ^(*)	1.500	1.500
The ratio of Additional Common Equity Tier 1 capital which will be calculated by the first paragraph of the Article 4 of Regulation on Capital Conservation and Countercyclical Capital buffers to Risk Weighted Assets (%)	6.600	6.300
Amounts below deduction thresholds		
Amounts arising from the net long positions of investments made in Total Capital items of banks and financial institutions where the Bank owns 10% or less of the issued common share capital	-	-
Amounts arising from the net long positions of investments made in Tier 1 Capital items of banks and financial institutions where the Bank owns 10% or more of the issued common share capital	-	-
Mortgage servicing rights	-	-
Deferred tax assets arising from temporary differences (net of related tax liability)	-	-
Limits related to provisions considered in Tier 2 calculation		
General provisions for standard based receivables (before tenthousandtwentyfive limitation)	37,424,717	25,944,071
Up to 1.25% of total risk-weighted amount of general reserves for receivables where the standard approach used	16,288,196	11,829,968
Excess amount of total provision amount to credit risk Amount of the Internal Ratings Based Approach in accordance with the Communiqué on the Calculation	-	-
Excess amount of total provision amount to 0.6% of risk weighted receivables of credit risk Amount of the Internal Ratings Based Approach in accordance with the Communiqué on the Calculation	-	-
Debt instruments subjected to Article 4 (to be implemented between 1 January 2018 and 1 January 2022)		
Upper limit for Additional Tier 1 Capital subjected to temporary Article 4	-	-
Amounts Excess the Limits of Additional Tier 1 Capital subjected to temporary Article 4	-	-
Upper limit for Additional Tier 2 Capital subjected to temporary Article 4	-	-
Amounts Excess the Limits of Additional Tier 2 Capital subjected to temporary Article 4	-	-
(*) According to the "Regulations on Systemically Important Banks" 4th paragraph of Article 4, the "systemically important banks buffer requirement (%) " is to be filled by the systemically important banks that are not obligated to prepare consolidated financial statements and should be reported as zero for by the other banks.		

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED CONSOLIDATED FINANCIAL
ORIGINALLY ISSUED IN TURKISH**

**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL SUBSIDIARIES CONSOLIDATED FINANCIAL REPORT AS AT
SEPTEMBER 30, 2023**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

INFORMATION RELATED TO CONSOLIDATED FINANCIAL POSITION AND RISK MANAGEMENT (Continued)

I. INFORMATION ON CONSOLIDATED EQUITY ITEMS (Continued)

Summary information related to capital adequacy ratio

Current Period – September 30, 2023						
Issuer	T. Vakıflar Bankası T.A.O.	T. Vakıflar Bankası T.A.O.	T. Vakıflar Bankası T.A.O.	T. Vakıflar Bankası T.A.O.	T. Vakıflar Bankası T.A.O.	T. Vakıflar Bankası T.A.O.
Unique identifier (CUSIP, ISIN vb.)	TRSVKFB92719	TRSVKFBA0043	XS1984644812	TRSVKFB92925	TRSVKFBE3217	TRSVKFBE3225
Governing law(s) of the instrument	Debt Instrument Communiqué numbered CMB- VII-128.8 BRSA regulation on bank's shareholder equity BRSA Communiqué on Principles Regarding Debt Securities to be Included in the Calculation of Banks' Equity	Debt Instrument Communiqué numbered CMB- VII-128.8 BRSA regulation on bank's shareholder equity BRSA Communiqué on Principles Regarding Debt Securities to be Included in the Calculation of Banks' Equity	Debt Instrument Communiqué numbered CMB- VII-128.8 BRSA regulation on bank's shareholder equity BRSA Communiqué on Principles Regarding Debt Securities to be Included in the Calculation of Banks' Equity	Debt Instrument Communiqué numbered CMB- VII-128.8 BRSA regulation on bank's shareholder equity BRSA Communiqué on Principles Regarding Debt Securities to be Included in the Calculation of Banks' Equity	Debt Instrument Communiqué numbered CMB- VII-128.8 BRSA regulation on bank's shareholder equity BRSA Communiqué on Principles Regarding Debt Securities to be Included in the Calculation of Banks' Equity	Debt Instrument Communiqué numbered CMB- VII-128.8 BRSA regulation on bank's shareholder equity BRSA Communiqué on Principles Regarding Debt Securities to be Included in the Calculation of Banks' Equity
Regulatory treatment						
Subject to 10% deduction as of 1/1/2015	Not subject to deduction.	Not subject to deduction.	Not subject to deduction.	Not subject to deduction.	Not subject to deduction.	Not subject to deduction.
Eligible at solo/group/group&solo	Available	Available	Available	Available	Available	Available
Instrument type	Bond Issuance Possessing Subordinated Loan Conditions (Tier II Capital)	Additional Capital Bond Issuance (Tier I Capital)	Additional Capital Bond Issuance (Tier I Capital))	Bond Issuance Possessing Subordinated Loan Conditions (Tier II Capital)	Bond Issuance Possessing Subordinated Loan Conditions (Tier II Capital)	Bond Issuance Possessing Subordinated Loan Conditions (Tier II Capital)
Amount recognized in regulatory capital (Currency in million, as of most recent reporting date)	315	4,994	20,289	725	1,750	1,250
Par value of instrument (in million)	315	4,994	20,289	725	1,750	1,250
Accounting classification	346011- Subordinated Liabilities	346001- Subordinated Liabilities	347001- Subordinated Liabilities	346011- Subordinated Liabilities	346011- Subordinated Liabilities	346011-Subordinated Liabilities
Original date of issuance	September 18, 2017	September 27, 2018	April 24, 2019	September 27, 2019	October 27, 2022	October 27, 2022
Perpetual or dated	Dated (10 years) Maturity Date: September 6, 2027	Undated	Undated	Dated (10 years) Maturity Date: September 14, 2029	Dated (10 years) Maturity Date: October 14, 2032	Dated (10 years) Maturity Date: October 14, 2032
Issue date	September 18, 2017	September 27, 2018	April 24, 2019	September 27, 2019	October 27, 2022	October 27, 2022
Issuer call subject to prior supervisory approval	Available	Available	Available	Available	Available	Available
Call option dates, conditioned call dates and call amount	Early call date at the end of five years.	Early call option at the end of five years is available and this option may be used depending on the BRSA approval.	Early call option at the end of five years is available and this option may be used depending on the BRSA approval.	Early call date at the end of five years.	Early call date at the end of five years.	Early call date at the end of five years.
Subsequent call dates, if applicable	Only one call option is available.	September 27, 2023	April 24, 2024.	Only one call option is available	Only one call option is available	Only one call option is available

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED CONSOLIDATED FINANCIAL
ORIGINALLY ISSUED IN TURKISH**

**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL SUBSIDIARIES CONSOLIDATED FINANCIAL REPORT AS AT
SEPTEMBER 30, 2023**

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

INFORMATION RELATED TO CONSOLIDATED FINANCIAL POSITION AND RISK MANAGEMENT (Continued)

I. INFORMATION ON CONSOLIDATED EQUITY ITEMS (Continued)

Summary information related to capital adequacy ratio (Continued)

Current Period – September 30, 2023		Coupons / dividends				
Fixed or floating dividend/coupon	Floating interest rate/ Interest payment once in three months, principal payment at the maturity date	Fixed interest rate / Interest payment once in six months	Fixed interest rate / Interest payment once in a year	Floating interest rate/ Interest payment once in three months, principal payment at the maturity date	Floating interest rate/ Interest payment once in six months, principal payment at the maturity date	Floating interest rate/ Interest payment once in six months, principal payment at the maturity date
Coupon rate and any related index	5 years maturity “Indicator Government Debt Security” +350 basis points	% 12.62 fixed interest rate	% 5.076 fixed interest rate	TLREF + 150 basis points	CPI (Annual Real Interest Rate 160 basis points)	17.50 % (Annual simple interest)
Existence of a dividend stopper	Nil	Nil	Nil	Nil	Nil	Nil
Fully discretionary, partially discretionary or mandatory	Nil	Nil	Nil	Nil	Nil	Nil
Existence of step up or other incentive to redeem	Nil	Nil	Nil	Nil	Nil	Nil
Noncumulative or cumulative	Noncumulative	Noncumulative	Noncumulative	Noncumulative	Noncumulative	Noncumulative
Convertible or non-convertible						
If convertible, conversion trigger (s)	Nil	Nil	Nil	Nil	Nil	Nil
If convertible, fully or partially	Nil	Nil	Nil	Nil	Nil	Nil
If convertible, conversion rate	Nil	Nil	Nil	Nil	Nil	Nil
If convertible, mandatory or optional conversion	Nil	Nil	Nil	Nil	Nil	Nil
If convertible, specify instrument type convertible into	Nil	Nil	Nil	Nil	Nil	Nil
If convertible, specify issuer of instrument it converts into	Nil	Nil	Nil	Nil	Nil	Nil
Write-down feature						
If write-down, write-down trigger(s)	Available. Revoking the business activity of Bank according to 71 clauses of 5411 numbered Banking Law or liquidation proceedings to Savings Deposit Insurance Fund are the triggering events.	Available. BRSA regulation on bank’s shareholder equity and the matters referred to in Article 7 of Communiqué on Principles Regarding Debt Securities to be Included in the Calculation of Banks’ Equity.	Available. BRSA regulation on bank’s shareholder equity and the matters referred to in Article 7 of Communiqué on Principles Regarding Debt Securities to be Included in the Calculation of Banks’ Equity.	Available. Revoking the business activity of Bank according to 71 clauses of 5411 numbered Banking Law or liquidation proceedings to Savings Deposit Insurance Fund are the triggering events.	Available. BRSA regulation on bank’s shareholder equity and the matters referred to in Article 7 of Communiqué on Principles Regarding Debt Securities to be Included in the Calculation of Banks’ Equity.	Available. Revoking the business activity of Bank according to 71 clauses of 5411 numbered Banking Law or liquidation proceedings to Savings Deposit Insurance Fund are the triggering events.
If write-down, full or partial	Has full or partial write down feature.	Has full or partial write down feature.	Has full or partial write down feature.	Has full or partial write down feature	Has full or partial write down feature.	Has full or partial write down feature
If write-down, permanent or temporary	Has permanent write down feature.	Has permanent or temporary write down feature.	Has permanent or temporary write down feature.	Has permanent write down feature	Has permanent or temporary write down feature.	Has permanent write down feature
If temporary write-down, description of write-up mechanism	Has no write-up mechanism.	Has write-up mechanism.	Has write-up mechanism.	Has no write-up mechanism	Has write-up mechanism.	Has no write-up mechanism
Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Before the debt instruments to be included in the additional capital calculation, after the depositors and all other creditors.	After the debt instruments to be included in secondary capital calculation, the depositors and all other creditors.	After the debt instruments to be included in secondary capital calculation, the depositors and all other creditors.	Before the debt instruments to be included in the additional capital calculation, after the depositors and all other creditors	After the debt instruments to be included in secondary capital calculation, the depositors and all other creditors.	Before the debt instruments to be included in the additional capital calculation, after the depositors and all other creditors
Whether conditions which stands in article of 7 and 8 of Banks’ shareholder equity law are possessed or not	Possess Article 8	Possess Article 7	Possess Article 7	Possess Article 8	Possess Article 8	Possess Article 8
According to article 7 and 8 of Banks’ shareholders equity law that are not possessed	Not Possess Article 7	Possess Article 7	Possess Article 7	Not Possess Article 7	Possess Article 7	Not Possess Article 7

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED CONSOLIDATED FINANCIAL
ORIGINALLY ISSUED IN TURKISH**

**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL SUBSIDIARIES CONSOLIDATED FINANCIAL REPORT AS AT
SEPTEMBER 30, 2023**

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

INFORMATION RELATED TO CONSOLIDATED FINANCIAL POSITION AND RISK MANAGEMENT (Continued)

I. INFORMATION ON CONSOLIDATED EQUITY ITEMS (Continued)

Summary information related to capital adequacy ratio (Continued)

Prior Period - December 31, 2022						
Issuer	T. Vakıflar Bankası T.A.O.	T. Vakıflar Bankası T.A.O.	T. Vakıflar Bankası T.A.O.	T. Vakıflar Bankası T.A.O.	T. Vakıflar Bankası T.A.O.	T. Vakıflar Bankası T.A.O.
Unique identifier (CUSIP, ISIN vb.)	TRSVKFB92719	TRSVKFBA0043	XS1984644812	TRSVKFB92925	TRSVKFBE3217	TRSVKFBE3225
Governing law(s) of the instrument	Debt Instrument Communiqué numbered CMB- VII-128.8 BRSA regulation on bank's shareholder equity BRSA Communiqué on Principles Regarding Debt Securities to be Included in the Calculation of Banks' Equity	Debt Instrument Communiqué numbered CMB- VII-128.8 BRSA regulation on bank's shareholder equity BRSA Communiqué on Principles Regarding Debt Securities to be Included in the Calculation of Banks' Equity	Debt Instrument Communiqué numbered CMB- VII-128.8 BRSA regulation on bank's shareholder equity BRSA Communiqué on Principles Regarding Debt Securities to be Included in the Calculation of Banks' Equity	Debt Instrument Communiqué numbered CMB- VII-128.8 BRSA regulation on bank's shareholder equity BRSA Communiqué on Principles Regarding Debt Securities to be Included in the Calculation of Banks' Equity	Debt Instrument Communiqué numbered CMB- VII-128.8 BRSA regulation on bank's shareholder equity BRSA Communiqué on Principles Regarding Debt Securities to be Included in the Calculation of Banks' Equity	Debt Instrument Communiqué numbered CMB- VII-128.8 BRSA regulation on bank's shareholder equity BRSA Communiqué on Principles Regarding Debt Securities to be Included in the Calculation of Banks' Equity
Regulatory treatment						
Subject to 10% deduction as of 1/1/2015	Not subject to deduction.	Not subject to deduction.	Not subject to deduction.	Not subject to deduction.	Not subject to deduction.	Not subject to deduction.
Eligible at solo/group/group&solo	Available	Available	Available	Available	Available	Available
Instrument type	Bond Issuance Possessing Subordinated Loan Conditions (Tier II Capital)	Additional Capital Bond Issuance (Tier I Capital)	Additional Capital Bond Issuance (Tier I Capital)	Bond Issuance Possessing Subordinated Loan Conditions (Tier II Capital)	Bond Issuance Possessing Subordinated Loan Conditions (Tier II Capital)	Bond Issuance Possessing Subordinated Loan Conditions (Tier II Capital)
Amount recognized in regulatory capital (Currency in million, as of most recent reporting date)	420	4,994	13,985	725	1,750	1,250
Par value of instrument (in million)	420	4,994	13,985	725	1,750	1,250
Accounting classification	346011- Subordinated Liabilities	346001- Subordinated Liabilities	347001- Subordinated Liabilities	346011- Subordinated Liabilities	346011- Subordinated Liabilities	346011-Subordinated Liabilities
Original date of issuance	September 18, 2017	September 27, 2018	April 24, 2019	September 27, 2019	October 27, 2022	October 27, 2022
Perpetual or dated	Dated (10 years) Maturity Date: September 6, 2027	Undated	Undated	Dated (10 years) Maturity Date: September 14, 2029	Dated (10 years) Maturity Date: October 14, 2032	Dated (10 years) Maturity Date: October 14, 2032
Issue date	September 18, 2017	September 27, 2018	April 24, 2019	September 27, 2019	October 27, 2022	October 27, 2022
Issuer call subject to prior supervisory approval	Available	Available	Available	Available	Available	Available
Call option dates, conditioned call dates and call amount	Early call date at the end of five years.	Early call option at the end of five years is available and this option may be used depending on the BRSA approval.	Early call option at the end of five years is available and this option may be used depending on the BRSA approval.	Early call date at the end of five years.	Early call date at the end of five years.	Early call date at the end of five years.
Subsequent call dates, if applicable	Only one call option is available.	September 27, 2023	April 24, 2024.	Only one call option is available	Only one call option is available	Only one call option is available

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED CONSOLIDATED FINANCIAL
ORIGINALLY ISSUED IN TURKISH**

**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL SUBSIDIARIES CONSOLIDATED FINANCIAL REPORT AS AT
SEPTEMBER 30, 2023**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

INFORMATION RELATED TO CONSOLIDATED FINANCIAL POSITION AND RISK MANAGEMENT (Continued)

I. INFORMATION ON CONSOLIDATED EQUITY ITEMS (Continued)

Summary information related to capital adequacy ratio (Continued)

Prior Period – December 31, 2022		Coupons / dividends				
Fixed or floating dividend/coupon	Floating interest rate/ Interest payment once in three months, principal payment at the maturity date	Fixed interest rate / Interest payment once in six months	Fixed interest rate / Interest payment once in a year	Floating interest rate/ Interest payment once in three months, principal payment at the maturity date	Floating interest rate/ Interest payment once in six months, principal payment at the maturity date	Floating interest rate/ Interest payment once in six months, principal payment at the maturity date
Coupon rate and any related index	5 years maturity "Indicator Government Debt Security" +350 basis points	% 12.62 fixed interest rate	% 5.076 fixed interest rate	TLREF + 150 basis points	CPI (Annual Real Interest Rate 160 basis points)	17.50 % (Annual simple interest)
Existence of a dividend stopper	Nil	Nil	Nil	Nil	Nil	Nil
Fully discretionary, partially discretionary or mandatory	Nil	Nil	Nil	Nil	Nil	Nil
Existence of step up or other incentive to redeem	Nil	Nil	Nil	Nil	Nil	Nil
Noncumulative or cumulative	Noncumulative	Noncumulative	Noncumulative	Noncumulative	Noncumulative	Noncumulative
Convertible or non-convertible						
If convertible, conversion trigger (s)	Nil	Nil	Nil	Nil	Nil	Nil
If convertible, fully or partially	Nil	Nil	Nil	Nil	Nil	Nil
If convertible, conversion rate	Nil	Nil	Nil	Nil	Nil	Nil
If convertible, mandatory or optional conversion	Nil	Nil	Nil	Nil	Nil	Nil
If convertible, specify instrument type convertible into	Nil	Nil	Nil	Nil	Nil	Nil
If convertible, specify issuer of instrument it converts into	Nil	Nil	Nil	Nil	Nil	Nil
Write-down feature						
If write-down, write-down trigger(s)	Available. Revoking the business activity of Bank according to 71 clauses of 5411 numbered Banking Law or liquidation proceedings to Savings Deposit Insurance Fund are the triggering events.	Available. BRSA regulation on bank's shareholder equity and the matters referred to in Article 7 of Communiqué on Principles Regarding Debt Securities to be Included in the Calculation of Banks' Equity.	Available. BRSA regulation on bank's shareholder equity and the matters referred to in Article 7 of Communiqué on Principles Regarding Debt Securities to be Included in the Calculation of Banks' Equity.	Available. Revoking the business activity of Bank according to 71 clauses of 5411 numbered Banking Law or liquidation proceedings to Savings Deposit Insurance Fund are the triggering events.	Available. BRSA regulation on bank's shareholder equity and the matters referred to in Article 7 of Communiqué on Principles Regarding Debt Securities to be Included in the Calculation of Banks' Equity.	Available. Revoking the business activity of Bank according to 71 clauses of 5411 numbered Banking Law or liquidation proceedings to Savings Deposit Insurance Fund are the triggering events.
If write-down, full or partial	Has full or partial write down feature.	Has full or partial write down feature.	Has full or partial write down feature.	Has full or partial write down feature.	Has full or partial write down feature.	Has full or partial write down feature.
If write-down, permanent or temporary	Has permanent write down feature.	Has permanent or temporary write down feature.	Has permanent or temporary write down feature.	Has permanent write down feature.	Has permanent or temporary write down feature.	Has permanent write down feature.
If temporary write-down, description of write-up mechanism	Has no write-up mechanism.	Has write-up mechanism.	Has write-up mechanism.	Has no write-up mechanism.	Has write-up mechanism.	Has no write-up mechanism.
Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Before the debt instruments to be included in the additional capital calculation, after the depositors and all other creditors.	After the debt instruments to be included in secondary capital calculation, the depositors and all other creditors.	After the debt instruments to be included in secondary capital calculation, the depositors and all other creditors.	Before the debt instruments to be included in the additional capital calculation, after the depositors and all other creditors.	After the debt instruments to be included in secondary capital calculation, the depositors and all other creditors.	Before the debt instruments to be included in the additional capital calculation, after the depositors and all other creditors.
Whether conditions which stands in article of 7 and 8 of Banks' shareholder equity law are possessed or not	Possess Article 8	Possess Article 7	Possess Article 7	Possess Article 8	Possess Article 8	Possess Article 8
According to article 7 and 8 of Banks' shareholders equity law that are not possessed	Not Possess Article 7	Possess Article 7	Possess Article 7	Not Possess Article 7	Possess Article 7	Not Possess Article 7

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED CONSOLIDATED FINANCIAL
ORIGINALLY ISSUED IN TURKISH**

**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL SUBSIDIARIES
CONSOLIDATED FINANCIAL REPORT AS AT SEPTEMBER 30, 2023**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

**INFORMATION RELATED TO CONSOLIDATED FINANCIAL POSITION AND RISK MANAGEMENT
(Continued)**

I. INFORMATION ON CONSOLIDATED EQUITY ITEMS (Continued)

Reconciliation of capital items to balance sheet:

	Current Period September 30, 2023	Prior Period December 31, 2022
Shareholders' equity	155,047,428	106,525,528
Valuation differences of the marketable securities ^(*)	1,187,794	1,469,785
Stocks Acquired by Buyback from the Market ^(**)	383,304	-
Leasehold improvements on operational leases	(259,267)	(207,555)
Goodwill and intangible assets	(572,250)	(463,635)
General provision (1.25% of the amount that subject to credit risk) ^(**)	16,288,196	11,829,968
Subordinated debt	29,323,180	23,124,365
Deductions from shareholders' equity	(35,531)	(22,602)
Capital	201,362,854	142,255,854

^(*) In accordance with the BRSA regulation dated December 21, 2021, and numbered 9996, in calculating the capital adequacy ratio, the equity amount calculated without taking into consideration the negative valuation differences of the securities in the "Fair Value of Financial Assets Through Other Comprehensive Income" portfolio, which was obtained before this date, was used.

^(**) Pursuant to the BRSA's regulation dated February 14, 2023 and numbered 10508, in the calculation of the capital adequacy ratio, the shares acquired by the banks through buyback from the market after February 6, 2023 will not be considered as a discount item from the core capital until January 1, 2024.

II. CONSOLIDATED FOREIGN CURRENCY EXCHANGE RISK

Foreign exchange risk that the Parent Bank is exposed to, estimation of effects of exposures, and the limits set by the Board of Directors of the Parent Bank for the positions monitored on a daily basis

The Standard Method which is also used in the legal reporting is used in measuring the currency risk of The Parent Bank.

The Parent Bank's and all consolidated financial subsidiaries' foreign currency assets and liabilities and the forward foreign-currency transactions are taken into consideration in calculating the capital obligation for the consolidated currency risk. The net long and short positions are calculated in Turkish Lira equivalent of each currency. The position with the biggest absolute value is determined as the base amount for the capital obligation. The capital obligation is calculated at that amount.

The magnitude of hedging foreign currency debt instruments and net investment in foreign operations by using derivatives

As at September 30, 2023 and December 31, 2022, the Group does not have derivative financial instruments held for risk management.

Foreign exchange risk management policy

The Parent Bank manages the Turkish currency or foreign currency risks that may arise in domestic and international markets and follows the transactions that create these risks, and manages these risks at optimum levels within the framework of market expectations and within the scope of the Parent Bank's strategies by considering the balance with other financial risks.

Sensitivity analysis regarding the currency risk that the Parent Bank is exposed to is explained in the related section II.

The effective exchange rates at the date of balance sheet and for the last five working days of the period announced by the Parent Bank in TL are as follows:

	US Dollar	Euro
The Bank's foreign currency purchase rate at the balance sheet date	27.4169	28.9852
<u>Foreign currency purchase rates for the days before balance sheet date:</u>		
Day 1	27.4284	28.9452
Day 2	27.3074	28.7206
Day 3	27.2676	28.8710
Day 4	27.2084	28.7960
Day 5	27.1650	28.9742
	US Dollar	Euro
Last 30-days arithmetical average rate	26.9397	28.8943

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED CONSOLIDATED FINANCIAL
ORIGINALLY ISSUED IN TURKISH**

**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL SUBSIDIARIES
CONSOLIDATED FINANCIAL REPORT AS AT SEPTEMBER 30, 2023**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

**INFORMATION RELATED TO CONSOLIDATED FINANCIAL POSITION AND RISK MANAGEMENT
(Continued)**

II. CONSOLIDATED FOREIGN CURRENCY EXCHANGE RISK (Continued)

Information on currency risk

Current Period- September 30, 2023	Euro	US Dollar	Other FC	Total
<i>Assets:</i>				
Cash and balances with the Central Bank of the Republic of Türkiye	95,509,511	103,760,800	12,685,467	211,955,778
Banks	5,103,839	44,562,244	2,500,724	52,166,807
Financial assets at fair value through profit or loss ⁽⁷⁾	1,808,252	620,981	24,940,136	27,369,369
Interbank money market placements	-	-	-	-
Financial assets at fair value through other comprehensive income	30,469,997	121,467,694	-	151,937,691
Loans ⁽¹⁾⁽²⁾	220,109,235	210,287,244	296,458	430,692,937
Associates, subsidiaries and joint-ventures	3	-	-	3
Financial assets measured at amortized cost	27,653,039	21,616,351	-	49,269,390
Derivative financial assets held for risk management purpose	-	-	-	-
Tangible assets	4,120	103,325	4,440	111,885
Intangible assets	12,519	1,997	-	14,516
Other assets ⁽³⁾	(760,402)	1,721,624	455,818	1,417,040
Total assets	379,910,113	504,142,260	40,883,043	924,935,416
<i>Liabilities:</i>				
Bank deposits	9,843,826	12,722,201	1,806,631	24,372,658
Foreign currency deposits	230,622,832	310,344,405	76,473,807	617,441,044
Interbank money market takings	8,205,222	60,395,533	-	68,600,755
Other funding	66,795,781	98,668,864	11,975,272	177,439,917
Securities issued ⁽⁴⁾	32,393,537	95,240,215	-	127,633,752
Miscellaneous payables	10,871,347	6,336,018	7,669	17,215,034
Derivative Financial Liabilities for Hedging Purposes	-	-	-	-
Other liabilities ⁽³⁾	1,850,246	9,284,073	1,375,309	12,509,628
Total liabilities	360,582,791	592,991,309	91,638,688	1,045,212,788
Net 'on balance sheet' position	19,327,322	(88,849,049)	(50,755,645)	(120,277,372)
Net 'off-balance sheet' position	(9,366,046)	97,218,442	50,717,729	138,570,125
Derivative assets ⁽⁵⁾	22,915,965	205,125,296	57,875,232	285,916,493
Derivative liabilities ⁽⁵⁾	32,282,011	107,906,854	7,157,503	147,346,368
Non-cash loans ⁽⁶⁾	86,768,974	106,542,147	6,865,352	200,176,473
Prior Period - December 31, 2022	Euro	US Dollar	Other FC	Total
Total assets	327,639,655	368,269,393	35,760,830	731,669,878
Total liabilities	282,942,927	417,469,968	57,943,732	758,356,627
Net 'on balance sheet' position	44,696,728	(49,200,575)	(22,182,902)	(26,686,749)
Net 'off-balance sheet' position	(42,046,627)	46,410,073	22,094,690	26,458,136
Derivative assets ⁽⁵⁾	15,793,714	73,133,107	26,028,604	114,955,425
Derivative liabilities ⁽⁵⁾	57,840,341	26,723,034	3,933,914	88,497,289
Non-cash loans ⁽⁶⁾	65,249,257	81,687,766	5,094,523	152,031,546

⁽¹⁾ Foreign currency indexed loans amounting to TL 455,807 (December 31, 2022: TL 462,190) which are presented in TL column in the balance sheet are included in the table above.

⁽²⁾ Foreign currency indexed factoring receivables amounted to TL 491,081 (December 31, 2022: TL 397,931) presented in TL column in the accompanying consolidated balance sheet is included.

⁽³⁾ Other Derivative Financial Instruments Currency Income Costs TL 198,024 (December 31, 2022: TL 72,291), Prepaid Expenses TL 707,003 (December 31, 2022: TL 512,039), deferred tax assets TL 191,068 (December 31, 2022: TL 221,208). Derivative financial instruments currency expense accruals of TL 1,639,427 (December 31, 2022: TL 135,989), unearned income TL 677,115 (December 31, 2022: TL 348,802) and shareholders' equity TL 2,848,539 (December 31, 2022: TL 1,371,048) are not taken into consideration in the currency risk calculation. Other assets also include expected loss provisions calculated in accordance with TFRS9.

⁽⁴⁾ Subordinated loans are shown under securities issued.

⁽⁵⁾ Asset purchase commitments amounting to TL 46,372,400 (December 31, 2022: TL 25,503,640) and asset sales commitments amounting to TL 56,966,487 (December 31, 2022: TL 25,588,622) are included.

⁽⁶⁾ Non-cash loans are not taken into consideration in the currency position account.

⁽⁷⁾ The amount in other FX consists of gold-based bonds

CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED CONSOLIDATED FINANCIAL
ORIGINALLY ISSUED IN TURKISH

TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL SUBSIDIARIES
CONSOLIDATED FINANCIAL REPORT AS AT SEPTEMBER 30, 2023

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

INFORMATION RELATED TO CONSOLIDATED FINANCIAL POSITION AND RISK MANAGEMENT
(Continued)

II. CONSOLIDATED FOREIGN CURRENCY EXCHANGE RISK (Continued)

Exposure to currency risk

10% depreciation of the TL against the following currencies as at and for the nine-month period ended September 30, 2023 and September 30, 2022 would have effect on consolidated equity and the consolidated profit or loss (without tax effects) by the amounts shown in the table below.

This analysis assumes that all other variables, in particular interest rates, remain constant.

	Current Period- September 30, 2023		Prior Period- September 30, 2022	
	Profit or loss	Equity ^(*)	Profit or loss	Equity ^(*)
US Dollar	826,407	826,407	36,794	36,794
Euro	994,463	1,455,422	431,893	741,128
Other currencies	(4,236)	(4,236)	(33,493)	(33,493)
Total, net ^(**)	1,816,634	2,277,593	435,194	744,429

^(*) Equity effect also includes profit or loss effect of 10% devaluation of TL against related currencies.

^(**) Associates, subsidiaries and jointly controlled partnerships are included in the impact calculation for the profit or loss statement, but are not included in the impact calculation for the equity. Tangible and intangible fixed assets are not included in the currency risk effect calculations on equity and profit or loss.

10% appreciation of the TL against the following currencies as at and for the nine-month period ended September 30, 2023 and September 30, 2022 would have effect on consolidated equity and consolidated profit or loss (without tax effects) by the amounts shown in the table below.

	Current Period- September 30, 2023		Prior Period- September 30, 2022	
	Profit or loss	Equity ^(*)	Profit or loss	Equity ^(*)
US Dollar	(826,407)	(826,407)	(36,794)	(36,794)
Euro	(994,463)	(1,455,423)	(431,893)	(741,129)
Other currencies	4,236	4,236	33,493	33,493
Total, net ^(**)	(1,816,634)	(2,277,594)	(435,194)	(744,430)

^(*) Equity effect also includes profit or loss effect of 10% revaluation of TL against related currencies.

^(**) Associates, subsidiaries and jointly controlled partnerships are included in the currency risk effect calculations on profit or loss, but not in the currency risk effect calculations on equity. Tangible and intangible fixed assets are not included in the currency risk effect calculations on equity and profit or loss.

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED CONSOLIDATED FINANCIAL
ORIGINALLY ISSUED IN TURKISH**

**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL SUBSIDIARIES
CONSOLIDATED FINANCIAL REPORT AS AT SEPTEMBER 30, 2023**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

**INFORMATION RELATED TO CONSOLIDATED FINANCIAL POSITION AND RISK MANAGEMENT
(Continued)**

III. CONSOLIDATED INTEREST RATE RISK

Interest sensitivity of assets, liabilities and off-balance sheet items is evaluated during the weekly Assets-Liabilities Committee meetings taking into account the developments in market conditions.

The Parent Bank's interest rate risk is measured by the standard method.

Measurements for standard method are carried out monthly using the maturity ladder table.

Interest rate sensitivity of assets, liabilities and off-balance sheet items (Based on repricing dates)

Current Period- September 30, 2023	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	5 Years and Over	Non-Interest Bearing	Total
<i>Assets:</i>							
Cash and balances with CBRT	-	-	-	-	-	335,092,614	335,092,614
Banks	4,623,678	7,965,954	-	88	-	39,924,670	52,514,390
Financial assets at fair value through profit/loss	3,548	9,349	26,764,899	3,080	-	4,906,686	31,687,562
Interbank money market placements	8,801,956	1,180	-	-	-	-	8,803,136
Financial assets at fair value through other comprehensive income	59,151,809	19,237,904	15,523,698	108,021,732	41,951,826	170,975	244,057,944
Loans ⁽¹⁾	502,927,819	351,523,389	355,648,801	106,111,385	94,493,974	22,136,101	1,432,841,469
Financial assets measured at amortized cost	138,516,249	990,336	26,728,410	113,637,038	32,976,900	-	312,848,933
Other assets ⁽²⁾	7,512,068	23,032,413	1,973,631	51,060	799,756	42,005,844	75,374,772
Total assets	721,537,127	402,760,525	426,639,439	327,824,383	170,222,456	444,236,890	2,493,220,820
<i>Liabilities:</i>							
Bank deposits	51,299,851	11,403,137	931,876	-	-	4,421,483	68,056,347
Other deposits	941,146,601	210,091,892	104,315,224	6,462,926	67,196	383,046,541	1,645,130,380
Interbank money market takings	82,156,761	30,057,862	18,120,606	11,378,937	-	-	141,714,166
Miscellaneous payables	-	-	-	-	-	71,314,354	71,314,354
Securities issued ⁽³⁾	1,398,289	1,306,516	58,989,200	59,766,568	18,347,047	-	139,807,620
Funds borrowed	11,762,203	124,818,482	15,755,006	31,918,693	15,770,607	11,640,482	211,665,473
Other liabilities ⁽⁴⁾	4,973,314	8,430,536	2,185,188	694,959	1,924,029	197,324,454	215,532,480
Total liabilities	1,092,737,019	386,108,425	200,297,100	110,222,083	36,108,879	667,747,314	2,493,220,820
On balance sheet long position	-	16,652,100	226,342,339	217,602,300	134,113,577	-	594,710,316
On balance sheet short position	(371,199,892)	-	-	-	-	(223,510,424)	(594,710,316)
Off-balance sheet long position	6,742,338	36,852,479	-	840,450	11,781,672	-	56,216,939
Off-balance sheet short position	-	-	(13,083,412)	-	-	-	(13,083,412)
Net position	(364,457,554)	53,504,579	213,258,927	218,442,750	145,895,249	(223,510,424)	43,133,527

(1) Non-performing loans are shown in the "Non-Interest Bearing" column.

(2) Subsidiaries, associates, tangible and intangible assets, deferred tax asset, investment properties and expected credit losses are included in "non-interest bearing" column.

(3) Subordinated debts are shown under securities issued.

(4) Equity is included in "Non-Interest Bearing" column in other liabilities line.

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED CONSOLIDATED FINANCIAL
ORIGINALLY ISSUED IN TURKISH**

**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL SUBSIDIARIES
CONSOLIDATED FINANCIAL REPORT AS AT SEPTEMBER 30, 2023**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

**INFORMATION RELATED TO CONSOLIDATED FINANCIAL POSITION AND RISK MANAGEMENT
(Continued)**

III. CONSOLIDATED INTEREST RATE RISK (Continued)

Prior Period- December 31, 2022	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	5 Years and Over	Non-Interest Bearing	Total
<i>Assets:</i>							
Cash and balances with CBRT	-	-	-	-	-	268,975,314	268,975,314
Banks	3,978,931	3,296,034	-	109	-	21,485,604	28,760,678
Financial assets at fair value through profit/loss	6,739	122,569	9,632	16,478,799	-	749,144	17,366,883
Interbank money market placements	12,096,010	-	-	-	-	-	12,096,010
Available-for-sale financial assets	52,734,047	18,911,363	63,970,056	50,460,070	17,473,354	134,589	203,683,479
Loans ⁽¹⁾	289,424,005	237,624,228	257,313,114	91,959,665	76,160,705	20,835,536	973,317,253
Held-to-maturity investments	92,202,765	3,392,410	1,985,174	44,033,660	16,978,843	-	158,592,852
Other assets ⁽²⁾	2,073,949	12,328,132	3,146,075	2,735,311	977,365	22,978,556	44,239,388
Total assets	452,516,446	275,674,736	326,424,051	205,667,614	111,590,267	335,158,743	1,707,031,857
<i>Liabilities:</i>							
Bank deposits	68,496,222	6,513,088	49,181	-	-	3,038,984	78,097,475
Other deposits	601,075,975	149,262,786	45,698,685	3,431,712	73,015	254,458,095	1,054,000,268
Interbank money market takings	61,719,001	63,912,568	10,343,985	3,098,435	-	-	139,073,989
Miscellaneous payables	-	-	-	-	-	42,666,111	42,666,111
Securities issued ⁽³⁾	14,995,718	5,304,856	5,822,331	63,528,037	5,470,463	-	95,121,405
Funds borrowed	11,080,507	73,954,780	18,510,170	24,694,117	5,658,719	5,470,526	139,368,819
Other liabilities ⁽⁴⁾	1,640,632	9,209,757	2,718,815	754,400	1,768,109	142,612,077	158,703,790
Total liabilities	759,008,055	308,157,835	83,143,167	95,506,701	12,970,306	448,245,793	1,707,031,857
On balance sheet long position	-	-	243,280,884	110,160,913	98,619,961	-	452,061,758
On balance sheet short position	(306,491,609)	(32,483,099)	-	-	-	(113,087,050)	(452,061,758)
Off-balance sheet long position	1,226,200	18,470,911	694,287	3,664,326	-	-	24,055,724
Off-balance sheet short position	-	-	-	-	(1,962,997)	-	(1,962,997)
Net position	(305,265,409)	(14,012,188)	243,975,171	113,825,239	96,656,964	(113,087,050)	22,092,727

(1) Non-performing loans are shown in the "Non-Interest Bearing" column.

(2) Subsidiaries, associates, tangible and intangible assets, deferred tax asset, investment properties and expected credit losses are included in "non-interest bearing" column.

(3) Subordinated debts are shown under securities issued.

(4) Equity is included in "Non-Interest Bearing" column in other liabilities line.

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED CONSOLIDATED FINANCIAL
ORIGINALLY ISSUED IN TURKISH**

**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL SUBSIDIARIES
CONSOLIDATED FINANCIAL REPORT AS AT SEPTEMBER 30, 2023**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

**INFORMATION RELATED TO CONSOLIDATED FINANCIAL POSITION AND RISK MANAGEMENT
(Continued)**

III. CONSOLIDATED INTEREST RATE RISK (Continued)

Average interest rates applied to monetary financial instruments ^(*):

Current Period- September 30, 2023	Euro	US Dollar	Yen	TL
	%	%	%	%
Assets:				
Cash and balance with CBRT	-	-	-	-
Banks	3.91	5.49	-	30.42
Financial assets at fair value through profit/loss	2.80	-	-	33.79
Interbank money market placements	-	-	-	30.14
Financial assets at fair value through other comprehensive income	4.47	7.37	-	31.40
Loans	7.35	9.32	-	23.31
Financial assets measured at amortized cost	4.97	5.22	-	27.94
Liabilities:				
Bank deposits	4.35	6.41	-	32.73
Other deposits	1.58	2.54	-	29.59
Interbank money market takings	3.70	5.33	-	31.15
Miscellaneous payables	-	-	-	-
Securities issued ^(**)	5.18	7.15	-	14.42
Funds borrowed	6.10	7.84	-	16.11
Prior Period - December 31, 2022	Euro	US Dollar	Yen	TL
	%	%	%	%
Assets:				
Cash and balance with CBRT	-	-	-	-
Banks	2.68	4.45	-	10.80
Financial assets at fair value through profit/loss	-	-	-	19.83
Interbank money market placements	-	-	-	13.49
Financial assets at fair value through other comprehensive income	3.71	4.95	-	21.55
Loans	6.28	8.84	-	15.82
Financial assets measured at amortized cost	4.59	6.40	-	25.84
Liabilities:				
Bank deposits	3.01	4.99	-	15.35
Other deposits	1.81	2.33	-	17.67
Interbank money market takings	2.80	5.05	-	9.40
Miscellaneous payables	-	-	-	-
Securities issued ^(**)	5.08	6.24	-	15.44
Funds borrowed	3.46	6.08	-	11.89

^(*) The rates above are calculated over financial instruments with interest rates.

^(**) Subordinated debts are shown under securities issued.

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED CONSOLIDATED FINANCIAL
ORIGINALLY ISSUED IN TURKISH**

**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL SUBSIDIARIES
CONSOLIDATED FINANCIAL REPORT AS AT SEPTEMBER 30, 2023**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

**INFORMATION RELATED TO CONSOLIDATED FINANCIAL POSITION AND RISK MANAGEMENT
(Continued)**

IV. CONSOLIDATED STOCK POSITION RISK

Stock position risks arising from banking book items

Information on separations of risks according to objectives including their relation with gains presented in equity and strategically reasons, accounting techniques and general information about valuation methods with the related assumptions and factors that affect the valuation and significant changes

The accounting applications regarding to share investment that qualifications in associate and at fair value through profit or loss, at fair value through other comprehensive income subsidiary of are disclosed in Section 3 Note III and Note VII.

If carrying value is substantially different from fair value and for publicly traded shares if market value is substantially different from fair value, the comparison with the market prices are shown in the table below:

Current Period- September 30, 2023		Comparison	
Stock Investments	Carrying Value	Fair Value ^(*)	Market Value ^(*)
Stocks quoted in exchange ^(*)	2,416,085	2,416,085	2,416,085
1.Stocks Investments Group A	2,372,745	2,372,745	2,372,745
2.Stock Investments Group B	43,340	43,340	43,340
3.Stock Investments Group C	-	-	-
Stocks unquoted in exchange ^(**)	4,435,044	3,828,105	-

^(*) The values of stocks traded in Stock Exchange are included to both columns assuming the market value is approximate to fair value.

^(**) The values of stocks unquoted in exchange are determined according to December 31, 2022 valuation reports prepared by independent valuation companies.

Prior Period - December 31, 2022		Comparison	
Stock Investments	Carrying Value	Fair Value ^(*)	Market Value ^(*)
Stocks quoted in exchange ^(*)	1,661,827	1,661,827	1,661,827
1.Stocks Investments Group A	1,572,149	1,572,149	1,572,149
2.Stock Investments Group B	89,678	89,678	89,678
3.Stock Investments Group C	-	-	-
Stocks unquoted in exchange ^(**)	4,074,772	3,635,057	-

^(*) The values of stocks traded in Stock Exchange are included to both columns assuming the market value is approximate to fair value.

^(**) The values of stocks unquoted in exchange are determined according to valuation reports prepared by independent valuation companies.

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED CONSOLIDATED FINANCIAL
ORIGINALLY ISSUED IN TURKISH**

**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL SUBSIDIARIES
CONSOLIDATED FINANCIAL REPORT AS AT SEPTEMBER 30, 2023**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

**INFORMATION RELATED TO CONSOLIDATED FINANCIAL POSITION AND RISK MANAGEMENT
(Continued)**

IV. CONSOLIDATED STOCK POSITION RISK (Continued)

Total unearned gain or loss, total revaluation surplus and values included to principal and supplementary capital

Total unrealized gain or loss, total appraisal surplus and values included to principal and supplementary capital are given in the below table:

Portfolio-Current Period - September 30, 2023	Realized Gain/Loss in Current Period	Revaluation Surplus		Unrealized Gain and Loss	
		Total ^(*)	Included in Core Capital	Total ^(*)	Included in Core Capital
1. Private Capital Investments	-	-	-	-	-
2. Publicly Traded Stocks	-	-	-	-	-
3. Other Stocks	-	4,542,307	4,542,307	-	-
4. Total	-	4,542,307	4,542,307	-	-

^(*) Amounts are presented including the effect of deferred tax.

Portfolio-Prior Period - December 31, 2022	Realized Gain/Loss in Current Period	Revaluation Surplus		Unrealized Gain and Loss	
		Total ^(*)	Included in Core Capital	Total ^(*)	Included in Core Capital
1. Private Capital Investments	-	-	-	-	-
2. Publicly Traded Stocks	-	-	-	-	-
3. Other Stocks	-	3,687,319	3,687,319	-	-
4. Total	-	3,687,319	3,687,319	-	-

^(*) Amounts are presented including the effect of deferred tax.

Explanations on Equity Shares Risk Arising from Banking Book

Portfolio-Current Period - September 30, 2023	Carrying Value	Total RWA ^(*)	Minimum Capital Requirement
1. Private Equity Investments	-	-	-
2. Quoted	2,416,085	2,218,612	177,489
3. Other Stocks	4,435,044	4,242,923	339,434
4. Total	6,851,129	6,461,535	516,923

^(*) In accordance with the BRSA regulation dated January 31, 2023 and numbered 10496, the foreign exchange buying rates announced by the CBRT as of December 31, 2022 are used in the calculation of the amount subject to credit risk.

Portfolio-Prior Period- December 31, 2022	Carrying Value	Total RWA	Minimum Capital Requirement
1. Private Equity Investments	-	-	-
2. Quoted	1,661,827	1,551,290	124,103
3. Other Stocks	4,074,772	3,881,799	310,544
4. Total	5,736,599	5,433,089	434,647

^(*) In accordance with the BRSA regulation dated April 28, 2022 and numbered 10188, the foreign exchange buying rates announced by the CBRT as of December 31, 2021 are used in the calculation of the amount subject to credit risk.

**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL SUBSIDIARIES
CONSOLIDATED FINANCIAL REPORT AS AT SEPTEMBER 30, 2023**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

**INFORMATION RELATED TO CONSOLIDATED FINANCIAL POSITION AND RISK MANAGEMENT
(Continued)**

V. CONSOLIDATED LIQUIDITY RISK AND LIQUIDITY COVERAGE RATIO

Liquidity risk is defined as the risk of not fulfilling payment liabilities on time as a result of not having adequate cash or cash inflow to meet the cash outflow properly due to imbalance in cash flows of the Parent Bank. The framework of liquidity risk of the Group is specified with Liquidity Risk Management Document. In the framework of liquidity risk management, policies regarding liquidity risk management are written down by Risk Management Department and fundamental principles, analyses regarding measurement and monitoring risk, basic rudiments on early warning indicators, liquidity buffer and limits are included.

The Group is managing liquidity risk according to risk capacity and the Group's risk appetite in the range envisioned by the regulations. Liquidity risk management approach is in general based on the principle of monitoring in-day liquidity risk. The Group monitors the net liquidity position and liquidity requirements continuously and facing the future. The Group takes precautions to increase diversity in fund sources to increase effectiveness and durability in liquidity risk management. On market basis and specific to the Group (in consideration of market and funding liquidity) scenario and susceptibility analyses are performed and assumptions based on these analyses are reviewed regularly. It is aimed to protect the optimum liquidity level that can meet short – term liquidity needs not to remain inactive and maintain profitability – risk balance.

Liquidity management in the Parent Bank is carried out under Treasury Department in regard to the Parent Bank's strategic goals and projections, decisions taken in Asset/Liability Committee, treasury policies, limits defined under market circumstances, the Parent Bank's balance sheet and income goals and strategies defined to meet these goals. Daily, weekly, and monthly cash flow statements are prepared in accordance with principles of profitability and prudence in the Parent Bank's liquidity management. Cash flow statements are evaluated and the Parent Bank's liquidity is managed in line with Treasury Department policies, daily TL and FC liquidity position Bank balance sheet and income goals.

Scenarios about where to make replacement funding in case of high amount outflows in daily liquidity management are made regularly, effects of probable outflows on liquidity level and legal ratios are evaluated and liquidity management is carried out by taking necessary actions.

The Parent Bank utilizes liquidity ratios, liquidity gap analysis, scenario analysis and stress tests in internal measurement of liquidity risk. In the liquidity gap analysis and liquidity stress scenarios, the level of meeting the Parent Bank's possible cash outflows in the short term of liquid assets is determined and the Bank's concentration on funding sources and fund uses are analyzed. Liquidity risk measurements are carried out by the Risk Management Department and measurement results, liquidity risk limits and early warning levels are monitored and regularly reported to the executive units responsible for the management of the related risk, and to the senior management and the Board of Directors.

It is taken as a basis that the Parent Bank consistently monitors TL and FC liquidity positions and funding strategies. Necessary precautions are taken in line with liquidity needs by following stress circumstances. "Liquidity Emergency Action Plan" which is an important part of liquidity risk management of the Parent Bank, consists of early warning indicators which play an important role in monitoring increases in liquidity risk and the prevention of a possible crisis, action plans to prevent a possible crisis and to be applied during a crisis. Furthermore, to fulfill the banks reserve deposits liability that it has to allocate in the presence of CBRT, alternative fund sources to provide liquidity that is needed in various stress circumstances and under which circumstances to apply these sources, precautions to minimize time maturity mismatch and provide necessary funds on time, how the mechanism is going to operate in cases of crisis and stress is included in the plan.

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED CONSOLIDATED FINANCIAL
ORIGINALLY ISSUED IN TURKISH**

**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL SUBSIDIARIES
CONSOLIDATED FINANCIAL REPORT AS AT SEPTEMBER 30, 2023**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

**INFORMATION RELATED TO CONSOLIDATED FINANCIAL POSITION AND RISK MANAGEMENT
(Continued)**

V. CONSOLIDATED LIQUIDITY RISK AND LIQUIDITY COVERAGE RATIO (Continued)

In accordance with the "Regulation on the Calculation of the Liquidity Coverage Ratio of Banks" published in the Official Gazette dated March 21, 2014 and numbered 28948, the highest and lowest values of the Bank's Liquidity Coverage Ratio calculated weekly for the last three months and the weeks when these values were observed are given in the table below. In accordance with the related regulation, consolidated and non-consolidated total and foreign currency minimum liquidity coverage ratios are determined as one hundred percent and eighty percent, respectively.

Current Period- September 30, 2023

Liquidity Coverage Ratio	TL+FC		FC	
	DATE	RATIO (%)	DATE	RATIO (%)
The lowest value	July, 2023	165.06	September, 2023	302.24
The highest value	September, 2023	181.55	August, 2023	351.09

Liquidity Coverage Ratio

Current Period- September 30, 2023		Total unweighted value ^(*)		Total weighted value ^(*)	
		TL+FC	FC	TL+FC	FC
HIGH QUALITY LIQUID ASSETS					
1	Total High Quality Liquid Assets (HQLA)			635,045,369	305,608,269
CASH OUTFLOWS					
2	Retail deposits and deposits from small business customers, of which:	703,281,351	297,026,178	63,279,414	29,702,618
3	Stable deposits	140,974,408	-	7,048,720	-
4	Less stable deposits	562,306,943	297,026,178	56,230,694	29,702,618
5	Unsecured wholesale funding, of which:	896,483,018	325,092,899	409,299,026	136,830,678
6	Operational deposits	566,079,612	215,495,043	140,901,621	53,873,761
7	Non-operational deposits	201,076,764	72,983,308	139,222,759	46,493,904
8	Other Unsecured debts	129,326,642	36,614,548	129,174,646	36,463,013
9	Secured wholesale funding			-	-
10	Other cash outflows, of which;	96,253,087	63,570,064	96,253,087	63,570,064
11	Outflows related to derivative exposures and other collateral requirements	96,239,236	63,570,064	96,239,236	63,570,064
12	Outflows related to loss of funding on debt products	13,851	-	13,851	-
13	Credit and liquidity facilities	-	-	-	-
14	Other contractual funding obligations	175,140,737	150,152,639	8,757,037	7,507,632
15	Other contingent funding obligations	472,103,452	93,394,659	36,126,506	6,489,980
16	TOTAL CASH OUTFLOWS			613,715,070	244,100,972
CASH INFLOWS					
17	Secured lending	-	-	-	-
18	Unsecured lending	195,167,189	61,505,213	149,315,424	51,854,364
19	Other cash inflows	100,844,931	98,770,081	100,844,931	98,770,081
20	TOTAL CASH INFLOWS	296,012,120	160,275,294	250,160,355	150,624,445
Upper Limit Applied Values					
21	TOTAL HQLA STOCK			635,045,369	305,608,269
22	TOTAL NET CASH OUTFLOWS			363,554,715	93,476,527
23	LIQUIDITY COVERAGE RATIO (%)			174.32	334.51

^(*) Simple arithmetic average, calculated for the last three months, of the values calculated by taking monthly simple arithmetic average.

CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED CONSOLIDATED FINANCIAL
ORIGINALLY ISSUED IN TURKISH

TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL SUBSIDIARIES
CONSOLIDATED FINANCIAL REPORT AS AT SEPTEMBER 30, 2023

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

INFORMATION RELATED TO CONSOLIDATED FINANCIAL POSITION AND RISK MANAGEMENT
(Continued)

V. CONSOLIDATED LIQUIDITY RISK AND LIQUIDITY COVERAGE RATIO (Continued)

Prior Period- December 31, 2022

Liquidity Coverage Ratio	TL+FC		FC	
	DATE	RATIO (%)	DATE	RATIO (%)
The lowest value	December 2022	185.81	November 2022	204.33
The highest value	November 2022	204.33	October 2022	510.11

Liquidity Coverage Ratio

Prior Period- December 31, 2022		Total unweighted value ^(*)		Total weighted value ^(*)	
		TL+FC	FC	TL+FC	FC
HIGH QUALITY LIQUID ASSETS					
1	Total High Quality Liquid Assets (HQLA)			430,383,593	228,758,417
CASH OUTFLOWS					
2	Retail deposits and deposits from small business customers, of which:	420,965,538	219,890,491	38,491,786	21,989,049
3	Stable deposits	72,095,357	-	3,604,768	-
4	Less stable deposits	348,870,181	219,890,491	34,887,018	21,989,049
5	Unsecured wholesale funding, of which:	585,755,388	249,697,612	246,826,129	111,713,616
6	Operational deposits	398,093,986	157,939,763	99,189,485	39,484,941
7	Non-operational deposits	111,777,133	55,418,179	71,890,111	36,011,536
8	Other Unsecured debts	75,884,269	36,339,670	75,746,533	36,217,139
9	Secured wholesale funding			-	-
10	Other cash outflows, of which:	90,393,169	42,042,518	90,393,168	42,042,519
11	Outflows related to derivative exposures and other collateral requirements	90,262,908	42,042,518	90,262,907	42,042,519
12	Outflows related to loss of funding on debt products	130,261	-	130,261	-
13	Credit and liquidity facilities	-	-	-	-
14	Other contractual funding obligations	115,947,142	97,207,100	5,797,357	4,860,355
15	Other contingent funding obligations	257,416,963	71,670,109	20,282,549	5,112,720
16	TOTAL CASH OUTFLOWS			401,790,989	185,718,259
CASH INFLOWS					
17	Secured lending	-	-	-	-
18	Unsecured lending	112,353,050	63,286,094	92,529,069	57,483,693
19	Other cash inflows	89,941,428	86,664,789	89,941,428	86,664,789
20	TOTAL CASH INFLOWS	202,294,478	149,950,883	182,470,497	144,148,482
Upper Limit Applied Values					
21	TOTAL HQLA STOCK			430,383,593	228,758,417
22	TOTAL NET CASH OUTFLOWS			219,320,492	46,429,565
23	LIQUIDITY COVERAGE RATIO (%)			197.64	451.86

^(*) Simple arithmetic average, calculated for the last three months, of the values calculated by taking monthly simple arithmetic average.

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED CONSOLIDATED FINANCIAL
ORIGINALLY ISSUED IN TURKISH**

**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL SUBSIDIARIES
CONSOLIDATED FINANCIAL REPORT AS AT SEPTEMBER 30, 2023**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

**INFORMATION RELATED TO CONSOLIDATED FINANCIAL POSITION AND RISK MANAGEMENT
(Continued)**

V. CONSOLIDATED LIQUIDITY RISK AND LIQUIDITY COVERAGE RATIO (Continued)

With the "Liquidity Coverage Rate" which is prepared under the framework of "Regulations Regarding Banks' Calculations of Liquidity Coverage Rate" published by BRSA, the balance between banks' net cash outflows and high-quality liquid asset stock.

The Group's high quality liquid asset stock consists of cash and debt instruments issued by CBRT and Ministry of Treasury and Finance of the Republic of Türkiye.

Whereas the Group's important fund sources are deposits, funds obtained from other financial institutions, securities issued and funds obtained from repo transactions.

Derivatives transactions with 30 or less days to maturity are included into liquidity coverage calculation with cash outflows created by the transactions as of the calculated liquidity coverage rate. In case of a liability resulting from derivatives transactions and security fulfillment liability resulting from other liabilities, actions are taken accordingly to the related regulation.

Maturity analysis of assets and liabilities according to remaining maturities:

Current Period – September 30, 2023	Demand	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	5 Years and over	Undistributed ⁽¹⁾	Total
Assets:								
Cash and balance with CBRT	333,280,275	1,812,339	-	-	-	-	-	335,092,614
Banks	44,203,979	344,369	7,965,954	-	88	-	-	52,514,390
Financial assets at fair value through profit/loss	4,149,397	3,548	7,844	26,764,899	4,585	-	757,289	31,687,562
Interbank money market placements	-	8,801,956	1,180	-	-	-	-	8,803,136
Financial assets at fair value through other comprehensive	-	427,198	2,766,585	10,523,396	174,257,653	55,912,137	170,975	244,057,944
Loans	-	168,536,614	93,880,472	414,744,082	459,821,739	273,976,968	21,881,594	1,432,841,469
Financial assets measured at amortized cost	-	-	2,311,752	42,050,555	178,176,410	90,310,216	-	312,848,933
Other assets ⁽³⁾⁽⁴⁾	3,784,851	18,593,846	7,522,538	6,723,097	9,200,452	13,080,618	16,469,370	75,374,772
Total assets	385,418,502	198,519,870	114,456,325	500,806,029	821,460,927	433,279,939	39,279,228	2,493,220,820
Liabilities:								
Bank deposits	4,421,483	51,299,851	11,403,137	931,876	-	-	-	68,056,347
Other deposits	385,004,547	939,248,456	210,091,891	104,255,364	6,462,926	67,196	-	1,645,130,380
Funds Provided	-	10,552,341	22,942,291	38,561,297	109,017,831	30,591,713	-	211,665,473
Interbank money market takings	-	82,156,761	2,477,528	20,622,308	36,457,569	-	-	141,714,166
Securities issued ⁽²⁾	-	930,674	1,079,956	53,556,896	74,076,856	10,163,238	-	139,807,620
Miscellaneous payables	110,835	41,243,974	153,093	2,542,344	184,884	-	27,079,224	71,314,354
Other liabilities	1,257,341	5,249,395	6,241,496	1,452,655	2,154,970	4,129,295	195,047,328	215,532,480
Total liabilities	390,794,206	1,130,681,452	254,389,392	221,922,740	228,355,036	44,951,442	222,126,552	2,493,220,820
Liquidity gap	(5,375,704)	(932,161,582)	(139,933,067)	278,883,289	593,105,891	388,328,497	(182,847,324)	-
Net Off Balance Sheet Position	-	(502,699)	(2,293,037)	2,322,148	24,142,094	320,693	-	23,989,199
Receivables from Derivative Financial Instruments	-	87,533,331	130,885,274	8,273,779	127,429,354	78,560,055	-	432,681,793
Payables from Derivative Financial Instruments	-	88,036,030	133,178,311	5,951,631	103,287,260	78,239,362	-	408,692,594
Non-cash Loans	174,954,662	16,360,622	32,852,044	111,399,735	55,639,685	6,086,388	1,677,600	398,970,736
Prior Period – December 31, 2022	Demand	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	5 Years and over	Undistributed ⁽¹⁾	Total
Total assets	276,828,197	136,506,505	107,442,092	323,897,961	490,073,256	341,600,530	30,683,316	1,707,031,857
Total liabilities	260,483,000	776,349,041	229,312,874	112,944,899	132,538,094	38,302,693	157,101,256	1,707,031,857
Liquidity gap	16,345,197	(639,842,536)	(121,870,782)	210,953,062	357,535,162	303,297,837	(126,417,940)	-
Net Off Balance Sheet Position	-	199,435	825,043	19,787	7,564,155	3,113,732	-	11,722,152
Receivables from Derivative Financial Instruments	-	60,929,376	12,199,784	7,175,722	69,734,388	57,859,362	-	207,898,632
Payables from Derivative Financial Instruments	-	60,729,941	11,374,741	7,155,935	62,170,233	54,745,630	-	196,176,480
Non-cash Loans	89,941,836	48,818,805	28,134,743	65,818,642	42,177,366	3,733,046	731,793	279,356,231

(1) Subsidiaries, associates and tangible and intangible assets, investment properties and deferred tax asset are stated in undistributed column.

(2) Subordinated debt are shown under securities issued.

(3) Assets that are necessary for banking activities and that cannot be liquidated in the short-term, such as fixed assets, associates and subsidiaries, stationery, pre-paid expenses and non-performing loans are shown in this column.

(4) Expected loss provisions for financial assets are shown under the undistributed column of Other Assets.

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED CONSOLIDATED FINANCIAL
ORIGINALLY ISSUED IN TURKISH**

**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL SUBSIDIARIES
CONSOLIDATED FINANCIAL REPORT AS AT SEPTEMBER 30, 2023**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

**INFORMATION RELATED TO CONSOLIDATED FINANCIAL POSITION AND RISK MANAGEMENT
(Continued)**

VI. CONSOLIDATED LEVERAGE RATIO

Information on Issues that Cause Differences between Current Period and Previous Period Leverage Ratios

The Group's consolidated leverage rate which is calculated due to "Regulation on Banks' Measurement and Evaluation of Leverage Level" actualised as 5.91%. Increase in balance sheet assets and Tier I Capital transactions resulted in change on leverage rate compared to previous period (December 31, 2022: 6.07%). The Regulation adjudicated minimum leverage rate as 3%.

Summary comparison table of the total risk amount and the total asset amount in the consolidated financial statements prepared as per TAS

	Current Period	Prior Period
Total asset amount in the consolidated financial statements prepared as per TAS ⁽¹⁾	1,712,577,463	1,306,594,035
The difference between the total asset amount in the consolidated financial statements prepared as per TAS and the asset amount in the consolidated financial statements prepared as per the Communiqué on the Preparation of the Consolidated Financial Statements of Banks ⁽¹⁾	5,545,606	755,452
The difference between the derivative financial instruments and the loan derivatives amount in the consolidated financial statements prepared as per the Communiqué on the Preparation of the Consolidated Financial Statements of Banks and the risk amounts ⁽²⁾	(15,678,340)	(17,324,295)
The difference between the financial transactions with securities or goods warranty amounts in the consolidated financial statements prepared as per the Communiqué on the Preparation of the Consolidated Financial Statements of Banks and the risk amounts ⁽²⁾	89,033,419	129,658,286
The difference between the off-balance sheet transactions amount in the consolidated financial statements prepared as per the Communiqué on the Preparation of the Consolidated Financial Statements of Banks and the risk amounts ⁽²⁾	198,178,150	143,493,359
Other differences between the amount in the consolidated financial statements prepared as per the Communiqué on the Preparation of the Consolidated Financial Statements of Banks and the risk amounts ⁽²⁾	(686,901,236)	(626,818,901)
Total risk amount	1,991,087,778	1,610,122,744

⁽¹⁾ The balances at the end of June 30, 2023 and December 31, 2022 prepared in accordance with Article 5, paragraph 6, of the Communiqué on the Preparation of the Consolidated Financial Statements of the Banks are included.

⁽²⁾ The balances in the table represent the average of three months.

Leverage ratio common disclosure template

	Current Period - September 30, 2023 ^(*)	Prior Period - December 31, 2022 ^(*)
On-balance sheet exposures		
1. On-balance sheet items (excluding derivatives and SFTs; including collateral)	2,396,624,361	1,579,480,664
2. Assets deducted in determining Basel III Tier 1 capital	(959,740)	(658,766)
3. Total on-balance sheet exposures (excluding derivatives and SFTs)	2,395,664,621	1,578,821,898
Derivative exposures		
4. Replacement cost	23,767,785	13,314,756
5. Add-on amount	4,995,643	2,363,583
6. Total derivative exposures	28,763,428	15,678,339
Securities financing transaction exposures		
7. Gross SFT assets (with no recognition of accounting netting)	27,809,788	12,426,388
8. Agent transaction exposures	-	-
9. Total securities financing transaction exposures	27,809,788	12,426,388
Other off-balance sheet exposures		
10. Off-balance sheet exposures with gross nominal amount	974,039,497	582,274,540
11. Adjustment amounts off-balance sheet exposures with credit conversion factor	(377,066,514)	(198,113,388)
12. Total off-balance sheet exposures	596,972,983	384,161,152
Capital and total exposures		
13. Tier 1 capital	179,632,463	120,718,155
14. Total exposures	3,049,210,820	1,991,087,777
Leverage ratio		
15. Leverage ratio	5.91	6.07

^(*) Calculated by using three-month average of balances in Leverage Rate Notification table.

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED CONSOLIDATED FINANCIAL
ORIGINALLY ISSUED IN TURKISH**

**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL SUBSIDIARIES
CONSOLIDATED FINANCIAL REPORT AS AT SEPTEMBER 30, 2023**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

**INFORMATION RELATED TO CONSOLIDATED FINANCIAL POSITION AND RISK MANAGEMENT
(Continued)**

VII. CONSOLIDATED SEGMENT REPORTING

The Group operates in corporate, commercial, small business, retail, treasury and investment banking. Accordingly, the banking products served to customers are; time and demand deposit, accumulating account, repos, overdraft facilities, spot loans, foreign currency indexed loans, consumer loans, automobile and housing loans, working capital loans, discounted bills, overdraft facilities, gold loans, foreign currency loans, Eximbank loans, pre-export loans, ECA covered financing, letters of guarantee, letters of credit, export factoring, acceptance credits, draft facilities, forfaiting, leasing, insurance, forward, futures, salary payments, investment account, cheques, safety boxes, bill payments, tax collections, payment orders.

The Group provides service packages to its corporate, commercial and retail customers including deposit, loans, foreign trade transactions, investment products, cash management, leasing, factoring, insurance, credit cards, and other banking products. A customer-oriented branch network has been built in order to serve customers' needs effectively and efficiently.

Additionally, the Group provides "small business" banking service to enterprises in retail and service sectors. Products include overdraft accounts, POS machines, credit cards, cheque books, TL and foreign currency deposits, investment accounts, internet banking and call-center, debit card, and bill payment.

Retail banking customers form a wide-spread and sustainable deposit base for the Parent Bank. Individual customers' needs are met by diversified consumer banking products through branches and alternative delivery channels.

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED CONSOLIDATED FINANCIAL
ORIGINALLY ISSUED IN TURKISH**

**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL SUBSIDIARIES
CONSOLIDATED FINANCIAL REPORT AS AT SEPTEMBER 30, 2023**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

**INFORMATION RELATED TO CONSOLIDATED FINANCIAL POSITION AND RISK MANAGEMENT
(Continued)**

VII. CONSOLIDATED SEGMENT REPORTING (Continued)

Major financial statement items according to business lines:

Current Period	Retail Banking	Corporate/ Commercial Banking	Treasury and Investment Operations	Other and Undistributed	Total Operations
OPERATING INCOME/ EXPENSES					
Interest Income	25,729,731	77,648,043	83,066,152	1,299,114	187,743,040
Interest Expense	49,407,817	83,255,156	27,650,351	102,828	160,416,152
Net Interest Income/Losses (Net)	(23,678,086)	(5,607,113)	55,415,801	1,196,286	27,326,888
Net Fees and Commissions Income	3,782,161	10,859,386	1,033,870	-	15,675,417
Dividend Income	-	-	51,550	-	51,550
Trading Income/ Losses (Net)	-	-	18,844,247	-	18,844,247
Other Income	-	-	-	35,447,236	35,447,236
Allowance for Expected Credit Losses	-	-	-	33,409,385	33,409,385
Other Expenses	-	-	-	40,497,535	40,497,535
Based on Equity Method	-	-	446,081	-	446,081
Profit Before Taxes	(19,895,925)	5,252,273	75,791,549	(37,263,398)	23,884,499
Provision for taxes	-	-	-	-	(4,986,205)
Net Profit/ Loss					18,898,294
Segment Assets	270,275,406	934,017,147	1,169,870,126	113,185,838	2,487,348,517
Subsidiaries and Associates (Net)	-	-	5,872,303	-	5,872,303
TOTAL ASSETS	270,275,406	934,017,147	1,175,742,429	113,185,838	2,493,220,820
Segment Liabilities	680,136,595	995,698,481	540,845,445	121,492,871	2,338,173,392
Equity	-	-	-	155,047,428	155,047,428
TOTAL LIABILITIES	680,136,595	995,698,481	540,845,445	276,540,299	2,493,220,820

Prior Period	Retail Banking	Corporate/ Commercial Banking	Treasury and Investment Operations	Other and Undistributed	Total Operations
OPERATING INCOME/ EXPENSES					
Interest Income	15,103,347	36,788,299	47,087,207	236,932	99,215,785
Interest Expense	13,989,699	24,666,771	19,684,812	217,282	58,558,564
Net Interest Income/Losses (Net)	1,113,648	12,121,528	27,402,395	19,650	40,657,221
Net Fees and Commissions Income	1,607,300	4,788,248	492,158	-	6,887,706
Dividend Income	-	-	55,953	-	55,953
Trading Income/ Losses (Net)	-	-	3,587,901	-	3,587,901
Other Income	-	-	-	8,194,798	8,194,798
Allowance for Expected Credit Losses	-	-	-	23,125,361	23,125,361
Other Expenses	-	-	-	11,823,919	11,823,919
Based on Equity Method	-	-	224,770	-	224,770
Profit Before Taxes	2,720,948	16,909,776	31,763,177	(26,734,832)	24,659,069
Provision for taxes	-	-	-	-	(7,526,052)
Net Profit/ Loss					17,133,017
Segment Assets	181,290,929	625,766,110	816,722,533	78,223,659	1,702,003,231
Subsidiaries and Associates (Net)	-	-	5,028,626	-	5,028,626
TOTAL ASSETS	181,290,929	625,766,110	821,751,159	78,223,659	1,707,031,857
Segment Liabilities	384,202,958	682,591,466	444,620,321	89,091,584	1,600,506,329
Equity	-	-	-	106,525,528	106,525,528
TOTAL LIABILITIES	384,202,958	682,591,466	444,620,321	195,617,112	1,707,031,857

**CONVENIENCE TRANSLATION OF PUBLICLY ANNOUNCED CONSOLIDATED FINANCIAL
ORIGINALLY ISSUED IN TURKISH**

**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL SUBSIDIARIES
CONSOLIDATED FINANCIAL REPORT AS AT SEPTEMBER 30, 2023**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

**INFORMATION RELATED TO CONSOLIDATED FINANCIAL POSITION AND RISK MANAGEMENT
(Continued)**

VIII. INFORMATION ON RISK MANAGEMENT

The footnotes and related explanations published in the Official Gazette No. 29511 dated October 23, 2015 and prepared in accordance with the "Explanations Communiqué on Explanations to the Public Regarding Banks Risk Management" entered into force as of March 31, 2016 are given in this section. Since the Group uses a standardized approach to capital adequacy calculations, there is no disclosure within the scope of the internal rating-based approach.

In the face of sudden and unexpected changes that may arise regarding macroeconomic indicators and Bank-specific situations; the Parent Bank, reveals the risks that may be exposed such as income / expense effect, capital loss, economic value change, liquidity adequacy through various reports and stress tests conducted daily, weekly and monthly.

The development of the risk culture by the Parent Bank in parallel with the changes in economic conjuncture and risk perception is considered as an important factor, and it aims to provide risk awareness and sensitivity in the actions to be taken. In this direction, the training given to the personnel, risk measurements and reporting, risk reporting to the Board of Directors, Senior Management and committees, the risk appetite framework created by the Parent Bank and the internal capital adequacy assessment process make a significant contribution to the dissemination of the risk culture.

Risk weighted amounts

	Risk Weighted Amount		Minimum Capital Requirements
	Current Period- September 30, 2023	Prior Period - December 31, 2022	Current Period- September 30, 2023
1 Credit Risk (excluding counterparty credit risk) ^(*)	1,280,232,624	929,408,502	102,418,610
2 Standardised approach	1,280,232,624	929,408,502	102,418,610
3 Internal rating based approach	-	-	-
4 Counterparty Credit Risk	18,777,154	16,855,252	1,502,172
5 Standardised approach for counterparty credit risk	18,777,154	16,855,252	1,502,172
6 Internal model method	-	-	-
7 Equity position in banking book under basic risk weighting or internal rating based	-	-	-
8 Equity investments in funds - look-through approach	4,045,935	133,703	323,675
9 Equity investments in funds - mandate-based approach	-	-	-
10 Equity investments in funds - 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	23,541,486	9,909,960	1,883,319
17 Standardised approach	23,541,486	9,909,960	1,883,319
18 Internal model approaches	-	-	-
19 Operational Risk	78,804,273	35,687,845	6,304,342
20 Basic Indicator Approach	78,804,273	35,687,845	6,304,342
21 Standardised approach	-	-	-
22 Advanced measurement approach	-	-	-
23 The amounts below the thresholds for deduction from capital (subject to a 250% risk weight)	-	-	-
24 Floor adjustment	-	-	-
25 Total (1+4+7+8+9+10+11+12+16+19+23+24)	1,405,401,472	991,995,262	112,432,118

^(*) Amounts below the equity deduction thresholds and investments in KYK are excluded.

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

**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL SUBSIDIARIES
CONSOLIDATED FINANCIAL REPORT AS AT SEPTEMBER 30, 2023
(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)**

SECTION FIVE

DISCLOSURE AND FOOTNOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS

I. INFORMATION AND DISCLOSURES RELATED TO CONSOLIDATED ASSETS

1. Information on cash and balances with the Central Bank

	Current Period - September 30, 2023		Prior Period - December 31, 2022	
	TL	FC	TL	FC
Cash	5,177,983	13,766,467	4,766,490	8,799,152
Central Bank of the Republic of Türkiye ^(*)	117,874,040	197,572,707	43,544,012	211,076,405
Other	84,813	616,604	84,940	704,315
Total	123,136,836	211,955,778	48,395,442	220,579,872

^(*) TL 102,182,370 (December 31, 2022: TL 82,537,852) of the foreign currency deposit at Central Bank of the Republic of Türkiye consists of foreign currency reserve deposits.

As per Communiqué on Required Reserve of CBRT, required reserve may be kept in TL, USD, EUR and standard gold.

In accordance with “Announcement on Reserve Deposits” of CBRT numbered 2013/15, all banks operating in Türkiye shall provide a reserve rate ranging from 0% to 25% (December 31, 2022: ranging from 3% to 8%). For foreign currency liabilities, all banks shall provide a reserve rate ranging from 5% to 29% in US Dollar or Euro (December 31, 2022: ranging from 5% to 26%).

Balances with the Central Bank of the Republic of Türkiye

	Current Period - September 30, 2023		Prior Period - December 31, 2022	
	TL	FC	TL	FC
Unrestricted demand deposits	116,938,254	95,390,337	42,937,215	50,293,731
Restricted demand deposits	906,931	-	606,797	-
Unrestricted time deposits	-	-	-	-
Restricted time deposits	-	-	-	78,244,822
Reserve Deposits	28,855	102,182,370	-	82,537,852
Total	117,874,040	197,572,707	43,544,012	211,076,405

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

**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL SUBSIDIARIES
CONSOLIDATED FINANCIAL REPORT AS AT SEPTEMBER 30, 2023**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

DISCLOSURE AND FOOTNOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS

I. INFORMATION AND DISCLOSURES RELATED TO CONSOLIDATED ASSETS (Continued)

2. Further information on financial assets at fair value through profit/loss

Information on financial assets at fair value through profit or loss, subject to repurchase agreements and given as collateral/blocked

	Current Period - September 30, 2023	Prior Period- December 31, 2022
Investments subject to repurchase agreements	-	-
Collateralized/blocked investment securities	6,172,379	-
Total	6,172,379	-

Positive differences on derivative financial assets held for trading purpose

	Current Period - September 30, 2023		Prior Period - December 31, 2022	
	TL	FC	TL	FC
Forward transactions	362,570	9,283	134,695	443
Swap transactions	23,907,360	4,463,762	14,094,488	3,085,122
Futures	-	-	-	-
Options	4,537	135,370	474	52,603
Other	-	-	-	-
Total	24,274,467	4,608,415	14,229,657	3,138,168

The Parent Bank has performed cross currency and interest rate swap transactions that can be canceled. Thus, swap transactions, in the event of certain conditions related to the loan (such as not making a payment) regarding the Parent Bank, may be terminated by not realizing the amount to be paid and paid by any party according to the contract. As of September 30, 2023, the fair value of this transaction is TL 2,732,980, with a nominal amount of 120 million USD and an average maturity of 0.79 years (As of December 31, 2022, the fair value of this transaction was TL 1,722,403 with a nominal amount of 120 million USD, and an average maturity of 1.54 years).

3. Information on banks

	Current Period - September 30, 2023		Prior Period - December 31, 2022	
	TL	FC	TL	FC
Banks				
Domestic	347,583	1,237	143,920	19,799
Foreign	-	52,165,570	-	28,596,959
Foreign Head Offices and Branches	-	-	-	-
Total	347,583	52,166,807	143,920	28,616,758

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

TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL SUBSIDIARIES
CONSOLIDATED FINANCIAL REPORT AS AT SEPTEMBER 30, 2023
(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

DISCLOSURE AND FOOTNOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

I. INFORMATION AND DISCLOSURES RELATED TO CONSOLIDATED ASSETS (Continued)

4. Information on financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income given as collateral or blocked

	Current Period - September 30, 2023		Prior Period - December 31, 2022	
	TL	FC	TL	FC
Equity shares	-	-	-	-
Bonds, treasury bills and similar marketable securities	7,511,159	22,418,645	6,024,871	13,831,275
Other	-	-	-	-
Total	7,511,159	22,418,645	6,024,871	13,831,275

Financial assets at fair value through other comprehensive income subject to repurchase agreements

	Current Period - September 30, 2023		Prior Period - December 31, 2022	
	TL	FC	TL	FC
Government bonds	290,145	3,266	26,356,794	48,817,628
Treasury bills	-	-	-	-
Other debt securities	-	53,597,117	-	14,613,928
Bonds issued or guaranteed by banks	-	-	-	-
Asset backed securities	-	-	-	-
Other	-	-	-	-
Total	290,145	53,600,383	26,356,794	63,431,556

Information on financial assets at fair value through other comprehensive income

	Current Period- September 30, 2023	Prior Period- December 31, 2022
Debt securities	247,868,169	205,770,179
Quoted on a Stock Exchange	246,238,398	203,769,735
Unquoted	1,629,771	2,000,444
Equity securities	170,975	134,589
Quoted on a Stock Exchange	-	-
Unquoted	170,975	134,589
Provisions for impairment losses (-)	3,981,200	2,221,289
Total	244,057,944	203,683,479

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

TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL SUBSIDIARIES
CONSOLIDATED FINANCIAL REPORT AS AT SEPTEMBER 30, 2023
(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

DISCLOSURE AND FOOTNOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

I. INFORMATION AND DISCLOSURES RELATED TO CONSOLIDATED ASSETS (Continued)

5. Information on loans

Information on all types of loans and advances given to shareholders and employees of the Parent Bank

	Current Period - September 30, 2023		Prior Period - December 31, 2022	
	Cash	Non-Cash	Cash	Non-Cash
Direct loans provided to the shareholders	-	864	-	1,187
Legal entities	-	864	-	1,187
Real persons	-	-	-	-
Indirect loans provided to the shareholders	-	-	-	-
Loans provided to the employees	812,369	-	602,165	-
Total	812,369	864	602,165	1,187

Information on loans classified as standard loans and under close monitoring loans that have been restructured

Current Period- September 30, 2023

	Standard loans	Loans and other receivables under close monitoring		
		Loans not Subject to Restructuring	Agreement conditions modified Loans with Revised Contract Terms	Refinance
Cash Loans				
Non-specialized loans	1,277,806,663	35,251,127	135,495	57,082,492
Loans given to enterprises	330,348,625	20,481,481	10	53,099,999
Export loans	171,652,923	898,840	-	-
Import loans	-	-	-	-
Loans given to financial sector	25,819,842	37,728	-	-
Consumer loans	181,075,858	1,637,897	-	587,621
Credit cards	111,707,833	1,451,223	135,272	-
Other	457,201,582	10,743,958	213	3,394,872
Specialized lending	-	-	-	-
Other receivables	-	40,684,098	-	-
Total	1,277,806,663	75,935,225	135,495	57,082,492

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

TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL SUBSIDIARIES
CONSOLIDATED FINANCIAL REPORT AS AT SEPTEMBER 30, 2023

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

DISCLOSURE AND FOOTNOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

I. INFORMATION AND DISCLOSURES RELATED TO CONSOLIDATED ASSETS (Continued)

Agreement has been reached between all lenders, including the Parent Bank, to restructure the debts provided to Ojer Telecommunications INC (OTAS), the main shareholder of Turkish Telecommunications INC (Türk Telekom), and is owned by OTAŞ, Of the 192,500,000,000,000 Group A shares that account for 55% of Türk Telekom's issued capital and are pledged to the guarantee of existing loans, all lenders must be direct or indirect party of LYY Telecommunication INC, which was established as a special purpose company in the Republic of Türkiye, was completed on December 21, 2018. The Parent Bank participated in LYY Telecommunication INC. by 4.2559%. At LYY's Ordinary General Assembly Meeting on September 23, 2019, it was decided to convert part of the loan into capital and add it to LYY's capital, and in this context, the fiat value of the Parent Bank's shares in LYY increased from TL 2 to TL 169,483. This amount is shown in the financial statements under the item "Fair Value Through Profit and Loss". In the statements made on the Public Disclosure Platform on March 10, 2022; It has been announced that a Share Transfer Agreement has been signed between the parties for the sale of all shares written on behalf of group A to the Turkish Asset Fund, equivalent to 55% of Türk Telekom capital owned by LYY. Accordingly, on March 31, 2022, the relevant company was transferred to the Türkiye Wealth Fund. A 100% provision has been made for the portion remaining after the collection from the sales and followed as a loan in the financial statements and for the shares followed under the "Financial Assets at Fair Value Through Profit and Loss" item, and the portion followed up as a loan has been classified as non-performing loans as of June 30, 2022. Since there is no reasonable expectation regarding its recovery, it has been deducted from the records together with the specific provision amount within the scope of TFRS 9.

Prior Period - December 31, 2022

	Standard loans	Loans and other receivables under close monitoring		
		Loans not Subject to Restructuring	Agreement conditions modified Loans with Revised Contract Terms	Refinance
Cash Loans				
Non-specialized loans	844,237,049	32,644,066	1,998,708	42,787,312
Loans given to enterprises	226,182,323	17,720,897	1,835,446	38,266,353
Export loans	73,853,772	693,501	-	-
Import loans	-	-	-	-
Loans given to financial sector	15,429,267	8,685	-	-
Consumer loans	133,450,476	1,261,497	9,224	598,495
Credit cards	55,684,826	575,878	153,735	-
Other	339,636,385	12,383,608	303	3,922,464
Specialized lending	-	-	-	-
Other receivables	-	30,814,582	-	-
Total	844,237,049	63,458,648	1,998,708	42,787,312

Current Period - September 30, 2023	Standard Loans	Loans under close monitoring
12-Month expected credit losses	13,876,118	-
Significant Increase in Credit Risk	-	21,395,537
Prior Period - December 31, 2022	Standard Loans	Loans under close monitoring
12-Month expected credit losses	6,282,894	-
Significant Increase in Credit Risk	-	19,220,224

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

TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL SUBSIDIARIES
CONSOLIDATED FINANCIAL REPORT AS AT SEPTEMBER 30, 2023
(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

DISCLOSURE AND FOOTNOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

I. INFORMATION AND DISCLOSURES RELATED TO CONSOLIDATED ASSETS (Continued)

Consumer loans, retail credit cards, personnel loans and personnel credit cards

Current Period - September 30, 2023	Short-Term	Medium and Long-Term	Total
Consumer loans – TL	20,850,639	124,713,858	145,564,497
Housing loans	8,349	59,611,050	59,619,399
Automobile loans	235,356	7,889,789	8,125,145
General purpose loans	20,606,934	57,213,019	77,819,953
Other	-	-	-
Consumer loans – FC indexed	-	-	-
Housing loans	-	-	-
Automobile loans	-	-	-
General purpose loans	-	-	-
Other	-	-	-
Consumer loans – FC	148	3,659	3,807
Housing loans	-	-	-
Automobile loans	-	-	-
General purpose loans	148	3,659	3,807
Other	-	-	-
Retail credit cards – TL	83,074,749	62,097	83,136,846
With instalment	36,870,033	58,698	36,928,731
Without instalment	46,204,716	3,399	46,208,115
Retail credit cards – FC	175,179	-	175,179
With instalment	-	-	-
Without instalment	175,179	-	175,179
Personnel loans – TL	77	95,460	95,537
Housing loans	-	-	-
Automobile loans	-	-	-
General purpose loans	77	95,460	95,537
Other	-	-	-
Personnel loans – FC indexed	-	-	-
Housing loans	-	-	-
Automobile loans	-	-	-
General purpose loans	-	-	-
Other	-	-	-
Personnel loans – FC	-	-	-
Housing loans	-	-	-
Automobile loans	-	-	-
General purpose loans	-	-	-
Other	-	-	-
Personnel credit cards – TL	712,155	243	712,398
With instalment	312,224	225	312,449
Without instalment	399,931	18	399,949
Personnel credit cards – FC	4,434	-	4,434
With instalment	-	-	-
Without instalment	4,434	-	4,434
Overdraft Checking Accounts – TL (Real person)	37,634,033	-	37,634,033
Overdraft Checking Accounts – FC (Real person)	3,502	-	3,502
Total	142,454,916	124,875,317	267,330,233

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

TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL SUBSIDIARIES
CONSOLIDATED FINANCIAL REPORT AS AT SEPTEMBER 30, 2023
(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

DISCLOSURE AND FOOTNOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

I. INFORMATION AND DISCLOSURES RELATED TO CONSOLIDATED ASSETS (Continued)

Consumer loans, retail credit cards, personnel loans and personnel credit cards (Continued)

Prior Period - December 31, 2022	Short-Term	Medium and Long-Term	Total
Consumer loans – TL	7,935,009	108,752,182	116,687,191
Housing loans	4,218	54,022,879	54,027,097
Automobile loans	24,328	3,370,937	3,395,265
General purpose loans	7,906,463	51,358,366	59,264,829
Other	-	-	-
Consumer loans – FC indexed	-	-	-
Housing loans	-	-	-
Automobile loans	-	-	-
General purpose loans	-	-	-
Other	-	-	-
Consumer loans – FC	-	2,577	2,577
Housing loans	-	-	-
Automobile loans	-	-	-
General purpose loans	-	2,577	2,577
Other	-	-	-
Retail credit cards – TL	42,288,736	101,703	42,390,439
With instalment	20,734,917	100,707	20,835,624
Without instalment	21,553,819	996	21,554,815
Retail credit cards – FC	140,198	-	140,198
With instalment	-	-	-
Without instalment	140,198	-	140,198
Personnel loans – TL	1,018	176,041	177,059
Housing loans	-	-	-
Automobile loans	-	-	-
General purpose loans	1,018	176,041	177,059
Other	-	-	-
Personnel loans – FC indexed	-	-	-
Housing loans	-	-	-
Automobile loans	-	-	-
General purpose loans	-	-	-
Other	-	-	-
Personnel loans – FC	-	-	-
Housing loans	-	-	-
Automobile loans	-	-	-
General purpose loans	-	-	-
Other	-	-	-
Personnel credit cards – TL	422,146	136	422,282
With instalment	194,148	131	194,279
Without instalment	227,998	5	228,003
Personnel credit cards – FC	2,824	-	2,824
With instalment	-	-	-
Without instalment	2,824	-	2,824
Overdraft Checking Accounts – TL (Real person)	18,450,844	-	18,450,844
Overdraft Checking Accounts – FC (Real person)	2,021	-	2,021
Total	69,242,796	109,032,639	178,275,435

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

TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL SUBSIDIARIES
CONSOLIDATED FINANCIAL REPORT AS AT SEPTEMBER 30, 2023
(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

DISCLOSURE AND FOOTNOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

I. INFORMATION AND DISCLOSURES RELATED TO CONSOLIDATED ASSETS (Continued)

Installment based commercial loans and corporate credit cards

Current Period - September 30, 2023	Short-Term	Medium and Long-Term	Total
Instalment-based commercial loans – TL	35,752,125	157,303,414	193,055,539
Real estate loans	79,059	1,706,946	1,786,005
Automobile loans	2,661,725	9,757,944	12,419,669
General purpose loans	31,305,587	145,838,524	177,144,111
Other	1,705,754	-	1,705,754
Instalment-based commercial loans – FC indexed	-	334,467	334,467
Real estate loans	-	-	-
Automobile loans	-	-	-
General purpose loans	-	334,467	334,467
Other	-	-	-
Instalment-based commercial loans – FC	1,640,011	110,369,379	112,009,390
Real estate loans	-	-	-
Automobile loans	-	10,522	10,522
General purpose loans	1,640,011	95,072,045	96,712,056
Other	-	15,286,812	15,286,812
Corporate credit cards – TL	25,590,498	3,610,667	29,201,165
With instalment	9,318,214	3,364,782	12,682,996
Without instalment	16,272,284	245,885	16,518,169
Corporate credit cards – FC	64,306	-	64,306
With instalment	-	-	-
Without instalment	64,306	-	64,306
Overdraft Checking Accounts – TL (Corporate)	39,007,574	-	39,007,574
Overdraft Checking Accounts – FC (Corporate)	-	-	-
Total	102,054,514	271,617,927	373,672,441

Prior Period - December 31, 2022	Short-Term	Medium and Long-Term	Total
Instalment-based commercial loans – TL	45,510,070	109,371,800	154,881,870
Real estate loans	19,295	1,267,176	1,286,471
Automobile loans	1,230,353	5,759,446	6,989,799
General purpose loans	43,119,018	102,345,178	145,464,196
Other	1,141,404	-	1,141,404
Instalment-based commercial loans – FC indexed	-	367,517	367,517
Real estate loans	-	-	-
Automobile loans	-	-	-
General purpose loans	-	367,517	367,517
Other	-	-	-
Instalment-based commercial loans – FC	62,090	76,086,224	76,148,314
Real estate loans	-	-	-
Automobile loans	-	22,549	22,549
General purpose loans	62,090	66,692,508	66,754,598
Other	-	9,371,167	9,371,167
Corporate credit cards – TL	13,219,153	212,008	13,431,161
With instalment	5,434,928	194,897	5,629,825
Without instalment	7,784,225	17,111	7,801,336
Corporate credit cards – FC	27,535	-	27,535
With instalment	-	-	-
Without instalment	27,535	-	27,535
Overdraft Checking Accounts – TL (Corporate)	20,170,978	-	20,170,978
Overdraft Checking Accounts – FC (Corporate)	-	-	-
Total	78,989,826	186,037,549	265,027,375

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

TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL SUBSIDIARIES
CONSOLIDATED FINANCIAL REPORT AS AT SEPTEMBER 30, 2023
(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

DISCLOSURE AND FOOTNOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

I. INFORMATION AND DISCLOSURES RELATED TO CONSOLIDATED ASSETS (Continued).

Allocation of domestic and overseas loans (*)

	Current Period – September 30, 2023	Prior Period – December 31, 2022
Domestic loans	1,392,973,000	941,033,981
Foreign loans	17,986,875	11,447,736
Total	1,410,959,875	952,481,717

(*) Non-performing loans are not included.

Loans to associates and subsidiaries

	Current Period – September 30, 2023	Prior Period- December 31, 2022
Direct loans to associates and subsidiaries	735,614	126,530
Indirect loans to associates and subsidiaries	-	-
Total	735,614	126,530

Specific provisions accounted for loans (Stage 3)

	Current Period- September 30, 2023	Prior Period – December 31, 2022
Loans and receivables with limited collectability	933,096	1,091,792
Loans and receivables with doubtful collectability	2,001,254	1,301,592
Uncollectible loans and receivables	15,202,233	14,563,609
Total	18,136,583	16,956,993

Information on non-performing loans (Net)

Information on non-performing loans and other receivables restructured or rescheduled

	Group III Loans With Limited Collectability	Group IV Loans With Doubtful Collectability	Group V Uncollectible Loans
Current period - September 30, 2023			
Gross Amounts Before The Reserves	186,491	315,585	2,306,721
Loans Which Are Restructured	186,491	315,585	2,306,721
Prior period - December 31, 2022			
Gross Amounts Before The Reserves	129,331	401,229	2,138,138
Loans Which Are Restructured	129,331	401,229	2,138,138

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

**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL SUBSIDIARIES
CONSOLIDATED FINANCIAL REPORT AS AT SEPTEMBER 30, 2023**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

DISCLOSURE AND FOOTNOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

I. INFORMATION AND DISCLOSURES RELATED TO CONSOLIDATED ASSETS (Continued)

Movements in non-performing loan groups

	Group III	Group IV	Group V
	Loans With Limited Collectability	Loans With Doubtful Collectability	Uncollectible Loans
Current Period - September 30, 2023			
Balance at the beginning of the period	2,380,890	2,174,392	16,280,254
Additions (+)	4,635,759	169,279	755,461
Transfers from other categories of loans under follow-up (+)	-	4,486,990	2,214,149
Transfers to other categories of loans under follow-up (-) ^(*)	4,492,180	2,208,960	-
Collections (-)	609,660	1,290,506	2,025,443
Write-offs (-) ^(**)	-	-	696,915
Sold Portfolio (-)	-	-	-
Corporate and commercial loans	-	-	-
Retail loans	-	-	-
Credit cards	-	-	-
Other	-	-	-
Currency differences	-	-	108,084
Balance at the end of the period	1,914,809	3,331,195	16,635,590
Provision (-)	933,096	2,001,254	15,202,233
Net balance	981,713	1,329,941	1,433,357

^(*) Loans that are transferred from non-performing loans to restructured loans are presented in Transfers from and to other categories of loans under follow-up.

^(**) As of September 30, 2023, the Parent Bank has TL 696,915 out of non-performing loans, which are followed in the fifth group, have no collateral, no reasonable expectations for recovery, and 100% provision has been made, in accordance with the amendment to the Provisions Regulation published by the BRSA in the Official Gazette dated November 27, 2019 and numbered 30961. The amount of loans corresponding to the first part of the loan and the provisions set aside for these have been deducted from the records. After the loans are written off, the Parent Bank's NPL ratio decreased from 1.58% to 1.53%.

	Group III	Group IV	Group V
	Loans With Limited Collectability	Loans With Doubtful Collectability	Uncollectible Loans
Prior Period - December 31, 2022			
Balance at the beginning of the period	1,105,580	2,154,152	15,880,196
Additions (+)	6,918,094	427,377	2,206,476
Transfers from other categories of loans under follow-up (+)	-	4,893,989	4,185,091
Transfers to other categories of loans under follow-up (-) ^(*)	4,898,309	4,180,771	-
Collections (-)	744,475	1,120,355	2,858,053
Write-offs (-) ^(**)	-	-	3,186,885
Sold Portfolio (-)	-	-	-
Corporate and commercial loans	-	-	-
Retail loans	-	-	-
Credit cards	-	-	-
Other	-	-	-
Currency differences	-	-	53,429
Balance at the end of the period	2,380,890	2,174,392	16,280,254
Provision (-)	1,091,792	1,301,592	14,563,609
Net balance	1,289,098	872,800	1,716,645

^(*) Loans that are transferred from non-performing loans to restructured loans are presented in the transfers to other categories of loans under follow-up lines.

^(**) As of December 31, 2022, the Parent Bank has TL 3,186,885 out of non-performing loans, which are followed in the fifth group, have no collateral, no reasonable expectations for recovery, and 100% provision has been made, in accordance with the amendment to the Provisions Regulation published by the BRSA in the Official Gazette dated November 27, 2019 and numbered 30961. The amount of loans corresponding to the first part of the loan and the provisions set aside for these have been deducted from the records. After the loans are written off, the Parent Bank's NPL ratio decreased from 2.45% to 2.13%.

Uncollectible loans and other receivables are collected through liquidation of collaterals and legal follow-up.

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

TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL SUBSIDIARIES
CONSOLIDATED FINANCIAL REPORT AS AT SEPTEMBER 30, 2023
(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

DISCLOSURE AND FOOTNOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

I. INFORMATION AND DISCLOSURES RELATED TO CONSOLIDATED ASSETS (Continued)

Information on non-performing loans and other receivables in foreign currencies

	Group III	Group IV	Group V
	Loans With Limited Collectability	Loans With Doubtful Collectability	Uncollectible Loans
Current Period - September 30, 2023			
Balance at the end of the period	594,351	1,917,003	6,592,434
Provision (-)	317,547	1,203,639	6,353,712
Net balance on balance sheet	276,804	713,364	238,722
Prior Period - December 31, 2022			
Balance at the end of the period	1,363,356	470,985	5,735,580
Specific provision (-)	618,801	328,422	5,440,474
Net balance on balance sheet	744,555	142,563	295,106

Non-performing foreign currency denominated loans are followed in TL accounts.

The gross and net amounts of non-performing loans according to user groups

	Group III	Group IV	Group V
	Loans With Limited Collectability	Loans With Doubtful Collectability	Uncollectible Loans
Current Period - September 30, 2023			
Net	981,713	1,329,941	1,433,357
Consumer and Commercial Loans (Gross)	1,914,782	3,331,056	16,615,599
Provision (-)	933,075	2,001,123	15,182,258
Consumer and Commercial Loans (Net)	981,707	1,329,933	1,433,341
Banks (Gross)	-	-	-
Provision (-)	-	-	-
Banks (Net)	-	-	-
Other Loans and Receivables (Gross)	27	139	19,991
Provision (-)	21	131	19,975
Other Loans and Receivables (Net)	6	8	16

	Group III	Group IV	Group V
	Loans With Limited Collectability	Loans With Doubtful Collectability	Uncollectible Loans
Prior Period - December 31, 2022			
Net	1,289,098	872,800	1,716,645
Consumer and Commercial Loans (Gross)	2,378,308	2,174,370	16,260,228
Provision (-)	1,089,215	1,301,577	14,543,597
Consumer and Commercial Loans (Net)	1,289,093	872,793	1,716,631
Banks (Gross)	-	-	-
Provision (-)	-	-	-
Banks (Net)	-	-	-
Other Loans and Receivables (Gross)	2,582	22	20,026
Provision (-)	2,577	15	20,012
Other Loans and Receivables (Net)	5	7	14

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

TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL SUBSIDIARIES
CONSOLIDATED FINANCIAL REPORT AS AT SEPTEMBER 30, 2023

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

DISCLOSURE AND FOOTNOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

I. INFORMATION AND DISCLOSURES RELATED TO CONSOLIDATED ASSETS (Continued)

Information on interest accruals, rediscounts and valuation differences calculated for non-performing loans by banks allocating expected credit losses according to TFRS 9 and their provisions.

	Group III Loans With Limited Collectability	Group IV Loans With Doubtful Collectability	Group V Uncollectible Loans
Current Period (Net) - September 30, 2023	53,187	127,135	222,197
Interest accruals and valuation differences	98,707	294,486	2,348,759
Provision (-)	45,520	167,351	2,126,562
Prior Period (Net) - December 31, 2022	26,275	76,700	256,464
Interest accruals and valuation differences	47,049	185,656	2,312,090
Provision (-)	20,774	108,956	2,055,626

6. Information on financial assets measured at amortized cost

Information on measured at amortized cost government debt securities

	Current Period – September 30, 2023		Prior Period – December 31, 2022	
	TL	FC	TL	FC
Government bonds	263,520,603	32,534,308	124,497,259	22,217,950
Treasury bills	-	-	-	-
Other securities issued by the governments	-	16,430,547	-	11,611,721
Total	263,520,603	48,964,855	124,497,259	33,829,671

Information on financial assets measured at amortized cost

	Current Period – September 30, 2023	Prior Period – December 31, 2022
Debt Securities	312,848,933	158,592,852
Quoted at stock exchanges	312,544,398	158,385,880
Unquoted at stock exchanges	304,535	206,972
Impairment losses (-)	-	-
Total	312,848,933	158,592,852

The movement table of the other financial assets measured at amortised cost

	Current Period – September 30, 2023	Prior Period – December 31, 2022
Balances at the beginning of the period	158,592,852	73,861,983
Foreign currency differences on monetary assets	13,979,529	8,334,895
Purchases during the period	126,283,530	41,636,940
Disposals through sales/redemptions	(14,650,808)	(3,320,778)
Change in Impairment losses	-	-
Change in amortized costs of the securities ^(*)	28,643,830	38,079,812
Balances at the end of the period	312,848,933	158,592,852

^(*) Changes in amortized costs of the marketable securities also include rediscount differences in marketable securities.

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

**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL SUBSIDIARIES
CONSOLIDATED FINANCIAL REPORT AS AT SEPTEMBER 30, 2023**
(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

DISCLOSURE AND FOOTNOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

I. INFORMATION AND DISCLOSURES RELATED TO CONSOLIDATED ASSETS (Continued)

Information on accounts related to other financial assets measured at amortized cost

Current Period - September 30, 2023	Cost		Carrying Value	
	TL	FC	TL	FC
Collateralized/blocked investment securities	104,073,546	6,568,042	108,692,588	6,689,202
Investments subject to repurchase agreements	39,386,016	16,068,352	74,378,056	16,293,505
Held for structural position	-	-	-	-
Receivable from security borrowing markets	-	-	-	-
Collateral for security borrowing markets	-	-	-	-
Other ^(*)	40,971,681	21,794,421	80,508,899	26,286,683
Total	184,431,243	44,430,815	263,579,543	49,269,390

^(*) The securities held as free that are not subject to collateral/blockage or other transactions are presented in the "Other" line.

Prior Period - December 31, 2022	Cost		Carrying Value	
	TL	FC	TL	FC
Collateralized/blocked investment securities	26,093,414	4,521,743	27,542,748	4,621,392
Investments subject to repurchase agreements	9,141,716	13,487,932	23,258,481	14,222,483
Held for structural position	-	-	-	-
Receivable from security borrowing markets	-	-	-	-
Collateral for security borrowing markets	-	-	-	-
Other ^(*)	36,801,278	13,203,724	73,754,980	15,192,768
Total	72,036,408	31,213,399	124,556,209	34,036,643

^(*) The securities held as free that are not subject to collateral/blockage or other transactions are presented in the "Other" line.

7. Investments in associates

Unconsolidated investments in associates

Title	Address (City/ Country)	Parent Bank's Share – If Different, Voting Rights (%)	Bank Risk Group's Share (%)
1 Roketsan Roket Sanayi ve Ticaret AŞ ^(*)	Ankara/Türkiye	9.93	9.93
2 Bankalararası Kart Merkezi AŞ ^(*)	İstanbul/Türkiye	4.75	4.75
3 KKB Kredi Kayıt Bürosu AŞ ^(*)	İstanbul/Türkiye	9.09	9.09
4 Güçbirliği Holding AŞ ^(*)	İzmir/Türkiye	0.07	0.07
5 İzmir Enternasyonal Otelcilik AŞ ^(*)	İstanbul/Türkiye	5.00	5.00
6 İstanbul Takas ve Saklama Bankası AŞ	İstanbul/Türkiye	4.37	4.37
7 Kredi Garanti Fonu AŞ	Ankara/Türkiye	1.49	1.49
8 Türkiye Ürün İhtisas Borsası AŞ	Ankara/Türkiye	3.00	3.00
9 Bileşim Finansal Teknolojiler ve Ödeme Sistemleri AŞ	İstanbul/Türkiye	33.33	33.33
10 JCR Avrasya Derecelendirme AŞ	İstanbul/Türkiye	2.86	2.86
11 Birleşik İpotek Finansmanı AŞ	İstanbul/Türkiye	8.33	8.33
12 Tasfiye Halinde World Vakıf UBB Ltd. ^(**)	Lefkoşa/KKTC	83.00	83.62

Total Assets	Equity	Tangible Assets	Interest Income	Income on Securities Portfolio	Current Year's Profit/(Loss)	Prior Period's Profit/Loss	Fair Value
1 39,661,531	10,668,490	6,052,950	105,702	-	207,883	1,969,118	28,450,000
2 3,512,646	2,762,304	213,941	273,668	-	2,077,231	122,202	-
3 1,062,916	217,363	429,250	16,302	799	102,762	19,581	-
4 142,227	(332,895)	92,390	1	-	(85,981)	(114,120)	-
5 81,513	(983,249)	69,212	-	-	(302,401)	(146,718)	-
6 121,142,599	5,900,474	443,445	2,914,614	215,397	2,260,614	1,071,449	-
7 3,780,277	1,754,797	44,906	229,287	-	463,127	205,844	-
8 391,444	349,569	122,990	45,002	-	111,752	146,841	-
9 501,530	329,311	161,651	35,510	-	(9,743)	(22,715)	-
10 277,410	242,691	19,571	43,198	-	107,429	78,817	-
11 96,152	89,837	1,130	14,532	14,994	19,383	16,684	-
12 1,131	(220,178)	-	167	-	(24,010)	(18,232)	-

^(*) The financial statement information provided for these associates is taken from the financial statements dated June 30, 2023.

^(**) The financial statement information provided for these associates is taken from the financial statements dated December 31, 2019.

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

TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL SUBSIDIARIES
CONSOLIDATED FINANCIAL REPORT AS AT SEPTEMBER 30, 2023

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

DISCLOSURE AND FOOTNOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

I. INFORMATION AND DISCLOSURES RELATED TO CONSOLIDATED ASSETS (Continued)

7. Investments in associates (Continued)

In the current period, it has been decided to increase the capital of JCR Avrasya Rating AŞ from TL 30,000 to TL 50,000. After the capital increase, the share which corresponds to the Parent Bank is TL 571.

In the prior period, it has been decided to increase the paid-in capital of Roketsan Roket Sanayii ve Ticaret AŞ from TL 147,053 to TL 1,005,842 in the prior period. TL 270,577 of the capital increase will be covered by paid, TL 588,211 from internal resources. The remaining 3/4 of the TL 26,872 worth of shares corresponding to the Parent Bank's share, TL 20,154, has been paid.

In the prior period, it has been decided to increase the paid-in capital of Roketsan Roket Sanayii ve Ticaret AŞ from TL 147,053 to TL 1,005,842 in the prior period. It has been decided that TL 270,577 of the capital increase will be covered by paid, TL 588,211 from internal resources. A portion of TL 6,718 which is 1/4 of the TL 26,872 worth share corresponding to the Parent bank's share, has been paid. After the capital increase, the share which corresponds to the Parent Bank is TL 58,417.

In the prior period, it has been decided to increase the capital of JCR Avrasya Rating AŞ from TL 1,000 to TL 30,000. After the capital increase, the share which corresponds to the Parent Bank is TL 828.

In the prior period, the Parent Bank has purchased the shares of PTT and TVF in Platform Ortak Karlı Sistemler AŞ with a share transfer agreement dated April 22, 2022. The Parent Bank's share was paid TL 700 in return for the share transfer. After the share transfer, the Parent Bank's share in the Company increased from 20% to 33.33%.

In the prior period, it has been decided to increase the paid-in capital of Bileşim Finansal Teknolojiler ve Ödeme Sistemleri AŞ, one of the Parent Bank's subsidiaries, from TL 145,000 to TL 340,000 by means of a paid-in increase. After the capital increase, the share which corresponds to the Parent Bank is TL 64,994.

Unconsolidated associates, reasons for not consolidating such investments and accounting treatments applied for such investments:

İstanbul Takas ve Saklama Bankası AŞ, Kredi Garanti Fonu AŞ and Birleşik İpotek Finansmanı AŞ have not been consolidated since their total assets and net operating profit/loss) individually or as a whole, do not comprise a material portion within the consolidated totals. Since Bankalararası Kart Merkezi AŞ, Kredi Kayıt Bürosu AŞ, Roketsan Roket Sanayi ve Ticaret AŞ, Güçbirliği Holding AŞ, İzmir Enternasyonal Otelcilik AŞ, Türkiye Ürün İhtisas Borsası AŞ, Bileşim Finansal Teknolojiler ve Ödeme Sistemleri AŞ and JCR Avrasya Derecelendirme AŞ are not financial associates; these associates have not been consolidated. These associates have been accounted for as per TFRS 9 in the consolidated financial statements.

Consolidated investments in associates

Title	Address (City/ Country)	Parent Bank's Share – If Different, Voting Rights (%)	Bank Risk Group's Share (%)
1 Kıbrıs Vakıflar Bankası Ltd.	Lefkoşa/KKTC	15.00	15.00
2 Türkiye Sınai Kalkınma Bankası AŞ	İstanbul/Türkiye	8.38	8.38
3 Birleşim Varlık Yönetim AŞ	İstanbul/Türkiye	16.00	16.00

Total Assets	Equity	Tangible Assets	Interest Income	Income on Securities Portfolio	Current Year's Profit/Loss	Prior Period's Profit/Loss	Fair Value
1 5,373,138	252,481	20,462	333,712	14,410	70,994	23,669	-
2 166,900,759	19,197,129	5,474,371	8,640,302	3,589,164	5,006,272	2,640,644	23,279,200
3 896,324	754,449	27,815	239,351	-	99,803	136,096	-

In the prior period, it has been decided to increase the capital of Kıbrıs Vakıflar Bankası LTD from TL 70,000 to TL 100,000. Bonus shares amounting to TL 4,500 corresponding to the Parent Bank's share are shown under Bonus Shares Received in the Movement table of consolidated investments in subsidiaries in consolidated financial statements.

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

TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL SUBSIDIARIES
CONSOLIDATED FINANCIAL REPORT AS AT SEPTEMBER 30, 2023
(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

DISCLOSURE AND FOOTNOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

I. INFORMATION AND DISCLOSURES RELATED TO CONSOLIDATED ASSETS (Continued)

7. Investments in associates (Continued)

Movement of consolidated investments in associates

	Current Period - September 30, 2023	Prior Period – December 31, 2022
Balance at the beginning of the period	1,043,941	349,103
Movements during the period	1,040,674	694,838
Transfers	-	-
Acquisitions	119,285	-
Bonus shares received	-	4,500
Share of current year profit	-	-
Sales/liquidations	-	-
Fair value changes	921,389	690,338
Impairment losses	-	-
Balance at the end of the period	2,084,615	1,043,941
Capital commitments	-	-
Share percentage at the end of period (%)	-	-

Sectoral distribution of consolidated investments and associates

	Current Period – September 30, 2023	Prior Period – December 31, 2022
Banks	1,965,330	1,043,941
Factoring companies	-	-
Leasing companies	-	-
Financing companies	-	-
Other financial associates	119,285	-
Total	2,084,615	1,043,941

Quoted associates

	Current Period – September 30, 2023	Prior Period – December 31, 2022
Quoted at domestic stock exchanges	1,950,211	1,028,822
Quoted at international stock exchanges	-	-
Total	1,950,211	1,028,822

Investments in associates disposed during the period

There is not any associate disposed by the Parent Bank in the current period.

In the prior period, all of the Parent Bank's 33.33% shares in Platform Ortak Kartlı Sistemler AŞ have been sold to Türkiye Halk Bankası AŞ for TL 1,922 as of June 21, 2022, and our Bank has no shares left in the Company.

Investments in associates acquired during the period

In the current period, the Parent Bank acquired Birleşim Varlık Yönetim A.Ş. with a capital of TL 75,000 on March 1, 2023, as a shareholder. Shares amounting to TL 119,285 are recognized in the Acquisitions row in the movement table of investments in subsidiaries. The Parent Bank's share in the Company is 16.00%.

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

TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL SUBSIDIARIES
CONSOLIDATED FINANCIAL REPORT AS AT SEPTEMBER 30, 2023
(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

DISCLOSURE AND FOOTNOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

I. INFORMATION AND DISCLOSURES RELATED TO CONSOLIDATED ASSETS (Continued)

8. Investments in subsidiaries

Information on significant subsidiaries

Current Period - September 30, 2023	Vakıfbank International AG	Vakıf Finansal Kiralama AŞ	Vakıf Yatırım Menkul Değerler AŞ	Vakıf Faktoring AŞ	Vakıf Gayrimenkul Yat. Ort. AŞ	Vakıf Menkul Kıymet Yat. Ort. AŞ
Paid in Capital	311,248	600,000	450,000	850,000	2,950,000	30,000
Share Premium	-	1,866	137	-	18,327	121
Equity share premiums	-	1,366	-	-	18,327	28
Share cancellation profits	-	-	-	-	-	-
Other capital reserves	-	500	137	-	-	93
Other accumulated comprehensive income that will not be reclassified in profit or loss	-	97,053	723	22,501	(609)	(267)
Other accumulated comprehensive income that will be reclassified in profit or loss	3,805,835	-	-	-	-	-
Profit Reserves	28,297	101,188	178,734	281,799	100,321	6,187
Legal Reserves	28,297	20,737	85,672	56,341	62,270	761
Statutory reserves	-	-	-	-	-	-
Extraordinary Reserves	-	71,946	18,012	225,458	37,504	5,426
Other Profit Reserves	-	8,505	75,050	-	547	-
Profit/Loss	65,992	1,495,460	659,168	1,027,110	321,292	7,909
Prior Period's Profit/Loss	43,848	415,432	12,714	(51,878)	30,790	(3)
Current Period's Profit/Loss	22,144	1,080,028	646,454	1,078,988	290,502	7,912
Minority Rights	-	-	-	-	-	-
Total Core Capital	4,211,372	2,295,567	1,288,762	2,181,410	3,389,331	43,950
SUPPLEMENTARY CAPITAL	-	-	-	-	-	-
CAPITAL	4,211,372	2,295,567	1,288,762	2,181,410	3,389,331	43,950
NET AVAILABLE EQUITY	4,211,372	2,295,567	1,288,762	2,181,410	3,389,331	43,950

(*) Reviewed BRSA financial statements as of September 30, 2023 are considered.

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

TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL SUBSIDIARIES
CONSOLIDATED FINANCIAL REPORT AS AT SEPTEMBER 30, 2023
(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

DISCLOSURE AND FOOTNOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

I. INFORMATION AND DISCLOSURES RELATED TO CONSOLIDATED ASSETS (Continued)

8. Investments in subsidiaries (Continued)

Information on significant subsidiaries (Continued)

Prior Period - December 31, 2022	Vakıfbank International AG	Vakıf Finansal Kiralama AŞ	Vakıf Yatırım Menkul Değerler AŞ	Vakıf Faktoring AŞ	Vakıf Gayrimenkul Yat. Ort. AŞ	Vakıf Menkul Kıymet Yat. Ort. AŞ
Paid in Capital	311,248	600,000	250,000	450,000	1,145,000	30,000
Share Premium	-	1,662	137	-	322,717	121
Equity share premiums	-	1,366	-	-	301,118	28
Share cancellation profits	-	-	-	-	-	-
Other capital reserves	-	296	137	-	21,599	93
Other accumulated comprehensive income that will not be reclassified in profit or loss	-	97,494	6,500	22,501	(665)	(43)
Other accumulated comprehensive income that will be reclassified in profit or loss	2,512,228	-	-	-	-	-
Profit Reserves	26,550	92,683	152,736	135,080	155,104	1,645
Legal Reserves	26,550	20,737	53,122	29,006	19,520	478
Statutory reserves	-	-	-	-	-	-
Extraordinary Reserves	-	71,946	24,564	106,074	135,037	1,167
Other Profit Reserves	-	-	75,050	-	547	-
Profit/Loss	190,572	415,435	388,711	494,842	885,790	5,644
Prior Period's Profit/Loss	148,344	(52,549)	5,058	(31,857)	5,221	(3)
Current Period's Profit/Loss	42,228	467,984	383,653	526,699	880,569	5,647
Minority Rights	-	-	-	-	-	-
Total Core Capital	3,040,598	1,207,274	798,084	1,102,423	2,507,946	37,367
SUPPLEMENTARY CAPITAL	-	-	-	-	-	-
CAPITAL	3,040,598	1,207,274	798,084	1,102,423	2,507,946	37,367
NET AVAILABLE EQUITY	3,040,598	1,207,274	798,084	1,102,423	2,507,946	37,367

(*) Reviewed BRSA financial statements as of December 31, 2022 are considered.

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

TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL
SUBSIDIARIES CONSOLIDATED FINANCIAL REPORT AS AT SEPTEMBER 30, 2023
(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

DISCLOSURE AND FOOTNOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

I. INFORMATION AND DISCLOSURES RELATED TO CONSOLIDATED ASSETS (Continued)

8. Investments in subsidiaries (Continued)

Vakıf Yatırım Menkul Değerler AŞ, a subsidiary, measures the capital sufficiency status every weekly terms as an independent audit, in line with the "Communiqué on the Principles of the Capital and Capital Adequacy of Intermediary Agencies" Serial: V, No:34 of the Capital Markets Board. According to the calculations at September 30, 2023, there is no capital requirement for the subsidiaries mentioned.

Unconsolidated investments in subsidiaries

Title	Address (City / Country)	Bank's Share –If Different, Voting Rights (%)	Bank's Risk Group Share (%)
1 Vakıf Enerji ve Madencilik AŞ	Ankara/Türkiye	67.27	84.82
2 Taksim Otelcilik AŞ	İstanbul/ Türkiye	52.43	52.43
3 Vakıf Pazarlama Sanayi ve Ticaret AŞ	İstanbul/ Türkiye	96.73	98.76
4 Vakıf Gayrimenkul Değerleme AŞ	İstanbul/ Türkiye	97.14	97.14
5 Vakıf Elektronik Para ve Ödeme Hizmetleri AŞ	İstanbul/ Türkiye	100.00	100.00

Total Assets	Equity	Tangible Assets	Interest Income	Income on Securities Portfolio	Current Year's Profit/Loss	Prior Period's Profit/Loss	Fair Value
1 286,163	286,086	365	8,977	-	71,055	64,879	140,984
2 1,051,631	986,645	106,024	133,766	-	229,429	81,938	816,136
3 618,168	374,076	158,579	36,545	358	16,167	8,733	380,670
4 58,885	43,080	929	12,157	-	(13,275)	5,194	61,154
5 132,849	131,968	8,832	26,475	-	22,154	8,760	100,000

In the current period, it has been decided to increase the capital of Vakıf Pazarlama Sanayi ve Ticaret AŞ from TL 100,000 to TL 300,000 by an increase of TL 200,000. After the capital increase, the share which corresponds to the Parent Bank is TL 193,466.

In the prior period, it has been decided to increase the capital of Vakıf Pazarlama Sanayi ve Ticaret AŞ from TL 30,241 to TL 100,000 by an increase of TL 69,759. After the capital increase, the share which corresponds to the Parent Bank is TL 60,671.

In the prior period, it has been decided to increase the capital of Vakıf Gayrimenkul Değerleme AŞ from TL 30,000 to TL 60,000 by an increase of TL 30,000. After the capital increase, the share which corresponds to the Parent Bank is TL 29,143.

In the prior period, the 1.43% nominal share of TL 5,016 owned by Türkiye Sigorta AŞ, one of the partners of Taksim Otelcilik AŞ, has been purchased by our Bank for TL 11,695. After the capital increase, the share which corresponds to the Parent Bank is TL 11,695.

In the prior period, the entire 1.77% nominal share of TL 1,504, owned by Türkiye Sigorta AŞ, one of the partners of Vakıf Enerji ve Madencilik AŞ, has been purchased by our Bank for a price of TL 2,494. After the capital increase, the share which corresponds to the Parent Bank is TL 2,494.

In the prior period, all of the 9.76% nominal shares of TL 9,761 owned by Türkiye Sigorta AŞ, one of the partners of Vakıf Pazarlama Sanayi ve Ticaret AŞ, in the Company have been purchased by Parent Bank for a price of TL 17,635. After the capital increase, the share which corresponds to the Parent Bank is TL 17,635.

Unconsolidated subsidiaries, reasons for not consolidating such investments and accounting treatments applied for such investments:

Vakıf Enerji ve Madencilik AŞ, Taksim Otelcilik AŞ, Vakıf Pazarlama Sanayi ve Ticaret AŞ, Vakıf Gayrimenkul Değerleme AŞ and Vakıf Elektronik Para ve Ödeme Hizmetleri AŞ have not been consolidated since they are not among the financial subsidiaries of the Bank. Therefore, the subsidiaries whose fair value can be reliably measured are reflected in the consolidated financial statements at their fair values.

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

TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL
SUBSIDIARIES CONSOLIDATED FINANCIAL REPORT AS AT SEPTEMBER 30, 2023
(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

DISCLOSURE AND FOOTNOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

I. INFORMATION AND DISCLOSURES RELATED TO CONSOLIDATED ASSETS (Continued)

8. Investments in subsidiaries (Continued)

Title	Address (City / Country)	Bank's Share – If Different, Voting Rights (%)	Bank's Risk Group Share (%)
1 Vakıf Faktoring AŞ	Istanbul/ Türkiye	92.10	94.45
2 Vakıf Finansal Kiralama AŞ	Istanbul/ Türkiye	62.05	62.05
3 Vakıf Yatırım Menkul Değerler AŞ	Istanbul/ Türkiye	99.50	99.66
4 VakıfBank International AG	Viyana/Austria	100.00	100.00
5 Vakıf Menkul Kıymet Yatırım Ortaklığı AŞ	Istanbul/ Türkiye	33.77	33.77
6 Vakıf Gayrimenkul Yatırım Ortaklığı AŞ	Istanbul/ Türkiye	53.77	53.77

Total Assets	Equity	Tangible Assets	Interest Income	Income on Securities Portfolio	Current Year's Profit/Loss	Prior Period's Profit/Loss	Fair Value
1 25,602,580	2,244,090	10,481	4,546,655	-	1,089,791	330,161	1,022,000
2 23,266,663	2,438,033	110,345	2,827,064	10,760	1,104,866	281,337	5,727,000
3 8,643,846	1,288,759	65,709	-	15,687	646,454	210,615	689,000
4 27,024,400	4,810,376	16,723	696,084	15,755	188,677	4,328	2,674,750
5 46,419	43,952	251	865	12,326	7,910	3,538	741,780
6 9,359,736	6,069,591	4,132,565	255,451	-	705,820	818,303	7,375,000

Movement table of consolidated investments in subsidiaries in consolidated financial statements

	Current Period – September 30, 2023	Prior Period– December 31, 2022
Balance at the beginning of the period	9,278,157	4,141,635
Movements during the period	2,792,844	5,136,522
Transfers	-	-
Acquisitions	490,000	257,307
Bonus shares received	1,230,113	307,337
Share of current year profit	-	-
Sales and liquidations	-	-
Fair value changes	2,652,894	4,587,310
Impairment losses	(1,580,163)	(15,432)
Balance at the end of the period	12,071,001	9,278,157
Capital commitments	-	-
Share percentage at the end of the period (%)	-	-

In the current period, it has been decided to increase the capital of Vakıf Faktoring AŞ from TL 450,000 to TL 850,000 Bonus shares amounting to TL 368,393 corresponding to the Parent Bank's share are shown in Bonus Shares in the movement table of subsidiaries.

In the current period, it has been decided to increase the capital of Vakıf Yatırım Menkul Değerler AŞ from TL 250,000 to TL 450,000. Bonus shares amounting to TL 199,000 corresponding to the Parent Bank's share are shown in Bonus Shares in the movement table of subsidiaries.

In the current period, it has been decided to increase the capital of Vakıf Gayrimenkul Yatırım Ortaklığı AŞ from TL 1,717,500 to TL 2,950,000. Bonus shares amounting to TL 662,720 corresponding to the Parent Bank's share are shown in Bonus Shares in the movement table of subsidiaries.

In the current period, 3.66% nominal shares amounting to TL 41,865 owned by TOKİ, one of the shareholders of Vakıf Gayrimenkul Yatırım Ortaklığı AŞ, were purchased by the Parent Bank for TL 160,660. The Parent Bank's share amounting to TL 160,660 has been recognized under Purchases in the movement table of subsidiaries. In addition, it has been decided to increase the Company's paid-in capital of TL 1,145,000 by 50% rights issue to TL 1,717,500. The Parent Bank's share amounting to TL 305,178 has been recognized as Purchases in the statement of movement of subsidiaries. Preference shares that were not used during the capital increase in question were purchased by our Bank for TL 24,162. TL 24,162 share corresponding to the Parent Bank's is shown under the Acquisitions row in the movement table of subsidiaries.

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

TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL
SUBSIDIARIES CONSOLIDATED FINANCIAL REPORT AS AT SEPTEMBER 30, 2023
(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

DISCLOSURE AND FOOTNOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

I. INFORMATION AND DISCLOSURES RELATED TO CONSOLIDATED ASSETS (Continued)

8. Investments in subsidiaries (Continued)

In the prior period, all of the 13,71% nominal shares of TL 61,674 owned by Türkiye Sigorta AŞ, one of the partners of Vakıf Faktoring AŞ, have been purchased by the Parent Bank for a consideration of TL 140,069. TL 140,069 share corresponding to the Parent Bank's is shown under the Acquisitions row in the movement table of subsidiaries.

In the prior period, all of the 7,974,238 shares owned by Türkiye Sigorta AŞ, one of the partners of Vakıf Gayrimenkul Yatırım Ortaklığı AŞ, were purchased by the Parent Bank for a price of TL 40,150. TL 40,150 shares corresponding to the Parent Bank's are shown under the Acquisitions row in the movement table of subsidiaries.

In the prior period, all of the 0.25% nominal TL 625 share in the company owned by Türkiye Sigorta AŞ, one of the partners of Vakıf Yatırım Menkul Değerler AŞ, was purchased by the Parent Bank for a price of TL 2,098. Shares amounting to TL 2,098 corresponding to the Parent Bank's are shown under the Acquisitions row in the movement table of subsidiaries.

In the prior period, 20,000,000 shares owned by Türkiye Sigorta AŞ, one of the shareholders of Vakıf Finansal Kiralama AŞ, were acquired for TL 49,000. Shares amounting to TL 49,000 corresponding to the Parent Bank's share are shown under Acquisitions in the Movement table of consolidated investments in subsidiaries in consolidated financial statements.

In the prior period, 2,522,434 shares of Türkiye Sigorta AŞ, one of the shareholders of Vakıf Menkul Kıymet Yatırım Ortaklığı AŞ, and 2,399,981 shares of Türkiye Hayat ve Emeklilik AŞ were acquired for an amount of TL 25,990. Shares amounting to TL 25,990 corresponding to the Parent Bank's share are shown under Acquisitions in the Movement table of consolidated investments in subsidiaries in consolidated financial statements.

In the prior period, it has been decided to increase the capital of Vakıf Finansal Kiralama AŞ from TL 500,000 to TL 600,000. Bonus shares amounting to TL 58,712 corresponding to the Parent Bank's share are shown in Bonus Shares in the movement table of subsidiaries.

In the prior period, it has been decided to increase the capital of Vakıf Gayrimenkul Yatırım Ortaklığı AŞ from TL 1,000,000 to TL 1,145,000. Bonus shares amounting to TL 70,982 corresponding to the Parent Bank's share are shown in Bonus Shares in the movement table of subsidiaries.

In the prior period, it has been decided to increase the capital of Vakıf Faktoring AŞ from TL 350,000 to TL 450,000. Bonus shares amounting to TL 78,393 corresponding to the Parent Bank's share are shown in Bonus Shares in the movement table of subsidiaries.

In the prior period, it has been decided to increase the capital of Vakıf Yatırım Menkul Değerler AŞ from TL 150,000 to TL 250,000. Bonus shares amounting to TL 99,250 corresponding to the Parent Bank's share are shown in Bonus Shares in the movement table of subsidiaries.

Valuation of consolidated subsidiaries in unconsolidated financial statements

	Current Period – September 30, 2023	Prior Period – December 31, 2022
Measured at cost	-	-
Measured at fair value (*)	12,071,001	9,278,157
Equity method of accounting	-	-
Total	12,071,001	9,278,157

(*) Valuation amounts of December 31, 2022 have been taken for the unquoted subsidiaries.

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

TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL
SUBSIDIARIES CONSOLIDATED FINANCIAL REPORT AS AT SEPTEMBER 30, 2023
(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

DISCLOSURE AND FOOTNOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS
(Continued)

I. INFORMATION AND DISCLOSURES RELATED TO CONSOLIDATED ASSETS (Continued)

8. Investments in subsidiaries (Continued)

Sectoral distribution of consolidated investments in financial subsidiaries

	Current Period – September 30, 2023	Prior Period – December 31, 2022
Banks	2,674,750	1,843,727
Factoring companies	941,244	941,244
Leasing companies	3,553,351	1,993,897
Financing companies	-	-
Other financial subsidiaries	4,901,656	4,499,289
Total	12,071,001	9,278,157

Quoted consolidated subsidiaries

	Current Period – September 30, 2023	Prior Period – December 31, 2022
Quoted at domestic stock exchanges	7,769,452	5,658,381
Quoted at international stock exchanges	-	-
Total	7,769,452	5,658,381

Consolidated subsidiaries disposed during the period

The Parent Bank has no subsidiaries that were disposed in the current period.

Investments in subsidiaries acquired during the period

The Parent Bank has no subsidiaries that were purchased in the current period and prior period.

9. Investments in joint-ventures

There is not any investment in joint-ventures of the Group within current and prior period.

10. Information on finance lease receivables (net)

Finance lease receivables disclosed according to remaining maturities

	Current Period – September 30, 2023		Prior Period – December 31, 2022	
	Gross	Net	Gross	Net
Less than 1 year	3,670,507	3,207,294	2,039,611	1,813,736
Between 1-4 years	16,161,286	11,460,871	7,001,171	5,335,389
Longer than 4 years	1,428,891	1,147,196	1,981,371	1,274,852
Total	21,260,684	15,815,361	11,022,153	8,423,977

Net investments in finance lease receivables

	Current Period – September 30, 2023	Prior Period – December 31, 2022
Gross finance lease receivables	21,260,684	11,022,153
Unearned income on finance lease receivables (-)	5,445,323	2,598,176
Terminated lease contracts (-)	-	-
Net finance lease receivables	15,815,361	8,423,977

Finance lease agreements

Sum of the minimum lease payments including interest and principal amounts are stated under the "finance lease receivables" as gross. The difference between the total of rent payments and the cost of the related fixed assets is reflected to the "unearned income" account. If the lease payments are made, the lease principal amount is deducted from the "finance lease receivables" as the interest component of the payment is reflected to interest income on the consolidated statement of income.

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

TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL
SUBSIDIARIES CONSOLIDATED FINANCIAL REPORT AS AT SEPTEMBER 30, 2023
(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

DISCLOSURE AND FOOTNOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

I. INFORMATION AND DISCLOSURES RELATED TO CONSOLIDATED ASSETS (Continued)

11. Information on hedging purpose derivatives

Positive differences on derivative financial instruments held for risk management purposes

None.

12. Information on investment properties

As of September 30, 2023, there are investment properties with a net balance sheet value of TL 1,867,152 (December 31, 2022: TL 1,307,194) and a fair value of TL 4,034,077 (December 31, 2022: TL 3,444,057), belonging to the Parent Bank’s subsidiary operating in the real estate investment trust.

13. Information on tax assets

a) Current tax assets

The current tax asset of the Group as of September 30, 2023 is TL 597 (December 31, 2022: None).

b) Deferred tax assets

The deferred tax asset of the Group as of September 30, 2023 is TL 977,643 (December 31, 2022: TL 3,061,414). Information on deferred tax liability V. Section II. Section 8 is shown in footnote.

The deferred tax asset / liability schedule as of September 30, 2023 and December 31, 2022 is as follows:

	Current Period – September 30, 2023	Prior Period - December 31, 2022
As of 1 January,	3,005,010	58,048
Deferred tax income/(loss)	(2,726,638)	6,397,464
Deferred tax that is accounted under Equity	614,355	(3,427,490)
Other	(34,098)	(23,012)
Deferred tax asset/(liability)	858,629	3,005,010

(*) Deferred tax assets and liabilities balances have been netted off.

14. Information on assets held for sale and assets related to the discontinued operations

As of September 30, 2023, the cost of property and equipment held for sale purpose and related to discontinued operations are TL 179,040 (December 31, 2022: TL 411,964), and the provision for impairment is TL 609 (December 31, 2022: TL 986).

15. Information on other asset

As of September 30, 2023, and December 31, 2022, “Other Asset” item does not exceed 10% of the balance sheet total, excluding off-balance sheet commitments.

16. Information on expected loss provisions for financial assets and financial assets measured at amortized cost financial assets measured at amortized cost

	Current Period – September 30, 2023	Prior Period – December 31, 2022
Balances with the Central Bank	3,549	2,865
Banks	16,121	9,849
Total	19,670	12,714
Financial Assets Measured at Amortized Cost	38,698	20,008
Total	58,368	32,722

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

TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL
SUBSIDIARIES CONSOLIDATED FINANCIAL REPORT AS AT SEPTEMBER 30, 2023
(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

DISCLOSURE AND FOOTNOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

II. INFORMATION AND DISCLOSURES RELATED TO CONSOLIDATED LIABILITIES

1. Information on maturity profile of deposits

Current Period September 30, 2023	Demand	7 Days Notice	Up to 1 Month	1-3 Months	3-6 Months	6-12 Months	1 Year and Over	Accumulating Deposit Accounts	Total
Saving deposits	37,949,541	-	23,286,883	97,131,050	204,307,283	11,475,458	27,607,615	10,849	401,768,679
Foreign currency deposits	182,129,315	-	145,292,202	173,322,277	14,667,991	9,071,345	24,287,449	2,152	548,772,731
Residents in Türkiye	166,059,231	-	143,500,489	164,639,822	12,837,338	4,427,935	6,668,134	2,152	498,135,101
Residents in abroad	16,070,084	-	1,791,713	8,682,455	1,830,653	4,643,410	17,619,315	-	50,637,630
Public sector deposits	32,147,494	-	46,711,453	37,936,723	1,357,407	147,827	114,484	-	118,415,388
Commercial deposits	43,887,897	-	141,092,837	137,133,023	47,700,706	26,315,377	24,419,190	-	420,549,030
Other	25,133,493	-	8,333,278	49,243,885	3,872,532	279,451	92,673	-	86,955,312
Precious metal deposits	63,756,807	-	-	578,428	156,668	3,810,584	366,753	-	68,669,240
Bank deposits	4,421,483	-	42,813,396	19,600,503	253,348	141,090	826,527	-	68,056,347
Central Bank	296	-	-	-	-	-	-	-	296
Domestic banks	3,281,125	-	40,249,851	3,663,346	-	-	-	-	47,194,322
Foreign banks	942,726	-	2,563,545	15,937,157	253,348	141,090	826,527	-	20,664,393
Participation banks	197,336	-	-	-	-	-	-	-	197,336
Other	-	-	-	-	-	-	-	-	-
Total	389,426,030	-	407,530,049	514,945,889	272,315,935	51,241,132	77,714,691	13,001	1,713,186,727

As of September 30, 2023, TL 127,979,169 (December 31, 2022: TL 48,199,010) "Turkish Lira Time Deposits with Currency Protection" deposit instrument opened in the Parent Bank's deposit accounts within the scope of the announcement of the Ministry of Treasury and Finance dated December 24, 2021, dated December 21, 2021 and no. 31696 There is a TL 190,126,368 (December 31, 2021: TL 84,005,929) "Turkish Lira Time Deposits with Currency Conversion Protection" published in the Official Gazette by the CBRT.

Prior Period December 31, 2022	Demand	7 Days Notice	Up to 1 Month	1-3 Months	3-6 Months	6-12 Months	1 Year and Over	Accumulating Deposit Accounts	Total
Saving deposits	27,937,402	-	19,530,716	60,001,773	69,622,445	6,537,786	10,715,796	9,674	194,355,592
Foreign currency deposits	109,203,856	-	92,576,063	132,567,215	24,934,038	7,190,817	16,485,796	-	382,957,785
Residents in T	100,494,205	-	89,342,751	127,598,756	23,317,946	3,711,618	6,880,831	-	351,346,107
Residents in abroad	8,709,651	-	3,233,312	4,968,459	1,616,092	3,479,199	9,604,965	-	31,611,678
Public sector deposits	20,775,383	-	65,983,069	13,731,218	1,170,824	298,194	44,116	-	102,002,804
Commercial deposits	43,264,005	-	95,306,557	85,140,716	35,316,784	12,282,762	6,594,846	-	277,905,670
Other	17,637,497	-	7,431,844	24,727,603	5,072,995	228,525	129,071	-	55,227,535
Precious metal deposits	37,899,180	-	-	66,407	236,087	3,040,501	308,707	-	41,550,882
Bank deposits	3,039,064	-	58,729,296	15,617,303	110,198	49,181	552,433	-	78,097,475
Central Bank	4,247	-	-	-	-	-	-	-	4,247
Domestic banks	1,339,713	-	57,597,022	3,335,949	-	49,181	-	-	62,321,865
Foreign banks	941,500	-	1,132,274	12,281,354	110,198	-	552,433	-	15,017,759
Participation banks	753,604	-	-	-	-	-	-	-	753,604
Other	-	-	-	-	-	-	-	-	-
Total	259,756,387	-	339,557,545	331,852,235	136,463,371	29,627,766	34,830,765	9,674	1,132,097,743

Information on saving deposits insured by Saving Deposit Insurance Fund and the total amounts of the deposits exceeding the insurance coverage limit

	Current Period – September 30, 2023		Prior Period – December 31, 2022	
	Covered by Deposit Insurance Fund	Exceeding the Deposit Insurance Limit	Covered by Deposit Insurance Fund	Exceeding the Deposit Insurance Limit
Saving deposits	131,182,477	270,586,202	67,118,488	127,237,104
Foreign currency saving deposits	88,068,052	174,796,855	47,027,029	134,690,674
Other saving deposits	-	-	-	-
Foreign branches' deposits under foreign insurance coverage	-	-	-	-
Off-Shore deposits under foreign insurance coverage	-	-	-	-
Total	219,250,529	445,383,057	114,145,517	261,927,778

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

TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL
SUBSIDIARIES CONSOLIDATED FINANCIAL REPORT AS AT SEPTEMBER 30, 2023
(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

DISCLOSURE AND FOOTNOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS(Continued)

II. INFORMATION AND DISCLOSURES RELATED TO CONSOLIDATED LIABILITIES
(Continued)

Saving deposits out of insurance coverage limits

	Current Period – September 30, 2023	Prior Period - December 31, 2022
Deposits and other accounts at foreign branches	155,290	187,327
Deposits and other accounts, which belong to controlling shareholders, their parents, wives/husbands, and children	-	-
Deposits and other accounts, which belong to Board of Director members, chairman, general manager, his/her assistants, their parents, wives/husbands, and children	55,397	31,444
Deposits and other accounts under scope of TCC law 5237 article no 282, dated 26/9/2004	-	-
Deposits in Deposit Banks of Türkiye, which are solely established for off-shore banking	-	-

2. Information on derivative financial liabilities held for trading purpose

Negative differences related to the derivative financial liabilities held for trading purpose

	Current Period-September 30, 2023		Prior Period- December 31, 2022	
	TL	FC	TL	FC
Forwards	334,209	8,976	5,120	79
Swaps	210,682	6,963,199	202,661	4,458,210
Futures	-	-	-	-
Options	4,537	112,252	-	53,527
Other	-	-	-	-
Total	549,428	7,084,427	207,781	4,511,816

3. Information on funds borrowed

a) Information on banks and other financial institutions

	Current Period-September 30, 2023		Prior Period - December 31, 2022	
	TL	FC	TL	FC
Central Bank of the Republic of Türkiye	26,284,390	27,417	9,000,667	1,116,440
Domestic banks and institutions	7,793,052	9,163,189	5,445,312	9,805,240
Foreign banks, institutions and funds	148,114	168,249,311	35,158	113,966,002
Total	34,225,556	177,439,917	14,481,137	124,887,682

b) Maturity information of funds borrowed

	Current Period - September 30, 2023		Prior Period - December 31, 2022	
	TL	FC	TL	FC
Short-term ^(*)	19,263,489	1,069,098	9,702,933	3,675,359
Medium and Long-term ^(*)	14,962,067	176,370,819	4,778,204	121,212,323
Total	34,225,556	177,439,917	14,481,137	124,887,682

^(*) Maturity profile of funds borrowed is prepared in accordance to their original maturities.

Funds borrowed comprise syndication and securitization loans bearing various interest rates and maturities and account for 9.05% (December 31, 2022: %8.71) of the Group's liabilities. There is no risk concentration on funding sources of the Group.

On December 21, 2021, the Parent Bank signed a contract to obtain a 3-year loan worth CNY 3.500 million from the Development Bank of China, to be used within the framework of general financing needs along with the financing of foreign trade.

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

**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL
SUBSIDIARIES CONSOLIDATED FINANCIAL REPORT AS AT SEPTEMBER 30, 2023**
(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

DISCLOSURE AND FOOTNOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

**II. INFORMATION AND DISCLOSURES RELATED TO CONSOLIDATED LIABILITIES
(Continued)**

Syndicated Loans Receive

Beginning From	Maturity (Days)	Currency	Amount (Millions)	Interest rate	Coordinator Bank	Agent Bank
November 28, 2022	367	USD	222,5	SOFR+4,25%	Abu Dhabi Commercial Bank Emirates NBD Bank (P.J.S.C) Mashreqbank (P.S.C.))	Emirates NBD Bank (P.J.S.C).
	367	EUR	328	Euribor+4%	Abu Dhabi Commercial Bank Emirates NBD Bank (P.J.S.C) Mashreqbank (P.S.C.))	Emirates NBD Bank (P.J.S.C)
May 15, 2023	367	USD	189,5	SOFR+4,25%	Abu Dhabi Commercial Bank Emirates NBD Bank (P.J.S.C) Mashreqbank (P.S.C.))	Emirates NBD Bank (P.J.S.C)
	367	EUR	575,5	E+4%	Abu Dhabi Commercial Bank Emirates NBD Bank (P.J.S.C) Mashreqbank (P.S.C.))	Emirates NBD Bank (P.J.S.C)

Securitisation Loans Received

Beginning From	Due date	Currency	Amount ^(*) (USDMillions)	Loan Type
October 5, 2018	September 15, 2028	USD	300	Based on international remittance flows / Based on treasury financing transactions
October 15, 2019	December 15 ,2026	USD	417	Based on international remittance flows / Based on treasury financing transactions
March 22, 2021	March 15, 2027	USD	461.5	Based on international remittance flows / Based on treasury financing transactions
	March 15, 2028	USD	200	Based on international remittance flows / Based on treasury financing transactions
	March 15, 2026	USD	508	Based on international remittance flows / Based on treasury financing transactions
	March 15, 2026	EUR	200	Based on international remittance flows / Based on treasury financing transactions
	September 15, 2026	USD	154	Based on international remittance flows / Based on treasury financing transactions
	March 15, 2026	EUR	50	Based on international remittance flows
	March 15, 2026	USD	115.4	Based on international remittance flows / Based on treasury financing transactions
February 21, 2023	March 15, 2028	USD	416.4	Based on international remittance flows / Based on treasury financing transactions
	March 15, 2027	USD	350	Based on international remittance flows / Based on treasury financing transactions
	December 15, 2027	USD	182	Based on international remittance flows / Based on treasury financing transactions
	December 15, 2027	USD	540	Based on international remittance flows / Based on treasury financing transactions
	March 15, 2028	USD	205	Based on international remittance flows / Based on treasury financing transactions
	December 15, 2026	EUR	50	Based on international remittance flows
	March 15, 2027	EUR	25	Based on international remittance flows / Based on treasury financing transactions
March 13, 2023	March 15, 2028	USD	120	Based on international remittance flows / Based on treasury financing transactions
	December 15, 2027	USD	100	Based on international remittance flows / Based on treasury financing transactions

(*) In the table, the amounts in the relevant credit tranches are given in USD.

As of September 30, 2023, the total securitization balance is equivalent of USD 2,380 million and EUR 256 million (December 31, 2022: USD 1,616 million and EUR 252 million).

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

**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL
SUBSIDIARIES CONSOLIDATED FINANCIAL REPORT AS AT SEPTEMBER 30, 2023**
(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

DISCLOSURE AND FOOTNOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

**II. INFORMATION AND DISCLOSURES RELATED TO CONSOLIDATED LIABILITIES
(Continued)**

Information on securities issued

On February 5, 2020, a new bond issuance amounting to USD 750 million with 5 years maturity, 5.25% coupon rate and 5.375% final return rate was realized. In the transaction, the largest bond issue in the history of the Parent Bank, USD 4.3 billion has been collected worldwide.

On December 8, 2020, the first Sustainable Eurobond issuance among deposit banks in Türkiye amounting to USD 750 million with 5 years maturity, 6.50% coupon rate and 6.625% final return rate was realized.

The Parent Bank completed its second Sustainable bond issuance on September 16, 2021, within its sustainable finance program. The transaction was made with an amount of USD 500 million, maturity of 5 years, coupon rate of 5.50 and final return rate of 5.625%.

Within the scope of the program, a total of 282 private placement transactions have been carried out with 20 different banks as of June 2013. Transactions are carried out in various currencies (US Dollar, EUR, GBP, Swiss Franc and Japanese Yen) with maturities of 3 months, 6 months, 1 year and 2 years. On February 21, 2023, one securitization-guaranteed bond with a maturity of 1849 days was issued, amounting to USD 116 million. As of September 30, 2023, the total balance of allocated sales transactions was equivalent to USD 504.2 million.

	TL		FC	
	Short Term	Medium-Long Term	Short Term	Medium-Long Term
Current Period - September 30, 2023				
Nominal	1,010,529	1,000,000	2,193,352	103,962,035
Cost	950,167	1,000,000	2,185,280	103,540,841
Net Book Value	999,646	1,010,984	2,197,454	104,695,230
Prior Period - December 31, 2022				
Nominal	6,120,841	1,478,000	1,396,773	60,909,813
Cost	5,826,392	1,478,000	1,396,125	60,640,318
Net Book Value	5,977,873	1,560,098	1,411,042	62,129,106

4. Components of “other external resources payable” in the consolidated financials that comprise at least 20% of the account, if the account exceeds 10% of total liabilities and equity excluding off-balance sheet commitments.

Other external resources payable in the consolidated financials do not exceed 10% of total liabilities and equity.

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

TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL
SUBSIDIARIES CONSOLIDATED FINANCIAL REPORT AS AT SEPTEMBER 30, 2023
(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

DISCLOSURE AND FOOTNOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

II. INFORMATION AND DISCLOSURES RELATED TO CONSOLIDATED LIABILITIES
(Continued)

5. Criteria used in the determination of lease instalments in the finance lease contracts, renewal and purchase options, restrictions, and significant burdens imposed on the bank on such contracts

Obligations under finance leases

The amounts recognized under TFRS 16 as of September 30, 2023 and December 31, 2022 are presented below.

Current Period - September 30, 2023	Service Buildings	Vehicles	Total
Lease payables	5,930,343	85,493	6,015,836
Deferred rental expenses (-)	3,335,403	16,254	3,351,657
Lease payables (Net)	2,594,940	69,239	2,664,179
Right of use assets	2,691,309	64,201	2,755,510

Prior Period - December 31, 2022	Service Buildings	Vehicles	Total
Lease payables	2,040,143	121,465	2,161,608
Deferred rental expenses (-)	1,074,817	62,072	1,136,889
Lease payables (Net)	965,326	59,393	1,024,719
Right of use assets	856,305	49,022	905,327

Short term lease contracts with a duration of 12 months or less and lease contracts for ATMs that are determined to be of low value by the Parent Bank have been evaluated within the scope of the exemption recognized by the standard, and payments for these contracts are recorded as expense in the period they occur. In this context, TL 13,636 of lease payments were made in the related period. (September 30, 2022: TL 102,447).

	Current Period-September 30, 2023		Prior Period- December 31, 2022	
	Gross	Net	Gross	Net
Under 1 year	5,996,910	2,651,837	837,410	370,323
1-4 Years	18,926	12,342	571,224	279,115
Over 4 years	-	-	752,974	375,281
Total	6,015,836	2,664,179	2,161,608	1,024,719

With the "TFRS 16 Leases" standard, effective as of January 1, 2019, the difference between operational lease and financial lease has been eliminated, and leasing transactions have started to be disclosed under the "liabilities from leasing transactions" line.

6. Information on derivative financial liabilities held for risk management purpose

Negative differences related to the derivative financial liabilities held for risk management purpose

None.

7. Information on provisions

Information on employee rights

According to the TAS-19- Judgments of benefits that are provided to employees, bank accounts and calculate provision to obligations of severance pay and allowance rights.

As of September 30, 2023, TL 2,192,088 (December 31, 2022: TL 1,994,327) provision for severance pay and TL 274,967 (December 31, 2022 TL 195,642) provision for unused vacation are stated in financial statements under employee rights provision.

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

TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL
SUBSIDIARIES CONSOLIDATED FINANCIAL REPORT AS AT SEPTEMBER 30, 2023
(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

DISCLOSURE AND FOOTNOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

II. INFORMATION AND DISCLOSURES RELATED TO CONSOLIDATED LIABILITIES
(Continued)

7. Information on provisions (Continued)

Provision for currency exchange loss on foreign currency indexed loans

	Current Period – September 30, 2023	Prior Period – December 31, 2021
Provision for currency exchange loss on foreign currency indexed loans	2,317	-

Provisions for non-cash loans that are not indemnified and not converted into cash

As of September 30, 2023 the Parent Bank has recorded TL 50,940 (December 31, 2022: TL 50,421) as provisions for non-cash loans that are not indemnified or converted into cash.

Information on provision for probable risks

As of September 30, 2023, TL 12,250,000 of the free provision has been reversed in the current period which was provided in previous periods amounting to TL 19,000,000 in the financial statements. As of September 30, 2023, the free provision amount in the financial statements is TL 6,750,000 (December 31, 2022: TL 19,000,000).

8. Taxation

Current Taxes

Tax provision

As at September 30, 2023, the tax liability of the Group is amounting to TL 592,512 (December 31, 2022: TL 4,020,030).

Information on taxes payable

	Current Period – September 30, 2023	Prior Period – December 31, 2022
Corporate taxes payable	592,512	4,020,030
Taxation on securities	927,004	464,843
Capital gains tax on property	12,031	5,540
Banking and Insurance Transaction Tax (BITT)	1,491,132	640,813
Taxes on foreign exchange transactions	18,630	22,623
Value added tax payable	53,892	49,505
Other	210,131	187,204
Total	3,305,332	5,390,558

Information on premiums payable

	Current Period – September 30, 2023	Prior Period – December 31, 2022
Social security premiums- employee share	4,392	2,856
Social security premiums- employer share	6,352	2,577
Bank pension fund premium- employee share	-	-
Bank pension fund premium- employer share	261	127
Pension fund membership fees and provisions- employee share	-	-
Pension fund membership fees and provisions- employer share	-	-
Unemployment insurance- employee share	7,917	4,789
Unemployment insurance- employer share	15,729	9,488
Other	178	2
Total	34,829	19,839

Information on deferred tax liabilities

Group's deferred tax debts as of September 30, 2023, TL 119,014 (December 31, 2022: TL 56,404).

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

TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL
SUBSIDIARIES CONSOLIDATED FINANCIAL REPORT AS AT SEPTEMBER 30, 2023
(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

DISCLOSURE AND FOOTNOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

II. INFORMATION AND DISCLOSURES RELATED TO CONSOLIDATED LIABILITIES
(Continued)

9. Information on payables for assets held for resale and tangible assets related to discounted activities

None.

10. Information on subordinated loans

Total balance sheet value of the bonds is TL 30,904,306 as of September 30, 2023 (December 31, 2022: TL 24,043,286).

	Current Period- September 30, 2023		Prior Period – December 31, 2022	
	TL	FC	TL	FC
Debt instruments to be included in the additional capital calculation	4,993,575	20,741,068	5,145,157	14,475,926
Subordinated Loans	-	-	-	-
Subordinated Debt Instruments	4,993,575	20,741,068	5,145,157	14,475,926
Debt instruments to be included in the additional secondary calculation	5,169,663	-	4,422,203	-
Subordinated Loans	-	-	-	-
Subordinated Debt Instruments	5,169,663	-	4,422,203	-
Total	10,163,238	20,741,068	9,567,360	14,475,926

Detailed explanations on subordinated debts are given in the Section IV, "Information on Instruments to be Included in Equity Calculation".

11. Information on shareholders' equity

Paid-in capital

	Current Period - September 30, 2023	Prior Period - December 31, 2022
Common stock	9,915,922	7,111,364
Preferred stock	-	-

Paid-in capital of the Parent Bank amounted to TL 9,915,922 is divided into groups comprised of 10.84% Group (A), 3.94% Group (B), 4.08% Group (C) and 81.15 % Group (D).

Board of Directors' members; three members representing Group (A), one member representing Group (B), and two members representing Group (C); among the nominees shown by the majority of each group, and one member among the nominees offered by the shareholders at the General Assembly are selected. Preference of Group (D) is primarily taken into account in the selection of the last-mentioned member.

Paid-in capital amount, explanation as to whether the registered share capital system is applicable at the parent bank; if so the amount of registered share capital

According to the decision taken at the Board of Directors Meeting dated January 26, 2023 and accepted at the 69th Ordinary General Assembly Meeting held on August 2, 2023, the registered capital ceiling of the Bank was increased from TL 10,000,000 to TL 25,000,000.

Information on share capital increases and their sources; other information on any increase in capital shares during the current period

Capital System	Paid-in Capital	Ceiling per Registered Share Capital
Registered capital system	9,915,922	25,000,000

In the current period, the Parent Bank increased its paid-in capital from TL 7,11,364 to TL 9,915,922, provided that it is within the registered capital ceiling, based on the decision taken at the Board of Directors meeting dated March 21, 2023. Accordingly, the amendment made in the related article of the Articles of Association was registered on April 20, 2023.

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

TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL
SUBSIDIARIES CONSOLIDATED FINANCIAL REPORT AS AT SEPTEMBER 30, 2023
(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

DISCLOSURE AND FOOTNOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

II. INFORMATION AND DISCLOSURES RELATED TO CONSOLIDATED LIABILITIES
(Continued)

11. Information on shareholders' equity (Continued)

Information on share capital increases from revaluation funds

None.

Capital commitments for current financial year and following period and the general purpose of these commitments and the estimated resources required for these commitments

None

Prior period indicators of the Parent Bank's income, profitability and liquidity; and possible effects of the predictions on equity, considering the ambiguity of the indicators

None.

Information on the privileges given to stocks representing the capital

None.

Valuation differences of the marketable securities

	Current Period - September 30, 2023		Prior Period – December 31, 2022	
	TL	FC	TL	FC
Associates, subsidiaries and joint ventures	4,530,975	-	3,675,834	-
Financial assets at fair value through other comprehensive income	7,840,181	1,822	11,620,755	(816,613)
Foreign exchange differences	27,056	-	14,526	-
Total	12,398,212	1,822	15,311,115	(816,613)

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

TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL
SUBSIDIARIES CONSOLIDATED FINANCIAL REPORT AS AT SEPTEMBER 30, 2023
(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

DISCLOSURE AND FOOTNOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

III. INFORMATION AND DISCLOSURES RELATED TO CONSOLIDATED OFF-BALANCE SHEET ITEMS

1. Disclosures related to off-balance sheet commitments

Type and amount of consolidated irrevocable commitments

	Current Period – September 30, 2023	Prior Period – December 31, 2022
Commitments for credit card limits	215,651,865	81,979,697
Loan granting commitments	103,187,749	60,805,000
Commitments for cheque payments	9,860,157	6,916,438
Asset purchase sale commitments	169,958,284	56,192,549
Other	17,692,696	14,057,522
Total	516,350,751	219,951,206

Type and amounts of possible losses from off-balance sheet items

Guarantees, bills of exchange and acceptances and other letters of credit which can be counted as financial collateral

The Parent Bank provided specific provision amounting to TL 675,877 (December 31, 2022: TL 583,361) for non-cash loans that are not indemnified or converted to cash recorded under off-balance sheet items amounting to TL 50,940 (December 31, 2022: TL 50,421).

Final guarantees, provisional guarantees, sureties and similar transactions

	Current Period – September 30, 2023	Prior Period – December 31, 2022
Provisional letters of guarantee	5,759,761	5,312,468
Final letters of guarantee	108,257,816	79,435,509
Letters of guarantee for advances	42,727,460	28,688,031
Letters of guarantee given to custom offices	12,668,822	5,938,641
Other letters of guarantee	155,388,315	101,497,012
Total	324,802,174	220,871,661

2. Non-cash loans

	Current Period – September 30, 2023	Prior Period – December 31, 2022
Non-cash loans given for cash loan risks	75,158,278	54,770,548
<i>With original maturity of 1 year or less</i>	10,525,565	7,674,681
<i>With original maturity of more than 1 year</i>	64,632,713	47,095,867
Other non-cash loans	323,812,458	224,585,683
Total	398,970,736	279,356,231

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

TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL
SUBSIDIARIES CONSOLIDATED FINANCIAL REPORT AS AT SEPTEMBER 30, 2023
(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

DISCLOSURE AND FOOTNOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

III. INFORMATION AND DISCLOSURES RELATED TO CONSOLIDATED OFF-BALANCE SHEET ITEMS (Continued)

3. Sectoral risk concentrations of non-cash loans

	Current Period – September 30, 2023				Prior Period – December 31, 2022			
	TL	%	FC	%	TL	%	FC	%
Agricultural	372,387	0.19	278,916	0.14	244,348	0.20	472,287	0.31
Farming and Cattle	319,214	0.16	-	-	224,411	0.18	187,736	0.12
Forestry	16,465	0.01	-	-	8,032	0.01	-	-
Fishing	36,708	0.02	278,916	0.14	11,905	0.01	284,551	0.19
Manufacturing	64,827,669	32.61	104,626,942	52.27	49,401,506	38.8	69,019,266	45.41
Mining	1,358,990	0.68	1,890,290	0.94	1,038,377	0.82	1,482,590	0.98
Production	51,544,162	25.93	92,735,849	46.33	38,985,823	30.62	61,690,706	40.58
Electric, gas and water	11,924,517	6.00	10,000,803	5.00	9,377,306	7.36	5,845,970	3.85
Construction	35,952,398	18.09	34,943,098	17.46	23,530,449	18.48	25,771,591	16.95
Services	94,238,130	47.42	45,045,100	22.50	51,427,383	40.39	43,592,565	28.68
Wholesale and retail trade	37,421,968	18.83	17,917,686	8.95	22,972,726	18.05	16,005,899	10.53
Hotel, food and beverage Services	2,357,918	1.19	605,821	0.30	1,520,860	1.19	1,096,002	0.72
Transportation and telecommunication	11,989,542	6.03	20,553,122	10.27	8,373,286	6.58	21,195,269	13.94
Financial institutions	32,368,327	16.28	738,438	0.37	11,073,975	8.70	1,224,508	0.81
Real estate and renting Services	4,643,008	2.34	4,402,503	2.20	3,022,793	2.37	1,914,088	1.26
Self-employment services	4,104,791	2.06	717,914	0.36	3,634,382	2.85	989,576	0.65
Education services	686,007	0.35	81,582	0.04	423,681	0.33	56,232	0.04
Health and social services	666,569	0.34	28,034	0.01	405,680	0.32	1,110,991	0.73
Other	3,403,679	1.69	15,282,417	7.63	2,720,999	2.13	13,175,837	8.65
Total	198,794,263	100.00	200,176,473	100.00	127,324,685	100.00	152,031,546	100.00

4. Information on the first and second group of non-cash loans

Current Period - September 30, 2023	Group I		Group II	
	TL	FC	TL	FC
Letters of Guarantee	191,088,188	125,456,186	3,950,747	3,631,176
Confirmed Bills of Exchange and Acceptances	49,258	4,190,068	-	-
Letters of Credit	366,958	60,618,430	-	585,511
Endorsements	-	-	-	-
Purchase Guarantees for Securities Issued	-	-	-	-
Factoring Guarantees	1,149,330	2,419,217	-	-
Other Guarantees and Sureties	2,031,905	2,757,885	-	-
Non-Cash Loans	194,685,639	195,441,786	3,950,747	4,216,687

Prior Period - December 31, 2022	Group I		Group II	
	TL	FC	TL	FC
Letters of Guarantee	120,333,159	94,087,759	2,982,982	2,884,400
Confirmed Bills of Exchange and Acceptances	49,258	3,630,388	-	-
Letters of Credit	1,714,806	47,218,307	-	375,809
Endorsements	-	-	-	-
Purchase Guarantees for Securities Issued	-	-	-	-
Factoring Guarantees	1,127,137	1,707,246	-	-
Other Guarantees and Sureties	891,530	1,770,089	-	-
Non-Cash Loans	124,115,890	148,413,789	2,982,982	3,260,209

5. Contingent assets and liabilities

Group allocates TL 193,855 as provision for lawsuits against the Group (December 31, 2022: TL 40,057).

6. Services rendered on behalf of third parties

The Parent Bank acts as an investment agent for banking transactions on behalf of its customers and provides custody services. Such transactions are followed under off-balance sheet accounts. The Parent Bank's custody services and banking transactions on behalf of individuals and corporate customers do not present a material portion.

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

TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL
SUBSIDIARIES CONSOLIDATED FINANCIAL REPORT AS AT SEPTEMBER 30, 2023
(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

DISCLOSURE AND FOOTNOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

IV. INFORMATION ON AND DISCLOSURES RELATED TO THE CONSOLIDATED
STATEMENT OF PROFIT OR LOSS

1. Interest income

Information on interest income received from loans

	Current Period – September 30, 2023		Prior Period – September 30, 2022	
	TL	FC	TL	FC
Short-term Loans	52,239,456	3,404,968	21,213,231	1,238,803
Medium and Long-Term Loans	42,457,406	18,979,626	27,261,303	9,760,831
Non-performing Loans	636,248	230	620,800	114
Premiums Received from Resource Utilization Support Fund	-	-	-	-
Total	95,333,110	22,384,824	49,095,334	10,999,748

Information on interest income received from banks

	Current Period – September 30, 2023		Prior Period – September 30, 2022	
	TL	FC	TL	FC
Central Bank of the Republic of Türkiye	-	111,923	-	19,614
Domestic Banks	211,398	18,331	25,836	14,371
Foreign Banks	-	665,065	-	134,891
Foreign Head Office and Branches	-	-	-	-
Total	211,398	795,319	25,836	168,876

Information on interest income received from marketable securities portfolio

	Current Period – September 30, 2023		Prior Period – September 30, 2022	
	TL	FC	TL	FC
Financial assets at fair value through profit or loss	9,817	411,726	74,951	259,366
Financial assets at fair value through other comprehensive income	15,161,375	5,738,922	12,564,794	3,468,780
Financial assets measured at amortized cost	41,180,186	1,783,382	20,259,750	1,138,336
Total	56,351,378	7,934,030	32,899,495	4,866,482

As stated in the accounting policies, the Parent Bank makes the valuation of the Consumer Price Indexed government bonds in the securities portfolio based on the reference index on the issue date and the index calculated by taking into account the estimated inflation rate. The estimated inflation rate used in the valuation is updated during the year when deemed necessary. As of September 30, 2023, the valuation of the Consumer Price Indexed government bonds was made according to the annual 56% inflation forecast. In case the CPI forecast increases or decreases by 1%, the profit for the period before tax as of September 30, 2023 will increase by approximately TL 344.27 million (full amount) or decrease by the same amount.

Information on interest income received from associates and subsidiaries

	Current Period – September 30, 2023	Prior Period – September 30, 2022
Interest Received from Associates and Subsidiaries	16,896	7,603

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

TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL
SUBSIDIARIES CONSOLIDATED FINANCIAL REPORT AS AT SEPTEMBER 30, 2023
(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

DISCLOSURE AND FOOTNOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

IV. INFORMATION ON AND DISCLOSURES RELATED TO THE CONSOLIDATED
STATEMENT OF PROFIT OR LOSS (Continued)

2. Interest Expense

Interest expense on funds borrowed

	Current Period – September 30, 2023		Prior Period - September 30, 2022	
	TL	FC	TL	FC
Banks	2,680,141	7,431,134	614,887	2,328,389
Central Bank of the Republic of Türkiye	1,483,085	3,718	149,634	4,816
Domestic Banks	1,191,868	405,577	452,452	181,566
Foreign Banks	5,188	7,021,839	12,801	2,142,007
Foreign Head Offices and Branches	-	-	-	-
Other Institutions	-	413,583	-	108,110
Total	2,680,141	7,844,717	614,887	2,436,499

Interest expense paid to associates and subsidiaries

	Current Period – September 30, 2023	Prior Period – September 30, 2022
Interests paid to the associates and subsidiaries	837,666	94,632

Interest expense on securities issued

Interest paid to securities issued as at for the period ended September 30, 2023 is TL 6,741,823 (TL 2,121,436 and FC 4,620,387). (September 30, 2022: TL 5,830,247 (TL 1,824,095 and FC 4,006,152)).

Maturity structure of the interest expense on deposits

Current Period – September 30, 2023	Time Deposits						Cumulative deposit	Total
	Demand Deposits	Up to 1 Month	Up to 3 Months	Up to 6 Months	Up to 1 Year	More than 1 Year		
TL								
Interbank deposits	-	984,160	2,682,297	-	-	-	-	3,666,457
Saving deposits	73,468	3,641,313	16,891,587	24,060,243	1,082,603	1,999,914	754	47,749,882
Public sector deposits	48,949	6,988,762	2,707,062	85,874	15,483	8,879	-	9,855,009
Commercial deposits	134,535	25,972,723	22,676,854	6,265,669	2,118,982	1,422,744	-	58,591,507
Other deposits	33,513	1,450,143	6,507,999	509,572	26,624	5,339	-	8,533,190
Deposits with 7 days notification	-	-	-	-	-	-	-	-
Total	290,465	39,037,101	51,465,799	30,921,358	3,243,692	3,436,876	754	128,396,045
FC								
Foreign currency deposits	472,972	1,028,513	2,283,812	198,366	106,947	241,619	-	4,332,229
Interbank deposits	43,667	292,334	796,747	-	-	-	-	1,132,748
Deposits with 7 days notification	-	-	-	-	-	-	-	-
Precious metal deposits	-	-	226	847	9,204	1,392	-	11,669
Total	516,639	1,320,847	3,080,785	199,213	116,151	243,011	-	5,476,646
Grand Total	807,104	40,357,948	54,546,584	31,120,571	3,359,843	3,679,887	754	133,872,691

Prior Period – September 30, 2022	Time Deposits						Cumulative deposit	Total
	Demand Deposits	Up to 1 Month	Up to 3 Months	Up to 6 Months	Up to 1 Year	More than 1 Year		
TL								
Interbank deposits	-	517,452	930,191	30,445	-	-	-	1,478,088
Saving deposits	4,265	1,104,835	3,280,875	7,083,692	477,732	394,943	749	12,347,091
Public sector deposits	34,454	3,263,179	944,063	85,910	38,016	4,564	-	4,370,186
Commercial deposits	9,392	4,722,250	4,206,714	1,125,502	3,565,489	239,621	-	13,868,968
Other deposits	1,594	574,421	2,466,934	283,125	66,586	26,084	-	3,418,744
Deposits with 7 days notification	-	-	-	-	-	-	-	-
Total	49,705	10,182,137	11,828,777	8,608,674	4,147,823	665,212	749	35,483,077
FC								
Foreign currency deposits	62,480	621,688	2,341,884	519,983	56,603	58,372	-	3,661,010
Interbank deposits	8,943	116,957	210,247	6,881	-	-	-	343,028
Deposits with 7 days notification	-	-	-	-	-	-	-	-
Precious metal deposits	-	-	208	571	8,071	803	-	9,653
Total	71,423	738,645	2,552,339	527,435	64,674	59,175	-	4,013,691
Grand Total	121,128	10,920,782	14,381,116	9,136,109	4,212,497	724,387	749	39,496,768

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

TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL
SUBSIDIARIES CONSOLIDATED FINANCIAL REPORT AS AT SEPTEMBER 30, 2023
(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

DISCLOSURE AND FOOTNOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

IV. INFORMATION ON AND DISCLOSURES RELATED TO THE CONSOLIDATED
STATEMENT OF PROFIT OR LOSS (Continued)

3. Information on trading income/losses

	Current Period – September 30, 2023	Prior Period – December 31, 2022
Income	294,771,700	88,775,036
Income from capital market operations	36,060,672	18,046,356
Income from derivative financial instruments	157,728,015	51,372,791
Foreign exchange gains	100,983,013	19,355,889
Losses	(275,927,453)	(85,187,135)
Loss from capital market operations	(31,559,671)	(16,882,237)
Loss from derivative financial instruments	(154,131,302)	(52,338,725)
Foreign exchange loss	(90,236,480)	(15,966,173)
Net trading profit/loss	18,844,247	3,587,901

Net profit arising from changes in foreign exchange rates that relate to the Group's foreign exchange rate based derivative financial instruments is amounting to TL 1,988,659 as at and for the nine-month period ended September 30, 2023 (September 30, 2022: net loss of TL 727,089).

4. Information on other operating income

	Current Period – September 30, 2023	Prior Period – December 31, 2022
Income from reversal of the provisions for loans from prior periods	20,228,325	6,127,535
Communication income	22,313	19,092
Gain on sale of assets	481,044	818,059
Rent income	148,988	9,216
Other income (*)	14,566,566	1,220,896
Total	35,447,236	8,194,798

(*) Related balance includes free provision of TL 12,250,000 canceled in the current period.

5. Expected credit loss and other provision expenses

	Current Period - September 30, 2023	Prior Period - September 30, 2022
Expected Credit Loss	33,336,066	15,196,818
12 month expected credit loss (stage 1)	14,451,487	2,796,263
Significant increase in credit risk (stage 2)	13,936,830	8,443,640
Non-performing loans (stage 3)	4,947,749	3,956,915
Marketable Securities Impairment Expense	73,232	192,871
Financial Assets at Fair Value through Profit or Loss	53,396	169,490
Financial Assets at Fair Value Through Other Comprehensive Income	19,836	23,381
Investments in Associates, Subsidiaries and Held-to-maturity Securities		
Value Decrease	87	7,672
Investments in Associates	87	7,672
Subsidiaries	-	-
Joint Ventures	-	-
Other (*)	-	7,728,000
Total	33,409,385	23,125,361

(*) Free provision balance calculated in 2023 is none. (September 30, 2022: TL7,728,000)

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

**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL
SUBSIDIARIES CONSOLIDATED FINANCIAL REPORT AS AT SEPTEMBER 30, 2023**
(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

DISCLOSURE AND FOOTNOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

**IV. INFORMATION AND DISCLOSURES RELATED TO THE CONSOLIDATED STATEMENT
OF PROFIT OR LOSS (Continued)**

6. Information on other operating expenses

	Current Period - September 30, 2023	Prior Period - September 30, 2022
Reserve for Employee Termination Benefits	174,997	208,564
Deficit Provision for Pension Funds	-	-
Impairment Losses on Tangible Assets	-	-
Depreciation Expenses on Tangible Assets	654,969	422,498
Impairment Losses on Intangible Assets	-	-
Impairment Losses on Goodwill	-	-
Amortization Expenses on Intangible Assets	62,416	39,272
Impairment Expenses of Equity Participations for which Equity Method is Applied	-	-
Impairment Losses on Assets to be Disposed	-	-
Depreciation Expenses on Assets to be Disposed	-	-
Impairment Losses on Assets Held for Sale	-	-
Other Operating Expenses	12,046,785	4,186,136
<i>Leasing expenses related to TFRS 16 exceptions</i>	13,636	102,447
<i>Repair and maintenance expenses</i>	228,070	126,811
<i>Advertisement expenses</i>	561,948	346,648
<i>Other expenses</i>	11,243,131	3,610,230
Loss on sale of assets	631	536
Other ^(*)	16,763,487	1,982,955
Total	29,703,285	6,839,961

^(*) Other operating expenses amounting to TL 16,763,487 is comprised of (September 30, 2022: TL 1,982,955); AFAD Donation amounted TL 12,000,000, provision expenses for dividends to the personnel amounting to TL 1,122,507 (September 30, 2022: TL 528,492), TL 1,245,854 (September 30, 2022: TL 423,370), taxes, duties, fees and funds, TL 1,423,343 (September 30, 2022: TL 600,003) SDIF expenses and TL 971,783 (September 30, 2022: TL 413,090) consists of other expenses.

7. Information on income/loss from discontinued and continuing operations

Information and detailed tables on profit before tax from continuing operations are presented in disclosures 1-6 in this section. The Group has no discontinued operations.

8. Information on tax provision from discontinued and continuing operations

Information on provision for taxes on income from continuing operations is presented in disclosure 10 in this section. The Group has no discontinued operations.

9. Information on net profit/loss from discontinued and continuing operations

Information on net profit/loss from continuing operations is presented in disclosures 1-13 in this section. The Group has no discontinued operations.

10. Provision for taxes

Current year taxation benefit or charge and deferred tax benefit or charge

In the current period, the Group recorded a tax provision of TL 2,259,567 (September 30, 2022: TL 16,038,041) from the operating profit in accordance with the Corporate Tax Law and other laws and regulations.

As of September 30, 2023 the Group's deferred tax income from the occurrence/ (Closing) of deductible temporary differences is TL 1,765,358 (September 30, 2022: TL 8,104,965), from the taxable temporary differences (Occurrence)/Closing TL (4,491,996) (September 30, 2022: (TL 407,024)) has deferred tax expense.

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

TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL
SUBSIDIARIES CONSOLIDATED FINANCIAL REPORT AS AT SEPTEMBER 30, 2023
(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

DISCLOSURE AND FOOTNOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

IV. INFORMATION ON DISCLOSURES RELATED TO THE CONSOLIDATED STATEMENT OF
PROFIT OR LOSS (Continued)

11. Information on net profit and loss

The nature and amount of certain income and expense items from ordinary operations is disclosed if the disclosure for nature, amount and repetition rate of such items is required for the complete understanding of the Bank's performance for the period

Group has incurred TL 187,743,040 interest income and TL 160,416,152 interest expense, also incurred TL 15,675,417 amount of net fee and commission income from its ordinary banking operations (September 30, 2022: TL 99,215,785 interest income, TL 58,558,564 interest expense, TL 6,887,706 net fee and commission income).

Any changes in estimations, that might have a material effect on current and subsequent period, is indicated

None.

12. Income/loss related to non-controlling interest

	Current Period – September 30, 2023	Prior Period – September 30, 2022
Income/(losses) related to non-controlling interest	611,399	613,858

13. Information related to the sub-accounts which constitute at least 20% of other items, in case of the components of other items in the profit or loss statement exceeding 10% of the group total

Group's other commissions income mainly consists of credit card fee and commissions, insurance commissions and intelligence commissions.

Group's other commissions expense mainly consists of credit card fee and commissions and commissions given for foreign banks credits.

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

TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL
SUBSIDIARIES CONSOLIDATED FINANCIAL REPORT AS AT SEPTEMBER 30, 2023
(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

DISCLOSURE AND FOOTNOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

V. INFORMATION AND DISCLOSURES RELATED TO THE PARENT BANK'S RISK GROUP

1. Information on the volume of transactions with the Parent Bank's risk group, lending and deposits outstanding at year end and income and expenses in the current year

Information on loans and other receivables held by Parent Bank's risk group

Current Period	Associates and Subsidiaries and Joint-Ventures		Bank's Direct and Indirect Shareholders		Other Components in Risk Group	
	Cash	Non-Cash	Cash	Non-Cash	Cash	Non-Cash
Loans						
Balance at the beginning of the year	126,530	84,256	-	1,187	264,014	55,935
Balance at the end of the year	735,614	197,971	-	864	166,715	82,961
Interest and commission income	16,896	1,632	-	-	16,144	479

Prior Period	Associates and Subsidiaries and Joint-Ventures		Bank's Direct and Indirect Shareholders		Other Components in Risk Group	
	Cash	Non-Cash	Cash	Non-Cash	Cash	Non-Cash
Loans						
Balance at the beginning of the year	50,676	78,364	-	8,344	228,644	22,489
Balance at the end of the year	126,530	84,256	-	1,187	264,014	55,935
Interest and commission income	7,603	1,530	-	-	5,135	683

Information on deposits held by the Parent Bank's risk group

	Associates and Subsidiaries and Joint-Ventures		Bank's Direct and Indirect Shareholders		Other Components in Risk Group	
	Current Period	Prior Period	Current Period	Prior Period	Current Period	Prior Period
Deposits						
Balance at the beginning of the year	9,740,031	1,153,273	2,398,302	3,908,130	195,275	82,435
Balance at the end of the year	10,322,371	9,740,031	4,014,839	2,398,302	299,768	195,275
Interest on deposits	837,666	94,632	791,496	510,710	49,784	8,228

Information on forwards, options and other derivative transactions held by the Parent Bank's risk group

None.

2. Disclosures of transactions with the Parent Bank's risk group

Relations with entities in the risk group of / or controlled by the Parent Bank regardless of the nature of relationship among the parties

Transactions with the risk group are made on an arms-length basis; terms are set according to the market conditions and in compliance with the Banking Law.

Information on Benefits Provided to Directors

In the accounting period ending on September 30, 2023, a total amount of TL 138,863 was paid to the Group top management. (September 30, 2022: TL 68,471).

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

TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL
SUBSIDIARIES CONSOLIDATED FINANCIAL REPORT AS AT SEPTEMBER 30, 2023
(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

SECTION SIX
OTHER DISCLOSURES

I. OTHER DISCLOSURES ON THE PARENT BANK'S ACTIVITY

As per the resolution of 69th Annual General Assembly held on August 2, 2023 the net profit of year 2022 has been decided to be distributed as follows:

Profit Distribution Table of Year 2022	
Bank's unconsolidated profit in its statutory financial statements	24,017,232
Deferred tax credits	-
Net profit of the year subject to distribution	24,017,232
Legal reserves	2,401,723
<i>First Legal Reserves</i>	1,200,862
<i>Reserves allocated according to banking law and articles of association.</i>	1,200,861
Net profit of the year subject to distribution	21,615,509
Gain on sale of immovable and shares of associates and subsidiaries	141,947
Extraordinary reserves	21,473,562
Dividends to shareholders	-

II. INFORMATION ON THE PARENT BANK'S RATING GIVEN BY INTERNATIONAL CREDIT RATING INSTITUTIONS

July 2022 (*)	Fitch Ratings
Long Term Foreign Currency	B-
Short Term Foreign Currency	B
Foreign Currency Outlook	Stable
Long Term Local Currency	B
Short Term Local Currency	B
Local Currency Outlook	Stable
National Long Term	AA (tur)
National Outlook	Stable
Support	ns
Support Rating Floor	b-
August 2022 (*)	Moody's Investors Service
Baseline Credit Assessment	caa2
Local Currency Deposit Rating	B3
Local Currency Outlook	Stable
Foreign Currency Deposit Rating	B3
Foreign Currency Outlook	Stable
June 2022 (*)	JCR Eurasia
Long Term International FC	BB (Negative)
Long Term International TL	BB (Negative)
Long Term NSR	AAA (tr) (Stable)
Short Term NSR	J1 + (Stable)

(*) The dates indicate the last grade change dates.

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

**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL
SUBSIDIARIES CONSOLIDATED FINANCIAL REPORT AS AT SEPTEMBER 30, 2023**
(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

OTHER DISCLOSURES (Continued)

**III. SIGNIFICANT EVENTS AND MATTERS SUBSEQUENT TO BALANCE SHEET DATE THAT
ARE NOT RESULTED**

The Parent Bank issued financial bills on October 13, 2023.

SECTION SEVEN

INDEPENDENT AUDITORS’ REVIEW REPORT

I. INFORMATION ON INDEPENDENT AUDITORS’ REVIEW REPORT

The Group’s consolidated financial statements and footnotes as at September 30, 2023 have been reviewed by Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. (a member firm of Ernst&Young Global Limited) and the review report dated November 9, 2023 is presented before the accompanying financial statements.

II. EXPLANATIONS AND FOOTNOTES PREPARED BY INDEPENDENT AUDITOR

None.

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

**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL
SUBSIDIARIES CONSOLIDATED FINANCIAL REPORT AS AT SEPTEMBER 30, 2023**
(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

SECTION EIGHT

INFORMATION ON THE INTERIM ANNUAL REPORT

Assessments of the Chairperson of the Board

Dear Stakeholders,

Nowadays we are enthusiastically celebrating the centenary of our Republic, we remain grateful to and commemorate our martyrs, including Veteran Mustafa Kemal Atatürk and all other veterans, who fought in earnest and with their hearts and souls for our independence. In VakıfBank, we will continue to support our country’s sustainable growth in the second century of our Republic as usual.

Statements from the central banks of the developed countries, including the USA, European states and Japan, were closely monitored in the third quarter of 2023. The US Federal Reserve Bank (FED) kept its policy rate to 5.25% and 5.50% range in September in parallel with the expectations. In addition, it continued to emphasize the importance of its 2% inflation rate target, signalling that the monetary tightening would remain in place for a while more. The European Central Bank (ECB) hiked its interest rates by 25 basis points contrary to the expectations. Moreover, ECB stated that the inflation outlook would remain high for a while more so it will continue to keep interest rates as high as necessary to maintain monetary tightening. Bank of Japan (BoJ), on the other hand, kept its policy rate at -0.1% in September, noting that there has been a “moderate recovery” in the economy as it restricted the returns of 10-year Japanese state bonds to around zero.

The US economy achieved the fastest growth rate since 2021 as it grew by 4.9% on an annual basis in the third quarter of 2023. The economic growth in the Euro Zone turned out to be 0.1% on an annual basis during the same period. The second quarter growth in the Japanese economy was revised to 4.8% from 6% contrary to the expectations.

Turkish economy, on the other hand, grew by 3.8% on an annual basis in the second quarter of 2023. In addition, the Central Bank of Republic of Türkiye (CBRT) continued its tightening steps by increasing the policy rate by another 500 basis points in September. Moreover, the MediumTerm Programme (MTP) for 2024 through 2026 which was announced in this quarter set the growth forecasts for Turkish economy to 4.4% and 4.0% for 2023 and 2024, respectively. Likewise, in September, international credit rating agencies not only revised their growth forecasts for Türkiye but also updated its credit rating and outlook.

Turkish banking sector maintained its strong structure and continued to support the national economy during this quarter as well. The sector’s total assets reached TL 21,099 billion representing a 47.09% increase compared to the year-end of 2022. The sector loans reached to TL 10,710 billion in September representing a 41.27% increase compared to the year-end of 2022. Having maintained a healthy growth, Turkish banking sector achieved a capital adequacy ratio of 18.52%, which is well above international standards.

Our Bank continued to support the national economy during this period as well. In the third quarter of the year, VakıfBank’s asset size reached TL 2,449 billion (a 45.68% increase) while its cash loans turned out to be TL 1,383 billion (a 48.20% increase). Deposits, which represent the main funding source, rose to TL1,701 billion with a 50.81% increase. We will continue to support the sustainable growth of the strong Turkish economy in near future as well. In light of the foregoing, I would like to thank to our esteemed customers, our shareholders and investors for their trust as well as our employees for their efforts.

Truly yours,

Mustafa SAYDAM
Chairperson of the Board

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

**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL
SUBSIDIARIES CONSOLIDATED FINANCIAL REPORT AS AT SEPTEMBER 30, 2023**
(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

INFORMATION ON THE INTERIM ANNUAL REPORT(Continued)

Assessment of the General Manager,

Dear stakeholders,

I here memorialise our martyrs, including Veteran Mustafa Kemal Atatürk who fought with their hearts and souls for our independent in the one hundredth anniversary of our Republic. I hereby celebrate the one-century existence of Turkish Republic with zeal and from my heart.

Inflation, growth and geopolitical concerns were among the top agenda items of the global economy in the third quarter of 2023. The US economy grew by 4.9% above the expectations according to the third quarter data for 2023. The US Consumer Price Index (CPI) turned out to be 3.7% in September and that figure was above expectations. Euro zone economy, on the other hand, recorded a 0.1% growth on annually basis in the third quarter. During this quarter, we kept a close eye on the monetary policy meetings held by central banks of developed and emerging markets, including the FED and the ECB. The FED maintained its policy rate within the range of 5.25% and 5.50% in September in line with expectations while the ECB hiked the interest rates by 25 basis points, pushing the policy rate to 4.50%.

Turkish economy, on the other hand, maintained its well-balanced and consistent growth performance by growing 3.8%, a figure above the market expectations, in the second quarter of 2023. According to the MediumTerm Programme announced in September, it was forecast that Turkish economy will continue to grow steadily in the upcoming years. CBRT continued its monetary tightening in line with the aim of ensuring price stability. CBRT hiked its policy rate by 500 basis points, culminating at 35%, in its Monetary Policy Committee (PPC) meeting held in October and this increase met the expectations.

In the third quarter of 2023, VakıfBank's asset size increased by 45.68% to TL 2,449 billion. During the same quarter, our support to our national economy through cash and non-cash loans reached to TL 1,775 billion. Thanks to our support to manufacture, exports and employment, we managed to grow our commercial loans up to a level of TL 1,116 billion, which means a 47.78% growth in the third quarter in 2023, compared to the end of the previous year. Our support to households turned out to be TL 267 billion as of the end of September 2023.

Our Bank managed to increase its deposits by 50.81% to TL 1,701 billion thanks to our product and service diversity in the deposit area. We continued to lure affordable and long-term international funding to Türkiye thanks to our leading position in international funding and our well-diversified funding structure. We have provided fresh funding resources to our country as we signed a new 5-year secured funding transaction with the amount of USD 500 million in August. In September, we reached an agreement with AFD for the second EUR 100 million tranche following EUR 100 million funding which we made available in the first tranche under the "Green Mortgage Project". This way, we will continue to support a transition to a low carbon economy thanks to this funding which shall be available to finance high-energy efficiency and environment-friendly residences with A and B energy certificates.

In the third quarter of the year, our Bank was hailed as the first Turkish bank whose lower carbon emission targets were approved by the Science Based Target Initiative SBTi). In this respect, we plan to reduce our Scope 1 and 2 greenhouse gas emissions in 2021 by 51 percent by 2032, in line with the Paris Agreement's goal of limiting the increase in global average surface temperature to 1.5°C, if possible. In addition, within the scope of financing the transition to a low-carbon economy, we have determined our targets for reducing our greenhouse gas emissions resulting from loans in portfolios determined to be compatible with the Paris Agreement's scenario of keeping the global temperature increase "well below 2 °C".

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

**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL
SUBSIDIARIES CONSOLIDATED FINANCIAL REPORT AS AT SEPTEMBER 30, 2023**
(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

INFORMATION ON THE INTERIM ANNUAL REPORT(Continued)

Assessment of the General Manager (Continued)

As VakıfBank, we will continue to contribute to the sustainable and strong growth of national economy with our strong technological infrastructure, innovative products and services, our pioneering role in the field of sustainability and more than 17 thousand employees, as we did this period. I heartily thank to our customers and shareholders thanks to their trust in us, our employees with the lion’s share in our achievements and our Board of Directors and all other stakeholders who never shied away from supporting us.

Sincerely yours,

Abdi Serdar ÜSTÜNSALİH
General Manager and
Board of Directors Executive Member

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

TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL
SUBSIDIARIES CONSOLIDATED FINANCIAL REPORT AS AT SEPTEMBER 30, 2023
(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

INFORMATION ON THE INTERIM ANNUAL REPORT(Continued)

Key Financial Indicators

BALANCE SHEET (TL Million)	SEPTEMBER 2023	DECEMBER 2022	CHANGE (%)
TOTAL ASSETS	2,448,991	1,681,061	45.68
SECURITIES PORTFOLIO	576,850	372,588	54.82
LOANS ^(*)	1,383,359	933,451	48.20
- Commercial Loans	1,116,033	755,178	47.78
- Retail Loans	267,326	178,273	49.95
DEPOSITS	1,700,644	1,127,702	50.81
- Term Deposits	1,313,053	870,035	50.92
- Demand Deposits	387,591	257,667	50.42
FUNDS BORROWED	199,683	130,746	52.73
SUBORDINATED DEBT	30,904	24,043	28.54
SECURITIES ISSUED (NET)	108,762	69,854	55.70
SHAREHOLDERS' EQUITY	153,234	106,985	43.23
NON-CASH LOANS	391,638	274,249	42.80

INCOME STATEMENT (TL Million)	SEPTEMBER 2023	SEPTEMBER 2022	CHANGE (%)
NET PROFIT/LOSS	15,023	15,610	(3.76)

INDICATIVE RATIOS (%)	SEPTEMBER 2023	DECEMBER 2022
TOTAL LOANS/ TOTAL ASSETS ^(*)	56.49	55.53
LOANS/DEPOSITS ^(*)	81.34	82.77
NON-PERFORMING LOAN RATIO	1.47	2.13
CAPITAL ADEQUACY RATIO	14.69	15.19
RETURN ON AVERAGE ASSETS (ROAA) ^(**)	0.97	1.79
RETURN ON AVERAGE EQUITY (ROAE) ^(**)	15.40	30.22

^(*) Loans excluding legal proceedings.

^(**) Calculations are annualized.

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

TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL
SUBSIDIARIES CONSOLIDATED FINANCIAL REPORT AS AT SEPTEMBER 30, 2023
(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

INFORMATION ON THE INTERIM ANNUAL REPORT(Continued)

Key Financial Indicators (Consolidated)

BALANCE SHEET (TL Million)	SEPTEMBER 2023	DECEMBER 2022	CHANGE (%)
TOTAL ASSETS	2,493,221	1,707,032	46.06
SECURITIES PORTFOLIO	588,594	379,643	55.04
LOANS ^(*)	1,410,960	952,482	48.14
- Commercial Loans	1,143,630	774,206	47.72
- Retail Loans	267,330	178,275	49.95
DEPOSITS	1,713,187	1,132,098	51.33
- Term Deposits	1,323,761	872,341	51.75
- Demand Deposits	389,426	259,756	49.92
FUNDS BORROWED	211,665	139,369	51.87
SUBORDINATED DEBT	30,904	24,043	28.54
SECURITIES ISSUED (NET)	108,903	71,078	53.22
SHAREHOLDERS' EQUITY	155,047	106,526	45.55
NON-CASH LOANS	398,971	279,356	42.82

INCOME STATEMENT (TL Million)	SEPTEMBER 2023	SEPTEMBER 2022	CHANGE (%)
NET PROFIT/LOSS	18,287	16,519	10.70

INDICATIVE RATIOS (%)	SEPTEMBER 2023	DECEMBER 2022
TOTAL LOANS/ TOTAL ASSETS ^(*)	56.59	55.80
LOANS/DEPOSITS ^(*)	82.36	84.13
NON-PERFORMING LOAN RATIO	1.53	2.14
CAPITAL ADEQUACY RATIO	14.33	14.34
RETURN ON AVERAGE ASSETS (ROAA) ^(**)	1.16	1.89
RETURN ON AVERAGE EQUITY (ROAE) ^(**)	18.64	32.12

^(*) Loans excluding legal proceedings.

^(**) Calculations are annualized.

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

**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL
SUBSIDIARIES CONSOLIDATED FINANCIAL REPORT AS AT SEPTEMBER 30, 2023**
(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

INFORMATION ON THE INTERIM ANNUAL REPORT(Continued)

Assessment of 3rd Quarter of 2023

Our Group managed to grow in the third quarter of 2023 as well, and its total asset size reached TL 2,493 billion, which meant a 46.06% increase. During that period, our performing loans rose by 48.14% and reached TL 1,411 billion, and performing loans in our total assets captured a 56.59%. When we look at the breakdown of loans, we see that our commercial loans reached TL 1,144 billion while retail loans reached TL 267 billion.

During the third quarter of 2023, our Group has increased its deposits by 51.33% to TL 1.713 billion.

In addition to deposits, our Bank issued financial bonds with a total nominal value of TL 3,886 million in total as of the third quarter of 2023 for marketing via public offering and qualified investors in national market. The international funding has reached USD 4,468 million during the year.

Our Group generated a net period profit of TL 18.287 million in the third quarter of 2023 and our Group’s capital adequacy ratio turned out to be 14.33%.

As of September 30, 2023, the number of our Bank branches was 941 with 17,433 employees.

During this quarter, we have reached an agreement with French Development Agency (AFD) on the disbursement of the second tranche of EUR 100 million within the scope of the aforementioned project with the first 3 years of grace period and a total maturity of 10 years. In addition, in September, issued USD 750 million fixed rate notes with semi-annual interest payment, having a maturity on October 12th, 2028 with a term of 5 years and 1 month. The yield and the coupon rate have been set at 9.125% and 9%, respectively.

Fitch Ratings, the international credit rating agency, revised the long-term foreign currency issuer default rating of Türkiye from Negative to Stable on September 8, 2023. Thereafter, it revised VakıfBank’s long-term foreign currency and local currency issuer default rating outlook to Stable from Negative on September 22, 2023.

Other Significant Developments

- The results of the Annual General Assembly Meeting held by our Bank on August 2, 2023 were registered by Istanbul Trade Registry Office on August 11, 2023. You can view the meeting details by visiting the following link: <https://www.kap.org.tr/en/Bildirim/1184527>
- Regarding the election of the Board Members at the 69th Ordinary General Assembly Meeting of our Bank held on August 2, 2023; Mr. Abdullah Erdem CANTİMUR be elected by majority vote for 3 years.
- Pursuant to the applicable provision of our Bank’s Articles of Association, our Board of Directors unanimously adopted the following resolutions in its meeting held on August 2, 2023:
 - Mr. Mustafa SAYDAM be appointed as the Chairperson of the Board;
 - Mr. Cemil Ragıp ERTEM be appointed as the Vice-chairperson of the Board;
 - Mr. Abdi Serdar ÜSTÜNSALİH be appointed as the General Manager.

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

**TÜRKİYE VAKIFLAR BANKASI TÜRK ANONİM ORTAKLIĞI AND ITS FINANCIAL
SUBSIDIARIES CONSOLIDATED FINANCIAL REPORT AS AT SEPTEMBER 30, 2023**
(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

INFORMATION ON THE INTERIM ANNUAL REPORT (Continued)

Assessment of 3rd Quarter of 2023 (Continued)

Other Significant Developments (Continued)

- Pursuant to the applicable provision of our Bank’s Articles of Association, our Board of Directors unanimously adopted the following resolutions in its meeting held on August 2, 2023:
- Mr. Abdulkadir AKSU and Mr. Sadık YAKUT be appointed to the Audit Committee;
- Mr. Abdi Serdar ÜSTÜNSALİH be appointed to the Credit Committee as the natural member, and Mr. Mustafa Saydam and Mr. Şahin UĞUR as the principal members and Mr. Adnan ERTEM and Mr. Cemil Ragıp ERTEM as the substitute members to the said Committee;
- Mr. Abdülkadir AKSU and Mr. Sadık YAKUT be appointed to the Corporate Governance Committee, and also pursuant to Article 11 of the Corporate Governance Communiqué, Mr. Ali TAHAN, the Head of International Banking and Investor Relations, and Mr. Korhan TURGUT, the Head of the General Accounting Financial Affairs, be appointed to the same Committee as members pursuant;
- Mr. Adnan ERTEM and Mr. Haydar Kemal KURT be appointed as members to the Remuneration Committee by unanimous vote.

Amendments to Articles of Association

Our Bank’s Articles of Association was registered by Istanbul Trade Registry Office on August 11, 2023. You can view the Articles of Association by visiting the following address: <https://www.kap.org.tr/en/Bildirim/1199220>