

TÜRKİYE HALK BANKASI A.Ş.
BOARD OF DIRECTORS' REPORT

Leveraging our 86 years of experience as a pillar in the sector, we at Halkbank steadfastly supported the real economy in 2024 by offering premium products and services, underpinned by our robust risk management and agility in responding to market conditions. We continued to significantly contribute to the national economy through our sustained support for Tradespeople, SMEs, and Women and Young Entrepreneurs. This support was fueled by funds from capital market instruments we issued, a broad deposit base, and an increase in capital.

In 2024, Halkbank's assets grew to 3,008.2 billion Turkish lira from 2,195.3 billion Turkish lira, marking a year-on-year increase of 37 percent and ranking us fourth by asset size in the sector.

The share of loans in the balance sheet was 48.6 percent at the year's end. Commercial loans, including the SME loans, rose to 1,279.7 billion Turkish lira and retail loans to 182 billion Turkish lira, placing us fifth by cash loans in the sector. In 2024, cash and non-cash loan volumes increased from 1,871.3 billion Turkish lira to 2,262.2 billion Turkish lira, up 20.9 percent year-on-year. Loan disbursement for artisan loans was recorded at 115 billion Turkish lira, as the artisan loan balance increased by 13.2 percent year-on-year to 266 billion Turkish lira.

We provided 79.8 billion Turkish lira in financial support to 239,000 women entrepreneurs by the end of 2024 through the Women Entrepreneurs Loan Package introduced in 2021. With the Productive Women Competition held for the fourth time in February 2025 and Productive Women Academy Master Class Brand Education, the Bank continues to maintain its efforts to develop women's entrepreneurship ecosystem.

"HUBrica Acceleration Program" was introduced in 2024 to prepare young people to innovation and the business world. With the program, the Bank enabled entrepreneurs to develop their business ideas and grow by offering training, mentorship and investment support to them. Furthermore, through the Gençİz Summit the Bank brought together young people and leading names of the business world by creating awareness in fields such as career, innovation and financial literacy. In 2024, two new credit packages, the Youth Loan and the First Step Loan, each supported by the Credit Guarantee Fund (KGF) coverage support were offered to facilitate the access of Young entrepreneurs to financing, and financing supports of 394 million and 41.8 million Turkish Lira were extended with the Youth Loan and the First Step Loan, respectively. By the end of 2024, 28.2 billion Turkish Lira were provided in financial support to 186 thousand entrepreneurs.

In 2024, the securities portfolio expanded by 34 percent to 783.1 billion Turkish lira, accounting for 26 percent of the balance sheet. In 2024, Halkbank issued bonds totalling 30.9 billion Turkish lira which can be included in equity calculations as well as commercial papers with a total par value of 29.9 billion Turkish lira by directly issuing to qualified investors, without any public offerings.

Halkbank's total deposit base grew by 27.2 percent to 1,872.8 billion Turkish lira, up from 2,381.8 billion Turkish lira year-on-year, ranking us third in the sector. In addition, the demand deposit volume amounted to 605.7 billion Turkish lira in 2024.

The Bank's profit for 2024 year-end increased by 49.4 percent year-over-year to 15.1 billion Turkish lira and the Bank maintained its sustainable profitability. The Bank's equity increased by 18.8 percent to 152.6 billion Turkish lira, with a capital adequacy ratio of 14.82 percent.

With 20 new branches opening in 2024, Halkbank expanded its branch network to 1,092 domestic branches and ended the year with 21,520 employees.

We express our gratitude to our employees, whose dedication and efforts have propelled Halkbank's sustained growth in 2024, contributing to a profitable and productive year. We hereby submit the Board of Directors' and Auditors' Reports, as well as financial statements for the year 2024, to our esteemed shareholders and their representatives for their consideration.

Respectfully,

Osman ARSLAN
Board Member
General Manager

R. Süleyman ÖZDİL
Chairman