

Corporate Presentation

January 2024

AKLease

#Worthforfuture

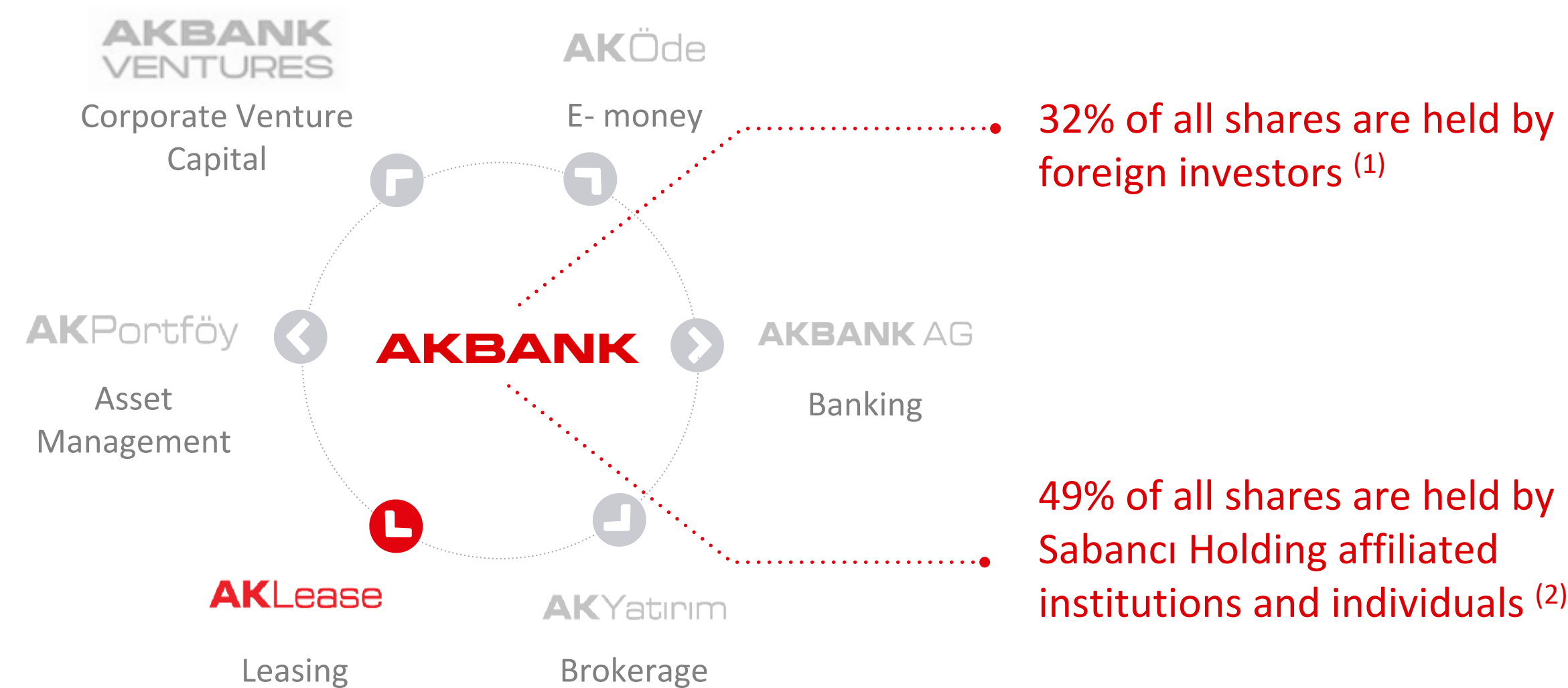


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- 01 Akbank Overview
- 02 AKLease Overview
- 03 People & Culture
- 04 Sustainability
- 05 AKLease Financials
- 06 Operating Environment

Strong major shareholder with long term vision

History and Shareholding Structure



Established in 1988

AKLease was established as BNP-AK-Dresdner Leasing in November 1988, a joint venture between Akbank, Dresdner and BNP

Renamed in 2005

Akbank acquired the entirety of AKLease in 2005 and subsequently renamed it AKLease

Owned by Akbank

AKLease is 100% owned by Akbank

Sabancı Holding

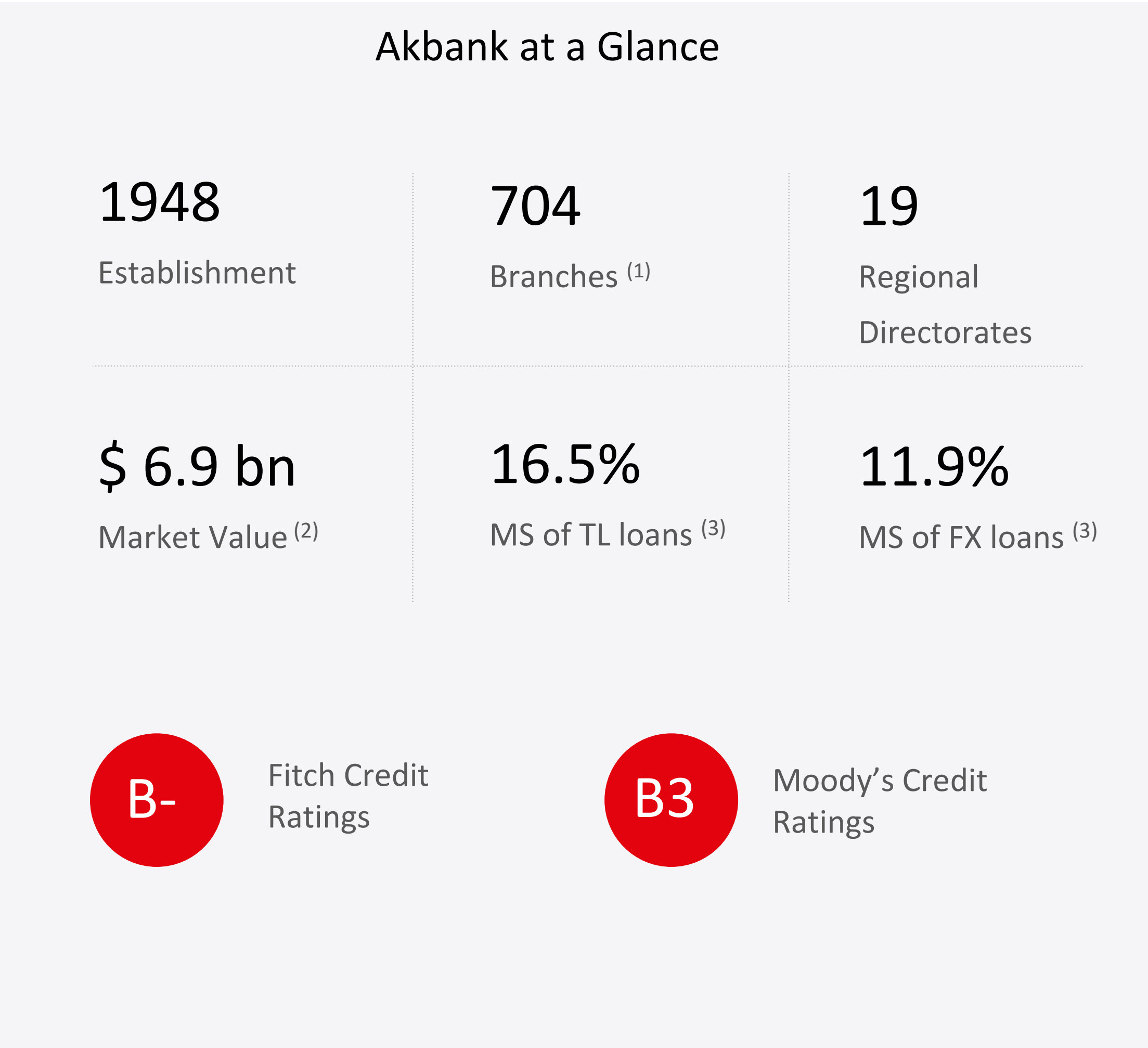
- One of the two largest multi-business enterprises in Türkiye with total assets of TL **1,872** bn as of September 30, 2023 ⁽³⁾
- ~**5.5%** of BIST capitalization with 12 public companies including Holding itself
- Majority shareholder is the **Sabancı Family**, a strong local name
- Market leaders in most of the sectors they operate in. Mainly operates in **banking, financial services, energy, industrials, building materials, retail and digital**
- Multinational business partners with some of the most well-established companies in the world (**Including; Ageas, Bridgestone, Carrefour, E.ON, Heidelberg Materials and Skoda**)
- **Akbank** is the flagship of the Sabancı Group with the highest share in profitability
- **New Economy:** Climate Tech, Advanced, Materials Tech & Digital Tech
- by 2050: **Zero Waste & Net Zero Emissions**

(1) As of December 29, 2023

(2) Shareholder composition calculation is based on the "Ordinary General Assembly Meeting Shareholder List" dated 28.03.2023

(3) As of 9M23

Synergies from relationship with Akbank



AKLease

4

(1) As of 31 December 2023.
(2) As of February 13, 2024
(3) Market share data based on bank only BRSA weekly data as of 29.12.2023, among private banks.

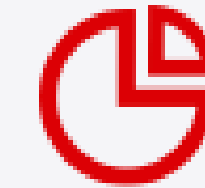
Outstanding presence in financial industry



Banking

AKBANK AG

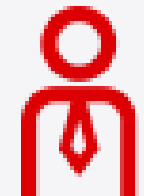
- ▶ Flagship of Akbank Group in Europe
- ▶ Total assets of EUR 3,862 mn and equity of EUR 1,037 mn
- ▶ Contribution to net income stands at 4% in 2023



Asset Management

AKPortföy

- ▶ Leader in:
 - Total AuM with TL 407 bn (4) & DPM with TL 62 bn AuM
 - Pension fund management with TL 135 bn AuM, 17.8% market share
 - Mutual fund management with TL 207 bn AuM, 11.6% market share



Leasing

AKLease

- ▶ Net lease receivables market share of 11.9% (1)



E-Money

AKÖde

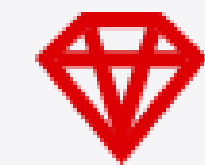
- ▶ Tosla, first mobile application of AkÖde was launched at Sep'19
- ▶ AKÖde POS, virtual POS & Link Payment products for consumers & merchants
 - User friendly product without rent cost, transaction fee & turnover commitment



Brokerage

AKYatırım

- ▶ Leader in corporate bond issuances (2) with 45% market share in 2023
- ▶ One of the leading intermediary institutions in equity public offerings (3) with USD 1.9 bn transaction size btw 2011-2023



Corporate Venture Capital

AKBANK VENTURES

- ▶ Akbank Ventures BV established in Apr'23 in Netherlands, is targeting next generation businesses with high growth potential to support Akbank's strategic investments

(1) As of Nov'23

(2) Excluding issuances of banks and affiliated companies. All data are based on BIST

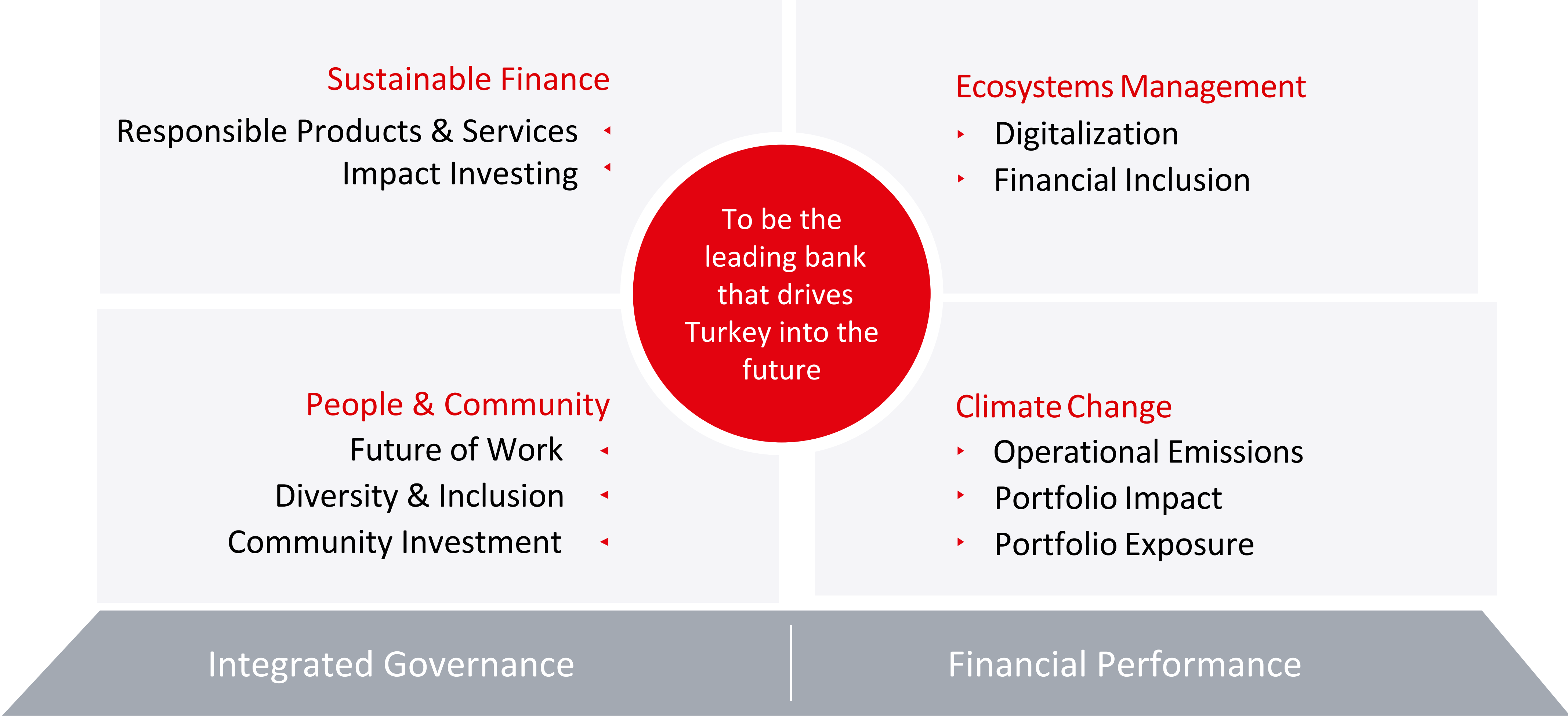
(3) Excluding privatization transactions

(4) Among private institutions

Awards over the recent years



ESG Strategy: Mitigate environmental footprint while increasing positive impact



Actionable targets for positive impact

SUSTAINABLE FINANCE

Supporting a more sustainable economy

TL 800 bn
Sustainable
finance until
2030

TL 15 bn AuM
Sustainable
investment funds
2030



Increase sustainable borrowing
secured by the bank until 2030

ECOSYSTEMS MANAGEMENT

Enhancing financial
health & inclusion

Extend digital,
innovative
products &
services

Achieve 10%
annual growth in
of women SMEs by
2025



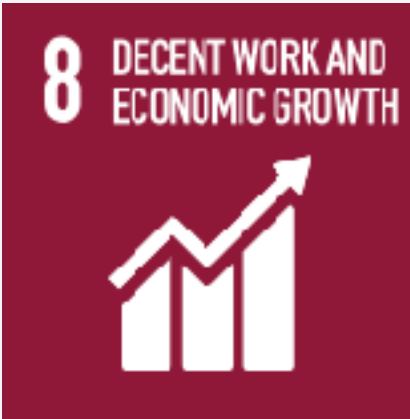
Increase number of financially
empowered people until 2030

PEOPLE & COMMUNITY

Empowering our people and
communities

Improve the
effectiveness of
investment on
our people

Increase Social
Return on
Investments
for community
investments



Enhance the effectiveness of Akbank
volunteerism in community investments

CLIMATE CHANGE

Reducing our impact on
environment

Become a net-zero bank through reducing
operational and portfolio emissions by
2050



Mitigate climate-related risks &
impact on portfolio

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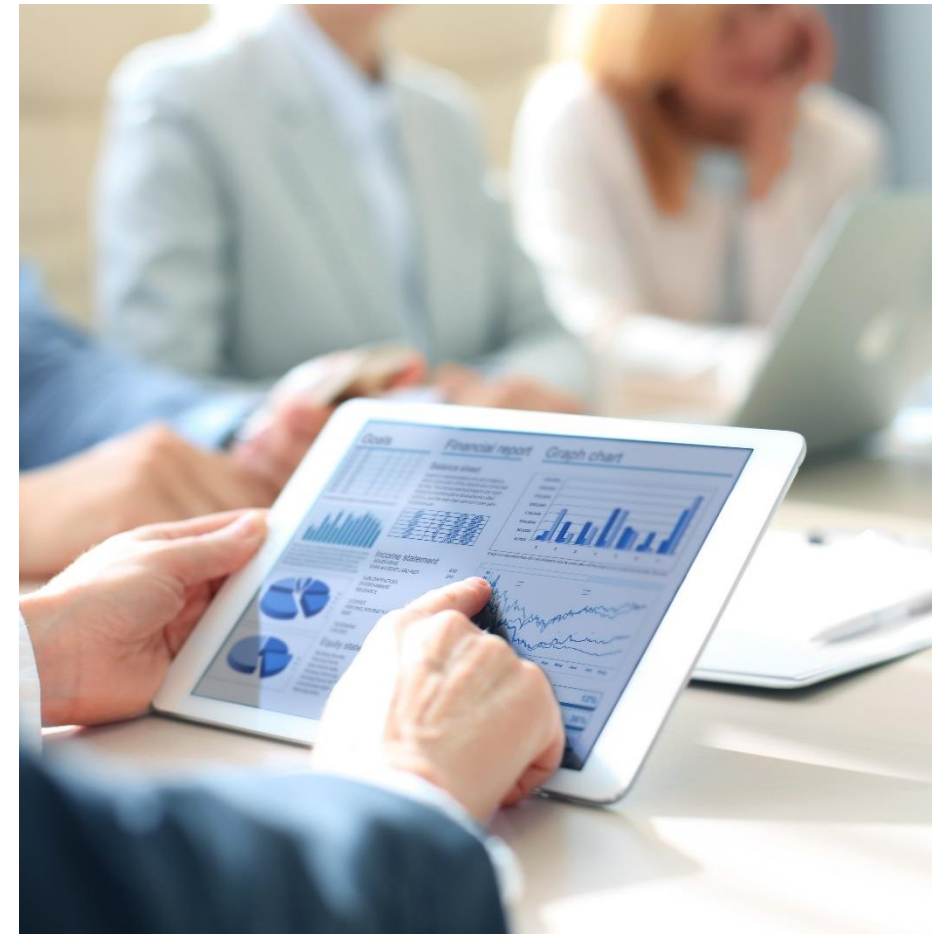
06 Operating Environment

Our core values



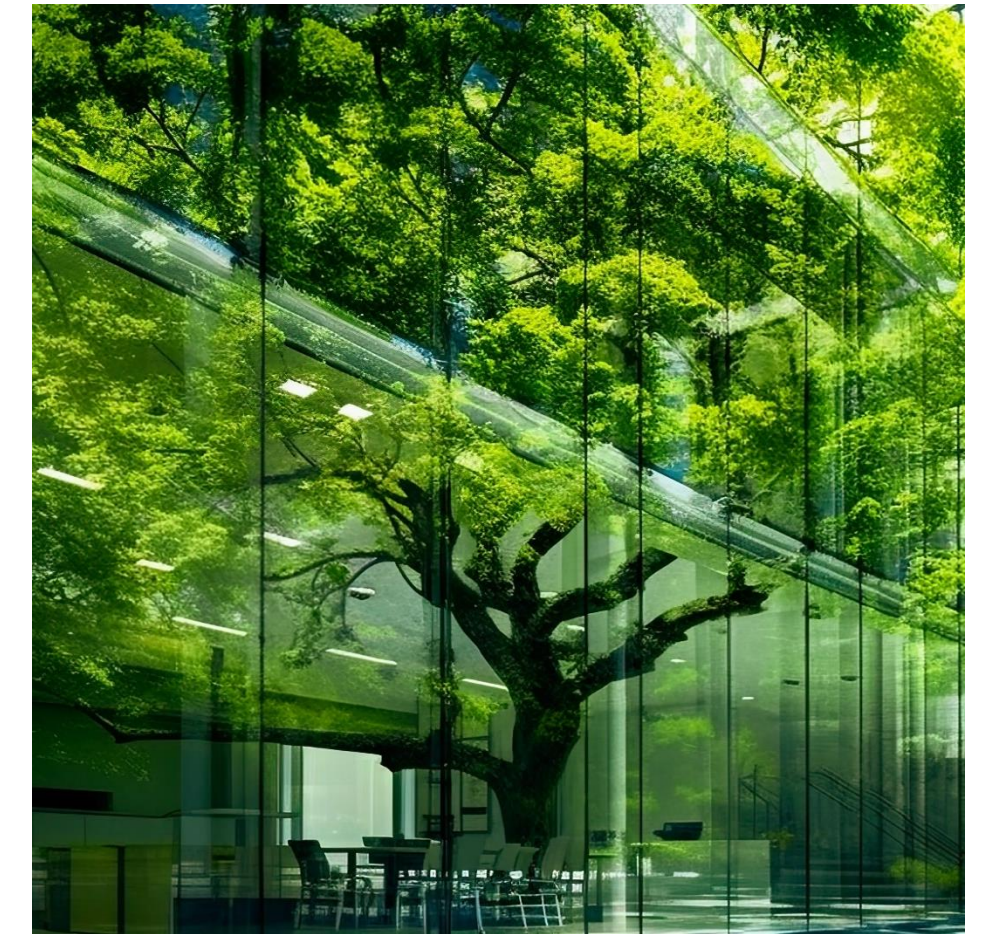
01

To be trusted
brand of financial
services



02

Focus on
customer
satisfaction



03

Provide
innovative
financial
solutions



04

Simple and
smart digital
processes



05

Supporting
sustainable
businesses and
healthy environment

BOD and Management Chart



Chairman

Çetin Düz
EVP, Commercial
Banking, Akbank



Deputy Chairman

Yunus Emre Özben
EVP, Credit
Underwriting, Akbank



Member

Türker Tunalı
CFO, Akbank



Member

Savaş Külcü
Head of Internal Audit, Akbank



Member

Gamze Şebnem
Muratoğlu
EVP, Treasury, Akbank



Member

Ege Gültekin
EVP, Credit Monitoring and
Collections, Akbank



Member

Levent Demirağ
Consultant, Sabanci Holding



Member

Bülen Oğuz
EVP -SME Banking



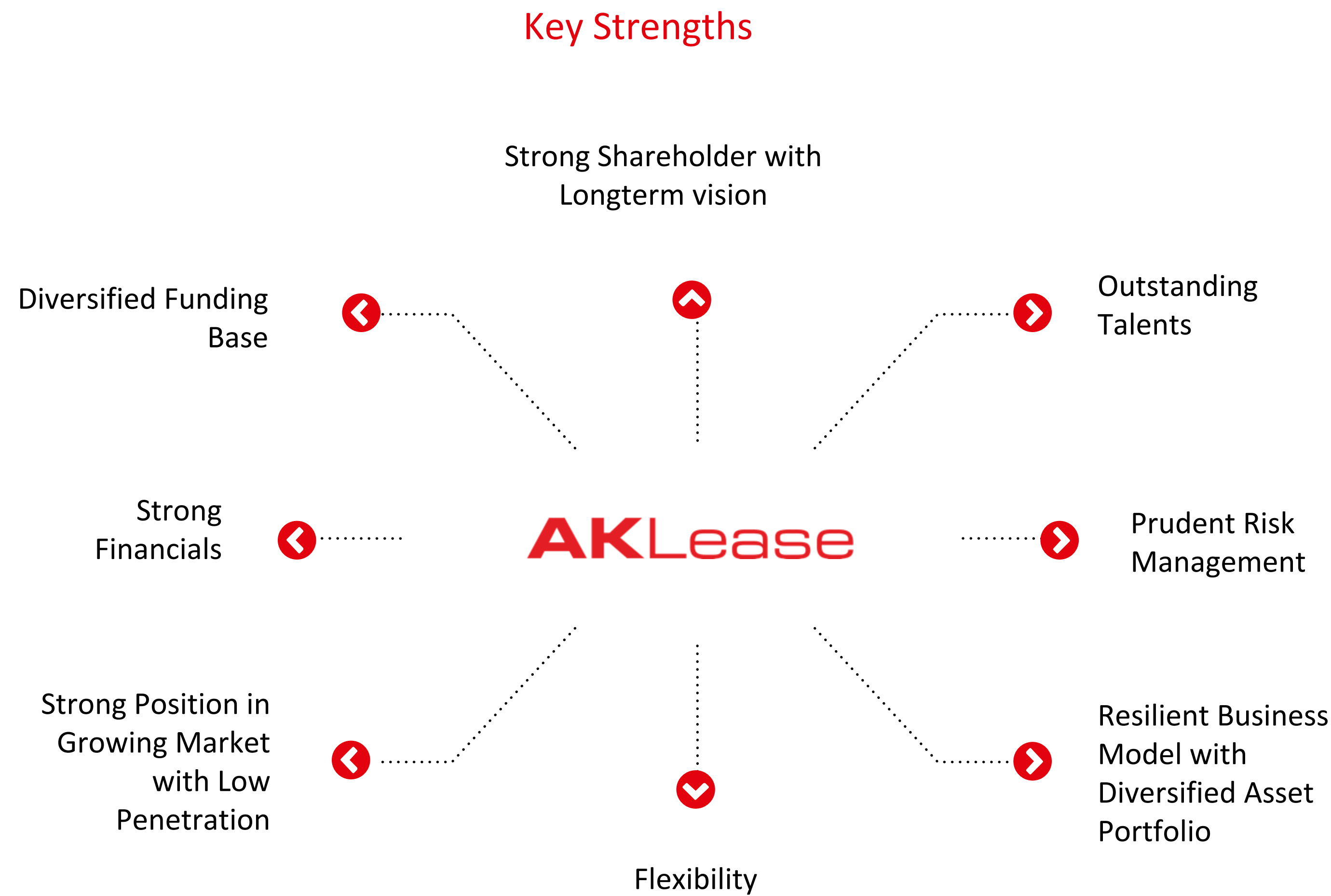
Member

Eser Okyay
AKLease CEO

AKLease

Strong presence in leasing industry

Aklease at a Glance	
35 Years Experience	100% Owned by Akbank
Top 2 Ranks* by ROE	10 Branches
Top 2 Ranks* by ROA	12,8% Market Share
Top 2 Ranks* by Asset Size	Rating LTFC IDR B- Rated by Fitch



Awards over the recent years



AKLease

2023 Vision: Looking Forward



01 Running AKLease

- ✓ Risk & return focused sustainable growth and market share
- ✓ Maintain high asset quality
- ✓ Strong capital and robust liquidity
- ✓ Synergy with Akbank and Sabanci Group

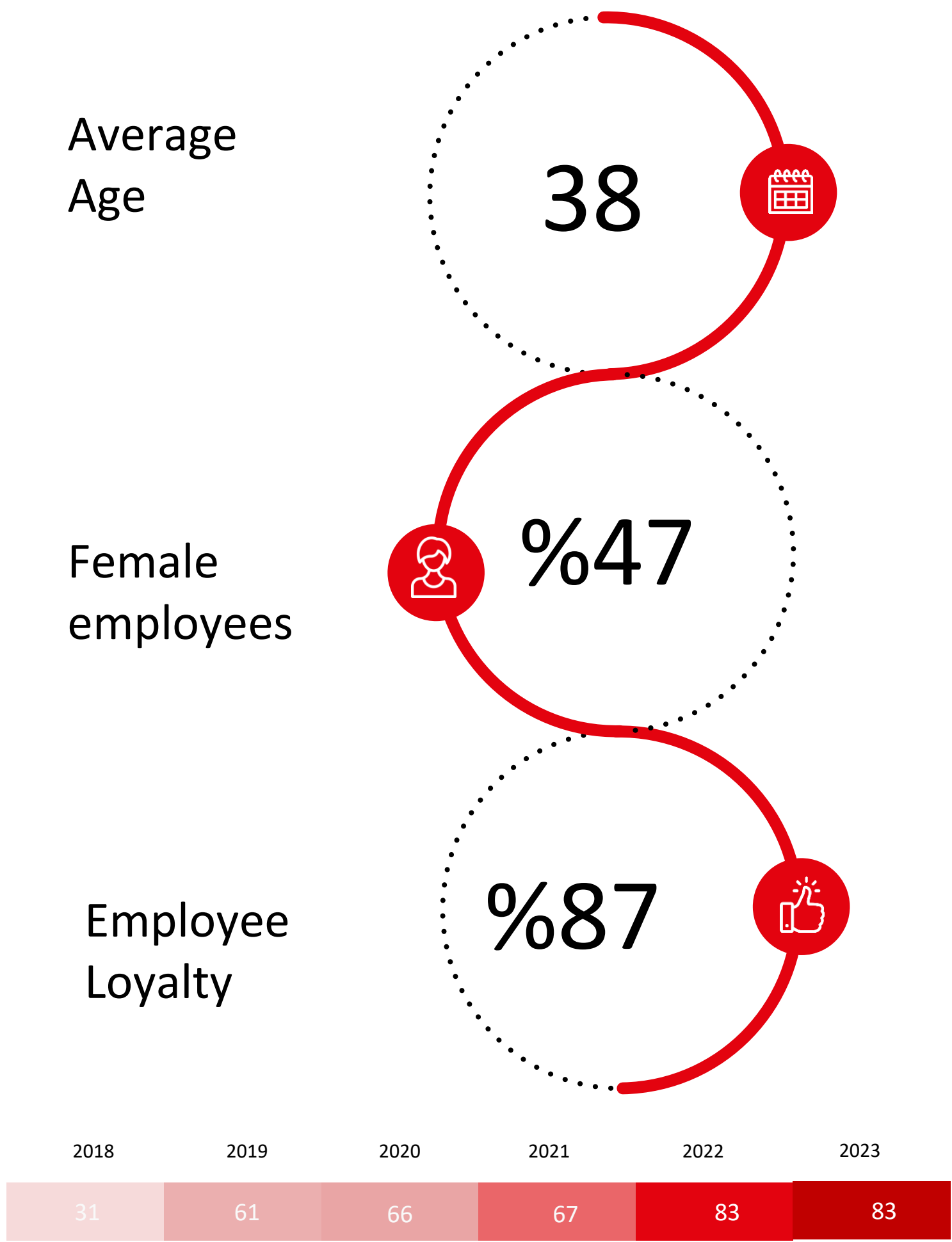
02 Building Future

- ✓ Leverage digitalization + Robust infrastructure = Transforming business processes
- ✓ Diversify funding base
- ✓ Create high customer experience with tailor made solutions
- ✓ To be the leading leasing company investing in our future through commitment on sustainability

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People & Culture: Investing in our people



Strong Employer Brand

- ▶ An innovative approach which aims to add value by employee loyalty
- ▶ A team which communicates openly, embraces the common goal



End to end talent management

- ▶ Inclusive talent management program
- ▶ Personalized development programs and trainings



Performance management / Backup

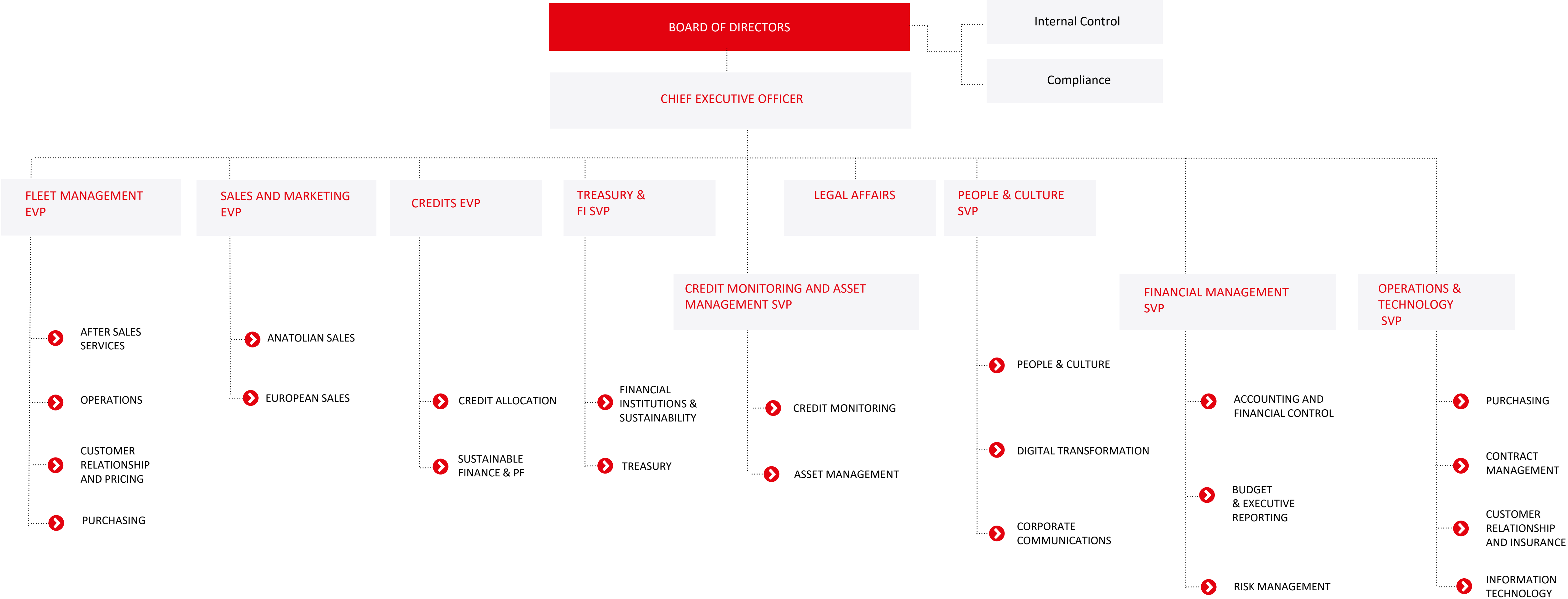
- ▶ Tailor-made performance management for all employees regardless of position
- ▶ Submission of the performance evaluation for employee approval
- ▶ Backup plans for organizational continuity



Focus: Inclusion

- ▶ Diversity and inclusion policy
- ▶ Zero tolerance for workplace violence policy

People & Culture: Organization chart



Digital Transformation

To shed light on and support the developments in the digital processes of the units after the meetings held with them within the scope of the strategic plan.

01

Innovative Solutions for Future

It is about applying new innovations in technology to leasing so that systems can learn, automate responses, and work smarter.

02

Customer Oriented /Customer Exp. & Satisfaction

Referring to the act of aligning the business towards helping our customers reach success with our product or service.

03

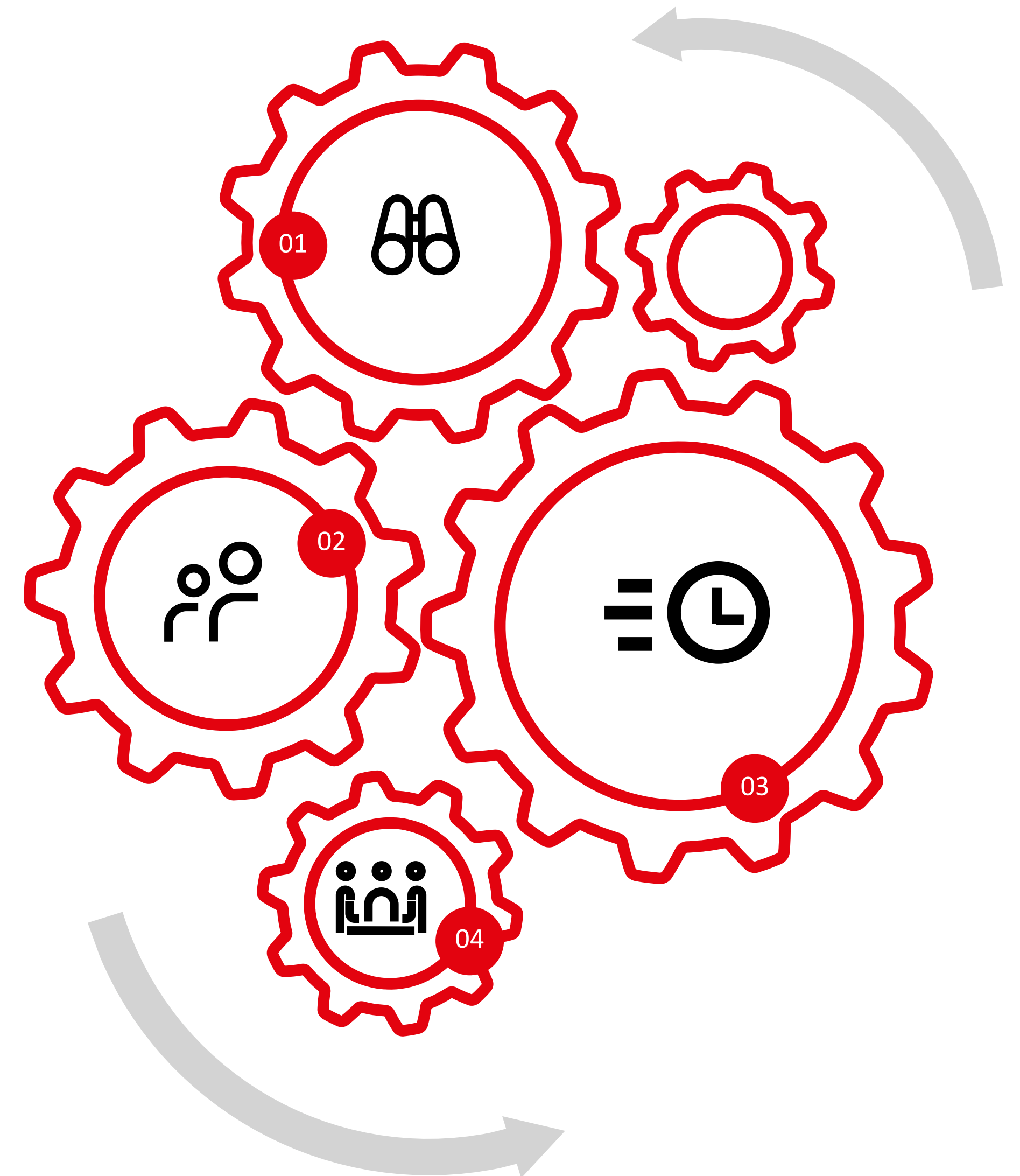
Operational Efficiency

Using resources like time, people, equipment, inventory, data and money in an optimized way to serve the business. Help company being leaner, agile and more profitable.

04

Workplace Efficiency

Enhanced internal communication and knowledge sharing. The goal is to encourage employee engagement and change how the teams work together.



AKLease

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Sustainable finance for a sustainable economy



AKLease is committed in financing a wide range of environmentally conscious and sustainable projects.

Total Installed Renewable Energy Power: 1.037 MWe

Clean Energy Generation for 443.000 Household Units

Annual CO2 Emission Reduction: 353.000 Tonnes
CO2 emissions prevented by renewable projects financed / Reflect of 16.1 mn trees CO2 absorption

AKLease's environmental policies set forth are a part of its corporate lending guidelines:

- ✓ Contributing to sustainable development in Turkey and supporting projects that encourage positive environmental impact.
- ✓ Priority is given to loans regarding investments in renewable energy, eco-friendly technological projects, investments in waste recycling, carbon emission reduction projects, and productivity-enhancing investments
- ✓ Customers are required to follow all principles of the UN Global Compact
- ✓ AKLease ensures compliance with environmental and social issues, occupational safety and health regulations, and safety and security regulations within the scope of all national laws and regulations.
- ✓ We have the utmost respect and give unconditional support to protecting human rights. All national standards regarding child abuse of forced labor are in compliance unequivocally and to the highest degree.

Sustainability Highlights

- ✓ **14,4%** Energy Portfolio consist of only renewable energy Projects
- ✓ Decreasing the credit evolution threshold to USD 5 Million from USD 10 Million.
- ✓ The Production or trade in alcoholic beverages (excluding beer and wine) is added in Exclusion List.
- ✓ Production or trade in tobacco is added in Exclusion List
- ✓ Financing Coal Mining and Coal Thermal Power Plants is added in Exclusion List.
- ✓ Launching the first and only sustainability linked product in Turkish Leasing Market; ECOLease
- ✓ Reshaping the Sustainability structure and Corporate Governance Principles
- ✓ Setting long-term sustainability targets.



Tailor-made financial solutions for renewable energy, energy & resource efficiency projects

ECOLease

New financing opportunity for companies that would like to invest not just in their business but also on their future. **AKLease supports up to 100 percent of your sustainability related investments.**

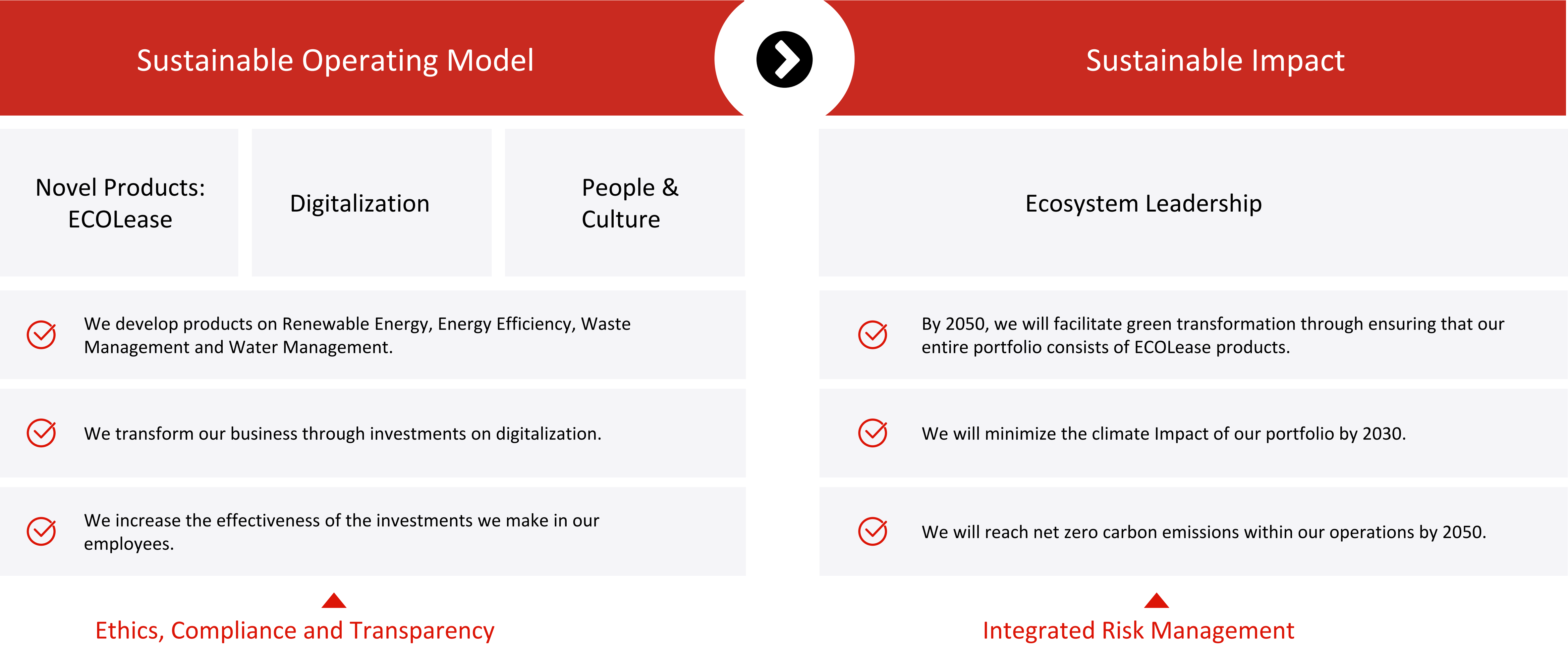
✓ USD 179 mn loan disbursement under ECOLease by the end of 2023.



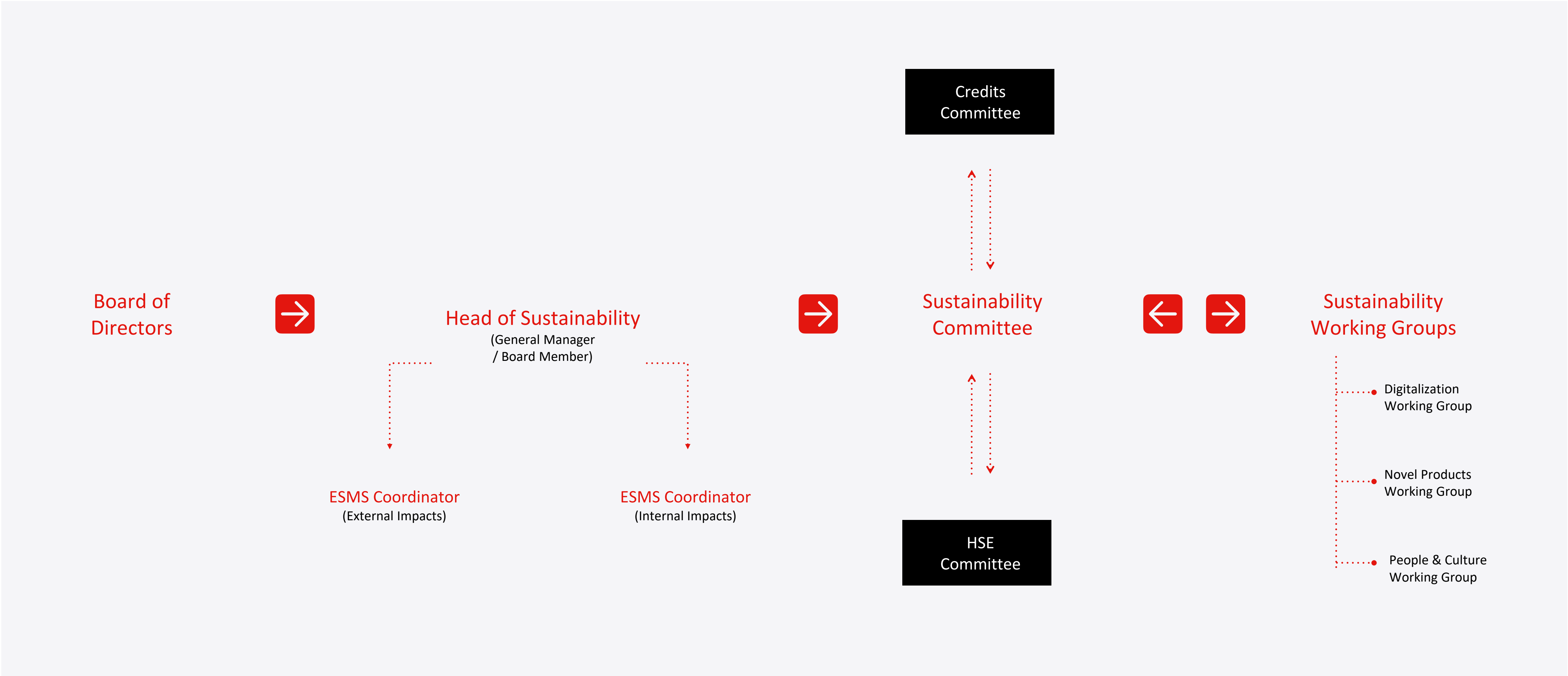
Our aim is to have the percentage of ECOLease in the overall lending portfolio to be 60% by 2025 and to increase it to a 100% by 2050.

AKLease

Facilitating Green Transformation



Sustainability and Impact Governance Structure



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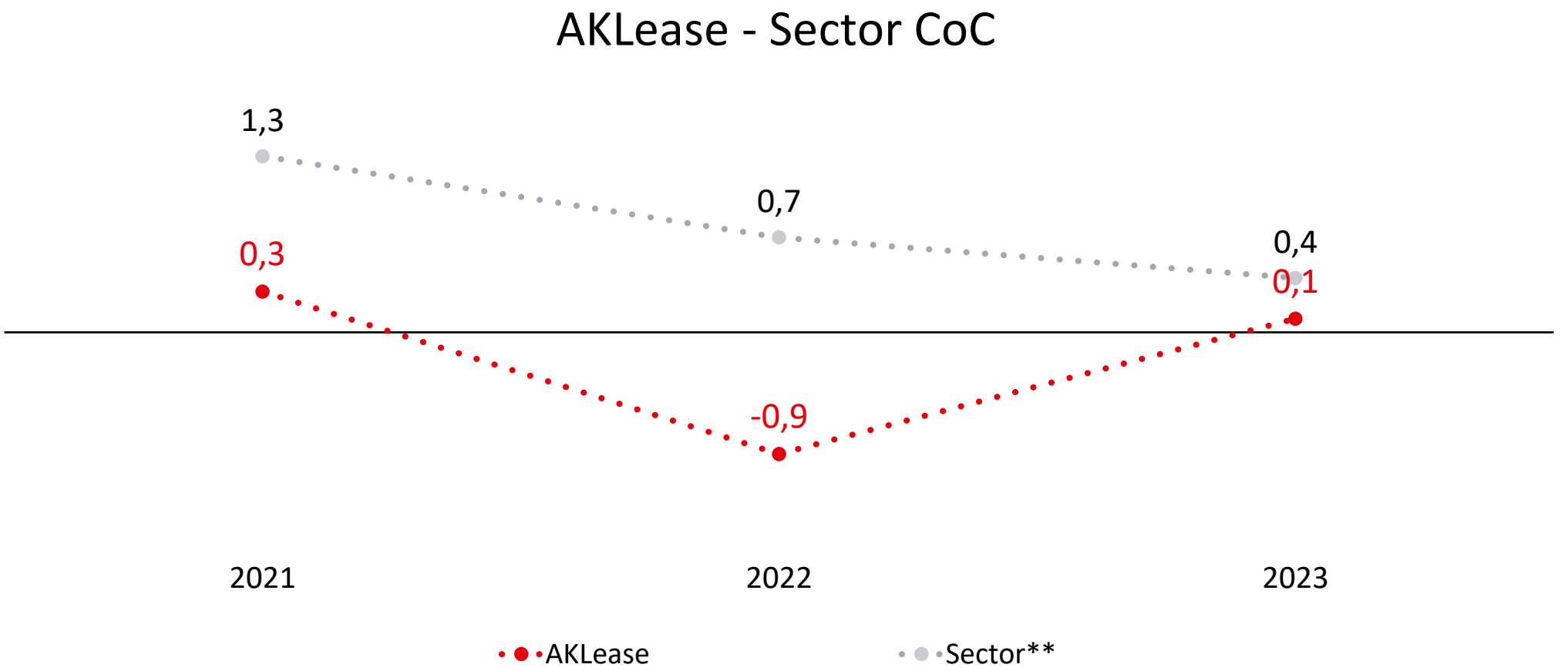
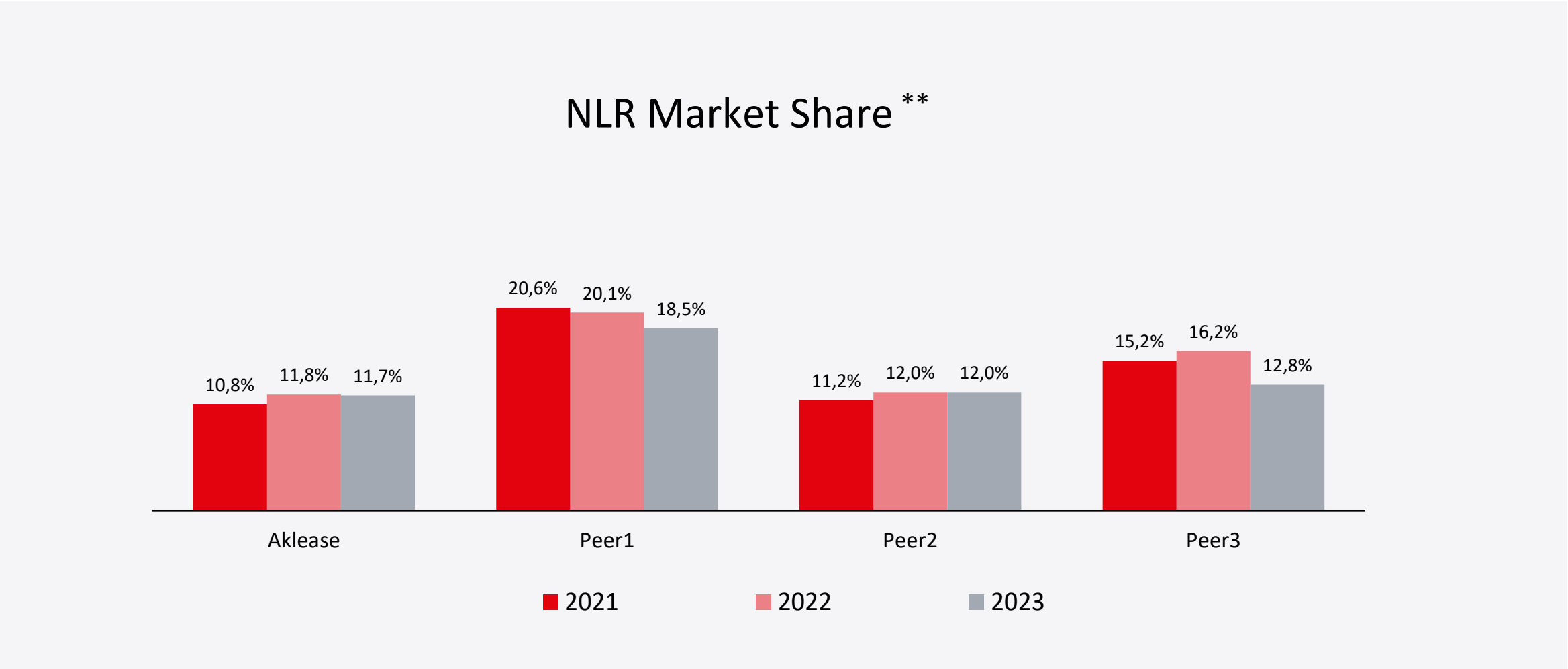
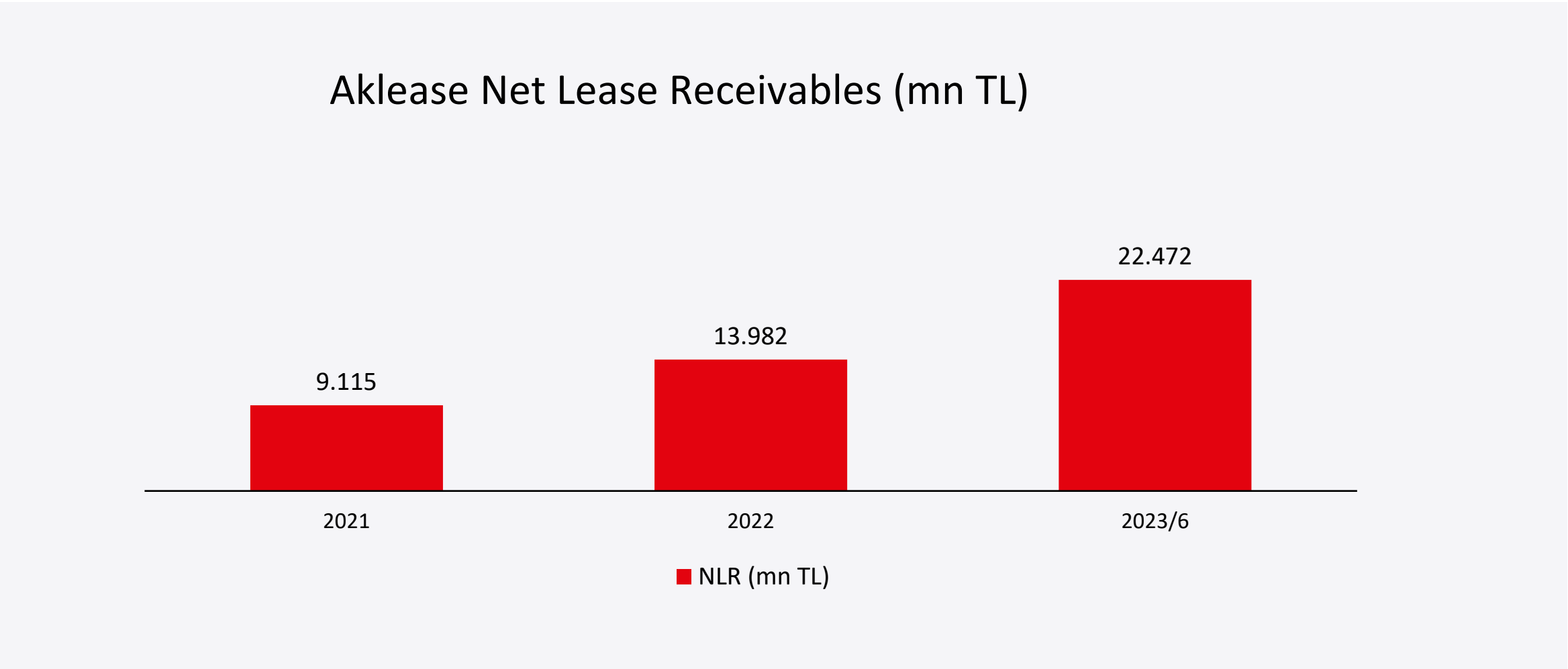
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Snapshot of results

Income Statement (mn TL)	2021	2022	2023
Net interest income	269	410	1.003
Net commission income	17	28	37
Other operating income	86	459	342
Gross operating income	372	898	1.382
Provision expense	32	-26	41
Other operating expense	43	77	175
Profit before tax	297	848	1.166
Net profit	224	670	963
Balance Sheet (mn TL)	2021	2022	2023
Lease receivable	8.973	13.893	22.155
NPL	459	374	631
Provision (-)	318	285	314
Net Lease Receivable	9.115	13.982	22.472
Assets held for sale	62	26	26
Other assets	981	2.666	6.847
Cash and cash equivalents	795	2.395	4.919
Other	185	271	1.928
Total Assets	10.157	16.674	29.345
Borrowings	8.106	13.599	34.349
Other Liabilities	723	1.080	2.039
Equity	1.327	1.995	2.957
Total Liabilities	10.157	16.674	29.345

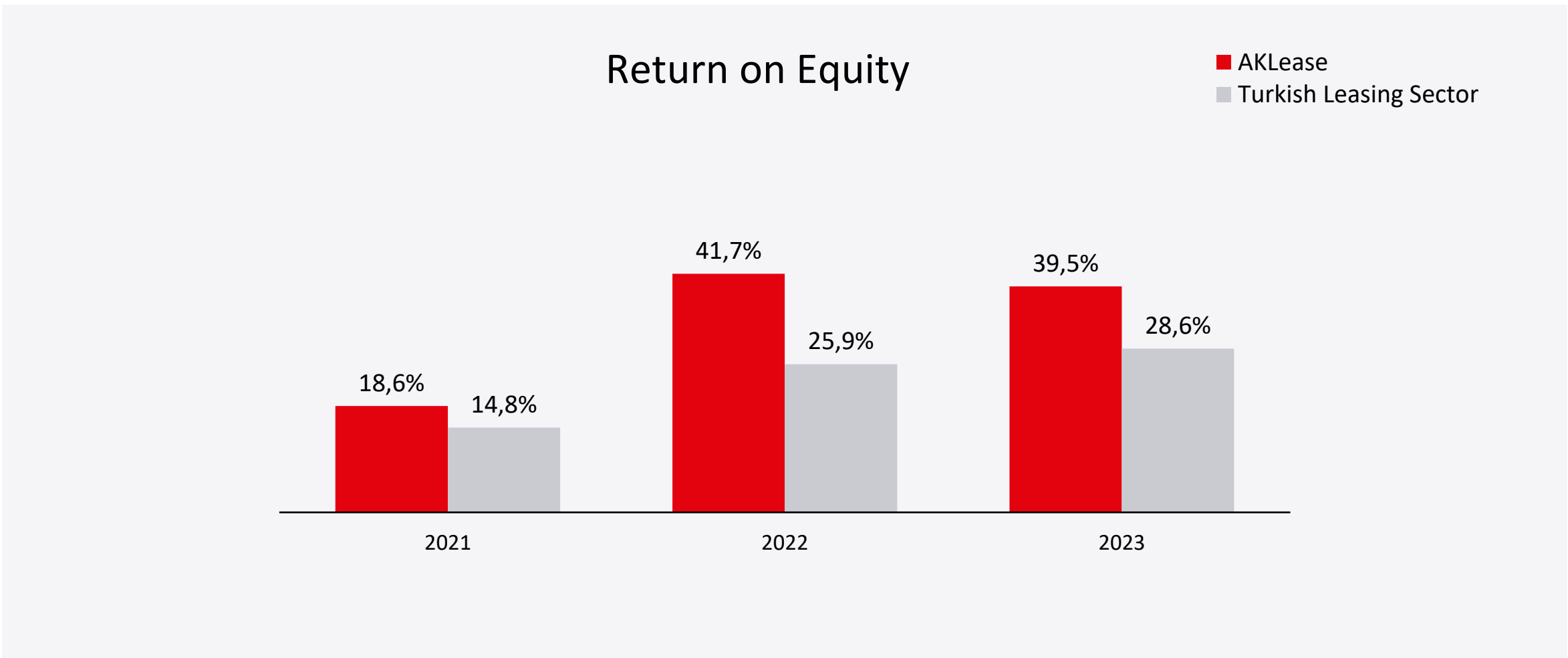
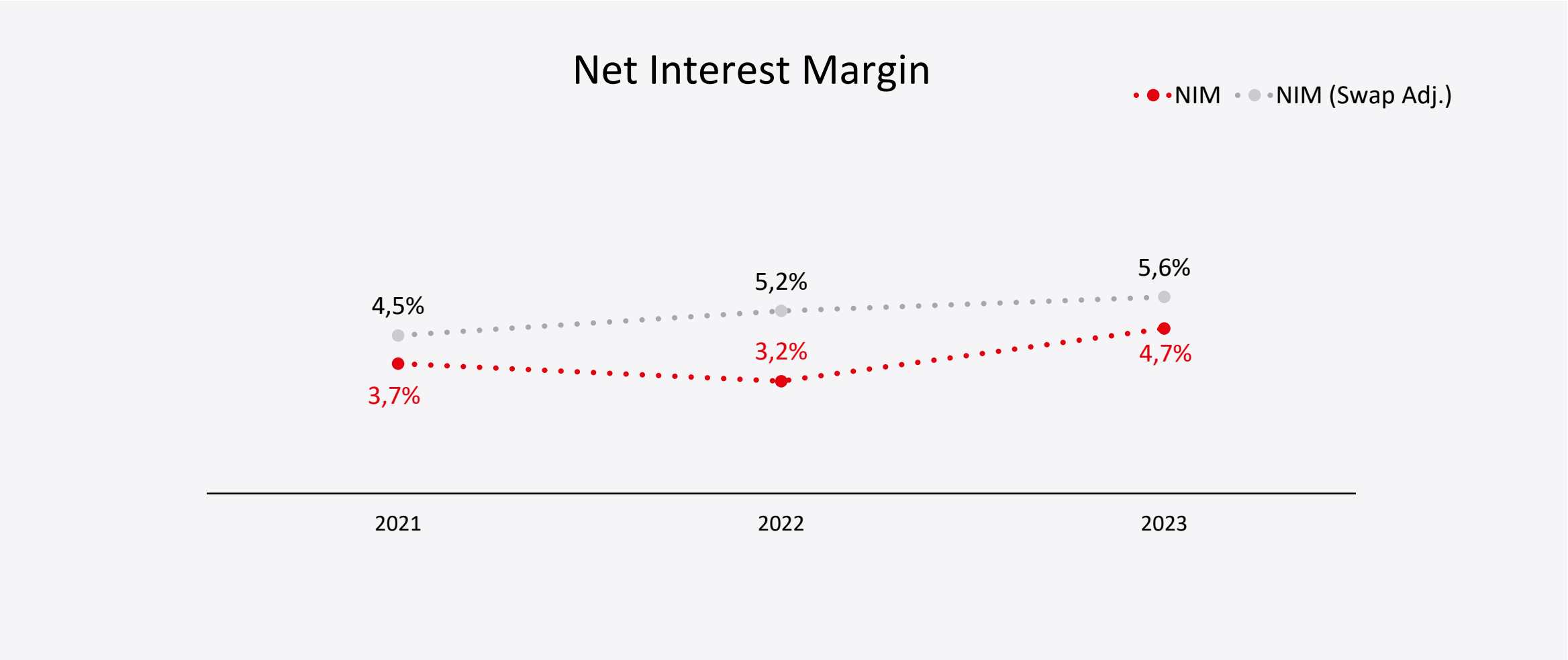
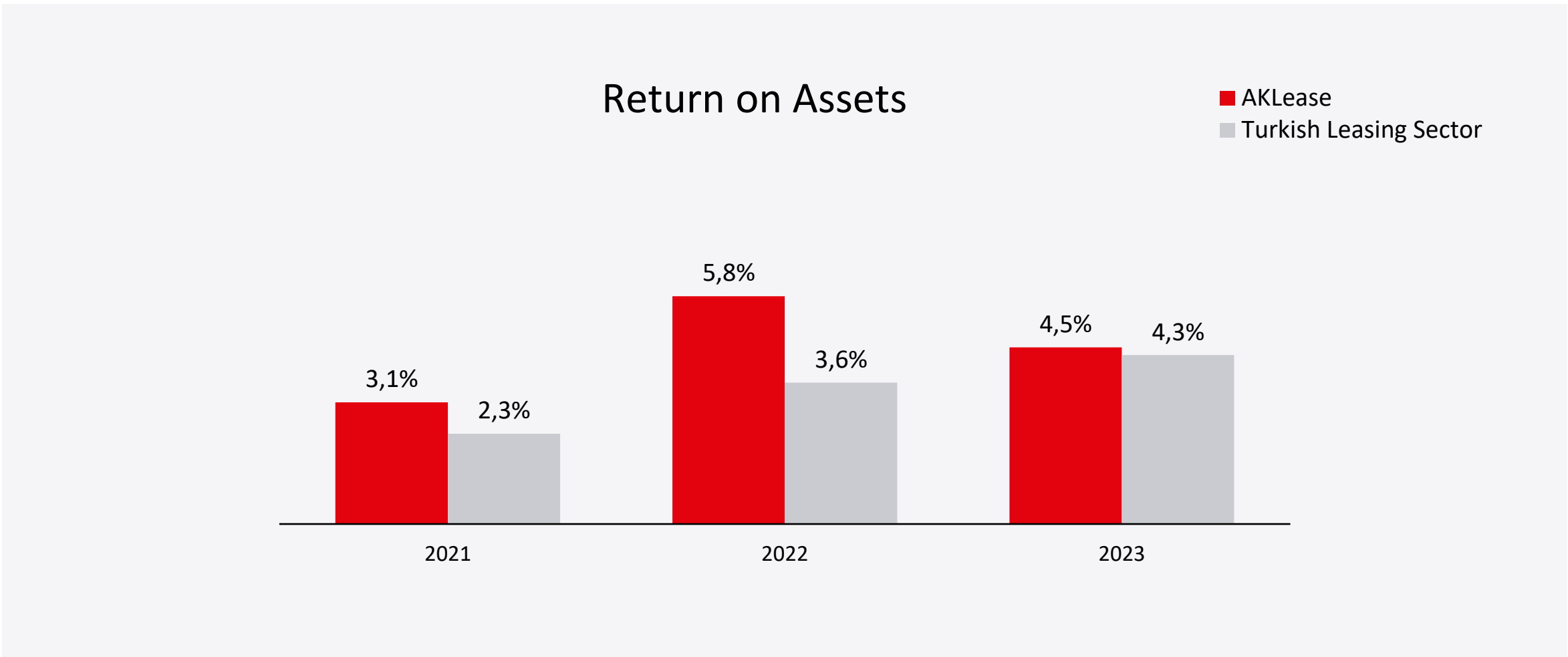
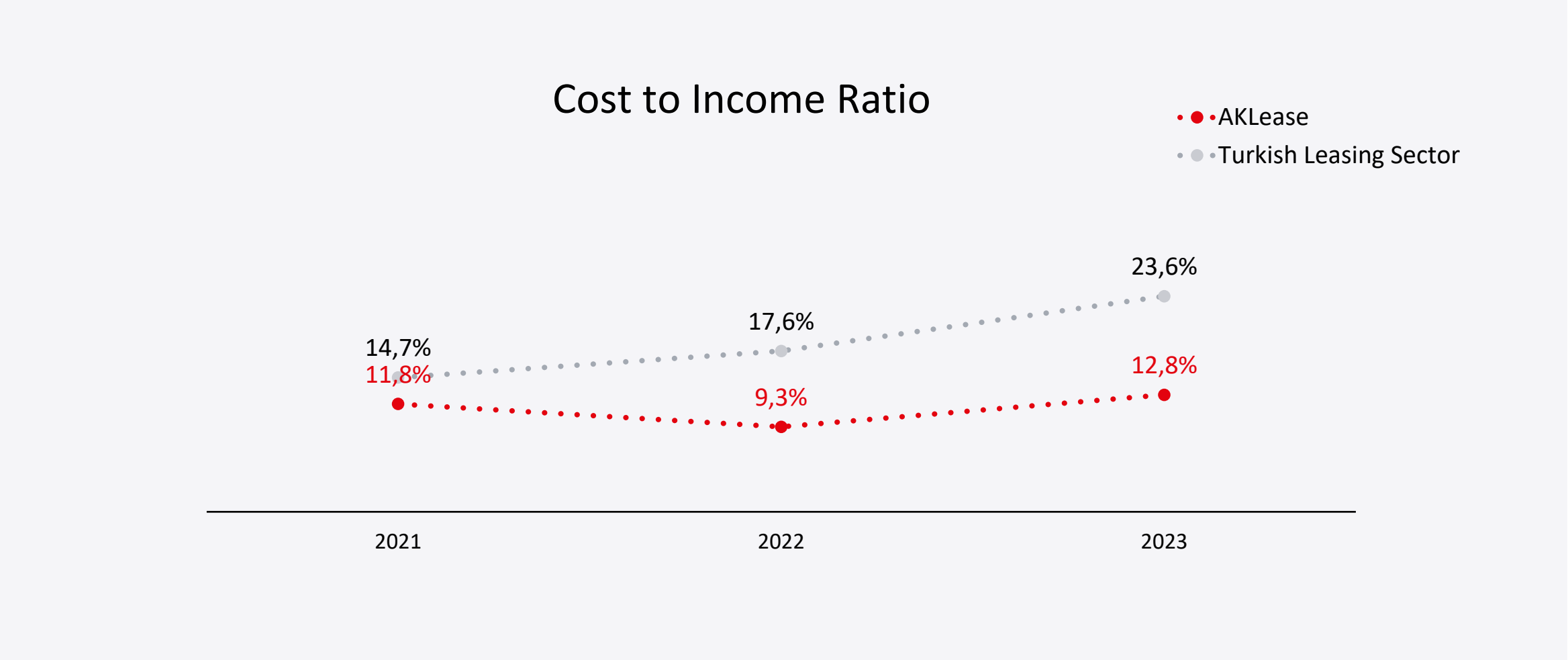
Key Performance Indicators(%)			
	2021	2022	2023
RoE	18,6	41,7	39,5
RoA	3,1	5,8	4,9
NIM	4,5	5,2	5,6
NPL	4,9	2,6	2,8
Cost of Credit	0,3	-0,9	0,1
Cost to Income	12,0	9,3	12,8

Well positioned in the market



Ranking*	2021	2022	2023
Return on Equity	1	1	2
NPL	2	2	2
Net Lease Receivables	4	4	4

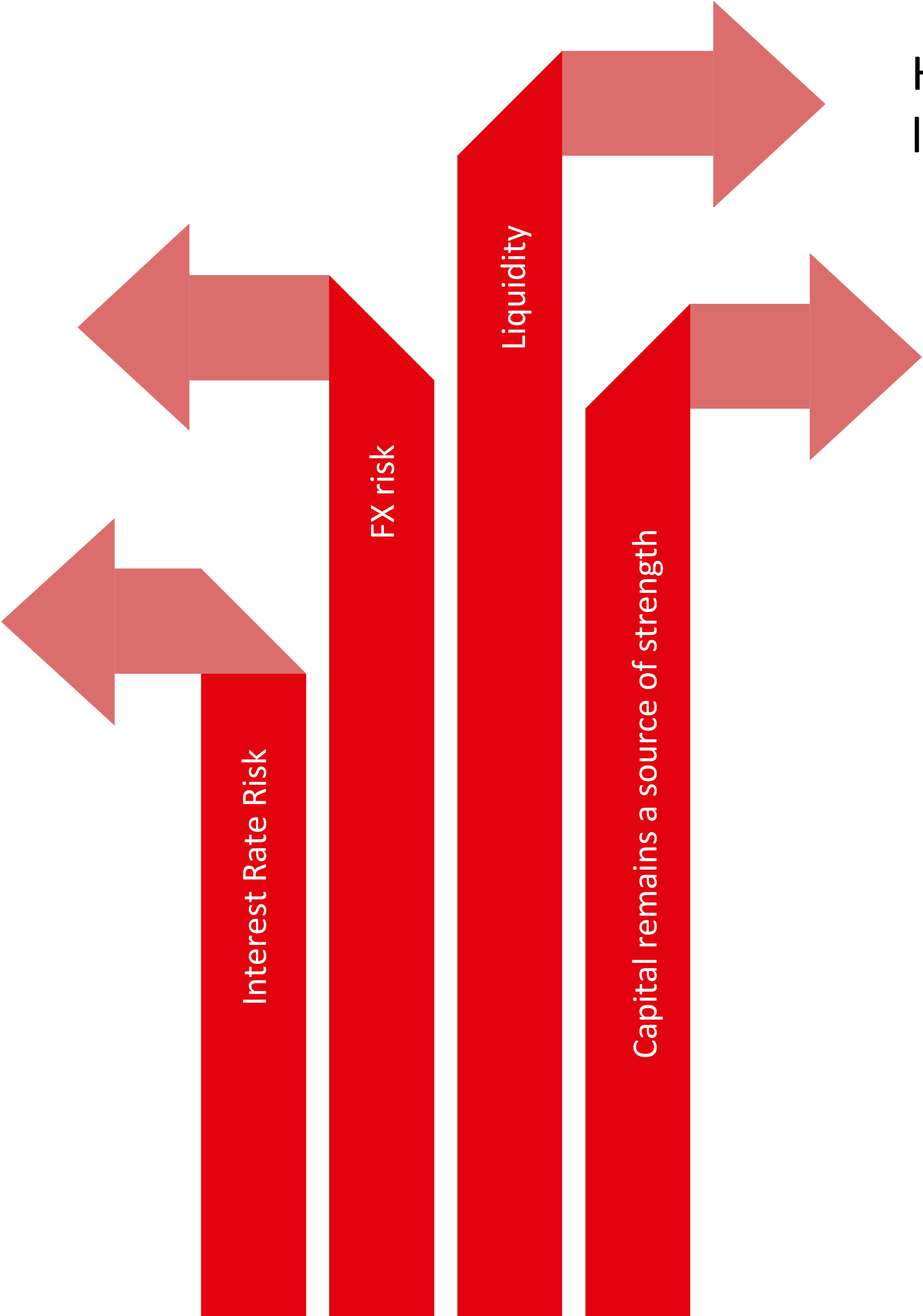
Strong operating performance



Strong resilience to financial risks

Minimal exposure to FX volatility as permitted internal limit is for FX position is maximum ± 7 mn USD

Fairly matched repricing maturities for FX funding vs investments. (Repricing gap below 4 months in FX side)



High liquidity buffer support loss-absorption capacity

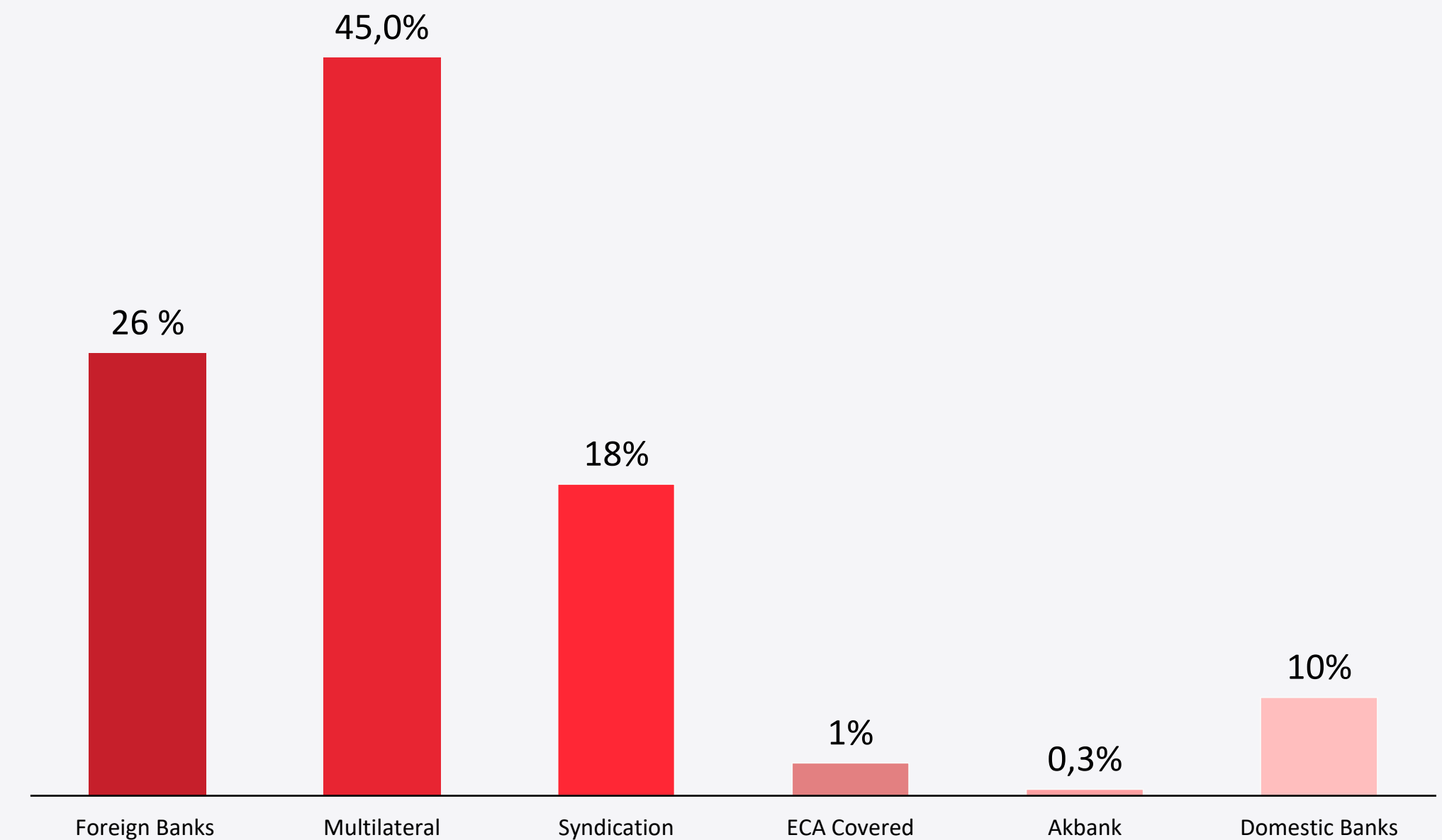
Strong capital position by internal capital generation

Well established wholesale funding profile

Successful Wholesale Borrowings

- ✓ EUR 25 mn, 2 years bilateral loan from EBRD for green finance and energy efficiency on September 2023.
- ✓ EUR 20 mn, 3 years loan from GGF for green finance investment on December 2023.

Profile of Wholesale Funding (2023)



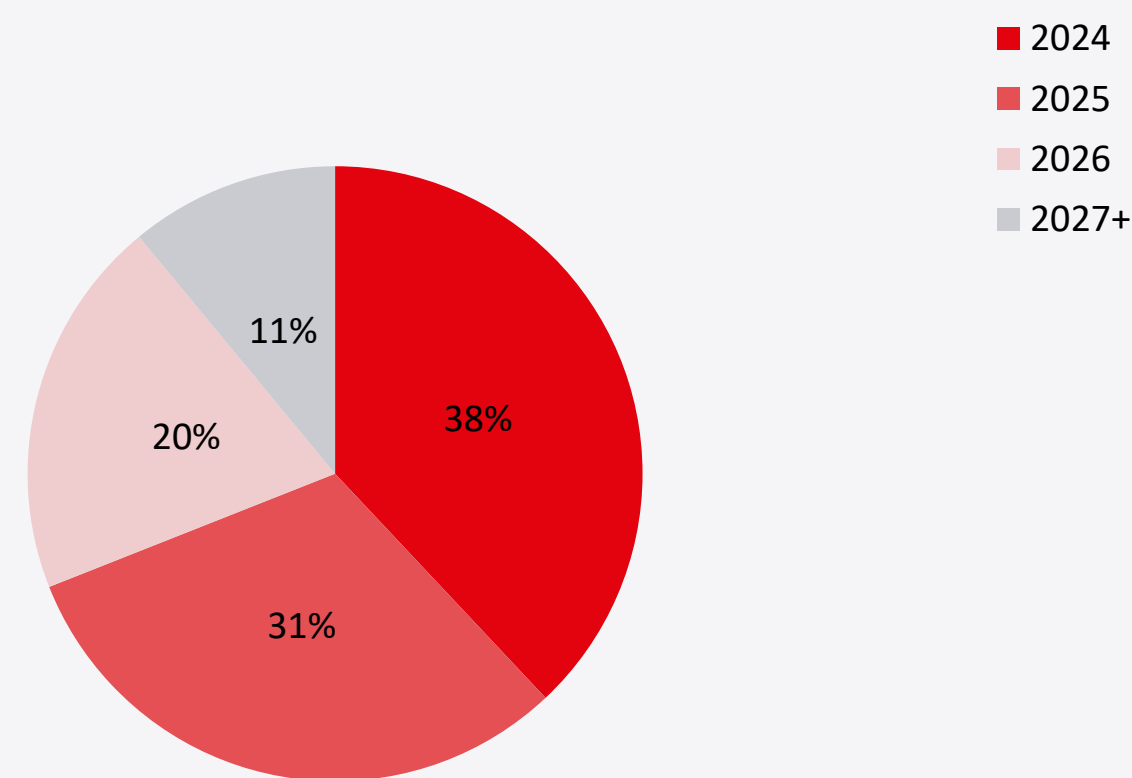
* Funding by Source FC (%)

* ECA Covered refers to loans obtained under coverage of export credit agencies.

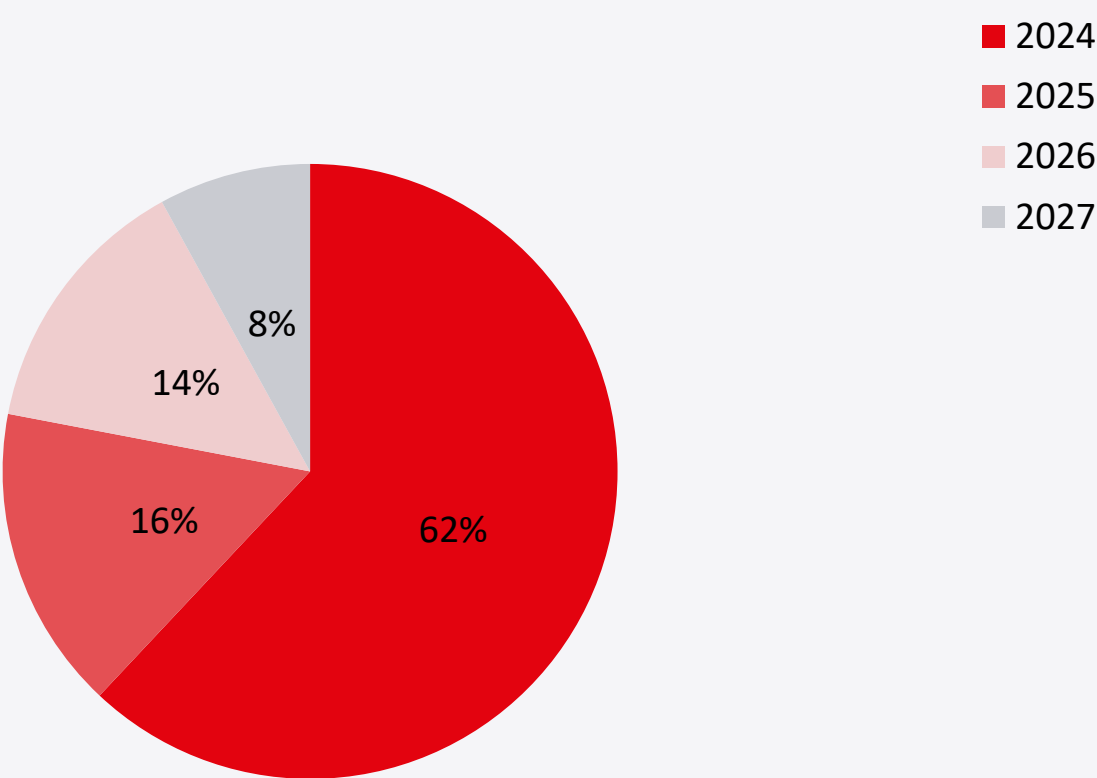
* Multilateral refers to loans provided by the multilateral financial institutions.

Maturity & currency breakdown

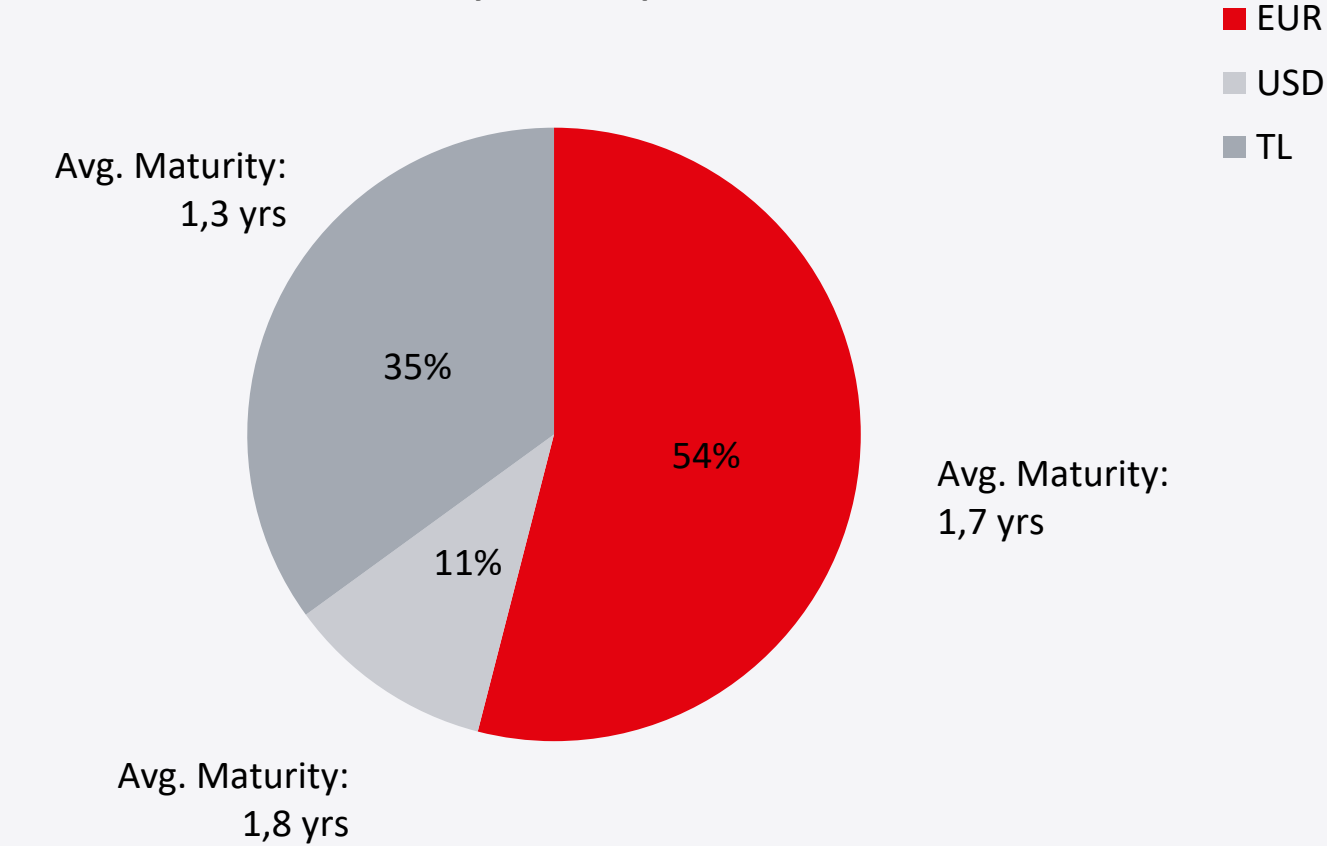
Portfolio Maturity (2023)



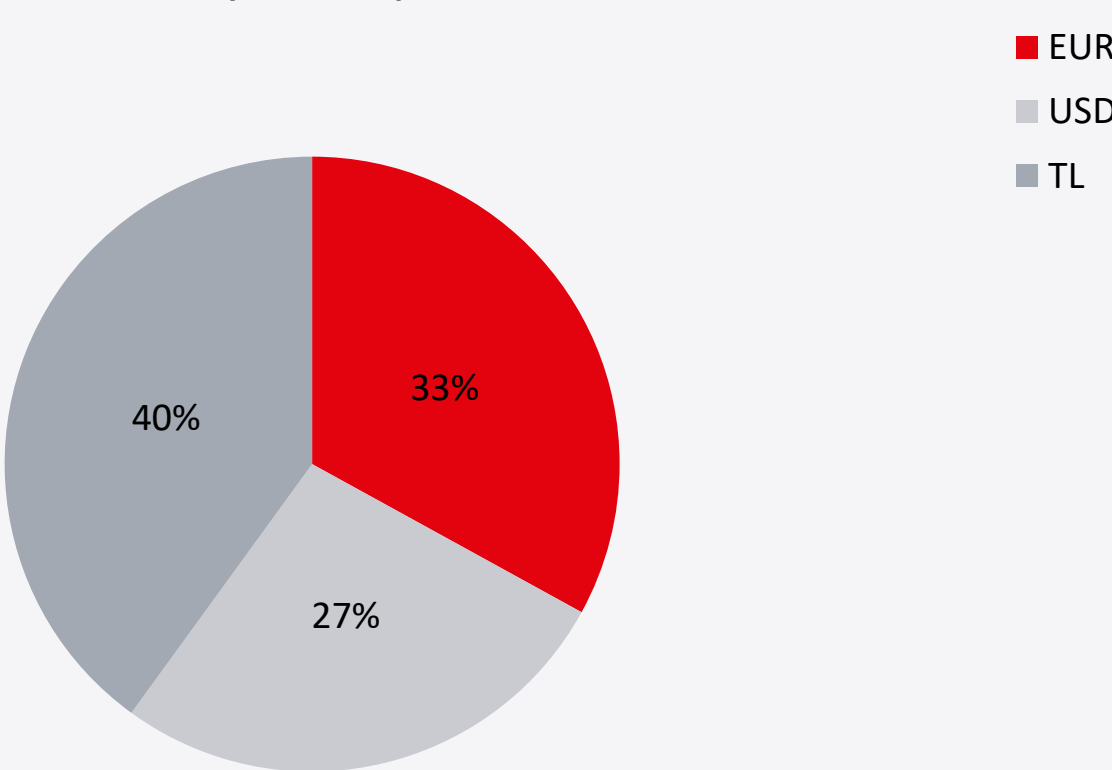
Funding Maturity Breakdown (2023)



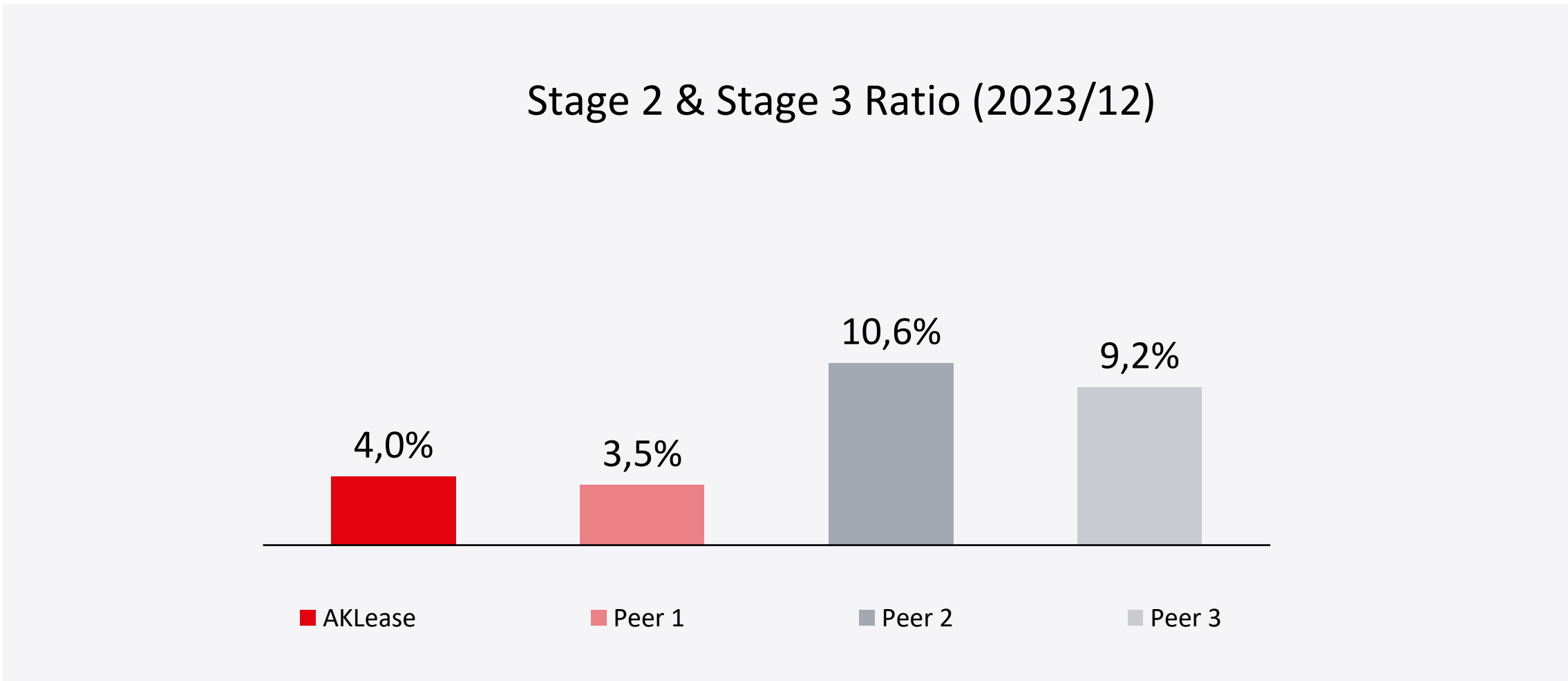
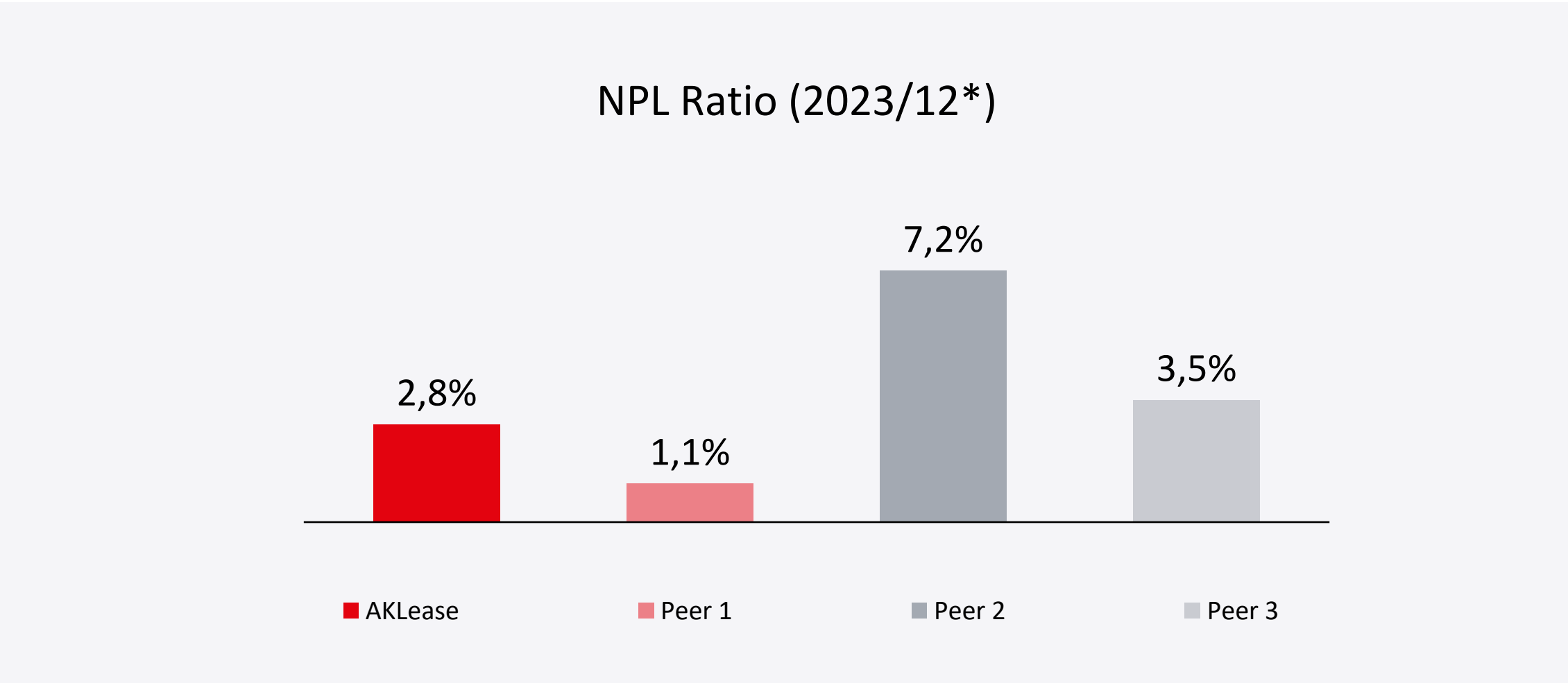
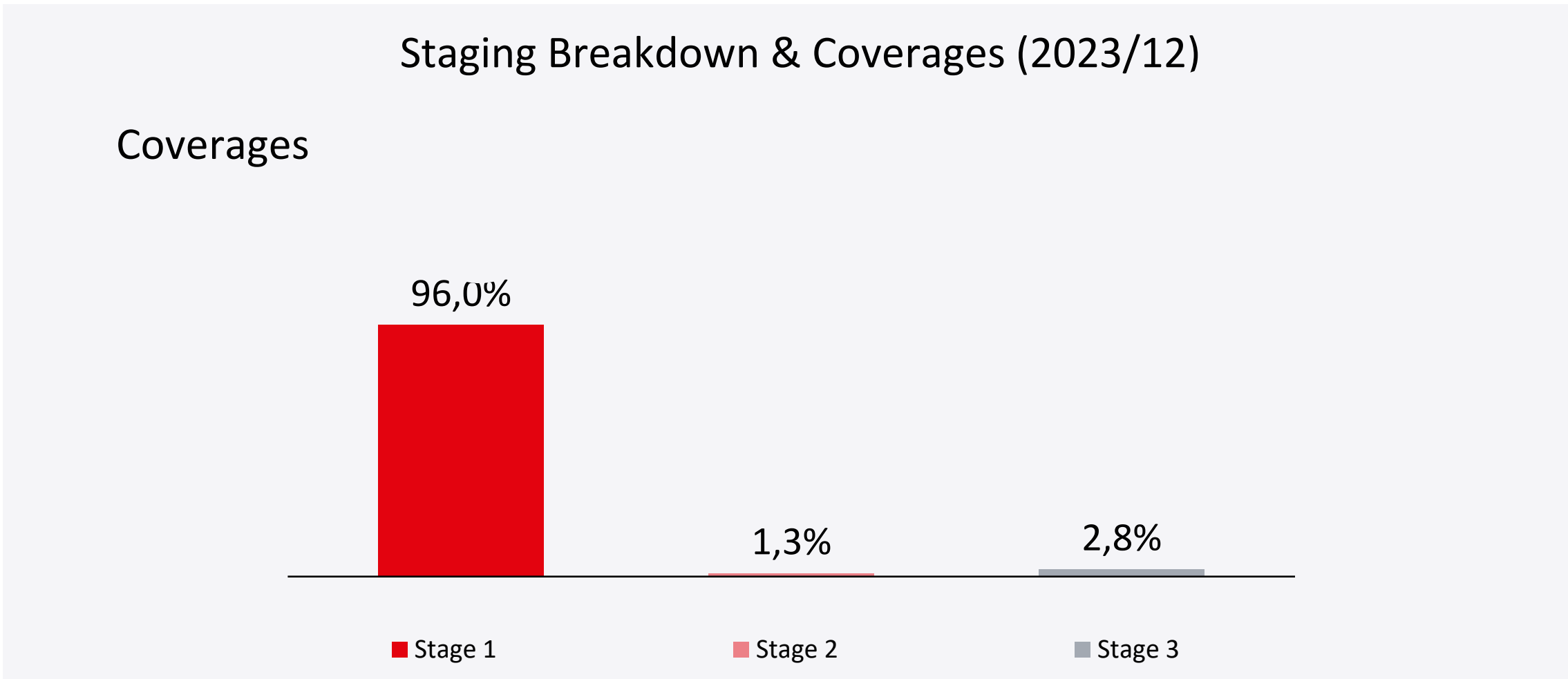
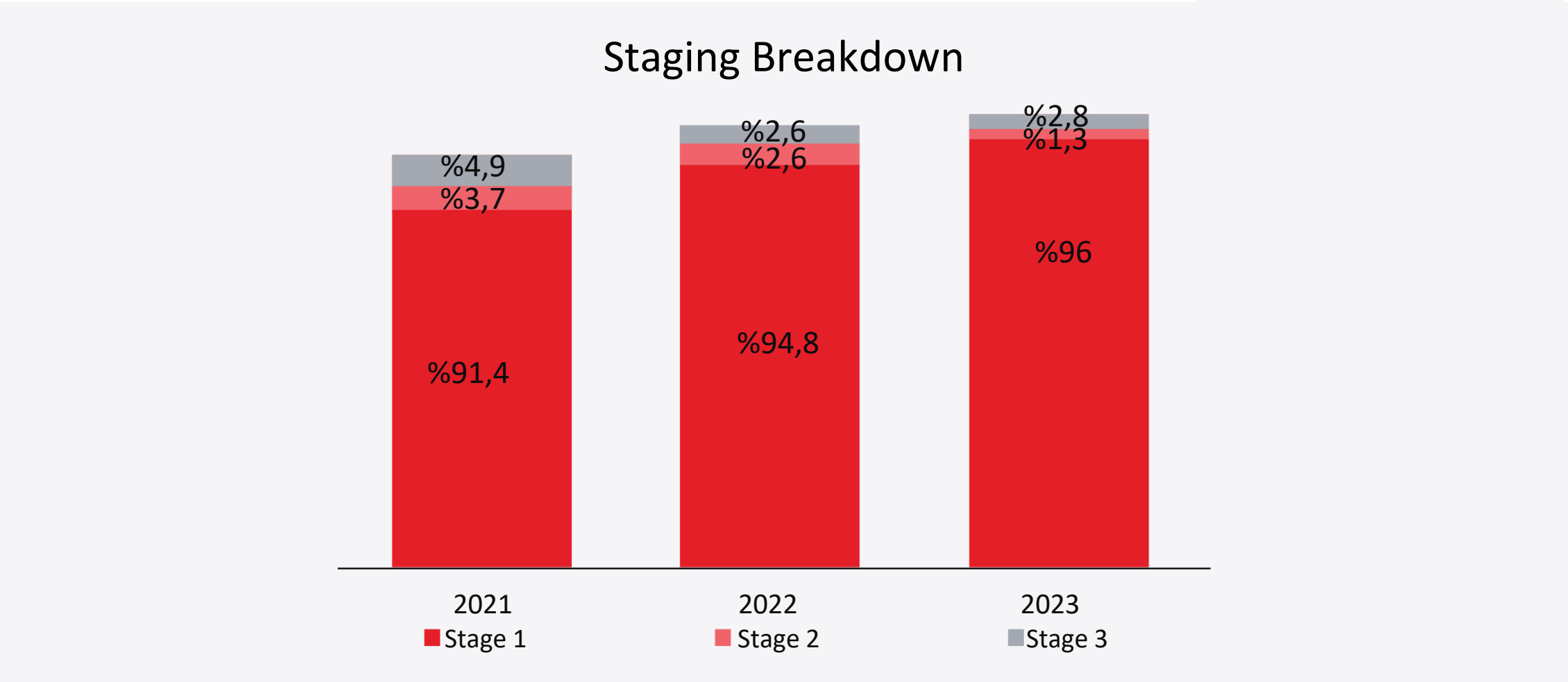
Portfolio Currency Composition (2023)



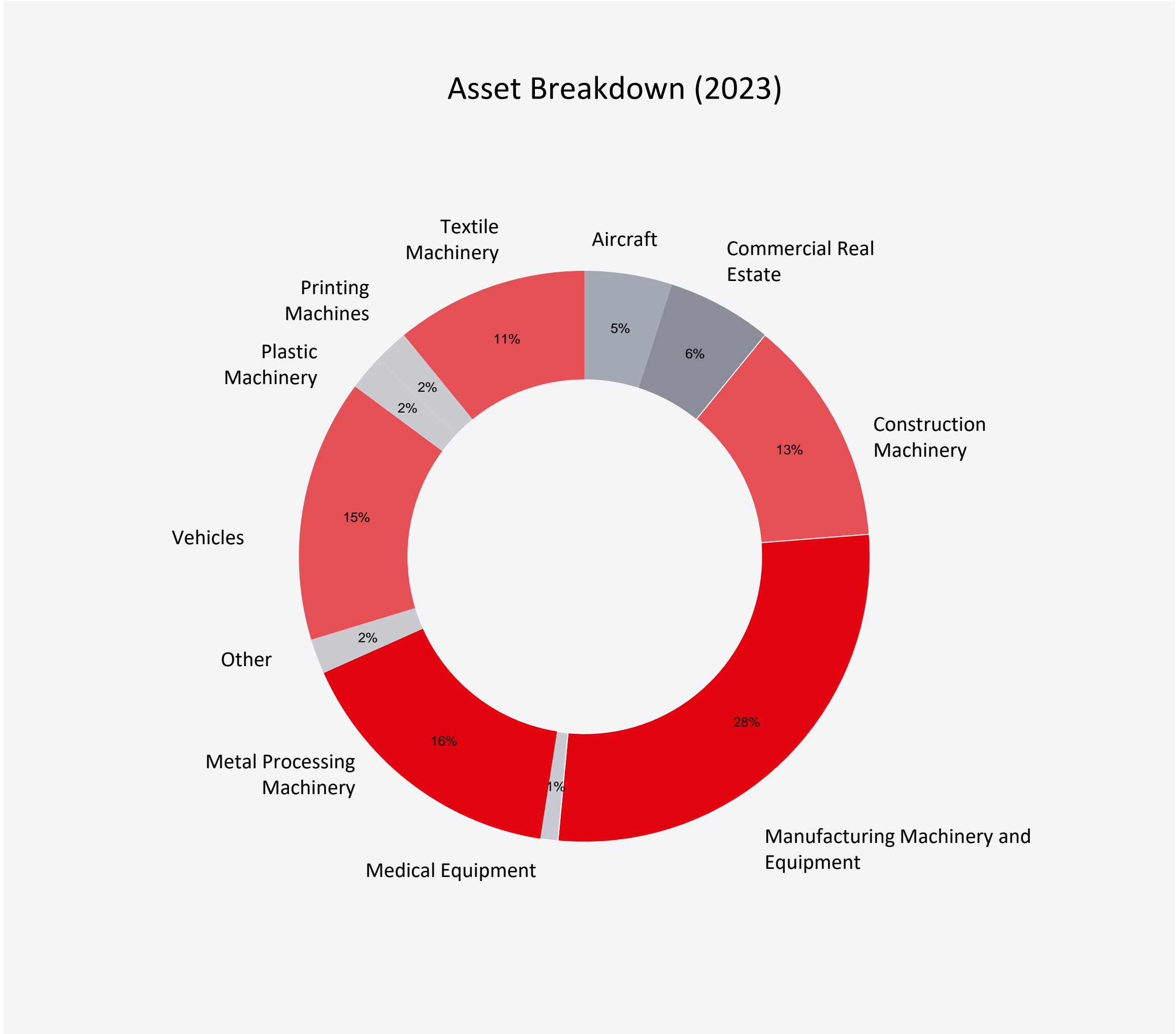
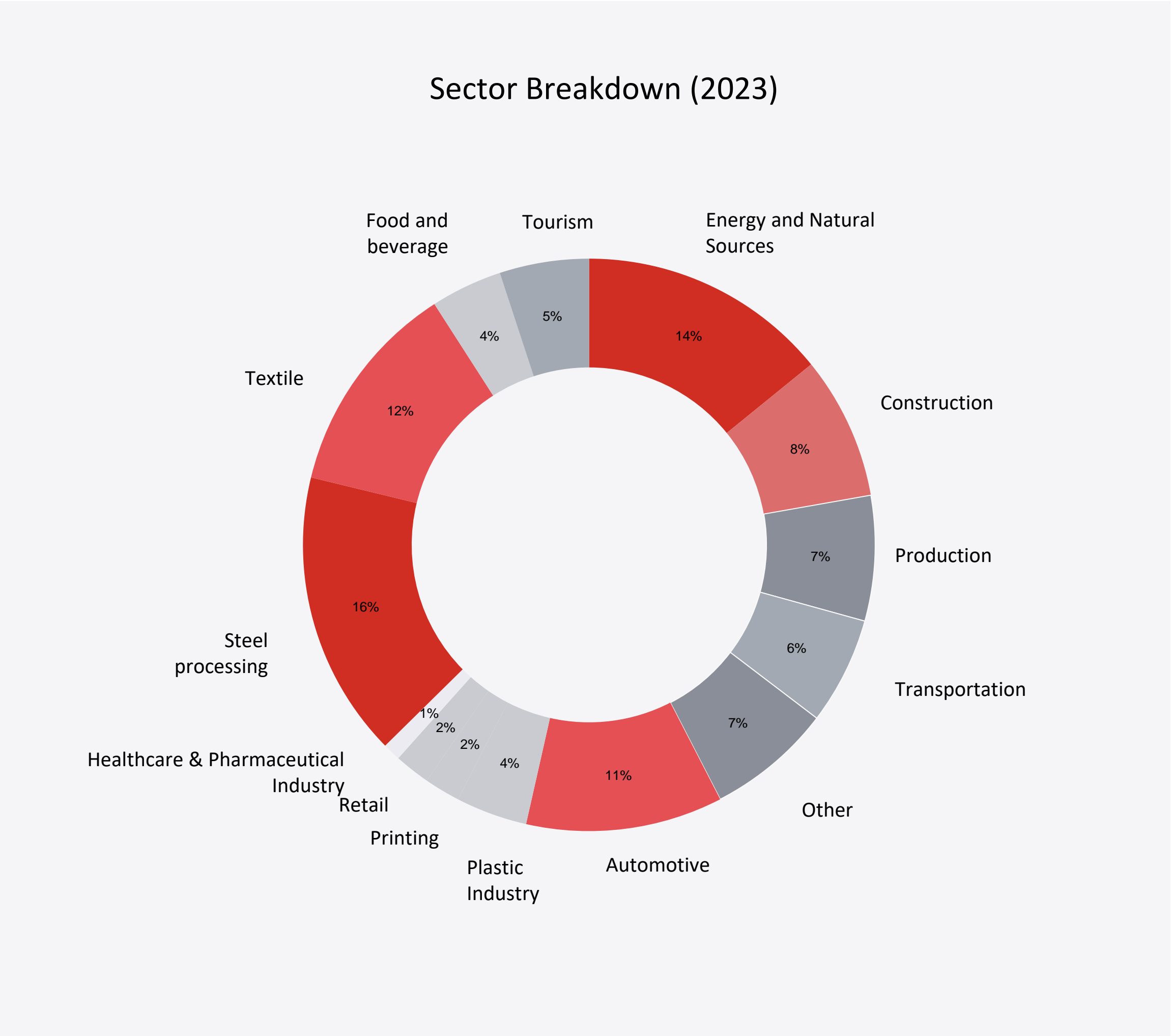
Funding Currency Composition (2023)



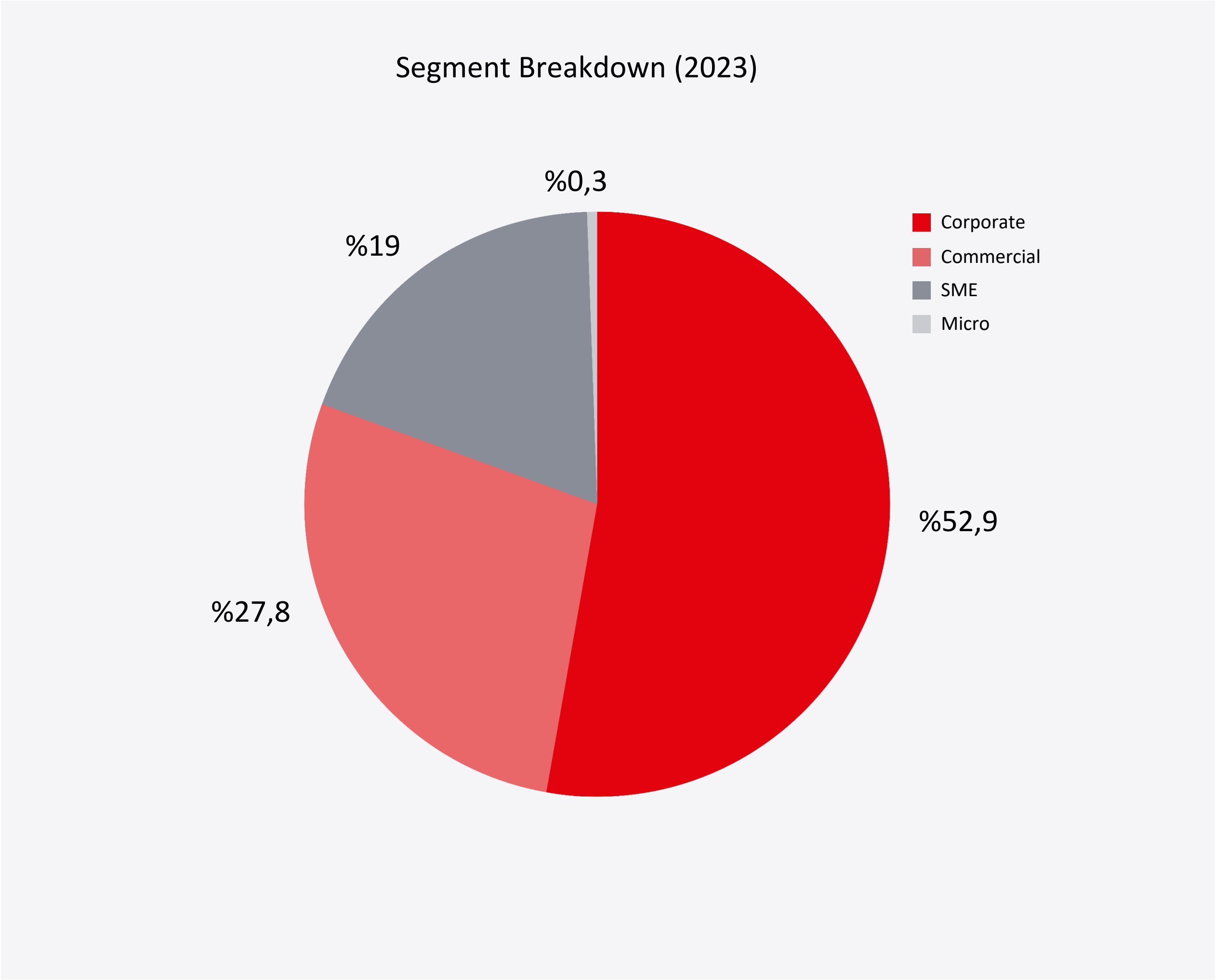
Asset quality, strong coverages



Balanced loan portfolio



Lease portfolio structure by segments



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Turkish financial leasing sector: Regulatory framework and key features

01 AKLease is a highly regulated entity; the Banking Regulation Supervision Agency (BRSA) is the main regulator of financial leasing sector in Turkey

02 Establishment and operation of financial leasing companies subject to separate authorisation from BRSA

03 Main legislation - Financial Leasing, Factoring and Financing Companies Law No. 6361 of 2012 (abolished the Financial Leasing Law No. 3226 of 1985)

04 Secondary legislation – Regulations and Communiqués issued by BRSA mainly relate to:

- ✓ Establishment and working principles of financial leasing companies
- ✓ Financial leasing agreements
- ✓ Accounting principles and financial statements

05 Key legal advantages of financial leasing: Ability to reclaim the asset on default (bankruptcy or otherwise), as legal and beneficial title is retained

06 Law No. 6361 of 2012 introduced the following additional features to financial leasing in Turkey:

- ✓ sale-leaseback, software leasing and leasing of complementary parts (e.g. aircraft's engine), are now allowed in Turkey;
- ✓ financial leasing companies are allowed to provide operating leases;
- ✓ there is no requirement for a minimum lease term, after which the legal ownership could be transferred to the lessee; and
- ✓ financial leasing companies are allowed to lend cash loans to customers at an amount not exceeding 1% of the total paid-in capital.

Investor Relations and Sustainability Team Contacts

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AKLease

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