



A&T BANK

ARAP TÜRK BANK
2024 TSRS COMPLIANT
SUSTAINABILITY REPORT

*Expanding our
influence*

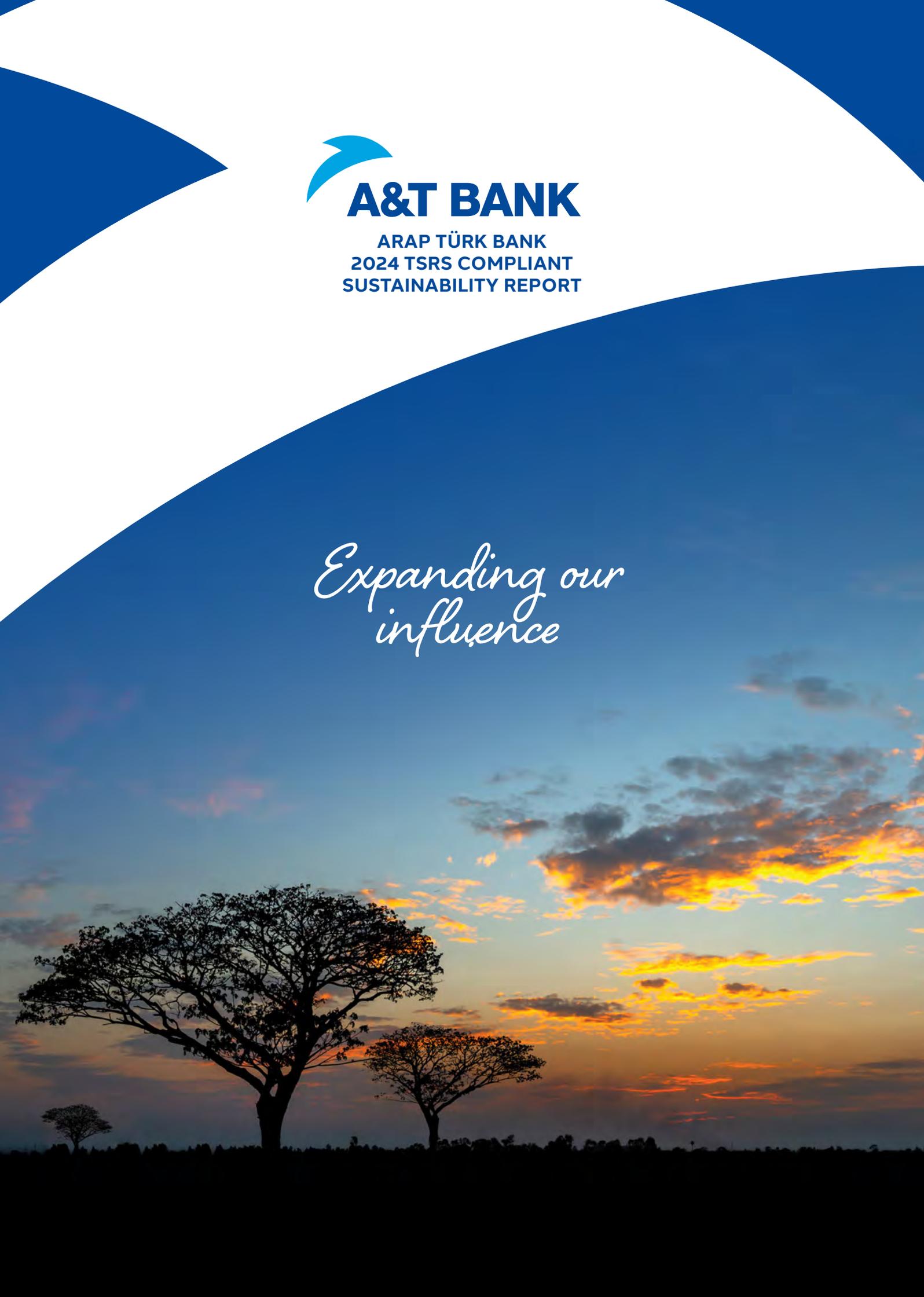


TABLE OF CONTENTS

Message from the Chairman of the Board and the General Manager	1
About Arap Türk Bank	2
About the Report	7
1. Governance	15
1.1. Sustainability Governance Structure	18
2. Strategy	21
2.1. Climate-related Risks and Opportunities	24
2.2. Strategy and Decision-Making	26
2.3. Climate Resilience	29
3. Risk Management	31
4. Climate-related Metrics and Targets	37
4.1. Greenhouse Gas Emissions	38
4.2. Energy Consumption	40
5. Annexes	43
Annex-1: Committee Members and Competencies	44
Annex-2: Calculation Principles for Metrics	46
Annex-3: Independent Auditor's Limited Assurance Report	51
Annex-4: Statement of Responsibility	54



MESSAGE FROM THE CHAIRMAN OF THE BOARD AND THE GENERAL MANAGER

We Prioritize Our Financial Responsibility for a Sustainable Future

Dear Stakeholders,

The ongoing environmental, economic, and social transformations on a global scale are redefining the role of the financial sector. The banking industry, beyond facilitating the flow of capital, now bears significant responsibility as a strategic stakeholder in sustainable development. At A&T Bank, we act with this awareness and shape all our activities around the goal of creating long-term value.

While maintaining the core principles of trust and stability that underpin the financial system, we regard adopting a holistic approach to sustainability as an integral part of our corporate responsibility. In our operations in trade finance, as well as in corporate and commercial banking, we adopt a perspective grounded in environmental, social and governance (ESG) criteria. As climate risks and social impacts gain increasing importance, we consider these criteria not merely as compliance standards but as key components of our strategic decision-making processes.

Empowered by our regional expertise, we deliver financial solutions that are responsive to our clients' evolving needs, while prioritizing the financing of environmentally friendly investments, energy efficiency-oriented projects, and sustainable supply chains. In parallel, we take concrete steps to minimize our environmental footprint by improving operational processes in line with the principles of digitalization and efficiency. We also believe that enhancing internal awareness and continuously informing our employees in alignment with our sustainability goals are essential elements of this approach.

At A&T Bank, our primary objective is to build a responsible and accountable financial structure that not only contributes to economic growth but also creates environmental and social value. In this regard, we remain committed to acting with a forward-looking perspective that takes into account not only the needs of today but also those of future generations.

Sincerely,

Zafer Basri YÜKSEL
Member of the Board of Directors
and Deputy General Manager

Yasin ÖZTÜRK
Chairman of the Board of
Directors

ABOUT ARAP TÜRK BANK

Arap Türk Bankası Anonim Şirketi (“A&T Bank” or “the Bank”) is a joint venture bank established in 1977 with the purpose of promoting trade between Türkiye and Libya, in line with the provisions of the “Agreement on the Establishment of a Bank Between Türkiye and Libya” signed in Tripoli, Libya, on August 11, 1975.

A&T Bank holds a distinctive position within the Turkish banking sector owing to its expertise in facilitating trade between Türkiye and North African countries. The Bank plays a significant role in the development of the Turkish industry and trade by providing financing for exports to these regions, mobilizing funds secured from abroad, conducting treasury operations, extending corporate loans, and supporting the real sector through its subsidiary, A&T Finansal Kiralama A.Ş.

Headquartered in Istanbul, A&T Bank carries out its operations with a regional banking approach through four branches located in Istanbul (Main and Kozyatağı), Ankara, and Gaziantep. As of the end of 2024, the Bank employs a total of 242 staff members.

As of December 31, 2024, the shareholder structure of A&T Bank is presented in the table below.

Shareholding/Ownership Structure		
Shareholders*	Paid-in Capital (Thousand TRY)	Shareholding Ratio(%)
Libyan Foreign Bank	274,426	62.37%
T. İş Bankası A.Ş.	90,534	20.58%
T.C. Ziraat Bankası A.Ş.	67,900	15.43%
Kuwait Investment Co.	7,140	1.62%

* Emek İnşaat ve İşletme A.Ş. holds a share of TRY 6.20 within the paid-in capital, corresponding to a 0.0000014% ownership.





Reporting Boundaries and Measurement Approach

This Türkiye Sustainability Reporting Standards (TSRS) Report covers both financial and non-financial disclosures regarding the sustainability performance of A&T Bank and its fully consolidated subsidiary, A&T Finansal Kiralama A.Ş., for the period between January 1 and December 31, 2024. The information included within the scope of consolidation has been presented through a holistic approach at both the Parent Bank and subsidiary levels.

A&T Finansal Kiralama A.Ş. is a subsidiary operating in the field of financial leasing, in which A&T Bank holds a direct ownership share of 99.98%. Established in 1997 under the authorization of the Undersecretariat of Treasury and Foreign Trade of the Republic of Türkiye and within the framework of the Financial Leasing Law No. 3226, the company commenced its operations in the same year following the publication of its articles of association in the Turkish Trade Registry Gazette. The company's core business activities include providing financial leasing services for construction equipment, machinery, transportation vehicles, and real estate, both domestically and internationally. Operating predominantly in the Turkish market, A&T Finansal Kiralama A.Ş. offers investment- and growth-oriented financing solutions to enterprises of various sizes through a customer-focused business model.

In defining its organizational boundaries for greenhouse gas (GHG) emissions reporting, A&T Bank has adopted the financial control approach. In accordance with the Greenhouse Gas Protocol: Corporate Accounting and Reporting Standard (2004), which allows for the application of three approaches—operational control, financial control, and equity share—the Bank selected the financial control approach and includes in its GHG inventory all emissions generated from operations under its financial control.

ABOUT THE REPORT

PURPOSE AND SCOPE

In line with its sustainability vision, A&T Bank aims to manage its environmental, social, and governance (ESG) impacts, contribute to the transformation of the financial system, and provide transparent information to its stakeholders. Accordingly, the Bank presents its first sustainability report prepared in compliance with the **Türkiye Sustainability Reporting Standards (TSRS)**.

This report has been prepared in accordance with **TSRS 1 – General Requirements for Disclosure of Sustainability-related Financial Information** and **TSRS 2 – Climate-related Disclosures**, as issued by the **Public Oversight, Accounting and Auditing Standards Authority (POA)**. It aims to demonstrate how A&T Bank and its consolidated subsidiary manage material climate-related risks and opportunities, as well as to present the current and potential impacts of these factors on the Bank's short-, medium-, and long-term financial position. The report includes assessments of reasonably expected material risks and opportunities, the related strategies and targets, the governance structure in place, and key indicators of climate performance.

The reporting period covers January 1 – December 31, 2024, and has been prepared in alignment with the Banking Regulation and Supervision Agency (BRSA) regulations, corresponding to the same 12-month period and scope as the Bank's consolidated financial statements as of December 31, 2024. The non-financial sustainability disclosures presented herein are based on the activities of the Parent Bank and its subsidiary operating in Türkiye.

Transitional Exemptions

The Türkiye Sustainability Reporting Standards provide certain transitional facilitation measures that apply specifically to the first reporting period in which an entity adopts the standards. Within this scope, A&T Bank has utilized the transitional exemptions defined under paragraphs E3, E4, E5, and E6 of TSRS 1, and C3 and C4.b of TSRS 2.

TSRS 1 E3: The report includes only information related to the current reporting period; no comparative information has been presented.

TSRS 1 E4: The TSRS-compliant Sustainability Report is published following the disclosure of the financial statements covering the period of January 1 – December 31, 2024.

TSRS1E5, TSRS1E6 ve TSRS2 C3: In accordance with TSRS 2, the disclosures are limited to climate-related risks and opportunities.

TSRS 2 C4.b: Pursuant to the Provisional Article 3 of the “Board Decision on the Scope of Implementation of the Türkiye Sustainability Reporting Standards (TSRS)”, entities are not required to disclose their Scope 3 greenhouse gas emissions in their first two reporting periods.

Conceptual Foundations and Reporting Principles

A&T Bank’s TSRS-aligned 2024 Sustainability Report is based on the following conceptual foundations:

- **Fair Presentation:** All information is presented in a complete, impartial, and accurate manner.
- **Connectivity of Information:** The interrelationships between governance, strategy, risk management, and metrics-targets are explained in an integrated way.
- **Materiality Assessment:** The climate-related disclosures included in the report have been determined in accordance with the financial materiality principle defined under TSRSs, in order to identify information that could reasonably be expected to affect the Group’s future financial resilience in relation to climate-related risks and opportunities.
- **Consistency and Comparability:** A reporting infrastructure has been established to enable the identification of trends over time and facilitate sectoral comparisons in future periods.
- **Verifiability and Understandability:** Care has been taken to ensure that the information is clear, auditable, and meaningful.
- **Reporting Entity:** The report has been prepared by A&T Bank and covers the activities of A&T Bank and its fully consolidated subsidiary, A&T Finansal Kiralama A.Ş.

Reporting Principles

The sustainability-related financial information presented in this report has been prepared in accordance with TSRS 1 and TSRS 2. The fundamental reporting principles applied to these disclosures are outlined below:

- **Presentation Currency:** Unless otherwise stated, all financial information presented in the report is expressed in Turkish Lira (TRY).
- **Indicator Definitions and Measurement Methods:** The indicators included in the report are classified as quantitative and qualitative, and the related metrics have been determined in alignment with the definitions provided in TSRS 2 – Annex Volume – 16: Commercial Banks. The measurement methods are detailed in the respective sections where each indicator is disclosed.
- **Data Sources:** All data have been obtained from the Bank’s corporate information systems (such as financial reporting systems, human resources management systems, and environmental data monitoring tools) and, where possible, verified through internal control and audit mechanisms.
- **Assumptions and Limitations:** The assumptions used in calculating the indicators and the limitations encountered during data collection processes are explained in the relevant sections.
- **Changes:** No significant changes have been made in the scope, methodology, or presentation of indicators compared to previous years during the reporting period.
- **Applied Standards:** The report has been prepared based on TSRS 1 and TSRS 2 standards. For climate-related disclosures, the TSRS 2 – Annex Volume – 16: Commercial Banks guidance, developed with reference to SASB standards, has been used as a reference source.



Materiality Assessment

Group's sustainability report only discloses sustainability-related risks and opportunities that are expected to reasonably affect the Group's cash flows, access to financing, or cost of capital. In making this assessment, the Group has considered the likelihood of the event occurring and the severity of its impact on the Group's financial expectations should the event occur.

The climate-related disclosures presented in this report have been determined in accordance with the financial materiality principle defined under TSRS 1. The information identified as material is based on climate-related risks that could reasonably be expected to influence the decision-making processes of A&T Bank's existing and potential investors, as well as users of general-purpose financial statements.

During the materiality assessment process, the following factors were considered:

- Existing and potential climate-related risks in the banking sector,
- Information identified as significant in relation to these risks,
- The potential short-, medium-, and long-term impacts on financial position, financial performance, and cash flows,
- Possible changes in the Bank's strategy and business model arising from these risks.

Although A&T Bank has recently initiated the process of integrating sustainability principles and climate-related practices into its strategic decision-making mechanisms, it views this transformation as an integral part of its long-term corporate objectives. With the establishment of the Sustainability Committee, the Bank has begun to strengthen its institutional capacity to systematically address environmental and social impacts and incorporate climate-related risks and opportunities into its evaluation processes.

In strategic planning, **short-term (0–1 year)**, **medium-term (1–3 years)**, and **long-term (over 3 years)** timeframes are adopted, in alignment with the Bank's overall strategic decision-making cycle. This approach enables the Bank to assess the effects of sustainability actions not only from an environmental standpoint but also in terms of financial and operational performance.

It is anticipated that the transition to a low-carbon economy will have various impacts on the Bank's financial performance and cash flows over the medium and long term. While short-term adaptation costs and investment expenditures may create financial pressure, positive effects such as resource efficiency and income diversification through sustainable finance products are expected in the medium and long term.

When analysing the financial impacts of these risks, A&T Bank has defined the threshold for financial materiality as 3% of Core Capital, consistent with common performance and capital indicators used in the banking sector. As of the reporting period, the Bank has not identified any climate-related risk or opportunity that meets the threshold for classification as "material."

Business Model and Value Chain

Climate change has multifaceted impacts on A&T Bank's business model and value chain through both physical and transition risks. The Bank's operations extend across a broad geographical scope from its supply chain to branch operations, subsidiaries, and customer segments. In the upstream value chain, service providers and infrastructure suppliers are primarily located in İstanbul, Ankara, and Gaziantep. The Bank monitors potential climate-related disruptions in these regions within the framework of service continuity. Although the consumption of resources such as electricity and water remains relatively limited, assessments are conducted to enhance operational efficiency and reduce environmental impact.

In the downstream value chain, the Bank's retail and corporate customer base operates across Türkiye and North Africa (particularly Libya). The Bank considers the potential effects of economic, environmental, and social conditions in these regions on the financial situations of its clients. Efforts are ongoing to establish the necessary infrastructure to extend environmental and social risk assessment mechanisms to corporate clients. These mechanisms are intended to be integrated into the credit evaluation processes to ensure the effective management of climate- and environment-related risks. Additionally, preparations are underway to calculate the Green Asset Ratio (GAR), enabling the Bank to monitor the scale of its sustainable financing portfolio.

In the domestic market, global carbon policies—such as the EU Carbon Border Adjustment Mechanism (CBAM)—have notable implications for the financing processes of export-oriented companies. Accordingly, the Bank closely monitors the risks of clients operating in high-emission sectors.

A&T Bank's subsidiary, A&T Finansal Kiralama A.Ş., with operational centers in İstanbul and Ankara, plays an integral role in supporting environmentally sustainable financing opportunities as part of the overall business model. Furthermore, through its four branches (Ankara, İstanbul Main, İstanbul Kozyatağı, and Gaziantep), the Bank aims to monitor regional climate resilience levels and maintain operational continuity.

A&T Bank views climate risks not merely as constraints but as strategic priorities for developing sustainable business models and financial products. In this context, the Bank contributes to the transition toward a low-carbon economy by developing sustainable financing instruments, supporting environmentally responsible investments, and expanding digital banking practices. While fulfilling its responsibilities to minimize environmental impacts, A&T Bank aims to embed its climate-aligned transformation strategy throughout the entire value chain.



Report Publication Format

In line with its commitment to minimizing environmental impacts, A&T Bank's 2024 TSRS-Compliant Sustainability Report has been published exclusively in digital format. The report is made accessible to the public through the Bank's official website, reflecting A&T Bank's environmentally responsible approach to disclosure and transparency.

Value Chain		Description and Definition	Geographical Location
Upstream Value Chain	Suppliers	Check printing services, IT infrastructure support services, security services, document archiving and printed material storage services, debit card operations, printing and distribution services.	Ankara İstanbul Gaziantep
	Other Functions	Energy (electricity, natural gas) and water supply.	Ankara İstanbul Gaziantep
	Regulatory Authorities	Public authorities responsible for regulating and supervising banking sector operations and ensuring compliance with legal and regulatory frameworks. In Türkiye, the Banking Regulation and Supervision Agency (BRSA), the Central Bank of the Republic of Türkiye (CBRT), the Public Oversight Authority (KGK), and other relevant regulatory institutions play a critical role in ensuring that the Bank's operations are reliable, transparent, and aligned with national and international standards.	Türkiye
	Financial Resource Providers	National and international investors, credit institutions, and capital market participants that provide the funds required for the Bank to maintain and expand its lending and investment activities. Shareholders, bond investors, international financial institutions, and development banks strengthen the Bank's funding structure and support the implementation of its growth and sustainability strategies. The resources provided contribute significantly to the financing of both domestic and international trade and to the support of the real sector.	Türkiye and International Financial Institutions
Own Operations	Banking Activities	A&T Bank holds a distinctive position in the Turkish banking sector with its strong financial structure and expertise in facilitating trade between Türkiye and North African countries. The Bank contributes significantly to the national industry and trade through export financing to these regions, funds obtained from abroad, treasury operations, corporate lending, and its subsidiary A&T Finansal Kiralama A.Ş., which supports the real sector.	Ankara İstanbul Gaziantep
	Subsidiaries	A&T Finansal Kiralama A.Ş.	Ankara İstanbul
	Branches	The Bank operates through four branches.	Ankara İstanbul Main İstanbul Kozyatağı Gaziantep
Downstream Value Chain	Customers	Retail and corporate customer segments.	Türkiye and North Africa, primarily Libya



1 GOVERNANCE

A&T Bank builds its governance approach on the principles of transparency, accountability, fairness, and responsibility, viewing this framework as one of the fundamental pillars of corporate sustainability. The Bank places corporate governance principles at the core of its operations through a robust management structure and institutional mechanisms that function effectively and reinforce stakeholder confidence.

In line with this understanding, the Bank's strategic decision-making processes and audit mechanisms are carried out through governance bodies composed of competent and diverse members. The highest governing body of the Bank is the Board of Directors. The management of sustainability- and climate-related risks and opportunities, as well as the oversight of the Sustainability Committee, are conducted under the supervision and authority of the Board of Directors.

The Bank's corporate governance system is supported not only by its structural mechanisms but also through the comprehensive monitoring of current legal and regulatory developments. In this context, the follow-up and internal dissemination of all legislative regulations concerning the banking sector are carried out by the Legislation and Board Secretariat Department. The technical and operational obligations arising from these legal regulations are fulfilled by the responsible business units according to their respective areas of expertise. Thus, a culture of compliance is structured as an integral component of the Bank's corporate governance framework.

Since 2022, A&T Bank has included a dedicated section in its ICAAP Report addressing the impacts of climate-related financial risks on the Bank's business model and risk profile. In accordance with the Regulation on Banks'

Internal Systems and the Internal Capital Adequacy Assessment Process (ICAAP) published on 11 July 2014, banks are required to implement an Internal Capital Adequacy Assessment Process. This process is approved by the Bank and updated at least once a year. The ICAAP is revised in the event of changes in the Bank's strategy, business plans, operating environment, or any other factors that may affect the assumptions and methodologies used in the report. Newly emerging risks are identified and incorporated into this process accordingly.

The ICAAP Report provides the Board of Directors with comprehensive information regarding A&T Bank's capital adequacy. Beyond ensuring compliance with regulatory requirements, ICAAP aims to meet the following forward-looking objectives related to the Bank's capital position:

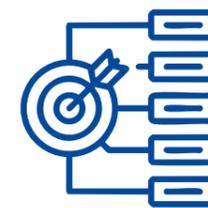
- Maintaining a level of capital sufficient to support the targeted risk profile,
- Ensuring the continuity of capital above the regulatory minimum limits established for the Bank and,
- Sustaining adequate capital levels over time.

The report is prepared under the coordination of the Risk Management Department, with the active participation of other relevant units and departments across the Bank. The finalized report, incorporating the views and contributions

of the relevant departments, is submitted to the Asset and Liability Committee (ALCO) for evaluation, reviewed by the Inspection Board, assessed by the Audit Committee, and ultimately approved by the Board of Directors.

The Corporate Governance Committee aims to monitor the Bank's compliance with corporate governance principles and to submit recommendations to the Board of Directors

regarding potential improvement areas. The Chairperson of the Committee is selected from among non-executive members of the Board of Directors. Committee members, consisting of at least two individuals, are appointed by the Board either from among the Board members or jointly from the Board and senior management. The Committee convenes at least once a year and may hold extraordinary meetings when necessary.



The Committee's authorities and responsibilities are as follows:

- Monitors the Bank's compliance with corporate governance principles, conducts improvement studies, and submits recommendations to the Board of Directors,
- Defines strategies to guide the Bank's ongoing activities and leads the establishment of corporate values and ethical principles on behalf of senior management and employees,
- Ensures the establishment of appropriate communication channels through which employees can safely report actions or practices inconsistent with corporate values and ethical principles to relevant internal authorities,
- Oversees the creation of systems enabling the monitoring of compliance with internal policies and the reporting of potential deviations to relevant management levels,
- Continuously and effectively evaluates the Bank's progress toward its goals, its activities, and its performance,
- Establishes the frameworks and processes for periodic reviews and for the approval of standards, policies, guidelines, and implementation procedures.

1.1. SUSTAINABILITY GOVERNANCE STRUCTURE

Sustainability is positioned as one of the main components of A&T Bank’s vision of creating long-term value. Adopting the philosophy of responsible banking in environmental, social and governance terms, the Bank systematically enhances its sustainability-focused organizational capacity to integrate this philosophy into its corporate structure, starting from its governance mechanisms.



In this context, the Sustainability Committee was established as an executive committee under the Board of Directors, with a view to ensuring the designation, implementation and monitoring of a sustainability strategy at the corporate level. The Committee is in charge of guiding the decisions and applications that will enable A&T Bank to achieve its sustainability targets, in line with national and international regulations.

As one of the executive committees under the Board of Directors, the Sustainability Committee was founded pursuant to the “Turkish Sustainability Reporting Standards (TSRS)” Implementing Decision of 27/12/2023 issued by the Public Oversight, Accounting and Auditing Standards Authority and adopted by BRSA on 24/12/2021, in order to perform the duties of setting the Bank’s sustainability strategy in terms of environmental, social and corporate governance and performing, monitoring, auditing, reviewing, improving and enhancing the Bank’s sustainability-related policies, targets and applications.

Any change to the membership of the Committee or appointment of new members is subject to the approval of the General Manager, in line with the Committee’s recommendation. In addition, where required, other business line managers (HO/Branches) are invited to the committee in relation to a recommendation presented at the committee meeting. The Committee convened once in 2024 and meets at least once a year, or more frequently when deemed necessary, to present its activity reports to the Board of Directors. Meetings are held with the participation of at least the absolute majority of the Committee members. The list of Committee members and their respective competencies is provided in Annex 1.

The authorities and responsibilities of the Committee are as follows:

- Identifying sustainability-related priority areas to focus on and establishing the sustainability strategy, short-, medium- and long-term targets, roadmaps and policies.
- Monitors the sustainability roadmap established by the Bank to achieve its sustainability targets and the developments in its implementation; determines the performance criteria in the context of the targets, and reviews performance,
- Follows up on national and international developments in sustainability,
- Proactively manages environmental, social and corporate governance risks and guides the Bank’s sustainability strategy,
- Ensures that all employees are well-informed in accordance with the Bank’s sustainability strategy and targets, and carries out efforts to ensure that such issues are internalized by the employees (Awareness raising and training of employees and customers on “sustainability” matters, encouraging/supporting the sustainability-linked transformation of their personal and work habits, etc.),
- Ensures that sustainability is integrated into business manners; makes decisions that ensure the alignment of the Bank’s priority matters with sustainability,
- Ensures that all activities of the Bank in all locations are sustainable and their carbon footprints are at a minimum,
- Regularly reviews, improves, enhances, implements, monitors, and audits the Bank’s sustainability targets, policies, practices, working principles and management systems; and submits the relevant activities to the approval of the Board of Directors at least once a year and, in any case, within the maximum period set for the annual activity reports.

Sustainability targets have not been integrated into the remuneration policy of A&T Bank’s senior management.





2

STRATEGY

With corporate sustainability becoming a strategic priority in long-term value creation, A&T Bank has taken its first steps to integrate ESG matters into the core of its activities. In this context, a Sustainability Committee consisting of senior representatives was established at the Bank, in charge of leading the processes of formulating and implementing our sustainability strategy.

During the reporting period, A&T Bank initiated its sustainability strategy in parallel with the establishment of the newly formed governance structure. The Bank adopts an approach that aligns with national and international regulations, emphasizing transparency, accountability, and long-term value creation. At this stage, the strategic priorities include enhancing corporate capacity, increasing sustainability awareness, and establishing the infrastructure necessary for identifying climate-related risks. The strategy development process, supported by external consultancy services, is planned to be completed in the fourth quarter of 2025.

“
A&T Bank adopts an approach that aligns with national and international regulations, emphasizing transparency, accountability, and long-term value creation.
”

2.1. CLIMATE-RELATED RISKS AND OPPORTUNITIES

A&T Bank has initiated efforts to integrate the process of identifying, assessing, and managing climate-related risks and opportunities into its corporate risk management framework.

Within this scope, preliminary analyses are being conducted to understand the potential impacts of environmental, social, and particularly climate-related factors on the Bank's business model.

In determining climate-related risks and opportunities, the Bank has taken into account the TSRS 2 – Climate-related Disclosures Standard published by the Public Oversight, Accounting and Auditing Standards Authority (POA). Although the process is still at an early stage, the Bank's initial focus areas are summarized below:



- Monitoring macroeconomic and regulatory developments,
- Analyzing sector-specific environmental and social trends,
- Conducting reputational risk assessments, and
- Preparing for scenario analyses related to physical and transition risks.

The Bank recognizes that climate change not only affects its existing credit portfolio through financial risks but also that its credit portfolio may have an impact on climate change. While all sectors are affected by climate change to varying degrees, the share of the most affected sectors such as agriculture and livestock, fisheries, forestry, oil, energy companies, automotive, and tourism, within the Bank's risk profile remains limited. Since the Bank does not engage in project financing or investment loans, its collateral structure does not include assets that have lost value due to climate change impacts.

Under the CBAM framework, environmental risks such as high emission intensities and carbon footprints are closely monitored by the Bank. In this context, the risks of clients operating in identified sectors are evaluated, and the potential impacts of additional carbon taxes on their operating profitability (EBITDA) are analyzed, taking into account their export volumes to the European Union. Based on the analyses conducted during the reporting year, it has been determined that the potential effects of these additional carbon taxes remain below the Bank's financial materiality threshold. Therefore, such risks have not been classified among financially material climate risks for the current reporting period, and no separate disclosure has been made in accordance with the TSRS requirements.

“

Preliminary analyses are being conducted to understand the potential impacts of environmental, social, and particularly climate-related factors on A&T Bank's business model.

”

2.2. STRATEGY AND DECISION-MAKING

Having newly begun the process of integrating its sustainability principles and climate-related works into its strategic decision-making mechanisms, A&T regards this transformation as an integral part of its long-term corporate targets.

With the establishment of the Sustainability Committee, the Bank began to build corporate capacity for addressing environmental and social impacts in a more systematic manner and integrating climate-related risks and opportunities into assessment processes. Strategic planning is based on short- (0-1 year), medium- (1-3 years) and long-term (3 years or more) periods, and this division is structured in compliance with the Bank's overall strategic planning cycle. This enables the assessment of the impacts of prospective sustainability actions in environmental terms, as well as in terms of financial and operational performance.

This reporting period is the first time that A&T Bank is reporting on sustainability matters. Therefore, the report contains no quantitative targets and achievements; but presents the following qualitative progress achieved:

- The Sustainability Committee was established.
- Works began to build a reporting infrastructure in compliance with S1 and S2 standards.
- Internal training efforts were planned with a view to enhancing corporate awareness.
- At the first step, data collection efforts were launched with regard to energy consumption and carbon footprint matters.

A&T Bank recognizes environmental sustainability as a fundamental consideration within its strategic decision-making processes. Accordingly, the environmental impacts of

new operations, the sensitivity of the credit portfolio to climate risks, the financing of initiatives that support local employment, and opportunities related to sustainable finance instruments are prioritized.

Although the Bank's climate transition plan has not yet been finalized, A&T Bank plans to take concrete steps regarding its climate strategy, policies, and targets in line with the gap analysis scheduled for completion in 2025. Within this scope, the Bank plans to develop a medium- to long-term sustainability strategy, establish an environmental and climate change policy, and define emission reduction targets.

At present, the resources required to implement sustainability-oriented activities and achieve climate-related strategic priorities are managed through the Bank's corporate budgeting processes. In addition, efforts are underway to evaluate sustainable financing opportunities—such as green bonds, environmental credit lines, and international funding mechanisms.

A&T Bank remains committed to strengthening its sustainability-based decision-making processes, continuously reviewing its strategy, and steadfastly advancing the transformation necessary to achieve its climate-related goals. All efforts are aimed at developing a science-based, regulation-compliant, and stakeholder-oriented framework by 2026, in alignment with both national and international standards. This process is planned to include the following key components:



Risk Management: Efforts will focus on identifying potential climate-related risks and developing strategies to mitigate their impacts. The Bank will conduct sectoral, geographical, and operational risk analyses, integrating environmental and social risks into its credit processes. An Environmental and Social Management System (ESMS) will be established within the Bank to support this framework. Risk classification and assessment tools will be developed, and clients will be required to provide relevant environmental and social information. This will enable environmental and social risks to be systematically considered in credit decision-making mechanisms.



Sustainable Finance Strategies: In line with the climate transition plan, the Bank will focus on developing sustainable finance products, including loans for environmentally friendly projects, green bonds, and climate-friendly investment instruments. Through these products, the Bank aims both to support climate-conscious investments and to increase the share of sustainable finance within its credit portfolio.



Carbon Emission Reduction Strategies: The Bank plans to regularly measure its carbon footprint and transition toward more sustainable operational practices. Within this scope, initiatives such as improving energy efficiency, increasing renewable energy use, and adopting sustainable logistics solutions will be prioritized. Although specific greenhouse gas emission reduction targets have not yet been set, measurement activities for Scope 1 and Scope 2 emissions have already begun, with the aim of defining concrete reduction targets by 2026.



Operational Impacts: The climate transition plan will also influence the Bank's existing operational processes, particularly in areas such as supply chain management, office infrastructure, energy consumption, and employee training programs.

2.3. CLIMATE RESILIENCE

The increasing impacts of climate change necessitate that all institutions, including those in the banking sector, develop strategies to enhance their climate resilience.

A&T Bank aims to ground its operations on a long-term and sustainable basis by taking into account the risks and opportunities arising from climate change. In this context, the management of climate-related risks, and particularly the uncertainties associated with the transition process, is of critical importance. The Bank continues to undertake capacity-building initiatives to better understand these risks and to integrate them into its strategic decision-making processes.



3

RISK MANAGEMENT





Risk management at A&T Bank encompasses the systematic processes for identifying, measuring, monitoring, controlling and reporting the uncertainties that could affect the Bank's operations. This process, covering strategic, financial, operational, reputational and legal risks, is one of the building blocks in terms of the Bank's sustainability.

In order to keep the risks incurred under control, the Bank has built a strong control environment that includes an internal control system, internal auditing activities and risk management processes. **The Risk Management, Internal Control and Inspection Board** units that are in charge in this context operate independently of one another within the Bank's organizational structure.

The risk measurement processes carried out at A&T Bank employ appropriate methods and models by taking into account the structure and complexity of operations, model assumptions, data suitability, adequacy of information systems, and staff experience. Risk measurement models are developed by the **Risk Management Department**, assessed by the Auditing Committee and/or senior management, and submitted to the Board of Directors for approval. The validity of these models is verified through backtesting, and the models are regularly reviewed to ensure alignment with market conditions.

In line with its sustainability policy and strategy, A&T Bank plans to develop modelling tools that will enable the integrated assessment of climate-related risks. These initiatives will be addressed in future periods within the scope of consultancy services received and the ongoing corporate preparation process.

Accordingly, A&T Bank is preparing to systematically evaluate the potential risks and opportunities arising from climate change from a sustainability perspective. Although

dedicated data sources, parameter sets, or operational scope definitions for assessing climate-related risks have not yet been established within the Bank, developments in this area are closely monitored, and groundwork is being laid for future implementation. In accordance with the Guidelines on the Management of Climate-Related Financial Risks, the Bank plans to complete the climate risk modelling infrastructure by the end of 2025. Physical and transition climate risks to be incorporated into the risk model will be identified during this process. Specifically, for physical risks, risks to be integrated into the model will be defined, sector-level physical risk sensitivities will be determined, and an appropriate physical risk assessment model will be developed. In addition, transition risks will be classified and included in the modelling process. The necessary analytical tools will be identified and aligned with existing financial and operational processes. Furthermore, the modelling tools will facilitate the integration of climate risks into the Bank's overall risk management framework. When selecting these tools, A&T Bank aims to ensure that they provide accurate and effective risk analyses by taking into account various parameters, including greenhouse gas emissions, physical risks, and transition risks.

The Bank's risk management systems were established in the framework of the Banking Law and other relevant legislation; the policies and procedures relating to risk management

are designated and performed by the **Risk Management Department**. Risks are identified, classified, measured and assessed based on risk type, and the risks identified are managed in line with the Bank's risk appetite. Internal control and auditing activities and their efficiency are regularly monitored and enhanced.

The internal control system at the Bank is critical in terms of the accuracy, reliability and legislative alignment of transactions, as well as the timely identification and prevention of risks. The system includes:

- Developing effective processes for the identification and assessment of risks,
- Implementing control activities, separation of functions, and internal auditing mechanisms,
- Appropriateness of information systems,
- Regularly reviewing adherence to policies and procedures.

“ **A&T Bank aims to ensure that they provide accurate and effective risk analyses by taking into account various parameters, including greenhouse gas emissions, physical risks, and transition risks.** ”

The internal control and auditing structure is built on fundamental elements such as the oversight and reporting of approval mechanisms, risk limits, reconciliation processes, and control activities. In this context, the Bank upholds the principle of separation of functions, avoiding task assignments that could lead to conflicts of interest. Enhanced oversight is implemented in high-risk areas of activity to ensure that risk management processes remain vulnerability-free.

The Internal Control Department and the **Inspection Board** determine the frequency of audits based on the nature of the risk and the frequency of change in environmental factors, and perform oversight in integration with banking activities. In this context:

- Compliance with certain risk limits and threshold values is sought,
- Controls are implemented for asset and record protection
- Personnel adequacy is fostered and ongoing training is provided,
- Confirmation, reconciliation and reporting mechanisms are run systematically.

In addition to identifying risky structures, early warning indicators that signal potential losses are also monitored. Parameters such as rapid growth, new product introductions, staff turnover, and system failures are tracked through early warning systems, thus supporting the Bank's proactive risk management capabilities.

As a result, risk management at A&T Bank is regarded not merely as a legal obligation but as a key point of corporate sustainability. The effective risk management culture established throughout the Bank aims to control current risks, as well as proactively address potential future uncertainties.

Under the strong oversight and guidance of the Board of Directors and Senior Management, the monitoring, measurement, reporting and control of risks have become an integral part of strategic decision-making processes. Audit and control activities, on the other hand, are designed to mitigate risks as well as build a sound and resilient structure that supports the Bank's sustainable growth targets.

Through such a comprehensive approach, A&T Bank maintains its capacity to adapt to changing economic and financial conditions while upholding a management approach that is transparent, accountable and reliable for stakeholders.

“

As a result, risk management at A&T Bank is regarded not merely as a legal obligation but as a key point of corporate sustainability.

”





4

CLIMATE-RELATED METRICS AND TARGETS

4.1. GREENHOUSE GAS EMISSIONS

Emissions were calculated in accordance with the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard (2004) and ISO 14064-1:2018. Scope 1 (direct emissions from stationary and mobile combustion, fugitive emissions from refrigerants, and fire extinguishers) and Scope 2 (indirect emissions from electricity consumption) were taken into account. For Scope 2 emissions, the “Türkiye Electricity Generation and Electricity Consumption Point Emission Factors Information Sheet (2022),” published in 2024 by the Republic of Türkiye Ministry of Energy and Natural Resources, was used as a basis. During the reporting period, A&T Bank did not procure market-based (contractual) renewable energy; therefore, only the location-based method was applied for Scope 2 emission calculations.

The Bank adopted the operational control approach as the corporate boundary determination method. Emission calculations cover the Head Office, Main Branch, Kozyatağı Branch, Ankara Branch, Gaziantep Branch, A&T Finansal Kiralama A.Ş., as well as the Konya, Güneşli, and Kayseri Branches, which were closed in 2024. Calculations were performed based on corporate consumption and inventory

records, using assumptions and emission factors in line with international standards.

Under the transitional provisions specified in the TSRS, entities are not required to disclose Scope 3 greenhouse gas emissions during their first two reporting periods. Within this framework, A&T Bank has excluded Scope 3 emissions from this report. However, technical efforts have been initiated to establish a data collection infrastructure for the relevant categories. In accordance with the Greenhouse Gas Protocol: Corporate Value Chain (Scope 3) Standard (2011), data collection and methodological development for Scope 3 categories—including, in particular, Category 15: Financed Emissions—are planned for future reporting periods. The Bank aims to develop internal processes, information systems, and classification tools to monitor the indirect impacts arising from its credit portfolio.

In 2024, A&T Bank calculated its greenhouse gas emissions for the first time. As this process is being implemented for the first time, there are currently no corporate-level emission reduction targets. However, based on the results of these calculations, the Bank plans to develop emission

reduction strategies and define concrete targets by 2026.

Similarly, the Bank does not yet apply an internal carbon price in its decision-making processes. At this early stage, following the completion of the initial emissions calculations, carbon pricing approaches have not yet been developed. Internal carbon pricing may be considered in the future as a potential climate management tool. A&T Bank does not use any carbon credits or offset mechanisms to compensate for its greenhouse gas emissions, nor does it have any related plans or commitments. In future periods, the implementation of internal carbon pricing may be accompanied by consideration of carbon credits and offset mechanisms.

There are no vulnerable assets directly exposed to climate risks arising from the Bank’s own operations. However, work is ongoing to develop an analytical framework to assess the sensitivity of financed sectors to both transition and physical climate risks. During the reporting period, applications such as the proportion of climate-aligned financing, internal carbon pricing, or the integration of climate indicators

into executive remuneration were not implemented.

For the first reporting period, quantitative and percentage data related to A&T Bank’s activities aligned with climate-related opportunities are not yet available. Methodological work on the classification of climate-aligned assets is ongoing, and the Bank aims to develop data collection and monitoring systems in the coming periods to evaluate its products and services within this framework.

During the current operational period, A&T Bank has not made any capital expenditures, investments, or financing applications specifically dedicated to climate-related risks and opportunities. However, preliminary analyses and segmentation studies for the development of sustainable finance products are ongoing, with plans to offer sustainability-themed credit and investment products in future.

2024 A&T Bank Greenhouse Gas Emissions*

Scope 1 (tCO _{2e})	Scope 2 (tCO _{2e})	Total (tCO _{2e})
377.17	482.10	859.27

*The calculations cover A&T Bank’s Head Office and four active branches, three branches that were closed during 2024, and its subsidiary, A&T Finansal Kiralama A.Ş..

4.2. ENERGY CONSUMPTION

A&T Bank monitors energy consumption arising from its operational activities and aims to optimize energy use through efficiency-focused practices. Electricity and natural gas consumption are tracked annually, with total energy consumption calculated in gigajoules (GJ).

2024 A&T Bank Energy Consumption Data*

	Unit	2024
Consumption for diesel generator	l	560.7
Natural gas consumption	m ³	14,782.0
Diesel consumption of cars	l	35,539.9
Gasoline consumption of cars	l	8,772.5
Electricity consumption	kWh	1,008.579.9
Total energy consumption	GJ	5,636.8

* The data covers A&T Bank's Head Office and four active branches, three branches that were closed during 2024, and its subsidiary, A&T Finansal Kiralama A.Ş.

Note: For GJ conversions, the calorific values applied were 48 TJ/Gg for natural gas, 43 TJ/Gg for diesel, and 44.3 TJ/Gg for gasoline.

Developments Following the Reporting Period

After 31 December 2024, A&T Bank received consultancy services on the establishment of a Sustainability Governance System (SGS) and the management of climate risks. Based on the gap analysis conducted in 2025, the Bank took concrete steps regarding its climate strategy, sustainability policy, and sustainability strategy. The SGS is planned to be fully established and integrated into the Bank's management systems and business processes by the first quarter of 2026.



5 ANNEXES

ANNEX-1: COMMITTEE MEMBERS AND COMPETENCIES



Cem Berk Bayer

(Group Manager / Planning, Human Resources, Organization and Support Services Group):

Cem Berk Bayer began his career in 1999 at the Pamukbank Audit Board. He has held various roles in both public and private banks, including inspector and corporate/commercial marketing manager positions. Bayer holds a degree in Economics (English) from Istanbul University and an MBA in Business Administration from Kadir Has University. With 25 years of professional experience in banking, he currently continues his career at A&T Bank.



Feyzullah Küpeli

(Group Manager / Financial Management and Information Technology Group):

Feyzullah Küpeli graduated from Anadolu University, Faculty of Economics and Administrative Sciences, Department of Business Administration in 1987. With 35 years of professional experience, Küpeli has been serving as the Financial Management and IT Group Manager since January 2024, responsible for Financial Accounting, Expense Management, Treasury Back Office, Treasury Middle Office, IT System Analysis & Development, IT Projects, and IT Systems and Network Management.



Nurettin TARI

(Department Manager / Sales & Marketing Department):

Nurettin Tarı graduated from Doğuş University, Faculty of Economics and Administrative Sciences, Department of Business Administration (English) in 2006. He holds Capital Markets Board Level 3 and Derivative Instruments Licenses and has been serving as the Department Manager at the Head Office Sales & Marketing Department since September 2023.



Elma Galijatoviç Pulular

(Group Manager / Loans Group):

Elma Galijatoviç Pulular graduated from Middle East Technical University (METU), Faculty of Economics and Administrative Sciences, Department of Economics in 1999. Pulular has 25 years of experience in banking and has been serving as the Loans Group Manager since September 2022, overseeing corporate and commercial loan allocation, intelligence and financial analysis, monitoring, restructuring, legal follow-up, and coordination within the Loans Group.



Eray Ölmez

(Department Manager / Planning and Reporting Department):

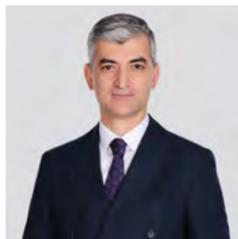
Eray Ölmez holds a bachelor's degree in Economics from Uludağ University and an MBA from Istanbul Bilgi University. He began his banking career in 2006 and has been working at A&T Bank since 2014, accumulating a total of 18 years of professional experience.



Seçkin Ünlü

(Department Manager / Legislation and Board Secretariat Department):

Seçkin Ünlü graduated from Middle East Technical University (METU), Department of Political Science and Public Administration in 2000. Since September 2025, he has been serving as the Department Manager of the Legislation and Board Secretariat Department, and he has also held the role of Board Secretary since May 2024. Ünlü has 21 years of professional experience.



Erdem Özenci

(Group Manager / Treasury and Financial Institutions Group):

Erdem Özenci graduated from Istanbul University, Faculty of Business Administration in 1998. He also attended the Business English Program at the same university's Institute of Business Economics on a scholarship. Özenci holds a Certified Internal Auditor (CIA) certification and has 24 years of professional experience.



Nil Uğur

(Department Manager / Support Services & Communication Department):

Nil Uğur graduated from Gazi University, Faculty of Economics and Administrative Sciences, Department of Econometrics in 1999. She has been working at A&T Bank since 2010 and has 25 years of experience in the banking sector.



Simay Ünal

(Department Manager / Risk Management Department):

Simay Ünal graduated from Istanbul University, Faculty of Economics, Department of Economics. She has 17 years of professional experience in the Risk Management Department and was appointed Department Manager in January 2025. Ünal holds Capital Markets Activities Level 3 and Derivatives Licenses.

ANNEX-2: CALCULATION PRINCIPLES FOR METRICS

This document outlines the Calculation Principles for the preparation, computation, and reporting methodologies of the environmental indicators included in A&T Bank's 2024 TSRS Report. The Bank's management is responsible for ensuring that the indicators are prepared accurately, completely, and reliably in accordance with these Calculation Principles.

The reporting period covers the financial year from January 1, 2024, to December 31, 2024. The activities carried out at A&T Bank's headquarters and branches in Türkiye have been evaluated together with the data from branches that closed in 2024 and the subsidiary A&T Finansal Kiralama A.Ş..

"Scope 1 Emissions" data covers direct emissions from bank operations, while "Scope 2 Emissions" data covers indirect emissions from purchased electricity and heat consumption. Every effort has been made to ensure that the reported information complies with the principles of relevance, reliability, comparability, and transparency.

General Reporting Principles:

In preparing this guide document, the following principles have been taken into consideration:

- In the preparation of information: Emphasizing the fundamental principles of relevance and reliability for the users of the information.
- In the reporting of information: Highlighting the principles of comparability/consistency with other data, including that of previous years, and the principles of understandability/transparency that provide clarity to users.

General Definitions and Reporting Scope

Type	Indicator	Scope
Environmental	Greenhouse Gas Emissions	
	Scope 1 (tCO₂e)	Represents emissions from operations directly controlled by A&T Bank during the reporting period. Activity data include natural gas, diesel, gasoline consumption at the Head Office and branches, as well as leakage amounts from refrigerants and fire extinguishers. Emissions are calculated according to the Greenhouse Gas Protocol: Corporate Accounting and Reporting Standard (GHG Protocol, 2004). No estimates or extrapolations were applied for activity data. Refill records and equipment leakage rates were used for refrigerants and fire extinguishers.
	Scope 2 (tCO₂e)	Represents indirect emissions from electricity consumption tracked via invoices from service providers during the reporting period, calculated on a location-based method. No estimates or extrapolations were applied for activity data.
	Energy	
	Natural Gas (m³)	The volume of natural gas consumed by the Bank, tracked via invoices from service providers during the reporting period.
	Electricity (kWh)	The volume of electricity consumed by the Bank, tracked via invoices from service providers during the reporting period.
	Total Energy Consumption(GJ)	During the reporting period, A&T Bank's energy consumption data, as indicated above, reflects the converted value in GJ due to electricity and natural gas consumption at the specified locations. For GJ conversions, the calorific values applied were 48 TJ/Gg for natural gas, 43 TJ/Gg for diesel, and 44.3 TJ/Gg for gasoline.. For electricity, a conversion of 1 kWh = 0,0036 GJ was used.

Data Preparation

Scope 1 Greenhouse Gas Emissions

Scope 1 emissions have been calculated in accordance with TSRS, using the operational control principle within the framework of the “Greenhouse Gas Protocol: Corporate Accounting and Reporting Standard.” Conversion factors for CO₂, CH₄, and N₂O to CO₂ equivalents were used in the calculations. The emission factors used were taken from the Guidelines for National Greenhouse Gas Inventories (2006, IPCC), and the Global Warming Potential (GWP) coefficients were taken from the Intergovernmental Panel on Climate Change (IPCC) 6th Assessment Report.

- **Formula:** Emission Quantity (tCO₂e) = Activity Data (lt-m³-ton) * Emission Factor (CO₂-CH₄-N₂O) (Kg/TJ). Energy sources comprising Scope 1 consist of natural gas consumption, generator diesel consumption, diesel and gasoline consumption of owned and leased vehicles, refrigerant gas, and fire extinguisher capacity based on leakage assumptions.
- **Natural gas:** Natural gas consumption is tracked in m³ using invoices provided by service providers at the locations of consumption.
- **Electricity:** Electricity consumption is tracked in kWh using invoices provided by service providers at the locations of consumption.
- **Generator (diesel):** Diesel and gasoline consumption for generators is tracked using invoices provided by service providers at the locations of consumption.
- **Vehicle Fuels:** Diesel and gasoline consumption for owned and leased vehicles is tracked using invoices provided by service providers at the locations of consumption.
- **Refrigerant Gases:** SRefrigerant gas consumption is tracked based on the filling slips and total capacity information of the machines that consume refrigerant gas, taking leakage rates into account.
- **Fire Extinguishers:** The filling slips and total capacity information of fire extinguishers are tracked based on leakage rates.

Scope 2 Greenhouse Gas Emissions

Scope 2 emissions have been calculated in accordance with TSRS, under the “Greenhouse Gas Protocol: Corporate Accounting and Reporting Standard” framework, using the operational control principle. Conversion factors for CO₂, CH₄, and N₂O to CO₂ equivalents were used in the calculations. The emission factors used for electricity are based on the 2022 electricity emission factor published in 2024 by the Ministry of Energy and Natural Resources.

- **Formula:** Emission Amount (tCO₂e) = Activity Data (kWh-h) *Emission factor (CO₂) (Kg/TJ). Scope 2 emission calculations include the amount of indirect greenhouse gas emissions generated by the Company’s electricity consumption.
- **Electricity:** Electricity consumption is tracked in kWh using bills provided by service providers at the locations where consumption occurs.

Emission Source – Scope 1	Emission Factors			Reference
	CO ₂ (kg CO ₂ /TJ)	CH ₄ (kg CH ₄ /TJ)	N ₂ O (kg N ₂ O/TJ)	
Natural Gas	56,100	1	0.1	IPCC 2006, Volume2, Chapter 3
Diesel (Generator)	74,100	3	0.6	IPCC 2006, Volume2, Chapter 3
Diesel (Company Vehicles)	74,100	3.9	3.9	IPCC 2006, Volume2, Chapter 3
Gasoline (Company Vehicles)	69,300	25	8	IPCC 2006, Volume2, Chapter 3

Emission Source – Scope 1 Refrigerants and Fire Extinguishers	Global Warming Potential (kg CO ₂ e/kg)	Leakage Rate (%)	Reference
Refrigerant – HFC 22	1,960	2	IPCC 6th Assessment Report
Refrigerant – R-410A	2,255	2	IPCC 6th Assessment Report
Fire Extinguisher - CO ₂	1	4	IPCC 6th Assessment Report
Fire Extinguisher - HFC 227ea	3,600	4	IPCC 6th Assessment Report

Global Warming Potential	kg CO ₂ e/kg	Reference
CH ₄	27.9	IPCC 6th Assessment Report
N ₂ O	273	IPCC 6th Assessment Report

Emission Source – Scope 2	Emission Factor (tCO ₂ e/MWh)	Reference
Turkey Electricity Energy (Grid-Based)	0.478	ETKB-EVÇED-FRM-042 Rev.01

Significant Judgments and Measurement Uncertainties

A&T Bank's process for identifying and reporting significant financial risks and opportunities related to sustainability is based on short-, medium-, and long-term expectations regarding credit portfolio quality, capital adequacy, and liquidity, which are critical performance indicators for the sector. However, these assessments require the use of estimates for certain amounts that cannot be measured directly.

The Bank's process of identifying financially significant sustainability-related risks and opportunities, as well as determining the relevant information to be reported, is based on estimates and forward-looking information that reflect short-, medium-, and long-term expectations concerning 3% of Bank's core capital. These assessments have been carried out in line with the financial materiality principle defined under TSRS 1 "General Provisions," taking into account the potential impacts of climate-related risks specific to the banking sector on the Bank's financial position, performance, and cash flows. Furthermore, in the analyses performed, reasonable estimates based on management assumptions were applied for certain amounts that cannot be directly measured. As of the reporting period, no climate-related risk or opportunity that could be classified as financially material has been identified within the scope of these assumptions.

Assumptions regarding operational boundaries and greenhouse gas emissions calculations are presented under the heading "Preparation of Data," while information on metrics is disclosed in the relevant sections of this Report. The Bank has taken into account the TSRS 2 - Climate-Related Disclosures Standard published by the POA to assess the potential impacts of sustainability-related risks and opportunities on its business model and their financial effects.

In the Climate-Related Risks and Opportunities section of this Report, based on analyses conducted by the Bank, no climate-related risks or opportunities exceeding the financial materiality threshold were identified during the current reporting period. Accordingly, while climate-

related financial impacts have been analyzed through forecasts based on maturity expectations and planned actions, no significant risk exceeding the specified financial materiality threshold has been identified.

Potential changes in the Bank's financial performance arising from transition risks, as outlined in the Climate-Related Risks and Opportunities section of this Report, have been addressed within the framework of forecasts based on expectations regarding the term and planned actions.

Additionally, although not included in this Report, certain risks and opportunities that were considered during the assessment and deemed useful to monitor have also been identified. Among these, the most significant relates to the potential impacts of the CBAM on the Bank's portfolio. When analyzing this risk, consideration was given to the potential deterioration in the credit repayment capacity of clients operating in sectors covered by the regulation due to additional carbon costs. Accordingly, hypothetical assessments were made in this regard regarding default risks. As this risk remains below the financial materiality threshold for the current reporting period, it will continue to be monitored by the Bank in future periods.

Greenhouse gas emissions are calculated through the consolidation of activity data. The data are obtained from meters billed by distribution companies, and the main factors that can affect data quality include the accuracy of measurement devices, their calibration status, as well as temperature and pressure deviations observed in certain fuel types. However, comprehensive data access regarding the value chain, particularly in areas such as carbon emissions, has not yet been fully achieved and some calculations are based on assumptions. Limited data sources and methodological differences can increase measurement uncertainty and are factors that must be considered when interpreting the results.

Re-Statement of Opinion

The measurement and reporting of verified data inevitably involve a certain degree of estimation. A revised opinion statement may be considered if there is a change of more than 5% in the company level data.

ANNEX-3: INDEPENDENT AUDITOR'S LIMITED ASSURANCE REPORT



CONVENIENCE TRANSLATION INTO ENGLISH OF PRACTITIONER'S LIMITED ASSURANCE REPORT ORIGINALLY ISSUED IN TURKISH

INDEPENDENT PRACTITIONER'S LIMITED ASSURANCE REPORT ON ARAP TÜRK BANK A.Ş. AND ITS SUBSIDIARY SUSTAINABILITY INFORMATION IN ACCORDANCE WITH TURKISH SUSTAINABILITY REPORTING STANDARDS

To the General Assembly of Arap Türk Bankası A.Ş.,

We have undertaken a limited assurance engagement on Arap Türk Bankası A.Ş. and its subsidiary (collectively referred to as the "Group"), Sustainability Information for the year ended 31 December 2024 in accordance with Turkish Sustainability Reporting Standards 1 "General Requirements for Disclosure of Sustainability-related Financial Information" and Turkish Sustainability Reporting Standards 2 "Climate Related Disclosures".

Our assurance engagement does not extend to information in respect of earlier periods or linked to from the Sustainability Information (including any images, audio files, document embedded in a website or embedded videos).

Our Limited Assurance Conclusion

Based on the procedures we have performed as described under the 'Summary of the work we performed as the basis for our assurance conclusion' and the evidence we have obtained, nothing has come to our attention that causes us to believe that Group's Sustainability Information for the year ended 31 December 2024 is not prepared, in all material respects, in accordance with Turkish Sustainability Reporting Standards published in the Official Gazette dated 29 December 2023, and numbered 32414(M) and issued by Public Oversight Accounting and Auditing Standards Authority (the "POA"). We do not express an assurance conclusion on information in respect of earlier periods or linked to from the Sustainability Information including any images, audio files or embedded videos.

Inherent Limitations in Preparing the Sustainability Information

The Sustainability Information is subject to inherent uncertainty because of incomplete scientific and economic knowledge. Greenhouse gas emission quantification is subject to inherent uncertainty because of incomplete scientific knowledge. Additionally, the Sustainability Information includes information based on climate-related scenarios that is subject to inherent uncertainty because of incomplete scientific and economic knowledge about the likelihood, timing or effect of possible future physical and transitional climate-related impacts.

Responsibilities of Management and Those Charged with Governance for the Sustainability Information

The Group Management is responsible for:

- Preparation of the sustainability information in accordance with Turkish Sustainability Reporting Standards;

- Designing, implementing and maintaining internal control over information relevant to the preparation of the Sustainability Information that is free from material misstatement, whether due to fraud or error;
- The Group Management is also responsible for the selection and implementation of appropriate sustainability reporting methods, as well as making reasonable assumptions and developing estimates in accordance with the conditions.

Those charged with governance are responsible for overseeing the Group's sustainability reporting process.

Practitioner's Responsibilities for the Limited Assurance on Sustainability Information

We are responsible for:

- Planning and performing the engagement to obtain limited assurance about whether the Sustainability Information is free from material misstatement, whether due to fraud or error;
- Forming an independent conclusion, based on the procedures we have performed and the evidence we have obtained; and
- Reporting our conclusion to the Directors of Group.
- Perform risk assessment procedures, including obtaining an understanding of internal control relevant to the engagement, to identify where material misstatements are likely to arise, whether due to fraud or error, but not for the purpose of providing a conclusion on the effectiveness of the Group's internal control.
- Design and perform procedures responsive to where material misstatements are likely to arise in the sustainability information. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of Sustainability Information.

YAs we are engaged to form an independent conclusion on the Sustainability Information as prepared by management, we are not permitted to be involved in the preparation of the Sustainability information as doing so may compromise our independence.

Professional Standards Applied

We performed a limited assurance engagement in accordance with Standard on Assurance Engagements 3000 (Revised) Assurance Engagements other than Audits or Reviews of Historical Financial Information and, in respect of greenhouse gas emissions included in the Sustainability Information, in accordance with Standard on Assurance Engagements 3410 Assurance Engagements on Greenhouse Gas Statements, issued by POA.

Our Independence and Quality Management

We have complied with the independence and other ethical requirements of the Ethical Rules for Independent Auditors (including Independence Standards) (the "Ethical Rules") issued by the POA, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior. Our firm applies Standard on Quality Management 1 and accordingly maintains a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements. Our work was carried out by an independent and multidisciplinary team including assurance practitioners, sustainability and risk experts. We used the

work of experts, in particular, to assist with determining the reasonableness of Group's information and assumptions related to climate and sustainability risks and opportunities. We remain solely responsible for our assurance conclusion.

Our Independence and Quality Management

We are required to plan and perform our work to address the areas where we have identified that a material misstatement of the Sustainability Information is likely to arise.

The procedures we performed were based on our professional judgment. In carrying out our limited assurance engagement on the Sustainability Information, we:

- Inquiries were conducted with the Group's key senior personnel to understand the processes in place for obtaining the Sustainability Information for the reporting period
- The Group's internal documentation was used to assess and review the information related to sustainability;
- Considered the presentation and disclosure of the Sustainability Information.
- Through inquiries, obtained an understanding of Group's control environment, processes and information systems relevant to the preparation of the Sustainability Information, but did not evaluate the design of particular control activities, obtain evidence about their implementation or test their operating effectiveness;
- Evaluated whether Group's methods for developing estimates are appropriate and had been consistently applied, but our procedures did not include testing the data on which the estimates are based or separately developing our own estimates against which to evaluate Group's estimates;
- Obtained understanding of process for identifying risks and opportunities that are financially significant, along with the Group's sustainability reporting process.

The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

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

Özge Arslan Yılmaz, SMMM
Independent auditor

Istanbul, 31 October 2025

ANNEX-4: STATEMENT OF RESPONSIBILITY

Our Company's 2024 TSRS-Compliant Sustainability Report, covering the year ended December 31, 2024, has been prepared in accordance with the Turkish Sustainability Reporting Standards issued by the Public Oversight, Accounting and Auditing Standards Authority and published in the Official Gazette dated December 29, 2023 and numbered 32414(M). The report does not contain any material misstatement or omission and accurately reflects the truth regarding our Company's sustainability activities.

Respectfully,
Arap Türk Bankası A.Ş.



A&T BANK

ARAP TÜRK BANK
2024 TSRS COMPLIANT
SUSTAINABILITY REPORT

www.atbank.com.tr

Content and Consulting:
ESCARUS ESCARUS (TSKB Sustainability Consultancy)



Graphic Design:
Özge Egemen, kirmizitasarim.com