

**TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI  
ANONİM ŞİRKETİ**

**CONSOLIDATED FINANCIAL STATEMENTS  
AND RELATED DISCLOSURES AS OF 30 JUNE 2024  
WITH AUDITORS' REVIEW REPORT**

**(CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL  
STATEMENTS AND RELATED DISCLOSURES  
ORIGINALLY ISSUED IN TURKISH)**



## AUDITOR'S REVIEW REPORT ON INTERIM FINANCIAL INFORMATION

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

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

### *Introduction*

We have reviewed the consolidated balance sheet of Türkiye Cumhuriyeti Ziraat Bankası Anonim Şirketi ("the Bank") and its consolidated subsidiaries (collectively referred to as "the Group") at 30 June 2024 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 six-month period then ended. The Group management is responsible for the preparation and fair presentation of interim financial information in accordance with the Banking Regulation and Supervision Agency ("BRSA") Accounting and Financial Reporting Legislation which includes "Regulation on Accounting Applications for Banks and Safeguarding of Documents" published in the Official Gazette no.26333 dated 1 November 2006, and other regulations on accounting records of Banks published by Banking Regulation and Supervision Agency and circulars and interpretations published by BRSA and Turkish Accounting Standard 34 "Interim Financial Reporting" for those matters not regulated by the aforementioned regulations. Our responsibility is to express a conclusion on this interim consolidated financial information based on our review.

### *Scope of Review*

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

### *Basis for the Qualified Conclusion*

As explained in Section Five Part II. 9.3 of Explanations and Notes to the Consolidated Financial Statements; a portion of free provision amounting to TL 8.800.000 thousand is reversed in the current period out of the total free provision of TL 17.800.000 thousand provided by the Group management in prior periods outside of the requirements of BRSA Accounting and Financial Reporting Legislation; therefore, the remaining free provision amount as at 30 June 2024 is TL 9.000.000 thousand in the accompanying consolidated financial statements.



### *Qualified Conclusion*

Based on our review, except for the effects of the matter on the consolidated financial statements described in the basis for the qualified conclusion paragraph above, nothing has come to our attention that causes us to believe that the accompanying consolidated financial information do not present fairly in all material respects the consolidated financial position of Türkiye Cumhuriyeti Ziraat Bankası Anonim Şirketi and its consolidated subsidiaries at 30 June 2024 and the results of its consolidated operations and its consolidated cash flows for the six-month period then ended in accordance with the BRSA Accounting and Financial Reporting Legislation.

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

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

### *Additional Paragraph for Convenience Translation:*

BRSA Accounting and Financial Reporting Legislation explained in detail in Section Three differ from International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board including the application of IAS 29 - Financial Reporting in Hyperinflationary Economies as of 30 June 2024. Accordingly, the accompanying consolidated financial statements are not intended to present fairly the consolidated financial position, results of operations, changes in equity and cash flows of the Group in accordance with IFRS.

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

Didem Demer Kaya, SMMM  
Independent Auditor

Istanbul, 14 August 2024



# Ziraat Bankası

## THE CONSOLIDATED FINANCIAL AUDIT REPORT OF TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş. AS OF 30 JUNE 2024

The Bank's Headquarter Address: Finanskent Mahallesi Finans Caddesi  
No:44/A Ümraniye/İSTANBUL  
Phone: (216) 590 20 00  
Facsimile: (312) 584 25 51  
Website: www.ziraatbank.com.tr

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

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

Within the framework of this six-month financial report, our consolidated financial statements of subsidiaries, associates and jointly controlled entities are as follows:

### DOMESTIC SUBSIDIARIES

Ziraat Yatırım Menkul Değerler A.Ş.  
Ziraat Portföy Yönetimi A.Ş.  
Ziraat Katılım Bankası A.Ş.  
Ziraat Gayrimenkul Yatırım Ortaklığı A.Ş.  
Ziraat Girişim Sermayesi Yatırım Ortaklığı A.Ş.  
Ziraat Dinamik Banka A.Ş.  
Ziraat Finansal Teknolojiler Elektronik Para ve  
Ödeme Hizmetleri A.Ş.

### FOREIGN SUBSIDIARIES

Ziraat Bank International AG  
Ziraat Bank BH d.d.  
Ziraat Bank (Moscow) JSC  
Kazakhstan Ziraat International Bank  
Ziraat Bank Azerbaycan ASC  
Ziraat Bank Montenegro AD  
JSC Ziraat Bank Georgia  
Ziraat Bank Uzbekistan JSC

### ASSOCIATES

Arap Türk Bankası A.Ş.  
Birleşim Varlık Yönetim A.Ş.

### ENTITIES UNDER COMMON CONTROL

Turkmen Turkish Joint Stock Commercial Bank

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

Burhaneddin TANYERİ  
Chairman of the Board

Alpaslan ÇAKAR  
Member of the Board,  
CEO

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

Fatih AYDOĞAN  
Member of the Board,  
Member of the Audit Committee

Süleyman YALÇIN  
Executive Vice President for  
Financial Coordination

Rehber BİRKAN  
Senior Vice President of  
Financial  
Coordination and Reporting

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

Name/Title : Menşure BEŞKAYA / Financial Statements Manager  
Telephone Number : 0216 590 59 24

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# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2024

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

### SECTION ONE

#### GENERAL INFORMATION ABOUT THE PARENT BANK

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

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

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

The total share capital of the Parent Bank is TL 84.600.000. This capital is divided into 84.600.000.000 registered share with a nominal value of TL 1 each and is fully paid. The Parent Bank's sole and controlling shareholder is the Türkiye Wealth Fund.

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

Name	Administrative Function
<b>Members of the Board of Directors</b>	
Burhaneddin TANYERİ	Chairman
Alpaslan ÇAKAR	CEO and Member
Veysi KAYNAK	Vice Chairman and Member
Abdullah Erdem CANTİMUR (*)	Member
Fatih AYDOĞAN	Member
Fazlı KILIÇ	Member
Feyzi ÇUTUR	Member
Serdar KILIÇ	Member
Serruh KALELİ	Member
<b>Audit Committee Members</b>	
Fatih AYDOĞAN (**)	Member
Fazlı KILIÇ	Member
<b>Executive Vice Presidents</b>	
Ahmet ACAR	Credit Risk Monitoring and Liquidation
Cüneyt SAĞLIK	Digital Banking and Payment Systems
Emrah GÜNDÜZ	Banking Operations and Corporate Communications
Ferhat PİŞMAF	Corporate Banking
Hüseyin ÖZUYSAL	Human Resources
Mehmet Şükrü TAŞCI	Credit Allocation and Management
Süleyman YALÇIN	Financial Coordination
Yasin ÖZTÜRK	Treasury Management
Yüksel CESUR	Retail Banking

(\*) They were appointed at the Bank’s Ordinary General Assembly meeting held on 6 June 2024, and started their duties as of 7 June 2024. Board of Directors and Audit Committee member Dr. İsmail İlhan HATİPOĞLU resigned from his position on 6 June 2024.

(\*\*) He was elected as an Audit Committee Member by the Board of Directors Decision No. 16/1 dated 7 June 2024.

The Parent Bank’s Chairman and Members of the Board of Directors, Members of the Audit Committee, General Manager and Executive Vice Presidents do not own any shares of the Parent Bank.

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2024 (Unless otherwise stated amounts are expressed in thousands of Turkish Lira (“TL”))

### GENERAL INFORMATION ABOUT THE PARENT BANK (Continued)

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

Name/Trade Name	Amount of Share	Percentage of Share (%)	Paid-in Shares	Unpaid Shares
Türkiye Wealth Fund	84.600.000	100	84.600.000	-

The Parent Bank's sole shareholder is the Türkiye Wealth Fund.

#### V. SUMMARY INFORMATION ON THE PARENT BANK'S ACTIVITIES AND SERVICES

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

As of 30 June 2024, the Parent Bank carries its activities with a grand total of 1.754 branches; (31 December 2023: 1.744 domestic branches) and branches abroad which are London branch in England, Baghdad and Arbil branches in Iraq, Athens, Komotini, and Xanthi branches in Greece, Sofia, Plovdiv, Kardzhali, Varna and Burgas branches in Bulgaria, Jeddah branch in Saudi Arabia, Pristina, Prizren, Peja, Gilan and Ferizaj branches in Kosovo, Bahrain branch in Bahrain, Lefkoşa, Girne, Güzelyurt, Gazimağusa, Gönyeli, Taşkınıköy, Karaoğlanoğlu and İskele branches in Turkish Republic of Northern Cyprus, it operates with a total of 26 branches and total of 1.780 branches. (31 December 2023: 1.769 branches).

The Parent Bank and the consolidated subsidiaries in Note III of Section Three are referred to ‘Group’.

As of 30 June 2024, the Group has 30.028 employees (31 December 2023: 29.912).

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2024

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

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### GENERAL INFORMATION ABOUT THE PARENT BANK (Continued)

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

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

As Ziraat Teknoloji A.Ş. is non-financial subsidiaries of the Parent Bank, is not consolidated in the consolidated financial statements of the Parent Bank in accordance with Communiqué of the Preparation Consolidated Financial Statements. Bileşim Finansal Teknolojiler ve Ödeme Sistemleri A.Ş. is non-financial associates of the Parent Bank is not consolidated in the consolidated financial statements. Ziraat Filo Yönetimi ve Mobilite Çözümler A.Ş. (Former Title: Central Oto Kiralama A.Ş.), ZG Tarım Piyasaları A.Ş., which are subsidiaries of Ziraat Girişim Sermayesi Yatırım Ortaklığı A.Ş. and it’s subsidiaries, ZY Elektrikli Traktör Sanayi ve Ticaret A.Ş. and MESA İmalat Sanayi ve Ticaret A.Ş. as they are not financial institutions, they are not consolidated. All other associates and subsidiaries are fully consolidated.

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

None.



## SECTION TWO

### Consolidated Financial Statements

- I. Consolidated Balance Sheet (Statement of Financial Position) - Assets
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- VI. Consolidated Statement of Changes in Shareholders' Equity
- VII. Consolidated Statement of Cash Flows

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## CONSOLIDATED BALANCE SHEET (STATEMENT OF FINANCIAL POSITION) AS OF 30 JUNE 2024

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

I- CONSOLIDATED BALANCE SHEET (STATEMENT OF FINANCIAL POSITION)		Note (Section Five I)	Current Period 30 June 2024			Prior Period 31 December 2023		
			TL	FC	Total	TL	FC	Total
			ASSETS					
<b>I.</b>	<b>FINANCIAL ASSETS (NET)</b>		<b>850.790.452</b>	<b>1.019.469.121</b>	<b>1.870.259.573</b>	<b>617.261.950</b>	<b>905.618.465</b>	<b>1.522.880.415</b>
<b>1.1</b>	<b>Cash and Cash Equivalents</b>		<b>458.896.191</b>	<b>575.513.855</b>	<b>1.034.410.046</b>	<b>329.397.476</b>	<b>503.787.926</b>	<b>833.185.402</b>
1.1.1	Cash and Balances with Central Bank	(1)	447.479.469	453.087.102	900.566.571	171.925.888	436.901.293	608.827.181
1.1.2	Banks	(4)	6.978.300	122.488.982	129.467.282	3.485.889	66.805.198	70.291.087
1.1.3	Money Market Receivables		4.446.450	-	4.446.450	154.012.312	128.907	154.141.219
1.1.4	Expected Loss Provision (-)		8.028	62.229	70.257	26.613	47.472	74.085
<b>1.2</b>	<b>Financial Assets at Fair Value Through Profit or Loss</b>	(2)	<b>12.103.142</b>	<b>73.574.077</b>	<b>85.677.219</b>	<b>11.141.584</b>	<b>60.574.328</b>	<b>71.715.912</b>
1.2.1	Government Debt Securities		448.243	70.582.563	71.030.806	363.039	57.997.920	58.360.959
1.2.2	Equity Instruments		225.362	-	225.362	192.889	-	192.889
1.2.3	Other Financial Assets		11.429.537	2.991.514	14.421.051	10.585.656	2.576.408	13.162.064
<b>1.3</b>	<b>Financial Assets at Fair Value Through Other Comprehensive Income</b>	(5),(6)	<b>372.496.212</b>	<b>368.327.705</b>	<b>740.823.917</b>	<b>271.733.553</b>	<b>335.796.917</b>	<b>607.530.470</b>
1.3.1	Government Debt Securities		369.623.408	366.063.263	735.686.671	269.304.112	333.645.990	602.950.102
1.3.2	Equity Instruments		2.840.724	147.060	2.987.784	2.414.003	132.776	2.546.779
1.3.3	Other Financial Assets		32.080	2.117.382	2.149.462	15.438	2.018.151	2.033.589
<b>1.4</b>	<b>Derivative Financial Assets</b>	(3)	<b>7.294.907</b>	<b>2.053.484</b>	<b>9.348.391</b>	<b>4.989.337</b>	<b>5.459.294</b>	<b>10.448.631</b>
1.4.1	Derivative Financial Assets at Fair Value Through Profit or Loss		7.294.907	2.053.484	9.348.391	4.989.337	5.459.294	10.448.631
1.4.2	Derivative Financial Assets at Fair Value Through Other Comprehensive Income		-	-	-	-	-	-
<b>II.</b>	<b>FINANCIAL ASSETS MEASURED AT AMORTISED COST (Net)</b>		<b>1.947.596.201</b>	<b>962.609.660</b>	<b>2.910.205.861</b>	<b>1.799.668.643</b>	<b>762.352.710</b>	<b>2.562.021.353</b>
<b>2.1</b>	<b>Loans</b>	(7)	<b>1.645.191.057</b>	<b>972.794.717</b>	<b>2.617.985.774</b>	<b>1.527.245.221</b>	<b>710.452.570</b>	<b>2.237.697.791</b>
<b>2.2</b>	<b>Lease Receivables</b>	(12)	<b>38.948.792</b>	<b>11.488.144</b>	<b>50.436.936</b>	<b>41.601.878</b>	<b>11.057.218</b>	<b>52.659.096</b>
<b>2.3</b>	<b>Factoring Receivables</b>		-	-	-	-	-	-
<b>2.4</b>	<b>Other Financial Assets Measured at Amortized Cost</b>	(8)	<b>305.580.817</b>	<b>21.713.975</b>	<b>327.294.792</b>	<b>270.091.948</b>	<b>78.573.998</b>	<b>348.665.946</b>
2.4.1	Government Debt Securities		302.310.721	20.418.278	322.728.999	266.941.796	77.601.923	344.543.719
2.4.2	Other Financial Assets		3.270.096	1.295.697	4.565.793	3.150.152	972.075	4.122.227
<b>2.5</b>	<b>Expected Credit Loss (-)</b>		<b>42.124.465</b>	<b>43.387.176</b>	<b>85.511.641</b>	<b>39.270.404</b>	<b>37.731.076</b>	<b>77.001.480</b>
<b>III.</b>	<b>NON-CURRENT ASSETS OR DISPOSAL GROUPS "HELD FOR SALE" AND "HELD FROM DISCONTINUED OPERATIONS" (Net)</b>	(15)	<b>7.619.936</b>	<b>704.438</b>	<b>8.324.374</b>	<b>6.214.015</b>	<b>756.812</b>	<b>6.970.827</b>
3.1	Held for Sale Purpose		7.619.936	704.438	8.324.374	6.214.015	756.812	6.970.827
3.2	Held from Discontinued Operations		-	-	-	-	-	-
<b>IV.</b>	<b>EQUITY INVESTMENTS</b>		<b>5.363.481</b>	<b>1.722.639</b>	<b>7.086.120</b>	<b>4.941.049</b>	<b>1.596.863</b>	<b>6.537.912</b>
<b>4.1</b>	<b>Investments in Associates (Net)</b>	(9)	<b>1.292.911</b>	<b>5.125</b>	<b>1.298.036</b>	<b>1.290.984</b>	<b>4.661</b>	<b>1.295.645</b>
4.1.1	Associates Valued Based on Equity Method		503.882	-	503.882	452.059	-	452.059
4.1.2	Unconsolidated Associates		789.029	5.125	794.154	838.925	4.661	843.586
<b>4.2</b>	<b>Subsidiaries (Net)</b>	(10)	<b>4.070.570</b>	<b>36.970</b>	<b>4.107.540</b>	<b>3.650.065</b>	<b>34.983</b>	<b>3.685.048</b>
4.2.1	Unconsolidated Financial Subsidiaries		-	-	-	-	-	-
4.2.2	Unconsolidated Non-Financial Subsidiaries		4.070.570	36.970	4.107.540	3.650.065	34.983	3.685.048
<b>4.3</b>	<b>Entities under Common Control (Joint Ventures) (Net)</b>	(11)	<b>-</b>	<b>1.680.544</b>	<b>1.680.544</b>	<b>-</b>	<b>1.557.219</b>	<b>1.557.219</b>
4.3.1	Joint Ventures Valued Based on Equity Method		-	1.680.544	1.680.544	-	1.557.219	1.557.219
4.3.2	Unconsolidated Joint Ventures		-	-	-	-	-	-
<b>V.</b>	<b>PROPERTY AND EQUIPMENT (Net)</b>	(17)	<b>75.143.017</b>	<b>3.998.999</b>	<b>79.142.016</b>	<b>57.127.247</b>	<b>3.657.238</b>	<b>60.784.485</b>
<b>VI.</b>	<b>INTANGIBLE ASSETS (Net)</b>		<b>6.139.158</b>	<b>541.441</b>	<b>6.680.599</b>	<b>4.371.535</b>	<b>385.962</b>	<b>4.757.497</b>
6.1	Goodwill		-	-	-	-	-	-
6.2	Other		6.139.158	541.441	6.680.599	4.371.535	385.962	4.757.497
<b>VII.</b>	<b>INVESTMENT PROPERTY (Net)</b>	(14)	<b>1.441.313</b>	<b>-</b>	<b>1.441.313</b>	<b>1.434.220</b>	<b>-</b>	<b>1.434.220</b>
<b>VIII.</b>	<b>CURRENT TAX ASSET</b>		<b>21.292</b>	<b>45.178</b>	<b>66.470</b>	<b>50.656</b>	<b>16.397</b>	<b>67.053</b>
<b>IX.</b>	<b>DEFERRED TAX ASSET</b>	(19)	<b>47.008.721</b>	<b>68.809</b>	<b>47.077.530</b>	<b>33.463.189</b>	<b>4.369</b>	<b>33.467.558</b>
<b>X.</b>	<b>OTHER ASSETS (Net)</b>	(20)	<b>69.785.424</b>	<b>8.705.462</b>	<b>78.490.886</b>	<b>48.484.102</b>	<b>7.024.620</b>	<b>55.508.722</b>
<b>TOTAL ASSETS</b>			<b>3.010.908.995</b>	<b>1.997.865.747</b>	<b>5.008.774.742</b>	<b>2.573.016.606</b>	<b>1.681.413.436</b>	<b>4.254.430.042</b>

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

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## CONSOLIDATED BALANCE SHEET (STATEMENT OF FINANCIAL POSITION) AS OF 30 JUNE 2024

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

II- CONSOLIDATED BALANCE SHEET (STATEMENT OF FINANCIAL POSITION) LIABILITIES	Note (Section Five II)	Current Period 30 June 2024			Prior Period 31 December 2023		
		TL	FC	Total	TL	FC	Total
<b>I. DEPOSITS</b>	(1)	2.211.217.760	1.407.902.992	3.619.120.752	1.907.061.388	1.392.762.459	3.299.823.847
<b>II. FUNDS BORROWED</b>	(3)	23.410.083	311.511.826	334.921.909	7.420.298	203.100.767	210.521.065
<b>III. MONEY MARKETS BORROWINGS</b>	(4)	175.513.710	80.199.132	255.712.842	5.469.316	88.831.593	94.300.909
<b>IV. SECURITIES ISSUED (Net)</b>	(5)	9.152.964	126.305.413	135.458.377	5.456.221	61.111.533	66.567.754
4.1 Bills		-	48.283.117	48.283.117	995.040	7.518.533	8.513.573
4.2 Asset Backed Securities		9.152.964	16.222.653	25.375.617	4.461.181	14.918.648	19.379.829
4.3 Bonds		-	61.799.643	61.799.643	-	38.674.352	38.674.352
<b>V. FUNDS</b>		38.705	-	38.705	24.055	-	24.055
5.1 Borrower Funds		-	-	-	-	-	-
5.2 Other		38.705	-	38.705	24.055	-	24.055
<b>VI. FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS</b>		-	-	-	-	-	-
<b>VII. DERIVATIVE FINANCIAL LIABILITIES</b>	(2)	2.415.958	7.911.729	10.327.687	784.425	2.885.647	3.670.072
7.1 Derivative Financial Liabilities at Fair Value Through Profit or Loss		2.415.958	7.911.729	10.327.687	784.425	2.885.647	3.670.072
7.2 Derivative Financial Liabilities at Fair Value Through Other Comprehensive Income		-	-	-	-	-	-
<b>VIII. FACTORING LIABILITIES</b>		-	-	-	-	-	-
<b>IX. LEASE LIABILITIES (Net)</b>	(7)	5.796.754	205.964	6.002.718	4.569.589	217.529	4.787.118
<b>X. PROVISIONS</b>	(9)	26.054.261	4.751.203	30.805.464	32.939.301	5.534.146	38.473.447
10.1 Restructuring Provisions		-	-	-	-	-	-
10.2 Reserve for Employee Benefits		7.618.278	39.689	7.657.967	6.204.725	31.460	6.236.185
10.3 Insurance Technical Provisions (Net)		-	-	-	-	-	-
10.4 Other Provisions		18.435.983	4.711.514	23.147.497	26.734.576	5.502.686	32.237.262
<b>XI. CURRENT TAX LIABILITY</b>	(10)	19.886.399	99.861	19.986.260	12.091.518	196.547	12.288.065
<b>XII. DEFERRED TAX LIABILITY</b>	(10)	46.486	18.420	64.906	2.621	13.786	16.407
<b>XIII. LIABILITIES RELATED TO NON-CURRENT ASSETS "HELD FOR SALE" AND "HELD FROM DISCONTINUED OPERATIONS" (Net)</b>	(11)	-	-	-	-	-	-
13.1 Held for Sale Purpose		-	-	-	-	-	-
13.2 Held from Discontinued Operations		-	-	-	-	-	-
<b>XIV. SUBORDINATED DEBT INSTRUMENTS</b>	(12)	-	69.760.071	69.760.071	-	51.072.217	51.072.217
14.1 Loans		-	4.687.906	4.687.906	-	4.451.686	4.451.686
14.2 Other Debt Instruments		-	65.072.165	65.072.165	-	46.620.531	46.620.531
<b>XV. OTHER LIABILITIES</b>	(6)	95.465.009	24.461.171	119.926.180	73.968.538	35.930.457	109.898.995
<b>XVI. SHAREHOLDERS' EQUITY</b>	(13)	416.242.452	(9.593.581)	406.648.871	370.017.687	(7.031.596)	362.986.091
16.1 Paid-in capital		84.600.000	-	84.600.000	84.600.000	-	84.600.000
16.2 Capital Reserves		-	-	-	-	-	-
16.2.1 Share Premium		-	-	-	-	-	-
16.2.2 Share Cancellation Profits		-	-	-	-	-	-
16.2.3 Other Capital Reserves		-	-	-	-	-	-
16.3 Accumulated Other Comprehensive Income or Expense Not Reclassified Through Profit or Loss		49.663.130	606.262	50.269.392	39.302.938	506.768	39.809.706
16.4 Accumulated Other Comprehensive Income or Expense Reclassified Through Profit or Loss		23.612.579	(16.206.233)	7.406.346	22.303.724	(12.807.126)	9.496.598
16.5 Profit Reserves		211.936.227	6.006.390	217.942.617	115.390.234	5.268.762	120.658.996
16.5.1 Legal Reserves		13.135.374	423.219	13.558.593	8.291.198	215.719	8.506.917
16.5.2 Status Reserves		-	-	-	-	-	-
16.5.3 Extraordinary Reserves		198.482.050	134.919	198.616.969	106.849.547	116.184	106.965.731
16.5.4 Other Profit Reserves		318.803	5.448.252	5.767.055	249.489	4.936.859	5.186.348
16.6 Profit or (Loss)		39.470.193	-	39.470.193	101.536.877	-	101.536.877
16.6.1 Prior Periods' Profit or (Loss)		4.216.383	-	4.216.383	2.192.570	-	2.192.570
16.6.2 Current Period Profit or (Loss)		35.253.810	-	35.253.810	99.344.307	-	99.344.307
16.7 Minority Interest		6.960.323	-	6.960.323	6.883.914	-	6.883.914
<b>TOTAL LIABILITIES</b>		<b>2.985.240.541</b>	<b>2.023.534.201</b>	<b>5.008.774.742</b>	<b>2.419.804.957</b>	<b>1.834.625.085</b>	<b>4.254.430.042</b>

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

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## CONSOLIDATED STATEMENT OF OFF-BALANCE SHEET COMMITMENTS AS OF 30 JUNE 2024

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

III. CONSOLIDATED OFF-BALANCE SHEET COMMITMENT	Note (Section Five III)	Current Period 30 June 2024			Prior Period 31 December 2023		
		TL	FC	Total	TL	FC	Total
<b>A. OFF-BALANCE SHEET COMMITMENTS (I-II+III)</b>		<b>1.458.506.678</b>	<b>1.415.711.246</b>	<b>2.874.217.924</b>	<b>1.198.625.252</b>	<b>1.678.825.121</b>	<b>2.877.450.373</b>
<b>I. GUARANTEES AND WARRANTIES</b>	(1)	<b>450.830.276</b>	<b>588.100.606</b>	<b>1.038.930.882</b>	<b>336.979.643</b>	<b>530.264.192</b>	<b>867.243.835</b>
1.1 Letters of Guarantee		378.989.890	461.062.430	840.052.320	282.069.537	410.303.320	692.372.857
1.1.1 Guarantees Subject to State Tender Law		7.319.678	97.141.223	104.460.901	6.522.014	89.577.964	96.099.978
1.1.2 Guarantees Given for Foreign Trade Operations		280.093.651	285.995.915	566.089.566	218.804.060	261.891.995	480.696.055
1.1.3 Other Letters of Guarantee		91.576.561	77.925.292	169.501.853	56.743.463	58.833.361	115.576.824
1.2 Bank Acceptances		960.940	7.257.819	8.218.759	1.305.171	7.087.875	8.393.046
1.2.1 Import Letter of Acceptance		960.940	7.226.672	8.187.612	1.305.171	7.059.590	8.364.761
1.2.2 Other Bank Acceptances		-	31.147	31.147	-	28.285	28.285
1.3 Letters of Credit		235.608	119.296.337	119.531.945	635.033	111.634.011	112.269.044
1.3.1 Documentary Letters of Credit		235.608	118.203.884	118.439.492	635.033	111.386.311	112.021.344
1.3.2 Other Letters of Credit		-	1.092.453	1.092.453	-	247.700	247.700
1.4 Prefinancing Given as Guarantee		-	-	-	-	-	-
1.5 Endorsements		70.600.264	396.963	70.997.227	52.950.762	362.683	53.313.445
1.5.1 Endorsements to the Central Bank of Türkiye		70.600.264	396.963	70.997.227	52.950.762	362.683	53.313.445
1.5.2 Other Endorsements		-	-	-	-	-	-
1.6 Purchase Guarantees for Securities Issued		-	-	-	-	-	-
1.7 Factoring Guarantees		-	-	-	-	-	-
1.8 Other Guarantees		17.877	87.057	104.934	10.586	876.303	886.889
1.9 Other Collaterals		25.697	-	25.697	8.554	-	8.554
<b>II. COMMITMENTS</b>	(1)	<b>887.437.342</b>	<b>125.402.270</b>	<b>1.012.839.612</b>	<b>594.527.025</b>	<b>138.610.241</b>	<b>733.137.266</b>
2.1 Irrevocable Commitments		887.437.342	51.919.031	939.356.373	594.527.025	73.269.205	667.796.230
2.1.1 Asset Purchase and Sale Commitments		2.042.566	37.189.116	39.231.682	42.836.921	61.553.228	104.390.149
2.1.2 Deposit Purchase and Sales Commitments		-	-	-	-	-	-
2.1.3 Share Capital Commitments to Associates and Subsidiaries		-	-	-	-	-	-
2.1.4 Loan Granting Commitments		124.425.055	136.164	124.561.219	98.853.463	171.994	99.025.457
2.1.5 Securities Issue Brokerage Commitments		-	-	-	-	-	-
2.1.6 Commitments for Reserve Requirements		-	-	-	-	-	-
2.1.7 Commitments for Cheque Payments		31.788.926	561	31.789.487	20.924.030	436	20.924.466
2.1.8 Tax and Fund Liabilities from Export Commitments		451.282	-	451.282	296.293	-	296.293
2.1.9 Commitments for Credit Card Limits		647.549.855	255.495	647.805.350	392.965.041	207.161	393.172.202
2.1.10 Commitments for Credit Cards and Banking Services Promotions		164.128	-	164.128	260.816	-	260.816
2.1.11 Receivables from Short Sale Commitments of Marketable Securities		-	-	-	-	-	-
2.1.12 Payables for Short Sale Commitments of Marketable Securities		-	-	-	-	-	-
2.1.13 Other Irrevocable Commitments		81.015.530	14.337.695	95.353.225	38.390.461	11.336.386	49.726.847
2.2 Revocable Commitments		-	73.483.239	73.483.239	-	65.341.036	65.341.036
2.2.1 Revocable Loan Granting Commitments		-	3.962.889	3.962.889	-	3.797.670	3.797.670
2.2.2 Other Revocable Commitments		-	69.520.350	69.520.350	-	61.543.366	61.543.366
<b>III. DERIVATIVE FINANCIAL INSTRUMENTS</b>		<b>120.239.060</b>	<b>702.208.370</b>	<b>822.447.430</b>	<b>267.118.584</b>	<b>1.009.950.688</b>	<b>1.277.069.272</b>
3.1 Hedging Derivative Financial Instruments		-	-	-	-	-	-
3.1.1 Transactions for Fair Value Hedge		-	-	-	-	-	-
3.1.2 Transactions for Cash Flow Hedge		-	-	-	-	-	-
3.1.3 Transactions for Foreign Net Investment Hedge		-	-	-	-	-	-
3.2 Trading Derivative Financial Instruments		120.239.060	702.208.370	822.447.430	267.118.584	1.009.950.688	1.277.069.272
3.2.1 Forward Foreign Currency Buy/Sell Transactions		12.376.365	27.335.354	39.711.719	18.011.147	22.843.608	40.854.755
3.2.1.1 Forward Foreign Currency Transactions-Buy		6.240.046	13.665.423	19.905.469	9.050.559	11.401.268	20.451.827
3.2.1.2 Forward Foreign Currency Transactions-Sell		6.136.319	13.669.931	19.806.250	8.960.588	11.442.340	20.402.928
3.2.2 Swap Transactions Related to Foreign Currency and Interest Rates		107.862.695	670.926.081	778.788.776	249.107.437	975.837.382	1.224.944.819
3.2.2.1 Foreign Currency Swap-Buy		10.633.189	314.719.310	325.352.499	14.878.180	528.892.444	543.770.624
3.2.2.2 Foreign Currency Swap-Sell		95.899.506	233.004.195	328.903.701	234.079.257	312.066.718	546.145.975
3.2.2.3 Interest Rate Swap-Buy		665.000	61.601.288	62.266.288	75.000	67.439.110	67.514.110
3.2.2.4 Interest Rate Swap-Sell		665.000	61.601.288	62.266.288	75.000	67.439.110	67.514.110
3.2.3 Foreign Currency, Interest rate and Securities Options		-	3.946.935	3.946.935	-	11.269.698	11.269.698
3.2.3.1 Foreign Currency Options-Buy		-	1.973.467	1.973.467	-	5.634.848	5.634.848
3.2.3.2 Foreign Currency Options-Sell		-	1.973.468	1.973.468	-	5.634.850	5.634.850
3.2.3.3 Interest Rate Options-Buy		-	-	-	-	-	-
3.2.3.4 Interest Rate Options-Sell		-	-	-	-	-	-
3.2.3.5 Securities Options-Buy		-	-	-	-	-	-
3.2.3.6 Securities Options-Sell		-	-	-	-	-	-
3.2.4 Foreign Currency Futures		-	-	-	-	-	-
3.2.4.1 Foreign Currency Futures-Buy		-	-	-	-	-	-
3.2.4.2 Foreign Currency Futures-Sell		-	-	-	-	-	-
3.2.5 Interest Rate Futures		-	-	-	-	-	-
3.2.5.1 Interest Rate Futures-Buy		-	-	-	-	-	-
3.2.5.2 Interest Rate Futures-Sell		-	-	-	-	-	-
3.2.6 Other		-	-	-	-	-	-
<b>B. CUSTODY AND PLEDGES RECEIVED (IV+V+VI)</b>		<b>7.527.783.227</b>	<b>2.221.617.523</b>	<b>9.749.400.757</b>	<b>6.026.119.258</b>	<b>1.812.644.986</b>	<b>7.838.764.244</b>
<b>IV. ITEMS HELD IN CUSTODY</b>		<b>1.032.162.543</b>	<b>413.538.944</b>	<b>1.445.701.487</b>	<b>723.419.668</b>	<b>343.174.704</b>	<b>1.066.594.367</b>
4.1 Customer Fund and Portfolio Balances		-	-	-	-	-	-
4.2 Investment Securities Held in Custody		23.342.682	161.717.644	185.060.326	19.483.334	145.053.703	164.537.037
4.3 Cheques Received for Collection		145.389.410	5.129.488	150.518.898	114.910.279	3.726.744	118.637.023
4.4 Commercial Notes Received for Collection		79.360.262	4.764.711	84.124.973	62.726.797	3.969.230	66.696.027
4.5 Other Assets Received for Collection		8.816	-	8.816	8.816	-	8.816
4.6 Assets Received for Public Offering		513.762.322	61.648.177	575.410.499	356.075.512	42.469.593	398.545.105
4.7 Other Items Under Custody		270.297.402	156.083.253	426.380.655	170.213.276	130.202.937	300.416.213
4.8 Custodians		1.649	24.195.671	24.197.320	1.649	17.752.497	17.754.146
<b>V. PLEDGES RECEIVED</b>		<b>6.490.942.406</b>	<b>1.785.432.698</b>	<b>8.276.375.104</b>	<b>5.298.139.275</b>	<b>1.449.471.897</b>	<b>6.747.611.172</b>
5.1 Marketable Securities		5.958.995	6.540.053	12.499.048	5.827.171	5.666.160	11.493.331
5.2 Guarantee Notes		64.028.420	42.319.810	106.348.230	69.033.463	41.434.461	110.467.924
5.3 Commodity		38.228.648	16.417.123	54.645.771	29.537.469	11.402.155	40.939.624
5.4 Warranty		-	-	-	-	-	-
5.5 Immovable		5.618.308.297	1.228.046.035	6.846.354.332	4.486.668.950	956.982.243	5.443.651.193
5.6 Other Pledged Items		764.412.837	491.992.977	1.256.405.814	707.067.013	433.880.113	1.140.947.126
5.7 Pledged Items-Depository		5.209	116.700	121.909	5.209	106.765	111.974
<b>VI. ACCEPTED BILL, GUARANTEES AND WARRANTIES</b>		<b>4.678.278</b>	<b>22.645.881</b>	<b>27.324.159</b>	<b>4.560.320</b>	<b>19.998.385</b>	<b>24.558.705</b>
<b>TOTAL OFF-BALANCE SHEET COMMITMENTS (A+B)</b>		<b>8.986.289.905</b>	<b>3.637.328.769</b>	<b>12.623.618.674</b>	<b>7.224.744.510</b>	<b>3.491.470.107</b>	<b>10.716.214.617</b>

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

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## CONSOLIDATED STATEMENT OF PROFIT OR LOSS AS OF 30 JUNE 2024

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

IV. CONSOLIDATED STATEMENT OF PROFIT OR LOSS INCOME AND EXPENSE ITEMS	Note (Section Five IV)	Current Period 1 January-30 June 2024	Prior Period 1 January-30 June 2023	Current Period 1 April-30 June 2024	Prior Period 1 April-30 June 2023
<b>I. INTEREST INCOME</b>	(1)	<b>439.336.637</b>	<b>148.974.634</b>	<b>239.248.386</b>	<b>83.004.825</b>
1.1 Interest on Loans		301.724.133	98.957.160	162.045.268	54.835.279
1.2 Interest on Reserve Requirements		17.838.615	7.596	13.744.835	4.477
1.3 Interest on Banks		3.760.284	2.645.714	2.045.599	1.047.721
1.4 Interest on Money Market Transactions		3.298.539	13.982	356.985	(795)
1.5 Interest on Marketable Securities Portfolio		103.045.467	44.081.174	56.181.768	25.180.569
1.5.1 Fair Value Through Profit or Loss		1.589.935	461.811	1.202.871	264.398
1.5.2 Fair Value Through Other Comprehensive Income		64.713.526	27.821.135	36.103.059	15.585.224
1.5.3 Measured at Amortised Cost		36.742.006	15.798.228	18.875.838	9.330.947
1.6 Financial Lease Interest Income		7.554.175	2.365.292	3.834.832	1.559.300
1.7 Other Interest Income		2.115.424	903.716	1.039.099	378.274
<b>II. INTEREST EXPENSE (-)</b>	(2)	<b>377.191.461</b>	<b>108.730.133</b>	<b>206.813.323</b>	<b>64.746.338</b>
2.1 Interest on Deposits		338.897.078	86.647.830	181.713.545	51.453.275
2.2 Interest on Funds Borrowed		12.001.695	4.524.775	6.569.902	2.789.015
2.3 Interest Expense on Money Market Transactions		16.795.472	6.232.963	12.677.626	4.397.517
2.4 Interest on Securities Issued		7.307.225	2.852.836	4.420.898	1.674.004
2.5 Interest on Leases		893.461	224.607	484.062	143.356
2.6 Other Interest Expenses		1.296.530	8.247.122	947.290	4.289.171
<b>III. NET INTEREST INCOME/EXPENSE (I - II)</b>		<b>62.145.176</b>	<b>40.244.501</b>	<b>32.435.063</b>	<b>18.258.487</b>
<b>IV. NET FEES AND COMMISSIONS INCOME</b>		<b>35.181.667</b>	<b>13.790.871</b>	<b>18.179.634</b>	<b>7.653.742</b>
4.1 Fees and Commissions Received		54.448.542	17.265.929	28.413.610	9.643.237
4.1.1 Non-cash Loans		4.329.320	2.318.744	2.240.559	1.247.854
4.1.2 Other		50.119.222	14.947.185	26.173.051	8.395.383
4.2 Fees and Commissions Paid (-)		19.266.875	3.475.058	10.233.976	1.989.495
4.2.1 Non-cash Loans		835	667	448	380
4.2.2 Other		19.266.040	3.474.391	10.233.528	1.989.115
<b>V. DIVIDEND INCOME</b>		<b>2.437</b>	<b>11.072</b>	<b>1.520</b>	<b>11.072</b>
<b>VI. TRADING PROFIT/(LOSS) (Net)</b>	(3)	<b>(16.814.052)</b>	<b>21.501.165</b>	<b>(9.664.812)</b>	<b>21.342.226</b>
6.1 Trading Gains / (Losses) on Securities		4.358.631	777.568	2.026.547	1.326.194
6.2 Gains / (Losses) on Derivative Financial Transactions		(36.890.425)	(1.950.091)	(17.369.488)	129.663
6.3 Foreign Exchange Gains / (Losses)		15.717.742	22.673.688	5.678.129	19.886.369
<b>VII. OTHER OPERATING INCOME</b>	(4)	<b>25.064.825</b>	<b>27.185.840</b>	<b>11.691.628</b>	<b>4.602.294</b>
<b>VIII. GROSS OPERATING INCOME (III+IV+V+VI+VII)</b>		<b>105.580.053</b>	<b>102.733.449</b>	<b>52.643.033</b>	<b>51.867.821</b>
<b>IX. EXPECTED CREDIT LOSS (-)</b>	(5)	<b>14.606.705</b>	<b>14.722.524</b>	<b>7.407.749</b>	<b>11.193.479</b>
<b>X. OTHER PROVISION EXPENSES (-)</b>	(5)	<b>2.283.613</b>	<b>1.613.128</b>	<b>1.917.616</b>	<b>1.418.586</b>
<b>XI. PERSONNEL EXPENSE (-)</b>		<b>22.338.929</b>	<b>11.642.886</b>	<b>12.890.327</b>	<b>5.804.105</b>
<b>XII. OTHER OPERATING EXPENSES (-)</b>	(6)	<b>29.838.593</b>	<b>41.811.897</b>	<b>15.164.096</b>	<b>10.340.378</b>
<b>XIII. NET OPERATING PROFIT/(LOSS) (VIII-IX-X-XI-XII)</b>		<b>36.512.213</b>	<b>32.943.014</b>	<b>15.263.245</b>	<b>23.111.273</b>
<b>XIV. EXCESS AMOUNT RECORDED AS INCOME AFTER MERGER</b>		-	-	-	-
<b>XV. PROFIT/LOSS FROM INVESTMENTS IN SUBSIDIARIES CONSOLIDATED BASED ON EQUITY METHOD</b>		<b>147.098</b>	<b>96.381</b>	<b>82.257</b>	<b>54.269</b>
<b>XVI. PROFIT/(LOSS) ON NET MONETARY POSITION</b>		-	-	-	-
<b>XVII. PROFIT/LOSS BEFORE TAX FROM CONTINUED OPERATIONS (XIII+...+XVI)</b>	(7)	<b>36.659.311</b>	<b>33.039.395</b>	<b>15.345.502</b>	<b>23.165.542</b>
<b>XVIII. TAX PROVISION FOR CONTINUED OPERATIONS (±)</b>	(8)	<b>(1.308.106)</b>	<b>(4.142.434)</b>	<b>(303.949)</b>	<b>(2.708.796)</b>
18.1 Current Tax Provision		(17.281.264)	(383.804)	(11.141.437)	(211.301)
18.2 Deferred Tax Expense Effect (+)		(1.475.360)	(10.095.976)	(512.447)	(4.215.370)
18.3 Deferred Tax Income Effect (-)		17.448.518	6.337.346	11.349.935	1.717.875
<b>XIX. CURRENT PERIOD PROFIT/LOSS FROM CONTINUED OPERATIONS (XVII±XVIII)</b>	(9)	<b>35.351.205</b>	<b>28.896.961</b>	<b>15.041.553</b>	<b>20.456.746</b>
<b>XX. INCOME FROM DISCONTINUED OPERATIONS</b>		-	-	-	-
0.1 Income from Non-current Assets Held for Sale		-	-	-	-
20.2 Profit from Sales of Associates, Subsidiaries and Entities under Common Control (Joint Ventures)		-	-	-	-
20.3 Income from Other Discontinued Operations		-	-	-	-
<b>XXI. EXPENSES FOR DISCONTINUED OPERATIONS (-)</b>		-	-	-	-
21.1 Expenses for Non-current Assets Held for Sale		-	-	-	-
21.2 Loss from Sales of Associates, Subsidiaries and Joint Ventures		-	-	-	-
21.3 Expenses from Other Discontinued Operations		-	-	-	-
<b>XXII. PROFIT/LOSS BEFORE TAX FROM DISCONTINUED OPERATIONS (XX-XXI)</b>		-	-	-	-
<b>XXIII. TAX PROVISION FOR DISCONTINUED OPERATIONS (±)</b>		-	-	-	-
23.1 Current Tax Provision		-	-	-	-
23.2 Deferred Tax Expense Effect (+)		-	-	-	-
23.3 Deferred Tax Income Effect (-)		-	-	-	-
<b>XXIV. CURRENT PERIOD PROFIT/LOSS FROM DISCONTINUED OPERATIONS (XXII±XXIII)</b>		-	-	-	-
<b>XXV. NET PROFIT/(LOSS) (XIX+XXIV)</b>	(10)	<b>35.351.205</b>	<b>28.896.961</b>	<b>15.041.553</b>	<b>20.456.746</b>
25.1 Profit / (Loss) from the Group		35.253.810	28.865.482	14.988.879	20.429.868
25.2 Profit / (Loss) from Minority Interest		97.395	31.479	52.674	26.878
Earnings/(Loss) per share (in TL full)		0,418	0,478	0,178	0,244

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

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME AS OF 30 JUNE 2024

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

<b>V. CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME</b>		<b>Current Period 1 January- 30 June 2024</b>	<b>Prior Period 1 January- 30 June 2023</b>
<b>I.</b>	<b>PROFIT (LOSS)</b>	<b>35.351.205</b>	<b>28.896.961</b>
<b>II.</b>	<b>OTHER COMPREHENSIVE INCOME</b>	<b>7.665.968</b>	<b>(15.645.725)</b>
<b>2.1</b>	<b>Other Comprehensive Income That Will Not Be Reclassified To Profit or Loss</b>	<b>9.756.220</b>	<b>(3.767.527)</b>
2.1.1	Gains (Losses) on Revaluation of Property, Plant and Equipment	13.746.795	204.663
2.1.2	Gains (losses) on revaluation of Intangible Assets	-	-
2.1.3	Gains (losses) on remeasurements of defined benefit plans	(377)	(485)
2.1.4	Other Components of Other Comprehensive Income That Will Not Be Reclassified to Profit Or Loss	(62.699)	(4.550.781)
2.1.5	Taxes Relating to Components of Other Comprehensive Income That Will Not Be Reclassified to Profit Or Loss	(3.927.499)	579.076
<b>2.2</b>	<b>Other Comprehensive Income That Will Be Reclassified to Profit or Loss</b>	<b>(2.090.252)</b>	<b>(11.878.198)</b>
2.2.1	Exchange Differences on Translation	681.093	2.435.046
2.2.2	Valuation and/or Reclassification Profit or Loss from financial assets at fair value through other comprehensive income	(5.010.275)	(22.761.241)
2.2.3	Income (Loss) Related with Cash Flow Hedges	-	-
2.2.4	Income (Loss) Related with Hedges of Net Investments in Foreign Operations	753.571	2.789.349
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	1.485.359	5.658.648
<b>III.</b>	<b>TOTAL COMPREHENSIVE INCOME (I+II)</b>	<b>43.017.173</b>	<b>13.251.236</b>

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

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY AS OF 30 JUNE 2024

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

VI. CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY	Paid-in Capital	Share Premiums	Share Cancellation profit	Other Capital Reserves	Accumulated Other Comprehensive Income or Expense Not Reclassified through Profit or Loss			Accumulated Other Comprehensive Income or Expense Reclassified through Profit or Loss			Profit Reserves	Prior Period Net Profit/(Loss)	Current Period Net Profit/(Loss)	Shareholders' Equity Before Minority Interest	Minority Interest	Total Equity
					1	2	3	4	5	6						
<b>I. Current Period 30 June 2024</b>																
<b>II. Prior Period End Balance</b>	84.600.000	-	-	-	35.897.420	(1.475.432)	5.387.718	9.185.755	(7.705.909)	8.016.752	120.658.996	101.536.877	-	356.102.177	6.883.914	362.986.091
<b>III. Corrections and Accounting Policy Changes Made According to TAS 8</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.1 Effects of Adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.2 Effects of the Changes in Accounting Policies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>IV. New Balance (I+II)</b>	84.600.000	-	-	-	35.897.420	(1.475.432)	5.387.718	9.185.755	(7.705.909)	8.016.752	120.658.996	101.536.877	-	356.102.177	6.883.914	362.986.091
<b>V. Total Comprehensive Income (Loss)</b>	-	-	-	-	9.819.296	(377)	(62.699)	681.093	(3.524.916)	753.571	-	35.253.810	-	42.919.778	97.395	43.017.173
<b>VI. Capital Increase in Cash</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>VII. Capital Increase Through Internal Reserves</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>VIII. Paid-in capital inflation adjustment difference</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>IX. Convertible Bonds</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>X. Subordinated debt instruments</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>XI. Increase/(Decrease) Through Other Changes</b>	-	-	-	-	-	-	-	-	-	-	143.052	564.334	-	707.386	(20.986)	686.400
<b>XII. Profit distribution</b>	-	-	-	-	-	-	703.466	-	-	-	97.140.569	(97.884.828)	-	(40.793)	-	(40.793)
11.1 Dividends paid	-	-	-	-	-	-	-	-	-	-	-	(40.793)	-	(40.793)	-	(40.793)
11.2 Transfers to reserves	-	-	-	-	-	-	-	-	-	-	96.870.006	(96.870.006)	-	-	-	-
11.3 Other	-	-	-	-	-	-	703.466	-	-	-	270.563	(974.029)	-	-	-	-
<b>Balance at the end of the period (III+IV+.....+X+XI)</b>	84.600.000	-	-	-	45.716.716	(1.475.809)	6.028.485	9.866.848	(11.230.825)	8.770.323	217.942.617	4.216.383	35.253.810	399.688.548	6.960.323	406.648.871

1. Increases and decreases in Tangible Assets Revaluation Reserve,

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

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

4. Exchange Differences on Translation

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

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

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

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY AS OF 30 JUNE 2023

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

VI. CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY	Paid-in Capital	Share Premiums	Share Cancellation profits	Other capital reserves	Accumulated Other Comprehensive Income or Expense Not Reclassified through Profit or Loss			Accumulated Other Comprehensive Income or Expense Reclassified through Profit or Loss			Profit Reserves	Prior Period Net Profit/(Loss)	Current Period Net Profit/(Loss)	Shareholders' Equity Before Minority Interest	Minority Interest	Total Equity
					1	2	3	4	5	6						
					<b>Prior Period 30 June 2023</b>											
<b>I. Prior Period End Balance</b>	34.900.000	-	-	-	24.730.136	(2.852.002)	2.119.796	5.623.376	19.938.833	3.792.404	74.732.663	47.416.520	-	210.401.726	3.680.024	214.081.750
<b>II. Corrections and Accounting Policy Changes Made According to TAS 8r</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.1 Effects of Corrections	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.2 Effects of the Changes in Accounting Policies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>III. New Balance (I+II)</b>	34.900.000	-	-	-	24.730.136	(2.852.002)	2.119.796	5.623.376	19.938.833	3.792.404	74.732.663	47.416.520	-	210.401.726	3.680.024	214.081.750
<b>IV. Total Comprehensive Income (Loss)</b>	-	-	-	-	(126.538)	(364)	(3.640.625)	2.435.046	(17.102.593)	2.789.349	-	-	28.865.482	13.219.757	31.479	13.251.236
<b>V. Capital Increase in Cash</b>	49.700.000	-	-	-	-	-	-	-	-	-	-	-	-	49.700.000	-	49.700.000
<b>VI. Capital Increase Through Internal Reserves</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>VII. Paid-in capital inflation adjustment difference</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>VIII. Convertible Bonds</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>IX. Subordinated debt instruments</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>IX. Increase/(Decrease) Through Other</b>	-	-	-	-	-	-	39.761	-	-	-	1.762.401	21.935	-	1.824.097	52.106	1.876.203
<b>X. Changes</b>	-	-	-	-	-	-	-	-	-	-	(68.778)	68.778	-	-	-	-
<b>XI. Profit distribution</b>	-	-	-	-	-	-	-	-	-	-	(68.778)	68.778	-	-	-	-
11.1 Dividends paid	-	-	-	-	-	-	-	-	-	-	(68.778)	68.778	-	-	-	-
11.2 Transfers to reserves	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11.3 Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Balance at the end of the period (III+IV+.....+X+XI)</b>	84.600.000	-	-	-	24.603.598	(2.852.366)	(1.481.068)	8.058.422	2.836.240	6.581.753	76.426.286	47.507.233	28.865.482	275.145.580	3.763.609	278.909.189

1. Increases and decreases in Tangible Assets Revaluation Reserve

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

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

4. Exchange Differences on Translation

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

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

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



# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## CONSOLIDATED STATEMENT OF CASH FLOWS AS OF 30 JUNE 2024

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

VII. CONSOLIDATED STATEMENT OF CASH FLOWS	Note	Current Period 1 January – 30 June 2024	Prior Period 1 January – 30 June 2023
<b>A. CASH FLOWS FROM BANKING OPERATIONS</b>			
<b>1.1 Operating Profit Before Changes in Operating Assets and Liabilities</b>		<b>11.628.075</b>	<b>10.219.194</b>
1.1.1 Interest Received		361.516.113	126.795.910
1.1.2 Interest Paid		(338.242.924)	(93.184.895)
1.1.3 Dividend Received		2.437	11.072
1.1.4 Fees and Commissions Received		56.679.412	26.627.291
1.1.5 Other Income		20.422.662	4.826.342
1.1.6 Collections from Previously Written-off Loans and Other Receivables		4.117.266	2.270.478
1.1.7 Cash Payments to Personnel and Service Suppliers		(24.643.674)	(12.830.921)
1.1.8 Taxes Paid		(15.253.447)	(7.102.284)
1.1.9 Other		(52.969.770)	(37.193.799)
<b>1.2 Changes in Operating Assets and Liabilities</b>		<b>54.533.154</b>	<b>16.251.606</b>
1.2.1 Net (Increase) / Decrease in Financial Assets at Fair Value Through Profit or Loss		(13.486.695)	(19.223.452)
1.2.2 Net (Increase) / Decrease in Due from Banks and Other Financial Institutions		(96.768.976)	4.720.666
1.2.3 Net (Increase) / Decrease in Loans		(289.313.946)	(439.042.007)
1.2.4 Net (Increase) / Decrease in Other Assets		(16.518.494)	(34.076.548)
1.2.5 Net Increase / (Decrease) in Bank Deposits		5.515.025	42.064.329
1.2.6 Net Increase / (Decrease) in Other Deposits		195.280.483	325.167.982
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		106.679.001	10.155.170
1.2.9 Net Increase / (Decrease) in Payables		-	-
1.2.10 Net Increase / (Decrease) in Other Liabilities		163.146.756	126.485.466
<b>I. Net Cash Provided from Banking Operation</b>		<b>66.161.229</b>	<b>26.470.800</b>
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>			
<b>II. Net Cash Provided from Investing Activities</b>		<b>(65.884.987)</b>	<b>(139.085.205)</b>
2.1 Cash Paid for Acquisition of Investments, Associates, Subsidiaries and Entities under Common Control (Joint Venture)		(22.500)	(119.285)
2.2 Cash Obtained from Disposal of Investments, Associates, Subsidiaries and Entities under Common Control (Joint Venture)		-	-
2.3 Purchases of Property and Equipment		(4.575.151)	(4.615.867)
2.4 Disposals of Property and Equipment		551.976	532.643
2.5 Purchase of Financial Assets at Fair Value Through Other Comprehensive Income		(215.009.614)	(91.101.392)
2.6 Sale of Financial Assets at Fair Value Through Other Comprehensive Income		112.777.182	57.433.578
2.7 Purchase of Financial Assets Measured at Amortized Cost		(18.968.963)	(110.907.084)
2.8 Sale of Financial Assets Measured at Amortized Cost		59.362.083	9.692.202
2.9 Other		-	-
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>			
<b>III. Net Cash Provided from Financing Activities</b>		<b>64.367.833</b>	<b>57.556.138</b>
3.1 Cash Obtained from Funds Borrowed and Securities Issued		90.844.778	19.208.476
3.2 Cash Used for Repayment of Funds Borrowed and Securities Issued		(25.609.806)	(10.854.133)
3.3 Issued Equity Instruments		-	49.700.000
3.4 Dividends Paid		-	-
3.5 Payments for Finance Leases		(867.139)	(498.205)
3.6 Other		-	-
<b>IV. Effect of Change in Foreign Exchange Rate on Cash and Cash Equivalents</b>		<b>9.010.326</b>	<b>25.961.119</b>
<b>V. Net Increase in Cash and Cash Equivalents (I+II+III+IV)</b>		<b>73.654.401</b>	<b>(29.097.148)</b>
<b>VI. Cash and Cash Equivalents at Beginning of the Period</b>		<b>491.845.595</b>	<b>229.305.437</b>
<b>VII. Cash and Cash Equivalents at End of the Period</b>		<b>565.499.996</b>	<b>200.208.289</b>

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

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
AS OF 30 JUNE 2024**

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

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**SECTION THREE**

**EXPLANATIONS ON ACCOUNTING POLICIES**

**I. BASIS OF PRESENTATION**

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

The format and content of the publicly announced 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”, published in the Official Gazette No. 28337, dated 28 June 2012 and the “Communiqué on Public Disclosures on Risk Management by Banks”, published in the Official Gazette No. 29511, dated 23 October 2015 and amendments to these Communiqué. The Parent Bank maintains its books in Turkish Lira in accordance with the Banking Law, Turkish Commercial Code and Turkish Tax Legislation.

Financial statements of subsidiaries in abroad are prepared in accordance with prevalent law and legislation in their country, adjustments and reclassifications are reflected on the purpose of fair presentation pursuant to Reporting Standards.

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

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

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

The Parent Bank reflected the estimates and judgments into the calculation of expected credit losses with the maximum effort and the best estimation method. The Parent Bank has revised its macroeconomic expectations and has reflected to the financial statement as of 30 June 2024, by taking into account the change in probability of default and loss given default.

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

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2024

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

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### EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

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

On 23 November 2023, POA announced that, entities reporting under the TFRS should begin implementing "TAS - 29 Financial Reporting in Hyperinflationary Economies" standard in their financial statements, from periods ending on and after 31 December 2023. Besides, regulatory and auditing bodies that are authorized in their respective areas have flexibility to determine alternative transition dates for the application of TAS - 29. Within the scope of the decision dated 12 December 2023 and numbered 10744 by the BRSA, banks, financial leasing, factoring, financing, savings financing, and asset management companies are not subject to inflation adjustments required under TAS-29 in their financial statements as of 31 December 2023. Based on the decision Numbered 10825 dated 11 January 2024, inflation accounting will be implemented starting from 1 January 2025. Therefore, in the financial statements dated 30 June 2024, TAS 29 was not applied, and no inflation adjustments were made.

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

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

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

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

The cost of foreign currency resources and the return on assets are closely monitored. Deposit interest rates are adjusted in line with market rates to maintain a positive profit margin.

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

For the exchange risk arising from foreign currency conversion of Ziraat Bank International AG, Ziraat Bank BH dd and Ziraat Bank Montenegro AD, the Bank's subsidiaries to which capital was paid in Euro amounts, Euro deposits are used for hedging purposes. Information on fair value hedge accounting applied in order to hedge the said total capital amount of EUR 346.853 thousand (31 December 2023: EUR 346.853 thousand), which is associated with this purpose, from exchange rate risk effects arising from changes in investment in business abroad, is presented in Section Four, article no VIII.

Assets and liabilities of the overseas branches of the Parent Bank are converted into Turkish Lira with the Parent Bank's prevailing counter currency buying rates at the balance sheet date.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
AS OF 30 JUNE 2024**

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

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**EXPLANATIONS ON ACCOUNTING POLICIES (Continued)**

**III. INFORMATION ON CONSOLIDATED SUBSIDIARIES**

**1. Consolidation Principles Applied**

The consolidated financial statements have been prepared in accordance with the procedures listed in the “Communiqués related to the Regulation on the Preparation of the Consolidated Financial Statements of Banks” published in the Official Gazette No. 26340 dated 8 November 2006 and the “Consolidated Financial Statements” (“TFRS 10”).

**1.1. Consolidation Principles for Subsidiaries**

Subsidiaries are all entities in which the Group has the power to control financial and operational policies for the benefit of the Parent Bank (a) directly and indirectly, with the authority to exercise more than 50% of the voting rights pertaining to shares in the owned companies; or (b) not having the power to exercise more than 50% of the rights of use, otherwise having control over financial and business policies.

Control is evident when the Parent Bank owns, either directly or indirectly, the majority of the share capital of the company or owns the privileged shares or owns the right of controlling the operations of the company in accordance with the agreements made with other shareholders or owns the right of appointment or the designation of the majority of the board of directors of the company.

Subsidiaries are consolidated with full consolidation method, considering the size of their assets and equity within the scope of their activities and the materiality principle. Subsidiaries are included in the scope of consolidation since the control of their activities is transferred to the group and are excluded from the scope of consolidation from the date the control disappears. Where necessary, the accounting policies of the subsidiaries have been changed to ensure consistency with the policies adopted by the Group.

According to the full consolidation method, 100% of the balance sheet, profit or loss statement and off-balance sheet items of the subsidiaries are consolidated with the balance sheet, profit or loss statement and off-balance sheet items of the Parent Bank. The carrying amount of the Group's investments in each subsidiary is netted off with the portion of the capital of each subsidiary that belongs to the Group. Unrealized gains and losses and balances arising from transactions between subsidiaries included in consolidation are eliminated. In order to determine the net income of the Group, minority interest in the net income of the consolidated subsidiaries have been determined and deducted from the net income of the subsidiary. Minority interests in the consolidated balance sheet are presented separately from the liabilities and shares of the Group shareholders. In addition, minority interests are presented separately in the profit or loss statement interest.

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2024

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

### EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

#### III. INFORMATION ON CONSOLIDATED SUBSIDIARIES (Continued)

##### 1. Consolidation Principles Applied (Continued)

##### 1.1. Consolidation Principles for Subsidiaries (Continued)

The subsidiaries included in consolidation, their title, their place of incorporation, their main activities and their effective shareholding rates are as follows:

Title	Address (City/Country)	Main Activities	Parent Bank's Share Percentage (%)	Parent Bank's Risk Group Share Percentage (%)
Ziraat Yatırım Menkul Değerler A.Ş.	Istanbul/Türkiye	Brokerage Houses	99,60	99,60
Ziraat Portföy Yönetimi A.Ş.	Istanbul/Türkiye	Portfolio Management	74,90	95,08
Ziraat Katılım Bankası A.Ş.	Istanbul/Türkiye	Banking	100,00	100,00
Ziraat Gayrimenkul Yatırım Ortaklığı A.Ş.	Istanbul/Türkiye	Real Estate	81,06	81,06
Ziraat Girişim Sermayesi Ortaklığı A.Ş.	Istanbul/Türkiye	Venture Capital	100,00	100,00
Ziraat Finansal Teknolojiler Elektronik Para ve Ödeme Hizmetleri A.Ş.	Istanbul/Türkiye	Payment Services	100,00	100,00
Ziraat Dinamik Banka A.Ş.	Istanbul/Türkiye	Banking	100,00	100,00
Ziraat Bank International AG	Frankfurt/Almanya	Banking	100,00	100,00
Ziraat Bank BH d.d.	Saraybosna/Bosna Hersek	Banking	100,00	100,00
Ziraat Bank (Moscow) JSC	Moscow/Russia	Banking	99,91	100,00
Kazakhstan Ziraat Int. Bank	Almaty/Kazakhstan	Banking	99,92	99,92
Ziraat Bank Azerbaycan ASC	Baku/Azerbaijan	Banking	99,98	100,00
Ziraat Bank Montenegro AD	Podgorica/Montenegro	Banking	100,00	100,00
JSC Ziraat Bank Georgia	Tbilisi/Georgia	Banking	100,00	100,00
Ziraat Bank Uzbekistan JSC	Tashkent/Uzbekistan	Banking	100,00	100,00

##### 1.2. Consolidation Principles of Associates and Entities under common control

An associate is a partnership with which the Parent Bank participates in its capital and has significant effect on it although it has no capital or management control, whose main operation is banking, and which operates according to special legislation with permission and license and is established abroad. The related associate is consolidated with equity method in accordance with materiality principle. Significant effect refers to the participation power on the constitution of the financial and management policies of the participated associate. If the Parent Bank has 10% or more voting right on the associate, as long as it is not proved otherwise, it will be accepted that the Parent Bank has significant effect on that associate. Equity method is an accounting method which foresees the increase or decrease of the book value of capital share in an associate from the changed amount in the associate participating shareholder's equity during the period by the portion of the participant and the deduction of the dividend from the associate from the changed value of the associate amount. The associates and joint ventures consolidated with the equity method, their title, place of incorporation, main activities, effective shareholding rates and direct and indirect shareholding rates are as follows:

Title	Address (City/Country)	Main Activities	Parent Bank's Share Percentage (%)	Group's Share (%)
Turkmen Turkish Joint Stock Commercial Bank	Ashkhabad/ Turkmenistan	Banking	50,00	50,00
Arap Türk Bankası A.Ş.	Istanbul/Türkiye	Banking	15,43	15,43
Birleşim Varlık Yönetim A.Ş.	Istanbul/Türkiye	Asset Management	16,00	16,00

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2024

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

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### EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

#### III. INFORMATION ON CONSOLIDATED SUBSIDIARIES (Continued)

##### 1. Consolidation Principles Applied (Continued)

##### 1.3. Principles Applied During Share Transfer, Merger and Acquisition

Acquisition of entities are accounted by the purchase method on the date of purchase when the control is being transferred to the Group. Control explains managing power of Group on entity’s financial and operational policies for the purpose of providing benefit from operations of entity. While evaluating control, executable potential voting rights are taken consideration by Group.

##### 1.4. Transactions with Minority Shareholders

The Group considers transactions with minority shareholders as transactions within the Parent Bank. For acquisitions from minority shareholders, the difference between the acquisition cost and related portion of net assets’ booked value is deducted from equity. Profit or loss resulting from sales to minority shareholders is booked under equity.

##### 1.5. Presentation of Unconsolidated Subsidiaries and Associates in Consolidated Financial Statements

Subsidiaries, which are not included in the scope of consolidation, are accounted for their fair values, while associates are accounted for at their cost values after netting impairment if any, and are reflected in the consolidated financial statements.

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

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

Derivative financial instruments of the Group are classified under “IFRS 9 Financial Instruments Standard” (“IFRS 9”), “Derivative Financial Assets Measured at Fair Value through Profit or Loss”.

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

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

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

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AS OF 30 JUNE 2024**

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

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**EXPLANATIONS ON ACCOUNTING POLICIES (Continued)**

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

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

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

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

Total of minimum rental payments including interests and principals are recorded under “financial lease receivables” as gross. The interest which is the difference between the total of rental payments and the cost of the related tangible asset is recorded under “unearned income”. When the rent payment incurs, the rent amount is deducted from “financial lease receivables”; and the interest portion is recorded as interest income in the profit or loss statement.

Profit share income is accounted for by applying the internal rate of return method. Group calculates expense accrual according to the unit value calculation method over the participation accounts.

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

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

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

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

**VII. EXPLANATIONS ON FINANCIAL ASSETS**

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

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

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

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

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**EXPLANATIONS ON ACCOUNTING POLICIES (Continued)**

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

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

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

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

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

Financial assets at fair value through profit or loss;

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

Financial assets at the fair value through profit or loss are initially recognized at fair value. All gains and losses arising from these valuations are included in the profit/loss accounts, and the interest earned is shown in interest income and dividends earned are shown in dividend income.

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

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

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

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



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
AS OF 30 JUNE 2024**

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

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**EXPLANATIONS ON ACCOUNTING POLICIES (Continued)**

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

**Financial Assets at Fair Value Through Other Comprehensive Income (Continued)**

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

**Financial Assets at Measured at Amortized Cost**

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

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

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

The estimated inflation rate used during the year can be updated if necessary. In this context, as of 30 June 2024, the valuation of the assets was made according to the annual inflation forecast of 35% by the Parent Bank. At the end of the year, the actual inflation rate is used. A 5% increase in the CPI estimate will increase pre-tax profit by TL 4.441 million as of 30 June 2024, while a 5% decrease will decrease it by TL 4.492 million.

**Loans**

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

Cash loans are accounted with their original balances in the accounts specified in Uniform Chart of Accounts and Prospectus according to their type, maturity, and collateral structures. Foreign exchange loans are recognized with fixed price and revalued by the counter foreign exchange buying rate of the Bank.

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

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**EXPLANATIONS ON ACCOUNTING POLICIES (Continued)**

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

**Explanations on Expected Loss Provisions**

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

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

In addition, using expert opinion, the Bank has made provision on the model outputs for customer groups that it believed that the model did not statistically respond to credit risk factors. In accordance with TFRS 9, in the expected credit loss calculation, a certain part of commercial and corporate loans are obtained in accordance with internal policies, taking into account the threshold amounts determined for risk according to the bank's current classification policy and segment structure. The calculation is made by discounting the cash flows expected from the customer or collateral sales to their present value with the effective interest rate. The reserve will be reviewed in the following reporting periods, taking into account the loan portfolio and changes in future expectations.

**Impairment**

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

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

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

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

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

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**EXPLANATIONS ON ACCOUNTING POLICIES (Continued)**

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

**Impairment (Continued)**

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

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

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

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

While the expected loss provision is calculated for 1 year for loans in the 1st stage, it is calculated by taking into account the entire remaining maturity for loans in the 2nd stage.

The basic criteria for the classification of financial assets in the second stage are as follows;

- Receivables with a delay of 30 days or more
- Restructuring of the loan
- Close monitoring criteria in the Bank's Early Warning System
- Early warning note
- Significant increase in credit risk

In identifying customers with a significant increase in credit risk, the probability of default at the time of loan allocation/disbursement and the change in the probability of default produced by behavioral models as of the reporting date are taken into account. Customers whose changes exceed the determined threshold value are classified under the second group. Corporate loans are processed on a customer basis, while individual loans are processed on a product basis.

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

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

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

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

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

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AS OF 30 JUNE 2024**

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**EXPLANATIONS ON ACCOUNTING POLICIES (Continued)**

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

**Impairment (Continued)**

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

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

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

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

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

**Probability of Default (PD)**

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

**Exposure at Default (EAD)**

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

**Loss Given Default (LGD)**

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

**Future Expectations**

The effect of future expectations is included in the credit risk parameters used in the calculation of expected credit losses by using scenarios related to macroeconomic factors. The Parent Bank uses the macroeconomic forecasting model developed during the creation of multiple scenarios to be used in expected credit loss calculations. The macroeconomic variables that stand out during the estimation are the Gross Domestic Product (GDP) and the Unemployment Rate and the risk parameters are updated if deemed necessary, taking into account the compatibility with the portfolio. In addition to macroeconomic indicators, the Parent Bank has preferred the precautionary approach by adding expert opinion while creating macroeconomic models, taking into account the economic conditions, and the numerical effects of these risks were also included in the models.

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**EXPLANATIONS ON ACCOUNTING POLICIES (Continued)**

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

**Impairment (Continued)**

**The Methodology of Behavioral Maturity Calculation**

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

**Write-off Policy**

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

**IX. EXPLANATIONS ON OFFSETTING FINANCIAL INSTRUMENTS**

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

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

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

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

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**EXPLANATIONS ON ACCOUNTING POLICIES (Continued)**

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

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

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

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

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

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

As of the date of balance sheet, the Group has no goodwill in its financial statements. (31 December 2023: None).

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

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

The Group recognizes its software costs incurred under the intangible assets-intangible rights account and the expenses that qualify as development are added to software's initial costs and amortized over 3 years considering the useful lives. The Parent Bank has determined estimated useful lives of the intangible assets between 3 and 15 years and it applies depreciation rates between 33.3% to 6.7%.

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

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### EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

#### XIII. EXPLANATIONS ON PROPERTY AND EQUIPMENT

Property and equipment are measured at its cost when initially recognised and any directly attributable costs of setting the asset in working order for its intended use are included in the initial measurement. As of 31 January 2014, the Parent Bank has changed its accounting policies and has decided to pursue the real estates registered in its portfolio at fair values. The valuation differences resulting from the valuations of real estates made by independent appraisal firms are accounted for in the revaluation differences account of tangible fixed assets under shareholders' equity.

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

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

	<b>Estimated Useful Lives (Year)</b>	<b>Amortization Rate</b>
Buildings	50	2%
Safe-deposit boxes	50	2%
Other movable properties	3-15	33,3-6,66%
Assets held under leases	10	10%

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

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

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

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### EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

#### XIV. EXPLANATIONS ON INVESTMENT PROPERTIES

Investment properties consist of assets held to earn rent and / or value increase. The mentioned real estates owned by the Group are shown in the consolidated financial statements using the fair value method within the framework of TAS 40 "Investment Properties". Gains and losses arising from a change in the fair value of investment properties are reflected in the profit / loss accounts in the period they occur.

#### XV. EXPLANATIONS ON LEASING TRANSACTIONS

##### Leases in TFRS 16

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

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

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

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

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

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



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**EXPLANATIONS ON ACCOUNTING POLICIES (Continued)**

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

**Leases in TFRS 16 (Continued)**

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

Subject to financial leasing in the consolidated balance sheet of the entity is shown as a receivable equal to net leasing. The interest income is determined to form a fixed revenue return ratio using net investment method related to lease asset of the lessor, and the portion of interest income which does not take part in the related term is followed under the unearned interest income account.

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

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

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

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

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

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

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

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

**Severance Pay and Allowance Rights**

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

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### EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

#### XVII. EXPLANATIONS ON OBLIGATIONS RELATED TO EMPLOYEE RIGHTS (Continued)

##### Severance Pay and Allowance Rights (Continued)

According to Turkish laws and union agreements, severance payments are made in the case of retirement or upon the fulfillment of legal conditions, whether due to resignation or termination. Based on the employee’s status at the Group and the social security institution to which they are affiliated, severance pay is calculated in accordance with the relevant legislation for their period of service. These assumptions based on the calculation are below:

The Parent Bank uses independent actuaries in determining liability and makes assumptions about issues such as discount rate and inflation. As of 30 June 2024, retirement benefit obligation is TL 5.993.736 (31 December 2023: TL 5.312.642).

	Current Period	Prior Period
Discount Rate	28,00%	28,00%
Inflation	23,67%	23,67%

The Group accounts for actuarial losses and gains under equity in accordance with the revised TAS 19 Turkish Accounting Standard for Employee Benefits, which entered into force as of 1 January 2013. The Group has reclassified actuarial loss of TL 1.475.809 under equity after deferred tax effect (31 December 2023: TL 1.475.432 loss).

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

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

##### Liability of T.C. Ziraat Bankası and T. Halk Bankası Members Pension and Relief Fund

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

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

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**EXPLANATIONS ON ACCOUNTING POLICIES (Continued)**

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

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

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

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

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

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

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

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

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### EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

#### XVII. EXPLANATIONS ON OBLIGATIONS RELATED TO EMPLOYEE RIGHTS (Continued)

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

The technical balance sheet report as of 31 December 2023 which is prepared in accordance with the new law and the rate determined as 9,80%, concluded no technical deficit arises in the above-mentioned fund. Since the Parent Bank has no legal right to hold the present value of any economic benefits available in the form of refunds from Pension Fund or reductions in future contributions to Pension Fund, no asset is recognized in the Parent Bank’s financial statements.

#### XVIII. EXPLANATIONS ON TAXATION

##### Current Tax

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

However;

Pursuant to Article 25 of Law No. 7394 published in the Official Gazette dated 15 April 2022 and numbered 31810; Corporate tax rate has been determined as 25% for banks, companies within the scope of Law No. 6361, electronic payment and money institutions, authorized foreign exchange institutions, asset management companies, capital market institutions, insurance and reinsurance companies and pension companies is determined as 25%, and this rate will be effective as of 1 July 2022. It came into force to start with the declarations that must be submitted and to be applied to corporate earnings for accounting periods starting from 1 January 2022.

In accordance with Article 21 of the Law No. 7456 published in the Official Gazette dated 15 July 2023 and numbered 32249, starting from the declarations that must be submitted as of 1/10/2023; The corporate tax rate to be applied to the earnings of corporations in 2023 and the following taxation periods has been increased from 25% to 30% for banks and other institutions mentioned in the law. As of 31 December 2023, the corporate tax rate has been applied as 30% in the financial statements.

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

Dividends paid to non-resident corporations, which have a place of business or permanent attorney in Türkiye or to resident corporations are not subject to withholding tax. While dividends paid to individuals and corporations were subject to withholding tax at the rate of 15%, this rate has been changed to 10% with the Presidential Decision published in the Official Gazette dated 22 December 2021 and No. 31697. Addition of profit to capital is not considered as profit distribution and withholding tax is not applied.

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

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**EXPLANATIONS ON ACCOUNTING POLICIES (Continued)**

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

**Current Tax (Continued)**

According to 5.1.e. article of Corporation Tax Law which is important tax exemption that is applied by banks, corporations’ 50% of revenues that occur from selling of their real estates, are in assets, that belong to the corporations at least two years (730 days), 75% of revenues that occur from selling their founding bonds that are belong to the corporations as long as time of participation stocks, redeemed shares and option to call are exempted from corporation tax. On the other hand, the exemption application for real estates held in the Bank's assets for at least two years was abolished with the 19th article of the Law No. 7456 published in the Official Gazette dated 15 July 2023 and numbered 32249, and in the 22nd article of the law “... The 50% rate in subparagraph (e) of the first paragraph of Article 5 is applied as 25% for the immovable sales earnings to be made after the effective date of this article.” and it has been announced that the exception rate will be 50% for sales made before 15 July 2023 and 25% for sales made after.

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

Taxes which do not accrue on time because the applying exemption for the transfer of the exempted part of revenue to the other accounts with other ways out of capitalizing in five years or withdrawn from company or transferring from limited taxpayer corporations to the headquarters, are considered as tax loss. This provision shall also apply in the event of the liquidation of the business within the same period (excluding transfers and divisions made under this Law).

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

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

Tax returns are required to be filled and delivered to the related tax office until the end of the fourth month following the balance sheet date and the accrued tax is paid until the end of the same month. Tax returns are open for 5 years from the beginning of the year following the balance sheet date and during this period the tax authorities have the right to audit tax returns, and the related accounting records on which they are based and may issue re-assessments based on their findings. As of the end of the 2021 calendar year, the conditions sought for inflation adjustment in the calculation of corporate tax have been fulfilled, within the framework of the repeated provision of Article 298/A of the Tax Procedure Law. However, with the Law No. 7352 on the Amendment of the Tax Procedure Law and the Corporate Tax Law, published in the Official Gazette dated 29 January 2022 and numbered 31734, the temporary article 33 was added to the Tax Procedure Law No. 213, including the provisional tax periods. Financial statements will not be subject to inflation adjustment for the 2021 and 2022 accounting periods (for those designated as a special accounting period, as of the accounting periods ending in 2022 and 2023) and the provisional tax periods for the 2023 accounting period, regardless of whether the conditions for the repetitive inflation adjustment within the scope of Article 298 are met. It has been enacted that the financial statements dated 31 December 2023 will be subject to inflation adjustment regardless of whether the conditions for the inflation adjustment are met, and the profit/loss differences arising from the inflation adjustment to be made will be shown in the previous years' profit/loss account. According to the 17th article of the Law No. 7491 on Amendments to Certain Laws and Decree Laws published in the Official Gazette No. 32413 dated 28 December 2023, banks are companies within the scope of the

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

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### EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

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

##### Current Tax (Continued)

Financial Leasing, Factoring, Financing and Savings Finance Companies Law No. 6361 dated 21 November 2012. Profit/loss differences arising from the inflation adjustment to be made by payment and electronic money institutions, authorized foreign exchange institutions, asset management companies, capital market institutions, insurance and reinsurance companies and pension companies in the 2024 and 2025 accounting periods, including the provisional tax periods. It is regulated that the resulting profits or losses will not be taken into account in determining the corporate tax base. The President is authorized to extend the periods determined within the scope of this paragraph by one accounting period, including provisional tax periods.

Tax rates used in tax calculation considering the related countries’ tax legislation as of 30 June 2024 are presented below:

Russia	20%
Kazakhstan	20%
Germany	15%
Bosnia Herzegovina	10%
Azerbaijan	20%
Montenegro	15%
Georgia	15%
Uzbekistan	20%

##### Deferred Tax

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

With the Law No. 7394 on the Evaluation of Immovable Property Owned by the Treasury and Amending the Value Added Tax Law, which was published in the Official Gazette dated 15 April 2022 and numbered 31810, and the Law on Amendments to Some Laws and Decree-Laws, with Article 26 of the Law No. 5520 With the paragraph added to the temporary article 13 of the Corporate Tax Law, the Corporate Tax rate was rearranged for the corporate earnings of the 2022 taxation period and it was stated that the tax rate would be applied as 25% for the banks. In accordance with Article 21 of Law No. 7456 published in the Official Gazette No. 32249 dated 15 July 2023, starting from the declarations that must be submitted as of 1 October 2023; The corporate tax rate to be applied to the profits of corporations in 2023 and the following taxation periods has been increased from 25% to 30% for banks and other institutions mentioned in the law.

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**EXPLANATIONS ON ACCOUNTING POLICIES (Continued)**

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

**Deferred Tax (Continued)**

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

However, with the regulation made by the Law No. 7491 on the Amendment of Certain Laws and Decree Laws, it has been regulated that the profit / loss difference arising from the inflation adjustment to be made by the banks in the 2024 and 2025 accounting periods, including the provisional tax periods, will not be taken into account in the determination of earnings. With the Tax Procedure Law General Communiqué numbered 560 published in the Official Gazette dated 30 April 2024 and numbered 32532, it has been declared that it is appropriate not to make inflation adjustment in the first provisional tax period of the 2024 accounting period. Within the framework of the Provisional Article 33 of the Tax Procedure Law, the tax effects arising from the inflation adjustment of the financial statements as of 30 June 2024 in accordance with the Tax Procedure Law are included in the deferred tax calculation as of 30 June 2024.

**XIX. EXPLANATIONS ON BORROWINGS**

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

If required, the Group borrows from domestic and foreign real people and entities with debt instruments such as bill/bond issuance. These transactions are recognized at fair value including acquisition costs at the transaction date while accounted with effective interest rate method over their discounted costs in the following periods.

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

There are no issued shares by the Group in the current and prior periods.

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

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

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2024

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

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### EXPLANATIONS ON ACCOUNTING POLICIES (Continued)

#### XXII. EXPLANATIONS ON GOVERNMENT GRANTS

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

#### XXIII. CASH AND CASH EQUIVALENTS

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

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

#### XXIV. EXPLANATIONS ON SEGMENT REPORTING

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

#### XXV. EXPLANATIONS ON OTHER MATTERS

##### *Profit Distribution*

With the decision taken at the Bank's Ordinary General Assembly Meeting held on June 6, 2024;

In accordance with the first paragraph of Article 33 of the Bank's Articles of Association regarding the determination, allocation and distribution of net period profit; Allocating 5% (TL 4.492.574) of legal reserves from the net profit for the period of TL 89.851.480, and 50% of the real estate sales gain exemption base calculated in accordance with TPL within the scope of Article 5/1-e of the Corporate Tax Law No. 5520. TL 12.866, which is the part associated with the profit for the period, and TL 611.765, which is 75% of the subsidiary share sale gain exemption base, will be taken into a special fund account under equity in accordance with the relevant law article, to be monitored until the end of the 5th year following the year of sale, transferring the remaining TL 84.734.275 to extraordinary reserves, from the TL 974.029 arising from real estate valuation differences and monitored in retained earnings within the framework of the relevant TAS, real estate sales calculated in accordance with TPL within the scope of Article 5/1-e of the Corporate Tax Law No. 5520. TL 78.835, which is the part associated with equity accounts within 50% of the profit exemption base, should be transferred to the special fund account opened under equity in accordance with the relevant law article, to be monitored until the end of the 5th year following the year of sale, and 5% on the remaining TL 895.194 (TL 44.760) as legal reserves and the remaining TL 850.434 to be transferred to extraordinary reserves.



# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2024

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### SECTION FOUR

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

#### I. EXPLANATIONS ON THE COMPONENTS OF CONSOLIDATED SHAREHOLDERS' EQUITY

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

- In accordance with the Decision of the Banking Regulation and Supervision Agency dated 12 December 2023 and numbered 10747, the Central Bank's foreign exchange buying rate of 26 June 2023 was used while calculating the valued amounts in foreign currency in calculating the amount subject to credit risk.
- Within the framework of the regulation dated 12 December 2023 No. 10747, if the net valuation differences of the securities held by banks in the portfolio of “Financial Assets at Fair Value through Other Comprehensive Income” are negative, these differences may not be taken into consideration in the calculation of equity amount. The said exception was not used in the calculation of equity on 1 January 2024.

As of 30 June 2024, the Parent Bank's total regulatory capital has been calculated as TL 506.697.784 (31 December 2023: TL 426.846.562), capital adequacy ratio is 15,45% (31 December 2023: 16,79%). This ratio is well above the minimum ratio required by the legislation.

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

	Current Period 30 June 2024	Prior Period 31 December 2023
<b>COMMON EQUITY TIER 1 CAPITAL</b>		
Paid-in capital following all debts in terms of claim in liquidation of the Bank	84.600.000	84.600.000
Share issue premiums	-	-
Reserves	217.942.617	120.658.996
Gains recognized in equity as per TAS	72.344.899	60.986.317
Profit	39.470.193	101.536.877
Current Period Profit	35.253.810	99.344.307
Prior Period Profit	4.216.383	2.192.570
Shares acquired free of charge from associates, subsidiaries and entities under common control and cannot be recognized within profit for the period	1.537.072	1.127.113
Minority Interest	1.210	823
<b>Common Equity Tier 1 Capital Before Deductions</b>	<b>415.895.991</b>	<b>368.910.126</b>
<b>Deductions from Common Equity Tier 1 Capital</b>		
Common Equity as per the 1st clause of Provisional Article 9 of the Regulation on the Equity of Banks	-	-
Portion of the current and prior periods' losses which cannot be covered through reserves and losses reflected in equity in accordance with TAS	5.365.402	12.807.126
Improvement costs for operating leasing	1.442.025	992.825
Goodwill (net of related tax liability)	-	-
Other intangibles other than mortgage-servicing rights (net of related tax liability)	6.680.599	4.757.497
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	-	-
Differences are not recognized at the fair value of assets and liabilities subject to hedge of cash flow risk	-	-
Communiqué Related to Principles of the amount credit risk calculated with the Internal Ratings Based Approach, total expected loss amount exceeds the total provision	-	-
Gains arising from securitization transactions	-	-
Unrealized gains and losses due to changes in own credit risk on fair valued liabilities	-	-
Defined-benefit pension fund net assets	-	-
Direct and indirect investments of the Bank in its own Common Equity	-	-
Shares obtained contrary to the 4th clause of the 56th Article of the Law	-	-
Portion of the total of net long positions of investments made in equity items of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or less of the issued common share capital exceeding 10% of Common Equity of the Bank	-	-
Portion of the total of net long positions of investments made in equity items of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or more of the issued common share capital exceeding 10% of Common Equity of the Bank	-	-
Portion of mortgage servicing rights exceeding 10% of the Common Equity	-	-
Portion of deferred tax assets based on temporary differences exceeding 10% of the Common Equity	-	-
Amount exceeding 15% of the common equity as per the 2nd clause of the Provisional Article 2 of the Regulation on the Equity of Banks	-	-

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2024

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

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

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

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

	Current Period 30 June 2024	Prior Period 31 December 2023
Excess amount arising from the net long positions of investments in common equity items of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or more of the issued common share capital	-	-
Excess amount arising from mortgage servicing rights	-	-
Excess amount arising from deferred tax assets based on temporary differences	-	-
Other items to be Defined by the BRSA (-)	-	-
Deductions to be made from common equity due to insufficient Additional Tier I Capital or Tier II Capital	-	-
<b>Total Deductions from Common Equity Tier I Capital</b>	<b>13.488.026</b>	<b>18.557.448</b>
<b>Total Common Equity Tier I Capital</b>	<b>402.407.965</b>	<b>350.352.678</b>
<b>ADDITIONAL TIER I CAPITAL</b>		
Preferred Stock not Included in Common Equity Tier I Capital and the Related Share Premiums	-	-
Debt instruments and premiums approved by BRSA	52.576.655	48.758.145
Debt instruments and premiums approved by BRSA (Temporary Article 4)	-	-
Third parties’ share in the additional secondary capital --	-	-
Third parties’ share in the additional secondary (Covered by Temporary Article 3)	-	-
<b>Additional Tier I Capital before Deductions</b>	<b>52.576.655</b>	<b>48.758.145</b>
<b>Deductions from Additional Tier I Capital</b>		
Direct and Indirect Investments of the Bank on its own Additional Tier I Capital (-)	-	-
Investments of Bank to Banks that invest in Bank’s additional equity and components of equity issued by financial institutions with compatible with Article 7.	-	-
Total of Net Long Positions of the Investments in Equity Items of Unconsolidated Banks and Financial Institutions where the Bank Owns 10% or less of the Issued Share Capital Exceeding the 10% Threshold of above Tier I Capital	-	-
The Total of Net Long Position of the Direct or Indirect Investments in Additional Tier I Capital of Unconsolidated Banks and Financial Institutions where the Bank Owns more than 10% of the Issued Share Capital	-	-
Other Items to be defined by the BRSA (-)	-	-
<b>Transition from the Core Capital to Continue to deduce Components</b>		
Goodwill and other intangible assets and related deferred tax liabilities which will not deducted from Common Equity Tier 1 capital for the purposes of the first sub-paragraph of the Provisional Article 2 of the Regulation on Banks’ Own Funds (-)	-	-
Net deferred tax asset/liability which is not deducted from Common Equity Tier 1 capital for the purposes of the sub-paragraph of the Provisional Article 2 of the Regulation on Banks’ Own Funds (-)	-	-
Deductions to be made from common equity in the case that adequate Additional Tier I Capital or Tier II Capital is not available (-)	-	-
<b>Total Deductions from Additional Tier I Capital</b>	<b>-</b>	<b>-</b>
<b>Total Additional Tier I Capital</b>	<b>52.576.655</b>	<b>48.758.145</b>
<b>Total Tier I Capital (Tier I Capital= Common Equity Tier I Capital + Additional Tier I Capital)</b>	<b>454.984.620</b>	<b>399.110.823</b>
<b>TIER II CAPITAL</b>		
Debt instruments and share issue premiums deemed suitable by the BRSA	16.033.100	-
Debt instruments and share issue premiums deemed suitable by BRSA (Temporary Article 4)	-	-
Third parties’ share in the secondary capital	-	-
Third parties’ share in the secondary capital (Covered by Temporary Article 3)	-	-
Provisions (Article 8 of the Regulation on the Equity of Banks)	35.833.519	27.811.243
<b>Tier II Capital Before Deductions</b>	<b>51.866.619</b>	<b>27.811.243</b>
<b>Deductions from Tier II Capital</b>		
Direct and Indirect Investments of the Bank on its own Tier II Capital (-)	-	-
Investments of Bank to Banks that invest on Bank’s Tier 2 and components of equity issued by financial institutions with the conditions declared in Article 8.	-	-
Portion of the total of net long positions of investments made in equity items of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or less of the issued common share capital exceeding 10% of Common Equity of the Bank(-)	-	-
Portion of the total of net long positions of investments made in Additional Tier I Capital item of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or more of the issued common share capital exceeding 10% of Common Equity of the Bank	-	-
Other items to be defined by the BRSA (-)	-	-
<b>Total Deductions from Tier II Capital</b>	<b>-</b>	<b>-</b>
<b>Total Tier II Capital</b>	<b>51.866.619</b>	<b>27.811.243</b>
<b>Total Capital (The sum of Tier I Capital and Tier II Capital)</b>	<b>506.851.239</b>	<b>426.922.066</b>

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2024

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

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

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

##### 1. Information Related to the Components of Shareholders’ Equity (Continued)

	Current Period 30 June 2024	Prior Period 31 December 2023
<b>Total Capital and Contribution Capital (Total Equity)</b>	<b>506.851.239</b>	<b>426.922.066</b>
Deductions from Capital Loans granted contrary to the 50th and 51st Article of the Law	-	-
Net Book Values of Movables and Immovables Exceeding the Limit Defined in the Article 57, Clause 1 of the Banking Law and the Assets Acquired against Overdue Receivables and Held for Sale but retained more than Five Years	-	-
Other items to be defined by the BRSA	153.455	75.504
<b>In transition from Total Core Capital and Supplementary Capital (the capital) to Continue to Download Components</b>		
The Sum of net long positions of investments (the portion which exceeds the 10% of Banks Common Equity) in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the Bank does not own more than 10% of the issued common share capital of the entity which will not deducted from Common Equity Tier 1 capital, Additional Tier 1 capital, Tier 2 capital for the purposes of the first sub-paragraph of the Provisional Article 2 of the Regulation on Banks’ Own Funds	-	-
The Sum of net long positions of investments in the Additional Tier 1 capital and Tier 2 capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued common share capital of the entity which will not deducted from Common Equity Tier 1 capital, Additional Tier 1 capital, Tier 2 capital for the purposes of the first sub-paragraph of the Provisional Article 2 of the Regulation on Banks’ Own Funds	-	-
The Sum of net long positions of investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued common share capital of the entity, mortgage servicing rights, deferred tax assets arising from temporary differences which will not deducted from Common Equity Tier I capital for the purposes of the first sub-paragraph of the Provisional Article 2 of the Regulation on Banks’ Own Funds	-	-
<b>CAPITAL</b>		
Total Capital (Total of Tier I Capital and Tier II Capital)	506.697.784	426.846.562
Total Risk Weighted Assets	3.280.668.255	2.542.020.315
<b>CAPITAL ADEQUACY RATIOS</b>		
Consolidated CET 1 Capital Ratio (%)	12,27	13,78
Consolidated Tier I Capital Ratio (%)	13,87	15,70
Consolidated Capital Adequacy Ratio (%)	15,45	16,79
<b>BUFFERS</b>		
Total additional core capital requirement ratio (a+b+c)	4,578	4,578
a) Capital conservation buffer requirement (%)	2,50	2,50
b) Bank specific countercyclical buffer requirement (%)	0,078	0,078
c) Higher bank buffer requirement ratio (%)	2,00	2,00
Additional CET 1 Capital Over Total Risk Weighted Assets Ratio Calculated According to the Article 4 of Capital Conservation and Counter-Cyclical Capital Buffers Regulation	7,77	9,28
<b>Amounts Lower than Excesses as per Deduction Rules</b>		
Remaining Total of Net Long Positions of the Investments in Equity Items of Consolidated Banks and Financial Institutions where the Bank Owns 10% or less of the Issued Share Capital	729.540	431.023
Remaining Total of Net Long Positions of the Investments in Tier I Capital of Consolidated Banks and Financial Institutions where the Bank Owns more than 10% or less of the Issued Share Capital	231.574	210.486
Remaining Mortgage Servicing Rights	-	-
Net Deferred Tax Assets arising from Temporary Differences	47.077.530	33.467.558
<b>Limits for Provisions Used in Tier II Capital Calculation</b>		
General Loan Provisions for Exposures in Standard Approach (before limit of one hundred and twenty five per the thousand)	66.939.554	60.569.964
General Loan Provisions for Exposures in Standard Approach Limited by 1.25% of Risk Weighted Assets	35.833.519	27.811.243
Total Loan Provision that Exceeds Total Expected Loss Calculated According to Communique on Calculation of Credit Risk by Internal Ratings Based Approach	-	-
Total Loan Provision that Exceeds Total Expected Loss Calculated According to Communique on Calculation of Credit Risk by Internal Ratings Based Approach, Limited by 0.6% Risk Weighted Assets	-	-
<b>Debt Instruments Covered by Temporary Article 4 (effective between 1.1.2018-1.1.2022)</b>		
Upper Limit for Additional Tier I Capital Items subject to Temporary Article 4	-	-
Amount of Additional Tier I Capital Items Subject to Temporary Article 4 that Exceeds Upper Limit	-	-
Upper Limit for Additional Tier II Capital Items subject to Temporary Article 4	-	-
Amount of Additional Tier II Capital Items Subject to Temporary Article 4 that Exceeds Upper Limit	-	-

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2024

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

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

##### 2. Items Included in Capital Calculation

Information about instruments included in total capital calculation-Current Period	
Issuer	T.C Ziraat Bankası A.Ş.
Identifier (CUSIP, ISIN etc.)	XS1984644739
Governing law (s) of the instrument	Subject to English Law and in terms of certain articles to Turkish Regulations. It is issued within the scope of the Capital Markets Board's Communiqué No. VII-128.8 on Debt Instruments, the BRSA's Regulation on Bank Capital, and the Communiqué on Principles Regarding Debt Securities to be Included in the Calculation of Banks' Equity.
<b>Regulatory treatment</b>	
Subject to 10% deduction as of 1/1/2015	None
Eligible on consolidated and /or unconsolidated basis	Eligible on consolidated and unconsolidated
Instrument type	Additional Capital Bond Issuance (Tier 1 Capital)
Amount recognized in regulatory capital (Currency in TL million, as of most recent reporting date)	48.118
Nominal value of instrument (TL million)	48.118
Accounting classification of the instrument	347001- Subordinated Debt Instruments
Original date of issuance	24 April 2019
Maturity structure of the instrument (perpetual/dated)	Perpetual
Issue date of the instrument	24 April 2019
Issuer call subject to prior supervisory (BRSA) approval	Yes
Call option dates, conditioned call dates and call amount	Subject to the approval of the BRSA, a repayment option is available at the end of each 5-year period from the date of issue.
Subsequent call dates, if applicable	24 April 2029
<b>Interest/dividend payment</b>	
Fixed or floating coupon/dividend payments	Fixed
Coupon rate and any related index	First 5 years fixed 5,076%, MS+5.031% fixed every 5 years thereafter
Existence of any dividend payment restriction	None
Fully discretionary, partially discretionary or mandatory	Fully discretionary
Existence of step up or other incentive to redeem	None
Noncumulative or cumulative	Noncumulative
<b>Convertible into equity shares</b>	
If convertible, conversion trigger (s)	None
If convertible, fully or partially	None
If convertible, conversion rate	None
If convertible, mandatory or optional conversion	None
If convertible, type of instrument convertible into	None
If convertible, issuer of instrument to be converted into	None
<b>Write-down feature</b>	
If bonds can be written-down, write-down trigger(s)	Yes. Article 7 of the Regulation on Bank Capital
If bond can be written-down, full or partial	Has full or partial write down feature
If bond can be written-down, permanent or temporary	Has permanent or temporary write down feature
If temporary write-down, description of write-up mechanism.	Has-write up mechanism
Position in subordination hierarchy in case of liquidation (instrument type immediately senior to the instrument)	After the debt instruments to be included in secondary capital calculation, the depositors and all other creditors
In compliance with article number 7 and 8 of Regulation on Bank Capital	Instrument is in compliant with Article 7 of the Regulation on Bank Capital.
Details of incompliance with article number 7 and 8 of Regulation on Bank Capital	Instrument is in compliant with Article 7 of the Regulation on Bank Capital.

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2024

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

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

##### 2. Items Included in Capital Calculation (Continued)

<b>Information about instruments included in total capital calculation-Current Period</b>	
Issuer	T.C Ziraat Bankası A.Ş.
Identifier (CUSIP, ISIN etc.)	XS2802184999
Governing law (s) of the instrument	Subject to English Law and in terms of certain articles to Turkish Regulations. It is issued within the scope of the Capital Markets Board's Communiqué No. VII-128.8 on Debt Instruments, the BRSA's Regulation on Bank Capital, and the Communiqué on Principles Regarding Debt Securities to be Included in the Calculation of Banks' Equity.
<b>Regulatory treatment</b>	
Subject to 10% deduction as of 1/1/2015	None
Eligible on unconsolidated and /or consolidated basis	Eligible on unconsolidated and consolidated
Instrument type	Bonds to be included in the contribution capital calculation
Amount recognized in regulatory capital (Currency in TL million, as of most recent reporting date)	16.033
Nominal value of instrument (TL million)	16.033
Accounting classification of the instrument	347011 - Subordinated Debts
Original date of issuance	30 April 2024
Maturity structure of the instrument (perpetual/dated)	Dated (2 August 2034)
Issue date of the instrument	30 April 2024
Issuer call subject to prior supervisory (BRSA) approval	Yes
Call option dates, conditioned call dates and call amount	Subject to the approval of the BRSA, a repayment option is available at the end of each 5-year period from the date of issue.
Subsequent call dates, if applicable	The repayment option is between 2 May 2029 and 2 August 2029.
<b>Interest/dividend payment</b>	
Fixed or floating coupon/dividend payments	Fixed
Coupon rate and any related index	First 5 years 8.9941% fixed, next 5 years US 5-year fixed maturity treasury (nominal) bond interest +4.327% fixed
Existence of any dividend payment restriction	None
Fully discretionary, partially discretionary or mandatory	Compulsory
Existence of step up or other incentive to redeem	None
Noncumulative or cumulative	None
<b>Convertible into equity shares</b>	
If convertible, conversion trigger (s)	None
If convertible, fully or partially	None
If convertible, conversion rate	None
If convertible, mandatory or optional conversion	None
If convertible, type of instrument convertible into	None
If convertible, issuer of instrument to be converted into	None
<b>Write-down feature</b>	
If bonds can be written-down, write-down trigger(s)	If there is a possibility that the bank's operating license will be revoked or transferred to the SDIF, it may be deleted from the records based on the decision of the BRSA in this regard.
If bond can be written-down, full or partial	Has full or partial write down feature
If bond can be written-down, permanent or temporary	Has permanent or temporary write down feature
If temporary write-down, description of write-up mechanism.	Has no write up mechanism
Position in subordination hierarchy in case of liquidation (instrument type immediately senior to the instrument)	After depositors and all other creditors (except those included in the calculation of additional capital)
In compliance with article number 7 and 8 of Regulation on Bank Capital	Instrument is in compliant with Article 8 of the Regulation on Bank Capital.
Details of incompliance with article number 7 and 8 of Regulation on Bank Capital	Instrument is in compliant with Article 8 of the Regulation on Bank Capital.

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2024

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

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

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

##### 2. Items Included in Capital Calculation (Continued)

Information about instruments included in total capital calculation-Current Period	
Issuer	Türkiye Wealth Fund.
Identifier (CUSIP, ISIN etc.)	-
Governing law (s) of the instrument	Regulation on Equities of Banks published in the official gazette on 5 September 2013
<b>Regulatory treatment</b>	
Subject to 10% deduction as of 1/1/2015	None
Eligible on consolidated and /or unconsolidated basis	Eligible on consolidated and unconsolidated
Instrument type	Additional Capital Credit (Tier 1 Capital)
Amount recognized in regulatory capital (Currency in TL million, as of most recent reporting date)	3,320
Nominal value of instrument (TL million)	3,433
Accounting classification of the instrument	Liabilities / Equity-Like Loans
Original date of issuance	24 April 2019
Maturity structure of the instrument (perpetual/dated)	Perpetual
Issue date of the instrument	24 April 2019
Issuer call subject to prior supervisory (BRSA) approval	Yes
Call option dates, conditioned call dates and call amount <sup>(*)</sup>	Option date is 5 years, (subject to BRSA permission)
Subsequent call dates, if applicable	-
<b>Interest/dividend payment</b>	
Fixed or floating coupon/dividend payments	None
Coupon rate and any related index	None
Existence of any dividend payment restriction	None
Fully discretionary, partially discretionary or mandatory	None
Existence of step up or other incentive to redeem	None
Noncumulative or cumulative	None
<b>Convertible into equity shares</b>	
If convertible, conversion trigger (s)	None
If convertible, fully or partially	None
If convertible, conversion rate	None
If convertible, mandatory or optional conversion	None
If convertible, type of instrument convertible into	None
If convertible, issuer of instrument to be converted into	None
<b>Write-down feature</b>	
If bonds can be written-down, write-down trigger(s)	If the Core Capital adequacy ratio or the consolidated Core Capital adequacy ratio falls below 5,125 percent
If bond can be written-down, full or partial	Yes
If bond can be written-down, permanent or temporary	Temporary
If temporary write-down, description of write-up mechanism.	It is possible to write up after temporary write down.
Position in subordination hierarchy in case of liquidation (instrument type immediately senior to the instrument)	i. After payments within the scope of Priority Liabilities, ii. Equal (pari passu) among themselves and with all other Co-Liabilities without order of preference, and iii. Prior to all payments under Low-Degree Liabilities.
In compliance with article number 7 and 8 of Regulation on Bank Capital	Instrument is in compliant with Article 7 of the Regulation on Bank Capital.
Details of incompliances with article number 7 and 8 of Regulation on Bank Capital	Instrument is in compliant with Article 7 of the Regulation on Bank Capital

<sup>(\*)</sup> The repayment option has not been exercised.

<sup>(\*\*)</sup> The refund option has not been used.

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2024

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

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

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

##### 2. Items Included in Capital Calculation (Continued)

Information about instruments included in total capital calculation-Current Period	
Issuer	Türkiye Wealth Fund.
Identifier (CUSIP, ISIN vb.)	-
Governing law (s) of the instrument	Regulation on Equities of Banks published in the official gazette on 5 September 2013
<b>Regulatory treatment</b>	
Subject to 10% deduction as of 1/1/2015	None
Eligible on consolidated and /or unconsolidated basis	Eligible on consolidated and unconsolidated
Instrument type	Additional Capital Credit (Tier 1 Capital)
Amount recognized in regulatory capital (Currency in TL million, as of most recent reporting date)	1.204
Nominal value of instrument (TL million)	1.958
Accounting classification of the instrument	Liabilities / Equity-Like Loans
Original date of issuance	9 March 2022
Maturity structure of the instrument (perpetual/dated)	Perpetual
Issue date of the instrument	9 March 2022
Issuer call subject to prior supervisory (BRSA) approval	Yes
Call option dates, conditioned call dates and call amount	Option date is 5 years, (subject to BRSA permission)
Subsequent call dates, if applicable	-
<b>Interest/dividend payment</b>	
Fixed or floating coupon/dividend payments	None
Coupon rate and any related index	None
Existence of any dividend payment restriction	None
Fully discretionary, partially discretionary or mandatory	None
Existence of step up or other incentive to redeem	None
Noncumulative or cumulative	None
<b>Convertible into equity shares</b>	
If convertible, conversion trigger (s)	None
If convertible, fully or partially	None
If convertible, conversion rate	None
If convertible, mandatory or optional conversion	None
If convertible, type of instrument convertible into	None
If convertible, issuer of instrument to be converted into	None
<b>Write-down feature</b>	
If bonds can be written-down, write-down trigger(s)	If the Core Capital adequacy ratio or the consolidated Core Capital adequacy ratio falls below 5,125 percent
If bond can be written-down, full or partial	Yes
If bond can be written-down, permanent or temporary	Temporary
If temporary write-down, description of write-up mechanism.	It is possible to write up after temporary write down. i. After payments within the scope of Priority Liabilities, ii. Equal (pari passu) among themselves and with all other Co-Liabilities without order of preference, and iii. Prior to all payments under Low-Degree Liabilities.
Position in subordination hierarchy in case of liquidation (instrument type immediately senior to the instrument)	
In compliance with article number 7 and 8 of Regulation on Bank Capital	Instrument is in compliant with Article 7 of the Regulation on Bank Capital.
Details of incompliance with article number 7 and 8 of Regulation on Bank Capital	Instrument is in compliant with Article 7 of the Regulation on Bank Capital

(\*) Profit share for participation banks

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

	Current Period	Prior Period
<b>Balance Sheet - Equity</b>	<b>406.648.871</b>	<b>362.986.091</b>
Operational Leasing Development Costs	(1.442.025)	(992.825)
Goodwill and Other Intangible Assets and Related Deferred	(6.680.599)	(4.757.497)
Taxes Liabilities	51.866.619	27.811.243
TIER 2 Capital (Provisions)	52.576.655	48.758.145
Debt Instruments and the Related Issuance Premiums	(153.455)	(75.504)
Defined by the BRSA TIER 2 Capital (Provisions)	(6.959.113)	(6.883.091)
Other deductions from common equity	10.840.831	-
<b>Amount recognized in regulatory capital</b>	<b>506.697.784</b>	<b>426.846.562</b>

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2024

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

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

#### II. EXPLANATIONS ON THE CONSOLIDATED CURRENCY RISK

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

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

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

None.

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

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

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

	USD	EUR	AUD	DKK	SEK	CHF	CAD	NOK	GBP	SAR	100 JPY
21.06.2024	32,0029	34,2003	21,2412	4,5863	3,0405	35,8400	23,3550	3,0268	40,4277	8,5312	20,0775
24.06.2024	32,0787	34,4161	21,3588	4,6149	3,0652	35,8970	23,4821	3,0417	40,6950	8,5511	20,0935
25.06.2024	32,2361	34,4809	21,3969	4,6236	3,0661	36,0500	23,5894	3,0409	40,8443	8,5922	20,1840
26.06.2024	32,1371	34,3343	21,3851	4,6041	3,0434	35,8378	23,4726	3,0086	40,5806	8,5665	20,0101
27.06.2024	32,1165	34,4025	21,3770	4,6136	3,0305	35,8136	23,4622	3,0161	40,6359	8,5610	20,0121
28.06.2024	32,0662	34,3699	21,4277	4,6096	3,0298	35,6765	23,4333	3,0135	40,5324	8,5476	19,9512

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

	USD	EUR	AUD	DKK	SEK	CHF	CAD	NOK	GBP	SAR	100 JPY
	31,7862	34,1737	21,0891	4,5823	3,0233	35,5335	23,1850	2,9926	40,3525	8,4738	20,1218



# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2024

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

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

#### II. EXPLANATIONS ON THE CONSOLIDATED CURRENCY RISK (Continued)

##### 6. Information on The Foreign Currency Risk of the Group

	EUR	USD	Other FC	Total
<b>Current Period</b>				
<b>Assets</b>				
Cash (Cash in vault, effectives, money in transit, cheques purchased) and Balances with Central Bank of the Republic of Türkiye	152.699.855	218.357.218	82.003.726	453.060.799
Banks <sup>(7)</sup>	20.990.691	29.676.818	71.785.547	122.453.056
Financial Assets at Fair Value Through Profit and Loss	-	8.334.093	65.239.984	73.574.077
Money Markets Receivables	-	-	-	-
Financial Assets at Fair Value Through Other Comprehensive Income	19.183.764	348.608.131	535.810	368.327.705
Loans <sup>(1)(6)</sup>	478.133.442	428.594.481	34.260.358	940.988.281
Subsidiaries, Associates, Entities Under Common Control (Joint Ventures)	-	1.680.544	42.095	1.722.639
Financial Assets Measured at Amortized Cost	3.409.997	18.049.378	230.881	21.690.256
Derivative Financial Assets for Hedging Purposes	-	-	-	-
Tangible Fixed Assets	1.916.866	52.609	2.029.524	3.998.999
Intangible Assets	263.237	16.374	261.830	541.441
Other Assets <sup>(3)</sup>	2.200.120	7.031.725	1.580.930	10.812.775
<b>Total Assets <sup>(4)</sup></b>	<b>678.797.972</b>	<b>1.060.401.371</b>	<b>257.970.685</b>	<b>1.997.170.028</b>
<b>Liabilities</b>				
Interbank Deposits	37.066.416	10.790.218	7.027.016	54.883.650
Foreign Currency Deposits	589.783.797	471.015.445	292.220.100	1.353.019.342
Money Market Borrowings	-	80.199.132	-	80.199.132
Funds Provided from Other Financial Institutions	105.310.062	202.031.509	4.170.255	311.511.826
Issued Marketable Securities <sup>(5)</sup>	51.083.920	137.725.729	2.567.929	191.377.578
Miscellaneous Payables	7.484.614	3.676.271	600.912	11.761.797
Derivative Financial Liabilities for Hedging Purposes	-	-	-	-
Other Liabilities	9.421.820	18.884.161	2.068.476	30.374.457
<b>Total Liabilities</b>	<b>800.150.629</b>	<b>924.322.465</b>	<b>308.654.688</b>	<b>2.033.127.782</b>
<b>Net Balance Sheet Position</b>	<b>(121.352.657)</b>	<b>136.078.906</b>	<b>(50.684.003)</b>	<b>(35.957.754)</b>
<b>Net Off-Balance Sheet Position <sup>(2)</sup></b>	<b>132.947.114</b>	<b>(120.654.802)</b>	<b>69.418.294</b>	<b>81.710.606</b>
Financial Derivative Assets	165.794.789	148.253.326	77.911.373	391.959.488
Financial Derivative Liabilities	32.847.675	268.908.128	8.493.079	310.248.882
<b>Non-Cash Loans</b>	<b>213.240.343</b>	<b>308.759.311</b>	<b>66.100.952</b>	<b>588.100.606</b>
<b>Prior Period</b>				
Total Assets	604.266.396	907.837.881	169.111.502	1.681.215.779
Total Liabilities	772.055.145	820.814.604	248.786.932	1.841.656.681
<b>Net Balance Sheet Position</b>	<b>(167.788.749)</b>	<b>87.023.277</b>	<b>(79.675.430)</b>	<b>(160.440.902)</b>
<b>Net Off-Balance Sheet Position <sup>(2)</sup></b>	<b>171.375.286</b>	<b>(51.387.183)</b>	<b>96.796.549</b>	<b>216.784.652</b>
Financial Derivative Assets	208.963.520	299.286.840	105.117.310	613.367.670
Financial Derivative Liabilities	37.588.234	350.674.023	8.320.761	396.583.018
<b>Non-Cash Loans</b>	<b>192.408.922</b>	<b>285.857.771</b>	<b>51.997.499</b>	<b>530.264.192</b>

(1) TL 64.156 equivalent of loans granted is USD and TL 4.721 equivalent of EUR balance is caused by foreign currency indexed loans (31 December 2023: TL 85.650 equivalent of loans granted is USD and TL 28.777 equivalent of EUR balance arise from foreign currency indexed loans).

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

(3) Prepaid expenses in other assets amounting to TL 764.596 are not included in the table (31 December 2023: TL 312.084).

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

(5) Includes subordinated debt instruments.

(6) Includes receivables from lease transactions.

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

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2024

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

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

#### II. EXPLANATIONS ON THE CONSOLIDATED CURRENCY RISK (Continued)

##### 6. Information on The Foreign Currency Risk of the Group (Continued)

###### *Analysis of Sensitivity to Currency Risk*

The effect of 10% depreciation of TL against the USD, Euro and other currencies on the equity and profit or loss statement (excluding tax effects) for the six month accounting periods ending on 30 June 2024 and 30 June 2023 is shown in the table below.

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

	Current Period – 30 June 2024		Prior Period – 30 June 2023	
	Profit/Loss Statement	Equity (*)	Profit/Loss Statement	Equity (*)
USD	1.805.038	1.092.409	2.995.951	2.502.856
EUR	427.842	(276.937)	(719.495)	(1.203.361)
Other currencies	1.184.008	1.184.008	771.427	771.427
<b>Total (Net) (**)</b>	<b>3.416.888</b>	<b>1.999.480</b>	<b>3.047.883</b>	<b>2.070.922</b>

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

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

The effect of 10% appreciation of TL against the USD, Euro and other currencies on the equity and profit or loss statement (excluding tax effects) for six-month accounting periods ending on 30 June 2024 and 30 June 2023 is shown in the table below:

	Current Period – 30 June 2024		Prior Period – 30 June 2023	
	Profit/Loss Statement	Equity (*)	Profit/Loss Statement	Equity (*)
USD	(1.805.038)	(1.092.409)	(2.995.951)	(2.502.856)
EUR	(427.842)	276.937	719.495	1.203.361
Other Currencies	(1.184.008)	(1.184.008)	(771.427)	(771.427)
<b>Total (Net) (**)</b>	<b>(3.416.888)</b>	<b>(1.999.480)</b>	<b>(3.047.883)</b>	<b>(2.070.922)</b>

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

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

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2024

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

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

#### III. EXPLANATIONS ON THE CONSOLIDATED INTEREST RATE RISK

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

(Based on days to repricing dates)

Current Period	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	5 Years and Over	Non-Interest Bearing	Total
<b>Assets</b>							
Cash (Cash in Vault, Effectives, Money in Transit, Cheques Purchased) and Balances with Central Bank of the Republic of Türkiye	436.765.694	-	-	-	-	463.768.477	900.534.171
Banks <sup>(8)</sup>	30.947.778	770.021	168.386	-	-	97.543.735	129.429.920
Financial Assets at Fair Value Through Profit and Loss	9.984.031	10.658	18.243.491	38.398.880	4.081.041	14.959.118	85.677.219
Money Markets Receivables	4.445.955	-	-	-	-	-	4.445.955
Financial Assets at Fair Value Through Other Comprehensive Income	5.991.034	64.329.939	92.878.791	402.169.767	175.389.321	65.065	740.823.917
Loans Given <sup>(3)(7)</sup>	1.197.961.189	258.214.226	543.593.207	442.569.142	131.873.765	8.761.736	2.582.973.265
Financial Assets Measured at Amortized Cost	822.994	7.338.800	95.788.581	129.794.920	93.487.301	-	327.232.596
Other Assets <sup>(2)</sup>	9.721.674	27.343	100.406	185.423	30.387	227.592.466	237.657.699
<b>Total Assets <sup>(1)(5)</sup></b>	<b>1.696.640.349</b>	<b>330.690.987</b>	<b>750.772.862</b>	<b>1.013.118.132</b>	<b>404.861.815</b>	<b>812.690.597</b>	<b>5.008.774.742</b>
<b>Liabilities</b>							
Interbank Deposits	63.117.367	192.015	31.049.635	-	-	10.614.997	104.974.014
Other Deposits	1.336.253.975	667.659.696	345.821.950	24.083.215	1.493.827	1.138.834.075	3.514.146.738
Money Market Borrowings	180.316.630	50.097.888	25.298.324	-	-	-	255.712.842
Miscellaneous Payables	62	281	2.510	4.910	594	78.789.411	78.797.768
Issued Marketable Securities <sup>(6)</sup>	6.466.600	23.948.842	27.424.316	123.395.777	16.033.100	3.261.907	200.530.542
Funds Provided from Other Financial Institutions	76.385.714	196.867.427	46.513.207	9.406.804	1.883.934	3.864.823	334.921.909
Other Liabilities <sup>(4)(6)</sup>	13.225.206	1.909	161.553	7.430.969	1.413.431	497.457.861	519.690.929
<b>Total Liabilities <sup>(1)</sup></b>	<b>1.675.765.554</b>	<b>938.768.058</b>	<b>476.271.495</b>	<b>164.321.675</b>	<b>20.824.886</b>	<b>1.732.823.074</b>	<b>5.008.774.742</b>
<b>Balance Sheet Long Position</b>	<b>20.874.795</b>	<b>-</b>	<b>274.501.367</b>	<b>848.796.457</b>	<b>384.036.929</b>	<b>-</b>	<b>1.528.209.548</b>
<b>Balance Sheet Short Position</b>	<b>-</b>	<b>(608.077.071)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(920.132.477)</b>	<b>(1.528.209.548)</b>
Off-Balance Sheet Long Position	690.319	3.402.248	476.985	303.978	-	-	4.873.530
Off-Balance Sheet Short Position	(3.892.982)	1.947.811	136.809	316.719	-	-	(1.491.643)
<b>Total Position</b>	<b>17.672.132</b>	<b>(602.727.012)</b>	<b>275.115.161</b>	<b>849.417.154</b>	<b>384.036.929</b>	<b>(920.132.477)</b>	<b>3.381.887</b>

- (1) Balances without fixed maturity are shown in the “Non-Interest Bearing” columns.
- (2) Deferred tax asset is shown under the “Non-Interest Bearing” column.
- (3) Net balance of loans under follow-up is shown under the “Non-Interest Bearing” column in loans given.
- (4) Total shareholders’ equity is shown under the “Non-Interest Bearing” column.
- (5) Allowance for expected losses for financial assets and other assets are reflected in the related items.
- (6) Includes subordinated debt instruments.
- (7) Includes receivables from leasing transactions.
- (8) Includes the guarantees given for derivative and repo transactions with foreign banks.

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2024

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

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

#### III. EXPLANATIONS ON THE CONSOLIDATED INTEREST RATE RISK (Continued)

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

(Based on days to repricing dates)

Prior Period	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	5 Years and Over	Non-Interest Bearing	Total
<b>Assets</b>							
Cash (Cash in Vault, Effectives, Money in Transit, Cheques Purchased) and Balances with Central Bank of the Republic of Türkiye	171.411.646	-	-	-	-	437.387.924	608.799.570
Banks <sup>(8)</sup>	24.234.777	858.733	947.204	-	-	44.204.335	70.245.049
Financial Assets at Fair Value Through Profit and Loss	152.430	17.959.570	23.032.512	12.977.323	4.286.324	13.307.753	71.715.912
Money Markets Receivables	154.140.783	-	-	-	-	-	154.140.783
Financial Assets at Fair Value Through Other Comprehensive Income	130.092.912	51.795.743	113.292.616	189.144.843	118.569.491	4.634.865	607.530.470
Loans Given <sup>(3)(7)</sup>	792.327.142	295.686.060	459.839.848	547.349.315	110.945.114	7.288.894	2.213.436.373
Financial Assets Measured at Amortized Cost	34.898.144	69.441.446	96.476.527	65.426.870	82.341.993	-	348.584.980
Other Assets <sup>(2)</sup>	6.001.788	4.451.961	1.555.238	309.375	38.030	167.620.513	179.976.905
<b>Total Assets <sup>(1)(5)</sup></b>	<b>1.313.259.622</b>	<b>440.193.513</b>	<b>695.143.945</b>	<b>815.207.726</b>	<b>316.180.952</b>	<b>674.444.284</b>	<b>4.254.430.042</b>
<b>Liabilities</b>							
Interbank Deposits	51.042.271	33.990.985	234.278	-	-	11.285.647	96.553.181
Other Deposits	1.542.383.529	347.152.375	333.856.129	19.285.991	1.397.523	959.195.119	3.203.270.666
Money Markets Borrowings	33.873.058	7.535.254	8.781.615	44.110.982	-	-	94.300.909
Miscellaneous Payables	9	165	695	4.689	447	67.474.124	67.480.129
Issued Marketable Securities <sup>(6)</sup>	1.529.981	5.382.542	53.620.034	52.655.728	-	-	113.188.285
Funds Provided from Other Financial Institutions	73.379.500	85.864.849	32.771.143	16.409.091	2.096.482	-	210.521.065
Other Liabilities <sup>(4)(6)</sup>	1.355.878	629.293	1.624.909	2.585.046	1.316.124	461.604.557	469.115.807
<b>Total Liabilities <sup>(1)</sup></b>	<b>1.703.564.226</b>	<b>480.555.463</b>	<b>430.888.803</b>	<b>135.051.527</b>	<b>4.810.576</b>	<b>1.499.559.447</b>	<b>4.254.430.042</b>
<b>Balance Sheet Long Position</b>	<b>-</b>	<b>-</b>	<b>264.255.142</b>	<b>680.156.199</b>	<b>311.370.376</b>	<b>-</b>	<b>1.255.781.717</b>
<b>Balance Sheet Short Position</b>	<b>(390.304.604)</b>	<b>(40.361.950)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(825.115.163)</b>	<b>(1.255.781.717)</b>
Off-Balance Sheet Long Position	2.686.937	6.388.495	43.450	655.969	-	-	9.774.851
Off-Balance Sheet Short Position	977.326	4.746.671	36.776	-	(1.015.345)	-	4.745.428
<b>Total Position</b>	<b>(386.640.341)</b>	<b>(29.226.784)</b>	<b>264.335.368</b>	<b>680.812.168</b>	<b>310.355.031</b>	<b>(825.115.163)</b>	<b>14.520.279</b>

- (1) Balances without fixed maturity are shown in the “Non-Interest Bearing” columns.
- (2) Deferred tax asset is shown under the “Non-Interest Bearing” column.
- (3) Net balance of loans under follow-up is shown under the “Non-Interest Bearing” column in loans given.
- (4) Total shareholders’ equity is shown under the “Non-Interest Bearing” column.
- (5) Allowance for expected losses for financial assets and other assets are reflected in the related items.
- (6) Includes subordinated debt instruments.
- (7) Includes receivables from leasing transactions.
- (8) Includes the guarantees given for derivative and repo transactions with foreign banks.

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2024

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

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

#### III. EXPLANATIONS ON THE CONSOLIDATED INTEREST RATE RISK (Continued)

##### 2. Average Interest Rate Applied to the Monetary Financial Instruments (%) (Represents Values Belonging to the Parent Bank) (%)

	EUR	USD	JPY	TL
<b>Current Period</b>				
<b>Assets</b>				
Cash (Cash in Vault, Effectives, Money in Transit, Cheques Purchased) and Balances with the Central Bank of the Republic of Türkiye <sup>(1)</sup>	-	-	-	30,42
Banks	3,62	5,15	-	47,00
Financial Assets at Fair Value Through Profit or Loss	-	5,36	-	-
Money Markets Receivables	-	-	-	50,85
Financial Assets at Fair Value Through Other Comprehensive Income	4,63	6,25	-	31,07
Loans Given <sup>(2)</sup>	7,81	8,75	-	34,72
Financial Assets Measured at Amortized Cost	4,60	8,40	-	23,13
<b>Liabilities</b>				
Interbank Deposits	5,10	5,15	-	52,08
Other Deposits	1,52	2,33	-	44,44
Money Markets Borrowings	-	7,66	-	52,57
Miscellaneous Payables	-	-	-	-
Issued Marketable Securities <sup>(3)</sup>	7,78	7,05	-	-
Funds Provided from Other Financial Institutions	6,30	7,63	-	45,30

(1) Indicates the interest rate applied by the CBRT to TL-denominated required reserves according to the conditions specified in the instruction.

(2) Credit card loan balances are not included.

(3) Subordinated debt instruments are included.

	EUR	USD	JPY	TL
<b>Prior Period</b>				
<b>Assets</b>				
Cash (Cash in Vault, Effectives, Money in Transit, Cheques Purchased) and Balances with the Central Bank of the Republic of Türkiye)	-	-	-	-
Banks	4,55	5,65	-	43,50
Financial Assets at Fair Value Through Profit or Loss	-	5,36	-	-
Money Market Receivables	-	-	-	42,95
Financial Assets at Fair Value Through Other Comprehensive Income	3,70	6,18	-	24,85
Loans Given <sup>(1)</sup>	7,71	9,06	-	27,89
Financial Assets Measured at Amortized Cost	4,55	8,39	-	17,81
<b>Liabilities</b>				
Interbank Deposits	4,87	5,65	-	43,61
Other Deposits	1,59	3,44	-	37,11
Money Market Borrowings	-	7,62	-	36,53
Miscellaneous Payables	-	-	-	-
Issued Marketable Securities <sup>(2)</sup>	5,08	6,89	-	36,38
Funds Provided from Other Financial Institutions	6,71	7,72	-	34,74

(1) Credit card loan balances are not included.

(2) Subordinated debt instruments are included.

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2024

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

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

#### IV. EXPLANATIONS ON THE POSITION RISK OF CONSOLIDATED EQUITY INSTRUMENTS

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

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

Investments in Equity Instruments – Current Period	Comparison		
	Balance Sheet Value	Fair Value	Market Value
1. Investment in Equity Instruments Group A	-	-	-
Traded on Stock Exchange	-	-	-
2. Investment in Equity Instruments Group B	-	-	-
Traded on Stock Exchange	-	-	-
3. Investment in Equity Instruments Group C	-	-	-
Traded on Stock Exchange	-	-	-
4. Investment in Equity Instruments Group Other	-	-	-
Other <sup>(1)</sup>	2.934.871	2.934.871	-

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

Investments in Equity Instruments – Prior Period	Comparison		
	Balance Sheet Value	Fair Value	Market Value
1. Investment in Equity Instruments Group A	-	-	-
Traded on Stock Exchange	-	-	-
2. Investment in Equity Instruments Group B	-	-	-
Traded on Stock Exchange	-	-	-
3. Investment in Equity Instruments Group C	-	-	-
Traded on Stock Exchange	-	-	-
4. Investment in Equity Instruments Group Other	-	-	-
Other <sup>(1)</sup>	2.546.781	2.546.781	-

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

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

The investments in equity instruments, partaking in banking accounts according to the credit risk standard method, are amounted TL 2.934.871 and all of them are 100% risk weighted (31 December 2023: TL 2.546.781 and all of them are 100% risk weighted).

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

Portfolio	Realized Gain/Loss in Current Period	Revaluation Surplus		Unrealized Gain and Loss		
		Total	Included in Supplementary Capital	Total	Included in Supplementary Capital	Included in Contribution Capital
1. Private Capital Investments	-	-	-	-	-	-
2. Publicly Traded Stocks	-	-	-	-	-	-
3. Other Stocks	-	2.045.773	2.045.773	-	-	-
<b>Total</b>	-	<b>2.045.773</b>	<b>2.045.773</b>	-	-	-

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
AS OF 30 JUNE 2024**

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

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

**V. EXPLANATIONS ON THE CONSOLIDATED LIQUIDITY RISK MANAGEMENT,  
LIQUIDITY COVERAGE RATIO AND NET STABLE FUNDING RATIO**

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

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

**1. Liquidity Risk**

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

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

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

Continuous information exchange is provided between the Parent Bank and its partners regarding liquidity needs and excesses, and necessary guidance and transactions are carried out with the coordination of the treasury management and units responsible for the management of subsidiaries in order to effectively manage liquidity needs and surpluses.

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

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

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

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

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2024

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

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

#### V. EXPLANATIONS ON THE CONSOLIDATED LIQUIDITY RISK MANAGEMENT, LIQUIDITY COVERAGE RATIO AND NET STABLE FUNDING RATIO (Continued)

##### 1. Liquidity Risk (Continued)

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

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

###### *Explanation regarding the usage of the stress test*

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

###### *General information on liquidity urgent and unexpected situation plan*

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

##### 2. Liquidity Coverage Ratio

Within the framework of "Regulation on Calculation of Liquidity Covered Rate of Banks" published in the Official Gazette dated 21 March 2014 and numbered 28948 by the BRSA, the Parent Bank calculates the liquidity coverage ratio and transmits unconsolidated on weekly and consolidated on monthly basis to the BRSA. Within the last three months the consolidated lowest rate are as follows:

###### Current Period - 30 June 2024

	FC		TL+FC	
	Date	Ratio	Date	Ratio
Liquidity Coverage Ratio	April 2024	464,20	April 2024	172,55
	May 2024	423,82	May 2024	198,62
	June 2024	377,28	June 2024	202,24

###### Prior Period - 31 December 2023

	FC		TL+FC	
	Date	Ratio	Date	Ratio
Liquidity Coverage Ratio	October 2023	371,37	October 2023	187,80
	November 2023	443,16	November 2023	184,41
	December 2023	388,23	December 2023	186,98



# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2024

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

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

#### V. EXPLANATIONS ON THE CONSOLIDATED LIQUIDITY RISK MANAGEMENT, LIQUIDITY COVERAGE RATIO AND NET STABLE FUNDING RATIO ( Continued)

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

Current Period	Total Unweighted Value (Average) (*)		Total Weighted Value (Average) (*)	
	TL+FC	FC	TL+FC	FC
<b>HIGH QUALITY LIQUID ASSETS</b>				
High Quality Liquid Assets			1.288.069.818	611.999.837
<b>CASH OUTFLOWS</b>				
Retail and Small Business Customers, of which;	2.209.111.074	984.070.343	199.390.685	98.404.304
Stable deposits	430.408.447	54.608	21.520.422	2.730
Less stable deposits	1.778.702.627	984.015.735	177.870.263	98.401.574
Unsecured wholesale funding, of which;	1.212.869.179	501.086.052	595.899.027	260.710.479
Operational deposit	51.909.423	15.473.409	12.897.277	3.788.273
Non-operational deposits	950.671.749	401.358.435	419.026.204	174.283.608
Other unsecured funding	210.288.007	84.254.208	163.975.546	82.638.598
Secured funding			-	-
Other cash outflows, of which;	1.013.945.203	85.783.066	131.583.683	53.493.845
Derivatives cash outflow and liquidity needs related to market valuation changes on derivatives or other transactions	55.457.656	46.236.810	55.457.656	46.236.810
Obligations related to structured financial products	-	-	-	-
Commitments related to debts to financial markets and other off-balance sheet obligations	958.487.547	39.546.256	76.126.027	7.257.035
Other revocable off-balance sheet commitments and contractual obligations	76.280.901	76.280.901	3.814.045	3.814.045
Other irrevocable or conditionally revocable off-balance sheet obligations	325.121.471	187.341.892	17.246.590	9.367.095
<b>TOTAL CASH OUTFLOWS</b>			<b>947.934.030</b>	<b>425.789.768</b>
<b>CASH INFLOWS</b>				
Secured lending	-	-	-	-
Unsecured lending	310.913.353	163.318.361	226.350.606	139.723.689
Other cash inflows	45.193.388	155.101.203	45.140.477	155.048.291
<b>TOTAL CASH INFLOW</b>	<b>356.106.741</b>	<b>318.419.564</b>	<b>271.491.083</b>	<b>294.771.980</b>
<b>TOTAL HQLA STOCK</b>			<b>1.288.069.818</b>	<b>611.999.837</b>
<b>TOTAL NET CASH OUTFLOWS</b>			<b>676.442.947</b>	<b>131.017.788</b>
<b>LIQUIDITY COVERAGE RATIO (%)</b>			<b>190,42</b>	<b>467,11</b>

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

Prior Period	Total Unweighted Value (Average) (*)		Total Weighted Value (Average) (*)	
	TL+FC	FC	TL+FC	FC
<b>HIGH QUALITY LIQUID ASSETS</b>				
High Quality Liquid Assets			1.134.101.388	557.566.260
<b>CASH OUTFLOWS</b>				
Retail and Small Business Customers, of which;	1.836.011.270	839.016.378	164.098.855	83.900.031
Stable deposits	390.045.429	32.140	19.502.271	1.607
Less stable deposits	1.445.965.841	838.984.238	144.596.584	83.898.424
Unsecured wholesale funding, of which;	1.179.112.518	488.447.509	551.247.775	231.431.355
Operational deposit	44.143.037	13.942.200	10.750.245	3.296.623
Non-operational deposits	980.425.089	415.727.319	417.142.908	170.563.767
Other unsecured funding	154.544.392	58.777.990	123.354.622	57.570.965
Secured funding			-	-
Other cash outflows, of which;	635.959.697	74.922.610	78.490.282	33.227.676
Derivatives cash outflow and liquidity needs related to market valuation changes on derivatives or other transactions	26.425.497	26.361.019	26.425.497	26.361.019
Obligations related to structured financial products	-	-	-	-
Commitments related to debts to financial markets and other off-balance sheet obligations	609.534.200	48.561.591	52.064.785	6.866.657
Other revocable off-balance sheet commitments and contractual obligations	67.104.112	67.104.112	3.355.206	3.355.206
Other irrevocable or conditionally revocable off-balance sheet obligations	253.276.703	155.101.052	13.795.627	7.755.053
<b>TOTAL CASH OUTFLOWS</b>			<b>810.987.745</b>	<b>359.669.321</b>
<b>CASH INFLOWS</b>				
Secured lending	-	-	-	-
Unsecured lending	258.108.583	126.985.874	190.822.740	108.137.776
Other cash inflows	10.801.097	110.038.442	10.749.814	109.987.159
<b>TOTAL CASH INFLOW</b>	<b>268.909.680</b>	<b>237.024.316</b>	<b>201.572.554</b>	<b>218.124.935</b>
<b>TOTAL HQLA STOCK</b>			<b>1.134.101.388</b>	<b>557.566.260</b>
<b>TOTAL NET CASH OUTFLOWS</b>			<b>609.415.191</b>	<b>141.544.386</b>
<b>LIQUIDITY COVERAGE RATIO (%)</b>			<b>186,10</b>	<b>393,92</b>

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

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
AS OF 30 JUNE 2024**

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

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

**V. EXPLANATIONS ON THE CONSOLIDATED LIQUIDITY RISK MANAGEMENT, LIQUIDITY COVERAGE RATIO AND NET STABLE FUNDING RATIO (Continued)**

**3. Explanations on Liquidity Coverage Ratio**

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

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

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

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

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

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

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

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

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

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

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

Limits have been determined within the scope of "Risk Management Legislation" for the counterparty and product-based concentration risk with the approval of the Parent Bank's senior management, and these limits are monitored at certain frequencies and are also reported to the relevant units and the Parent Bank's senior management. There was no excess in the limits during the activity period.

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

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

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

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

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2024

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

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

#### V. EXPLANATIONS ON THE CONSOLIDATED LIQUIDITY RISK MANAGEMENT, LIQUIDITY COVERAGE RATIO AND NET STABLE FUNDING RATIO (Continued)

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

	Demand	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	5 Years and Over	Undistributed <sup>(1)</sup>	Total
<b>Current Period</b>								
<b>Assets</b>								
Cash (Cash in Vault, Effectives, Money in Transit, Cheques Purchased) and Balances with the Central Bank of the Republic of Türkiye	434.552.243	465.981.928	-	-	-	-	-	900.534.171
Banks <sup>(5)</sup>	97.543.735	30.947.778	770.021	168.386	-	-	-	129.429.920
Financial Assets at Fair Value Through Profit and Loss	3.445.431	9.984.031	10.658	18.243.491	38.398.880	4.081.041	11.513.687	85.677.219
Money Markets Receivables	-	4.445.955	-	-	-	-	-	4.445.955
Financial Assets at Fair Value Through Other Comprehensive Income	1.074.953	4.826.383	63.149.713	91.225.997	402.169.766	175.389.321	2.987.784	740.823.917
Loans Given <sup>(4)</sup>	-	250.568.797	275.793.455	1.008.670.339	844.940.610	194.238.328	8.761.736	2.582.973.265
Investments Held-to-Maturity	-	822.994	7.338.800	95.788.581	129.794.920	93.487.301	-	327.232.596
Other Assets	92.543.133	418.558	27.343	111.860	185.423	30.387	144.340.995	237.657.699
<b>Total Assets<sup>(2)</sup></b>	<b>629.159.495</b>	<b>767.996.424</b>	<b>347.089.990</b>	<b>1.214.208.654</b>	<b>1.415.489.599</b>	<b>467.226.378</b>	<b>167.604.202</b>	<b>5.008.774.742</b>
<b>Liabilities</b>								
Interbank Deposits	10.614.997	63.117.367	192.015	31.049.635	-	-	-	104.974.014
Other Deposits	1.138.834.075	1.336.368.893	667.664.581	345.622.594	24.160.356	1.496.239	-	3.514.146.738
Funds Provided from Other Financial Institutions	3.816.327	8.808.449	38.399.327	133.216.271	132.084.767	18.596.768	-	334.921.909
Money Markets Borrowings	-	180.316.630	1.981.295	25.298.324	48.116.593	-	-	255.712.842
Issued Marketable Securities <sup>(3)</sup>	3.261.907	6.466.600	23.948.842	27.424.316	123.395.777	16.033.100	-	200.530.542
Miscellaneous Payables	17.739.742	59.589.182	281	2.510	4.910	594	1.460.549	78.797.768
Other Liabilities <sup>(3)</sup>	108.009.829	8.743.293	9.607.235	161.553	7.430.969	8.665.954	377.072.096	519.690.929
<b>Total Liabilities</b>	<b>1.282.276.877</b>	<b>1.663.410.414</b>	<b>741.793.576</b>	<b>562.775.203</b>	<b>335.193.372</b>	<b>44.792.655</b>	<b>378.532.645</b>	<b>5.008.774.742</b>
<b>Liquidity Gap</b>	<b>(653.117.382)</b>	<b>(895.413.990)</b>	<b>(394.703.586)</b>	<b>651.433.451</b>	<b>1.080.296.227</b>	<b>422.433.723</b>	<b>(210.928.443)</b>	<b>-</b>
<b>Net Off-Balance Sheet Position</b>	<b>-</b>	<b>(106.131)</b>	<b>2.732.249</b>	<b>(549.544)</b>	<b>(9.413)</b>	<b>(5.519.145)</b>	<b>-</b>	<b>(3.451.984)</b>
Financial Derivative Assets	-	222.957.176	73.846.197	46.259.778	4.168.284	-	-	347.231.435
Financial Derivative Liabilities	-	223.063.307	71.113.948	46.809.322	4.177.697	5.519.145	-	350.683.419
<b>Non-cash Loans</b>	<b>269.042.393</b>	<b>41.560.013</b>	<b>74.169.505</b>	<b>377.279.256</b>	<b>176.327.857</b>	<b>100.551.858</b>	<b>-</b>	<b>1.038.930.882</b>
<b>Prior Period</b>								
Total Assets	384.109.937	664.443.329	347.575.815	1.144.394.489	1.118.445.175	473.651.949	121.809.348	4.254.430.042
Total Liabilities	1.085.812.172	1.686.935.173	408.689.811	468.996.549	228.967.563	19.410.885	355.617.889	4.254.430.042
<b>Liquidity Gap</b>	<b>(701.702.235)</b>	<b>(1.022.491.844)</b>	<b>(61.113.996)</b>	<b>675.397.940</b>	<b>889.477.612</b>	<b>454.241.064</b>	<b>(233.808.541)</b>	<b>-</b>
<b>Net Off-Balance Sheet Position</b>	<b>-</b>	<b>835.839</b>	<b>(7.213.346)</b>	<b>35.317</b>	<b>(65.007)</b>	<b>4.080.743</b>	<b>-</b>	<b>(2.326.454)</b>
Financial Derivative Assets	-	365.573.649	185.667.086	8.039.498	5.480.978	5.096.088	-	569.857.299
Financial Derivative Liabilities	-	364.737.810	192.880.432	8.004.181	5.545.985	1.015.345	-	572.183.753
<b>Non-cash Loans</b>	<b>231.799.204</b>	<b>40.637.480</b>	<b>66.171.079</b>	<b>265.449.449</b>	<b>181.154.736</b>	<b>82.031.887</b>	<b>-</b>	<b>867.243.835</b>

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

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

(3) Includes subordinated debt instruments.

(4) Includes lease receivables.

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

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2024

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

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

#### V. EXPLANATIONS ON THE CONSOLIDATED LIQUIDITY RISK MANAGEMENT, LIQUIDITY COVERAGE RATIO AND NET STABLE FUNDING RATIO (Continued)

##### 5. Net Stable Funding Ratio

In accordance with the “Regulation on Banks' Calculation of Net Stable Funding Ratio” published by the BRSA in the Official Gazette dated 26 May 2023 and numbered 32202, the Bank calculates the Net Stable Funding Ratio and submits it to the BRSA on a monthly basis on consolidated and unconsolidated basis. Net stable funding ratio is calculated by dividing the available stable funding amount by the required stable funding amount. Available stable funding is the portion of banks' liabilities and equity that is expected to be permanent; required stable funding is the portion of banks' on-balance sheet assets and off-balance sheet liabilities that are expected to be refinanced. The amount of available stable funding is calculated by summing the amounts to be found after applying the relevant consideration ratios determined within the scope of the legislation to the amounts of banks' liabilities and equity elements valued in accordance with TFRS. The required amount of stable funds is calculated by adding the amounts calculated by deducting the specific provisions set aside in accordance with the Regulation on the Procedures and Principles Regarding the Classification of Loans and the Provisions to be set aside in accordance with the Regulation on the Procedures and Principles Regarding the Classification of Loans and the Provisions to be set aside from the amounts of banks' on-balance sheet assets valued in accordance with TFRS and off-balance sheet liabilities, after applying the relevant consideration rates determined in accordance with the legislation.

The three-month simple arithmetic average of the consolidated and unconsolidated NSFR calculated monthly as of the equity calculation periods as of March, June, September and December cannot be less than 100%.

As of 30 June 2024, the NSFR is 122,60% (109,30% as of 31 December 2023). The average NSFR for the last three months of the current period was 122,96% (109,60% as of 31 December 2023). There are no changes in the Bank's strategies, funding structure, asset and liability composition that would significantly affect the net stable funding ratio compared to the previous period.

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2024

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

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

#### V. EXPLANATIONS ON THE CONSOLIDATED LIQUIDITY RISK MANAGEMENT, LIQUIDITY COVERAGE RATIO AND NET STABLE FUNDING RATIO (Continued)

##### 5. Net Stable Funding Ratio (Continued)

Current Period	Unweighted value by residual maturity				Weighted Value
	Without Maturity*	Less than 6 Months	6 Months to < 1 Year	1 Year and More Than 1 Year	
<b>Available Stable Funds</b>					
Capital	451.729.510	-	-	68.609.755	520.339.265
Tier I and Tier II Capital	451.729.510	-	-	68.609.755	520.339.265
Other Capital Instruments	-	-	-	-	-
Deposits from the Natural Persons and Small Business Customers	812.621.757	1.221.559.507	47.281.528	9.342.002	1.908.832.467
Stable Deposits / Participation Funds	224.110.377	314.491.705	3.203.651	357.315	515.054.896
Less Stable Deposits / Participation Funds	588.511.380	907.067.802	44.077.877	8.984.687	1.393.777.571
Wholesale Funding	31.877.622	1.258.516.913	477.712.788	261.016.512	713.487.571
Operational Deposits	25.327.905	22.032.933	-	-	23.680.419
Other Wholesale Funding	6.549.717	1.236.483.980	477.712.788	261.016.512	689.807.152
Liabilities with Matching Independent Assets					
Other Liabilities	759.876.946	10.250.621	-	-	-
Derivative Liabilities				10.250.621	
All Other Equity and Liabilities not Included in the Above Categories	759.876.946	-	-	-	-
<b>Available Stable Fund</b>					<b>3.142.659.303</b>
<b>Required Stable Funding</b>					
High Quality Liquid Assets (HQLA)					36.347.242
Deposits Held at Credit Institutions of Financial Institutions for Operational Purposes	-	-	-	5.141.596	2.570.798
Performing Loans and Securities	72.843.329	61.525.043	1.285.053.240	1.196.550.683	1.651.082.539
Performing Loans to Credit Institutions or Financial Institutions Secured by Level 1 HQAL	-	-	-	-	-
Performing Loans to Credit Institutions or Financial Institutions Secured by Non Level 1 HQLA and Unsecured Performing Loans to Credit Institutions or Financial Institutions	69.882.117	20.987.892	58.060.396	-	42.660.699
Performing Loans to Non Financial Corporate Clients, Loans to Natural Person Customers and Small Business Customers, and Loans to sovereigns, Central Banks and PSEs	-	40.537.151	1.223.874.743	1.095.695.613	1.537.698.628
Loans with a risk weight of less than or equal to 35%	-	-	-	27.900.074	18.135.048
Performing Loans Encumbered with Residential Mortgages	-	-	-	100.855.070	65.555.796
Loans with a risk weight of Less than or equal to 35%	-	-	-	100.855.070	65.555.796
Exchange Traded Equities and Securities That are Not in Default and Do not Qualify as HQLA	2.961.212	-	3.118.101	-	5.167.416
Assets With Matching Interdependent Liabilities					
Other Assets	21.372.454	-	-	822.282.960	781.393.912
Physical Traded Commodities, Including Gold	15.488.523				13.165.245
Assets Posted as Initial Margin for Derivative Contracts or Contributions to Default Funds of Central Counterparties				1.461.219	1.242.036
Derivative Assets				1.827.385	1.827.385
Derivative Liabilities Before Deduction of Variation Margin Posted				10.313.450	1.031.345
All Other Assets Not Included in the Above Categories	5.883.931	-	-	808.680.906	764.127.901
Off-Balance Sheet Items		35.426.294	-	1.803.096.189	91.926.124
<b>Required Stable Fund</b>					<b>2.563.320.615</b>
<b>Net Stable Funding Ratio (%)</b>					<b>122,60</b>

\* Items to be reported in the “without maturity” time bucket do not have a stated maturity. These may include but are not limited to, items such as capital with perpetual maturity, non-maturity deposits, short positions, open maturity positions, non-high quality liquid asset equities and physical traded commodities.

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2024

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

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

#### V. EXPLANATIONS ON THE CONSOLIDATED LIQUIDITY RISK MANAGEMENT LIQUIDITY COVERAGE RATIO AND NET STABLE FUNDING RATIO (Continued)

##### 5. Net Stable Funding Ratio (Continued)

Prior Period	Unweighted value by residual maturity				Weighted Value
	Without Maturity*	Less than 6 Months	6 Months to <1 Year	1 Year and More Than 1 Year	
<b>Available Stable Funds</b>					
Capital	396.721.369	48.758.145	-	-	445.479.514
Tier I and Tier II Capital	396.721.369	48.758.145	-	-	445.479.514
Other Capital Instruments	-	-	-	-	-
Deposits from the Natural Persons and Small Business Customers	684.004.238	991.385.860	92.145.468	7.269.598	1.616.355.413
Stable Deposits / Participation Funds	148.953.265	225.550.278	5.869.010	242.754	361.584.542
Less Stable Deposits / Participation Funds	535.050.973	765.835.582	86.276.459	7.026.844	1.254.770.872
Wholesale Funding	-	1.513.905.317	27.895.582	109.183.760	558.173.906
Operational Deposits	-	-	-	-	-
Other Wholesale Funding	-	1.513.905.317	27.895.582	109.183.760	558.173.906
Liabilities with Matching Independent Assets					
Other Liabilities	396.702.398	7.214.317	-	-	-
Derivative Liabilities				7.214.317	
All Other Equity and Liabilities not Included in the Above Categories	396.702.398	-	-	-	-
<b>Available Stable Fund</b>					<b>2.620.008.833</b>
<b>Required Stable Funding</b>					
High Quality Liquid Assets (HQLA)					32.978.093
Deposits Held at Credit Institutions of Financial Institutions for Operational Purposes	-	-	-	687.863	343.932
Performing Loans and Securities	28.603.744	920.171.128	131.890.445	1.023.976.988	1.305.112.838
Performing Loans to Credit Institutions or Financial Institutions Secured by Level 1 HQLA	-	12.845.825	-	-	1.284.583
Performing Loans to Credit Institutions or Financial Institutions Secured by Non Level 1 HQLA and Unsecured Performing Loans to Credit Institutions or Financial Institutions	28.603.744	1.193.205	13.527	-	4.476.306
Performing Loans to Non Financial Corporate Clients, Loans to Natural Person Customers and Small Business Customers, and Loans to sovereigns, Central Banks and PSEs	-	906.132.097	131.876.918	913.073.741	1.226.642.528
Loans with a risk weight of less than or equal to 35%	-	-	-	91.423	59.425
Performing Loans Encumbered with Residential Mortgages	-	-	-	107.791.688	70.064.597
Loans with a risk weight of less than or equal to 35%	-	-	-	107.791.688	70.064.597
Exchange Traded Equities and Securities That are Not in Default and Do not Qualify as HQLA	-	-	-	3.111.559	2.644.825
Assets With Matching Interdependent Liabilities					
Other Assets	6.574.034	-	-	1.028.384.255	978.654.832
Physical Traded Commodities, Including Gold	1.542.253				1.310.915
Assets Posted as Initial Margin for Derivative Contracts or Contributions to Default Funds of Central Counterparties				936.528	796.049
Derivative Assets				-	-
Derivative Liabilities Before Deduction of Variation Margin Posted				3.636.160	363.616
All Other Assets Not Included in the Above Categories	5.031.781	-	-	1.023.811.567	976.184.252
Off-Balance Sheet Items		104.390.149	-	1.495.990.952	80.019.055
<b>Required Stable Fund</b>					<b>2.397.108.750</b>
<b>Net Stable Funding Ratio (%)</b>					<b>109,30</b>

\* Items to be reported in the “without maturity” time bucket do not have a stated maturity. These may include, but are not limited to, items such as capital with perpetual maturity, non-maturity deposits, short positions, open maturity positions, non-high quality liquid asset equities and physical traded commodities.

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2024

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

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

#### VI. EXPLANATIONS ON CONSOLIDATED LEVERAGE RATIO

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

The Group’s leverage calculated by force of the regulation “Regulation on Measurement and Assessment of Leverage Ratios of Banks” is 6,31% (31 December 2023: 6,60%). The regulation sentenced the minimum leverage ratio as 3%.

<b>Balance sheet assets</b>	<b>Current Period <sup>(*)</sup></b>	<b>Prior Period <sup>(*)</sup></b>
On-balance sheet items (excluding derivative financial instruments and credit derivatives but including collateral)	4.813.017.017	4.036.046.993
(Assets deducted in determining Tier 1 capital)	(24.752.651)	(26.897.360)
Total on-balance sheet risks (sum of lines 1 and 2)	4.788.264.366	4.009.149.633
<b>Derivative financial instruments and credit derivatives</b>		
Replacement cost associated with all derivative financial instruments and credit derivatives	9.835.105	11.406.900
Add-on amounts for PFE associated with all derivative financial instruments and credit derivatives	13.430.698	13.687.512
Total risks of derivative financial instruments and credit derivatives	23.265.803	25.094.412
<b>Securities or commodity financing transactions (SCFT)</b>		
Risks from SCFT assets (Excluding the balance sheet)	117.517.762	101.743.019
Risks from brokerage activities related exposures	-	-
Total risks related with securities or commodity financing transactions	117.517.762	101.743.019
<b>Other off-balance sheet transactions</b>		
Gross notional amounts of off-balance sheet transactions	2.044.449.119	1.495.151.793
(Adjustments for conversion to credit equivalent amounts)	(64.794.311)	(56.563.248)
Total risks of off-balance sheet items	1.979.654.808	1.438.588.545
<b>Capital and total risks</b>		
Tier 1 capital	436.278.818	367.895.106
Total risks	6.908.702.739	5.574.575.609
<b>Leverage ratio</b>		
Leverage ratio %	6,31	6,60

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

##### 2. An Extract Comparison Table of Total Risks Placed in Consolidated Financial Statements Coordinated in Accordance With TAS

	<b>Current Period <sup>(*)</sup></b>	<b>Prior Period <sup>(*)</sup></b>
Total assets in consolidated financial statements prepared in accordance with Turkish Accounting Standards <sup>(**)</sup>	5.009.133.957	4.254.505.851
The difference between total assets prepared in accordance with Turkish Accounting Standards and total assets in consolidated financial statements prepared in accordance with the communiqué “Preparation of Consolidated Financial Statements”	359.215	75.809
The difference between the amounts of derivative financial instruments and credit derivatives in consolidated financial statements prepared in accordance with the communiqué “Preparation of Consolidated Financial Statements” and risk amounts of such instruments	1.049.899.562	1.185.091.295
The difference between the amounts of securities or commodity financing transactions in consolidated financial statements prepared in accordance with the communiqué “Preparation of Consolidated Financial Statements” and risk amounts	190.310.484	54.819.391
The difference between the amounts of off-balance items in consolidated financial statements prepared in accordance with the communiqué “Preparation of Consolidated Financial Statements” and risk amounts of such items	64.794.311	56.563.248
Other differences between the amounts in consolidated financial statements prepared in accordance with the communiqué “Preparation of Consolidated Financial Statements” and risk amount of such items	(297.993.141)	(145.902.254)
<b>Total risk amount</b>	<b>6.908.702.739</b>	<b>5.575.305.999</b>

(\*) The amounts shown in the table are 3-month averages.

(\*\*) The current year balance of the Consolidated Financial Statements prepared in accordance with paragraph 6 of Article 5 of the Communiqué on Preparation of Consolidated Financial Statements of Banks has been prepared by using the temporary financial statements dated 30 June 2024 of the nonfinancial subsidiaries.

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2024

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

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

#### VII. EXPLANATIONS ON CONSOLIDATED RISK MANAGEMENT

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

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

###### Overview of Risk Weighted Amounts

		Risk Weighted Amount		Minimum capital Requirement
		Current Period	Prior Period	Current Period
1	Credit Risk (excluding counterparty credit risk)	2.812.693.192	2.186.838.040	225.015.455
2	Standardized approach	2.812.693.192	2.186.838.040	225.015.455
3	Internal rating-based approach	-	-	-
4	Counterparty credit risk	51.287.008	36.936.387	4.102.961
5	Standardized approach for counterparty credit risk	51.287.008	36.936.387	4.102.961
6	Internal model method	-	-	-
7	Basic risk weight approach to internal model's equity position in the banking account	-	-	-
8	Investments made in collective investment companies-look through approach	-	-	-
9	Investments made in collective investment companies-mandate-based approach	2.701.343	1.124.974	216.107
10	Investments made in collective investment companies-1250% weighted risk approach	-	-	-
11	Settlement risk	-	-	-
12	Securitization positions in banking accounts	-	-	-
13	IRB ratings-based approach	-	-	-
14	IRB Supervisory Formula approach	-	-	-
15	SA/simplified supervisory formula approach	-	-	-
16	Market risk	162.563.644	174.370.639	13.005.092
17	Standardized approach	162.563.644	174.370.639	13.005.092
18	Internal model approaches	-	-	-
19	Operational risk	251.423.068	142.750.275	20.113.845
20	Basic Indicator approach	251.423.068	142.750.275	20.113.845
21	Standard approach	-	-	-
22	Advanced measurement approach	-	-	-
23	The amount of the discount threshold under the equity (subject to a 250% risk weight)	-	-	-
24	Floor adjustment	-	-	-
25	<b>Total (1+4+7+8+9+10+11+12+16+19+23+24)</b>	<b>3.280.668.255</b>	<b>2.542.020.315</b>	<b>262.453.460</b>

##### 2. Explanations on Credit Risk

###### Credit Quality of Assets

Current Period	Gross Carrying Values of as Per TAS Prepared According to Legal Consolidation		Allowances / Impairments	Net values
	Defaulted	Non-defaulted		
Loans <sup>(*)</sup>	33.782.019	2.634.640.691	85.449.445	2.582.973.265
Debt Securities	-	1.046.676.702	25.126.410	1.021.550.292
Off-Balance Sheet Exposures	5.459.366	1.972.827.889	9.645.567	1.968.641.688
<b>Total</b>	<b>39.241.385</b>	<b>5.654.145.282</b>	<b>120.221.422</b>	<b>5.573.165.245</b>

Prior Period	Gross Carrying Values of as Per TAS Prepared According to Legal Consolidation		Allowances / Impairments	Net values
	Defaulted	Non-defaulted		
Loans <sup>(*)</sup>	29.930.860	2.260.426.027	76.920.514	2.213.436.373
Debt Securities	-	109.976.466	565.867	109.410.599
Off-Balance Sheet Exposures	6.011.402	1.529.028.663	9.204.333	1.525.835.732
<b>Total</b>	<b>35.942.262</b>	<b>3.899.431.156</b>	<b>86.690.714</b>	<b>3.848.682.704</b>

<sup>(\*)</sup> It also includes receivables from leasing transactions.



# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2024

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

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

#### VII. EXPLANATIONS ON CONSOLIDATED RISK MANAGEMENT (Continued)

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

##### Changes in Default Receivables and Stock of Debt Instruments

	Current Period	Prior Period
<b>1</b> Defaulted Loans and Debt Securities at End of the Previous Reporting Period	<b>29.930.860</b>	<b>19.247.953</b>
2 Loans and Debt Securities That Have Defaulted Since the Last Reporting Period	8.496.562	18.204.861
3 Returned to Non-Defaulted Status	(525.301)	(762.998)
4 Amounts Written Off	(2.836)	(587.000)
5 Other Changes	(4.117.266)	(6.171.956)
<b>6</b> Defaulted Loans and Debt Securities at End of the Reporting Period (1+2-3-4+5) <sup>(*)</sup>	<b>33.782.019</b>	<b>29.930.860</b>

(\*) Expected loss provisions for non-credit exposures are not included in the table

##### Overview of Credit Risk Mitigation Techniques

	Unsecured receivables: TAS probable valued amount	Receivables secured by guarantee	Collateralized portions of collateralized receivables	Receivables protected by financial guarantees	Collateralized portions of receivables protected by financial guarantees	Loans protected by credit derivatives	Collateralized portions of receivables protected by credit derivatives
<b>Current Period</b>							
Loans	1.806.513.732	605.389.500	110.712.925	569.809.374	96.208.591	-	-
Debt Securities	958.009.778	-	-	-	-	-	-
<b>Total</b>	<b>2.764.523.510</b>	<b>605.389.500</b>	<b>110.712.925</b>	<b>569.809.374</b>	<b>96.208.591</b>	-	-
Defaulted	31.186.611	1.606.022	570.334	1.550.792	556.527	-	-

	Unsecured receivables: TAS probable valued amount	Receivables secured by guarantee	Collateralized portions of collateralized receivables	Receivables protected by financial guarantees	Collateralized portions of receivables protected by financial guarantees	Loans protected by credit derivatives	Collateralized portions of receivables protected by credit derivatives
<b>Prior Period</b>							
Loans	1.435.536.333	519.051.595	107.998.209	475.825.912	81.894.470	-	-
Debt Securities	770.081.467	-	-	-	-	-	-
<b>Total</b>	<b>2.205.617.800</b>	<b>519.051.595</b>	<b>107.998.209</b>	<b>475.825.912</b>	<b>81.894.470</b>	-	-
Defaulted	26.146.948	1.627.159	659.096	1.612.347	657.651	-	-

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2024

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

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

#### VII. EXPLANATIONS ON CONSOLIDATED RISK MANAGEMENT (Continued)

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

##### Standard Approach – Credit Risk Exposure and Credit Risk Mitigation (CRM) Effects

Current Period	Exposures before CCF and CRM		Exposures post CCF and CRM		RWA and RWA density	
	On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	Risk Weighted Amount	Risk Weighted Amount Density
<b>Risk Classes</b>						
Exposures to sovereigns and their central banks	1.923.339.140	3.095.471	2.018.564.149	1.406.933	21.644.467	1,1%
Exposures to regional and local governments	6.515.571	229.692	6.058.010	180.447	3.079.484	49,4%
Exposures to administrative bodies and non-commercial entities	33.364.344	7.209.522	33.317.358	3.466.842	36.700.942	99,8%
Exposures to multilateral development banks	-	-	-	-	-	-
Exposures to international organizations	-	-	-	-	-	-
Exposures to banks and brokerage houses	451.473.828	45.272.525	452.310.034	24.040.014	89.556.996	18,8%
Exposures to corporates	991.127.194	899.665.734	968.014.582	484.582.538	1.416.818.469	97,5%
Retail exposures	675.119.964	869.222.010	607.705.258	53.051.829	492.492.614	74,5%
Exposures secured by residential property	157.474.644	10.779.740	153.001.820	5.266.234	55.373.459	35,0%
Exposures secured by commercial property	182.506.929	48.067.334	182.506.929	29.799.539	118.320.810	55,7%
Past-due items	7.970.537	63.152	7.414.010	22.658	4.851.894	65,2%
Exposures in high-risk categories	270.934.442	2.884.059	270.934.443	1.743.353	453.121.469	166,2%
Exposures in the form of bonds secured by mortgages	-	-	-	-	-	-
Short term exposures to banks, brokerage houses and corporates	-	-	-	-	-	-
Exposures in the form of collective investment undertakings	2.661.553	108.645	2.661.553	51.059	2.701.343	99,6%
Other exposures	205.373.162	-	205.373.162	-	162.696.779	79,2%
Equity share investments	4.528.450	-	4.528.450	-	4.528.450	100,0%
<b>Total</b>	<b>4.912.389.758</b>	<b>1.886.597.884</b>	<b>4.912.389.758</b>	<b>603.611.446</b>	<b>2.861.887.176</b>	<b>51,9%</b>

  

Prior Period	Exposures before CCF and CRM		Exposures post-CCF and CRM		RWA and RWA density	
	On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	Risk Weighted Amount	Risk Weighted Amount Density
<b>Risk Classes</b>						
Exposures to sovereigns and their central banks	1.403.702.712	2.589.471	1.484.364.104	1.184.996	10.417.379	0,7%
Exposures to regional and local governments	6.838.382	237.185	6.318.472	174.019	3.203.656	49,3%
Exposures to administrative bodies and non-commercial entities	32.345.421	5.237.244	32.292.456	2.701.627	34.815.112	99,5%
Exposures to multilateral development banks	-	-	-	-	-	-
Exposures to international organizations	-	-	-	-	-	-
Exposures to banks and brokerage houses	229.230.958	31.662.630	230.234.288	18.605.745	62.453.674	25,1%
Exposures to corporates	747.838.609	643.076.348	723.063.503	347.525.708	1.038.634.955	97,0%
Retail exposures	632.369.825	553.297.296	578.879.152	44.298.535	464.609.250	74,6%
Exposures secured by residential property	154.538.279	7.145.757	152.369.899	3.411.007	54.507.857	35,0%
Exposures secured by commercial property	129.548.171	26.629.685	129.548.171	16.949.465	81.534.217	55,7%
Past-due items	5.875.058	-	5.258.982	-	3.626.238	69,0%
Exposures in high-risk categories	199.837.373	2.261.649	199.795.761	1.295.385	340.104.819	169,1%
Exposures in the form of bonds secured by mortgages	-	-	-	-	-	-
Short term exposures to banks, brokerage houses and corporates	-	-	-	-	-	-
Exposures in the form of collective investment undertakings	1.079.100	120.127	1.079.100	57.143	1.124.974	99,0%
Other exposures	143.763.401	-	143.763.401	-	119.240.544	82,9%
Equity share investments	3.969.057	-	3.969.057	-	3.969.057	100,0%
<b>Total</b>	<b>3.690.936.346</b>	<b>1.272.257.392</b>	<b>3.690.936.346</b>	<b>436.203.630</b>	<b>2.218.241.732</b>	<b>53,7%</b>

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2024

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

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

#### VII. EXPLANATIONS ON CONSOLIDATED RISK MANAGEMENT (Continued)

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

##### Exposures by Risk Classes and Risk Weights

Current Period Risk Classes/ Risk Weights	0%	10%	20%	25%	35% Secured by Property Mortgage	50% Secured by Property Mortgage	50% (*)	75%	100%	150%	250%	Other	Total Risk Amount (Post-CCF and CRM)
Claims on sovereigns and Central Banks	1.994.862.885	-	2.216.942	-	-	-	931.096	-	20.710.538	-	-	1.249.621	2.019.971.082
Claims on regional governments or local authorities	79.743	-	34	-	-	-	6.158.406	-	274	-	-	-	6.238.457
Claims on administrative bodies and other non-commercial undertakings	82.760	-	622	-	-	-	-	-	36.700.818	-	-	-	36.784.200
Claims on multilateral development banks	-	-	-	-	-	-	-	-	-	-	-	-	-
Claims on international organizations	-	-	-	-	-	-	-	-	-	-	-	-	-
Claims on banks and intermediary institutions	236.400.438	-	113.951.403	-	-	-	116.423.746	-	8.534.034	-	-	1.040.427	476.350.048
Claims on corporates	16.432.970	-	7.791.227	-	-	-	26.225.400	-	1.402.147.523	-	-	-	1.452.597.120
Claims on retail portfolios	7.451.514	-	1.071.814	-	-	-	-	639.822.031	12.411.728	-	-	-	660.757.087
Claims secured with real estate mortgage for residence	55.658	-	5.862	-	158.206.534	-	-	-	-	-	-	-	158.268.054
Claims secured by residential property	-	-	-	-	-	187.971.317	-	-	24.335.151	-	-	-	212.306.468
Past due loans	13.976	-	29	-	-	-	5.804.751	-	1.475.707	67.777	-	74.428	7.436.668
Higher Risk categories decided by the Board	21.738	-	5.823	-	-	-	404.062	-	617.071	186.404.417	-	85.224.685	272.677.796
Secured by mortgages	-	-	-	-	-	-	-	-	-	-	-	-	-
Short-term claims and short-term corporate claims on banks and intermediary institutions	-	-	-	-	-	-	-	-	-	-	-	-	-
Undertakings for collective investments in mutual funds	11.269	-	-	-	-	-	-	-	2.701.343	-	-	-	2.712.612
Share investment	-	-	-	-	-	-	-	-	4.528.450	-	-	-	4.528.450
Other Receivables	42.676.361	-	28	-	-	-	-	-	162.696.773	-	-	-	205.373.162
<b>Total</b>	<b>2.298.089.312</b>	<b>-</b>	<b>125.043.784</b>	<b>-</b>	<b>158.206.534</b>	<b>187.971.317</b>	<b>155.947.461</b>	<b>639.822.031</b>	<b>1.676.859.410</b>	<b>186.472.194</b>	<b>-</b>	<b>87.589.161</b>	<b>5.516.001.204</b>

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

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2024

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

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

#### VII. EXPLANATIONS ON CONSOLIDATED RISK MANAGEMENT (Continued)

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

##### *Exposures by Risk Classes and Risk Weights (Continued)*

Prior Period Risk Classes/ Risk Weight	0%	10%	20%	25%	35% Secured by Property Mortgage	50% Secured by Property Mortgage	50% (*)	75%	100%	150%	250%	Other	Total Risk Amount (Post-CCF and CRM)
Claims on sovereigns and Central Banks	1.473.969.215	-	604.417	-	-	-	1.357.945	-	9.617.523	-	-	-	1.485.549.100
Claims on regional governments or local authorities	86.776	-	34	-	-	-	6.404.063	-	1.618	-	-	-	6.492.491
Claims on administrative bodies and other non-commercial undertakings	162.851	-	20.149	-	-	-	-	-	34.811.083	-	-	-	34.994.083
Claims on multilateral development banks	-	-	-	-	-	-	-	-	-	-	-	-	-
Claims on international organizations	-	-	-	-	-	-	-	-	-	-	-	-	-
Claims on banks and intermediary institutions	93.198.648	-	65.653.856	-	-	-	81.320.481	-	8.662.573	-	-	4.475	248.840.033
Claims on corporates	25.027.194	-	1.723.059	-	-	-	11.097.230	-	1.032.741.728	-	-	-	1.070.589.211
Claims on retail portfolios	9.174.584	-	780.790	-	-	-	15.554	595.045.778	18.160.981	-	-	-	623.177.687
Claims secured with real estate mortgage for residence	41.397	-	6.476	-	155.733.033	-	-	-	-	-	-	-	155.780.906
Claims secured by residential property	-	-	-	-	-	129.926.839	-	-	16.570.797	-	-	-	146.497.636
Past due loans	1.428	-	-	-	-	-	3.262.633	-	1.994.921	-	-	-	5.258.982
Higher Risk categories decided by the Board	18.778	-	705	-	-	-	705.292	-	71.286	125.544.542	-	74.750.543	201.091.146
Secured by mortgages	-	-	-	-	-	-	-	-	-	-	-	-	-
Short-term claims and short-term corporate claims on banks and intermediary institutions	-	-	-	-	-	-	-	-	-	-	-	-	-
Undertakings for collective investments in mutual funds	11.269	-	-	-	-	-	-	-	1.124.974	-	-	-	1.136.243
Share investment	-	-	-	-	-	-	-	-	3.969.057	-	-	-	3.969.057
Other Receivables	24.522.841	-	20	-	-	-	-	-	119.240.540	-	-	-	143.763.401
<b>Total</b>	<b>1.626.214.981</b>	<b>-</b>	<b>68.789.506</b>	<b>-</b>	<b>155.733.033</b>	<b>129.926.839</b>	<b>104.163.198</b>	<b>595.045.778</b>	<b>1.246.967.081</b>	<b>125.544.542</b>	<b>-</b>	<b>74.755.018</b>	<b>4.127.139.976</b>

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

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

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
AS OF 30 JUNE 2024**

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

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

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

**3. Counterparty Credit Risk**

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

	Current Period	Replacement Cost	Potential Credit Risk Exposure	EEPE (*)	Alpha Used for Computing Regulatory EAD	Exposure After Credit Risk Mitigation	Risk Weighted Amounts
1	Standardized approach - CCR (for derivatives)	5.690.249	5.648.713		1,4	15.874.545	6.319.391
2	Internal Model Method for derivatives, Repo Transactions, Marketable Securities or Commodity lending or borrowing transactions, transactions with a long settlement time, Marketable Security transactions with credit)			-	-	-	-
3	Simple approach for credit risk mitigation (for derivatives, Repo Transactions, Marketable Securities or Commodity lending or borrowing transactions, transactions with a long settlement time, Marketable Security transactions with credit)					447.213.777	40.113.893
4	Comprehensive method for credit risk mitigation (for derivatives, Repo Transactions, Marketable Securities or Commodity lending or borrowing transactions, transactions with a long settlement time, Marketable Security transactions with credit)					1.514.354	13.554
5	Value at Risk for Repo Transactions, Securities or Commodity lending or borrowing transactions					-	-
6	<b>Total</b>						<b>46.446.838</b>

(\*) Effective expected positive exposure

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2024

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

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

#### VII. EXPLANATIONS ON CONSOLIDATED RISK MANAGEMENT (Continued)

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

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

	Prior Period	Replacement Cost	Potential Credit Risk Exposure	EEPE (*)	Alpha Used for Computing Regulatory EAD	Exposure After Credit Risk Mitigation	Risk Weighted Amounts
1	Standardized approach - CCR (for derivatives)	5.870.198	6.824.485		1,4	17.772.556	5.125.843
2	Internal Model Method (for derivatives, Repo Transactions, Marketable Securities or Commodity lending or borrowing transactions, transactions with a long settlement time, Marketable Security transactions with credit)			-	-	-	-
3	Simple approach for credit risk mitigation (for derivatives, Repo Transactions, Marketable Securities or Commodity lending or borrowing transactions, transactions with a long settlement time, Marketable Security transactions with credit)					178.596.709	25.146.577
4	Comprehensive method for credit risk mitigation (for derivatives, Repo Transactions, Marketable Securities or Commodity lending or borrowing transactions, transactions with a long settlement time, Marketable Security transactions with credit)					155.932	6.207
5	Value at Risk for Repo Transactions, Securities or Commodity lending or borrowing transactions					-	-
6	<b>Total</b>						<b>30.278.627</b>

(\*) Effective expected positive exposure

##### Capital Requirement for Loan Valuation Adjustments

	Exposures (After credit risk mitigation methods)	Risk Weighted Amount
<b>Current Period</b>		
Total portfolio value with comprehensive approach CVA capital adequacy	-	-
1 (i) Value at Risk component (including the 3*multiplier)		-
2 (ii) Stressed Value at Risk component (including the 3*multiplier)		-
3 All portfolios subject to the Standardized CVA capital charge obligation	15.874.545	4.770.688
4 <b>Total subject to the CVA capital charge</b>	<b>15.874.545</b>	<b>4.770.688</b>

	Exposures (After credit risk mitigation methods)	Risk Weighted Amount
<b>Prior Period</b>		
Total portfolio value with comprehensive approach CVA capital adequacy	-	-
1 (i) Value at Risk component (including the 3*multiplier)		-
2 (ii) Stressed Value at Risk component (including the 3*multiplier)		-
3 All portfolios subject to the Standardized CVA capital charge obligation	17.772.556	6.639.053
4 <b>Total subject to the CVA capital charge</b>	<b>17.772.556</b>	<b>6.639.053</b>

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2024

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

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

#### VII. EXPLANATIONS ON CONSOLIDATED RISK MANAGEMENT (Continued)

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

##### Standard approach - CCR exposures by risk class and risk weights

Current Period Risk Weight/Regulatory portfolio	0%	10%	20%	50%	75%	100%	150%	Other	Total risk exposure <sup>(1)</sup>
Receivables from central government or central banks	97.499.536	-	-	-	-	-	-	1.249.621	98.749.157
Receivables from regional or local governments	1.138	-	-	17	-	-	-	-	1.155
Receivables from administrative units and non-commercial enterprises	16.134	-	-	-	-	248	-	-	16.382
Receivables from multilateral developments banks	-	-	-	-	-	-	-	-	-
Receivables from international organizations	-	-	-	-	-	-	-	-	-
Receivables from banks and intermediary institutions	239.463.068	-	55.784.488	63.088.122	-	1.360.795	-	1.040.427	360.736.900
Corporate receivables	4.948.813	-	-	-	-	2.358.084	-	-	7.306.897
Retail receivables	46.575	-	-	-	35.659	-	-	-	82.234
Other receivables <sup>(2)</sup>	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>341.975.264</b>	<b>-</b>	<b>55.784.488</b>	<b>63.088.139</b>	<b>35.659</b>	<b>3.719.127</b>	<b>-</b>	<b>2.290.048</b>	<b>466.892.725</b>

<sup>(1)</sup> Total credit exposure: the amount related to the capital adequacy calculation after applying the counterparty credit risk measurement techniques.

<sup>(2)</sup> Other receivable: the amount excludes exposures to “Central counterparty” which are reported in Counterparty credit.

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2024

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

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

#### VII. EXPLANATIONS ON CONSOLIDATED RISK MANAGEMENT (Continued)

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

##### Standardized approach - CCR exposures by regulatory portfolio and risk weights (Continued)

Prior Period Risk Weight/Regulatory portfolio	0%	10%	20%	50%	75%	100%	150%	Other	Total credit exposure <sup>(1)</sup>
Receivables from central government or central banks	12.506.565	-	-	-	-	-	-	-	12.506.565
Receivables from regional or local governments	1.374	-	-	2	-	-	-	-	1.376
Receivables from administrative units and non-commercial enterprises	13.309	-	-	-	-	2.061	-	-	15.370
Receivables from multilateral developments banks	-	-	-	-	-	-	-	-	-
Receivables from international organizations	-	-	-	-	-	-	-	-	-
Receivables from banks and intermediary institutions	96.060.979	-	42.359.957	38.339.274	-	1.084.845	-	4.475	177.849.530
Corporate receivables	4.508.087	-	-	121.242	-	1.473.831	-	-	6.103.160
Retail receivables	32.818	-	-	-	20.853	-	-	-	53.671
Other receivables <sup>(2)</sup>	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>113.123.132</b>	<b>-</b>	<b>42.359.957</b>	<b>38.460.518</b>	<b>20.853</b>	<b>2.560.737</b>	<b>-</b>	<b>4.475</b>	<b>196.529.672</b>

<sup>1)</sup> Total credit exposure: the amount related to the capital adequacy calculation after applying the counterparty credit risk measurement techniques.

<sup>(2)</sup> Other claims: the amount excludes exposures to “Central counterparty” which are reported in Counterparty credit.



# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2024

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

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

#### VII. EXPLANATIONS ON CONSOLIDATED RISK MANAGEMENT (Continued)

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

###### Collaterals for CCR

Current Period	Collateral for derivative transactions				Collateral for other transactions	
	Collateral received		Collateral given		Unsegregated	Collateral received
	Segregated	Unsegregated	Segregated	Unsegregated		
Cash-domestic currency	-	-	-	-	173.239.255	-
Cash-foreign currency	-	-	-	-	146.164.301	-
Domestic sovereign debts	-	-	-	-	-	-
Other sovereign debts	-	-	-	-	-	-
Government agency debts	-	-	-	-	-	-
Corporate Debts	-	-	-	-	-	-
Equity Securities	-	-	-	-	-	-
Other collateral	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	<b>319.403.556</b>	-

Prior Period	Collateral for derivative transactions				Collateral for other transactions	
	Collateral received		Collateral given		Unsegregated	Collateral received
	Segregated	Unsegregated	Segregated	Unsegregated		
Cash-domestic currency	-	-	-	-	4.655.621	-
Cash-foreign currency	-	-	-	-	83.781.198	-
Domestic sovereign debts	-	-	-	-	12.988.683	-
Other sovereign debts	-	-	-	-	-	-
Government agency debts	-	-	-	-	-	-
Corporate Debts	-	-	-	-	-	-
Equity Securities	-	-	-	-	-	-
Other collateral	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	<b>101.425.502</b>	-

###### Credit Derivatives

None.

###### Risks Related with Central Counterparties

	Current Period	Exposure at default (post-CRM)	RWA
1	<b>Exposure to Qualified Central Counterparties (QCCPs) (total)</b>	<b>3.474.101</b>	<b>69.482</b>
2	Exposures for trades at QCCPs (excluding initial margin and default fund contributions); of which	-	-
3	(i) OTC Derivatives	3.321	66
4	(ii) Exchange-traded Derivatives	-	-
5	(iii) Securities financing transactions	2.286.727	45.735
6	(iv) Netting sets where cross-product netting has been approved	-	-
7	Segregated initial margin	-	-
8	Non-segregated initial margin	-	-
9	Pre-funded default fund contributions	1.184.053	23.681
10	Unfunded default fund contributions	-	-
11	<b>Exposures to non-QCCPs (total)</b>	-	-
12	Exposures for trades at non-QCCPs (excluding initial margin and default fund contributions); of which	-	-
13	(i) OTC Derivatives	-	-
14	(ii) Exchange-traded Derivatives	-	-
15	(iii) Securities financing transactions	-	-
16	(iv) Netting sets where cross-product netting has been approved	-	-
17	Segregated initial margin	-	-
18	Non-segregated initial margin	-	-
19	Pre-funded default fund contributions	-	-
20	Unfunded default fund contributions	-	-

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2024

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

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

#### VII. EXPLANATIONS ON CONSOLIDATED RISK MANAGEMENT (Continued)

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

###### *Risks Related with Central Counterparties (Continued)*

	Prior Period	Exposure at default (post-CRM)	RWA
1	<b>Exposure to Qualified Central Counterparties (QCCPs) (total)</b>	<b>935.324</b>	<b>18.707</b>
2	Exposures for trades at QCCPs (excluding initial margin and default fund contributions); of which	-	-
3	(i) OTC Derivatives	4.475	90
4	(ii) Exchange-traded Derivatives	-	-
5	(iii) Securities financing transactions	-	-
6	(iv) Netting sets where cross-product netting has been approved	-	-
7	Segregated initial margin	-	-
8	Non-segregated initial margin	-	-
9	Pre-funded default fund contributions	930.849	18.617
10	Unfunded default fund contributions	-	-
11	<b>Exposures to non-QCCPs (total)</b>	<b>-</b>	<b>-</b>
12	Exposures for trades at non-QCCPs (excluding initial margin and default fund contributions); of which	-	-
13	(i) OTC Derivatives	-	-
14	(ii) Exchange-traded Derivatives	-	-
15	(iii) Securities financing transactions	-	-
16	(iv) Netting sets where cross-product netting has been approved	-	-
17	Segregated initial margin	-	-
18	Non-segregated initial margin	-	-
19	Pre-funded default fund contributions	-	-
20	Unfunded default fund contributions	-	-

##### 4. Explanations on Market Risk

###### Structure and scope of risk reporting and/or measurement systems

Standard approach-Current Period	RWA	
	Current Period	Prior Period
<b>Outright products</b>		
1 Interest rate risk (general and specific)	104.168.428	104.408.030
2 Equity risk (general and specific)	25.385.975	26.443.298
3 Foreign exchange risk	32.568.343	43.194.956
4 Commodity risk	440.898	324.355
<b>Options</b>		
5 Simplified approach	-	-
6 Delta-plus method	-	-
7 Scenario approach	-	-
8 Securitization	-	-
9 <b>Total</b>	<b>162.563.644</b>	<b>174.370.639</b>

Notes and explanations prepared in accordance with “the Communiqué on Disclosures about Risk Management to Be Announced to Public by Banks” published in Official Gazette no. 29511 on 23 October 2015 and became effective as of 31 March 2016 are presented in this section. The following tables, which are required to be submitted quarterly in accordance with the relevant communiqué, have not been presented as of 30 June 2024, as the Parent Bank uses a standard approach in calculating capital adequacy:

Market risk according to the internal model approach statement of changes in RAV (Risk Weighted Assets)

Internal model approach for trading account.

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

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2024

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

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

#### VIII. EXPLANATIONS ON HEDGING PROCEDURES

Along with the financial risk hedge accounting, the Parent Bank applies net investment hedging in order to hedge its investments abroad, which are included in the consolidated financial statements. The effective part of the fair value change of the hedging instrument in the net investment hedging transaction has been accounted for in the "Other Accumulated Comprehensive Income or Expenses to be Reclassified to Profit or Loss" under equity.

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

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

The Parent Bank implements a net investment hedging strategy in order to avoid the exchange rate risk arising from the net investment value of its subsidiary Ziraat Bank International AG, Ziraat Bank BH dd and Ziraat Bank Montenegro AD. The deposit in Euro supplied by the Parent Bank from the customers has been defined as a "hedging instrument".

Hedging Instrument	Hedged Item	Risk Exposure	Fair Value Difference of Hedging Instrument	Fair Value Difference of Hedged Items	Ineffective Portion
FC Deposit (EUR)	EUR Capital Amounts Allocated to Foreign Partnerships	Foreign exchange rate risk	(8.770.323)	8.770.323	-

#### IX. EXPLANATIONS ON CONSOLIDATED OPERATING SEGMENTS

Organizational and internal reporting structure of the Group is determined in line with TFRS 8 "Operating Segments".

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

As the bank with the largest branch network in Türkiye in the field of retail banking, the Parent Bank offers deposits, consumer loans, pension payments, credit cards, automatic and regular payments, cheques-bills of exchange, money order, EFT, foreign exchange buying and selling, ATM, internet banking, mobile banking, safe deposit box and insurance brokerage services are offered. In addition, the Parent Bank improves and develops its existing products and designs new banking products in order to ensure that some services undertaken as a public bank can be used to increase the profitability of the Parent Bank. The "Key" IT system, which operates within the central structure of the Parent Bank, provides the technological infrastructure that can meet the customer needs required by modern banking.

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

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

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2024

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

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

#### IX. EXPLANATIONS ON CONSOLIDATED OPERATING SEGMENTS (Continued)

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

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

As The information table regarding the business segment prepared as of 30 June 2024 within the framework of the "Communiqué on Financial Statements and Related Disclosures and Footnotes to be Announced to the Public by Banks" is included on the following page.

#### 1. Table for Segment Reporting

Current Period	Retail Banking	Corporate/ Commercial banking	Specialized Banking	Treasury/ Investment Banking	Other	Total
<b>OPERATING INCOME/EXPENSE</b>						
Interest Income	36.246.789	145.362.985	90.425.849	164.932.568	2.368.446	439.336.637
Interest Expenses	180.924.251	143.647.686	-	50.361.567	2.257.957	377.191.461
<b>Net Interest Income/Expense</b>	<b>(144.677.462)</b>	<b>1.715.299</b>	<b>90.425.849</b>	<b>114.571.001</b>	<b>110.489</b>	<b>62.145.176</b>
<b>Net Fees and Commission Income/Expense</b>	<b>28.741.873</b>	<b>17.672.122</b>	<b>1.110.479</b>	<b>(17.503.018)</b>	<b>5.160.211</b>	<b>35.181.667</b>
<b>Dividend Income</b>	-	-	-	<b>2.437</b>	-	<b>2.437</b>
<b>Trading Profit / Loss (Net)</b>	-	-	-	<b>(17.389.165)</b>	<b>575.113</b>	<b>(16.814.052)</b>
<b>Other Operating Income</b>	<b>59.582</b>	<b>5.357.922</b>	<b>133.089</b>	<b>63.713</b>	<b>19.450.519</b>	<b>25.064.825</b>
<b>Provision for Expected Loss (-)</b>	<b>1.734.412</b>	<b>9.273.042</b>	<b>2.748.171</b>	<b>1.930.308</b>	<b>1.204.385</b>	<b>16.890.318</b>
<b>Other Expenses</b>	<b>10.849.310</b>	<b>589.840</b>	<b>628.289</b>	<b>116.901</b>	<b>39.993.182</b>	<b>52.177.522</b>
<b>Net Operating Profit / Loss</b>	<b>(128.459.729)</b>	<b>14.882.461</b>	<b>88.292.957</b>	<b>77.697.759</b>	<b>(15.901.235)</b>	<b>36.512.213</b>
<b>Profit/Loss on Equity Method Applied</b>	-	-	-	<b>63.020</b>	<b>84.078</b>	<b>147.098</b>
<b>Subsidiaries</b>	-	-	-	<b>63.020</b>	<b>84.078</b>	<b>147.098</b>
<b>Tax Provision</b>	-	-	-	-	<b>(1.308.106)</b>	<b>(1.308.106)</b>
<b>Net Profit / Loss</b>	<b>(128.459.729)</b>	<b>14.882.461</b>	<b>88.292.957</b>	<b>77.760.779</b>	<b>(17.125.263)</b>	<b>35.351.205</b>
<b>SEGMENT ASSETS</b>						
Financial Assets at Fair Value Through Profit or Loss (Net)	-	-	-	85.677.219	-	85.677.219
Banks and Receivables from Money Markets	-	-	-	133.875.875	-	133.875.875
Financial Assets at Fair Value Through Other Comprehensive Income (Net)	-	-	-	740.823.917	-	740.823.917
Loans	358.034.251	1.309.993.144	573.939.951	341.005.919	-	2.582.973.265
Financial Assets Measured at Amortized Cost (Net)	-	-	-	327.232.596	-	327.232.596
Derivative Financial Assets	-	-	-	9.348.391	-	9.348.391
Associates, Subsidiaries and Entities under Common Control	-	-	-	7.086.120	-	7.086.120
Other Assets	20.634	10.477.331	76.706	788.248.105	322.934.583	1.121.757.359
<b>Total Segment Assets</b>	<b>358.054.885</b>	<b>1.320.470.475</b>	<b>574.016.657</b>	<b>2.433.298.142</b>	<b>322.934.583</b>	<b>5.008.774.742</b>
<b>SEGMENT LIABILITIES</b>						
Deposits	2.323.156.693	985.755.806	-	107.052.966	203.155.287	3.619.120.752
Derivative Financial Liabilities Held for Trading	-	-	-	10.327.687	-	10.327.687
Funds Borrowed	-	-	-	334.921.909	-	334.921.909
Money Markets Borrowing	46.040	173.418.893	-	82.247.909	-	255.712.842
Securities Issued (Net)	-	-	-	135.458.377	-	135.458.377
Provisions	16.135	9.019.120	-	6.435	21.763.774	30.805.464
Other Liabilities	-	-	-	-	215.778.840	215.778.840
Shareholders' Equity	-	-	-	-	406.648.871	406.648.871
<b>Total Segment Liabilities</b>	<b>2.323.218.868</b>	<b>1.168.193.819</b>	<b>-</b>	<b>670.015.283</b>	<b>847.346.772</b>	<b>5.008.774.742</b>

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2024

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

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

#### IX. EXPLANATIONS ON CONSOLIDATED OPERATING SEGMENTS (Continued)

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

Prior Period	Retail Banking	Corporate/ Commercial banking	Specialized Banking	Treasury/ Investment Banking	Other	Total
<b>OPERATING INCOME/EXPENSE</b>						
Interest Income	18.368.152	52.196.388	19.104.561	58.246.855	1.058.678	148.974.634
Interest Expenses	43.567.519	39.830.260	-	16.835.847	8.496.507	108.730.133
<b>Net Interest Income/Expense</b>	<b>(25.199.367)</b>	<b>12.366.128</b>	<b>19.104.561</b>	<b>41.411.008</b>	<b>(7.437.829)</b>	<b>40.244.501</b>
Net Fees and Commission Income/Expense	8.553.339	5.038.151	726.131	(2.608.401)	2.081.651	13.790.871
Dividend Income	-	-	-	11.072	-	11.072
Trading Profit / Loss (Net)	-	-	-	21.140.074	361.091	21.501.165
Other Operating Income	48.423	2.972.240	85.760	10.596	24.068.821	27.185.840
Provision for Expected Loss (-)	2.234.346	9.329.323	2.790.864	1.424.987	556.132	16.335.652
Other Expenses	9.001.203	460.413	500.551	-	43.492.616	53.454.783
<b>Net Operating Profit / Loss</b>	<b>(27.833.154)</b>	<b>10.586.783</b>	<b>16.625.037</b>	<b>58.539.362</b>	<b>(24.975.014)</b>	<b>32.943.014</b>
Profit/Loss on Equity Method Applied	-	-	-	-	-	-
Subsidiaries	-	-	-	58.954	37.427	96.381
Tax Provision	-	-	-	-	(4.142.434)	(4.142.434)
<b>Net Profit / Loss</b>	<b>(27.833.154)</b>	<b>10.586.783</b>	<b>16.625.037</b>	<b>58.598.316</b>	<b>(29.080.021)</b>	<b>28.896.961</b>
<b>SEGMENT ASSETS</b>						
Financial Assets at Fair Value Through Profit or Loss (Net)	-	-	-	71.715.912	-	71.715.912
Banks and Receivables from Money Markets	-	-	-	224.385.832	-	224.385.832
Financial Assets at Fair Value Through Other Comprehensive Income (Net)	-	-	-	607.530.470	-	607.530.470
Loans	322.664.244	1.216.712.548	482.939.430	191.120.151	-	2.213.436.373
Financial Assets Measured at Amortized Cost (Net)	-	-	-	348.584.980	-	348.584.980
Derivative Financial Assets	-	-	-	10.448.631	-	10.448.631
Associates, Subsidiaries and Entities under Common Control	-	-	-	6.537.912	-	6.537.912
Other Assets	659.273	10.430.176	81.634	515.754.137	244.864.712	771.789.932
<b>Total Segment Assets</b>	<b>323.323.517</b>	<b>1.227.142.724</b>	<b>483.021.064</b>	<b>1.976.078.025</b>	<b>244.864.712</b>	<b>4.254.430.042</b>
<b>SEGMENT LIABILITIES</b>						
Deposits	2.056.158.069	985.544.523	-	96.770.781	161.350.474	3.299.823.847
Derivative Financial Liabilities Held for Trading	-	-	-	3.670.072	-	3.670.072
Funds Borrowed	-	-	-	210.521.065	-	210.521.065
Money Markets Borrowing	74.468	4.959.170	-	89.267.271	-	94.300.909
Securities Issued (Net)	-	-	-	66.567.754	-	66.567.754
Provisions	8.402	8.700.757	-	2.160	29.762.128	38.473.447
Other Liabilities	-	-	-	-	178.086.857	178.086.857
Shareholders' Equity	-	-	-	-	362.986.091	362.986.091
<b>Total Segment Liabilities</b>	<b>2.056.240.939</b>	<b>999.204.450</b>	<b>-</b>	<b>466.799.103</b>	<b>732.185.550</b>	<b>4.254.430.042</b>

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2024

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

### SECTION FIVE

#### EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS

##### I. EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED ASSETS

###### 1. Information related to cash equivalents and the account of the Central Bank of the Republic of Türkiye (the "CBRT")

	Current Period		Prior Period	
	TL	FC	TL	FC
Cash in TL/Foreign Currency	10.351.924	25.650.259	8.052.511	23.193.238
Central Bank of the Republic of Türkiye	436.754.089	410.488.411	163.124.885	411.638.527
Other	373.456	16.948.432	748.492	2.069.528
<b>Total</b>	<b>447.479.469</b>	<b>453.087.102</b>	<b>171.925.888</b>	<b>436.901.293</b>

###### *Explanation on reserve requirements*

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

Banks establish required reserves at the Central Bank of the Republic of Türkiye for their Turkish Lira and foreign currency liabilities specified in the a forementioned communiqué. Establishment of required reserves begins on Friday, two weeks after the liability calculation date, and lasts for 14 days. Required reserves can be kept in Turkish Lira, USD, EUR and standard gold in accordance with the "Communiqué on Required Reserves" at the Central Bank of the Republic of Türkiye. Required reserve ratios vary according to the maturity structure of the liabilities and are applied between 3% - 12% for Turkish Lira deposits and other liabilities, and between 5% and 30% for foreign currency deposits and other liabilities and for accounts with exchange rate/price protection support, it is applied in the range of 22% - 33%.

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

	Current Period		Prior Period	
	TL	FC	TL	FC
Unrestricted Demand Deposit	272.823.550	64.904.525	123.079.523	68.550.700
Unrestricted Time Deposit	5.000.000	38.479.440	-	43.680.750
Restricted Time Deposit	-	2.090	-	-
Other <sup>(1)</sup>	158.930.539	307.102.356	40.045.362	299.407.077
<b>Total</b>	<b>436.754.089</b>	<b>410.488.411</b>	<b>163.124.885</b>	<b>411.638.527</b>

<sup>(1)</sup> Includes required reserves and CBRT restricted electronic money funds amounting to TL 42.117 required reserve of branches abroad amounting to TL 2.271.675 is presented in this line. (31 December 2023: Includes required reserves and CBRT restricted electronic money funds amounting to TL 100.023 required reserve of branches abroad amounting to TL 1.630.572 is presented in this line TL).

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2024

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

### EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

#### I. EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED ASSETS (Continued)

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

	Current Period	Prior Period
Assets Subject to Repurchase Agreements	11.812.230	8.632.164
Assets Blocked/Given as Collateral	59.161.714	49.721.746
<b>Total</b>	<b>70.973.944</b>	<b>58.353.910</b>

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

	Current Period		Prior Period	
	TL	FC	TL	FC
Forward Transactions	289.113	220.077	115.017	53.092
Swap Transactions	6.965.440	1.775.346	4.872.177	5.197.401
Futures Transactions	-	-	-	-
Options	-	57.243	-	208.262
Other	40.354	818	2.143	539
<b>Total</b>	<b>7.294.907</b>	<b>2.053.484</b>	<b>4.989.337</b>	<b>5.459.294</b>

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

	Current Period		Prior Period	
	TL	FC	TL	FC
Banks				
Domestic Banks	55.333	3.394.184	415.723	3.122.124
Foreign Banks	6.922.967	119.094.798	3.070.166	63.683.074
Foreign Head Office and Branches	-	-	-	-
<b>Total</b>	<b>6.978.300</b>	<b>122.488.982</b>	<b>3.485.889</b>	<b>66.805.198</b>

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

	Current Period	Prior Period
Assets Subject to Repurchase Agreements	195.682.511	110.555.469
Assets Blocked/Given as Collateral	339.935.973	307.759.863
<b>Total</b>	<b>535.618.484</b>	<b>418.315.332</b>

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2024

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

### EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

#### I. EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED ASSETS (Continued)

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

	Current Period		Prior Period	
Debt Securities	765.035.692		627.731.753	
Quoted in Stock Exchange	763.790.161		626.403.477	
Not Quoted in Stock Exchange	1.245.531		1.328.276	
Share Certificates	3.100.779		2.649.444	
Quoted in Stock Exchange	8.609		4.942	
Not Quoted in Stock Exchange	3.092.170		2.644.502	
Provision for Impairment (-)	27.312.554		22.850.727	
<b>Total</b>	<b>740.823.917</b>		<b>607.530.470</b>	

##### 7. Explanations Related to Loans

##### 7.1. Information on All Types of Loans and Advances Given to Shareholders and Employees of The Group

	Current Period		Prior Period	
	Cash	Non-Cash	Cash	Non-Cash
Direct Loans Granted to Shareholders	-	-	-	-
Granted loans to Legal Entity partners	-	-	-	-
Granted loans to Individual partners	-	-	-	-
Indirect Loans Granted to Shareholders	-	-	-	-
Loans Granted to Employees <sup>(1)</sup>	3.465.372	-	3.267.860	-
<b>Total</b>	<b>3.465.372</b>	<b>-</b>	<b>3.267.860</b>	<b>-</b>

<sup>(1)</sup> Since the balance of overdraft accounts related to employees amounting TL 253.808 is showed under Table 7.3. as overdraft accounts (real person), it is not included to the table above (31 December 2023: Since the balance of overdraft accounts related to employees amounting TL 121.780 is showed under Table 7.3. as overdraft accounts (real person), it is not included to the table above)



# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2024

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

### EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

#### I. EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED ASSETS (Continued)

##### 7. Explanations Related to Loans (Continued)

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

Current Period		Loans Under Close Monitoring		
		Not Under the Scope of Restructuring	Loans Under Restructuring	
Cash Loans	Standard Loans		Contract Terms	Refinancing
Non-Specialized Loans	1.836.114.912	50.103.137	4.070.963	118.260.885
Commercial Loans	972.089.296	23.018.383	2.841.724	113.965.631
Export Loans	290.467.310	4.142.387	19.847	4.163.842
Import Loans	15.511	-	-	-
Loans Given to Financial Sector	76.401.923	-	-	-
Consumer Loans	200.818.709	5.440.130	1.208.954	129.696
Credit Cards	263.212.938	15.421.298	-	1.716
Other	33.109.225	2.080.939	438	-
Specialized Lending <sup>(1)</sup>	556.666.262	18.148.657	11.442	827.497
Other Receivables	-	-	-	-
<b>Total</b>	<b>2.392.781.174</b>	<b>68.251.794</b>	<b>4.082.405</b>	<b>119.088.382</b>

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

Prior Period		Loans Under Close Monitoring		
		Not Under the Scope of Restructuring	Loans Under Restructuring	
Cash Loans	Standard Loans		Contract Terms	Refinancing
Non-Specialized Loans	1.585.943.132	35.844.742	4.440.321	98.437.427
Commercial Loans	906.116.675	22.113.843	4.179.320	94.636.248
Export Loans	197.168.455	1.326.977	27.093	3.724.641
Import Loans	41.262	-	-	-
Loans Given to Financial Sector	23.531.207	-	-	-
Consumer Loans	206.317.900	3.833.373	233.517	72.928
Credit Cards	217.199.037	6.935.242	-	3.601
Other	35.568.596	1.635.307	391	9
Specialized Lending <sup>(1)</sup>	475.396.346	7.152.116	14.757	538.090
Other Receivables	-	-	-	-
<b>Total</b>	<b>2.061.339.478</b>	<b>42.996.858</b>	<b>4.455.078</b>	<b>98.975.517</b>

<sup>(1)</sup> Funds originated agricultural loans are shown in specialized loans.

	Current Period		Prior Period	
	Standard Loans	Loans Under Close Monitoring	Standard Loans	Loans Under Close Monitoring
Expected Credit Loss of Stage 1 and Stage 2				
12 Month Expected Credit Losses	10.966.017	-	11.201.691	-
Significant Increase in Credit Risk	-	49.463.145	-	43.076.857

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2024

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

### EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

#### I. EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED ASSETS (Continued)

##### 7. Explanations Related to Loans (Continued)

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

Current Period	Short Term	Medium and Long Term	Total
Consumer Loans-TL	22.828.677	161.046.475	183.875.152
Real Estate Loans	4.062	108.682.326	108.686.388
Automobile Loans	2.249.864	9.732.763	11.982.627
Consumer Loans	20.574.751	42.631.386	63.206.137
Other	-	-	-
Consumer Loans- Indexed to FC	263	443.597	443.860
Real Estate Loans	-	107.121	107.121
Automobile Loans	-	18	18
Consumer Loans	-	169.377	169.377
Other	263	167.081	167.344
Consumer Loans-FC	276.243	6.815.641	7.091.884
Real Estate Loans	659	1.528.436	1.529.095
Automobile Loans	8.461	199.758	208.219
Consumer Loans	65.501	1.725.248	1.790.749
Other	201.622	3.362.199	3.563.821
Individual Credit Cards- TL	145.550.027	2.061.489	147.611.516
Installment	33.627.482	1.429.389	35.056.871
Non-Installment	111.922.545	632.100	112.554.645
Individual Credit Cards-FC	155.972	15.352	171.324
Installment	125.758	-	125.758
Non-Installment	30.214	15.352	45.566
Personnel Loans- TL	1.011.278	1.100.621	2.111.899
Real Estate Loans	-	15.341	15.341
Automobile Loans	-	3.312	3.312
Consumer Loans	1.011.278	1.081.968	2.093.246
Other	-	-	-
Personnel Loans-Indexed to FC	-	10.012	10.012
Real Estate Loans	-	3.051	3.051
Automobile Loans	-	-	-
Consumer Loans	-	5.260	5.260
Other	-	1.701	1.701
Personnel Loans-FC	3.862	168.816	172.678
Real Estate Loans	-	83.196	83.196
Automobile Loans	-	2.930	2.930
Consumer Loans	3.020	45.101	48.121
Other	842	37.589	38.431
Personnel Credit Cards- TL	1.148.709	15.756	1.164.465
Installment	274.290	15.756	290.046
Non-Installment	874.419	-	874.419
Personnel Credit Cards-FC	6.318	-	6.318
Installment	4.313	-	4.313
Non-Installment	2.005	-	2.005
Overdraft Accounts- TL (Retail Customer)	13.891.867	-	13.891.867
Overdraft Accounts-FC (Retail Customer)	137	-	137
<b>Total</b>	<b>184.873.353</b>	<b>171.677.759</b>	<b>356.551.112</b>

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2024

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

### EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

#### I. EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED ASSETS (Continued)

##### 7. Explanations Related to Loans (Continued)

##### 7.3. Information on Consumer Loans, Individual Credit Cards, Personnel Loans and Credit Card (Continued)

Prior Period	Short Term	Medium and Long Term	Total
Consumer Loans-TL	7.167.153	188.235.893	195.403.046
Real Estate Loans	8.519	118.753.415	118.761.934
Automobile Loans	360.883	12.342.602	12.703.485
Consumer Loans	6.797.751	57.139.876	63.937.627
Other	-	-	-
Consumer Loans- Indexed to FC	235	507.911	508.146
Real Estate Loans	-	114.244	114.244
Automobile Loans	-	34	34
Consumer Loans	-	192.692	192.692
Other	235	200.941	201.176
Consumer Loans-FC	146.014	5.620.395	5.766.409
Real Estate Loans	761	1.229.408	1.230.169
Automobile Loans	3.602	69.382	72.984
Consumer Loans	15.960	1.482.999	1.498.959
Other	125.691	2.838.606	2.964.297
Individual Credit Cards- TL	109.102.184	1.854.777	110.956.961
Installment	41.637.877	1.456.893	43.094.770
Non-Installment	67.464.307	397.884	67.862.191
Individual Credit Cards-FC	133.258	684	133.942
Installment	112.735	-	112.735
Non-Installment	20.523	684	21.207
Personnel Loans- TL	454.228	1.490.350	1.944.578
Real Estate Loans	-	18.320	18.320
Automobile Loans	-	4.170	4.170
Consumer Loans	454.228	1.467.860	1.922.088
Other	-	-	-
Personnel Loans-Indexed to FC	-	13.396	13.396
Real Estate Loans	-	4.477	4.477
Automobile Loans	-	-	-
Consumer Loans	-	6.287	6.287
Other	-	2.632	2.632
Personnel Loans-FC	3.600	156.507	160.107
Real Estate Loans	-	75.418	75.418
Automobile Loans	-	1.283	1.283
Consumer Loans	3.146	37.488	40.634
Other	454	42.318	42.772
Personnel Credit Cards- TL	1.126.834	18.535	1.145.369
Installment	435.581	18.535	454.116
Non-Installment	691.253	-	691.253
Personnel Credit Cards-FC	4.410	-	4.410
Installment	4.124	-	4.124
Non-Installment	286	-	286
Overdraft Accounts- TL (Retail Customer)	6.661.843	-	6.661.843
Overdraft Accounts-FC (Retail Customer)	193	-	193
<b>Total</b>	<b>124.799.952</b>	<b>197.898.448</b>	<b>322.698.400</b>

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2024

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

### EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

#### I. EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED ASSETS (Continued)

##### 7. Explanations Related to Loans (Continued)

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

Current Period	Short Term	Medium and Long Term	Total
Commercial Installment Loans-TL	7.490.535	82.020.239	89.510.774
Business Residential Loans	-	643.695	643.695
Automobile Loans	660.333	3.056.023	3.716.356
Consumer Loans	6.830.202	78.320.521	85.150.723
Other	-	-	-
Commercial Installment Loans- Indexed to FC	-	1.179.523	1.179.523
Business Residential Loans	-	-	-
Automobile Loans	-	-	-
Consumer Loans	-	1.179.523	1.179.523
Other	-	-	-
Commercial Installment Loans - FC	12.068.826	184.807.887	196.876.713
Business Residential Loans	76.215	2.545.703	2.621.918
Automobile Loans	6.805	1.416.151	1.422.956
Consumer Loans	9.696.914	174.852.611	184.549.525
Other	2.288.892	5.993.422	8.282.314
Corporate Credit Cards- TL	116.449.081	13.211.759	129.660.840
Installment	33.212.378	13.210.298	46.422.676
Non-Installment	83.236.703	1.461	83.238.164
Corporate Credit Cards-FC	21.489	-	21.489
Installment	11.361	-	11.361
Non-Installment	10.128	-	10.128
Overdraft Accounts-TL (Commercial customer)	14.136.115	-	14.136.115
Overdraft Accounts-FC (Commercial customer)	244.540	217.218	461.758
<b>Total <sup>(1)</sup></b>	<b>150.410.586</b>	<b>281.436.626</b>	<b>431.847.212</b>

<sup>(1)</sup> Accrual and rediscount amounts related to loans are included in the table.

Prior Period	Short Term	Medium and Long Term	Total
Commercial Installment Loans-TL	3.813.629	96.724.151	100.537.780
Business Residential Loans	-	887.747	887.747
Automobile Loans	775.299	2.810.160	3.585.459
Consumer Loans	3.038.330	93.026.244	96.064.574
Other	-	-	-
Commercial Installment Loans- Indexed to FC	-	1.232.992	1.232.992
Business Residential Loans	-	-	-
Automobile Loans	-	-	-
Consumer Loans	-	1.232.992	1.232.992
Other	-	-	-
Commercial Installment Loans - FC	10.190.466	139.366.509	149.556.975
Business Residential Loans	12.283	1.911.454	1.923.737
Automobile Loans	6.909	190.207	197.116
Consumer Loans	8.988.949	131.782.922	140.771.871
Other	1.182.325	5.481.926	6.664.251
Corporate Credit Cards- TL	98.598.994	13.287.697	111.886.691
Installment	44.453.021	13.227.533	57.680.554
Non-Installment	54.145.973	60.164	54.206.137
Corporate Credit Cards-FC	10.507	-	10.507
Installment	7.595	-	7.595
Non-Installment	2.912	-	2.912
Overdraft Accounts-TL (Commercial customer)	9.957.138	-	9.957.138
Overdraft Accounts-FC (Commercial customer)	175.890	180.563	356.453
<b>Total <sup>(1)</sup></b>	<b>122.746.624</b>	<b>250.791.912</b>	<b>373.538.536</b>

<sup>(1)</sup> Accrual and rediscount amounts related to loans are included in the table.

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2024

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

### EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

#### I. EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED ASSETS (Continued)

##### 7. Explanations Related to Loans (Continued)

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

	Current Period	Prior Period
Domestic Loans	2.511.799.160	2.143.776.681
Foreign Loans	72.404.595	63.990.250
<b>Total</b>	<b>2.584.203.755</b>	<b>2.207.766.931</b>

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

	Current Period	Prior Period
Direct loans granted to subsidiaries and associates	4.032.166	3.560.312
Indirect loans granted to subsidiaries and associates	-	-
<b>Total</b>	<b>4.032.166</b>	<b>3.560.312</b>

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

	Current Period	Prior Period
Loans and other receivables with limited collectability	3.939.205	8.524.723
Loans and other receivables with doubtful collectability	8.111.084	2.196.710
Uncollectible loans and other receivables	12.969.994	11.920.533
<b>Total</b>	<b>25.020.283</b>	<b>22.641.966</b>

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

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

	Group III Loans with Limited Collectability	Group IV Loans with Doubtful Collectability	Group V Uncollectible Loans
<b>Current Period</b>			
Gross amounts before the provisions	140.080	689.717	1.945.093
Restructured loans	140.080	689.717	1.945.093
<b>Prior Period</b>			
Gross amounts before the provisions	255.160	1.016.908	880.997
Restructured loans	255.160	1.016.908	880.997

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2024

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

### EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

#### I. EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED ASSETS (Continued)

#### 7. Explanations Related to Loans (Continued)

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

#### 7.8.2. Information on the Movement of Total Non-performing Loans

	Group III Loans with Limited Collectability	Group IV Loans with Doubtful Collectability	Group V Uncollectible Loans
<b>Prior Period Ending Balance</b>	<b>11.318.875</b>	<b>4.105.559</b>	<b>14.506.426</b>
Additions (+)	3.683.189	4.057.444	755.929
Transfers from Other Categories of Loans under Follow-Up (+)	-	8.092.372	3.033.214
Transfers to Other Categories of Loans under Follow-Up (-)	8.092.372	3.033.214	-
Collections (-) <sup>(1)</sup>	746.039	1.650.881	2.245.647
Write-offs (-) <sup>(2)</sup>	481	1.758	597
Sold (-)	-	-	-
Corporate and Commercial Loans	-	-	-
Consumer Loans	-	-	-
Credit Cards	-	-	-
Other	-	-	-
<b>Current Period End Balance</b>	<b>6.163.172</b>	<b>11.569.522</b>	<b>16.049.325</b>
Provision (-)	3.939.205	8.111.084	12.969.994
<b>Net Balance on Balance Sheet</b>	<b>2.223.967</b>	<b>3.458.438</b>	<b>3.079.331</b>

<sup>(1)</sup> Includes transfers to first and second group loans amounting to TL 525.301.

<sup>(2)</sup> As of 30 June 2024, there is a loan written off in the amount of TL 2.836 (31 December 2023: TL 587.000). Loans written off do not change the Group's non-performing loan and NPL ratio.

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

	Group III Loans With Limited Collectability	Group IV Loans With Doubtful Collectability	Group V Uncollectible Loans
<b>Current Period:</b>			
<b>Period Ending Balance</b>	<b>4.239.180</b>	<b>4.859.231</b>	<b>6.341.749</b>
Provision (-)	3.068.128	4.269.361	5.249.144
<b>Net Balance on Balance Sheet</b>	<b>1.171.052</b>	<b>589.870</b>	<b>1.092.605</b>
<b>Prior Period:</b>			
<b>Period Ending Balance</b>	<b>8.063.637</b>	<b>2.396.909</b>	<b>4.512.562</b>
Provision (-)	4.735.117	1.358.582	4.053.016
<b>Net Balance on Balance Sheet</b>	<b>3.328.520</b>	<b>1.038.327</b>	<b>459.546</b>

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2024

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

### EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

#### I. EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED ASSETS (Continued)

#### 7. Explanations Related to Loans (Continued)

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

#### 7.8.4. Breakdown of Non-performing Loans According to Their Gross and Net Values

	Group III Loans with Limited Collectability	Group IV Loans with Doubtful Collectability	Group V Uncollectible Loans
<b>Current Period (Net)</b>	<b>2.223.967</b>	<b>3.458.438</b>	<b>3.079.331</b>
Loans to Real Persons and Legal Entities (Gross)	6.163.172	11.569.522	15.832.374
Provisions (-)	3.939.205	8.111.084	12.753.043
Loans to Real Persons and Legal Entities (Net)	2.223.967	3.458.438	3.079.331
Banks (Gross)	-	-	-
Provisions (-)	-	-	-
Banks (Net)	-	-	-
Other Loans (Gross)	-	-	216.951
Provisions (-)	-	-	216.951
Other Loans (Net)	-	-	-
<b>Prior Period (Net)</b>	<b>2.794.152</b>	<b>1.908.849</b>	<b>2.585.893</b>
Loans to Real Persons and Legal Entities (Gross)	11.318.875	4.105.559	14.321.011
Provisions (-)	8.524.723	2.196.710	11.735.118
Loans to Real Persons and Legal Entities (Net)	2.794.152	1.908.849	2.585.893
Banks (Gross)	-	-	-
Provisions (-)	-	-	-
Banks (Net)	-	-	-
Other Loans (Gross)	-	-	185.415
Provisions (-)	-	-	185.415
Other Loans (Net)	-	-	-

#### 7.8.5. Information on Interest Accruals, Rediscount and Valuation Effect and Their Provisions Calculated for Non-Performing Loans Banks which Provide Expected Credit Loss According to TFRS 9

	Group III Loans with Limited Collectability	Group IV Loans with Doubtful Collectability	Group V Uncollectible Loans
<b>Current Period (Net)</b>	<b>134.610</b>	<b>262.584</b>	<b>98.492</b>
Interest Accruals and Valuation Differences	316.553	937.374	835.487
Provisions (-)	181.943	674.790	736.995
<b>Prior Period (Net)</b>	<b>82.280</b>	<b>64.362</b>	<b>114.823</b>
Interest Accruals and Valuation Differences	651.213	133.832	775.473
Provisions (-)	568.933	69.470	660.650

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2024

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

### EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

#### I. EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED ASSETS (Continued)

##### 8. Other Financial Assets Measured at Amortized Cost

##### 8.1. Information on Financial Assets Subject to Repurchase Agreements and those Given as Collateral/Blocked

###### *Financial Assets Measured at Amortized Cost subject to repo transactions*

	Current Period		Prior Period	
	TL	FC	TL	FC
Government Bonds	80.029.495	5.119.600	-	9.155.480
Treasury Bills	-	-	-	-
Other Government Debts	-	-	-	-
Bank Bonds and Bank Guaranteed Bonds	-	-	-	-
Asset Backed Securities	-	-	-	-
Other	-	-	-	-
<b>Total</b>	<b>80.029.495</b>	<b>5.119.600</b>	<b>-</b>	<b>9.155.480</b>

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

	Current Period		Prior Period	
	TL	FC	TL	FC
Bills	-	-	-	-
Bonds and Similar Investment Securities	76.073.732	10.016.871	143.859.019	62.284.619
Other	-	-	-	-
<b>Total</b>	<b>76.073.732</b>	<b>10.016.871</b>	<b>143.859.019</b>	<b>62.284.619</b>

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

	Current Period	Prior Period
Government Bonds	320.436.640	342.629.160
Treasury Bills	-	-
Other Public Sector Debt Securities	2.292.359	1.914.559
<b>Total</b>	<b>322.728.999</b>	<b>344.543.719</b>

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

	Current Period	Prior Period
Debt securities	327.296.923	348.667.948
Quoted at Stock Exchange	299.965.811	321.811.537
Unquoted at Stock Exchange	27.331.112	26.856.411
Provision for Impairment (-)	2.131	2.002
<b>Total</b>	<b>327.294.792</b>	<b>348.665.946</b>

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

	Current Period	Prior Period
<b>Beginning Balance</b>	<b>348.665.946</b>	<b>165.423.085</b>
Foreign Currency Differences on Monetary Assets	4.713.604	25.097.891
Purchases During the Year <sup>(1)</sup>	33.279.456	169.413.220
Disposals through Sales and Redemptions	(59.362.083)	(11.266.248)
Provision for Impairment (-)	2.131	2.002
<b>Period End Balance</b>	<b>327.294.792</b>	<b>348.665.946</b>

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



# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2024

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

### EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

#### I. EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED ASSETS (Continued)

##### 9. Information on Associates Accounts (Net)

##### 9.1. Information on Unconsolidated Associates

	Description	Address (City/ Country)	The Bank’s Share Percentage, if- Different, Voting Percentage (%)	The Bank’s Risk Group Share Percentage (%)
1	Bileşim Finansal Teknolojiler ve Ödeme Sistemleri A.Ş.	Istanbul/Türkiye	33,34	33,34

	Total Assets ( <sup>(1)</sup> )	Shareholders’ Equity ( <sup>(1)</sup> )	Total Non- Current Assets ( <sup>(1)(2)</sup> )	Interest Income ( <sup>(1)</sup> )	Income from Marketable Securities ( <sup>(1)</sup> )	Current Period Profit / Loss ( <sup>(1)</sup> )	Prior Period Profit / Loss ( <sup>(1)</sup> )	Fair Value
1	770.844	601.603	406.634	27.598	-	7.954	(12.012)	-

(<sup>(1)</sup>) Within the framework of BRSA regulations, current period financial statement information of the associates was taken from the financial statements dated 30 June 2024, which were not subject to inflation accounting.

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

##### 9.2. Information on Consolidated Associates

	Description	Address (City/ Country)	The Bank’s Share Percentage, if Different, Voting Percentage (%)	The Bank’s Risk Group Share Percentage (%)
1	Arap Türk Bankası A.Ş.	Istanbul/ Türkiye	15,43	15,43
2	Birleşim Varlık Yönetim A.Ş.	Istanbul/ Türkiye	16,00	16,00

	Total Assets ( <sup>(1)</sup> )	Shareholders’ Equity ( <sup>(1)</sup> )	Total Non- Current Assets ( <sup>(1)</sup> )	Interest Income ( <sup>(1)</sup> )	Income from Marketable Securities ( <sup>(1)</sup> )	Current Period Profit / Loss ( <sup>(1)</sup> )	Prior Period Profit / Loss ( <sup>(1)</sup> )	Fair Value
1	14.625.938	2.183.008	950.345	386.193	179.061	87.117	42.278	-
2	1.196.555	1.044.024	27.431	197.919	-	64.466	65.935	-

(<sup>(1)</sup>) Within the framework of BRSA regulations, current period financial statement information of the associates was taken from the financial statements dated 30 June 2024, which were not subject to inflation accounting.

##### 9.3. Information on Financial Associates

	Current Period	Prior Period
<b>Balance at the Beginning of the Period</b>	<b>452.059</b>	<b>282.763</b>
<b>Movement During the Period</b>	<b>51.823</b>	<b>169.296</b>
Additions	-	119.285
Bonus Share Certificates	-	-
Shares of Current Year Profits	23.757	41.247
Transfer (-)	-	-
Sales/Liquidation	28.066	8.764
Revaluation Increase	-	-
Revaluation/Impairment (-)	<b>503.882</b>	<b>452.059</b>
<b>Balance at the End of the Period</b>	<b>-</b>	<b>-</b>
Capital Commitments	-	-

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2024

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

### EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

#### I. EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED ASSETS (Continued)

##### 9. Information on Associates Accounts (Net) (Continued)

##### 9.4. Sectoral Information on Financial Associates and the Related Carrying Amounts

	Current Period	Prior Period
Banks	336.838	329.828
Insurance Companies	-	-
Factoring Companies	-	-
Leasing Companies	-	-
Finance Companies	-	-
Other Financial Associates	167.044	122.231

##### 9.5. Information on Subsidiaries Quoted to a Stock Exchange

None (31 December 2023: None).

##### 10. Information on Subsidiaries (Net)

##### 10.1. Information on Unconsolidated Subsidiaries of the Parent Company

	Description	Address (City/ Country)	The Parent Bank's Share Percentage-if different Voting Percentage (%)	The Parent Bank's Group Share Percentage (%)
1	Ziraat Teknoloji A.Ş.	Istanbul / Türkiye	100,00	100,00

	Total Assets ( <sup>(1)</sup> )	Shareholders' Equity ( <sup>(1)</sup> )	Total Non- Current Assets ( <sup>(1)</sup> )	Interest Income ( <sup>(1)</sup> )	Income from Marketable Securities ( <sup>(1)</sup> )	Current Period Profit / Loss ( <sup>(1)</sup> )	Prior Period Profit / Loss ( <sup>(1)</sup> )	Fair Value
1	922.803	347.153	44.423	37.299	-	177.454	(26.781)	278.705

(1) Within the framework of BRSA regulations, current period financial statement information of subsidiaries was taken from their financial statements dated 30 June 2024, which were not subject to inflation accounting.

##### 10.2. Information on Consolidated Subsidiaries

	Description	Address (City/ Country)	The Bank's Share Percentage-if different Voting Percentage (%)	The Bank's Risk Group Share Percentage (%)
1	Ziraat Yatırım Menkul Değerler A.Ş.	Istanbul / Türkiye	99,60	99,60
2	Ziraat Portföy Yönetimi A.Ş.	Istanbul / Türkiye	74,90	95,08
3	Ziraat Katılım Bankası A.Ş.	Istanbul / Türkiye	100,00	100,00
4	Ziraat Gayrimenkul Yatırım Ortaklığı A.Ş.	Istanbul / Türkiye	81,06	81,06
5	Ziraat Girişim Sermayesi Yatırım Ortaklığı A.Ş.	Istanbul / Türkiye	100,00	100,00
6	Ziraat Finansal Teknolojiler Elektronik Para ve Ödeme Hizmetleri A.Ş. ( <sup>(**)</sup> )	Istanbul / Türkiye	100,00	100,00
7	Ziraat Dinamik Banka A.Ş. ( <sup>(*)</sup> )	Istanbul / Türkiye	100,00	100,00
8	Ziraat Bank International A.G.	Frankfurt / Almanya	100,00	100,00
9	Ziraat Bank BH d.d.	Saraybosna / Bosna Hersek	100,00	100,00
10	Ziraat Bank (Moscow) JSC	Moskova / Rusya	99,91	100,00
11	Kazakhstan Ziraat Int. Bank	Almatı / Kazakistan	99,92	99,92
12	Ziraat Bank Azerbaycan ASC	Bakü / Azerbaycan	99,98	100,00
13	Ziraat Bank Montenegro AD	Podgoritsa / Karadağ	100,00	100,00
14	JSC Ziraat Bank Georgia	Tiflis / Gürcistan	100,00	100,00
15	Ziraat Bank Uzbekistan JSC	Taşkent / Özbekistan	100,00	100,00

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

(\*\*) Ziraat Finansal Teknolojiler Elektronik Para ve Ödeme Hizmetleri A.Ş. which is among the subsidiaries, started to be followed as a financial partnership. Operating permission was received from the CBRT on 30 January 2024.

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2024

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

### EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

#### I. EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED ASSETS (Continued)

##### 10. Information on Subsidiaries (Net) (Continued)

##### 10.2. Information on Consolidated Subsidiaries (Continued)

	Total Assets <sup>(2)</sup>	Shareholders Equity <sup>(2)</sup>	Total Non-Current Assets <sup>(2)</sup>	Interest Income <sup>(1), (2)</sup>	Income from Marketable Securities <sup>(2)</sup>	Current Period Profit/Loss <sup>(2)</sup>	Prior Period Profit/Loss	Fair Value	Shareholder's equity amount needed
1	7.770.397	4.143.218	26.572	1.611.692	-	1.840.385	667.009	4.839.147	-
2	1.026.137	763.099	127.778	11	-	337.664	161.669	594.449	-
3	384.916.290	19.577.463	4.279.653	39.260.544	4.978.400	712.470	1.158.594	15.958.668	-
4	41.867.229	36.642.741	39.845.552	111.631	-	506.048	279.340	30.225.144	-
5	5.293.622	5.255.990	36.000	167.540	-	154.151	84.806	5.255.774	-
6	248.277	235.836	21.416	33.435	-	23.614	1.585	200.000	-
7	3.707.360	2.834.647	304.149	563.560	-	324.178	52.300	2.500.000	-
8	36.619.788	11.765.985	1.535.716	884.061	37.255	724.954	253.455	4.986.859	-
9	25.962.401	3.755.054	175.759	373.898	-	201.301	56.043	1.457.227	-
10	5.645.797	2.371.080	64.607	339.419	1.055	324.547	87.749	1.031.853	-
11	14.897.745	5.445.243	368.099	661.224	4.847	471.362	341.669	3.535.560	-
12	14.501.041	2.267.512	478.462	338.176	23.379	113.143	35.049	1.134.100	-
13	3.670.602	623.058	25.021	62.170	11.903	19.737	6.092	432.302	-
14	2.565.640	853.478	57.899	72.973	2.361	13.520	41.549	342.333	-
15	9.286.920	1.248.946	173.300	193.873	-	87.081	15.111	719.558	-

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

<sup>(2)</sup> Within the framework of BRSA regulations, current period financial statement information of subsidiaries was taken from the financial statements dated 30 June 2024, which were not subject to inflation accounting.

*(Represents the values of the Parent Bank)*

	Current Period	Prior Period
<b>Balance at the Beginning of the Period</b>	<b>61.349.652</b>	<b>41.946.035</b>
<b>Movements During the Period</b>	<b>11.863.321</b>	<b>19.403.617</b>
Purchases	-	10.615.681
Bonus Shares Obtained	37.450	163.757
Dividends from current year income	-	-
Sales	-	-
Revaluation Increase <sup>(1)</sup>	12.144.771	12.652.181
Impairment Provision (-)	318.900	4.028.002
<b>Balance at the End of the Period <sup>(2)</sup></b>	<b>73.212.973</b>	<b>61.349.652</b>
Capital Commitments	-	-
Share percentage at the end of the period (%)	-	-

<sup>(1)</sup> Includes changes arising from conversion of subsidiaries, whose capitals are paid in Euro amounts, into TL at period end currency rate.

<sup>(2)</sup> Non-financial subsidiaries amounting to TL 278.705 are not included in the table (31 December.2023: Non-financial subsidiaries amounting to TL 278.705 are not included in the table.).

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

*(Represents the values of the Parent Bank)*

	Current Period	Prior Period
Banks	32.098.460	31.663.788
Insurance Companies	-	-
Factoring Companies	-	-
Leasing Companies	-	-
Financing Companies	-	-
Other Financial Subsidiaries	41.114.513	29.685.864

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2024

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

### EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

#### I. EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED ASSETS (Continued)

##### 10. Information on Subsidiaries (Net) (Continued)

##### 10.4. Subsidiaries Quoted to a Stock Exchange

(Represents the values of the Parent Bank)

	Current Period	Prior Period
Quoted at Domestic Stock Exchanges	30.225.144	20.255.507
Quoted at International Stock Exchanges	-	-

##### 11. Information on Entities Under Common Control (Joint Ventures)

Entities under Common Control (Joint Ventures) <sup>(1)</sup>	Parent Bank's Share (%)	Group's Share (%)	Current Assets	Non-Current Assets	Long Term Liabilities	Income	Expense
Turkmen Turkish Joint Stock Commercial Bank	50,00	50,00	25.485.179	106.116	45.370	607.596	335.557

<sup>(1)</sup> Information on entity under joint control is provided from the unaudited financial statements as of 30 June 2024.

##### 12. Information on Lease Receivables

Information on receivables from leasing transactions is presented in the table below.

	Current Period		Prior Period	
	Gross	Net	Gross	Net
Less than 1 Year	405.157	350.878	224.845	214.022
1-5 Years	56.759.556	41.491.778	59.991.932	41.215.163
More than 5 Years	10.764.352	8.594.280	13.243.798	11.229.911
<b>Total</b>	<b>67.929.065</b>	<b>50.436.936</b>	<b>73.460.575</b>	<b>52.659.096</b>

##### 13. Information on Derivative Financial Assets for Hedging Purposes

The Group does not have any derivative financial assets for hedging purposes.

##### 14. Information on Investment Property

The Group's investment properties are TL 1.441.313 (31 December 2023: TL 1.434.220).

##### 15. Information on Assets Held for Sale and Tangibles Corresponding Discontinuing Operations

The Group does not have any discontinued operations. The assets held for sale are composed of immovables acquired due to consumer, commercial and agricultural loans, and immovables for which has no necessity of use exists by the Parent Bank. Those immovables considered for sales are announced at the web site of the Parent Bank.

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2024

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

### EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

#### I. EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED ASSETS (Continued)

##### 15. Information on Assets Held for Sale and Tangibles Corresponding Discontinuing Operations (Continued)

The total of the partnership shares acquired by the Group due to its receivables is TL 38.948 (31 December 2023:TL 38.948) To be TL 690.613 (31 December 2023:TL 15.712), due to individual receivables of the Group, TL 7.024.567 due to the trade receivables (31 December 2023:TL 6.288.579) due to the agricultural receivables TL 76.706 (31 December 2023:TL 81.634) the total of the real estates acquired for the purpose of sale is TL 7.791.886 (31 December 2023:TL 6.385.925) and the other real estates held for sale is TL 447.908 (31 December 2023:TL 447.908). In addition, the total of the movables acquired due to its receivables is TL 45.632 (31 December 2023:TL 98.046) In addition, the total of the movables acquired due to its receivables is TL 2.608.478 (31 December 2023:TL 2.548.008).

##### 16. The Impairment Provision Set or Cancelled in the Current Period According to the Asset Groups not Individually Significant but Materially Affecting According to the Overall Financial Statements, and the Reason and Conditions for This

None.

##### 17. Pledges, Mortgages and Other Restrictions on the Tangible Assets, Expenses Arising from the Construction for Tangible Assets, Commitments Given for the Purchases of Tangible Assets

None.

##### 18. Information on Expected Credit Loss for Financial Assets

	Current Period	Prior Period
Cash and Balances at Central Bank	32.400	27.611
Banks and Receivables from Money Markets	37.857	46.474
Financial Assets Measured at Amortized Cost	62.196	80.966
Other assets	356.075	270.826
<b>Total</b>	<b>488.528</b>	<b>425.877</b>

##### 19. Information on Deferred Tax Asset

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

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

As of 30 June 2024, the deferred tax asset is TL 47.077.530 (31 December 2023: TL 33.467.558).

##### 20. Information on Other Assets

As of 30 June 2024, and 31 December 2023, other assets do not exceed 10% of the total assets excluding off-balance sheet commitments.

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2024

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

### EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

#### II. EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED LIABILITIES

##### 1. Information on Deposits/Funds Collected

##### 1.1. Information on Maturity Structure of Deposits

Current Period	Demand	7 Day Call Accounts	Up to 1 Month	1-3 Months	3-6 Months	6 Months-1 Year	1 Year and Over	Cumulative Deposits	Total
Saving Deposits	232.853.475	-	45.051.258	397.006.006	270.771.424	210.917.669	96.123.379	122.837	1.252.846.048
Foreign Currency Deposits	519.747.688	-	106.419.711	258.345.819	57.903.334	38.875.852	93.304.177	18.362	1.074.614.943
Residents in Türkiye	379.695.075	-	97.311.020	221.445.852	42.007.439	14.178.253	26.370.148	14.184	781.021.971
Residents Abroad	140.052.613	-	9.108.691	36.899.967	15.895.895	24.697.599	66.934.029	4.178	293.592.972
Public Sector Deposits	74.468.333	-	57.925.669	35.441.399	15.751.505	954.318	93.233	-	184.634.457
Commercial Deposits	103.864.626	-	179.663.905	170.207.573	76.476.191	78.091.431	63.934.679	-	672.238.405
Other Institutions Deposits	16.213.106	-	15.702.448	34.530.207	31.699.898	6.106.649	1.871.814	-	106.124.122
Precious Metals Deposit	191.686.847	-	3.764.233	23.409.075	2.955.073	753.510	1.120.025	-	223.688.763
Interbank Deposits	10.614.997	-	60.121.896	193.017	2.783.840	31.184.193	76.071	-	104.974.014
The CBRT	3.812.653	-	-	-	-	-	-	-	3.812.653
Domestic Banks	709.115	-	56.230.671	-	-	-	-	-	56.939.786
Foreign Banks	5.956.824	-	3.891.225	193.017	69.914	31.184.193	76.071	-	41.371.244
Participation Banks	136.405	-	-	-	2.713.926	-	-	-	2.850.331
Other	-	-	-	-	-	-	-	-	-
<b>Total (*)</b>	<b>1.149.449.072</b>	<b>-</b>	<b>468.649.120</b>	<b>919.133.096</b>	<b>458.341.265</b>	<b>366.883.622</b>	<b>256.523.378</b>	<b>141.199</b>	<b>3.619.120.752</b>

(\*) As of 30 June 2024, the balance of savings the deposit balance includes the amount of 8.372.932 TL Treasury Currency Protected Deposit, TL 309.629.612 CBRT Currency Protected Deposit and TL 120.837.671 YUVAM Account Deposits

Prior Period	Demand	7 Day Call Accounts	Up to 1 Month	1-3 Months	3-6 Months	6 Months-1 Year	1 Year and Over	Cumulative Deposits	Total
Saving Deposits	175.609.256	-	28.427.379	321.850.914	266.165.080	93.219.497	85.420.590	127.978	970.820.694
Foreign Currency Deposits	482.977.685	-	171.140.479	259.762.076	48.156.541	40.618.989	88.313.900	17.851	1.090.987.521
Residents in Türkiye	352.748.963	-	165.474.988	225.071.571	30.718.870	16.100.399	25.810.393	13.659	815.938.843
Residents Abroad	130.228.722	-	5.665.491	34.690.505	17.437.671	24.518.590	62.503.507	4.192	275.048.678
Public Sector Deposits	36.669.339	-	130.419.435	48.298.041	4.444.001	233.006	143.897	-	220.207.719
Commercial Inst. Deposits	100.914.099	-	181.333.459	236.061.118	62.493.497	45.411.903	36.831.359	-	663.045.435
Other Institutions Deposits	11.701.470	-	7.881.947	43.235.018	15.424.095	2.286.691	1.360.134	-	81.889.355
Precious Metals Deposit	151.323.270	-	3.027.113	18.214.111	2.181.984	628.895	944.569	-	176.319.942
Interbank Deposits	11.285.647	-	41.479.672	32.117.694	11.449.977	150.065	70.126	-	96.553.181
The CBRT	3.835.380	-	-	-	-	-	-	-	3.835.380
Domestic Banks	724.497	-	35.444.212	2.453.348	-	-	-	-	38.622.057
Foreign Banks	6.044.046	-	6.035.460	29.664.346	11.347.811	150.065	70.126	-	53.311.854
Participation Banks	681.724	-	-	-	102.166	-	-	-	783.890
Other	-	-	-	-	-	-	-	-	-
<b>Total (*)</b>	<b>970.480.766</b>	<b>-</b>	<b>563.709.484</b>	<b>959.538.972</b>	<b>410.315.175</b>	<b>182.549.046</b>	<b>213.084.575</b>	<b>145.829</b>	<b>3.299.823.847</b>

(\*) As of 31 December 2023, the deposit balance includes the amount of TL 53.576.786 Treasury Currency Protected Deposit, TL 333.844.041 CBRT Currency Protected Deposit and TL 83.585.490 YUVAM Account Deposits.

##### 1.2. Information on Saving Deposits Under the Guarantee of the Saving Deposit Insurance Fund and Amounts Exceeding the Limit of the Deposit Insurance Fund

Saving Deposits	Under the Guarantee of Deposit Insurance		Exceeding Deposit Insurance Limit	
	Current Period	Prior Period	Current Period	Prior Period
Saving Deposits <sup>(1)</sup>	563.614.053	400.109.821	687.171.778	570.467.136
Foreign Currency Saving Deposits <sup>(1)</sup>	401.700.224	306.661.188	434.254.486	457.116.037
Other Deposits in the form of Saving Deposits	-	-	-	-
Foreign Branches' Deposits under the Guarantees of Foreign Authority Insurance <sup>(2)</sup>	10.556.584	8.857.133	4.468.318	4.796.767
Off-Shore Banking Regions' under Foreign Authorities' Insurance	-	-	-	-

<sup>(1)</sup> Related deposit balances do not include foreign branches.

<sup>(2)</sup> In Bulgaria and Greece, since both real person and legal entity's saving deposits are under the guarantee of insurance and since such balances included in insurance limit are calculated by the system, the legal entity saving deposits amounting to TL 4.604.949 and TL 123.065 respectively, cannot be decomposed by type and are therefore included in the table above (31 December 2023: TL 5.010.092 and TL 61.595).

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2024

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

### EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

#### II. EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED LIABILITIES (Continued)

##### 1. Information on Deposits/Funds Collected (Continued)

##### 1.2. Information on Saving Deposits Under the Guarantee of the Saving Deposit Insurance Fund and Amounts Exceeding the Limit of the Deposit Insurance Fund (Continued)

Pursuant to the Regulation Amending the Regulation on Deposits and Participation Funds Subject to Insurance and Premiums to be Collected by the Savings Deposit Insurance Fund, published in the Official Gazette dated 27 August 2022 and numbered 31936, other than those belonging to official institutions, credit institutions and financial institutions in the presence of credit institutions; all deposit and participation funds are covered by insurance. In line with this change, commercial deposits amounting to TL 65.547.262 (31 December 2023: TL 49.015.138) within the scope of insurance are not included in the table. The portion of the said deposits exceeding the insurance limit is TL 842.951.577 (31 December 2023: TL 845.925.049).

Based on the Council of Minister's decree dated 29 December 2003 and numbered 2003/6668, TL 360 (31 December 2023: TL 382) of demand deposits is not included in the above calculation, since the Parent Bank paid the saving deposits amount attributable to T. İmar Bankası T.A.Ş.

##### 1.3. Information on Saving Deposits/Real Persons' Private Current and Accession Accounts Not Related to Commercial Transactions in a Turkish Branch of the Parent Bank Whose Head Office is Abroad, And Reasons if it is Covered in Where the Head Office is Located

The Parent Bank's head office is located in Türkiye.

##### 1.4. Saving Deposits of Real Persons which are not under the Guarantee of Saving Deposit Insurance Fund

	Current Period	Prior Period
Foreign branches' saving deposits and other accounts	17.256	17.493
Deposits and other accounts belonging to dominant partners as well as their fathers, mothers, spouses and children under their custody	-	-
Deposits and other accounts belonging to the chairman and members of the board of directors, general managers and deputy general managers as well as their fathers, mothers, spouses and children under their custody	93.502	43.616
Deposits and other accounts covered by assets generated through the offenses mentioned in Article 282 of the Turkish Penal Code No.5237 and dated 26 September 2004	-	-
Deposits in the banks to be engaged exclusively in offshore banking in Türkiye	-	-

##### 2. Negative Differences Statement Regarding Trading Derivative Financial Assets

	Current Period		Prior Period	
	TL	FC	TL	FC
Forward Transactions	211.439	209.924	80.030	49.505
Swap Transactions	2.204.519	7.646.257	704.395	2.629.363
Futures Transactions	-	-	-	-
Options	-	55.508	-	206.689
Other	-	40	-	90
<b>Total</b>	<b>2.415.958</b>	<b>7.911.729</b>	<b>784.425</b>	<b>2.885.647</b>

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2024

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

### EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

#### II. EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED LIABILITIES (Continued)

##### 3. Information on Banks and Other Financial Institutions

###### 3.1. General Information on Banks and Other Financial Institutions

	Current Period		Prior Period	
	TL	FC	TL	FC
Borrowings from CBRT	1.200.900	-	1.206.486	-
Domestic Banks and Institutions	706.461	11.721.954	6.213.812	10.121.311
Foreign Banks, Institutions and Funds	21.502.722	299.789.872	-	192.979.456
<b>Total</b>	<b>23.410.083</b>	<b>311.511.826</b>	<b>7.420.298</b>	<b>203.100.767</b>

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

	Current Period		Prior Period	
	TL	FC	TL	FC
Short-Term	21.988.797	33.488.882	6.084.912	22.394.428
Medium and Long-Term	1.421.286	278.022.944	1.335.386	180.706.339
<b>Total</b>	<b>23.410.083</b>	<b>311.511.826</b>	<b>7.420.298</b>	<b>203.100.767</b>

###### 3.3. Further Information is Disclosed for the Areas of Liability Concentrations. Main Liability Concentration Areas are Fund Suppliers, Sector Groups or other Risk Concentration Criteria

72,26% of the Group’s total liabilities and shareholders’ equity consist of deposits. Deposits have a diversified base and have steady structures. The Group’s liabilities are not subject to a significant concentration risk.

##### 4. Information on Money Market Borrowings

	Current Period		Prior Period	
	TL	FC	TL	FC
<b>From Domestic Transactions</b>	<b>175.513.710</b>	<b>16.068</b>	<b>5.469.316</b>	<b>10.528.455</b>
Financial Institutions and Organizations	175.189.728	16.068	5.115.675	10.528.455
Other Institutions and Organizations	277.772	-	279.173	-
Real Person	46.210	-	74.468	-
<b>From Overseas Operations</b>	<b>-</b>	<b>80.183.064</b>	<b>-</b>	<b>78.303.138</b>
Financial Institutions and Organizations	-	80.183.064	-	78.303.138
Other Institutions and Organizations	-	-	-	-
Real Person	-	-	-	-
<b>Total</b>	<b>175.513.710</b>	<b>80.199.132</b>	<b>5.469.316</b>	<b>88.831.593</b>

##### 5. Information on Securities Issued

	Current Period		Prior Period	
	TL	FC	TL	FC
Bank Bills	-	48.283.117	995.040	7.518.533
Asset-Backed Securities	9.152.964	16.222.653	4.461.181	14.918.648
Treasury Bonds	-	61.799.643	-	38.674.352
<b>Total</b>	<b>9.152.964</b>	<b>126.305.413</b>	<b>5.456.221</b>	<b>61.111.533</b>

###### 6. If Other Foreign Liabilities Exceed 10% of the Balance Sheet Total, Names and Amounts of Sub-Accounts Constituting At Least 20% of These Liabilities

Other foreign liabilities do not exceed 10% of the balance sheet total.



# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2024

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

### EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

#### ii. EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED LIABILITIES (Continued)

##### 7. Information on Lease Liabilities

Information on lease liabilities represented in the table below.

	Current Period		Prior Period	
	Gross	Net	Gross	Net
Less than 1 Year	319.685	252.493	89.584	41.352
Between 1-4 Years	5.224.978	3.092.872	1.856.513	1.482.025
More than 4 Years	7.766.576	2.657.353	6.515.257	3.263.741
<b>Total</b>	<b>13.311.239</b>	<b>6.002.718</b>	<b>8.461.354</b>	<b>4.787.118</b>

##### 8. Information on the Hedging Derivative Financial Liabilities

There are no hedging derivative financial liabilities of Group.

##### 9. Information on Provisions

###### 9.1. Provisions Related with Principal Foreign Currency Decrease of Foreign Indexed Loans and Finance Leasing Receivables

There are no foreign exchange loss provisions on foreign currency indexed loans and financial lease receivables (31 December 2023: None).

###### 9.2. Liabilities on Employee Benefits Provision

###### 9.2.1. Termination Benefit and Unused Vacation Rights

The Bank accounts for its vacation and retirement pay obligations in accordance with the TAS 19 “Employee Benefits”. The vacation and retirement pay obligations recognized in the balance sheet represent the present value of the defined benefit obligation. As of 30 June 2024, unpaid vacation liability amounted to TL 1.664.067 and employment termination amounted to TL 5.993.736 are presented under the “Employee Benefits Provision” in the financial statements (31 December 2023 unpaid vacation liability amounted to TL 923.379 and employment termination amounted to TL 5.312.642 are presented under the “Employee Benefits Provision” in the financial statements).

###### 9.3. Information on Other Provisions

A portion of free provision amounting to TL 8.800.000 is reversed in the current period out of the total free provision of TL 17.800.000 provided by the Group management in prior periods outside of the requirements of BRSA Accounting and Financial Reporting Legislation; therefore, the remaining free provision amount as at 30 June 2024 is TL 9.000.000 in these consolidated financial statements (31 December 2023: These consolidated financial statements as at 31 December 2023 include a free provision amounting to TL 17.800.000 which consist of TL 29.304.000 provided in prior periods, TL 96.000 recognized in the current year and TL 11.600.000 reversed in the current year by the Group management which is not within the requirements of BRSA Accounting and Financial Reporting Legislation).

Expected loss provisions for non-cash loans are TL 9.645.567 (31 December 2023: Expected loss provisions for non-cash loans are TL 9.204.333). The Group has made a provision amounting to TL 256.562 for the cases that have not been finalized yet (31 December 2023: The Group has made a provision amounting to TL 278.521 for the cases that are not yet finalized). In addition, there is other provision amounting to TL 4.245.368 (31 December 2023: Other provision amounting to TL 4.954.408).

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2024

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

### EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

#### II. EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED LIABILITIES (Continued)

##### 10. Explanations on Tax Liability

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

##### 10.1.1. Information on Tax Provision

As of 30 June 2024, the remaining corporate tax liability after deducting temporary taxes paid for the period is TL 10.479.629 (As of 31 December 2023, the remaining corporate tax liability after deducting temporary taxes paid for the period is TL 6.290.888).

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

	Current Period	Prior Period
Corporate Tax Payable	10.479.629	6.920.888
Taxation on Income from Securities	3.121.818	1.726.608
Property Tax	16.617	11.251
Banking Insurance Transaction Tax (BITT)	3.561.652	2.522.384
Foreign Exchange Transaction Tax	45.822	53.073
Value Added Tax Payable	192.978	228.094
Other	1.437.299	461.518
<b>Total</b>	<b>18.855.815</b>	<b>11.923.816</b>

##### 10.1.3. Information on Premium Payables

	Current Period	Prior Period
Social Security Premiums Employee	976	1.073
Social Security Premiums - Employer	1.513	1.428
Bank Social Aid Pension Fund Premium - Employee	394.401	118.457
Bank Social Aid Pension Fund Premium - Employer	577.890	173.733
Pension Fund Membership Fees and Provisions - Employee	143	117
Pension Fund Membership Fees and Provisions - Employer	18.748	25
Unemployment Insurance - Employee	45.593	23.141
Unemployment Insurance - Employer	91.180	46.275
Other	1	-
<b>Total</b>	<b>1.130.445</b>	<b>364.249</b>

##### 10.2. Information on Deferred Tax Liabilities if any

The Group has TL 64.906 deferred tax liability (31 December 2023: TL 16.407).

##### 11. Information on liabilities related to non-current assets “held for sale” and “held from discontinued operations”

The Group does not have any liabilities related to non-current assets “held for sale” and “held from discontinued operations” (31 December 2023: None).

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2024

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

### EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

#### II. EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED LIABILITIES (Continued)

##### 12. Information on Subordinated Loans

	Current Period		Prior Period	
	TL	FC	TL	FC
Debt instruments to be included in additional capital calculation	-	53.490.002	-	51.072.217
Subordinated loans	-	4.687.906	-	4.451.686
Subordinated debt instruments	-	48.802.096	-	46.620.531
Debt instruments to be included in contribution capital calculation	-	16.270.069	-	-
Subordinated loans	-	-	-	-
Subordinated debt instruments	-	16.270.069	-	-
Total	-	69.760.071	-	51.072.217

(\*) Subordinated loans are explained in detail in the Note “Information on debt instruments included in the calculation of equity” in Section Four

##### 13. Information on Shareholders’ Equity

###### 13.1. Presentation of Paid-In Capital

	Current Period	Prior Period
Common stock	84.600.000	84.600.000
Preferred stock	-	-

###### 13.2. Amount of Paid-In Capital, Explanation as to Whether the Registered Share Capital System is Applied, if so the Amount of Registered Share Capital Ceiling

The Parent Bank does not have a registered capital system.

###### 13.3. Capital Increases and Sources in the Current Period and Other Information Based on Increased Capital Share

There are no capital increases in the current period.

###### 13.4. Information on Share Capital Increases from Capital Reserves During the Current Period

There is no share capital amount included in capital.

###### 13.5. Information on Capital Commitments, the Purpose and the Sources Until the End of the Fiscal Year and the Subsequent Interim Period

The Parent Bank has no capital commitments.

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2024

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

### EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

#### II. EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED LIABILITIES (Continued)

##### 13. Information on Shareholders' Equity (Continued)

##### 13.6. The Effects of Anticipations Based on the Financial Figures for Prior Periods Regarding the Group's Income, Profitability and Liquidity, and Possible Effects of These Future Assumptions on the Group's Equity due to Uncertainties at These Indicators

In the current period, The Parent Bank follows its operations in line with the previous periods. The Parent Bank's balance sheet has been managed with precaution by being affected by the interest, rate of exchange and credit risks at the minimum level. This helps to reduce the effects of fluctuations in the market to The Parent Bank's performance and contributes to the profitability structure to be sustainable.

##### 13.7. Summary Information on Privileges Given to Shares Representing the Capital

The Parent Bank has no preferred shares.

##### 13.8. Information on Marketable Securities Value Increase Fund

	Current Period		Prior Period	
	TL	FC	TL	FC
From Associates, Subsidiaries, and Entities under Common Control (Joint Ventures)	222.468	(425.425)	222.468	(425.425)
Financial Assets at Fair Value Through Other Comprehensive Income	23.163.696	(16.210.495)	21.902.661	(12.810.408)
Foreign Exchange Differences	10.321.984	4.262	10.274.164	3.282
<b>Total</b>	<b>33.708.148</b>	<b>(16.631.658)</b>	<b>32.399.293</b>	<b>(13.232.551)</b>

#### III. EXPLANATIONS AND NOTES TO CONSOLIDATED OFF-BALANCE SHEET ACCOUNTS

##### 1. Explanations on Off-Balance Sheet Commitments

##### 1.1. Nature and Amount of Irrevocable Loan Commitments

	Current Period	Prior Period
Asset Purchase Commitments	39.231.682	104.390.149
Subsidiaries and Associates Capital Contribution Commitments	-	-
Loan Granting Commitments	124.561.219	99.025.457
Commitments for Cheque Payments	31.789.487	20.924.466
Commitments for Credit Card Expenditure Limits	647.805.350	393.172.202
Promotion Campaigns Commitments Relating to Credit Card and Bank Services	164.128	260.816
Tax and Fund Liabilities from Export Commitments	451.282	296.293
Other Irrevocable Commitments	95.353.225	49.726.847
<b>Total</b>	<b>939.356.373</b>	<b>667.796.230</b>

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2024

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

### EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

#### III. EXPLANATIONS AND NOTES TO CONSOLIDATED OFF-BALANCE SHEET ACCOUNTS

(Continued)

##### 1. Explanations on Off-Balance Sheet Commitments (Continued)

##### 1.2. A Nature and Amount of Possible Losses and Commitments Arising from the Off-Balance Sheet Items Including the Below Mentioned

The Group has provided provision amounting to TL 9.645.567 for expected credit losses arising from the off-balance sheet items in the current period (31 December 2023: TL 9.204.333).

##### 1.2.1. Non-Cash Loans Including Guarantees, Acceptances, Financial Guarantees and Other Letter of Credits

	Current Period	Prior Period
Letters of Guarantee	840.052.320	692.372.857
Letters of Credit	119.531.945	112.269.044
Bank Acceptances	8.218.759	8.393.046
Endorsements	70.997.227	53.313.445
Other Guarantees	104.934	886.889
Other Collateral	25.697	8.554
<b>Total</b>	<b>1.038.930.882</b>	<b>867.243.835</b>

##### 1.2.2. Certain Guarantees, Temporary Guarantees, Surety Ships and Similar Transactions

	Current Period	Prior Period
Letters of Certain Guarantees	501.578.216	417.115.185
Letters of Advance Guarantees	146.152.040	132.882.159
Letters of Temporary Guarantees	24.871.523	22.209.779
Letters of Guarantees Given to Customs Offices	9.005.045	5.066.196
Other Letters of Guarantees	158.445.496	115.099.538
<b>Total</b>	<b>840.052.320</b>	<b>692.372.857</b>

##### 1.3. Explanations on Non-Cash Loans

##### 1.3.1. Total Non-Cash Loans

	Current Period	Prior Period
<b>Non-Cash Loans for Providing Cash Loans</b>	<b>127.069.677</b>	<b>95.627.490</b>
With Original Maturity of One Year or Less	52.152.802	37.876.385
With Original Maturity of More than One Year	74.916.875	57.751.105
<b>Other Non-Cash Loans</b>	<b>911.861.205</b>	<b>771.616.345</b>
<b>Total</b>	<b>1.038.930.882</b>	<b>867.243.835</b>

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2024

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

### EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED PROFIT OR LOSS STATEMENT

#### IV. EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED PROFIT OR LOSS STATEMENT

##### 1. Interest Income

##### 1.1. Information on Interest Income from Loans

	Current Period		Prior Period	
	TL	FC	TL	FC
<b>Interest on Loans <sup>(1)</sup></b>	<b>265.500.392</b>	<b>36.223.741</b>	<b>78.211.238</b>	<b>20.745.922</b>
Short Term Loans	120.974.109	8.623.970	32.267.172	3.706.763
Medium and Long-Term Loans	142.686.512	27.300.434	45.096.484	16.860.992
Interest on Loans Under Follow-Up	1.839.771	299.337	847.582	178.167
Premiums Received from the Resource Utilization Support Fund	-	-	-	-

<sup>(1)</sup> Includes fees and commissions income on cash loans.

##### 1.2. Information on Interest Income on Banks

	Current Period		Prior Period	
	TL	FC	TL	FC
From Central Bank of the Republic of Türkiye	46.315	-	137.035	-
From Domestic Banks	146.021	1.174.482	135.889	1.736.470
From Foreign Banks	1.110.942	1.282.524	70.376	565.944
From Branches and Offices Abroad	-	-	-	-
<b>Total</b>	<b>1.303.278</b>	<b>2.457.006</b>	<b>343.300</b>	<b>2.302.414</b>

##### 1.3. Information on Interest Income on Marketable Securities

	Current Period		Prior Period	
	TL	FC	TL	FC
Financial Assets at Fair Value Through Profit or Loss	662.016	927.919	428.028	33.783
Financial Assets at Fair Value Through Other Comprehensive Income	53.227.154	11.486.372	20.532.014	7.289.121
Financial Assets Measured at Amortized Cost	35.960.198	781.808	14.034.176	1.764.052
<b>Total</b>	<b>89.849.368</b>	<b>13.196.099</b>	<b>34.994.218</b>	<b>9.086.956</b>

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

	Current Period	Prior Period
Interest Income from Associates and Subsidiaries	959.594	109.692

##### 2. Interest Expense

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

	Current Period		Prior Period	
	TL	FC	TL	FC
<b>Banks <sup>(1)</sup></b>	<b>2.156.740</b>	<b>9.695.006</b>	<b>286.920</b>	<b>4.001.312</b>
Central Bank of the Republic of Türkiye	117.524	-	436	-
Domestic Banks	1.255.536	424.222	235.248	530.338
Foreign Banks	783.680	9.270.784	51.236	3.470.974
Foreign Headquarters and Branches Abroad	-	-	-	-
Other Institutions	-	149.949	-	236.543
<b>Total</b>	<b>2.156.740</b>	<b>9.844.955</b>	<b>286.920</b>	<b>4.237.855</b>

<sup>(1)</sup> Includes fees and commissions expenses on cash loans.

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2024

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

### EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

#### IV. EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED PROFIT OR LOSS STATEMENT (Continued)

##### 2. Interest Expense (Continued)

##### 2.2. Information on Interest Expense Given to Associates and Subsidiaries

	Current Period	Prior Period
Interest Expenses Given to Subsidiaries and Associates	91.344	26.085

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

	Current Period		Prior Period	
	TL	FC	TL	FC
Interest Expenses on Securities Issued	1.663.116	5.644.109	657.800	2.195.036

##### 2.4. Maturity Structure of the Interest Expense on Deposits

Current Period	Account Name	Demand Deposit	Time Deposit				Cumulative Deposit	Total
			Up to 1 Month	Up to 3 Month	Up to 6 Month	Up to 1 Year		
TL								
	Bank Deposit	-	12.238.132	534.562	313.709	-	-	13.086.403
	Saving Deposit	-	6.253.876	74.803.240	49.719.363	32.554.041	10.784.932	174.120.515
	Public Sector Deposit	73	13.763.608	8.319.997	2.711.658	58.398	14.349	24.868.083
	Commercial Deposit	158	31.107.155	35.975.516	10.376.811	17.611.283	8.313.928	103.384.851
	Other Deposit	-	1.815.489	8.660.019	3.998.530	572.792	112.481	15.159.311
	Deposit with 7 Days Notification	-	-	-	-	-	-	-
	<b>Total</b>	<b>231</b>	<b>65.178.260</b>	<b>128.293.334</b>	<b>67.120.071</b>	<b>50.796.514</b>	<b>19.225.690</b>	<b>330.619.163</b>
FC								
	Foreign Currency Deposit	3.689	1.824.639	2.991.934	522.053	809.064	881.363	7.032.743
	Foreign Currency Deposit	76.733	72.462	318.280	185.328	533.524	1.060	1.187.387
	Deposit with 7 Days Notification	-	-	-	-	-	-	-
	Precious Metal Deposits	-	14.946	33.735	5.351	1.475	2.278	57.785
	<b>Total</b>	<b>80.422</b>	<b>1.912.047</b>	<b>3.343.949</b>	<b>712.732</b>	<b>1.344.063</b>	<b>884.701</b>	<b>8.277.915</b>
	<b>Grand Total</b>	<b>80.653</b>	<b>67.090.307</b>	<b>131.637.283</b>	<b>67.832.803</b>	<b>52.140.577</b>	<b>20.110.391</b>	<b>338.897.078</b>

Prior Period	Account Name	Demand Deposit	Time Deposit				Cumulative Deposit	Total
			Up to 1 Month	Up to 3 Month	Up to 6 Month	Up to 1 Year		
TL								
	Bank Deposit	-	2.424.700	167.458	-	-	-	2.592.158
	Saving Deposit	-	1.815.175	18.279.381	14.899.404	827.596	2.307.586	38.135.013
	Public Sector Deposit	69	7.217.471	1.801.429	131.352	21.848	419	9.172.588
	Commercial Deposit	133	8.136.855	11.424.043	3.339.059	3.655.867	421.603	26.977.560
	Other Deposit	-	716.251	2.675.429	172.285	6.530	29.150	3.599.645
	Deposit with 7 Days Notification	-	-	-	-	-	-	-
	<b>Total</b>	<b>202</b>	<b>20.310.452</b>	<b>34.347.740</b>	<b>18.542.100</b>	<b>4.511.841</b>	<b>2.758.758</b>	<b>80.476.964</b>
FC								
	Foreign Currency Deposit	71.278	2.817.291	1.420.826	338.800	332.032	512.633	5.492.861
	Bank Deposit	-	107.246	194.497	51.823	280.992	1.950	636.508
	Deposit with 7 Days Notification	-	-	-	-	-	-	-
	Precious Metal Deposits	-	9.043	26.443	2.940	1.290	1.781	41.497
	<b>Total</b>	<b>71.278</b>	<b>2.933.580</b>	<b>1.641.766</b>	<b>393.563</b>	<b>614.314</b>	<b>516.364</b>	<b>6.170.866</b>
	<b>Grand Total</b>	<b>71.480</b>	<b>23.244.032</b>	<b>35.989.506</b>	<b>18.935.663</b>	<b>5.126.155</b>	<b>3.275.122</b>	<b>86.647.830</b>

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2024

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

### EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

#### IV. EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED PROFIT OR LOSS STATEMENT (Continued)

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

	Current Period	Prior Period
<b>Profit</b>	<b>503.041.057</b>	<b>319.812.229</b>
Trading Gains on Securities	4.686.227	1.734.970
Gains on Derivative Financial Transactions	18.650.132	11.493.034
Foreign Exchange Profits	479.704.698	306.584.225
<b>Loss (-)</b>	<b>519.855.109</b>	<b>298.311.064</b>
Trading Losses on Securities	327.596	957.402
Losses on Derivative Financial Instruments	55.540.557	13.443.125
Foreign Exchange Loss	463.986.956	283.910.537

##### 4. Information on Other Operating Income

The significant portion of other operating income consists of reversals of reserves amounting to TL 8.800.000 from previous periods, reversals of loan loss provisions amounting to TL 9.015.220, reversals of participation account provisions amounting to TL 994.301, and gains from asset sales amounting to TL 376.552 (30 June 2023: The significant portion of other operating income consisted of reversals of reserves amounting to TL 11.600.000 from previous periods, reversals of loan loss provisions amounting to TL 9.851.668, reversals of participation account provisions amounting to TL 229.382, and gains from asset sales amounting to TL 1.390.952).

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

	Current Period	Prior Period
Expected Credit Loss and Other Provision Expense	14.606.705	14.722.524
12 Month Expected Credit Loss (Stage 1)	2.994.891	4.737.159
Significant Increase in Credit Risk (Stage 2)	5.591.483	6.280.730
Non-Performing Loans (Stage 3)	6.020.331	3.704.635
Marketable Securities Impairment Expense	1.924.089	1.425.502
Financial Assets at Fair Value through Profit or Loss	4.472	-
Financial Assets at Fair Value Through Other Comprehensive Income	1.919.617	1.425.502
Subsidiaries, Associates and Entities Under Common Control Impairment Provision	-	-
Associates	-	-
Subsidiaries	-	-
Entities Under Common Control	-	-
Other	359.524	187.626
<b>Total</b>	<b>16.890.318</b>	<b>16.335.652</b>



# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2024

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

### EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

#### IV. EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED PROFIT OR LOSS STATEMENT (Continued)

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

	Current Period	Prior Period
Reserve for Employee Termination Benefits	673.269	434.290
Bank Social Aid Fund Deficit Provision	-	-
Impairment Expenses of Tangible Assets	-	-
Depreciation Expenses of Tangible Assets	1.885.009	855.634
Impairment Expenses of Intangible Assets	-	-
Goodwill Impairment Expense	-	-
Amortization Expenses of Intangible Assets	383.872	185.712
Impairment Expense of Equity Participations for which Equity Method is Applied	-	-
Impairment Expenses of Assets Held for Sale	-	-
Depreciation Expenses of Assets Held for Sale	-	-
Impairment Expenses for Non-Current Assets Held for Sale and Discontinued Operations	-	-
Other Operating Expenses	16.016.433	12.713.818
Leasing Expenses Related to TFRS 16 Exceptions	172.727	85.417
Maintenance Expenses	1.211.399	1.056.682
Advertisement Expenses	565.701	436.697
Other Expenses	14.066.606	11.135.022
Loss on Sales of Assets	1.141	2.675
Other <sup>(1)</sup>	10.878.869	27.619.768
<b>Total</b>	<b>29.838.593</b>	<b>41.811.897</b>

<sup>(1)</sup> TL 3.829.426 consists of Savings Deposit Insurance Fund rediscount expenses, TL 5.231.259 consists of taxes, duties and fees (30 June 2023: TL 2.497.801 consists of Savings Deposit Insurance Fund rediscount expenses, TL 2.638.260 TL consists of taxes, duties and fees, and TL 21.007.288 consists of the donation payment made to AFAD due to the earthquake disaster that occurred in Kahramanmaraş and surrounding provinces in February).

##### 7. Information on Profit/Loss Before Tax from Continuing and Discontinuing Operations

The Group has no discontinued operations. The content of profit/loss amount before tax related to the continuing operations of the Group is given below:

	Current Period	Prior Period
Net Interest Income	62.145.176	40.244.501
Net Fees and Commissions Income	35.181.667	13.790.871
Other Operating Income	25.064.825	27.185.840
Dividend Income	2.437	11.072
Trading Profit/Loss (Net)	(16.814.052)	21.501.165
Personnel Expenses (-)	22.338.929	11.642.886
Expected Credit Loss (-)	14.606.705	14.722.524
Other Provision Expenses (-)	2.283.613	1.613.128
Other Operating Expenses (-)	29.838.593	41.811.897
Profit/Loss from Investments in Subsidiaries Consolidated based on Equity Method	147.098	96.381
<b>Current Period Profit/Loss from Continued Operations</b>	<b>36.659.311</b>	<b>33.039.395</b>

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2024

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

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### EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

#### IV. EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED PROFIT OR LOSS STATEMENT (Continued)

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

As of 30 June 2024 TL 1.308.106 of the Group's total tax provision expense amounting to TL 17.281.264 consists of current tax expense while remaining balances amounting to TL 15.973.158 consists of deferred tax income (As of 30 June 2023 TL 4.142.434 of the Group's total tax provision expense amounting to TL 383.804 consists of current tax expense while remaining balances amounting to TL 3.758.630 consists of deferred tax income).

##### 9. Explanation on Current Period Net Profit and Loss of Continued and Discontinued Operations

The Group's net profit from continuing operations is TL 35.351.205 (30 June 2023: TL 28.896.961).

##### 10. Information on Net Profit/Loss

##### 10.1. Nature, Amount and Frequency of Income and Expenses Arising from Ordinary Banking Activities, if Required for the Understanding the Performance of the Bank in The Current Period

The Parent Bank mainly utilizes its resources from domestic deposits on loans, securities and interbank operations. Besides, it obtains income via commissions taken from non-cash loans, other banking operations and insurance agencies.

##### 10.2. The Effect of the Change in Accounting Estimates to the Net Profit/Loss; Including the Effects to the Future Period, if any

As of the balance sheet date, there is no change in accounting estimates that may require further explanations in the current period.

##### 11. If Other Items in the Profit or Loss Statement Exceed 10% of the Profit or Loss Statement Total, Sub-Accounts Constituting At Least 20% of These Items are Shown Below

The "Other" statement under the "Fees and Commission Income" in the Profit or Loss Statement mainly consists of commissions received from credit card and fees and commissions received from banking transactions.

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2024

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

### EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

#### V. EXPLANATIONS AND NOTES RELATED TO RISK GROUP THAT THE PARENT BANK BELONGS TO

##### 1. Information on the Volume of Transactions Relating to the Parent Bank’s Risk Group, Outstanding Loan and Deposit Transactions and Profit and Loss of the Period

###### 1.1 Information on Loans of the Bank’s Risk Group

Risk Group of the Parent Bank	Subsidiaries, Associates and Entities Under Common Control (Joint Ventures)		Direct or Indirect Shareholders of the Bank		Other Real and Legal Persons in the Risk Group	
	Cash	Non-cash	Cash	Non-cash	Cash	Non-cash
<b>Current Period</b>						
<b>Loans</b>						
Beginning Balance	3.560.312	94.803	-	-	-	-
Ending Balance	4.032.166	357.781	-	-	-	-
Interest and Commissions Income	959.594	454	-	-	-	-

Risk Group of the Parent Bank	Subsidiaries, Associates and Entities Under Common Control (Joint Ventures)		Direct or Indirect Shareholders of the Bank		Other Real and Legal Persons in the Risk Group	
	Cash	Non-cash	Cash	Non-cash	Cash	Non-cash
<b>Prior Period</b>						
<b>Loans</b>						
Beginning Balance	1.595.222	27.560	-	-	-	-
Ending Balance	3.560.312	94.803	-	-	-	-
Interest and Commissions Income	109.692	339	-	-	-	-

###### 1.2. Information on Deposits of the Parent Bank’s Risk Group

Risk Group of the Parent Bank	Subsidiaries, Associates and Entities Under Common Control (Joint Venture)		Direct or Indirect Shareholders of the Bank		Other Real and Legal Persons in the Risk Group	
	Current Period	Prior Period	Current Period	Prior Period	Current Period	Prior Period
<b>Deposits</b>						
Beginning Balance	802.612	290.714	-	-	-	-
Ending Balance	1.126.957	802.612	-	-	-	-
Interest Expense on Deposits	91.344	26.085	-	-	-	-

###### 1.3. Information on Forward and Option Agreements and Other Similar Agreements made with the Parent Bank’s Risk Group

None (31 December 2023: None).

###### 1.4. Information Regarding Benefits Provided to the Group’s Key Management

Fees paid to the Group’s key management amount to TL 174.112 (30 June 2023: TL 82.541).

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2024

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

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### EXPLANATIONS AND NOTES RELATED TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

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

Following the increase of Türkiye's credit rating by two levels from "B3" to "B1" level by the International Credit Rating Agency Moody's on July 19, 2024, Ziraat Bank's long-term foreign currency and local currency credit ratings were increased by two levels on 23 July 2024 and " It was upgraded from "B3" level to "B1" level. Moody's also updated the core credit rating to "b1" and confirmed the outlook as "Positive".

Ziraat Finansal Kiralama A.Ş., the Subsidiary of the Parent Bank, was established with the permission of BRSA dated 4 July 2024 and numbered 10929 and registered on 6 August 2024, and has not yet started its operations as of the end of the period.

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

## **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2024**

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

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### **SECTION SIX**

#### **EXPLANATIONS ON AUDITOR’S REVIEW REPORT**

##### **I. EXPLANATIONS ON INDEPENDENT AUDITOR’S REPORT**

The consolidated financial statements for the period ended 30 June 2024 have been reviewed by PwC Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. The auditor’s review report dated 14 August 2024 is presented preceding the consolidated financial statements.

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

None.

**SECTION SEVEN**

**EXPLANATION ON INTERIM ACTIVITY REPORT**

**I. CHAIRMAN'S ASSESSMENT**

In the second quarter of 2024, the global economy maintained its stable outlook despite increasing geopolitical risks and trade tensions. In the global economy, which continues to perform below the long-term average growth rate, there are divergences in the level of economic activity between regions and differences in the policy signals and practices of central banks. Pressures arising from services inflation and wages kept upside risks on the inflation outlook, causing global central banks to adopt a cautious approach in their plans to loosen monetary policies.

The US Federal Reserve (Fed) kept the monetary policy interest rate constant, in line with expectations, with the prediction that it would take time to reach the target level despite the improvement in inflation indicators. The European Central Bank (ECB), on the other hand, reduced interest rates by 25 basis points in line with expectations at its June meeting, due to the convergence of inflation to the target and the improvement in inflation expectations. On the Asian side, although the Chinese economy is among the fastest-growing countries in the world, the annual growth rate continued to slow down in the second quarter of this year and was recorded at the lowest level since the first quarter of 2023. In Japan, the largest developed country in the Asian region, the weak course of the economy continued and inflation data remained above the target level.

The Turkish economy is; Despite the difficulties in the global economy and increasing geopolitical risks, it has maintained its uninterrupted growth for the last 15 quarters by recording a strong growth performance of 5.7% on an annual basis in the first quarter of the year, with the support of net exports, especially private and public consumption and investment items. In addition, while the contribution of consumption to growth decreased with a more balanced demand composition in the economy, positive developments were observed in net exports and investments, which are the sustainable components of growth. First quarter growth data; He pointed out that sustainable growth focused on investment, employment, production and exports has been prioritized by directing resources to effective, efficient and high added value areas, and that growth is progressing on a path compatible with a more balanced composition and the disinflation process.

The unemployment rate continued to decline in the second quarter of the year but maintained its course at single-digit levels. In this context, employment market data confirmed that the economy continues to generate employment and employment-friendly policies are followed.

The annual current account deficit continued to decline in the second quarter of this year, especially due to the continuing decline in energy and gold imports, net service revenues remaining close to record levels with the strong contribution of tourism and transportation revenues, and exports maintaining their positive course, despite the negative effects of geopolitical tensions on the tourism sector and exports. continued. While positive developments in the foreign trade balance brought economic growth to a more balanced structure, macroeconomic stability was strengthened with the improvement in the current account deficit. Annual inflation, after reaching its peak in May this year, partially declined in June, indicating that the disinflation process has begun. In the second half of the year, in addition to the positive base effect, the expectation of a slowdown in monthly inflation rates, the lagged effects of monetary tightening and steps strengthening fiscal discipline, the expectation of a moderate course in domestic demand, the stable course and increase in predictability in exchange rates, the increased interest in TL assets and the ongoing improvement in inflation expectations, it is expected to support the disinflation process.

On the monetary policy side, the policy rate was maintained at 50% in the second quarter of the year. In addition, while the CBRT reiterated that the tight monetary policy stance would be maintained until a significant and permanent decline in the underlying trend of monthly inflation was achieved and inflation expectations converged to the predicted forecast range, selective credit and quantitative tightening decisions continued to be taken to support the monetary tightening process.

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2024

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

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### EXPLANATION ON INTERIM ACTIVITY REPORT (Continued)

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

In addition to the decline in the current account deficit, the CBRT's gross reserves reached historical record levels due to the increasing international investor interest in our country and the increasing tendency of domestic residents to Turkish Lira denominated assets. In addition, within the scope of the positive developments in the economy, it was observed that international credit rating agencies continued their upward revisions in our country's credit rating, while the decline in the CDS risk premium continued. In particular, after Türkiye was removed from the "grey list" at the end of June, international markets' recently improving confidence in Türkiye and international direct investment inflows, which are the long-term and qualified type of foreign capital flow are expected to increase and foreign borrowing costs are expected to decrease.

In this period when we begin to see the positive reflections of the implemented monetary and fiscal policies, the banking sector continues to contribute to our economy. Ziraat Bank, as the leading bank of the sector, continues its credit policy towards the financing of the real sector and selective areas by allocating the resources it provides in a way that will provide the highest added value to our economy. In addition, it continues its efficiency-oriented efforts devotedly as the bank with the widest service network and customer base in our country, with its investments in digital banking, domestic and international subsidiaries and employees, as well as its domestic branches and ATMs.

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

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

**II. ASSESSMENT OF GENERAL MANAGER**

On a global basis, the second quarter of 2024 was completed with geopolitical risks, elections, economic growth indicators and especially the course of inflation being on the agenda, with expectations that central banks may start interest rate cuts within the year within the framework of all developments. In general, the growth rates of developed countries' economies continued their slow course. Although the US Federal Reserve (Fed) monetary policy did not change the interest rate, the European Central Bank (ECB) made a small interest rate cut. Despite this difference, both central banks announced that they would be cautious about disinflation unless they were more confident.

We see the positive results of the monetary and fiscal policies implemented in our country as improvements in indicators such as CDS, credit scores, reserves, foreign capital flow and current account balance. Similar to the global economy, expectations for disinflation are more positive for the second half of the year.

The banking sector continues to contribute to our economy in line with the implemented monetary and fiscal policies. Ziraat Bank maintains its credit-oriented balance sheet structure by diversifying its main funding source, deposits, with non-deposit resources, especially from abroad, and by focusing on the financing of the real sector, supporting agriculture, exports, investment, employment and SME areas.

Ziraat Bank's total assets exceeded TL 4,5 trillion. Cash loans, which constitute more than half of the assets, are at the level of TL 2,3 trillion. As a result of our credit policy focused on financing the real sector, 85% of cash loans consist of corporate / commercial loans. 65% of our loans consist of TL loans and 76% of these loans are aimed at financing the real sector.

By designing special new products, we prioritize the financing of selective areas. One of these areas is the financing of agriculture. In the agricultural sector, we provide effective financing in all areas of agriculture with the loan packages we design, such as plant and animal production, aquaculture and beekeeping, modern and solar-powered irrigation systems, agricultural mechanization, young farmers, women farmers, cooperatives and contract production. Our loans for financing agriculture have reached TL 490 billion and the number of loan customers has approached 1 million people. 30% of our agricultural loans consist of investment loans. We aim to increase the added value of agriculture by reducing imports of agricultural products, encouraging domestic production, increasing mechanization and agricultural investments, using technology more effectively, and bringing agricultural enterprises to economic scale.

Apart from agriculture, we offered support packages to our customers for the financing of exports, which are of strategic importance for our country. We also implemented support packages for women and youth.

Although our main source of financing is deposits, we obtain non-deposit resources, especially from abroad, and use these resources to finance the real sector. While we renewed our syndicated loan by 132%, we issued 500 million USD subordinated bonds. Apart from these, we also obtained resources within the scope of the program based on post financing, foreign currency repo, bilateral agreements from foreign banks and remittance flows, thus increasing the total amount of resources we provided from abroad to USD 15 billion.

As the bank with the most widespread branch network in the sector, we continue our investments in these areas to make it possible to access financial services conveniently and easily everywhere. Our Bank, which is the leader of the sector in terms of ATM network, has started to provide services to our customers at many more points with "Türkiye's ATM Center - TAM", which combines 6 banks and PTT ATMs under one roof. We continue our investments in digital banking and payment systems. The number of active digital banking customers has exceeded 22,4 million people and the share of non-branch financial transactions in total has reached approximately 96,1%. The number of customers in our bank's digital branch, Super Branch, has reached 1 million. We maintain our position as the leading bank in the field of debit cards. We are increasing our member merchant and credit card market share.



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

## **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2024**

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

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

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

Our Bank, which has the most widespread service network abroad, operates at 122 points in 19 different countries, as well as in Türkiye, with a deep-rooted history of over 160 years, with an international asset size of approximately USD 12 billion. Expanding its global service network with our Egypt Representative Office, which started operating in July, our Bank will increase its effectiveness in the Gulf region with our Dubai Representative Office, which will start operating soon.

Our bank rapidly continues its work on banking activities in new geographies in line with its strategy of being a part of mutual investments between Türkiye and the countries in which we operate and increasing its effectiveness in financing foreign trade.

We continue our work with the aim to offer solutions suitable for different financial needs with domestic and international service points and digital banking applications, to achieve this with an efficiency-oriented approach, to ensure that our customers can easily access our services everywhere, to increase customer satisfaction, to place the resources we provide in the right areas in a way that will provide the highest added value to our economy.

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

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2024

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

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### EXPLANATION ON INTERIM ACTIVITY REPORT (Continued)

#### III. CORPORATE PROFILE

Ziraat Bank has become the leader of the banking sector today with the policies it has implemented since its establishment in 1863, has gradually strengthened its presence in the business lines it focuses on, has created increasing employment and has become the expression of reputation and high added value in the eyes of all its shareholders.

The Bank carries out its activities in a structure that uses its resources effectively in line with its strategy based on the principle of multifaceted efficiency, transfers a significant amount of resources to the public, directly contributes to our country's monetary policy with its practices, and attaches importance to its duty to support the real sector.

Ziraat Bank, which has always been a pioneer of economic development in different stages of Türkiye's history; It transfers uninterrupted resources to the agricultural sector, merchants, industrialists, entrepreneurs, retirees and employees.

Companies that make up Ziraat Bank's wide domestic and international subsidiary portfolio; It operates in the fields of banking, investment services, portfolio management, venture capital, real estate investment trust and financial technologies.

#### IV. SHAREHOLDING STRUCTURE

The paid in capital of T.C. Ziraat Bankası A.Ş. is TL 84.600.000.000. The Bank's sole shareholder is Türkiye Wealth Fund.

The Chairman and Members of the Board of Directors, Members of the Audit Committee, General Manager and Executive Vice Presidents do not own any shares of the Bank.

# TÜRKİYE CUMHURİYETİ ZİRAAT BANKASI A.Ş.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2024

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

### EXPLANATION ON INTERIM ACTIVITY REPORT (Continued)

#### V. Main Consolidated Financial Indicators

<b>ASSETS (TL Million)</b>	<b>30.06.2024</b>	<b>31.12.2023</b>
Cash and Cash Equivalents	1.034.410	833.185
Securities Portfolio	1.153.796	1.027.912
Cash Loans	2.617.986	2.237.698
Other Assets	202.583	155.635
<b>Total Assets</b>	<b>5.008.775</b>	<b>4.254.430</b>
<b>LIABILITIES (TL Million)</b>	<b>30.06.2024</b>	<b>31.12.2023</b>
Deposits	3.619.121	3.299.824
Non-deposits Funds	795.853	422.462
Other Liabilities	187.152	169.158
Shareholders' Equity	406.649	362.986
<b>Total Liabilities</b>	<b>5.008.775</b>	<b>4.254.430</b>
<b>SUMMARY OF PROFIT OR LOSS TABLE (TL Million)</b>	<b>30.06.2024</b>	<b>30.06.2023</b>
Net Interest Income	62.145	40.245
Net Fees and Commission Income	35.182	13.791
Other Operating Income	25.065	27.186
Other Operating Expense	29.839	41.812
Allowance for Expected Credit Losses	14.607	14.723
<b>Net Profit/Losses</b>	<b>35.351</b>	<b>28.897</b>
<b>Ratios (%)</b>	<b>30.06.2024</b>	<b>31.12.2023</b>
Capital Adequacy Ratio	15,45	16,79
Equity / Total Assets	8,1	8,5
Cash Loans (Gross) / Total Assets	52,3	52,6
Loans under follow-up (Gross) / Total Loans	1,3	1,3
Liquid Assets / Total Assets	20,7	19,6

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