2025 TSRS-Compliant Sustainability Report

Fibabanka

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About the Report

In line with its objective of creating long term value, Fibabanka A.Ş. aims to present the impact of climate and sustainability-related risks and opportunities on the Bank's financial position, performance, and cash flows in a transparent and comparable manner that supports decision-making. This report has been prepared to support the economic decision-making processes of all relevant parties, primarily investors, lenders, and other financial stakeholders.

Compliance with the Turkish Sustainability Reporting Standards (TSRS)

Following the publication of the Turkish Sustainability Reporting Standards (TSRS) in the Official Gazette on December 29, 2023, Fibabanka A.Ş., regulated and supervised by the Capital Markets Board, is obliged to prepare its reports in compliance with the TSRS as of January 1, 2024.

The Fibabanka 2025 TSRS Report, prepared within this scope, is compliant with TSRS 1 "General Requirements for Disclosure of Sustainability-related Financial Information" and TSRS 2 "Climate-related Disclosures" standards.

Link to Financial Disclosures (Connected Information)

The climate and sustainability-related financial information presented in this report has been prepared to ensure connectivity with Fibabanka’s financial statements. The financial impacts of sustainability-related risks and opportunities have been linked to the items in the financial statements where possible; the assumptions and measurement approaches used have been determined in accordance with financial reporting processes.

All financial data presented in this report is expressed in Turkish Lira (TL). This currency is consistent with the Bank's financial reporting currency.

Timing of Reporting and Location of Disclosures

The report covers financial and sustainability-related information for the accounting period from January 1 to December 31, 2025.

In line with the presentation structure outlined in TSRS 1 and TSRS 2, climate-related disclosures are structured under four main headings: governance, strategy, risk management, and metrics and targets. Within this framework, governance structures related to climate-related risks and opportunities are presented in the "Governance" section; the impact of these risks and opportunities on the business model and financial planning is presented in the "Strategy" section; the processes for identifying, assessing, and managing these risks and opportunities are presented in the "Risk Management" section; and the relevant performance indicators and targets are presented in the "Metrics and Targets" section.

Transitional Provisions

TSRS provides certain transitional exemptions for the initial reporting period in which the standards are applied. The Public Oversight Board (KGK), with its Board Decision No. 33123 dated December 30, 2025, extended certain transitional exemptions for one more year.

In this context, Fibabanka A.Ş. benefits from the transitional exemptions under TSRS 1 (E4, E5 and E6(b)) and TSRS 2 (C4.b) for the 2025 reporting period.

TSRS 1 E4: The report is published after the financial statements for the period January 1 – December 31, 2025 is issued.

- TSRS 1 E5: The report includes disclosures only on climate-related risks and opportunities.
- TSRS 1 E6(b): While the report discloses climate-related risks and opportunities, it does not provide comparative information on risks and opportunities related to other sustainability-related matters.
- TSRS 2 C4(b): The report does not include disclosures on Scope 3 emissions, including financed emissions. In accordance with the "Board Decision on the Turkish Sustainability Reporting Standards", published in the Official Gazette dated December 29, 2023, and numbered 32414, a transitional exemption is granted for the disclosure of Scope 3 greenhouse gas emissions for the first two reporting years for companies transitioning to TSRS for the first time. Accordingly, the Bank has elected to apply this exemption.

Reporting Boundaries and Measurement Approach

The scope of Fibabanka's 2025-TSRS Compliant Sustainability Report includes all subsidiaries subject to consolidation. Sustainability-related risk analyses, target setting processes, and monitoring of TSRS indicators are fully aligned with the financial statements presented in Fibabanka's 2025 Annual Activity Report. These activities, reported using the full consolidation method, include the subsidiaries Fiba Yatirim Menkul Degerler A.Ş. and Fiba Portföy Yönetimi A.Ş., as well as the affiliates HDI Fiba Emeklilik ve Hayat A.Ş. and Fiba Sigorta A.Ş., which are accounted for using the equity method.

In preparing the report, Volume-16 Commercial Banks of the TSRS 2 Industry-based Guidance was taken into consideration, as relevant to the Bank's activities. Accordingly, industry-specific sustainability-related topics and metrics have been included, while metrics not directly relevant to the Bank's business model have been excluded.

Assumptions, Estimations, and Uncertainties

The financial disclosures related to climate and sustainability presented in this report inherently contain assumptions, estimates, and forward-looking assessments. In particular, the climate change related analyses take into acount the macroeconomic indicators, regulatory developments, carbon pricing, technological transformation dynamics, and internationally accepted climate scenarios. The assumptions used within this framework are based on the most current data and information sets available, however, they inherently contain significant uncertainties which may cause . Therefore, the estimates presented in this report and the actual results to differ.

Principle of Neutrality

The information presented in this TSRS-Compliant Sustainability Report, published by the Bank for the second time, has been subject to a limited assurance engagement by the independent audit firm KPMG Bağımsız Denetim ve Serbest Muhasebesi Mali Müşavirlik A.Ş. This assurance work was carried out within the framework of Assurance Audit Standard 3000 "Assurance Audits Other Than Independent Audits or Limited Audits of Historical Financial Information" and Assurance Audit Standard 3410 "Assurance Audits Relating to Greenhouse Gas Declarations" published by the KGK.

The Independent Auditor’s Limited Assurance Report can be found on page 36.

This report, covering Fibabanka's sustainability strategy, performance, and future targets, aims to provide all stakeholders with accessible, reliable, and comparable data. For comments, questions, and feedback regarding the report, please contact **fibabankasurdurulebilirlik@fibabanka.com.tr**

About Fibabanka

Fibabanka joined Fiba Group, a well-established group with a longstanding presence, on December 27, 2010, following Fiba Group's acquisition of the shares of Millenium Bank A.Ş. from Millennium BCP Participações SGPS. Subsequently, the Bank was renamed Fibabanka A.Ş. following the Extraordinary General Assembly Meeting held on April 25, 2011.

As of the end of 2025, Fiba Holding A.Ş. holds the majority stake in Fibabanka with a share of 69.36%. As the remaining shareholders, International Finance Corporation (IFC) holds 6.21%, the European Bank for Reconstruction and Development (EBRD) holds 8.96%, TurkFinance B.V. (Franklin Templeton) holds 9.95% and the Bank's senior executives hold 5.52% of the Bank's shares.

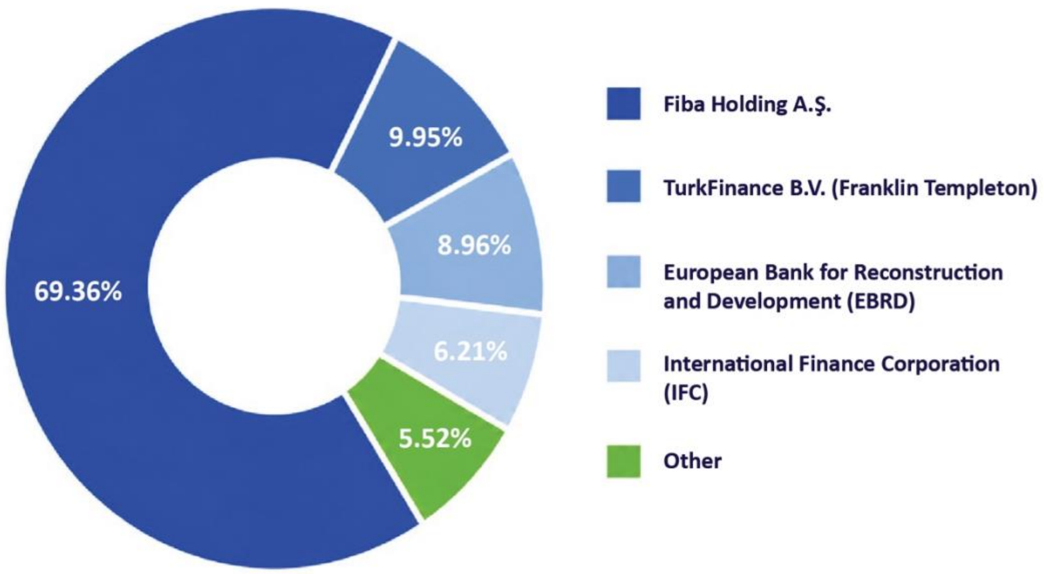

Figure 1: Fibabanka Shareholder Structure (as of the end of 2025)

Since its establishment, Fibabanka has operated with a sense of social responsibility and commitment to creating sustainable value for all its stakeholders. The Bank has built its core strategy around three fundamental pillars: high customer satisfaction, employee engagement, and return on equity. In line with its vision of becoming a "technology company with a banking license," the Bank operates with a service approach that prioritises speed, agility and accessibility and invests in advanced technology to design financial solutions that address the current and future needs of its customers. Within this scope, the Bank aims to provide a lean, fast, and seamless experience by digitalizing all banking services end-to-end, and extends its services to all digital and physical touchpoints where customers are present guided by its "Being wherever the customer is" strategy. This approach supports financial inclusion while contributing to the development of a robust digital ecosystem that enables sustainable growth.

In addition to its network of 35 branches and digital banking channels, the Bank provides banking services through 12,000 physical and online points of sale, supported by partnerships with more than 50 well-known retail brands in Türkiye. Through this extensive network, the Bank has established a broad and robust ecosystem encompassing the digital and physical touchpoints where its customers are present. Additionally, as the first bank in Türkiye to implement Banking-as-a-Service (BaaS) model, Fibabanka has expanded its activities in financial accessibility and sustainable growth by enabling its partner's (Getir) customers to easily access banking services through the GetirFinans mobile application.

Fibabanka's year end 2025 consolidated financial results and key solo operational indicators are presented in the table below.

	31.12.2024 (Million TL)	31.12.2025 (Million TL)
Assets	130,199	192,424
Loans (Net)	66,638	100,124
Customer Deposits	82,287	117,164
Shareholders' Equity	15,770	20,985
Net Profit	6,364	6,081

	31.12.2024	31.12.2025
Number of Employees	1,684	1,571
Number of Branches	38	35
Total Number of Customers (thousand)	7,341	9,495

Table 1: Consolidated Financial Results and Bank-Only Operational Indicators as of Year-End 2025

According to Fibabanka's BRSA consolidated financial statements as of December 31, 2025, the subsidiaries and affiliates subject to consolidation are presented in the table below.

Type	Company	Country of Operation	Area of Activity	Ownership 2024	Ownership 2025
Affiliate	**HDI Fiba Emeklilik ve Hayat A.Ş.**	Türkiye	Insurance	40%	40%
Affiliate	**Fiba Sigorta A.Ş.**	Türkiye	Insurance	50%	50%
Subsidiary	**Fiba Portföy Yönetimi A.Ş.**	Türkiye	Investment Services	99%	99%
Subsidiary	**Fiba Yatırım Menkul Değerler A.Ş.***	Türkiye	Investment Services		100%

** Fiba Yatırım Menkul Değerler A.Ş. commenced operations in 2025.*

Table 2: Subsidiaries and Affiliates Subject to Consolidation

Business Model and Value Chain

Fibabanka's business model is based on making financial services accessible to its customers through digital and physical channels. This approach contributes to sustainable value creation by improving customer experience, expanding the customer base, and increasing revenue diversification.

In preparing its climate-related financial disclosures, Fibabanka has considered its entire value chain, including its own operations and the consolidated subsidiaries and affiliates. In assessing climate-related risks and opportunities, the Bank has taken into account the current and projected impacts on its business model and value chain.

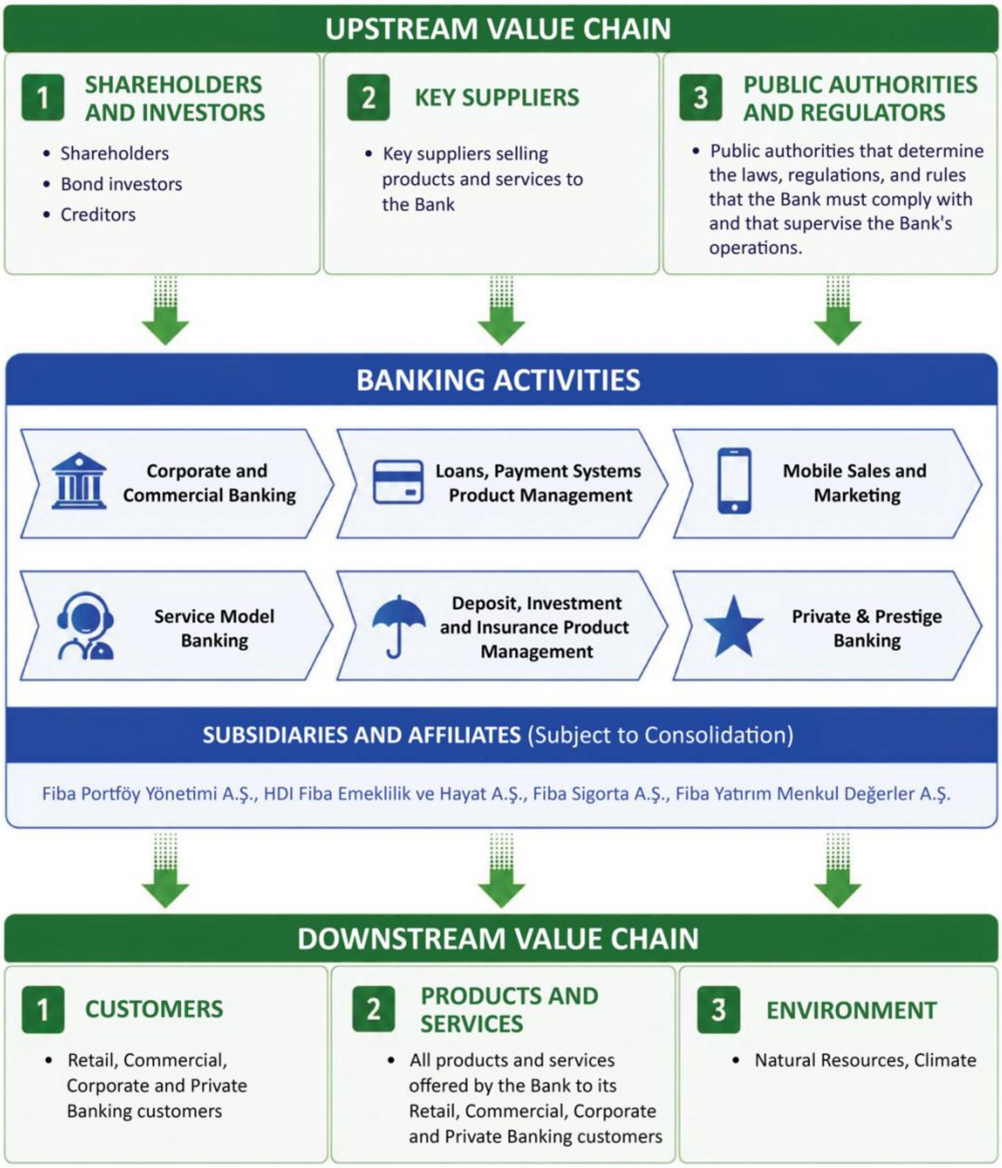

Figure 2: Fibabanka Value Chain

GOVERNANCE

Corporate Governance

Fibabanka aims to create sustainable value and generate long-term impact for all its stakeholders through an effective governance structure based on corporate governance principles. The Bank's governance processes are guided by the principles of transparency, accountability, participation, and ethics. Contributing to the Sustainable Development Goals (SDGs) is considered a strategic priority; accordingly, particular importance is placed on the integration of sustainability governance into the Bank's overall governance structure.

Fibabanka's internal sustainability governance mechanism is structured across multiple levels. This structure operates under the leadership and responsibility of the Board of Directors, through the effective collaboration of committees reporting to the Board and working groups under these committees, comprised of representatives from different business units. Thanks to this structure, sustainability activities are not only considered a policy area but also a strategic element integrated into decision-making processes, supporting the integration of sustainability-related matters with the Bank's overall strategy and increasing sustainability awareness across the organisation.

Authorities and Responsibilities in Governance

Oversight and Guidance Function of the Board of Directors

The Board of Directors, as Fibabanka's highest decision-making body, is responsible for setting the Bank's long-term strategic direction, overseeing all risks, including sustainability and climate-related risks and opportunities, and shaping a stakeholder-oriented governance approach. In determining the Bank's sustainability strategy, the Board considers stakeholder expectations as well as the Sustainable Development Goals (SDGs), climate action, digital transformation and inclusive economic growth. The priority areas identified in this context serve as key reference points in the Bank's long-term value creation process.

The Board of Directors also supports the integration of environmental, social, and governance strategies into the Bank's strategic decision-making and implementation processes and leads the way in establishing the necessary organisational structures to this end. The corporate structure established under the supervision of the Board of Directors operates with a holistic approach encompassing policy development, risk analysis, target setting, implementation, and performance evaluation processes in the field of sustainability.

In order to increase the effectiveness of these processes, committees and working groups reporting to the Board of Directors were established. Through this structure, issues related to the sustainability agenda are regularly addressed and relevant guidance is provided. As part of its risk oversight responsibility, the Board of Directors regularly reviews and approves the potential impacts of sustainability and climate risks on the Bank's strategy and financial performance, and the progress of action plans to address these risks, at least once a year, through presentations and briefings at board or committee meetings. The Board also closely monitors developments in these areas through periodic reports, performance indicators, and internal audit results and ensures that strategic actions are taken and policies or processes are updated as needed.

The effective management of sustainability-related matters within this governance structure is safeguarded by the Board of Directors' oversight and strategic direction.

Competency Management

Fibabanka recognises the skills and competencies of the Board of Directors and committee members as a key element in ensuring the effective management of sustainability and climate-related risks and opportunities and their integration into the Bank's overall strategy.

The Board of Directors includes a member with high-level knowledge and experience in sustainability, who has held positions in leading associations and non-governmental organisations (NGOs), and who also chairs the Sustainability Committee. To ensure this expertise is maintained throughout the Bank, briefings are given in the committees, training programmes are organised, and independent external expert support is sought when needed.

Committees Supporting the Board of Directors

Within Fibabanka's corporate governance structure, committees are established to support the Board of Directors in fulfilling its oversight responsibilities. These committees provide specialised expertise in areas including sustainability, risk management, audit and strategy, contributing to an integrated approach to decision-making. Regular communication and information sharing among the committees support the alignment of the Bank's sustainability approach with its overall strategy and, in particular, the integration of climate-related risks and opportunities into the Bank's overall risk management framework.

The relevant committees periodically report their assessments, internal control findings and strategic recommendations to the Board of Directors, providing the Board with relevant information to support its oversight and decision-making responsibilities. The coordination and information-sharing mechanisms established across these governance bodies also support the consistent integration of sustainability-related matters across the Bank and contribute to enhancing sustainability awareness throughout the organisation.

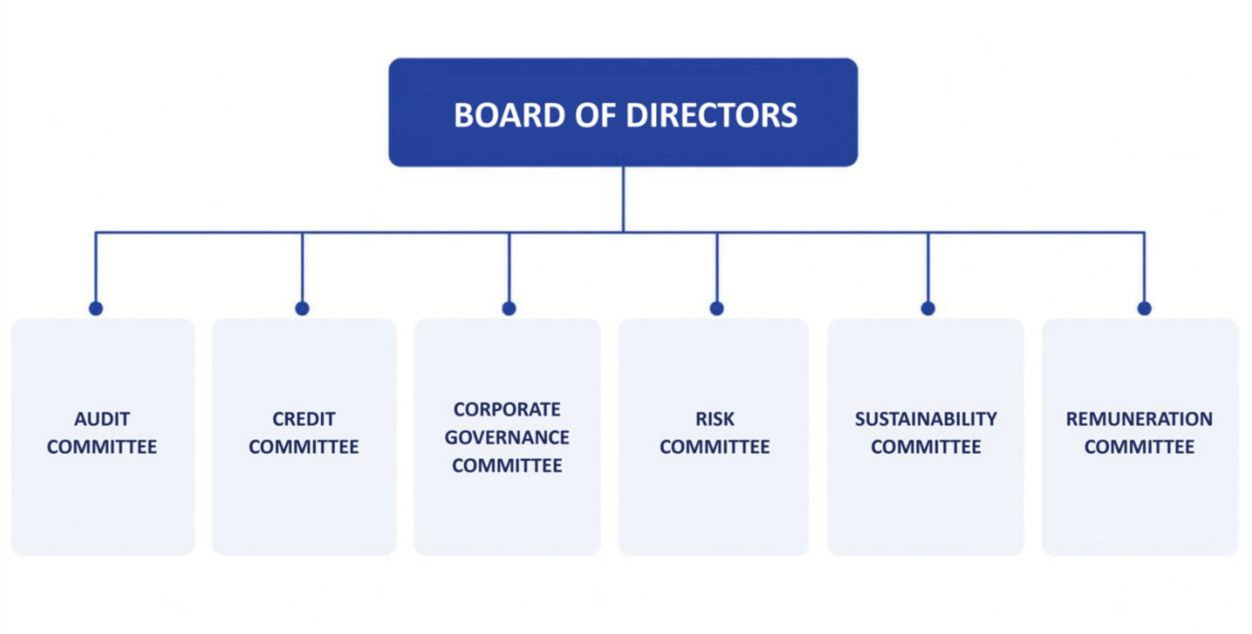

Figure 3: Committees Supporting the Board of Directors

SUSTAINABILITY GOVERNANCE

Following the establishment of the Sustainability Committee and working groups in 2024, the Bank strengthened its sustainability governance structure in 2025 by updating its policies and procedures. This structure ensures that all units involved effectively monitor, challenge, and address the Bank's sustainability and climate strategy, objectives, and risk management processes with a holistic approach so that relevant decisions properly affect the Bank's long-term financial performance.

Thanks to this governance structure, sustainability has become a strategic element integrated into Fibabanka's decision-making mechanisms; it ensures increased corporate awareness and the widespread adoption of sustainable value creation throughout the organisation.

Departments Involved in Sustainability Governance

Sustainability and climate-focused governance practices are managed across the Bank in an interdisciplinary manner, coordinated by the Sustainability Department.

Sustainability Department

The Sustainability Department is responsible for coordinating sustainability activities across the Bank and reports to the Assistant General Manager responsible for Financial Institutions, Investor Relations and Sustainability.

The department follows up sustainability trends and legislative changes, informs all relevant units in the Bank, and ensures that necessary actions are taken; organizes the work carried out by the Sustainability Committee Working Groups reporting to the Sustainability Committee; sets the agenda of the Sustainability Committee, ensures that the Committee is updated with the progress in this working groups and follows up on the decisions taken by the committee.

The Sustainability Department is also responsible for the effective establishment and development of the Bank's and its subsidiaries' greenhouse gas emissions data system, as well as data consolidation.

Risk Management Department

The Risk Management Department is responsible for identifying, monitoring, and assessing sustainability risks, including physical and transition risks related to climate change, to which the Bank may be exposed.

The department conducts risk assessment processes supported by stress tests and scenario analyses; reports to the Risk Management Committee based on the findings and recommendations; and contributes to the adoption of necessary managerial actions.

Sustainability Committee

The Sustainability Committee is responsible for coordinating sustainability and climate-related activities across the Bank, ensuring that the Bank's activities are aligned with its sustainability strategy and targets in accordance with the Sustainability Policy approved by the Board of Directors, and regularly assessing climate-related targets and opportunities.

The committee members, appointed by the Board of Directors, consist of senior executives with expertise in environment, energy management, corporate social responsibility, risk management, and various business functions. The Committee also includes two Board members, one of whom is the Chief Executive Officer (CEO). Detailed information about the members can be found on pages 63, 64 and 65 of the 2025 Fibabanka Annual Report under the heading "Information on Board of Directors Committees and Members' Attendance at Meetings".

The key responsibilities of the Sustainability Committee include:

- developing the Bank's sustainability strategy in alignment with its overall business strategy, overseeing the setting of climate-related targets, monitoring the Bank's performance against these targets and identifying areas for improvement;
- assessing and managing climate-related opportunities;
- ensuring the integration of sustainability-related policies into the Bank's business processes;
- assessing opportunities for collaboration on sustainability-related matters between the Bank and its subsidiaries; monitoring national and international sustainability-related regulatory developments and ensuring that necessary actions are taken and relevant policies and practices are implemented across the Bank to ensure regulatory compliance;
- evaluating sustainable finance practices.

The committee meets annually and obtains information from the relevant business units on matters included in its agenda. It monitors the progress of sustainability-related activities against the Bank's strategy and targets and oversees the integration of sustainability-related matters into the Bank's decision-making processes.

The committee's procedures are reviewed and updated regularly in line with market dynamics, regulatory changes, and best international practices.

Sustainability Committee - Working Groups

Four working groups operate within the Bank to support the implementation of its sustainability activities; "Environmental Management and Suppliers", "Climate-Related Financial Risk Management", "Green Asset Ratio Reporting" and "Social Responsibility and Corporate Communications" Working Groups, each of which has specific responsibilities for advancing the Bank's sustainability-related activities.

Figure 4: Sustainability Governance Structure

The Environmental Management and Suppliers Working Group focuses on initiatives aimed at reducing environmental impacts through areas such as energy, water and waste management, as well as developing sustainable supply chain practices. The Working Group also undertakes activities to enhance data collection processes for Scope 1 and Scope 2 greenhouse gas emissions and is planning the data infrastructure and methodology setup for Scope 3 greenhouse gas emissions.

The Climate Related Financial Risk Management Working Group undertakes activities to measure the Bank's climate-related physical and transition risks, develop and implement relevant credit policies and procedures, integrate these risks into the Bank's overall risk management processes, and enhance the Bank's resilience through climate-related scenario analysis.

The Green Asset Ratio Reporting Working Group aims to develop the Bank's processes for the classification, monitoring and reporting of green assets in accordance with the Türkiye Green Taxonomy and the Communiqué on the Calculation of the Green Asset Ratio by Banks**.**

The Social Responsibility and Corporate Communications Working Group focuses on strengthening the Bank's corporate responsibility approach by developing initiatives in areas of social impact, including inclusion, gender equality, volunteering programmes and transparent sustainability-related communications.

Each working group assumes responsibility for its respective thematic area and aims to develop policy recommendations, action plans and implementation models that contribute to the Bank's strategic objectives. Through this structure, the Bank aims to enhance internal awareness, integrate sustainability principles into its operational processes, and strengthen internal control mechanisms. Working in regular coordination with the committee, these groups provide relevant data and insights for the monitoring and reporting of the Bank's sustainability performance.

Sustainability-Related Policies

The Bank has taken two significant steps in 2025 to strengthen its sustainability governance framework. In this context, **the Environmental Policy** was established for the first time, covering the areas of environmental impact management, resource efficiency, climate action, and legal compliance. **The Sustainability Policy,** also implemented in the same year, defines the Bank's strategic approach in environmental, social, and governance areas and sets out the key principles for establishing targets aligned with stakeholder expectations, developing sustainable business models and monitoring performance. Both policies provide guidance for the Bank's operational processes and contribute to supporting sustainability performance through established monitoring and control mechanisms.

Other complementary policies supporting the Bank's sustainability approach include:

- Social and Environmental Responsibility Policy
- Equality, Diversity and Inclusion Policy
- Code of Ethics
- Policy Against Domestic Violence
- Fraud Prevention Policy
- Information Security Policy
- Remuneration Policy

Within the framework of these policies, Fibabanka continues its sustainability journey with the aim of responsibly managing its environmental and social impacts through a transparent and accountable corporate governance structure.

Awareness and Competency Development Activities

Various initiatives are being undertaken within the Bank's governance structure to develop competencies related to sustainability and climate issues.

In 2025, in order to increase awareness and fundamental knowledge levels, mandatory online training sessions on "Fundamentals of Sustainability" and "Advanced Sustainability" were organized for all bank employees, with an overall employee participation rate of 78%.

Members of the Sustainability Department and working groups actively participate in trainings programmes, conferences, and seminars. This participation is supported to ensure that relevant legislation, market practices and recent developments are regularly monitored.

In addition, in 2025, to support the Bank's technical expertise capacity in corporate sustainability reporting and sustainability expertise, one person from the sustainability team successfully passed the Corporate Sustainability Reporting Expertise (KSRU) exam conducted by the Public Oversight Board (KGK) and qualified to receive a license.

In 2026, it is planned to continue training activities aimed at developing knowledge and technical competencies related to sustainability and TSRS issues. In this way, corporate knowledge will be increased and practical competencies will be strengthened across both the Bank and its subsidiaries.

Remuneration and Sustainability Performance

Fibabanka and its subsidiaries' remuneration policy for senior executives is determined based on performance, job description, industry benchmarks and the Bank's overall financial targets, and it is implemented under the supervision of the Remuneration Committee, in accordance with the principles of transparency and fairness.

As of the current reporting period, sustainability and climate-related performance criteria have not yet been incorporated into the senior management remuneration structure as a standard practice across all management positions.

However, for certain senior management positions, sustainability-related objectives, such as sustainability reporting, are incorporated into performance cards, and these objectives are reflected in the relevant remuneration calculations at predetermined weightings.

In addition, sustainability and climate-related targets have been included in the sustainability team's performance, effective for the performance review process in 2026.

SUSTAINABILITY STRATEGY

Climate-Related Risks and Opportunities

Activities relating to the identification, monitoring, mitigation, and prevention of the Bank's climate-related risks are carried out by the Risk Management Department and are under the supervision and responsibility of the Audit Committee and the Risk Committee. The impact and integration of these risks and opportunities into the Bank's sustainability strategy are the responsibility of the Sustainability Committee and are carried out as part of the activities of the Climate-Related Financial Risks Management Working Group. Detailed information on this structure is provided in the Governance section.

Fibabanka, in identifying its climate-related risks and opportunities, has considered industry best practices and the "2024 Türkiye Climate Report" published by the General Directorate of Meteorology (MGM), as required by TSRS 1 and TSRS 2. The Bank has assessed the current and projected impacts of its risks, the areas where the risks are concentrated, and its business model and value chain. The Bank has also detailed the actions taken and planned regarding the identified risks.

The Climate-Related Financial Risks Policy, developed in 2025, aims to establish the relationship between physical and transition risks and traditional financial risk categories, including credit risk, market risk, liquidity risk and operational risk, taking into account the financial effects of these risks on the Bank. The definitions of the 'magnitude of effect' and 'probability' scores presented in the climate-related risks and opportunities tables, together with the risk matrix, methodology used for scenario analysis, inputs and parameters applied, and the scenario framework, are described in detail in the **Risk Management** section.

Financial Materiality Threshold

In accordance with the Bank's board-approved Risk Appetite Policy, the financial materiality threshold has been set at "at least *5% of profit before tax (PBT)"*. Based on the risk assessment conducted, the climate-related risks identified for the Bank, its subsidiaries and associates were below this financial materiality threshold.

Nevertheless, the Bank has determined to disclose certain climate-related risks and opportunities, as detailed below. As many of the risks identified for the Bank's subsidiaries and associates are consistent with those identified for the Bank and remain below the financial materiality threshold, the risks and opportunities specific to these entities have not been separately disclosed in this report.

Time Horizons for Climate-Related Risks and Opportunities

The Bank has classified its climate-related physical and transition risks, as well as the associated opportunities, across short, medium- and long-term time horizons. These time horizons have been defined by considering the potential effects of such risks and opportunities on the Bank's operations, value chain and financial performance. The identified risks have been integrated into the Bank's strategy in accordance with their respective time horizons.

Climate Risk

Time Horizon	Year	Explanation
Short	0–1	Represents the time horizon in line with the Bank's annual budgeting, business planning and financial reporting cycles.
Medium	1–5	Represents the time horizon over which the Bank focuses on developing its business model, processes and technological infrastructure in line with its strategic objectives.
Long	5 and above	Represents the Bank's strategic perspective in relation to its sustainable growth, resilience and transformation objectives.

Table 3: Time Horizons

Potential Damage to Physical Assets at Branches	
Risk Category	Physical (Acute) Disaster Risks
Risk Description	Damage to physical assets, ATMs, technical equipment, and operational hardware located at branch locations due to extreme weather events, floods, storms, heavy rainfall, and similar acute climate events.
Position in the Value Chain	Bank Operations (Branches)
Impacts on Business Model and Value Chain	Potential physical damage to branches and business disruption (indirectly) may lead to loss of revenue among deposit customers and non-retail loan customers through branch channels as well as reputation loss.
Time Horizon	Long Term (5+)
Probability	2 (low)
Magnitude of Effect	5 (Very High)
Business Activities Vulnerable to Climate-related Risks	Physical assets (branches). Deposit customers through branch channels. Non-retail loan customers through branch channels.
Assets Vulnerable to Climate-related Risks	Branches located in areas exposed to physical climate risks.
Scenario Analyses	RCP 4.5 / RCP 8.5
Measurement Uncertainties and Assumptions	The assessment considers data from the General Directorate of Meteorology, past extreme weather event records, the geographical distribution of branch locations and operational concentration. Projection uncertainties regarding the frequency and severity of future extreme weather events, and location-based microclimatic differences, create uncertainty measurement. While low-risk scores are assigned to locations such as the branches in western Türkiye, higher-risk scores are assigned to locations such as Antalya and Bodrum due to the greater frequency of climate-related events. The assessment also takes into account the possibility of more than one physical risk materializing simultaneously (e.g. flooding and tsunami). The concentration of deposits in the branches was used as a basis for evaluating the reputational and operational risk impact.
Potential Financial Impact	Costs may arise from restoring damaged locations and from expenses not covered by insurance.
Current Financial Impact	There is no financial impact as of the reporting period.

Potential Damage to Physical Assets at Branches	
Actions Taken and Resources Allocated	The Bank periodically conducts geographic-based physical climate risk assessments for its branches and critical operational locations; and develops business continuity plans in regions with a high level of exposure to acute climate events such as floods, extreme rainfall, and storms. Insurance policies are reviewed regularly for potential damage risk to physical assets and coverage updates are made when necessary. In addition, maintenance and technical upgrade works are being carried out to improve infrastructure resilience in critical locations which are primarily funded by internal operational budget and insurance mechanisms.

Table 4: Climate Risk 1

Disruption of Branch Operations	
Risk Category	Physical Equipment (Physical (Acute) Disaster Risks)
Risk Description	Disruption of operations due to damage to physical assets, ATMs, technical equipment, and operational hardware located at branch locations as a result of extreme weather events, floods, storms, heavy rainfall, and similar acute climate events.
Position in the Value Chain	Bank Operations / Downstream Value Chain (Customers, Products and Services)
Impacts on Business Model and Value Chain	Potential disruption of operations may lead to loss of revenue among deposit customers and non-retail loan customers through branch channels as well as reputation loss.
Time Horizon	Long Term (5+)
Probability	1 (Very Low)
Magnitude of Effect	3 (Medium)
Business Activities Vulnerable to Climate-related Risks	Deposit customers and non-retail loan customers through branch channels.
Assets Vulnerable to Climate-related Risks	Branches located in areas exposed to physical climate risks and the critical operational infrastructure at these branches.
Scenario Analyses	RCP 4.5 / RCP 8.5
Measurement Uncertainties and Assumptions	The assessment considers data from the General Directorate of Meteorology, historical records of extreme weather events, the geographical distribution of branch locations and operational concentration at branch level. Projection uncertainties regarding the frequency and intensity of future extreme weather events, as well as location-based microclimate differences, create measurement uncertainty. The risk level is assessed as low due to the Bank's business model being well suited to branchless banking. However, uncertainties remain regarding data center infrastructure, power outages and changes in the frequency of regional disasters.
Potential Financial Impact	The interruption may lead to decreased transaction volume and customer loss, resulting in a drop in revenue.
Current Financial Impact	As of the reporting period, no financial impact exceeding the financial materiality threshold is identified.
Actions Taken and Resources Allocated	Fibabanka's digital banking-focused business model reduces customers' dependence on branches, while business continuity is supported through alternative banking channels, including internet and mobile banking. To ensure the continuity of critical systems and human resources, the Bank maintains a backup office infrastructure in Ankara, conducts backup and disaster recovery activities for its core banking system, and pursues a strategy of supporting critical operations from locations outside Istanbul. System performance is monitored in real time to facilitate the early identification of operational disruption risks, while customer transactions and the loan and deposit portfolios are monitored through daily automated reporting. In addition, the remote working model and geographically distributed workforce support

Disruption of Branch Operations	
	operational continuity. The related processes are primarily resourced through operational budgets, information technology infrastructure investments and insurance mechanisms.

Table 5: Climate Risk 2

Risk of Default on Loan Repayments by Borrowers Subject to the Carbon Border Adjustment Mechanism (CBAM)	
Risk Category	Transition Risks
Risk Description	New regulations implemented during the transition to a low-carbon economy, such as the Carbon Border Adjustment Mechanism (CBAM) and the inability of customers to adapt to changing market conditions, can negatively impact the Bank's revenues and asset quality due to weakened cash flow and loan repayment capacity.
Position in the Value Chain	Downstream Value Chain (Loan Portfolio)
Impacts on Business Model and Value Chain	Due to the impact on customers in the relevant industry, the Bank's asset quality may deteriorate, default rates may increase, and there may be upward pressure on expected loan losses and provision expenses.
Time Horizon	Medium Term (1-5)
Probability	2 (Low)
Magnitude of effect	2 (Low)
Business Activities Vulnerable to Climate-related Risks	Loans extended to customers in emission-intensive and regulated sectors.
Assets Vulnerable to Climate-related Risks	Loan portfolio comprising customers operating in the relevant sectors.
Scenario Analyses	Internal Transition Risk Model aligned with CBAM
Measurement Uncertainties and Assumptions	The analyses use sector-specific transition risk scores, the implementation timeline of the CBAM, carbon cost assumptions and assumptions regarding the potential deterioration in customers' financial positions. Changes in the regulatory timeline, limited access to customer-level emissions data and uncertainties regarding sectors' capacity to adapt may affect the results of the analysis.
Potential Financial Impact	Exposure to customers vulnerable to transition risks may result in deterioration of asset quality and loss of revenue, increased expected loan losses and loan provisions, and upward pressure on the non-performing loan (NPL) ratio.
Current Financial Impact	There is no financial impact as of the reporting period.
Actions Taken and Resources Allocated	The Bank regularly monitors its loan portfolio, particularly for clients operating in carbon-intensive and regulation-sensitive sectors, through sector-based monitoring mechanisms and early warning systems. Internal transition risk scores are used for customer segments expected to be affected by CBAM and similar regulatory developments and the credit ratings, collateral structures and credit allocation criteria are reassessed for customers whose risk levels increase. Potential effects on expected credit losses are periodically analysed through stress tests and scenario analyses which are carried out by the Risk Management Department and credit monitoring team.

*Table 6: **Transition Risk***

Climate Opportunities

Reducing Credit Risk by Integrating Climate-Related Risks into Credit Assessment Processes	
Opportunity Category	Resilience Opportunity
Opportunity Definition	The integration of climate-related physical and transition risks into credit approval, monitoring and early warning processes provides an opportunity to identify higher-risk customers and sectors at an earlier stage, preserve credit portfolio quality and reduce expected credit losses.
Position in the Value Chain	Downstream Value Chain (Loan Portfolio)
Time Horizon	Medium Term (1-5)
Probability	2 (Low)
Magnitude of Effect	2 (Low)
Business Activities Aligned with Climate-related Opportunities	Loan underwriting, early warning systems, risk management.
Measurement Uncertainties and Assumptions	The financial effects of the Resilience Opportunity were assessed by considering the extent of integration of climate-related risk scores into loan underwriting, loan monitoring and early warning processes; sector-specific probability of default assumptions; macroeconomic scenarios used in expected loan loss calculations and potential improvements in customer credit ratings. As the data infrastructure required to separately measure the financial effects arising from this opportunity is still under development as of the current reporting period, there is measurement uncertainty in determining the quantitative effect.
Potential Financial Impact	Expected reduction in loan losses, preservation of asset quality, and a downward pressure on provision expenses.
Current Financial Impact	While no directly measurable financial impact was identified during the current reporting period, positive effects on maintaining credit portfolio quality are monitored through risk monitoring indicators.
Actions	The Bank has begun integrating climate-related physical and transition risk indicators into its credit allocation and monitoring processes; the Bank has strengthened sector-based risk scoring, early warning indicators, and portfolio monitoring mechanisms, particularly for clients operating in emission-intensive and regulation-sensitive industries. Loan underwriting criteria are regularly reviewed based on findings from scenario analyses, and efforts are underway to increase the use of internal climate risk scores in credit rating and monitoring processes.

*Table 7: **Opportunity***

RISK MANAGEMENT

Fibabanka Risk Management Approach

Fibabanka conducts its activities with a strong risk culture underpinned by the principles of sustainability, reliability and transparency. In line with this approach, and in accordance with the applicable regulations, the Bank has established an adequate and effective internal systems framework that is proportionate to the scope and nature of its activities, responsive to changing conditions, and encompassing all branches and business units, with the aim of ensuring an effective monitoring and control of the risks to which it is exposed. The units within the internal systems framework operate under the Board of Directors within the Bank’s organisational structure.

The Risk Management System comprises the Board of Directors, Audit Committee, Risk Committee, Asset and Liability Committee (ALCO), and Risk Management Department, and has been established to ensure the systematic management of the risks to which the Bank is exposed. The Board of Directors has ultimate responsibility for the Bank’s Risk Management System and is responsible for establishing and maintaining an effective, adequate and appropriate risk management system across the Bank.

The risks to which the Bank is or may be exposed, the methodologies used to measure such risks, the policies and strategies for managing each type of risk, the acceptable risk levels and the related implementation procedures have been documented and the risk limits have been established accordingly. The Bank’s risk appetite is defined, and business lines are kept informed on an ongoing basis of market developments, emerging risks and risk mitigation techniques in order to foster an effective risk management approach across the Bank.

The Bank ensures effective risk management within the Three Lines of Defense Model through a clear allocation of roles and responsibilities.

The first line of defense — Business units are responsible for conducting their activities in accordance with the Bank's risk appetite, policies and procedures, and risk strategies. In this context, business units are responsible for identifying, assessing, and managing performance, operational, and compliance risks arising from their activities; designing and implementing control mechanisms for processes and ensuring that control results are reported on a regular basis.

The second line of defense— Risk Management, Legal, Regulatory Compliance, and Internal Control functions provide oversight and guidance to the first line of defense. In this context, these functions are responsible for developing and maintaining risk policies; measuring, monitoring, and reporting risks; defining and updating control objectives; evaluating control effectiveness; and establishing procedures and principles necessary to ensure regulatory compliance.

The third line of defense — Internal Audit provides independent and objective assurance regarding the effectiveness and adequacy of the Bank's risk management and internal control systems. In this context, audits of branches and processes are conducted in accordance with annual audit plans; and the Bank's operations are audited, and compliance with national and international auditing standards and internal regulations is assessed.

Within this structure, the Risk Management Department is responsible for developing and maintaining the Bank’s risk policies and Risk Catalogue, measuring, monitoring and reporting risks, and further developing the

Bank's risk management framework. The Department analyses the market, credit, operational, interest rate, liquidity, concentration, modelling, climate, and sustainability risks that the Bank may be exposed to, using a holistic risk management approach with multi-dimensional and data-driven methods. These risks are measured, monitored, and reported regularly on a daily, weekly, monthly, and annual basis. The analyses and findings are evaluated by the Asset-Liability Committee (ALCO) and the Risk Committee, providing input to senior management in strategic decision-making processes. Risk management activities are supported by an advanced information technology infrastructure and analytical tools, aiming for timely detection and proactive management of risks.

Integration of Climate-Related Risks and Opportunities into Overall Risk Management

Fibabanka considers climate-related risks as an integral component of its existing risk categories, such as credit risk, market risk, operational risk, and reputational risk. Rather than managing climate-related risks separately, the Bank integrates them into its overall risk management framework. This approach is implemented in accordance with the Bank's board-approved Climate Risks Policy, Risk Management Policies, Risk Appetite Policy and internal systems structure.

Activities for identifying, prioritising, assessing, and monitoring climate-related risks are primarily the responsibility of the Risk Management Department within the Bank's organisational structure, and are carried out under the oversight of the Audit Committee and the Risk Committee.

Identification and Prioritisation of Climate-Related Risks and Opportunities

Identification of Climate-Related Risks

The Bank identifies climate-related risks by using a comprehensive approach that encompasses its own operations, loan portfolio, and subsidiaries under its financial control.

In identifying climate-related risks, the Bank considers both transition risks and physical risks (acute and chronic); these risks are evaluated at the customer, industry, loan portfolio and operational levels.

Transition risks: These are assessed by considering the potential impact of risks arising from factors associated with the transition to a lower-carbon economy**,** including changes in national or international policies and regulations, technology and customer preferences.

Physical risks: These are assessed within the framework of the potential impacts of acute and chronic physical risks arising from climate change and climate-related events**.**

The climate-related risk inventory was determined through workshops conducted by the Risk Management Department, with the participation of relevant units from both the Bank and its consolidated subsidiaries. The identified risks were assessed and measured taking into account the nature of the activities, product portfolios and organisational structures of the Bank and its consolidated entities, as well as the geographical distribution of their premises and employees. These studies were further supported by scenario analyses determined according to the severity of the measured risks.

Inputs and Parameters Used

In the risk identification process, the Bank considers national and international regulations, guidance issued by the Banking Regulation and Supervision Agency (BRSA**)**, recommendations of the Task Force on Climate-Related

Financial Disclosures (TCFD), scenarios and studies published by international organisations such as the Intergovernmental Panel on Climate Change (IPCC), and relevant industry practices. In addition, the composition of the Bank's deposit and loan portfolios, sector concentrations and customer-specific data provide input to the risk identification process.

Prioritisation of Climate-Related Risks

Fibabanka has decided to apply the transitionary exemption for 2025 reporting period and disclose only its climate-related risks and opportunities. To prioritise these risks, the Bank assessed and scored them against financial impact, reputational impact, operational impact and regulatory compliance impact criteria, in alignment with its board-approved Risk Appetite Policy. In assessing financial impact, the potential effects on profit before tax (PBT) were taken into consideration.

Financial Impact	Reputational Impact	Operational Impact	Regulatory Compliance Impact	Score
No impact	No impact	No operational disruption	No compliance required	**0**
Decrease/increase of less than 1% in PBT	Insignificant impact	Minor disruption; rapid recovery is possible	Minor non-compliance, low-level penalty	**1**
1-5% decrease/ increase in PBT	Limited reputation impact; attracts limited attention	Temporary (intraday) interruption; partial business disruption	May result in legal sanction; information/ meeting request from the regulatory authority	**2**
Decrease/increase of 5-15% in PBT	Reputational damage; limited media attention	Medium-term (more than 1 business day) interruption; partial business disruption	Result in a financial penalty; corrective action request/ special review by the regulatory authority	**3**
Decrease/increase of >15% in PBT	Significant reputational damage; extensive media attention	Long-term interruption; halt of operations	Significant financial penalty; risk of losing its license	**4**

Table 8: Risk Prioritisation

The Bank assesses and analyses the materiality of climate-related risks and opportunities by considering both qualitative and quantitative factors, based on "Magnitude of Effect" and "Probability". These assessments are conducted using a comprehensive approach that encompasses not only financial results but also the impact on operational continuity, business process efficiency, reputation, legal compliance, and corporate resilience.

Magnitude of Effect

In assessing the potential effects of climate-related risks and opportunities, Fibabanka applies a comprehensive assessment approach that considers not only financial outcomes but also the effects on operational continuity, business process efficiency, reputation, regulatory compliance, and corporate resilience. Within this framework, magnitude of effect is determined by considering the severity, manageability, and operational sustainability of the consequences of the relevant risk or opportunity on the Bank's operations.

The magnitude of effect is assessed using a five-level scale, taking into account the adequacy of existing controls, the need for additional actions and the extent to which operations are affected. The lowest impact level represents situations that can be managed as part of routine activities and do not affect the Bank's operations; the highest impact level represents situations that threaten the continuity of operations and require the activation of predefined action plans. This approach aims to ensure a consistent and comparable assessment of the position of climate-related risks within the Bank's overall risk profile.

Magnitude of Loss	Required Action	Description	Score
Very Low	Can be solved through routine activities	Operations are not affected	1
Low	Requires coordinated action across relevant business units	The loss has a limited impact on operational efficiency	2
Medium	Requires the development of an action plan	The loss is important but recoverable and operations continue without interruption	3
High	Requires an established action plan to be in place	The loss is significant and causes disruption in operations	4
Very High	Requires the action plan to be activated	The loss is severe and threatens the continuity of operations	5

Table 9: Magnitude of Effect

Probability

A five-level probability scale is used to assess the probability of climate-related risks. The probability assessment takes into account the timing and frequency of occurrence of the risks, as well as available indicators, and is supported by both qualitative and quantitative analysis.

Probability Scale	Definition	Score
Very Low	The risk event is expected to occur at least once in five years	1
Low	The risk event is expected to occur at least once in three years	2
Medium	The risk event is expected to occur at least once in two years	3
High	The risk event is expected to occur at least once in one year	4
Very High	The risk event is expected to occur at least five times in one year	5

Table 10: Probability

Risk Matrix

Fibabanka uses a risk matrix approach considering both the probability and magnitude of effect when prioritising and managing climate-related risks. This approach aims to provide a consistent, systematic, and comparable assessment of the severity of climate-related risks to which the Bank may be exposed.

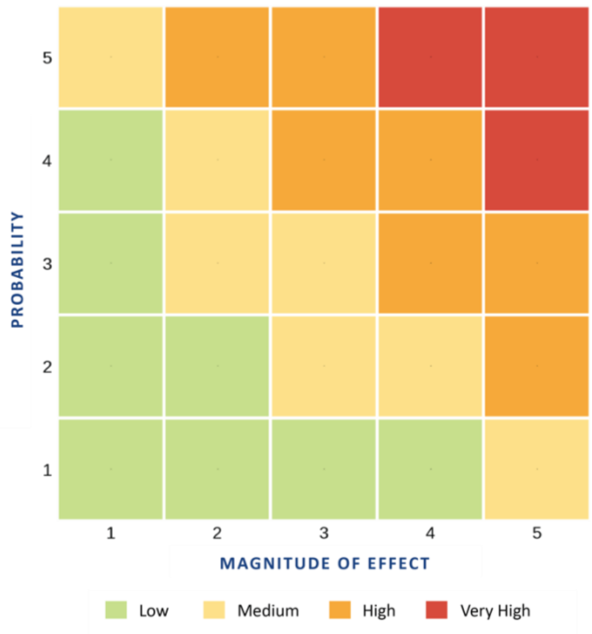

Figure 5: Risk Matrix

For the purposes of the qualitative assessment, the final risk ratings are mapped as follows:

“Low” corresponds to a final risk rating of “Insignificant”

“Medium” corresponds to a final risk rating of “Acceptable”

“High” corresponds to a final risk rating of “Significant”

“Very High” corresponds to a final risk rating of “Critical”

Assessment of Climate-Related Risks

Climate-Related Risks Heat Map

In line with the Draft Guidelines on the Effective Management of Climate-Related Financial Risks by Banks, published by the Banking Regulation and Supervision Agency (BRSA) in September 2023, the Bank engaged external consultancy services to assess transition risks arising from its financing activities. In accordance with the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD), sector specific transition risk sensitivities were determined. Based on this assessment, a Transition Risk Assessment Model and a Sectoral Transition Risk Heat Map were developed and integrated into the Bank’s core banking system in 2025.

In addition, the Bank's physical climate-related risks arising from its financing activities have been assessed in line with TCFD recommendations, and infrastructure and risk modelling studies have been conducted to manage these risks. As part of the Bank's physical risks, quantification and risk modelling studies have been carried out in all 81 provinces of Türkiye for the periods 2021-2040 and 2040-2060, in light of the Intergovernmental Panel on Climate Change (IPCC) Representative Concentration Pathway (RCP 4.5 and RCP

8.5) scenarios. In this process, criteria for physical risk assessment were determined, acute and chronic physical climate-related risks were identified, sector specific physical risk sensitivities were determined, and a Physical Risk Assessment Model was prepared and integrated into the Bank’s core banking system in 2025. Both the Transition Risk Assessment Model and the Physical Risk Assessment Model have been validated and reported by the Risk Management Department/ Modelling and Validation Unit.

Scenario Analyses

The Bank conducted quantitative and qualitative analyses using internal and external data sources to assess the current and projected impacts of the climate-related physical and transition risks, as well as the opportunities associated with these risks. These analyses considered, in an integrated manner, the effects of physical climate risks and risks arising from the transition to a lower-carbon economy on loan portfolio quality, operational continuity and financial performance.

The Bank assessed that the occurrence of climate-related physical or transition risks could result in operational disruptions, interruptions across production and supply chains, and increased costs. In particular, carbon pricing mechanisms and changes in consumer preferences, together with tighter regulatory requirements for emissions-intensive sectors, were assessed as potentially giving rise to market share losses, reduced competitiveness and increased production costs.

The Bank also assessed that these risks could adversely affect companies’ cash flows and profitability, potentially weakening their debt-servicing capacity and loan repayment performance. These effects were further analysed taking into account the corporate segment customers.

The Bank performed an impact analysis under two different scenarios by reflecting customer-based internal physical and transition risk scores into credit ratings:

- deterioration in credit ratings and changes in provision amounts as a consequence; based on customers’ internal physical and transition risk scores and the criteria established by the Bank;
- changes in non-performing loan balances and provision amounts resulting from the transfer to non-performing status of customers whose credit ratings fall below the defined threshold.

The scenario analyses were based on the 2024 Türkiye Climate Report published by the Turkish State Meteorological Service and relevant international climate projections. In this context, RCP scenarios representing different emissions pathways and temperature increase projections were considered alongside regulatory developments reflecting transition risks.

Scenario	Time Horizon	Key Assumption	Expected Impact
RCP 4.5 - Physical Risk	Medium to long term (2030-2050)	Temperature increase expected to be around 2.5°C; gradual policy transition	Increased risk of operational disruption in areas vulnerable to physical risk; moderate pressure on loan repayment performance in certain industries
RCP 8.5 - Physical Risk	Long term (2050 and beyond)	Temperature increases reaching levels of ~4°C and above; failure to achieve reductions in greenhouse gas emissions	Higher risk of disruptions in branches and critical infrastructure; decrease in collateral values, and increased pressure on default rates and expected loan losses
CBAM Compliant Internal Transition Risk Model -Transition Risk	Short-to-medium term (2026-2030)	Increased costs and competitive pressure in carbon-intensive sectors	Increased probability of default and higher credit risk, especially for exporters and emission-intensive sector customers

Table 11: Scenario Analysis

Physical exposure analyses covering the Bank's branch network, headquarters locations, data centers, and call center operations, were conducted taking into account extreme weather events such as heavy rainfall, floods, strong winds, and heat waves. The results indicate that exposure to physical asset damage and business continuity risks is higher in areas with a high concentration of branches. However, given the Bank's digital banking-focused business model, hybrid working arrangements and disaster recovery infrastructure, the resulting operational effects are expected to remain limited.

Internal climate risk scores were used to assess the impacts on the loan portfolio and stress tests and scenario-based impact analyses were conducted for high-risk portfolio segments. Physical and transition risks were assessed as potentially placing pressure on loan repayment performance, probability of default, and expected loan losses in certain customer segments. These effects were assessed as potentially becoming more pronounced over the medium to long term, particularly in emissions-intensive sectors and among customers operating in regions exposed to physical risks.

The scenario analysis results indicate that no significant adverse effects on the Bank's capital adequacy or operational continuity are anticipated in the short to medium term and that, based on currently available data, the potential effects remain below the financial materiality threshold established under the board-approved Risk Appetite Policy. In light of these findings, the Bank has taken strategic measures to strengthen sector-specific risk assessment criteria in its loan underwriting processes, increase the use of climate risk indicators in its early warning systems, enhance the monitoring of emissions-intensive sectors, and strengthen internal control mechanisms relating to business continuity, disaster recovery infrastructure and digital channel continuity.

Monitoring of Climate-Related Risks

Activities related to monitoring climate-related risks are primarily the responsibility of the Risk Management Department within the Bank's organisational structure, and are carried out under the oversight of the Audit Committee and the Risk Committee.

The Bank classifies climate-related risks as physical risks and transition risks, and uses Physical and Transition Monitoring Systems to regularly and effectively monitor the impact of these risks on its loan portfolio and operations.

The determination of risk scores is structured under the responsibility of the Credit Department. Monitoring of customers' climate and physical risks was integrated into early warning systems within the Early Warning Working Group in 2025, and full integration of risk scores into the system is planned to be completed by the end of 2026, following the completion of the scoring model. In this way, the Risk Management Department analyses the credit portfolio by industry, sub-industry, and customer; monitors exposure to carbon-intensive industries; and assesses sensitivity to physical climate risks. Scenario analyses and stress tests are performed under different climate scenarios to evaluate the risks and financial impacts to which the Bank may be exposed. Monitoring metrics established by the Risk Management Department are tracked systemically and, where necessary, may be proposed for inclusion as risk appetite metrics and limits. Through this approach, Fibabanka aims to facilitate the early identification of climate-related risks, the effective management of their impacts, and the strengthening of its long-term financial resilience.

Environmental, Social and Governance (ESG) System

Fibabanka considers the long-term sustainability impacts of environmental, social, and governance (ESG) factors in its financing decisions by integrating these factors into its loan underwriting processes. In this context, corporate loan applications are assessed for ESG impacts, and the loan underwriting process is conducted in accordance with the Social and Environmental Compliance Procedure. The procedure has been developed with reference to the IFC and EBRD Performance Standards and classifies loan customers according to their ESG risk levels.

Identification and Management of Climate-Related Opportunities

Fibabanka evaluates climate-related opportunities within the framework of the Bank's long-term growth strategy, product development processes and credit portfolio management. In identifying climate-related opportunities, sectoral transition trends, regulatory developments, changes in customer demand and market dynamics are regularly monitored, and the Bank assesses the potential impact of these opportunities on the loan portfolio, revenue structure, and long-term financial resilience.

The identified opportunities are addressed in an integrated manner with the Bank's overall risk and strategy management processes; the related assessments are periodically reviewed by business units and senior management committees.

METRICS AND TARGETS

Fibabanka systematically monitors environmental, social, and governance (ESG) metrics and sets performance targets accordingly, with the aim of ensuring that its sustainability performance is transparent and traceable. Within this scope, the Bank regularly measures greenhouse gas emissions arising from its operations to assess climate-related risks and opportunities and monitors targets for key indicators determined in line with its climate change mitigation and adaptation strategies. In preparing this report, the Bank considered Volume 16 – Commercial Banks of the TSRS 2 Industry-based Guidance as applicable to the nature of its activities.

Climate-Related Metrics

Greenhouse Gas Emissions Measurement Methodology

For the reporting year, the Bank applies the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) as the basis for measuring and reporting Scope 1 and Scope 2 Greenhouse Gas Emissions of the Bank, its subsidiaries and affiliates. The organisational boundaries in determining the emissions inventory are defined using the financial control approach.

Accordingly, all consolidated subsidiaries and associates over which Fibabanka has the authority to direct financial and operational policies are included within the reporting boundary and the emission data of the relevant entities are consolidated and calculated using the methodology in accordance with the Greenhouse Gas Protocol: Corporate Accounting and Reporting Standard (2004).

	2024	2025
Scope 1 Emissions	**1,021.68**	**992.68**
Scope 2 Emissions - Location Based	**1,992.78**	**1,623.69**
Scope 2 Emissions - Market Based	**1,992.78**	**23.54**
Total Emissions - Location Based (Scope 1 & 2)	**3,014.46**	**2,616.37**
Total Emissions - Market Based (Scope 1 & 2)	**3,014.46**	**1,016.22**
Emission Intensity - Location Based (tCO2e/number of employees*)	**1.79**	**1.66**
Emission Intensity - Market Based (tCO2e/number of employees*)	**1.79**	**0.65**

**Number of employees: 1,684 for 2024, 1,571 for 2025.*

Table 12: Fibabanka Greenhouse Gas Emissions (tCO2e)

Company	2024		2025	
	Scope 1 (tCO_2e)	Scope 2 (tCO_2e)	Scope 1 (tCO_2e)	Scope 2 (tCO_2e)
Fiba Sigorta A.Ş.	5.75	5.73	11.48	6.46
HDI Fiba Emeklilik ve Hayat A.Ş.	26.52	7.83	28.62	6.75
Fiba Portföy Yönetimi A.Ş.	20.30	20.62	40.41	27.97
Fiba Yatırım Menkul Değerler A.Ş.	–	–	10.53	11.90
TOTAL	**52.57**	**34.18**	**91.04**	**53.08**

Table 13: Greenhouse Gas Emissions of Consolidated Subsidiaries and Affiliates

Scope 1 greenhouse gas emissions comprise emissions from sources that are directly controlled by the Bank and are classified as stationary combustion, mobile combustion and fugitive emissions.

Emissions from stationary combustion mainly consist of natural gas consumption used in the Bank's operations and diesel fuel consumption used in generators. These consumption figures are regularly monitored based on invoice data and included in emission calculations.

Emissions from mobile combustion arise from the consumption of diesel and gasoline fuel used in the Bank's vehicle fleet and these data are monitored through the relevant invoices.

Fugitive emissions arise from gases used in fire extinguishing and air conditioning systems. These include gas leakages from FM200 (HFC-227ea) automatic fire suppression systems and cooling systems**.** Such leakages are monitored based on maintenance records and relevant invoice data and included in the Bank's greenhouse gas emissions inventory.

Scope 2 greenhouse gas emissions comprise indirect emissions resulting from energy consumed as a result of the Bank's operations during the reporting period, including purchased electricity consumption and other energy sources used in shared locations. These emissions are calculated and reported using both location-based and market-based approaches in accordance with international reporting practices and TSRS requirements.

Under the location-based approach, the average emission factor of Türkiye's national electricity grid, to which the Bank's electricity consumption is connected, was used. Under the market-based approach, the Bank's contractual instruments regarding renewable energy supply were taken into account. In this context, the Bank procured a total of 3,690 MWh of International Renewable Energy Certificates (I-RECs), documenting that all of the Bank's electricity consumption during the reporting period was matched with electricity generated from renewable energy sources. Consequently, emissions from electricity consumption were calculated as zero in the market-based approach.

However, some of the Bank's branches and offices operate in shared buildings, and natural gas consumption may occur as part of the heating service provided by building management in these locations. Therefore, while electricity-related emissions are reported as zero under the market-based approach as a result of the I-REC certificates, emissions associated with other energy consumption at shared locations are included in total market-based Scope 2 emissions**.**

Emission Factors and Calculation Approach

Fibabanka uses nationally and internationally recognised methodologies in calculating its Scope 1 and Scope 2 greenhouse gas emissions. Emission calculations are performed by multiplying the operational data by the relevant emission factors.

Scope 1 emissions from fuel consumption are calculated based on emission factors applicable to fuel types such as natural gas, diesel, and gasoline. For combustion-related emission factors, the IPCC Guidelines for National Greenhouse Gas Inventories (2006) published by the Intergovernmental Panel on Climate Change are used as the primary reference. Emissions from company vehicles are calculated using automobile combustion emission factors based on fuel type.

Scope 2 emissions are calculated based on purchased electricity consumption, and the calculations are performed by multiplying the consumption amount by the relevant electricity emission factor. The electricity emission factor used is the national electricity grid emission factor published by the Republic of Türkiye Ministry of Energy and Natural Resources.

In calculating greenhouse gas emissions from fire extinguishing systems and cooling equipment, the global warming potential (GWP) values included in the IPCC Sixth Assessment Report (AR6) published by the Intergovernmental Panel on Climate Change are used.

Climate Resilience

Carbon Credits and Renewable Energy Certificates

As of the reporting period, Fibabanka did not use carbon credits to offset its operational emissions. However, the Bank used renewable energy certificates to contribute to reducing indirect emissions from electricity consumption. The International Renewable Energy Certificates (I-RECs) obtained within this scope were reflected in market-based Scope 2 emission calculations.

Should the Bank consider the use of carbon credit mechanisms in the future, it intends to prioritise projects with high environmental integrity that are subject to internationally recognised verification and certification programmes.

Assets Vulnerable to Climate-Related Transition Risks

Fibabanka regularly assesses the potential impact of climate-related transition risks on its loan portfolio and monitors portfolio exposures that may be vulnerable to such risks. Under the Bank's internally developed transition risk assessment methodology, the customer portfolio is analysed on a sectoral basis, with priority given to sectors considered to have a higher potential exposure to regulatory changes, carbon-intensive business models, technological transformation and market dynamics. As of 31 December 2025, based on the Bank's internal scenario analyses, customers operating in sectors assessed to have a high potential exposure to transition risks, with a transition risk score of 3.5 or above, accounted for 1.62% of the total outstanding loan balance. This ratio is used as a key indicator in monitoring credit risk potentially affected by the climate change-related transition process and is regularly monitored within the Bank's risk management processes.

Assets Vulnerable to Climate-Related Physical Risks

Fibabanka regularly assesses the potential impact of climate change-related physical risks on operational continuity and assets.

In this context, the Bank has analysed the effects of acute climate events and natural disaster risks on branch operations, taking into account the risk of physical assets at branch locations being damaged and the resulting potential for temporary disruption to operations. Based on this assessment, two branch locations (Alanya and Bodrum) were identified as potentially vulnerable to acute physical climate risks. As of 31 December 2025, the deposit balances held at these branches accounted for 3.2% of the Bank's total deposit balance.

Assets Aligned with Climate-Related Opportunities

As of the reporting period, the Bank has not yet established a comprehensive calculation methodology for identifying, classifying, and measuring assets compatible with climate-related opportunities. This is due to ongoing developments in international practices regarding the scope of climate-related opportunities, the lack of a fully defined common classification approach, and limitations in data availability.

Internal Carbon Pricing

As of the reporting period, the Bank does not have an internal carbon pricing mechanism in place. However, the Bank monitors carbon pricing mechanisms and international practices as part of its efforts to more comprehensively assess the financial effects of climate-related risks, particularly the potential effects of transition risks on its credit portfolio and operating costs.

The Bank is evaluating the potential integration of relevant carbon pricing mechanisms into its loan underwriting processes in future periods.

Capital Allocation

As of the reporting period, the Bank does not have a calculation methodology for quantitatively measuring the impact of climate-related risks and opportunities on its capital allocation processes.

Our Climate-Related Targets

Climate-related targets are established to reduce the environmental impact arising from the Bank's operational activities and to effectively manage the risks associated with climate change. In line with its sustainability strategy, the Bank has defined relevant targets, assigned responsibilities to the appropriate business units and committed to implementing these targets through concrete actions. Accordingly, all targets have been evaluated and approved by the Sustainability Committee, which ensures the governance of sustainability practices within the Bank. Progress against the defined targets is regularly monitored, and the targets are updated where necessary.

Targets	Interim Targets and Action Plans	Status of Target Achievement (2025)
The Bank will begin measuring climate change-related transition and physical risks by 2026. *Unit: year* *Base year:* *July 2023 (Transition Risks)* *April 2024 (Physical Risk)*	**Integration of Transition and Physical Risks into the System:** **Transition Risks:** • Development of methodology and calculation tools by the end of 2024 • System integration to be completed by January 2025 • Validation process to be completed by June 2025 **Physical Risks:** • Methodology to be developed by the end of 2024 • System integration to be completed by August 2025 • Validation process to be completed by the end of 2025 **Joint Action:** • Publication of the procedure for assessing transition and physical risks by the end of 2025.	The target was achieved on time and successfully.
The Zero Waste System will be integrated into all branches of the Bank by 2028. *Unit: year, number of branches* *Base year: January 2024*	• Initiating the Zero Waste Certificate application process for 10 branches by the end of 2026 • Completing the Zero Waste System installation work in at least 70% of branches and the Ankara YDA premises by the end of 2027 • Implementing the Zero Waste application and reporting system in all branches and obtaining Zero Waste Certificates	Work towards achieving the target is ongoing. The implementation roadmap remains the same as of 2025, and branch-based planning and certification preparations are underway.
Completion of the integration of risk management systems with Environmental, Social and Governance (ESG) criteria by the end of 2026. *Unit: year* *Base year: December 2024*	• Regular reporting of monitoring metrics to begin by the end of 2025. • Appropriate monitoring metrics to be integrated into existing risk management systems as risk appetite metrics by the end of 2026.	Work towards achieving the target is ongoing. Monitoring metrics have been established, and a regular reporting infrastructure and a committee-based follow-up mechanism have been implemented. The full integration is targeted to be completed by 2026.
Completion of LED Conversion of the Esentepe Headquarters building. *Unit: LED conversion completion rate* *Base year: January 2025*	• Completion of 100% LED conversion at the Esentepe Headquarters building by the end of 2027.	**New Target** Works towards achieving this target will begin in the 2026 reporting period.
Completion of the methodology for measuring financed emissions by the end of 2026. *Unit: Methodology completion rate.* *Base year: January 2026*	• Definition of the scope, data requirements and calculation approach for the measurement methodology for financed emissions by the end of 2026.	**New Target** Works towards achieving this target will begin in the 2026 reporting period.

Table 14: Climate-Related Targets

The climate-related targets disclosed within the reporting period have been defined and implemented in stages, based on different base years. Targets for measuring transition and physical risks were initiated in July 2023 (transition risks) and April 2024 (physical risks), respectively, and the relevant methodology development, system integration, and validation processes were completed in 2025. Targets related to Zero Waste practices were defined with a base year of January 2024, and the branch-based roll-out process is ongoing. The target relating to the integration of ESG criteria into risk management systems was defined with a base year of December 2024, and progress is being made from 2025 onwards with the creation of monitoring metrics and the establishment of the reporting infrastructure.

Two new targets have been defined in the 2025 report. The targets for operational emission reduction are based on a base year of January 2025, and implementation steps are planned to begin in the 2026 reporting period. Similarly, the target of completing the methodology for measuring financed emissions is also planned to begin in the 2026 reporting period.

In this context, a significant portion of the targets were first defined and made operational during the 2024-2025 period. Accordingly, comparative performance data for periods prior to 2025 are not available for certain targets. Going forward, performance against each target will be presented on a consistent and comparable basis, using the respective base years, from the relevant reporting periods onwards.

Disclosures in Accordance with the Industry-Based Guidance on Implementing TSRS-2

TSRS Volume 16 Commercial Banks

Metric	Metric code	Fibabanka Explanation (2024)	Fibabanka Explanation (2025)
Integration of Environmental, Social, and Governance Factors into Credit Analysis	**FN-CB-410a.2**	The Bank operates in accordance with its Social and Environmental Compliance Procedure. For detailed information regarding this procedure, please refer to the “Corporate Support and Control Mechanisms” section.	The Bank operates in accordance with its Social and Environmental Compliance Procedure. This is detailed in the Environmental, Social and Governance (ESG) System section of the report.

Table 15: Sustainability Disclosure Topics and Metrics

Activity Metrics

Metric	Metric Code	Performance				
		Type	2024		2025	
			Number of Accounts*	Account Balance (million TL)	Number of Accounts*	Account Balance (million TL)
(1) Number and (2) value of checking and savings accounts by segment: (a) retail and (b) small business	FN-CB-000.A	Retail(a)	2,977,005	75,651	3,308,539	106,265
		Small business (b)	119,225	2,620	139,857	3,269
(1) Number and (2) value of loans by segment: (a) retail, (b) small business, and (c) corporate loans	FN-CB-000.B	**Type**	**Number of Loans**	**Loan Balance (million TL)**	**Number of Loans**	**Loan Balance (million TL)**
		Retail (a)	841,407	16,518	744,492	27,538
		Small business (b)	78,667	35,651	79,431	47,929
		Corporate (c)	404	15,096	1,150	24,426

Table 16: Activity Metrics

(*)"As part of the activity metric coded FN-CB-000.A, adjustments have been made to the number of time and demand deposit accounts of individual and small business customers for the 2024 period. This adjustment only covers the number of accounts, and there has been no change in the account balances for the relevant period. For comparability purposes, the 2024 data has been presented in a revised form."

ANNEXES

Events After the Reporting Period

A change occurred in the composition of the Board of Directors between the end of the reporting period (31 December 2025) and the publication date of the 2025 TSRS-Compliant Sustainability Report. Betül Ebru Edin's roles as a member of the Board of Directors and Chair of the Sustainability Committee ended effective 6 May 2026.

Independent Auditor's Limited Assurance Report

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INDEPENDENT AUDITOR'S LIMITED ASSURANCE REPORT ON THE INFORMATION PRESENTED BY FIBABANKA A.Ş. IN ACCORDANCE WITH THE TURKISH SUSTAINABILITY REPORTING STANDARDS

To the General Assembly of Fibabanka Anonim Şirketi

We were engaged by Fibabanka A.Ş. (the "Bank" or "Fibabanka") and its subsidiaries (collectively referred to as the "Group") to provide limited assurance on the information ("Sustainability Information") presented in the TSRS-Compliant Sustainability Report for the year ended 31 December 2025, prepared in accordance with Turkish Sustainability Reporting Standard 1 General Requirements for Disclosure of Sustainability-Related Financial Information and Turkish Sustainability Reporting Standard 2 Climate-related Disclosures (collectively referred to as "TSRS"), as published by the Public Oversight, Accounting and Auditing Standards Authority ("POA").

Our limited assurance engagement does not cover information relating to previous periods, other than climate-related risks and opportunities, nor other information associated with the Sustainability Information (including any images, audio files, website links, or embedded videos).

Limited Assurance Conclusion

Based on the procedures we performed and the evidence we obtained, as described under the heading "Summary of Work Performed as a Basis for the Assurance Conclusion," nothing has come to our attention that causes us to believe that Fibabanka's Sustainability Information for the year ended 31 December 2025 has not been prepared, in all material respects, in accordance with the TSRS.

We do not express an assurance conclusion on information relating to previous periods, other than climate-related risks and opportunities, or on other information associated with the Sustainability Information (including any images, audio files, website links, or embedded videos).

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Emphasis of Matter(s)

As explained in the "About the Report" section of the TSRS-Compliant Sustainability Report, in the TSRS-Compliant Sustainability Report prepared by the Group for the year 2025, the Group has disclosed only information related to climate-related risks and opportunities in the second annual reporting period, taking into account the exemption provided by the POA Board Decision dated 25 December 2025 and published in the Official Gazette No. 33123 dated 30 December 2025. However, this matter does not affect our conclusion.

As explained in the "About the Report" section of the TSRS-Compliant Sustainability Report, the Group is within the scope of the "Board Decision on the Scope of Application of the Turkish Sustainability Reporting Standards (TSRS)" published in the Official Gazette dated 29 December 2023 (No. 32414), and accordingly, taking into account the exemptions provided under TSRS 1 Provisional Article 3 and the extension of the transition exemption periods pursuant to the POA Board Decision dated 30 December 2025, no disclosure has been made regarding Scope 3 greenhouse gas emissions. However, this matter does not affect our conclusion.

Inherent limitations in the preparation of the Sustainability Information

Sustainability Information contains climate-related scenario-based information that is subject to inherent uncertainty due to incomplete scientific and economic knowledge regarding the likelihood, timing, or effects of possible future physical and transitional climate-related events.

In addition, the quantification of greenhouse gas is also subject to inherent uncertainty due to the lack of sufficient scientific knowledge required to determine the values used for emission factors and to combine different gas emissions.

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

The Group's management is responsible for the following:

- The preparation of the Sustainability Information in accordance with the TSRS;
- The design, implementation, and maintenance of internal control as deemed necessary to ensure that the Sustainability Information is prepared free from material misstatement, whether due to fraud or error;
- Additionally, the Group's management is also responsible for selecting and applying appropriate sustainability reporting methods, as well as making reasonable assumptions and estimates that are appropriate to the circumstances.

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

Auditor's Responsibilities for the Limited Assurance Engagement on the Sustainability Information

We are responsible for the following:

- To plan and perform the engagement to obtain limited assurance about whether the Sustainability Information contains material misstatements, whether due to fraud or error;
- To reach an independent conclusion based on the evidence we obtained and the procedures we performed; and
- To communicate our conclusion to the Group management.

As we are responsible for expressing an independent conclusion on the Sustainability Information prepared by management, we are not permitted to be involved in the preparation of the Sustainability Information, as such involvement could compromise our independence.

KPMG

Application of Professional Standards

Our limited assurance engagement was conducted in accordance with Assurance Engagement Standard 3000 "Assurance Engagements Other than Audits or Reviews of Historical Financial Information" and Assurance Engagement Standard 3410 "Assurance Engagements on Greenhouse Gas Statements" as issued by the POA. Our responsibilities under these assurance standards are described in detail in the Auditor's Responsibilities for the Limited Assurance Engagement on the Sustainability Information section of our report.

We believe that the evidence we have obtained during the limited assurance engagement is sufficient and appropriate to provide a basis for our conclusion.

Independence and Quality Management

We have complied with the independence requirements and other ethical provisions of the Code of Ethics for Independent Auditors (including Independence Standards) issued by POA, which is built upon the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behavior.

KPMG is responsible for implementing the provisions of Standard on Quality Management 1 ("SoQM 1") Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements, and for maintaining a comprehensive quality management system, including written policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

Summary of Work Performed as a Basis for the Assurance Conclusion

We are required to plan and perform our work to address areas where we have identified a higher risk of material misstatement in the Sustainability Information. The procedures we apply are based on our professional judgment. In conducting our limited assurance engagement on the Sustainability Information:

- Interviews were conducted with key senior personnel of the Group to understand the processes in place for obtaining the Sustainability Information for the reporting period;
- Interviews were conducted with those responsible for the Sustainability Information;
- The Group's internal documentation was used to evaluate and review the sustainability-related information;
- An evaluation of the disclosure and presentation of the sustainability-related information was performed;
- Through inquiries, an understanding was obtained regarding the Group's control environment and information systems related to the preparation of the Sustainability Information. However, the design of specific control activities was not evaluated, no evidence was obtained regarding their implementation, and their operating effectiveness was not tested;
- The accuracy of the Sustainability Information was tested by comparing it, on a sample basis, with the Group's supporting documentation;
- The appropriateness of the Group's estimation methodologies and their consistent application were evaluated. However, our procedures did not include testing the data on which the estimates are based or developing our own estimates to assess the estimates made by the Group;
- The selection of quantification methodologies and reporting policies for greenhouse gases was evaluated.

The procedures performed 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.

KPMG Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik Anonim Şirketi

Alper Güvenç, SMMM
Partner

11 August 2026
Istanbul, Türkiye

fibabanka.com.tr