

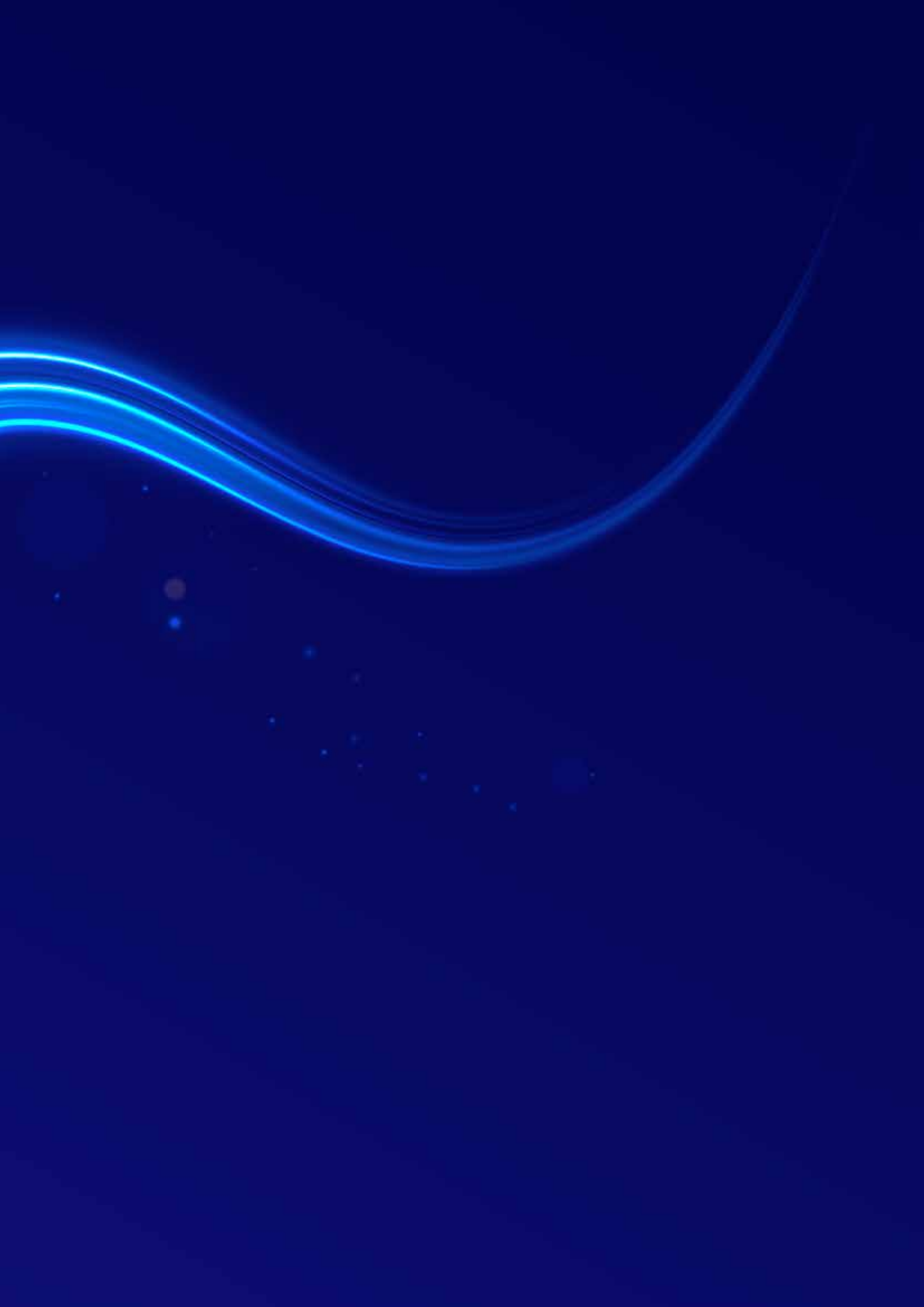
İŞBANK AG
ANNUAL REPORT 2025

Rooted in Strength Prepared for the Future

İŞBANK

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Well-balanced Selective Growth

Trustworthy Partner

Operational Efficiency

**Value Creation
for Stakeholders**

Strong Governance

Diversification Profitable Growth

High Asset Quality

ESG Solid Financial Capital

Sustainable Profitability

Customer-oriented Provisioning

Transparency Digital Transformation

Customer Satisfaction

Expertise

ABOUT US

CORPORATE PROFILE

From national vision to international presence

The origins of İşbank AG are rooted in the international vision of Türkiye İş Bankası A.Ş. (İşbank), founded in 1924 to promote the economic development of the Republic of Türkiye. International expansion formed part of the Bank's strategy from an early stage.

İşbank's first European milestone dates back to 1932 with the opening of a representative office in Hamburg. Although activities were interrupted during World War II, the Bank reaffirmed its long-term commitment to Germany by reopening a representative office in Frankfurt am Main in 1976.

In 1992, these activities were consolidated into an independent company with the establishment of İşbank GmbH. Reflecting its institutional evolution, the company was converted into a stock corporation (AG) in 2012.

Today, İşbank AG operates eight branches in Germany and one in the Netherlands, serving as a strategic component of the international network of Türkiye İş Bankası A.Ş.

A strategic financial bridge between Türkiye and Europe

İşbank AG continues to focus strongly on its main competencies, particularly in trade finance, supporting commercial and investment flows between Türkiye and Europe.

By leveraging its expertise and international network, the Bank acts as a strategic partner for Turkish companies expanding into Europe and for European companies engaging in trade or investment activities in Türkiye.

Institutional strength anchored in group integration

As a wholly owned subsidiary of Türkiye İş Bankası A.Ş., İşbank AG operates within a robust governance and risk management framework.

Its integration into the Group structure provides access to a strong capital base, extensive banking know-how and a broad international customer network. These elements constitute a solid foundation for the Bank's sustainable development.

Building a digitally resilient banking model

In addition to its established branch network, İşbank AG is strengthening its digital distribution channels. The objective is to broaden and diversify its funding base, increase operational efficiency, align with changing market conditions and enhance customer experience.

The Bank continues to reinforce its digital resilience framework. It places particular emphasis on cybersecurity, implementing structured measures to identify, monitor and mitigate cyber risks.



Financial bridge between Türkiye and Europe
Present in Europe since 1932
Branches in Germany and the Netherlands
Core expertise in trade finance and cross-border banking
Solid corporate governance
Building a digitally resilient banking model

ABOUT US

VISION-MISSION-GOALS-VALUES

Our Vision

To be the leading, forward-thinking bank in Europe that creates sustainable value through inclusive practices, reinforcing the reputation of Türkiye İş Bankası Group as the preferred choice for customers and employees.

Our Mission

To serve as a strategic financial bridge between Türkiye and Europe by providing value-added banking products and services that facilitate cross-border business operations in line with our group corporate philosophy.



İşbank AG operates as a universal bank and offers its customers in Türkiye and Europe a select range of products and services in the areas of corporate banking and private and corporate customer business.

Sustainable value creation for all our shareholders

Our Goals

For Our Customers

A reliable partner delivering high-quality financial services.

For Our Shareholders

Sustainable profitability aligned with strong reputation and solid corporate governance.

For Our Employees

An attractive workplace offering fair rewards, career opportunities, and continuous learning.

Our Values

- » Reliability, integrity, and professional expertise.
- » Social and environmental responsibility
- » Appreciative communication with all stakeholders.
- » Continuous improvement with the highest standards of quality and professionalism.

OVERVIEW OF ACTIVITIES IN 2025

Key Figures

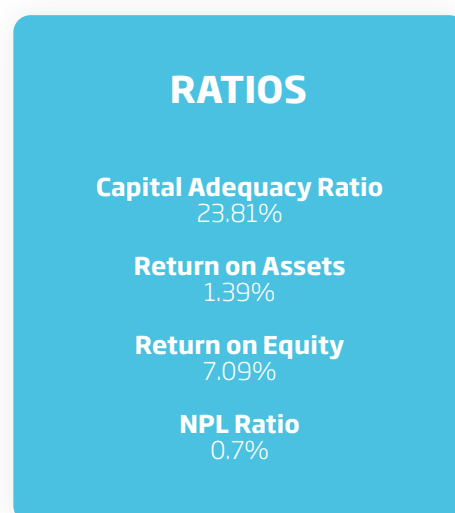
	2025	2024	Change (%)
(EUR thousand)			
Total Assets	2,212,065	2,127,692	3.97
Shareholders' Equity	482,823	452,059	6.81
Cash and Balances with Central Bank	27,012	34,899	-22.60
Bonds and Securities	273,849	142,160	92.63
Due from Banks	329,862	634,538	-48.02
Due from Customers	1,556,167	1,285,015	21.10
Due to Banks	333,852	177,689	87.89
Customer Deposits	1,378,136	1,474,949	-6.56
Net Interest Income	62,934	74,155	-15.13
Commission Income	10,797	9,910	8.95
Net Income for the Year	30,764	36,154	-14.91



İşbank AG has demonstrated a successful financial performance in line with its targets in 2025 and has continued its sustainable growth.

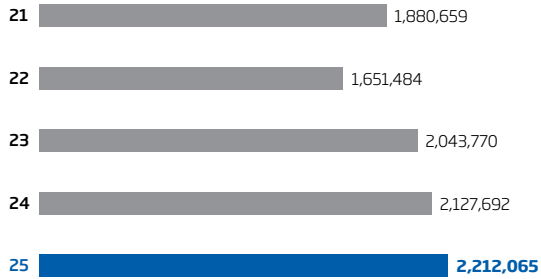
Ratios

	2025	2024
(%)		
Capital Adequacy Ratio	23.81	23.75
Return on Assets	1.39	1.70
Return on Equity	7.09	8.95



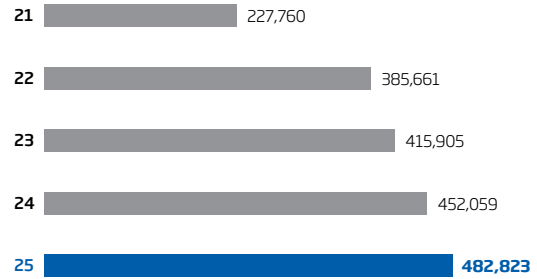
Total Assets

EUR thousand



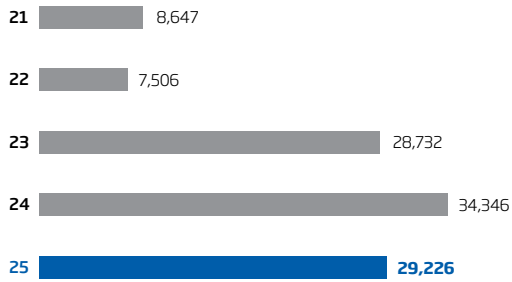
Capital and Reserves

EUR thousand



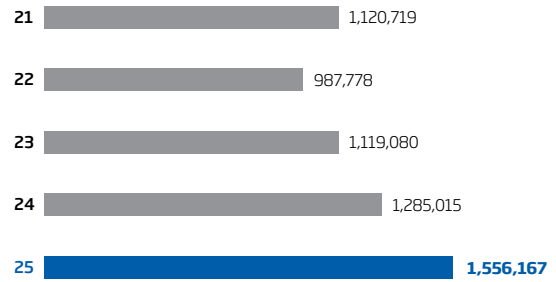
Net Retained Profit

EUR thousand



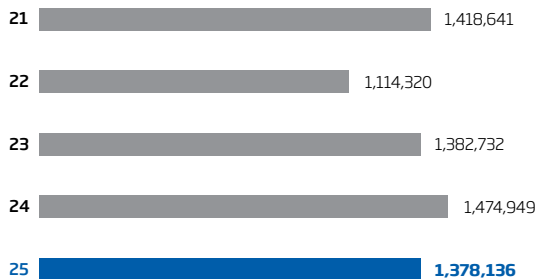
Due from Customers

EUR thousand



Customer Deposits

EUR thousand



OUR PARENT COMPANY

TÜRKİYE İŞ BANKASI A.Ş. IN BRIEF





TÜRKİYE İŞ BANKASI A.Ş. IN BRIEF

İşbank AG is a wholly-owned subsidiary of Türkiye İş Bankası A.Ş., which is the largest private bank of Türkiye in terms of total assets, total loans and total deposits by the end of 2025.

Türkiye İş Bankası A.Ş. is determined to reinforce its support for its customers by taking advantage of the opportunities created by its sustainable and strong financial structure.

As of 2025 year-end, the bank's total assets reached TL 4,625 billion, total loans and total deposits amounted TL 2,305 billion and TL 3,099 billion, respectively. Türkiye İş Bankası A.Ş. also has a robust capital base with a capital adequacy ratio comfortably above the minimum required level by regulation.

Türkiye İş Bankası A.Ş. serves retail, SME and large corporate customers and provides all kinds of banking services through a strategy of achieving sustainable and profitable growth based on being "the bank closest to customers". Having the

most extensive distribution network among private banks with its 997 branches and 6,855 ATMs as of the year-end 2025, Türkiye İş Bankası A.Ş. positions its physical and digital channels so as to complement one another, and delivers multidimensional banking services through its diversified digital service platforms. The bank has around 15.9 million mobile (İşCep) customers by the end of the year, while the share of non-branch channels reached 97% of total transactions.

Besides İşbank AG, Türkiye İş Bankası A.Ş. operates abroad through its 22 foreign branches (15 in Northern Cyprus, 2 in London, 1 in Bahrain, 2 in Iraq, 2 in Kosovo) and 2 representative offices in China and Egypt, as well as 2 wholly-owned subsidiaries in Russia (İşbank Russia) and Georgia (İşbank Georgia). As a highly trusted financial institution, Türkiye İş Bankası A.Ş. also maintains its pioneering position in foreign trade through its extensive correspondent bank network.

Türkiye İş Bankası: The Largest Private Bank of Türkiye

Main Balance Sheet Items ⁽¹⁾	Market Share (%) 2025	Rank ⁽²⁾
Total Assets	10.9	1 st
Total Loans	10.8	1 st
TL Loans	11.1	2 nd
FX Loans	10.5	1 st
Consumer Loans ⁽³⁾	13.6	3 rd
Non-Retail Loans	9.4	1 st
Total Deposits	12.2	1 st
TL Deposits	11.0	1 st
FX Deposits	14.2	1 st
Demand Deposits ⁽⁴⁾	14.6	1 st
Shareholder's Equity	11.1	2 nd
Other Products & Distribution Network		
Acquiring Volume ⁽⁵⁾	13.0	3 rd
Number of Credit Cards ⁽⁵⁾	12.5	3 rd
Issuing Volume ⁽⁵⁾	14.4	2 nd
Volume of Debit Cards ⁽⁵⁾	11.9	3 rd
Number of Branches	11.0	1 st
Number of ATMs	12.1	1 st

⁽¹⁾ Market share calculations are based on weekly BRSA data excluding participation banks. Total assets market share is based on monthly BRSA data.

⁽²⁾ Ranking among private-sector banks

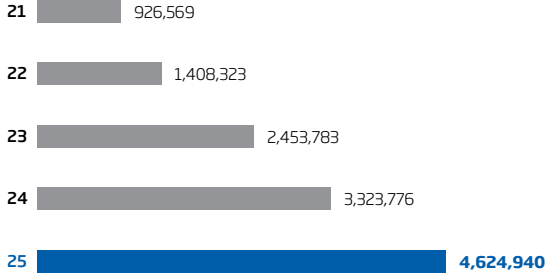
⁽³⁾ Including retail overdraft accounts

⁽⁴⁾ Excluding interbank deposits

⁽⁵⁾ Market share calculations are based on Interbank Card Center (BKM) data.

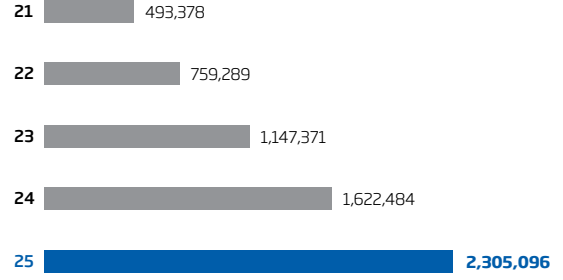
Total Assets

TL million



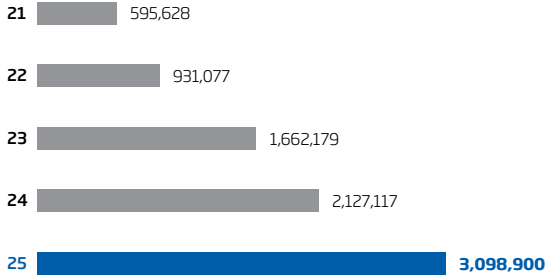
Loans

TL million



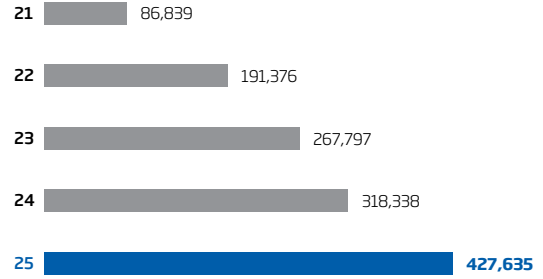
Deposits

TL million



Shareholders' Equity

TL million



LETTER FROM THE CHAIRPERSON OF THE SUPERVISORY BOARD



Hakan Aran
Chairperson of the Supervisory Board

İşbank AG, as part of the Türkiye İş Bankası A.Ş. Group and its European banking arm, has demonstrated its capability to respond decisively and with foresight maintaining solid performance. The bank demonstrates resilience and is well positioned to capture opportunities through forward-thinking and the timely identification and assessment of emerging developments.

The year 2025 once again demonstrated that the operating environment is shaped by profound political, economic, social and technological transformation. Ongoing geopolitical tensions, shifts in global economic balances and structural changes in financial markets continued to test the resilience of the banking sector, while the risk landscape became increasingly complex and interconnected. Rapid technological progress, especially in the field of artificial intelligence, is fundamentally reshaping business models, competitive dynamics and stakeholder expectations toward financial institutions. At the same time, banks are confronted with newly emerging risks, such as cyber and ICT risks, making it critical to align business models and operational practices with these risks and to ensure the continuous availability of appropriately skilled human resources for sustainable long-term performance.

In this demanding environment, İşbank AG, as part of the Türkiye İş Bankası A.Ş. Group and its European banking arm, has demonstrated its capability to respond decisively and with foresight by identifying, assessing and managing emerging risks in a timely manner. Benefiting from the Group's century-long experience and İşbank AG's robust risk management framework, the Bank navigated 2025 with discipline, strengthened its resilience, and maintained solid financial performance, further reinforcing its position as a reliable financial anchor while remaining well positioned to capture emerging opportunities. This performance is underpinned by a robust business model and sound institutional foundations, supported by a solid financial base and sustainable human capital. Together, these strengths provide the resilience and capacity for long-term value creation necessary to operate effectively in an increasingly complex risk environment and to serve stakeholders reliably.

Looking ahead, the Supervisory Board is fully committed to supporting the Bank's strategic priorities, which are aligned with stakeholder expectations and focused on sustainable value creation. Like a marathon runner, we will continue to ensure the continuity of our strong financial and reputational performance while supporting sustainable long-term growth. With this foundation, we are confident in the Bank's ability to build on its momentum in 2026 and to contribute to a more resilient and sustainable future.

On behalf of the Supervisory Board, I extend my sincere appreciation to our employees, clients, business partners and the wider İşbank Group for their continued commitment, trust and professionalism. We look ahead with confidence to continuing İşbank AG's successful development.

Hakan Aran
Chairperson of the Supervisory Board

LETTER FROM THE CHAIRPERSON OF THE MANAGEMENT BOARD



Gamze Yalçın
Chairperson of the Management Board

İşbank AG delivered another year of strong performance in 2025, further consolidating its position in Europe. Its well-established presence in Germany, complemented by operations in the Netherlands, provides a solid platform for cross-border growth.

While 2025 remained a challenging year for the German and European economies, it also highlighted the emergence of new opportunities. Structural reforms and targeted investment programs, particularly Germany's multi-year investment and transformation agenda focused on infrastructure, digitalization, energy efficiency and climate, signalled a clear commitment to modernization and sustainable growth. Combined with an expected economic recovery from 2026 onwards, these developments improved the medium-term outlook for companies and financial institutions. In this environment, rising expectations toward banks have placed greater emphasis on resilience, reliability and long-term value creation. We approach this environment with cautious optimism, confident in the strengths that enable İşbank AG to convert challenges into opportunities.

Against this backdrop, İşbank AG delivered another year of strong performance in 2025, further consolidating its position in Europe. Its well-established presence in Germany, complemented by operations in the Netherlands, provides a solid platform for cross-border growth. Firmly rooted in the heritage of Türkiye İş Bankası A.Ş., with over a century of history, the Bank is strongly positioned to navigate a complex and dynamic operating environment with agility and discipline. Its longstanding role in facilitating trade between Europe and Türkiye, supported by Germany's status as Türkiye's largest trading partner, is strengthened by a resilient business model, a trusted reputation and deep bilateral expertise. Together, these strengths position İşbank AG as a reliable anchor for stakeholders in an increasingly interconnected and demanding environment.

In 2025, total assets grew nearly four percent, driven by a roughly 20 percent increase in customer lending and a diversified loan portfolio, reflecting the relevance of our core business to the real economy. Profitability was maintained through dynamic balance sheet management and diversification, while capital ratios remained strong and asset quality resilient, with a non-performing loan ratio of approximately 0.7 percent. Deposits continued to underpin our liability structure, highlighting customer trust. These results demonstrate the effectiveness of our operating model, combining strong governance, robust risk management, operational excellence, and coordinated decision-making, enabling the Bank to deliver sustainable returns and reliably support clients even in periods of uncertainty.

Our success in 2025 and the strategic path ahead would not have been possible without the dedication and professionalism of our employees. On behalf of the Management Board, we extend our sincere appreciation to all staff for their commitment and expertise. We also thank our clients and business partners for their continued trust and constructive cooperation. Finally, we express our gratitude to the Supervisory Board for its strategic guidance, ongoing support, and oversight, which remain fundamental to the Bank's stability and long-term development. With confidence and a strong sense of purpose, we look ahead to further opportunities.

Gamze Yalçın
Chairperson of the Management Board

REPORT OF THE SUPERVISORY BOARD

Cooperation between the Supervisory Board and Management Board

In the past business year, the Supervisory Board monitored the work of the Management Board on an ongoing basis and regularly supported it in managing the company. In this context, the Supervisory Board was at all times convinced of the legality, appropriateness, and due diligence of the work of the Management Board. The Management Board duly fulfilled its duties to provide information and continuously, promptly and comprehensively informed the Supervisory Board both verbally and in writing of all the issues related to strategy, short and long-term planning, business performance, risk position, risk management, compliance and other important topics which are of relevance to the Bank. This also included information about when developments deviated from goals reported earlier and departures of business from the planned budgets. At its committee meetings, the members of the Supervisory Board had sufficient opportunity to critically scrutinize the reports and the documentation for decision-making presented to it by the Management Board and to contribute its own ideas. In particular, the Supervisory Board extensively discussed all items of business of importance to the company on the basis of written and oral Management Board reports and assessed their plausibility. On several occasions the Supervisory Board exhaustively discussed the Bank's risk position, its liquidity planning and the situation as regards its capitalization. The Supervisory Board issued its approval for the individual items of business to the extent that this was necessary in line with the law, the articles of incorporation, or the Management Board's rules of procedure.

Activities of the Supervisory Board

In the financial year 2025, the Supervisory Board held four meetings.

The Supervisory Board formed the following committees composed of its members:

- Audit Committee
- Risk Committee
- Corporate Governance and Remunerations Control Committee
- Credit Limit Revision Committee

During the financial year 2025, there was one meeting each of the Corporate Governance and Remunerations Control Committee as well as the Credit Limit Revision, two meetings of the Audit Committee and four meetings of the Risk Committee.

In addition, an extraordinary meeting of the Supervisory Board took place on April 22, 2025, for the adoption of the annual financial statements, the subject of which focused on the presentation of the annual financial statements and the results of the annual audit by Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft Eschborn.

Annual Audit of the Financial Statements

Auditors Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft, Eschborn, who were appointed as auditors by the Annual General Meeting in 2025, were commissioned to handle the annual audit of İşbank AG. The auditors thus commissioned presented a declaration of their independence to Supervisory Board, which the latter duly received. The Supervisory Board has no doubts as to the accuracy of the content of the declaration of independence.

Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft, Eschborn, duly audited the annual financial statements of İşbank AG including the management report for the financial year 2025, and on the basis of its audit findings issued an unqualified opinion on the annual financial statements.

The corresponding audit opinion, including the notes to the financial statements and the management report of İşbank AG, were made available to all the members of the Supervisory Board in due time. The Supervisory Board examined all the documents. At the Supervisory Board meeting of March 13, 2026, with the participation of the auditors, all the key elements of the annual audit were discussed with the Management Board. The auditors were present at the meeting, outlined the key audit findings and provided supplementary information. All questions were answered to the Supervisory Board's satisfaction. In the wake of its own examination, the Supervisory Board raised no objections to the conclusive findings of the annual audit and concurred with them. The Supervisory Board has thus formally approved the annual financial statements presented by the Management Board and the annual financial statements of İşbank AG are therefore considered adopted.

The Supervisory Board declares that it concurs with the Management Board's suggestion on the allocation of profits.

Affiliated companies (dependent companies report)

Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft, Eschborn, likewise examined the Management Board report on relations to affiliated companies (dependent companies report).

At its meeting of March 13, 2026, the Supervisory Board likewise approved the auditor's findings on relations to affiliated companies and following its own examination raised no other objections.

Changes in the Management Board

During the reporting period 2025, there were no changes to the Management Board at İşbank AG.

Changes in the Supervisory Board

The Supervisory Board was reorganized effectively on April 30, 2025:

Hakan Aran, İstanbul, Türkiye, Chairperson of the Supervisory Board, Chairperson of the Management Board at Türkiye İş Bankası A.Ş.

Sabri Gökmenler, İstanbul, Türkiye, Deputy Chairperson of the Supervisory Board, Member of the Management Board at Türkiye İş Bankası A.Ş.

Hürdoğan İrmak, İstanbul, Türkiye, Member of the Supervisory Board as of May 01, 2025, Head of Financial Management at Türkiye İş Bankası A.Ş.

Imge Hilal Soyluoğlu Canlı, İstanbul, Türkiye, Member of the Supervisory Board, Head of Financial Institutions at Türkiye İş Bankası A.Ş.

Hakan Kartal, İstanbul, Türkiye, Member of the Supervisory Board, Head of Treasury at Türkiye İş Bankası A.Ş.

Murat Doğan, İstanbul, Türkiye, Member of the Supervisory Board, Head of Subsidiaries at Türkiye İş Bankası A.Ş.

Celal Caner Yıldız, İstanbul, Türkiye, Member of the Supervisory Board, Head of Corporate Loans Underwriting Division at Türkiye İş Bankası A.Ş.

Alper Gürler, İstanbul, Türkiye, Member of the Supervisory Board, Head of Economic Research at Türkiye İş Bankası A.Ş.

Nilgün Yosef Osman, İstanbul, Türkiye, Member of the Supervisory Board as of May 01, 2025, Head of Investor Relations and Sustainability at Türkiye İş Bankası A.Ş.

The following members of the Supervisory Board retired effective April 30, 2025:

Yavuz Ergin, İstanbul, Türkiye, Member of the Supervisory Board until April 30, 2025, Advisor at Türkiye İş Bankası A.Ş.

Ali Tolga Ünal, İstanbul, Türkiye, Member of the Supervisory Board until April 30, 2025, Head of Financial Management Department at Türkiye İş Bankası A.Ş.

Thanks to the Management Board and staff

The Supervisory Board would like to thank the members of the Management Board and all the staff for their immense efforts in what was an eventful and challenging financial year 2024.

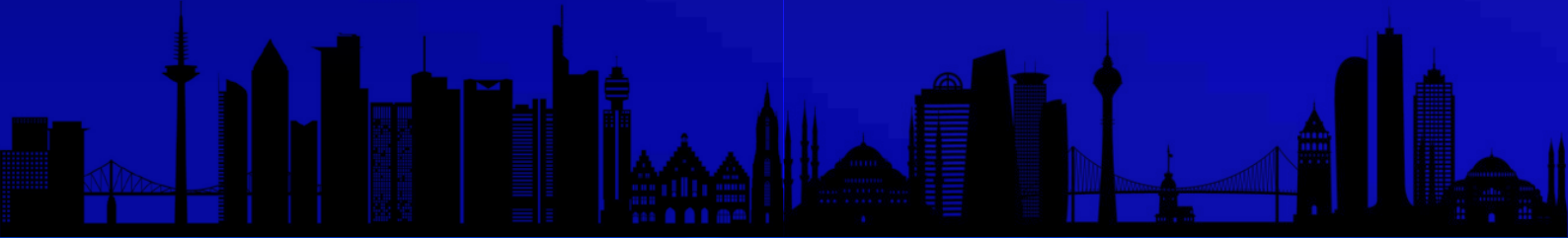
Frankfurt, March 19, 2026

For the Supervisory Board

Hakan Aran
Chairperson of the Supervisory Board

REPORT OF THE MANAGEMENT BOARD

İşbank AG is wholly owned by Türkiye İş Bankası A.Ş., Türkiye's largest private financial institution. Since its founding in 1924, the parent company has played a central role in the country's economic development.



İşbank AG aims to further consolidate its role as the European subsidiary of its parent company and to continue developing its business activities in line with a sustainable growth strategy.

a) Fundamentals

Basic information

İşbank AG is a German credit institution headquartered in Frankfurt am Main. It maintains eight branches in Germany as well as one additional in the Netherlands. Since its foundation in 1992, the bank has supported trade and business relations between Europe and Türkiye on a long-term basis. İşbank AG operates as a universal bank and offers its customers in Türkiye and Europe a select range of products and services in the areas of corporate banking respectively retail and commercial customer business. In addition, the bank has a strong focus on foreign trade finance. Türkiye-related trade business continues to represent a core niche and will remain a key component of the Bank's strategy going forward.

İşbank AG is wholly owned by Türkiye İş Bankası A.Ş., Türkiye's largest private financial institution. Since its founding in 1924, the parent company has played a central role in the country's economic development. The unique ownership structure, in which the employee pension fund holds a 38.66% stake in the capital, underscores the bank's long-term and stable orientation and contributes to its position as one of Türkiye's most important companies.

The parent company was the first Turkish credit institution to establish a foreign branch. As early as 1932, Türkiye İş Bankası A.Ş. opened its first branches outside Türkiye, in Hamburg and Alexandria.

İşbank AG aims to further consolidate its role as the European subsidiary of its parent company and to continue developing its business activities in line with a sustainable growth strategy. The expansion of business activities is based in particular on the targeted further development of the lending business with a focus on corporate banking. In addition, existing payment and trade finance services are being continuously developed, and digital solutions for retail and business customers are being gradually expanded.

Countries and segments as well as market sectors

İşbank AG's business area is primarily shaped by the economic ties between Europe and Türkiye. Responsibility for sales activities in the customer segment lies with the Sales, Business Development & Digital Banking division. The range of tasks in this area includes, in particular, supporting corporate clients, including companies involved in trade finance and corporations based in Türkiye or Europe. In addition, the division is responsible for sales management in the branches and for the introduction and ongoing development of banking products.

The branches in Germany that serve retail and commercial customers are mainly located in economically important cities with a high proportion of residents of Turkish origin. In particular, they support customers with ties to both economic areas by providing traditional banking services. The business customer segment primarily comprises locally based small and medium-sized enterprises whose business activities are only related to foreign trade to a limited extent. The Amsterdam branch focuses on foreign trade and primarily serves institutional clients requiring banking services in the area of cross-border short-term financing.

REPORT OF THE MANAGEMENT BOARD

The Financial Institutions department is responsible for maintaining and developing relationships with other credit institutions. In addition, the Treasury department works with European brokers in the deposit business to continuously optimize the bank's refinancing structure. Treasury is also responsible for managing and administering the bank's international securities portfolio.

Organizational structure

There were no changes to the organizational structure. Ms. Gamze Yalçın will continue to serve as Chair of the Management Board. She remains responsible for the Market segment. The control function units continue to report to Management Board members Ms. Ayşe Doğan and Mr. Emir Serdar Gülpınar.

Management system

The overall management of İşbank AG aims to maintain a balanced set of key financial performance indicators. The bank's central management tools include the balance sheet and income statement and risk-bearing capacity analysis for risk control (see Risk Report section). Another essential component of the management system at İşbank AG is the reporting provided by internal management committees, such as the risk committee, loan committee and asset/liability committee, through which the board is regularly informed about key developments and forecasts, and initiates necessary decisions.

b) Economic report

Overall economic and industry-related framework conditions

The year 2025 was characterized by moderate but overall robust global economic growth. According to current estimates by the International Monetary Fund (IMF), global gross domestic product (GDP) grew by around 3.3% in 2025, remaining largely unchanged from previous year. Inflation continued to weaken in most economies, increasing the scope for monetary policy action. Nevertheless, economic uncertainties remained, particularly in connection with geopolitical risks and trade tensions.

In the United States, real GDP growth of around 2.0% was forecast for 2025. Economic development was supported by stronger domestic demand and fiscal policy stimulus, while the effects of higher trade barriers diminished over the course of the year. Nevertheless, the economy remained vulnerable to external risks and investment uncertainties.

The euro area also recorded economic growth in 2025. According to the latest projections, real GDP is expected to have grown by around 1.4%. The European Central Bank anticipated a moderate recovery in the domestic economy, even though export momentum remained subdued and higher financing costs impacted consumption and investment.

Overall, the global economy proved resilient despite existing uncertainties and economic policy adjustments. Global growth remained solid, albeit moderate, with stronger negative effects from trade policy measures remaining limited so far. Economic development was supported by sustained high levels of production and trade activity, as well as by adjustments made by companies and households. Nevertheless, risks remain from geopolitical tensions and protectionist tendencies, which could influence the economic environment in the coming years.

Germany

Overall, the German economy showed subdued economic development in 2025. According to current projections by the Federal Government, real GDP growth of around 0.2% is expected for the year as a whole. Preliminary data from the Federal Statistical Office show stagnation in the third quarter compared with the previous quarter, while year-on-year growth of 0.3% was recorded. The impetus came in particular from the domestic economy, supported by a gradual improvement in real incomes.

The manufacturing sector showed increasing stabilization in 2025 compared to the previous year. Calendar-adjusted production in the manufacturing sector in October 2025 was 0.8% higher than in the same month of the previous year. The year-on-year comparison therefore indicates a slowdown in the previous downward trend. Within the sector, parts of industry in particular developed more robustly, while the construction sector continued to be characterized by subdued demand. Overall, the year-on-year comparison points to a gradual stabilization of industrial value added, even if the recovery was not yet broadly based.

The development of German foreign trade in 2025 was initially characterized by subdued momentum compared to the previous year, but showed an increasingly positive trend as the year progressed. According to the Federal Statistical Office, nominal exports of goods and services in the third quarter of 2025 were still around 1.6% below the level of the same quarter of the previous year. However, at the end of the year, there were signs of a noticeable upturn in international trade in goods, which was attributable to improved demand from key export markets and an increasing normalization of global trade flows. Imports also became more robust as the year progressed, after declining in the third quarter compared with the previous year. Overall, this positive development at the end of the year helped to strengthen foreign trade as a stabilizing factor for the German economy and partially offset the previous pressures on international business.

Inflation trends contributed to a stabilization of economic conditions in 2025. The inflation rate fell to 2.3% in October, moving closer to the European Central Bank's target. Declining energy prices had a particularly dampening effect, while price pressure in the service sector remained high. Overall, declining inflation improved the purchasing power of private households and supported economic stabilization.

REPORT OF THE MANAGEMENT BOARD

Overall, the economic situation in Germany in 2025 was characterized by increasing stabilization. Although growth remained moderate and the recovery fragile, individual positive developments in the domestic economy, industrial production, and foreign trade point to a gradual improvement in the economic situation. Against this backdrop, there were cautious signs of a gradual stabilization in economic development at the end of the year.

Türkiye

In 2025, the Turkish economy continued its growth trajectory, albeit with a slowdown compared to previous years. According to current forecasts, real growth in gross domestic product of around 3.6% is expected for the year as a whole. While growth remains positive, it is below the previously achieved levels and reflects the effects of more restrictive monetary policy conditions. In addition, growth figures for the third quarter were around 3.7% higher than in the same quarter of the previous year. This trend indicates stabilization of domestic demand, but remains fragile against the backdrop of rising financing costs.

Inflation remained a key macroeconomic issue in 2025. Although the annual inflation rate fell from very high levels during the course of the year, it remained high. According to the latest data, annual inflation is expected to average around 31.1%, which marks a decline compared to the previous year (58.5%), but at the same time points to structural price pressure and highly volatile components.

The monetary policy of the Central Bank of the Republic of Türkiye was further adjusted for the slowdown in inflation dynamics in 2025. Following the period of high policy rates in previous years, further interest rate cuts were implemented during the course of the year in order to improve conditions for investment and lending, without completely disregarding the still-high inflation rate. These cautious monetary policy steps reflect the growing economic stabilization. However, given the persistently high inflation and sensitivity to exchange rate fluctuations, the monetary policy stance remains uncertain.

Türkiye's foreign trade position remained stable overall in 2025 compared with the previous year, but was still structurally challenging. According to data from the monthly balance of payment statistics, the current account reached an annual surplus of US\$457 million in October 2025, which was close to market expectations and indicates an improvement over the same period last year. At the same time, the cumulative current account deficit remained at around \$14.5 billion over the first ten months of the year, as expected, which was higher than in the previous year but illustrates the economy's ability to continue financing external imbalances. Nevertheless, this situation highlights the continuing dependence on external sources of funding. In addition, the 12-month cumulative current account balance increased to approximately US\$22 billion, suggesting a recovery in foreign earnings and diversification of revenue sources. This development was accompanied by a moderate increase in revenue from services, particularly from the tourism sector, which rose by just under 10% year-on-year. However, factors such as geopolitical instability in the region, high dependence on tourism, and the risk of potential trade restrictions and tariffs act as potential downside risks.

Germany remained one of Türkiye's most important investment partners in 2025. At the end of August 2025, around 8,506 companies with German capital participation were registered in Türkiye, underscoring the close economic ties between the two countries. Foreign direct investment from Germany amounted to approximately US\$443 million in the first eight months of 2025, following around US\$772 million in 2024 as a whole, confirming the long-term nature of bilateral investment relations.

Banking sector in Germany

According to the Deutsche Bundesbank, the German financial system remained stable in 2025. The banks had a solid overall capital and liquidity base and were able to absorb the impact of the changed interest rate environment. At the same time, the Bundesbank identified an increase in risks to the financial system. These related in particular to the commercial real estate and corporate sectors, as well as macro-financial risks associated with the weak economy and geopolitical uncertainties, even though banks' capital and liquidity positions continue to be considered solid.

Lending by the German banking sector remained subdued overall in 2025. According to the Bundesbank, however, there was a slight recovery in demand for credit over the course of the year. This development affected both the corporate sector and private households, but remained at a low level overall.

In this context, credit risks have become even more significant in 2025. The commercial real estate sector has been particularly affected, with falling property prices leading to increased risks to the value of collateral. In addition, rising corporate insolvencies could weigh on the credit quality of individual institutions.

Despite these risk factors, the regulatory capital ratios of institutions remained high in 2025 and significantly exceeded the applicable minimum requirements. The liquidity situation of banks was stable; institutions met regulatory requirements and maintained sufficient liquidity buffers.

In its strategic goals for the years 2026 to 2029, the Federal Financial Supervisory Authority (BaFin) emphasizes the importance of strengthening the resilience of the financial system. One focus of supervision is on the early identification of risks, effective governance and risk culture, and operational and technological risks. Cyber risks and dependence on outsourced IT services are becoming increasingly important. Against this backdrop, implementation of the regulation on digital operational resilience in the financial sector is highlighted as a key area of action for institutions.

Furthermore, measures to prevent money laundering and terrorist financing remain an essential part of supervisory expectations. BaFin emphasizes the need for effective control, monitoring, and risk management systems, as well as preparation for the future European supervisory regime with the involvement of the Anti Money Laundering Authority.

According to the Association of German Banks, German banks continue to face structural challenges. These include intense competition, ongoing pressure to adapt business models, and increasing regulatory requirements. At the same time, the Association of German Banks believes that institutions are generally well positioned to meet these challenges. Against this backdrop, the German banking landscape is characterized by a stable yet increasingly complex regulatory framework that influences the competitiveness of institutions. The multitude and complexity of regulatory requirements lead to increased costs and restrict banks' strategic freedom of action. The stability of the banking sector has been significantly strengthened since the financial crisis, but this has been accompanied by a decline in efficiency and profitability. Simplification and better coordination of regulatory requirements are seen as key approaches to improving competitiveness without jeopardizing financial stability. In this context, a balanced regulatory framework remains crucial to ensuring the long-term performance of banks and their role in financing the real economy.

REPORT OF THE MANAGEMENT BOARD

Financial sector in Türkiye

In 2025, international rating agencies continued to improve their assessment of the Turkish banking sector. The confirmation of the sovereign credit rating in summer 2025 and the upgrades of individual Turkish credit institutions in the course of the year reflect a more positive assessment of the macroeconomic and institutional environment. The main reasons for this were the continuation of a conventional monetary policy, progress in macroeconomic stabilization, and an improved assessment of the operating environment for banks. In addition, analyses by international rating agencies indicate that a gradual easing of monetary policy in the further course of 2025 could support banks' earnings potential without jeopardizing financial stability in the short term. Overall, developments in the reporting year indicate that the Turkish banking sector has gained credibility in the eyes of international rating agencies and that the framework conditions for refinancing and business activities have improved compared with the previous year. At the same time, the sector remains sensitive to macroeconomic and monetary policy developments. A prolonged period of restrictive monetary policy could dampen credit demand and increase refinancing costs. In addition, structural risks persist due to a history of high inflation, regulatory interventions, and potential exchange rate volatility.

The positive assessment of the Turkish banking sector in 2025 is largely due to an improved assessment of the operating environment. The main reason for this was the normalization and greater reliability of monetary policy, which contributed to a reduction in refinancing risks, improved external market access, and greater monetary policy

credibility. In addition, the increased consistency of economic policy conditions and greater exchange rate stability had a positive impact on the assessment of the banking sector, even though the market environment remained volatile.

Another key factor was the improved ability of the Turkish authorities to support the banking sector if necessary, which is attributed in particular to the accumulation of higher currency reserves. Overall, the adjustments made reflect the assessment that the structural and institutional conditions for Turkish banks in 2025 will have improved compared with the previous year, although risks remain from high inflation, macroprudential requirements, and slow economic growth.

Against this backdrop, the Turkish banking sector remained stable overall in fiscal year 2025, with total assets in the banking system rising significantly year-on-year to reach a volume of around US\$1,097 billion by December 2025, representing an increase of approximately 18% over the previous year. The volume of loans grew by around 18.3% during the same period, with loans in Turkish lira increasing particularly sharply by around 43.4%. The share of loans in Turkish currency in the total loan portfolio thus increased to around 62.9%, indicating a progressive de-dollarization of lending.

The deposit base also developed robustly in 2025. The total deposit volume increased by around 18.2% year-on-year to approximately US\$636 billion. Deposits in local currency grew by around 25.8%, while currency-hedged deposits, which had previously been significant, declined almost entirely. This development contributed to a structural improvement in the refinancing base and greater stability in the banking sector's liquidity position.

On the assets side, credit growth remained positive despite restrictive monetary policy requirements, albeit more controlled than in previous years. Retail customer loans recorded an increase of around 47.1% year-on-year in local currency terms through December 2025, while corporate loans grew at a more moderate pace. Overall, credit quality remained manageable, even though there was a slight deterioration. The ratio of non-performing loans rose to around 2.45% by December 2025, which was above the previous year's level but still well below historical highs.

The capitalization of the Turkish banking sector remained at a solid level in 2025. The average capital adequacy ratio in December 2025 was around 19.7%, which is well above the regulatory minimum requirements. At the same time, banks generally had balanced net foreign currency positions, which limited their exposure to exchange rate fluctuations and stabilized the overall risk profile of bank balance sheets.

Overall, the Turkish banking sector remained broadly stable in 2025, despite a still challenging macroeconomic environment that remained challenging. Continued strong capitalization and improvements in the deposit and funding structures support the resilience of the banking system. Nevertheless, given persistently high inflation, ongoing monetary policy adjustments, and structural risks, the sector remains vulnerable to external and macroeconomic pressures.

Business performance

Despite continuing geopolitical uncertainties and a challenging macroeconomic environment overall, İşbank AG had a successful 2025 financial year.

In 2025, the global economy remained characterized by geopolitical tensions, regional conflicts, and increased volatility on the financial markets, but at the same time, economic conditions showed signs of increasing stabilization. In particular, further normalization of supply chains, declining inflation in major economies, and an overall robust labor market had a supportive effect on the global economy.

These developments were also reflected in the business performance of İşbank AG. The bank successfully increased its business volume in the reporting year and further consolidated its market position. The main drivers here were stable demand in corporate banking, the targeted expansion of existing customer relationships, and a disciplined risk and credit policy.

In addition, the continuing comparatively favorable interest rate conditions in Europe and the ongoing monetary policy stabilization in Türkiye had a positive impact on the business environment. İşbank AG benefited from these conditions and was able to further strengthen its earnings power. Against this backdrop, customer loans increased by EUR 271 million, from EUR 1,285 million to EUR 1,556 million. Overall, the 2025 financial year confirms the sustainable business strategy of İşbank AG. The bank is also well positioned against the backdrop of a challenging global environment and considers itself to be in a solid position for the coming financial years.

REPORT OF THE MANAGEMENT BOARD

In addition, substantial progress was made in implementing the corporate strategy during the reporting year. The ongoing initiatives to optimize customer service and sales channel processes were consistently pursued in order to further optimize operational procedures and realize efficiency potential. Overall, the measures taken in the areas of digitalization and process optimization contributed to a further improvement in operational efficiency. Against this backdrop, the cost-income ratio in fiscal year 2025 was 40.2%, well below the target of 45.7% defined in the business strategy, enabling the bank to sustainably strengthen its economic performance.

Building on existing credit monitoring processes, the additional monitoring measures introduced in response to geopolitical tensions, in particular the impact of the war in Ukraine and the sanctions imposed on Russia, were continued in fiscal year 2025 and integrated into the regular management and control processes.

Risk-oriented management of the loan portfolio continued. Credit exposures in selected countries and industries were reviewed, selectively reduced, or continued to be avoided, taking into account the respective risk situation. Customer groups classified as risky were also subject to increased observation and continuous monitoring in the reporting year.

In addition, the sanctions lists relevant to the war in Ukraine remained an integral part of business policy and operational processes in order to ensure that business activities complied with rules and sanctions at all times.

The consistent transformation of the bank from a traditional branch business with a focus on remittances to Türkiye to a niche bank focusing on corporate and trade finance, which was initiated in recent years, was further consolidated in fiscal year 2025. Despite a market environment that remained challenging, the bank successfully implemented its strategic orientation and sustainably strengthened its earnings power. The 2025 fiscal year closed with a pre-tax profit of EUR 45.1 million, exceeding the target of EUR 43.8 million set in the business plan. The earnings performance confirms the effectiveness of the strategic realignment and the bank's stable operating performance.

The gradual restructuring of the customer portfolio from small and medium-sized businesses and retail customers to the corporate segment as part of the bank's strategic realignment has led to a sustained improvement in the quality of the loan portfolio. This development is reflected in a continuous reduction in the proportion of non-performing loans in the total loan volume (NPL ratio). In the course of the consistent focus on the corporate segment with an emphasis on trade finance business, this positive development continued in fiscal year 2025. The NPL ratio continued to decline, standing at 0.7% at the end of the reporting year, once again demonstrating the Bank's solid risk position and the high quality of its loan portfolio. In the previous year, the NPL ratio was 1.3%.

In parallel with the expansion of its business volume, İsbank AG is pursuing the strategic goal of further diversifying its sources of income. In this context, the digitalization strategy focuses increasingly on financial portals, online banking, and mobile banking as additional sales channels, in addition to the existing local branches. Existing processes, particularly in customer acquisition and the deposit business, were further optimized and made more efficient in the reporting year.

In fiscal year 2025, İşbank AG was able to significantly increase and further diversify its commission income. Net income from commissions and fees amounted to EUR 10.4 million, significantly above the average for the years 2020 to 2024. This development underscores the successful expansion of non-interest-dependent and equity-preserving sources of income. Significant contributions resulted from several income components, in particular from commissions related to lending and payment transactions. This further reduced dependence on individual types of commission and stabilized the overall earnings structure.

The continuing high volume of foreign trade between Türkiye and Europe, with a particular focus on Germany, is leading to an increase in payment transactions between these regions. Against the backdrop of strategic diversification of commission income and product range, İşbank AG has set itself the goal of further expanding its role as a correspondent bank between Türkiye and Europe. Within this framework, the bank acts as a correspondent bank for Turkish banks in processing import payments made by Turkish companies to European business partners. This business makes a significant contribution to generating commission income and at the same time strengthens İşbank AG's position as an important intermediary for trade flows between Türkiye and Europe.

In the corporate segment, the focus in fiscal year 2025 will continue to be on expanding a sustainable and diversified customer portfolio. The corporate portfolio with a connection to Türkiye consists almost exclusively of customers without any open currency positions and companies that generate a significant share of their turnover from export income in hard foreign currency. The increased credit business is particularly due to the improved economic situation in Türkiye compared to previous years. The return to a more stable economic policy and the positive developments in the Turkish economy created increased confidence both at a national and an international level. In this context, Türkiye's external ratings also improved, which further supported the market position of İşbank AG. These developments created a solid basis for the growth of the bank's credit portfolio. As part of the development of European business, lending operations were further expanded in 2025. The volume of loans in the European promissory note business rose from EUR 135.5 million to EUR 238.5 million, underscoring the targeted expansion of this business segment.

After a multinational syndicated loan for refinancing purposes had been signed for the fifth time in fiscal year 2019, the bank decided—as it had in 2022—not to draw up a new syndicated loan in 2025. The main reason for this was an adequate liquidity buffer based on a broadly diversified deposit portfolio.

REPORT OF THE MANAGEMENT BOARD

Financial situation and assets

In fiscal year 2025, the money and capital markets continued to be characterized by a challenging but increasingly stabilizing economic environment. Following the significant interest rate hikes of previous years, the focus of monetary policy gradually shifted from a restrictive stance to cautious easing over the course of 2025. Against the backdrop of declining inflation rates, the European Central Bank initiated its first interest rate cut in March 2025 and continued this easing policy in several steps until early summer in order to support economic growth. Capital markets reacted positively overall to this monetary policy shift. Falling interest rates eased financing conditions for businesses and private households and improved their willingness to invest. At the same time, the market environment remained characterized by geopolitical uncertainties, particularly ongoing international conflicts and structural challenges in the energy and commodities markets.

Despite these uncertainties, İşbank AG's liquidity position on the money markets remained stable at all times, largely supported by its continued conservative and cautious financial policy. İşbank AG placed great emphasis on solid capitalization in order to ensure its ability to act even in a challenging economic environment. In the context of its consistent, target-oriented approach in planning and implementing the sales activities, İşbank AG continued to concentrate on business relationships with institutional customers, particularly financial institutions and companies from the corporate segment. As a result of this consistent focus, the bank recorded moderate growth as of December 31, 2025, with total assets amounting to EUR 2.21 billion on the reporting date, representing an increase of 4.0% over the previous year.

On the asset side, there was a slight increase of 7.4% in cash on hand, for a total of EUR 2.8 million. At the same time, balances with central banks decreased from EUR 31.8 million to EUR 24.2 million compared with the previous year. The main reason for this was İşbank AG's adjusted liquidity management in the wake of the European Central Bank's successive interest rate cuts. As a result, funds from central bank deposits were increasingly shifted to other, higher-yielding investments on the money and capital markets and to lending to customers.

Receivables from banks decreased significantly by 48.0% compared to fiscal year 2024, to a total of EUR 330 million. In return, İşbank AG increased its receivables from customers by 21.1% to a total of EUR 1,556 million. An increase in receivables from customers points out that İşbank AG has expanded its lending to customers.

The volume of bonds and other fixed-income securities rose significantly in 2025 reporting year by 92.6% as a result of the positive development of the capital markets, reaching a total of EUR 274 million. In the previous year, the total of the securities portfolio amounted to EUR 142 million. The interest rate cut had a positive impact on the valuation of existing debt securities and other fixed-income securities. However, the resulting price gains are unrealized and were not recognized in earnings for accounting purposes. In addition, additional funds were specifically invested in fixed-income, long-term government bonds in order to strengthen the earnings position.

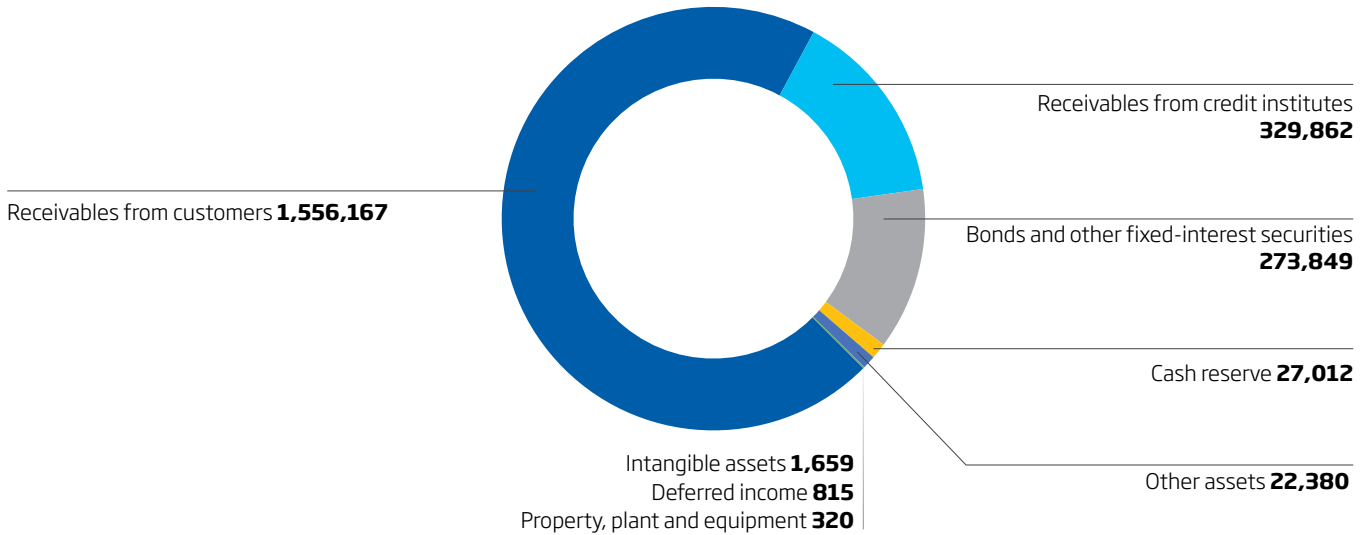
In fiscal year 2025, Türkiye's international credit rating continued to show positive momentum and consolidated at an improved overall level compared to the previous year. At the same time, macroeconomic and geopolitical uncertainties remain, particularly with regard to inflation trends and exchange rate volatility, which could affect the country's risk profile. Against this backdrop, lump-sum value adjustments of EUR 15,802 thousand were made as of December 31, 2025 (previous year: EUR 20,688 thousand) to account for potential impairments.

On the liabilities side, there was a significant increase in liabilities to banks of 87.9%, from EUR 178 million to a total of EUR 334 million. This increase is attributable to the increased use of open market operations (tender operations) with the Deutsche Bundesbank. Liabilities to customers amounted to EUR 1,378 million, down EUR 96.8 million on the previous year. The decline is mainly due to lower retail and business customer deposits with agreed terms or notice periods.

As of the balance sheet date, customer deposits payable on demand amounted to EUR 290 million (previous year: EUR 261 million). Term customer deposits, including accrued interest, amounted to EUR 1,070 million (previous year: EUR 1,194 million). Liabilities denominated in foreign currencies amounted to EUR 508 million as of December 31, 2025 (previous year: EUR 510 million).

Assets, January 1, 2025 - December 31, 2025

in EUR thousand

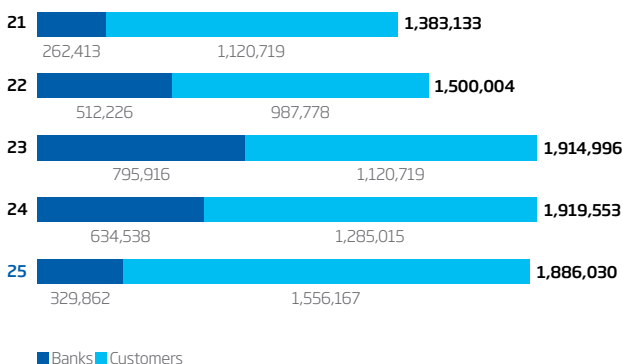


Other liabilities decreased by 2.6%, from EUR 12.8 million to EUR 12.4 million compared to the end of 2024. Deferred income amounts to EUR 0.9 million (previous year: EUR 0.7 million). Provisions have fallen significantly compared with the previous year and amount to EUR 3.9 million (previous year: EUR 9.5 million). The decisive factor here was the decline in tax provisions from EUR 5.8 million to EUR 1.2 million, due to a lower tax burden and correspondingly adjusted advance payments by İşbank AG.

The equity reported in İşbank AG's balance sheet as of December 31, 2025, amounted to EUR 483 million, which was 6.8% higher than the 2024 level. The increase resulted from the rise in retained earnings, including the net income for the year of EUR 30.8 million. At the same time, the subscribed capital and the capital reserve were unchanged in comparison with the previous year. This represents a solid and robust capital base for future development in line with İşbank AG's strategy.

Loans

in EUR thousand



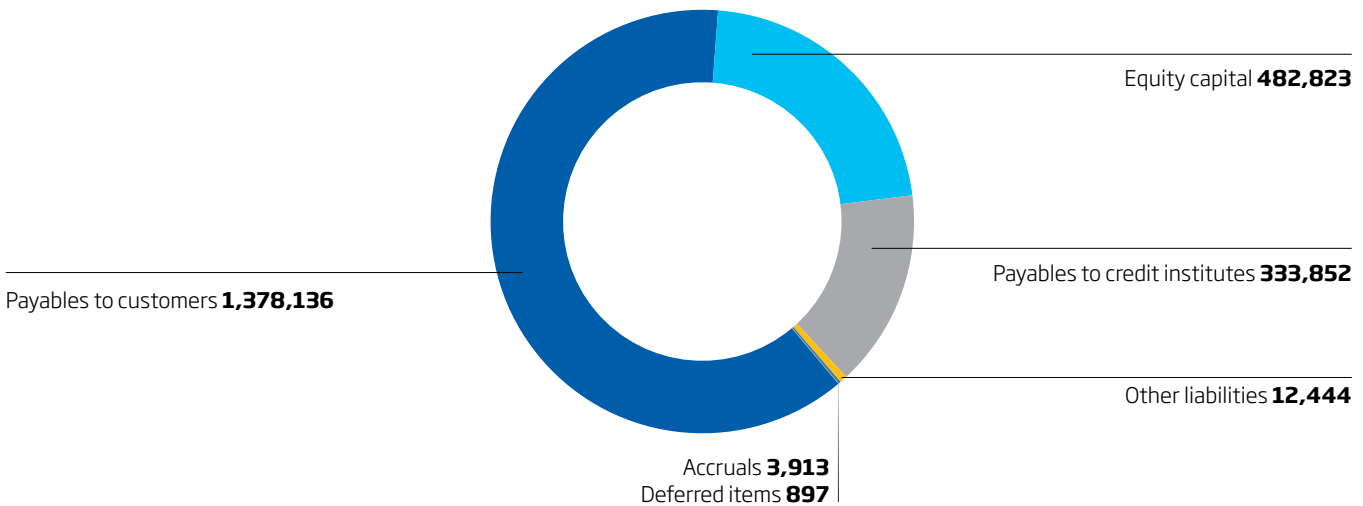
REPORT OF THE MANAGEMENT BOARD

Off-balance sheet commitments increased slightly compared with the previous year. The bank's contingent liabilities consist of the following after deducting general allowances:

TEUR	2025	2024
Liabilities from guarantees and indemnity agreements	41,868	40,926
Irrevocable loan commitments	0	0

Liabilities, January 1, 2025 - December 31, 2025

in EUR thousand



Income statement

As in previous years, İsbank AG's lending business focused primarily on banks and corporate customers, whose share of total business continued to grow in the 2025 reporting year. In addition, bonds and other fixed-income securities were increasingly added to the portfolio.

The periodic (income-statement-based) method was used for the loss-free valuation of interest-related transactions in the banking book (BFA3). In this context, the cash-value period results from interest-related transactions, the management expenditure for portfolio transactions calculated on the basis of the P&L account, and the risk costs to be anticipated

before the final due date based on the anticipated payment defaults were compared. No imminent loss reserves need to be created pursuant to IDW RS BFA 3 as per December 31, 2025.

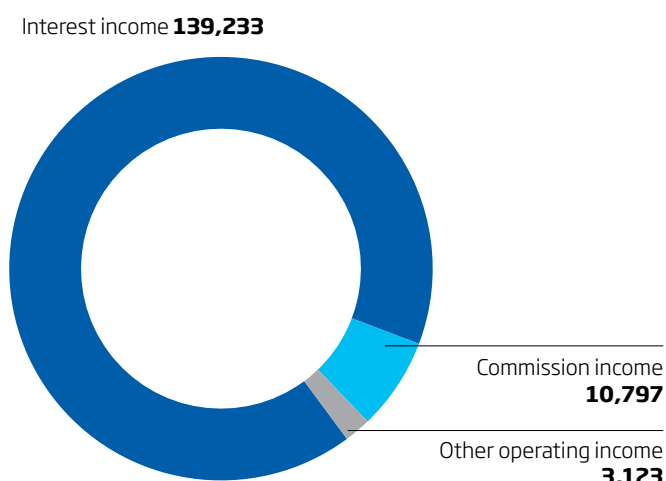
Net interest income, which is the balance of interest income and interest expenses, amounted to EUR 62.9 million, down EUR 11.2 million on the previous year but in line with business planning. Interest income fell by 27.3% to EUR 139.2 million, while interest expenses fell by 35% to a total of EUR 76.3 million. The main reason for this was the gradual interest rate cuts by the European Central Bank, while at the same time more favorable sources of financing reduced interest expenses.

The income is structured by geographical region, as follows:

TEUR	Germany	Netherlands	Total
Interest income	128,439	10,794	139,233
Commission income	9,568	1,230	10,797
Net income for the year	27,727	3,037	30,764

Income, January 1, 2025 - December 31, 2025

in EUR thousand



General administrative expenses amounted to EUR 27.1 million in the 2025 reporting year, which is only slightly above the previous year's figure of EUR 26.0 million. At the same time, personnel costs grew by 8.8%, to EUR 16.5 million, due to an increase in variable compensation components. The other administrative expenses remained nearly constant; at EUR 10.6 million, they were slightly lower than the level of the previous year, which was EUR 10.9 million.

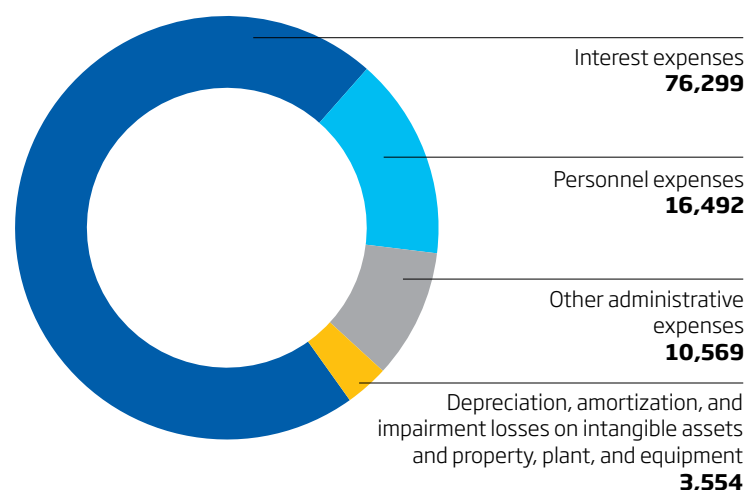
Depreciation, amortization, and impairment losses on intangible assets and property, plant, and equipment increased by 15.1% to EUR 3.6 million in fiscal year 2025. This increase results mainly from write-downs for the core banking system of İşbank AG, which was procured in 2016.

Thanks to the dynamic business in the digital channels and the positive development from high numbers of customer transactions, the commission result increased significantly compared to the previous year, from EUR 9.5 million to EUR 10.4 million. Commission income rose by 8.9% compared with the previous year, partly as a result of adjustments to the fee structure. Digitalization and the increased use of the Service Center produced additional efficiency gains.

The balance of other operating income during the reporting period was EUR 3.1 million, after EUR 1.2 million in the previous year. The increase is mainly due to higher holdings of foreign currency derivatives.

Expenses, January 1, 2025 - December 31, 2025

in EUR thousand



REPORT OF THE MANAGEMENT BOARD

Other operating expenses fell by 80.3% in fiscal year 2025 compared to the previous year. The main reason for this was that no restructuring costs were incurred, which had still weighed on expenses in the previous year. Overall, the reduced expenses reflect stable cost development.

As of December 31, 2025, depreciations and value adjustments to claims and certain securities as well as allocations to provisions for possible loan losses totaled EUR 8.7 million (previous year: EUR 2.1 million), compared to income from write-ups to receivables and certain securities as well as the release of provisions for possible loan losses totaling EUR 8 million (previous year: EUR 5.2 million).

No extraordinary expenditures were incurred during the reporting period. Tax expenses for the financial year totaled EUR 14.4 million, following EUR 22.0 million in the previous year. After consideration of these components, the financial year ended with an annual net income amounting to EUR 30.8 million.

Overall, the target for the 2025 annual result was fulfilled with a target achievement of 100%. The net retained earnings remaining after allocation are to be distributed to the statutory revenue reserve.

Liquidity situation

İşbank AG's solvency was guaranteed at all times in fiscal year 2025 thanks to forward-looking and balanced liquidity planning. The regulatory liquidity coverage ratio was maintained throughout the entire reporting period. In addition, İşbank AG's liquidity and risk management is designed to respond flexibly and promptly to changing market conditions.

As of December 31, 2025, the unused credit lines included revocable credit commitments amounting to EUR 6.1 million (previous year: EUR 8.2 million). As in the previous year, there were no irrevocable loan commitments in fiscal year 2025.

In the past fiscal year, İşbank AG again had access to refinancing options such as deposit business, repo transactions, and money market transactions for conducting new business.

Important financial indicators

The principal key figures are shown below as a three-year comparison:

Indicators	Planned for 2025	2025	2024	2023
Total capital ratio ¹⁾ on the balance sheet date	22.95%	23.81%	23.75%	24.77%
LCR ²⁾	N/A	184.90%	154.87%	350.27%
After-tax profit as a % of average equity (ROAE) ³⁾	7.07%	7.09%	8.95%	7.87%
Cost-income ratio (CIR) ⁴⁾	45.71%	40.18%	34.86%	35.94%
Annual result in TEUR	30,703	30,764	36,154	30,244

¹⁾ The regulatory total capital ratio, which describes the ratio between equity (in accordance with article 92 of regulation (EU) no. 575/2013) of the bank and its risk-weighted assets.

²⁾ The regulatory liquidity coverage ratio is determined in accordance with delegated regulation (EU) 2015/61 in conjunction with article 411 et seq. or regulation (EU) no. 575/2013.

³⁾ The after-tax profit as a % of average equity (ROAE) is determined from the commercial annual result of the corresponding year after tax divided by the average equity of the month ends in the corresponding year.

⁴⁾ The cost-income ratio (CIR) is the ratio of operating expenditure divided by operating income. The margin is specifically determined from the sum of the administrative expenses divided by the sum of the interest result, commission result, other net result and income from write-ups of the securities treated as fixed assets.

For the entire reporting period of 2025, the internal financial indicators of İşbank AG were always higher than the planning data established annually by the Management Board. The total capital ratio remained unchanged from the previous year at 23.8%. A series of excellent results in recent years has enabled İşbank AG to establish a strong starting position. This momentum is now being used to hasten profitable growth and to keep driving transformation, by further developing the strategy in the coming years.

Liquidity risk will be monitored using the LCR indicator so the bank can independently absorb a potential imbalance between liquidity inflows and outflows. In the past reporting year, a value of 184.90% was achieved. Due to the existing uncertainties in the target markets, the bank kept the liquidity indicator at a consistently high level so it could respond appropriately to potential developments. This also had a positive effect on the annual profit, so a higher-than-planned value was achieved.

The CIR indicator is an economic indicator that compares expenses with generated income. With a cost-income ratio of 40.18%, İşbank AG continues to demonstrate high operational efficiency, competitiveness, and a balanced cost structure.

Overall statement

Against the backdrop of persistently volatile market conditions, geopolitical uncertainties, and increased regulatory requirements, İşbank AG was able to achieve the goals defined in its business strategy plan for ensuring a healthy and sustainable business volume in fiscal year 2025. At the same time, internal processes were further developed and strengthened to ensure stable and future-oriented business operations.

İşbank AG's financial position and results of operations were stable and solid in the 2025 reporting year. Despite an uncertain economic environment, İşbank AG was well capitalized and had sufficient liquidity at all times to cushion potential risks and enable further growth. Liquidity provisions complied with regulatory and internal requirements at all times. A high level of bonds and other fixed-income securities provides a high liquidity reserve and a conservative investment policy of the bank. Assumptions for liquidity management and long-term refinancing requirements are

reviewed regularly and adjusted to the market environment in order to ensure a comfortable liquidity position and an appropriate refinancing structure.

The bank sees further potential in the coming years for implementing its strategy by 2029. The focus will be on strengthening existing expertise in banking and corporate customer business, while at the same time further expanding its share of the retail and business customer segment. In addition, the targeted expansion of digital processes, solutions, and products in all business areas is being consistently pursued in order to strengthen the competitive position in the long term and accelerate profitable growth.

a) Risk report

In accordance with § 25a par. 1 of the German Banking Act (KWG), institutions must have a proper business organization, which must include in particular the definition of a business strategy that has the aim of sustainable development as well as appropriate and effective risk management, on the basis of which the risk-bearing capacity must be constantly guaranteed. Specifically, procedures to determine and ensure the risk-bearing capacity are required as an element of the risk management. The risk-bearing capacity is ensured when all material risks are continuously covered by the institution's risk coverage potential, including the impact of risk concentrations. In keeping with the supervisory requirements, risk-bearing capacity is calculated with consideration for a normative and economic perspective. Within the normative perspective, risks and capital components are derived from regulatory reporting and projected over a period of three years in accordance with MaRisk requirements and based on the bank's business planning. The primary goal is to maintain compliance with regulatory capital requirements under both the baseline scenario and a hypothetical adverse scenario. By contrast, the economic perspective focuses on a present-value-based assessment of the existing portfolio. Under this approach, all risks are quantified at a 99.9% confidence level and compared against the economic present value of the risk coverage potential. The goal of the economic perspective is to guarantee that the company value is always high enough to absorb even rare risk occurrences, so that the debt capital providers are always protected from losses.

REPORT OF THE MANAGEMENT BOARD

The following table represents the current economic perspective:

In TEUR	Q4 2025			Q4 2024			Change	
	Balance	Limit	Usage rate	Balance	Limit	Usage rate	Absolute	Relative
Credit risk	129,145	327,368	39.4%	142,085	335,268	42.4%	-12,939	-9.11%
<i>Unexpected loss</i>	101,484	196,421		109,354	201,161		-7,870	-7.20%
<i>Migration risk</i>	13,046	48,014		15,769	49,173		-2,723	-17.27%
<i>Country risk</i>	14,615	82,933		16,961	84,934		-2,346	-13.83%
Market price risks	67,798	87,298	77.7%	31,536	89,405	35.3%	36,262	114.98%
<i>Credit-spread risk</i>	17,295	26,189		8,615	26,821		8,680	100.76%
<i>Interest rate change risk</i>	48,613	52,379		21,766	53,643		26,847	123.35%
<i>Currency risk</i>	1,890	8,730		1,156	8,940		735	63.57%
Operational risks	7,631	21,825	35.0%	6,950	22,351	31.1%	681	9.80%
Overall risk exposure	204,575	436,491		180,571	447,024		24,004	13.29%
Aggregate risk cover	484,990			496,693			-11,703	-2.36%
Risk coverage potential	42.2%			36.4%			5.83%	16.03%

Economic Perspective of RDM	Q4 2025	Q4 2024	Absolute change	Relative Change
Book value of the equity	452,059	415,905	36,154	8.69%
Hidden reserves in the banking book (gross)	129,953	93,968	35,984	38.29%
Expected losses (lifetime) for the banking book (ex. bonds)	-8,200	-6,533	-1,667	25.51%
Expected refinancing costs for the banking book	-59,105	-42,595	-16,510	38.76%
Expected administrative costs	-30,244	-18,961	-11,283	59.50%
Current year's profit (net)	30,764	0	30,764	100.00%
Profit for the current year (gross)	0	53,937	-53,937	-100.00%
Planned dividend	-29,226	0	-29,226	100.00%
General risk provisioning including § 340f HGB reserves	22,102	21,181	922	4.35%
Accrued expenses	-815	-782	-33	4.21%
Deferred income	897	696	201	28.90%
Intangible assets	-1,659	-4,177	2,518	-60.29%
Buffer for ESG risks	-11,638	-5,809	-5,829	100.35%
Buffer for relevant but insignificant risks	-9,898	-10,137	239	-2.36%
Risk coverage potential	484,990	496,693	-11,703	-2.36%

While the risk exposure was increased in the course of 2025, the risk capital available for absorbing losses declined by 2.36%. The decline is mainly attributable to the planned dividend to the parent company, the increase in expected refinancing and administrative costs of the banking book, and the buffer for ESG risks. On the other hand, the decline was mitigated by higher equity—resulting from the retention of the previous year’s profits—and increased hidden reserves in the banking book. Essentially, the overall risk exposure has increased due to the rise in market price risk.

The bank expects to see slightly higher capital requirements in 2026 due to the planned growth. Türkiye`’s sovereign credit rating remained unchanged from the previous year’s level through the end of 2025. From the perspective of the capital market, too, credit risks dropped; the CDS spread for 5-year Turkish government bonds fell again in the course of 2025, to approx. 200 basis points, from an initial approx. 260 basis points. However, it remains to be seen whether orthodox monetary policy will continue to be restrictive. Furthermore, aspects such as geopolitical instability in the region, high sensitivity to tourism, and the risk of potential trade restrictions and tariffs are dampening factors that are being monitored continuously by the bank.

Furthermore, a buffer is determined for ESG risks based on the categorization of credit customers according to their ESG rating and term. In addition, a further buffer is taken into account for relevant but insignificant risks. This was because the total insignificant risks exceeded the internally defined significance threshold of 2% of the risk coverage potential. From a normative perspective, the development of the risk situation under the baseline scenario is as follows:

	31.12.2025	31.12.2024	Change
RWA	1.891.945.832,10	1.732.215.634,72	159.730.197,38
Equity	450.399.950,08	411.727.845,33	38.672.104,75
Capital Adequacy Ratio	24%	24%	0,04%

From a regulatory perspective, the bank utilizes regulatory capital ratios as key performance indicators. In accordance with the requirements of the ICAAP Guidelines, all relevant minimum capital requirements were fully met at all times during the reporting period, under both the baseline and adverse scenarios.

The internal control system of İşbank AG

The Management Board of İşbank AG bears overall responsibility for the establishment, organization and effectiveness of an appropriate internal control system (ICS). In accordance with the regulatory requirements, an internal control system has been implemented and includes provisions governing the organizational structure and operational processes, as well as risk management and risk control processes.

As the third line of defense, Internal Audit serves as the independent audit function. The second line of defense consists of the compliance function, risk management, and information security function. These units support the Management Board through monitoring, control, and advisory activities, ensuring compliance with regulatory requirements, and overseeing the management of material risks.

Overall risk profile

According to AT 2.2 note 1 MaRisk, an institution must gain an overview of the overall risk profile regularly and as required. The risk management system and the processes for the identification, measurement, assessment, management, control and communication of the individual risk types are described in the risk handbook of İşbank AG and in the additional work directives. An assessment of significance is documented for all risk types and— if relevant—for their individual characteristics. The credit risk (including country risk and migration risk), market price risk (interest rate change, currency, and credit-spread risk), liquidity risk, and operational risk are identified as significant risks. All risks that are defined as significant by the institution and which can be quantified are taken into account in the risk-bearing capacity statement of İşbank AG. The liquidity risk is an exception. As the liquidity risk (or in the narrower sense, the insolvency risk) cannot be reasonably limited by risk coverage potential, separate consideration as part of the risk-bearing capacity statement is omitted and the risk (including the refinancing risk) is instead managed by means of stress tests and monitored separately, as explained below in the chapter on liquidity risk.

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The risk map showing the significant risks is determined in three steps:

- The general risk universe forms the overview of the basic risks associated with the operation of banking businesses and the provision of financial services.
- Starting from this general risk universe, as part of the risk inventory the risk map for İşbank AG is defined as the risk types that are actually relevant on the basis of the business activity and strategy.
- The significant risks for İşbank AG are determined on the basis of the relevant risks. If there is a quantification of the risk, it is classified as significant if its materialization reduces the risk coverage potential (economic perspective) and/or the regulatory equity (normative perspective) by more than 2%. If no quantification of the risk takes place, the significance is assessed by means of expert estimates /claim histories or qualitative criteria. In this context, it is also determined whether ESG risk factors have a reinforcing effect on the significant risks.

Organization of risk management

The board of İşbank AG is responsible for ensuring appropriate risk management and fulfillment of the regulatory requirements. In terms of operational implementation, it is supported by the Risk Management department, the Risk Committee, the Asset-Liability Management Committee, and Internal Auditing.

The area of risk management undertakes the central management, monitoring and control of the domestic and international risk exposures.

One of the core tasks of risk management is to inform the board as needed, but at least quarterly, about the overall risk situation of the bank. This allows the board to fulfill its overall responsibility for all risk areas and to take timely action to manage and minimize these risks.

Risk reporting takes place regularly, both by risk and across risks at the overall bank level. The risk management department generates a comprehensive risk report at quarterly intervals, which is also provided to the supervisory board. This report is supplemented with a monthly report, if needed, on the significant risks and risk-bearing capacity. Moreover, ad hoc reports are provided as required.

Business and risk strategy

An integrated business and risk strategy is essential to ensure sustainable and value-oriented growth. İşbank AG's risk management is adapted to dynamic business developments and constantly changing regulatory conditions in an ongoing optimization process. The methods and control approaches used are regularly reviewed for efficiency and appropriateness to ensure proactive risk management.

Risk types

Various risks therefore arise from the business activity of İşbank AG, which have been systematically identified and assessed by the board together with the departments responsible. The risks identified as significant and assessed as part of the risk assessment process are shown below, after implementation of risk limitation measures (net presentation):

- Credit risks (including country risk and migration risk),
- Market price risks (interest rate change, currency, and credit-spread risk),
- Liquidity risks,
- Operational risks.

For each significant risk type, it was additionally investigated whether there is an impact on the asset situation (including capital base), income situation and/or liquidity situation.

Credit risks

The bank defines credit risk as the risk that a borrower or counterparty to a bank will be unable to meet its obligations under the agreed terms. In addition to the counterparty-related credit risk, there is also the country risk associated with cross-border transactions.

The credit risk for İşbank AG includes the following significant risk types:

- Default risk (including issuer risk and collateral risk)
- Country risk
- Migration risk

Pursuant to Article 94(1) CRR and MaRisk, İsbank AG is defined as a 'non-trading book institution' and the scope of its balance-sheet and non-balance-sheet trading book activities is limited to EUR 50 million. The risks resulting from the use of financial instruments are considered to be low, since İsbank uses financial instruments only for the purpose of risk reduction and/or for hedging risks rather than building speculative positions. All derivative transactions are concluded exclusively with credit institutions that have

a first-class credit rating and a Credit Support Annex (CSA) that fulfills the requirements of the International Swaps and Derivatives Association (ISDA). For this reason, the credit risk is considered insignificant.

To calculate the regulatory equity backing for credit risks within Pillar 1, İsbank AG uses the standardized approach for credit risk provided in the CRR. As of December 31, 2025, the risk exposure for credit risks is EUR 1,762 million.

Types of receivables

in TEUR	Sovereigns	Institutions	Corporates	Retail	Other	Total
Total (without risk reduction techniques)	340,911	310,859	1,625,228	5,988	3,374	2,286,360
Loans	102,166	259,328	1,577,228	4,791	3,374	1,946,887
Items below the line (consents, guarantees)	721	3,535	48,001	1,197	-	53,454
Securities	238,024	35,825	-	-	-	273,849
Derivatives	-	12,170	-	-	-	12,170

One key instrument, both for risk assessment in the case of individual risks and for managing and monitoring credit risks, is the 15-stage rating process developed by CredaRate GmbH. The following overview shows the rating distribution of the loan portfolio as of December 31, 2025.

Rating classes	Risk content	Probability of default	Proportion (%)
1 to 8	Very low to average default risk	<1.2%	64.4%
9 to 12	Slightly elevated default risk	<6.25%	35.5%
13 to 15	High / very high default risk	<20%	<0.1%

Moreover, loan commitments are audited regularly to determine whether there is a need for risk provisioning. Based on the implemented methods, organizational rules, and IT systems, we are able to identify risks at an early stage and to take appropriate management measures at the group level as well as at the level of individual management units. If the bank has information that indicates a worsening of economic circumstances, an extraordinary audit is carried out.

İsbank AG considers the credit risks both on the level of individual borrowers and in the portfolio context. The aim here is to identify, limit or avoid both disproportionately high individual risks and the formation of concentration and portfolio risks.

Management and control of credit risks

The credit risks are managed on both the individual loan and portfolio level. To do this, İsbank AG relies on limit systems for the individual credit risk, country risk and industry risk. Here, the country risk for Türkiye is appropriately monitored and limited in addition to the requirements of the Auditing Association of German Banks. A further limit is set through the overall portfolio and as part of the risk-bearing capacity statement. At the individual loan level, İsbank AG uses risk classification systems for grading risk.

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The credit risks are monitored constantly through limit monitoring and risk developments as well as analyses of the limit uses. İşbank AG reviews industry and country limitations according to business development and makes adjustments to the limit system if applicable.

Credit risks are included in the risk limitation on the basis of the risk coverage potential.

Risk identification instruments and sources

With regard to risk identification, there are essentially two instruments:

1. Monitoring of payment problems
2. Risk classification

Payment problems are monitored daily by the credit department or by the branches. Furthermore, payment problems are reported by means of corresponding reports to the board and to the areas/departments concerned.

Risk measuring methods/processes

Expected losses with regard to the default risk and issuer risk as well as unexpected losses are included in the risk-bearing capacity statement. A value-at-risk approach is taken as the basis for this, which is calculated using an asset value model commonly known by the name "CreditMetrics." The individual model parameters are configured in consideration of regulatory standards and on the basis of conservative internal estimates. Using a Monte Carlo simulation, which also takes into account expected future revenue from securities (through recovery rates), the credit risk is determined for a one-year horizon as part of the economic perspective on the basis of the 99.9% percentile. The country risk and migration risk are also taken into account in this calculation.

Consideration of country risk: Banks do this by applying a country cap. The individual bank rating is compared to the rating for the home country, and the lower of the two ratings is used. For all other customer types, the individual customer rating is increased by a country-specific surcharge to quantify country risk. The country risk is the difference between the default risk calculated from individual ratings and the default risk determined using ratings adjusted for the specific country.

Consideration of migration risk: In accordance with supervisory requirements for risk-bearing capacity calculations, migration risk is also quantified at the individual customer level. Here the individual customer ratings are increased by one level and then the default risk is recalculated. As with the approach for country risk, migration risk is determined based on the difference between default risk calculated from individual ratings and borrower default risk derived using a rating that is one level higher.

Market price risks

At İşbank AG, the potential losses that could arise from changes to market parameters are defined as market price risks.

İşbank AG divides its market price risks into the following sub-risks:

- Interest rate change risk
- Currency risk
- Credit-spread risk

The realization of market price risks carries the danger of a reduction in the risk cover pool, although the reason for its existence differs between the individual risk types: The bank is exposed to interest rate risk due to differences in fixed interest periods and interest rate adjustment options between asset and liability positions, while currency risk arises from an asset or liability surplus in foreign currencies. Credit spread risk, on the other hand, takes into account the negative change in value of relevant positions in the banking book due to increased credit spreads.

2025 was shaped by the end of the European Central Bank's (ECB) cycle of interest rate cuts. After a period of significant easing, the key deposit rate reached 2.00% in June 2025 and remained there until the end of the year. This stabilization marks the end of the aggressive interest rate turnaround, as inflation in the eurozone increasingly approached the 2% target.

Economists have reached a consensus that 2026 will be a stable year. While there was still speculation about lower rates at the beginning of 2025, forecasts as of December 31, 2025 now assume that the ECB will leave the deposit rate at around 2.00% throughout 2026. Experts describe this environment as the “new normal,” in which monetary policy has neither a stimulating nor a dampening effect on the economy. This pause in interest rate hikes is intended to ensure price stability while the economic recovery in the euro area progresses moderately but steadily. The average remaining term of İsbank’s assets is approximately 800 days, while that of its liabilities is only approximately 140 days. Despite the change in interest rates, there were no significant distortions in the banking book.

Management and monitoring of the market price risks

General

Market price risks are managed through individual measures on the basis of the specific risk characteristic. The board, risk committee and operational entities have an obligation to monitor the market price risk, check the risk limit usage rate and intervene if necessary. On the basis of analyses of the Risk Management, the Management Board decides on the respective measures to be taken, e.g. such as raising financing resources with the same deadline, using swap transactions for interest rate hedging or using derivatives for hedging currency positions; the treasury department is responsible for implementation.

a) Interest rate change risk

İsbank AG manages interest rate risk in the banking book (IRRBB) in accordance with current regulatory requirements. The present value interest rate risk is calculated and monitored at least quarterly.

With effect from September 30, 2024, the previous requirements of BaFin Circular 06/2019 were completely replaced by the new IRRBB requirements (in accordance with EBA Guidelines EBA/GL/2022/14 and Delegated Regulation (EU) 2024/857). İsbank AG has successfully implemented the relevant processes for determining the standard interest rate shock and calculating the impact on net interest income (NII) and the economic value of equity (EVE). In fiscal year 2025, reporting was consistently carried out on the basis of these extended reporting requirements. As part of the risk-bearing capacity statement, the interest rate change risks are additionally determined using a historic simulation. The interest rate change risk investigates potential negative changes in the risk coverage potential based on valuation changes, and is determined for a one-year horizon on the basis of the 99.9% percentile.

b) Currency risk

Currency risks arise as part of the daily reassessment of asset and liability surpluses and derivatives in foreign currency and of the associated effect on the risk coverage potential.

The open risk exposure corresponds to the net cash value of the banking book for each foreign currency, adjusted for anticipated losses. A historic simulation is used to investigate how the foreign currency’s present value can change over a one-year period. The greatest negative change corresponding to the 99.9% percentile produces the risk value.

c) Credit-spread risk

Credit-spread risks consider the negative value change of relevant positions in the banking book due to an increased credit spread.

The quantification of credit-spread risks in the banking book (CSRBB) in the economic forecast and the stress tests is based on a rating-class-specific adjustment, derived from the application of rating-class-specific changes in default probability. The effect on the economic value of equity (EVE effect) of CSRBB is calculated by applying these adjustment values to individual bonds held by İsbank AG, and determining the market-value change based on the duration and convexity of the loan.

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Risk identification instruments

a) Interest rate risk

The fixed-interest balance and, based on this, the calculation of the interest rate change risk by means of historic simulation, which is carried out monthly, serves as an instrument for monitoring the interest rate change risk.

b) Currency risk

The currency risk is monitored through a daily analysis of open positions (on the balance sheet) and a monthly evaluation as part of determining the risk-bearing capacity (present value).

c) Credit-spread risk

The credit-spread risk is monitored first of all through a daily review of the limit with regard to the proportion of bonds in the overall portfolio. In addition, the risk is quantified on a monthly basis as part of determining the risk-bearing capacity.

Operational risks

İşbank AG defines operational risk as the risk of losses resulting from inadequate or failed internal processes, people, and systems, or from external events.

The operational risk comprises the following significant risk types:

- operational risks in the narrower sense,
- legal risk,
- compliance risk,
- fraud risk,
- ICT risk (including IT and cyber risk, ICT third-party/ICT outsourcing risk),
- outsourcing risk.

Risk identification, measuring and management instruments for operational risks

The identification and especially the measurement of operational risk are complicated as a result of the diversity of the risk factors. İşbank AG performs an annual assessment of the existing operational risks, using self-assessments. This is a qualitative instrument. In addition, a loss database is maintained in the area of risk management that records incurred losses as well as near-losses, to measure operational risk.

For risk management, İşbank AG relies on instruments including the following, depending on the specific risk factors:

- insuring risks,
- controls and the principle of dual control in the case of essential activities, current working directives,
- training employees,
- contingency planning and contracts with service providers for the contingency,
- personnel planning,
- involving the legal department in the case of uncertainty concerning legal matters,
- assessment of risks from outsourcing through risk analysis and continuous monitoring in the outsourcing committee,
- monitoring of ICT risks by the respective specialist unit and within the framework of the respective committees
- continuous monitoring of compliance with regulatory and statutory requirements by the compliance department.

The operational risk is included in the risk limitation on the basis of the risk-bearing capacity.

To measure operational risk within Pillar 2, İşbank AG applies the new standard approach according to CRR 3. The capital demand according to the standard approach will be scaled using adjustment factors within the risk-bearing capacity statement in the economic forecast; these factors depend on the entries in the loss database for the last 10 years and/or the results of the annual self-assessment. The adjustment factor based on the loss database can also have a value smaller than 1. Accordingly, using the economic perspective, the adjusted risk value within the risk-bearing capacity statement can be higher or lower than in Pillar 1.

Management and monitoring of operational risks

The operational risks are monitored and managed on the one hand as part of the quarterly risk report or the management instrument described above. On the other hand, all employees of İşbank AG are involved in the monitoring and management in order to ensure timely identification of operational risks that occur, newly appearing or changing risk factors and the derivation of measures.

Risk-bearing capacity and stress testing

In accordance with § 25a par. 1 KWG, banks are obliged to establish appropriate and effective processes to calculate and sustainably ensure their risk-bearing capacity. The economic perspective of İşbank AG focuses primarily on balance-sheet and P&L values, supplemented by present-value components. The risk-bearing capacity is sufficient if all significant risk types are constantly covered by the risk coverage potential. Based on this, limits are defined for the significant risks. To define the limits, a distribution key is defined/reviewed annually, according to which the available risk coverage potential is assigned to the individual risk exposure. This is dependent on the risk appetite of İşbank AG, which was 90% of the risk coverage potential as of the reporting date, and distributes the available risk coverage potential relative to the individual risk exposure. Moreover, the warning threshold for the total upper loss limit is equal to 90% of the available risk coverage potential.

The risk-bearing capacity statement used by İşbank AG fulfills the requirements of the guideline published jointly by the German federal financial supervisory authority and the German Central Bank on May 24, 2018, "Regulatory assessment of internal bank risk-bearing capacity concepts and their procedural integration into overall bank management ("ICAAP") - reorientation."

The risk-bearing capacity is sufficient if the overall risk exposure is covered by the risk coverage potential. The ratio of overall risk exposure to risk coverage potential on December 31, 2025 was 42.2%. Risk-bearing capacity was therefore maintained as of the reporting date, as well as at all other monitoring points throughout the year. For further details of individual risk exposure and the risk coverage potential, we refer to the complete overview of risk-bearing capacity at the beginning of this section.

Taking into account risk concentrations, İşbank AG regularly schedules the performance of stress tests for the risks that are significant from the perspective of the bank, as part of the risk-bearing capacity statement. In this, it relies on appropriate historical and hypothetical scenarios, taking into account the strategic focus of the bank.

In order to ensure consistency of the individual risk-specific stress scenarios with one another, an overall bank stress test was developed, starting from a higher-level macroeconomic scenario, from which individual stress tests are derived for the individual risk types.

The effects of an extreme deterioration in the overall economic situation (decline in GDP, rise in unemployment rate) are simulated in the multiple-risk-type stress test. Furthermore, as part of the risk-type-specific stress tests, further scenarios are added to the scenario for the multiple-risk-type stress test.

As part of the risk-type-specific stress tests, five different scenarios are used for the credit risk:

- Deterioration of all ratings by one level for borrowers and guarantors,
- A downgrading of the country rating for Türkiye by one rating class,
- Default of the group/customer with the greatest utilization (excluding banks and financial institutions),
- Default of the Turkish bank with the greatest utilization,
- Industry-specific credit rating downgrade for industries with increased risk from water scarcity, flooding, and climate-related disruptions to logistics and infrastructure to reflect sensitivity to physical risks.

For the market price risk, hypothetical and historic scenarios are used to check which economic effects the changes in interest rates could have in light of the current fixed-interest balance. For FX scenarios, the open currency position is taken as the basis for the stress testing. For credit spread risks, the effects of an expansion of bond credit spreads are simulated by taking into account a shift based on the selected stress periods. In addition, for operational risks, the scenarios of IT failure, cyberattack, and the simulation of a loss in value based on the loss database are considered.

Taking into account the strategic focus of the bank, appropriate historical and hypothetical scenarios are used. The risk-bearing capacity in the case of stress is likewise assessed on the basis of the risk coverage potential usage rate.

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In addition to the stress tests described above, İsbank AG also performs inverse stress tests at quarterly intervals for the credit and market price risk. Here, the parameters (PD, interest, etc.) are adjusted until it can be assumed that the business model is no longer sustainable.

Liquidity risk

İsbank AG understands the term liquidity risk to mean that the bank can no longer meet its payment obligations.

Risk identification, measuring and management instruments for liquidity risk

The following instruments are available in connection with this:

- The liquidity coverage ratio and the net stable funding ratio are calculated daily and/or weekly by the reporting department and communicated to the relevant departments.
- In addition, a survival horizon is calculated daily by the risk management department and communicated to the relevant departments.
- Moreover, various internal liquidity indicators, e.g. a customer's maximum proportion of the overall deposits or the proportion of demand deposits, are used to ensure a stable and diversified refinancing basis.
- Liquidity Report list (created by the Treasury department): A liquidity report on the maturity profiles of all receivables and liabilities is created regularly and published on the portal. The Treasury department generates a liquidity contingency plan annually.
- The Risk Management department conducts a stress test based on three different scenarios (one institution-specific, one market-wide, and one combined scenario) and compares the results with those of the previous quarter. Monthly Asset-Liability Management Committee and the FTP pricing system: The Treasury department is responsible for reporting on the current liquidity situation and significant inflows and outflows each month to the Asset-Liability Management Committee, with the participation of the Risk Management, Credit, Financial Management, Sales & Business Development, and FI departments.

Management and monitoring of the liquidity risk

Depending on the development of the key figures and/or scenarios described above, specific measures are taken, which include:

- Early external fundraising,
- Fundraising through the parent company,
- Liquidation of deposits with the German Central Bank or sale of/borrowing against securities.

Liquidity risk tolerance

İsbank AG defines appropriate risk tolerances for liquidity risks and takes appropriate measures to ensure compliance with them. The maximum tolerable level of liquidity risks is defined in each case.

The liquidity risk tolerances extend to the:

- Liquidity reserve (liquidity buffer),
- Maturity bands and
- Determination of the survival period.

Liquidity reserve

To guarantee solvency, especially in the case of short-term liquidity shortages, a liquidity reserve of liquid and high-quality securities is held, with which additional liquidity can be generated in the case of stress through repo transactions with the German Central Bank.

Fixing of maturity bands

Liquidity and the optimization of the refinancing structure payment flows are ensured on the basis of a liquidity coverage ratio. A traffic light system based on risk tolerance figures was implemented to this end, which ensures the early identification of risks and the corresponding initiation of measures.

Survival horizon

The survival horizon means the period for which İsbank AG is able to survive in the case of liquidity outflows and no new liquidity inflows. The cash flow statement prepared and continuously updated by the Treasury department serves as the basis for calculation of the survival horizon.

Refinancing risk

The refinancing risk generally means the risk of the bank's no longer being able to maintain the desired refinancing level. An analysis of historical refinancing conditions showed that refinancing costs, expressed as a surcharge on riskless interest, remain stable even in the case of extreme stress events like those that occurred in the past three years. Depositors' trust in the security of their deposits was identified as the reason for this. On the basis of these observations, the refinancing risk was classified as fundamentally relevant, but insignificant in terms of the amount.

Concentration risks

In general, the concentration risk at İşbank AG can primarily materialize in the credit risks. A concentration in the credit risks occurs if the risk becomes concentrated through certain factors and the diversification of the portfolio is limited as a result of this. In accordance with our risk strategy, the loan portfolio is managed on the basis of defined limits for industries and countries. In addition, the granularity of the portfolio is also monitored on the level of borrowers, such that the occurrence of concentrations is largely limited. Concentration risks exist for İşbank AG largely with respect to Türkiye, the home market of our parent company. This risk concentration is assessed by restricting the credit volume with customers in Türkiye, using an absolute commitment limit for Türkiye that is defined in close cooperation with voluntary deposit protection. In addition, the bank works closely with the loan department of the parent company when granting loans to Turkish companies and banks. Through its many years of experience in the Turkish loan market, the parent company has developed a corresponding core competence and is able to assess such credit risks very effectively. This can be seen from the circumstance that no significant default risks have been realized at İşbank in recent years, despite the tense economic framework conditions in Türkiye.

d) Opportunities and risks of future development

Overall economic situation

The overall economic conditions in Germany and Europe will continue to be shaped by structural and geopolitical challenges in 2025. Overall subdued economic momentum, demographic changes, and international trade uncertainties continue to have a negative impact. At the same time, current analyses indicate that the German government's tax and investment policy measures have the potential to stimulate investment activity in the medium term. In 2025, the Federal Government approved an investment package worth around EUR 500 billion, which includes investments in infrastructure, digitalization, energy efficiency, and climate, as well as the modernization of transport infrastructure. The establishment of a corresponding special fund will enable these measures to be implemented in addition to the current budget financing. In addition, a statutory immediate tax investment program was passed in 2025, which aims to provide short-term stimulus for corporate investment and includes tax incentives such as accelerated depreciation options and other relief measures. These measures are intended to strengthen Germany's competitiveness as a business location and improve the framework conditions for private investment.

In addition to government programs, opportunities exist from the further development of capital and financial markets, which could open up additional scope for corporate financing in the long term. In the long term, the expansion of capital markets can help to strengthen innovation processes and increase competitiveness vis-à-vis international locations. In the financial sector, Frankfurt is particularly important as the seat of the European Central Bank and various international financial institutions. Further improvement of the structural framework conditions and the attractiveness of the financial center can strengthen the confidence of international investors and thus promote the development of capital market financing.

REPORT OF THE MANAGEMENT BOARD

Overall, the extensive public investment programs, tax incentives, and strategic realignments point to increasing potential for stabilizing and stimulating investment activity in Germany. A growing number of trade associations expect stable or rising production and sales figures in the coming years, with banks, insurance companies, and selected industrial and construction sectors in particular showing a moderately positive outlook. There are also initial signs of increasing willingness to invest, particularly against the backdrop of improved tax depreciation conditions and announced fiscal stimulus measures.

At the same time, it should be noted that the recovery is not happening across all sectors and is only gradual. While investment-related sectors such as machinery sector, construction, and energy could benefit from the planned infrastructure measures, structural challenges remain in other employment-intensive industries. The ongoing uncertainty about the global economy, international trade conflicts, high energy, regulatory, and labor costs, and necessary adjustments in the labor market are having a dampening effect on overall economic momentum.

The Deutsche Bundesbank expects a gradual economic recovery in Germany in 2026. After a period of weak growth, calendar-adjusted real gross domestic product (GDP) is forecast to rise by 0.6%, while unadjusted GDP is expected to increase by 0.9% due to additional working days. This means that moderate growth momentum will continue from 2026 onwards and is expected to strengthen further in subsequent years. The IMF shares this assessment and recently revised its growth forecast upward for the German economy. According to its current outlook, the IMF expects a stronger economic recovery than previously assumed, driven by increased exports, firmer demand, and easing inflation.

According to the Bundesbank, the economic recovery will be driven in particular by rising government spending, additional investment in infrastructure and defense, and a gradual recovery in exports. In addition, private investment activity is expected to pick up in 2026, particularly in residential construction. As capacity utilization increases, corporate investment is also likely to pick up again. The IMF's latest assessment supports this outlook and emphasizes that export-oriented industries could benefit from the expected global recovery in international comparison.

Inflation is likely to ease only gradually. The Bundesbank expects the inflation rate to fall to 2.2% in 2026, down from 2.3% in 2025. For the following years, a further convergence towards the target level of around 2% is forecast, although persistently high wage increases and less sharp declines in energy prices could dampen the disinflation process.

Against this backdrop, expectations of a moderate but increasingly broad-based economic recovery prevail for 2026. At the same time, risks remain from geopolitical tensions, international trade conflicts, and structural adjustment processes in individual industries. This also includes developments in the Middle East related to Iran, which, in the event of further escalation, could have negative repercussions on global economic development—particularly through rising energy prices or disruptions to key trade routes. The bank therefore continues to anticipate an environment that offers both growth opportunities and increased uncertainty, requiring a prudent, risk-oriented business policy.

In 2025, the Turkish economy continued to grow at a rate that was above the average for many comparable economies. Several international institutions and forecast models assume that this trend is likely to continue in 2026. The Organization for Economic Cooperation and Development (OECD) expects Türkiye's real gross domestic product to grow by around 3.4% in 2026, following a similar, slightly higher growth forecast for 2025. The latest assessments by the rating agency Fitch also confirm a robust growth path and forecast growth rates of 3.5% and 4.2% for 2026 and 2027, respectively.

This moderately robust growth path is supported by stable domestic demand, sustained growth in consumption and exports, and the initial effects of a cautious normalization of monetary policy. At the same time, analyses report that the inflation rate in Türkiye has been on a downward trend since 2024, albeit still at a comparatively high level. According to current estimates, the inflation rate is likely to continue to fall significantly in the course of 2026, which suggests a gradual stabilization of price developments. The rating agencies point to a sustained disinflation process, which is likely to contribute to a gradual normalization despite continued elevated service inflation and high inflation expectations.

The Medium-Term Program (MTP) adopted by the Turkish government for the period 2026-2028 defines key economic policy objectives with direct relevance for the banking sector. The focus is on further reducing the inflation rate, strengthening macroeconomic stability, and measures to promote investment, digitalization, and green transformation. The fight against inflation is to be supported in particular by continuing restrictive monetary policy and structural reforms. The program also aims to strengthen financial market stability, expand capital markets, and improve the framework conditions for lending and investment financing. This presents both opportunities and challenges for the banking sector: a gradual improvement in price stability and macroeconomic conditions can have a positive impact on the predictability of financing costs, demand for credit in the corporate and investment business, and the quality of assets. Given the restrictive monetary policy stance envisaged in the MTP and the goal of macroeconomic stabilization, prudent risk and liquidity management remains of central importance for banks.

However, these positive developments are accompanied by continuing risks. This includes, in particular, the risk of a prolonged period of restrictive monetary policy, which could increase borrowing costs and put pressure on liquidity in the banking sector.

Official forecasts and government programs assume that the inflation rate will fall from over 28% in 2025 to around 16% in 2026 if monetary and fiscal policy measures take effect. Such a decline could improve price stability and strengthen the competitiveness of the economy.

Overall, current forecasts indicate that the Turkish economy will continue on a moderate growth path in 2026. At the same time, uncertainties remain regarding the effects of restrictive economic policies on the economy and financing conditions.

At the same time, the overall economic environment remains characterized by heightened uncertainty, partly as a result of monetary policy adjustments, external dependencies, and geopolitical and global economic risks. Against this backdrop, business activities in the Turkish market continue to require a prudent, risk-aware, and selective business policy that exploits opportunities arising from economic development while at the same time taking appropriate account of potential risks.

Development of İşbank AG

The economic development of İşbank AG in recent years underscores the fundamental strength of a business model that is designed to successfully withstand both local and global crises. This strategy proved to be extremely resilient in 2025 as well, supported by a conservative risk profile, an excellent capital base, and a broadly diversified refinancing structure. With a solid return on equity of nearly 23.81 percent and an increase in customer loans of around 20 percent last year, the bank is strategically well positioned for the 2026 financial year to further consolidate its role as an important financial bridge between Europe and Türkiye and to proactively exploit new market opportunities.

REPORT OF THE MANAGEMENT BOARD

With regard to the macroeconomic outlook for 2026, İşbank AG anticipates continued economic stabilization in its core markets. While moderate growth continues to be predicted for the eurozone, and for Germany in particular, due to structural challenges, the German government's comprehensive EUR 500 billion investment package is providing crucial impetus for infrastructure modernization, digitalization, and energy efficiency. These massive investments strengthen confidence in a long-term recovery for the location. At the same time, there are signs of sustained macro-financial stability in Türkiye, although the economic environment remains characterized by high inflation, monetary policy adjustments, and external risks. These include geopolitical tensions in the Middle East, particularly involving Iran. A potential escalation could disrupt crude oil supplies from the Gulf region and lead to rising energy prices, which could weigh on global economic growth. The return to a more orthodox oriented policy framework and the upgrades by leading rating agencies have contributed to enhanced credibility, but do not yet eliminate existing macroeconomic risks. The bank sees no signs of any adverse impact on its business performance in this environment; rather, it is consolidating its position through its strong presence in Germany and its activities in the Netherlands as a reliable anchor for cross-border growth.

The strategic orientation for 2026 is largely shaped by the vision of inextricably linking digital progress with sustainable action and viewing these two paths of transformation as a single entity. A key pillar of this development is consistently diversifying income streams while optimizing risk distribution through a selective expansion of the EU risk share in the loan portfolio. In order to reduce its dependence on interest margins in a changing interest rate environment, the bank is placing greater emphasis on increasing commission income. In this context, resource allocation strictly follows the principle of return on equity in order to ensure sustainable profitability through dynamic balance sheet management. The exceptional asset quality, reflected in a non-performing loan ratio of approximately 0.7 percent, underscores the effectiveness of our risk management.

At the same time, İşbank AG is driving forward its technological evolution by eliminating obsolete processes and embracing digital transformation as a groundbreaking opportunity. Key initiatives include digital onboarding, centralization of account opening processes for corporate clients, and increased use of digital processes to optimize compliance structures and increase operational efficiency. This technological progress is complemented by an in-depth sustainability strategy that firmly integrates ESG criteria into all strategy-making processes and is closely aligned with the global sustainability vision of the parent company. The group's heritage, which has evolved over more than a century, remains the foundation for agility and discipline in a complex environment.

Despite the challenges posed by falling interest margins and geopolitical tensions, management is optimistic about the overall outlook for 2026. With a stable equity ratio that far exceeds regulatory requirements, the bank has the necessary scope for targeted growth initiatives. This success is largely based on the high level of expertise and commitment of our employees, as well as strong governance. With this solid foundation of operational excellence and many years of expertise in bilateral trade, İşbank AG is ideally positioned to further expand its financial stability and reliably create long-term value for all stakeholders.

e) Dependency report

The Management Board of İşbank AG declares:
"We declare that İşbank AG in Frankfurt am Main received an appropriate consideration for each legal transaction according to the circumstances known to us at the time when the aforementioned legal transactions were performed. At the instigation or in the interest of the companies associated with it, measures were neither taken nor omitted, through which a disadvantage can be excluded."

f) Membership in an association

The bank is a member of Bundesverband deutscher Banken e.V. (Association of German Banks) and of regional banking associations, and it is also a member of Verband Internationaler Banken e.V. (Association of International Banks). In June 2024, our Management Board Chairperson Ms. Gamze Yalçın was elected as a board member of Verband Internationaler Banken e.V.. As a member of Prüfungsverband deutscher Banken e.V. (Auditing Association of German Banks), the bank also participates in the deposit protection fund of private banks.

Frankfurt am Main, March 19, 2026

Gamze Yalçın

Chairperson of the Management Board

Ayşe Doğan

Member of the Management Board

Emir Serdar Gülpınar

Member of the Management Board

SUSTAINABILITY AT İŞBANK AG

Since its establishment, İşbank AG has adopted a value-driven and responsible banking approach, implementing sustainability into its business model, which aims to create economic, environmental, and social value for all its stakeholders.

In Summary



Responsible Banking Through Sustainable Lending

ESG-based credit analysis, continuous monitoring and exclusion criteria guide lending decisions and promote sustainable economic transformation.



A Socially Responsible and Inclusive Workplace

Strong employee development programs, diversity in leadership and fair pay practices reinforce a responsible corporate culture.



Environmental Responsibility in Daily Operations

Renewable energy use, energy-efficient infrastructure and resource-saving practices reduce the Bank's environmental footprint.



Sustainability Integrated into Corporate Governance

ESG topics are addressed at the highest level through the Sustainability Committee and Management Board leadership, supported by dedicated sustainability management.



STRENGTHENING SUSTAINABILITY GOVERNANCE FOR THE FUTURE

From 2026 onward, measurable ESG KPIs, stakeholder engagement and materiality analysis will further embed sustainability into business strategy.

LONG-TERM PORTFOLIO TRANSITION TARGETS

All severe and high ESG risk exposures remain subject to established limits.

Sustainable corporate management

As part of its proper business organization, İsbank AG has established a solid structural and procedural organization, appropriate risk management, a sound internal control system, an orderly documentation landscape, and reliable business continuity and emergency management over the years.

The Board of Directors is supported in its decision-making on various topics by 14 governance committees. These are organizational units composed of board members, senior executives, and/or employees from the relevant departments. The committees were established to define strategies and policies, monitor action plans, track process progress, and make decisions on cross-functional issues.

No. Governance Committee			
1	Management Board Committee	8	Corporate Governance & Business Continuity C.
2	Personnel Committee	9	Medium Term Strategic Planning Committee
3	Risk Committee	10	Compliance Committee
4	Audit Findings Supervision Committee	11	Fixed Assets Sales Committee
5	Assets and Liabilities Management Committee	12	Complaint Management Committee
6	Project and Change Steering Committee	13	Branch Manager Committee
7	Information Security Management Committee	14	Sustainability Committee

To ensure a rule-based business organization, which is considered the foundation of ethical and responsible corporate governance, additional codes of conduct exist alongside work and process guidelines. These set out the Bank's values, ethical principles, and rules of conduct.

- Anti-Bribery & Anti-Corruption Policy
- Business Continuity Management Policy
- Conflict of Interest Policy
- Gift & Hospitality Policy
- Sustainability Policy
- Risk Culture
- Code of Conduct
- Human Resources Policy

SUSTAINABILITY AT İŞBANK AG

Sustainability is an important strategic issue for İşbank AG, which became a greater focus in fiscal year 2025 - even though the regulatory requirements for the bank were initially unclear due to the European Union's omnibus procedure. Thanks to the solid governance structure established in previous years, global and European developments were regularly communicated transparently and directly to decision-makers internally, and recommendations for action were communicated to those responsible.

The Management Board of İşbank AG has a strong focus on sustainability in the financial sector. The Sustainability Committee acts as a discussion and decision-making body for ESG-related issues. The committee's decisions were followed up by the sustainability management team in the Corporate Governance division.

With the conclusion of the omnibus initiative, İşbank AG is no longer subject to regulatory reporting requirements. However, since banks shape entire economic structures through their financing decisions, İşbank AG takes its responsibility for environmentally friendly and resource-efficient economic activity seriously. It wants to play an active role in shaping the transition to sustainable economic models, while taking into account the increasing financial risks posed by climate and environmental impacts.

In fiscal year 2025, the bank duly updated its internal guidelines, thereby reaffirming its sustainability philosophy and standards in a large number of documents. İşbank AG has a current sustainability strategy, a sustainability policy, and supplementary guidelines that define the framework for employee actions.

Sustainable social responsibility

For İşbank AG, sustainability is not just a strategic goal, but a central component of its corporate culture. In order to secure its future viability and assume social responsibility, the bank actively promotes the further development of its employees. This includes regular internal training courses, certificate courses, and seminar participation, which help employees to continuously develop their skills.

The composition of the Board of Directors reflects its responsible and diversity-oriented management culture: two-thirds of the top management are women, which impressively underscores the bank's commitment to equal opportunities and diversity in practice.

In addition, the bank attaches great importance to an ethically sound working environment. A binding code of conduct ensures that it implements its values responsibly in all areas. This is complemented by a strong risk culture that promotes transparency, diligence, and responsible behavior in our daily interactions.

Sustainability is also structurally anchored: company agreements create clear, fair, and socially oriented framework conditions for all employees. In addition, employee events and attractive benefits not only strengthen the sense of community, but also actively contribute to the well-being of the teams—an important factor for long-term employee retention.

The bank also attaches particular importance to its social commitment. It supports environmental protection and nature conservation by making donations on behalf of its employees to a selected environmental protection organization. In addition, it works with Praunheimer Werkstätten, an institution that employs people with disabilities and enables them to participate fully in working life. For İşbank AG, this cooperation is an important component of social sustainability and inclusive value creation.

Through all these measures, İsbank AG combines economic activity with social responsibility and environmental awareness—for a sustainable future that is shaped together.

The health of all employees is particularly important to the bank. In times of increasing mental and physical stress, it is important to find a balance to the predominantly sedentary nature of office work. The bank promotes the health of its employees by subsidizing gym memberships. In addition, employees can improve their work-life balance by working remotely from home and through flexitime arrangements. To make the workplace more comfortable, the dress code has also been relaxed, allowing for a smart-casual look. In addition, to promote health, the drinking water provided in the bank is additionally treated by filter systems.

A positive development at our bank in terms of gender diversity is the increased proportion of women in leadership positions and middle management. The focus should therefore be less on promoting women and more on retaining them at our bank—especially in technical fields.

İsbank AG has a works council that represents the interests of employees vis-à-vis the employer. Strong employee co-determination rights are essential for responsible corporate governance.

	2025 in %	2024 in %	2023 in %
Proportion of female board members	66.66	66.66	33.33
Proportion of female employees	42.95	44.44	45.70
Proportion of female employees in management positions	32.00	32.00	25.00
Proportion of female employees in middle management	43.48	40.00	38.10
Turnover rate	4.58	5.41	7.64

SUSTAINABILITY AT İŞBANK AG

Sustainable environmental responsibility

The bank continues to strive to keep its environmental footprint as small as possible. Both the head office and the branch locations are centrally located in their respective cities and are therefore easily accessible by public transportation. In addition, the bank promotes the use of public transportation by offering a job ticket scheme.

İşbank AG's power supply has been completely converted to renewable energies and ecologically generated electricity. In order to reduce energy consumption sustainably and in the long term, the light sources in the stores were completely converted to LED lamps and the air temperatures in server and network rooms were adjusted. The conversion to LED lighting in work areas and corridors and the installation of motion detectors in large parts of the headquarters also contributed to energy savings. According to the energy audit, the headquarters building is in a good technical condition.

As part of its social responsibility, the bank made a seedling donation for all employees in the 2025 fiscal year. The seedlings were used for reforestation in the regions affected by the earthquake in southeastern Türkiye. With this measure, the bank was able to contribute to the promotion of environmental protection.

Sustainability in the lending business

In its lending business, the bank pursues a clear goal: to support companies in their transition by providing financial support, initially through ESG-linked loans, and helping them continuously improve their environmental, social, and ethical performance. Sustainability is not seen as an add-on, but as an integral part of a modern, responsibly managed loan portfolio. Accordingly, processes, methods, and products were further developed to promote sustainable transformations in a targeted manner while strengthening the risk stability of the portfolio.

A key pillar of ESG strategy implementation is the comprehensive analysis and ongoing monitoring of all borrowers based on established external rating methodologies and internal assessments. Depending on the risk content of the credit transactions, all credit exposures are systematically scored and monitored annually.

These ESG scores are integrated into the risk assessment and are closely linked to traditional risk indicators. This ensures that ESG risks are identified at an early stage, assessed transparently, and classified in the context of a company's overall financial situation. As part of structured monitoring, all ESG scores that are out of date are updated. Regular reassessment makes it possible to promptly reflect changes in business models, industry risks, or regulatory developments and to take appropriate measures.

In order to align the portfolio with clear sustainability goals in the long term, a multi-year limit planning system was introduced, which continuously reduces the proportion of investments with increased ESG risks. Exposures classified in the ESG categories "Severe" and "High" are subject to clearly defined portfolio limits. This control is closely linked to our pricing strategy. Where necessary, an ESG penalty can be applied to ensure appropriate risk compensation while providing incentives for sustainable improvements.

In the reporting year, there was significant demand for sustainable credit products, and several ESG-linked financing offerings were structured to support companies on their transformation path.

The agreed sustainability targets were based on industry-relevant ESG criteria such as the gradual reduction of CO₂ emissions, increasing the share of renewable energies, efficiency improvements in production processes, investments in the circular economy, and strengthening responsible supply chains. Through this targeted credit structuring, the bank actively contributed to the economic transformation of its customers while promoting the stability and sustainability of its credit portfolio.

At the same time, lending is subject to clearly defined exclusion criteria that ensure certain ecologically or ethically unacceptable activities are not financed. These include activities that violate international agreements, the use of child or forced labor, serious encroachment on protected areas or cultural heritage sites, the production of weapons of mass destruction, and new investments in coal-based energy generation facilities. The rejection criteria are regularly reviewed and updated as necessary to meet both regulatory requirements and societal expectations.

These measures position credit management as an active driver of sustainable, responsible financing practices. The aim is not only to provide customers with capital, but also to accompany them on their journey toward carbon-neutral, more efficient, and ethically sound corporate management. Consistent monitoring, clear management guidance, modern ESG products, and a forward-looking lending policy create a solid foundation for long-term growth—for İşbank, its customers, and the markets in which it operates.

Outlook

İşbank AG will track its sustainability efforts in the future not only by setting qualitative targets, but also by defining quantitative, i.e. measurable, key performance indicators. In fiscal year 2026, a stakeholder survey and materiality analysis will be conducted to better incorporate the expectations of key interest groups into the Bank's sustainability strategy. The sustainability strategy is to be more deeply embedded in everyday business by raising employee awareness of sustainability.

FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR 2025

Balance sheet as of 12/31/2025 of İşbank AG, Frankfurt am Main

	12/31/2025		previous year
	EUR	EUR	EUR
Assets			
1. Cash reserve			
a) Cash on hand	2,846,815.96		3,073,565.49
b) Balances with central banks	24,165,257.64		31,825,019.67
of which:			
with the German Central Bank			
EUR 22.805.257,64			
(previous year: EUR 31.824.469,64)			
		27,012,073.60	34,898,585.16
2. Receivables from credit institutes			
a) due daily	1,776,870.67		2,760,185.11
b) other receivables	328,085,609.35		631,778,219.66
		329,862,480.02	634,538,404.77
3. Receivables from customers			
		1,556,166,728.67	1,285,014,544.68
of which:			
secured by encumbrances: EUR 15.747.218,20			
(previous year: EUR 26.231.475,25)			
Municipal loans: EUR 0,00 (previous year: EUR 0,00)			
4. Bonds and other fixed-interest securities			
a) Money-market instruments			
aa) from other issuers			
of which:			
eligible as collateral at the German Central Bank	0.00		0.00
EUR 0,00 (previous year: EUR 0,00)			
b) loans and bonds			
ba) from public issuers			
of which:			
eligible as collateral at the German Central Bank	238,024,065.70		97,944,405.32
EUR 216.557.482,43 (previous year: EUR 65.254.985,31)			
bb) from other issuers	35,825,107.53		44,215,678.60
of which: eligible as collateral at the German Central Bank		273,849,173.23	142,160,083.92
EUR 0,00 (previous year: EUR 0,00)			
5. Shares in affiliated companies			
		0.00	0.00
6. Intangible assets			
Paid concessions, industrial property rights and similar rights and assets as well as licenses to such rights and assets			
	1,659,029.99		4,177,461.01
		1,659,029.99	4,177,461.01
7. Property, plant and equipment			
		320,493.42	435,874.02
8. Other assets			
		22,379,743.23	25,685,290.73
9. Deferred income			
		815,040.56	782,142.66
Total assets		2,212,064,762.73	2,127,692,386.95

Liabilities

	12/31/2025 EUR	EUR	previous year EUR
1. Payables to credit institutes			
a) due daily	43,532,049.52		44,963,565.97
b) with an agreed term or termination date	290,320,443.94		132,725,343.95
		333,852,493.46	177,688,909.92
2. Payables to customers			
a) savings deposits			
aa) with an agreed termination period of three months	16,997,409.70		19,173,391.45
ab) with an agreed termination period of more than three months	370,758.51		328,044.48
b) other liabilities			
ba) due daily	290,440,452.34		261,219,885.86
bb) with an agreed term or termination date	1,070,327,046.14		1,194,227,275.73
		1,378,135,666.69	1,474,948,597.52
3. Other liabilities	12,443,854.23	12,443,854.23	12,779,581.86
4. Deferred items	896,580.92	896,580.92	695,541.82
5. Accruals			
a) tax accruals	1,155,214.61		5,786,895.65
b) other accruals	2,758,028.85		3,733,880.12
		3,913,243.46	9,520,775.77
6. Equity capital			
a) subscribed capital	335,000,000.00		335,000,000.00
b) capital reserves	315,292.40		315,292.40
c) retained earnings			
ca) statutory reserves	7,645,729.56		6,107,532.36
cb) other retained earnings	110,636,155.30		76,290,165.26
d) net profit	29,225,746.70		34,345,990.04
		482,822,923.97	452,058,980.06
Total liabilities		2,212,064,762.73	2,127,692,386.95
1. Contingent liabilities	a) liabilities from guarantees and indemnity agreements	41,867,945.19	40,926,419.68
2. Other commitments	a) irrevocable credit commitments	0.00	0.00
		41,867,945.19	40,926,419.68

FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR 2025

Profit and loss account for İsbank AG for the period from January 1 to December 31, 2025

	EUR	EUR	12/31/2025 EUR	EUR	Previous year EUR
1. Interest income from					
a) lending and money market transactions less negative interest from money market transactions	130,385,860.08	0.00			185,853,396.74 0.00
		130,385,860.08			185,853,396.74
b) fixed-interest securities and debt register claims		8,847,424.69			5,707,935.62
			139,233,284.77		191,561,332.36
2. Interest expenses				76,299,371.28	117,406,303.75
				62,933,913.49	74,155,028.61
3. Commission income			10,797,193.10		9,910,286.87
4. Commission expenses			421,765.42		443,918.20
				10,375,427.68	9,466,368.67
5. Other operating income				3,123,195.76	1,194,026.81
6. General administrative expenses					
a) Personnel costs					
aa) wages and salaries (with provisions)		14,118,747.87			13,096,371.54
ab) social contributions and expenses for retirement benefits and support of which: for retirement benefits EUR 76.841,79 (previous year: EUR 69.256,53)		2,373,620.49			2,065,767.86
			16,492,368.36		15,162,139.40
b) Other administrative expenses			10,569,477.38		10,851,020.56
				27,061,845.74	26,013,159.96
7. Depreciation and amortization of intangible assets and property, plant and equipment				3,553,982.89	3,086,536.95
8. Other operating expenses				91,840.72	465,848.85
9. Depreciation and amortization of receivables and certain securities as well as allocations to provisions in the lending business			8,654,382.39		2,086,686.43
10. Income from write-ups to receivables and certain securities as well as from the dissolution of provisions in the lending business			8,016,568.76		5,171,290.94
				637,813.62	-3,084,604.51
11. Depreciation and value adjustments for participating interests, shares in affiliated companies, and securities treated as fixed assets				0.00	142,000.00
12. Income from write-ups to participating interests, shares in affiliated companies, and securities treated as fixed assets				0.00	0.00
13. Profit on ordinary business activity				45,087,053.96	58,192,482.84
14. Extraordinary expenses				0.00	0.00
15. Taxes on income and earnings			14,353,203.68		22,023,182.51
16. Other taxes not listed in Item 8			-30,093.62		15,626.61
				14,323,110.06	22,038,809.12
17. Annual net profit				30,763,943.90	36,153,673.72
18. Allocations to revenue reserves					
a) to the legal reserve			1,538,197.19		1,807,683.69
b) to the reserve for shares in a company holding a controlling or majority interest			0.00		0.00
c) to statutory reserves			0.00		0.00
d) to other revenue reserves			0.00		0.00
				1,538,197.19	1,807,683.69
19. Net profit				29,225,746.70	34,345,990.04

NOTES FOR THE 2025 FISCAL YEAR

İşbank AG

(HRB 94361, Local Court of Frankfurt am Main)

Notes for the 2025 Fiscal Year

A. Preamble

İşbank AG is domiciled in Frankfurt am Main and is registered in Commercial Register B at the Local Court of Frankfurt am Main (HRB 94361). The annual financial statement of İşbank AG as of December 31, 2025, was prepared in accordance with the provisions of the German Commercial Code (Handelsgesetzbuch - HGB) pursuant to §§ 242 ff. and 340 ff. HGB as well as the Credit Institutions Accounting Regulation (Kreditinstituts-Rechnungslegungsverordnung - RechKredV) and German Stock Corporation Act (Aktiengesetz - AktG). In addition to the annual financial statement - consisting of the profit and loss statement, balance sheet and notes - a management report was created pursuant to § 289 HGB. Unless specifically indicated otherwise, all amounts are in thousands of euros. In the 2025 fiscal year, İşbank AG applied the same accounting and valuation methods as in the prior fiscal year.

B. General accounting and valuation principles

The receivables recorded under the individual items include accrued interest recorded at the nominal value. İşbank AG created specific loan loss reserves and global loan loss reserves pursuant to BFA7 for identifiable creditworthiness risks in the credit business.

Classification criteria that prescribe management of non-performing loans have been defined, including within the scope of the early detection system, for securing loan commitments; these bindingly require loans to be transferred to non-performing loan processing. In general, loans overdue for more than 90 days as well as installment loans that are more than three payments overdue are subject to inspection by the loan restructuring department to determine the need for loan loss reserves. In order to determine the necessary specific loan loss reserves, the existing collateral is re-evaluated in the process of transferring the loans. The application and dissolution of the corresponding risk provision is calculated and recorded in a timely manner to an appropriate and sufficient amount.

Bonds and debentures were allocated to investment assets. The total portfolio is evaluated based on the modified lower-of-cost-or-market principle. As per the balance sheet date, there are hidden reserves and hidden losses. No non-scheduled depreciation was carried out, as a reduction in value that is not due to creditworthiness and hence is non-permanent is being assumed. Fixed-interest securities acquired sub-par are recognized according to the accrual principle at nominal value. Fixed-interest securities acquired above par are recognized according to the accrual principle at nominal value.

The tangible and intangible assets, the use of which is temporary, are recorded applying scheduled depreciation over the anticipated length of use. The underlying length of use is based on the length of their economic life. Where an ongoing reduction in value is anticipated, an unscheduled depreciation takes place. In the 2016 fiscal year, the length of use for the core banking system was defined as 10 years. Low-value assets up to EUR 800 net are fully written off as operating expenses in the year of acquisition. These are also subject to record-keeping obligations. Assets with acquisition costs ranging between EUR 800 and EUR 1,000 net are recorded as a compound item on the asset side and written off on the basis of straight-line depreciation over a period of five years.

The valuation of forward exchange transactions, especially CC foreign exchange swaps, FX foreign exchange swaps, and forward transactions, is fundamentally based on the banking book portfolio, since İşbank AG does not keep a trading book portfolio. The exchange rate difference between the agreed spot rate and the spot rate for the balance sheet date is determined on the balance sheet date. Positive and negative spot rate differences from different forward exchange transactions are offset within the same currency. The currency accruals and deferrals from FX foreign exchange swaps as well as interest accruals and deferrals from the CC foreign exchange swaps are recorded either as "Other Assets" or "Other Liabilities." Exchange-rate and interest accruals and deferrals on the asset and liability side are not offset against each other here. Any potentially required provision for contingent losses will be formed only after valuation of the residual item. Offsetting of the positive and negative residual-item valuation takes place exclusively within the same currency for each transaction.

NOTES FOR THE 2025 FISCAL YEAR

Deferred taxes are determined for temporary differences between the valuations under commercial law for the estimated assets, debts, and accruals and deferrals and the tax valuations for these, as well as for tax losses carried forward. Deferred tax assets mainly result from the different tax treatment of receivables from customers, bonds and other fixed-income securities, and other assets. According to the right to choose as per § 274 Sect. 1 Clause 2 HGB, deferred tax assets are not recorded.

The liabilities were recorded at their settlement value plus accrued interest. Where the settlement value of a liability is greater than the issue amount, the difference is recorded on the asset side under deferred items pursuant to § 250 Sect. 3 HGB in conjunction with § 340e Sect. 2 Clause 3 HGB. The deferred items are written off on the basis of scheduled linear depreciation over the term of the liability.

Tax provisions and other provisions take all identifiable risks into account and have been recorded at the amount of the settlement value necessary according to reasonable business assessment pursuant to § 253 Sect. 1 HGB.

The subscribed capital in the amount of TEUR 335,000 is recorded at nominal value.

The contingent liabilities and irrevocable credit commitments are formed with the nominal value after deduction of cash securities and reserves taken into account on the balance sheet. For reserves with a term of more than one year there is a discounting obligation with average market interest over the past seven years related to the residual period as set out in § 253 Sect. 2 HGB. The filing reserves are likewise discounted at the average market interest rates corresponding to their residual term.

Expenditure and income for the fiscal year are recorded according to the accrual principle pursuant to § 252 Sect. 1 No. 5 HGB. Account management fees are charged on a quarterly basis, and applicable processing fees immediately upon the transaction.

Assets and liabilities as well as expenditure and income in foreign currency were converted to EUR based on the exchange rate set by the European Central Bank at the balance sheet date in accordance with § 256a HGB in conjunction with § 340h HGB.

Expenditure and income from the foreign currency conversion are recorded under the miscellaneous operational expenditure and income.

The conversion results from transactions that were integrated into the special coverage in accordance with § 340h HGB are balanced under miscellaneous operational income/recorded under miscellaneous operational expenditure.

For loans with no objective evidence of impairment, a general loan loss provision equal to the 1-year expected loss is determined and implemented according to the loan risk model. Furthermore, a separate risk provision equal to the amount of the lifetime expected loss is created for all commitments exposures where repayment is considered at risk due to increased transfer risks, in other words where the relevant country ceiling rating is in the non-investment-grade range. As in the previous year, this only applied to Türkiye.

Instead, receivables from credit institutions will once again use the "country cap" method, where a bank's rating cannot be better than that of its home country. In this context, a method is used to determine an individual PD premium for the country risk for the remainder of the portfolio.

Based on the methodology described above, general allowances amounted to EUR 15,802 thousand as of December 31, 2025 (previous year: EUR 20,688 thousand). Taking into account the uncertainties in Türkiye described in the management report, the calculation of the management overlay—beyond the general allowance—was adjusted in 2025. In particular, as part of its review of risk provisioning requirements, the Bank conducts analyses to assess the effect of possible downgrades of Türkiye's credit rating. If the calculated risk provision requirement is lower than the existing portfolio, the following procedure is applied: If risk-increasing factors are identified, a risk provision is maintained that corresponds to a 1-notch downgrade of Türkiye's rating. To further mitigate unmodeled risks, an additional risk provision of 20% of the calculated requirement from the one-notch downgrade scenario is also taken into account. This ensures that risk provisioning remains sufficiently robust even in the event of unexpected market and country risk developments and delayed rating adjustments. As of December 31, 2025, the management overlay—excluding general allowances—amounted to EUR 7,494 thousand (previous year: EUR 13,461 thousand).

In the loss-free valuation of interest-bearing transactions of the banking book (BFA3) the periodic (P&L-oriented) method was applied. In this context, the cash-value period results from interest-related transactions, the management expenditure for portfolio transactions calculated on the basis of the P&L account for the past fiscal year, and the risk costs to be anticipated before the final due date based on the anticipated payment defaults were compared. No imminent loss reserves need to be created pursuant to IDW RS BFA 3 as per 12/31/2025.

C. Notes to the Balance Sheet

The liquid assets have been recorded at nominal value. The accrued interest is not recorded as part of the residual term breakdown, but separately in accordance with § 11 Clause 3 RechKredV [Ordinance on Accounting for Banks].

	12/31/2025 TEUR	Previous year TEUR
Receivables from credit institutions		
- due daily	1,777	2,760
- up to 3 months	208,826	294,190
- 3 months up to 1 year	93,929	274,263
- 1 year up to 5 years	27,000	66,193
Accrued interest	2,366	5,616
General loan loss reserves	-4,037 (*)	-8,484 (*)

(*) Of which country-specific impairment losses amount to EUR 3,927 thousand (previous year: EUR 8,462 thousand).

	12/31/2025 TEUR	Previous year TEUR
Receivables from customers		
- up to 3 months	201,405	218,560
- more than 3 months up to 1 year	406,135	356,326
- more than 1 year up to 5 years	885,376	645,737
- more than 5 years	33,735	31,438
- with an indefinite term	24,832	24,764
Accrued interest	22,546	19,963
General loan loss reserves	-17,863 (*)	-11,774 (*)

(*) Of which, country-specific impairment losses amount to EUR 10,906 thousand (previous year: EUR 10,689 thousand).

Receivables from affiliated companies are included in the following items	12/31/2025 TEUR	Previous year TEUR
Receivables from credit institutions	2,595	6,230
- of which to the sole shareholder	2,595	4,518
Receivables from customers	16,737	29,241
Debentures and other fixed-interest securities	1,311	8,395
Debentures and other fixed-interest Securities		
a) Money market instruments		
aa) From other issuers	0	0
b) Bonds and debentures		
ba) from public issuers	234,740	96,280
- of which allocated to repurchase agreements	13,959	24,503
- of which due in the following year	14,500	9,999
bb) From other issuers	34,907	43,268
- of which allocated to repurchase agreements	2,723	15,575
- due the following year	18,842	14,426
c) Accrued interest	4,202	2,612

All bonds and debentures are marketable and listed.

NOTES FOR THE 2025 FISCAL YEAR

As of the balance sheet date, there were hidden reserves in the bond and debenture portfolio amounting to TEUR 1,584 (previous year: TEUR 1,064) and hidden losses amounting to TEUR 2,979 (previous year: TEUR 1,168). The carrying amount of marketable securities that have hidden liabilities and were therefore valued according to the lower of cost or market principle amounts to EUR 169,242 thousand (previous year: EUR 92,499 thousand). As of the balance sheet date, no unscheduled depreciations or appreciations had occurred.

Receivables from customers amounting to EUR 15,747 thousand (previous year: EUR 26,231 thousand) are secured by real estate collateral.

The intangible assets comprise expenditure recorded on the asset side, reduced by the scheduled depreciation, for the core banking system of İsbank AG that was acquired in 2016. As of December 31, 2025, the total carrying amount of intangible assets is EUR 1,659 thousand (previous year: EUR 4,177 thousand). İsbank AG does not carry out any research in the context of intangible assets that the company created itself, so no costs were incurred in this regard.

The total amount of other assets amounts to EUR 22,380 thousand (previous year: EUR 25,685 thousand). Of this amount, receivables from derivative transactions due to foreign currency valuations account for EUR 21,001 thousand (previous year: EUR 25,075 thousand). In addition, there are income tax refund claims from the Netherlands branch for current years amounting to EUR 842 thousand (previous year: EUR 106 thousand), tax claims against the tax office relating to sales tax amounting to EUR 291 thousand (previous year: EUR 209 thousand) and rental deposits amounting to EUR 109 thousand (previous year: EUR 106 thousand). In addition, the bank's suspense accounts amount to EUR 136 thousand (previous year: EUR 44 thousand).

Prepaid expenses amounting to EUR 815 thousand (previous year: EUR 782 thousand) include expenses paid in advance that are economically attributable to the following year. Of this amount, EUR 393 thousand (previous year: EUR 482 thousand) relates to advance payments from the lease agreement for the head office. In addition, EUR 422 thousand (previous year: EUR 300 thousand) was deferred for invoices paid in advance relating to expenses for financial information and data services amounting to EUR 197 thousand and costs for IT software and hardware licenses amounting to EUR 139 thousand. Furthermore, prepaid expenses, including employee anniversary gifts amounting to EUR 49 thousand, were deferred on an accrual basis. Furthermore, prepaid expenses relate to brokerage and commission costs amounting to EUR 37 thousand, which were calculated in December 2025 but relate to services rendered in the following year.

İsbank AG, Frankfurt am Main

Asset analysis as per 12/31/2025

	APC Status 01/01/2025 TEUR	Inflow TEUR	Outflow TEUR	Transfer TEUR	APC Status 12/31/2025 TEUR	Cumulative Depr. Status 01/01/2025 TEUR	Cumulative Depr. Status 12/31/2025 TEUR	12/31/2025 Appreciation of the fiscal year TEUR	12/31/2025 Depr. of the fiscal year TEUR	Accounting values	
										Status 12/31/2024 TEUR	Status 12/31/2025 TEUR
I. Intangible assets											
1. Software	24,167	900	0	0	25,067	19,990	23,408	0	3,418	4,177	1,659
	24,167	900	0	0	25,067	19,990	23,408	0	3,418	4,177	1,659
II. Tangible assets											
1. Plant and equipment	5,076	21	46	0	5,051	4,640	4,731 ⁽¹⁾	0	136	436	320
	29,244	920	46	0	30,118	24,630	28,139	0	3,554	4,613	1,980
III. Securities ⁽³⁾											
	133,917	158,729	21,652	0	270,994	5,631	-1,347 ⁽²⁾	60	7,038	142,160	273,849 ^(2,3)
Total	163,161	159,650	21,698	0	301,112	30,261	26,792	60	10,592	146,773	275,829

⁽¹⁾ Inflows and transfers in the fiscal year are included in the write-offs to the amount of TEUR 336 (software and plant and equipment). Disposal of unused tangible assets amounting to EUR 46 thousand.

⁽²⁾ Inclusive accrued interest to the amount of TEUR 4,202. The write-offs to securities include currency effects to the amount of TEUR 1,339.

⁽³⁾ Debentures and other fixed-interest securities; stocks and other non-fixed-interest securities.

	12/31/2025	Previous year
	TEUR	TEUR
Payables to credit institutions		
- due daily	43,532	44,963
- up to 3 months	230,570	102,254
- more than 3 months up to 1 year	58,138	28,947
- more than 1 year up to 5 years	0	570
- accrued interest	1,612	955
Payables to customers (savings deposits)		
- up to 3 months	16,997	19,173
- more than 3 months up to 1 year	36	17
- more than 1 year up to 5 years	21	16
- more than 5 years	314	295
Payables to customers (other payables)		
- due daily	290,440	261,220
- up to 3 months	701,718	719,369
- more than 3 months up to 1 year	239,706	279,656
- more than 1 year up to 5 years	85,076	141,649
- more than 5 years	34,159	41,249
- accrued interest	9,669	12,304

Payables to credit institutions are included under the following items:

	12/31/2025	Previous year
	TEUR	TEUR
Payables to credit institutions	26,360	15,469
- of which to the sole shareholder	26,334	15,437
Payables to customers	73,413	93,988

Liabilities to banks include repurchase agreements amounting to EUR 581 thousand (previous year: EUR 24,811 thousand). In addition, this item includes open market transactions (tender transactions) with the Deutsche Bundesbank amounting to EUR 230,255 thousand (previous year: EUR 80,007 thousand). The remaining liabilities to banks are unsecured. All liabilities have a remaining term of up to one year.

Other liabilities amounting to EUR 12,444 thousand (previous year: EUR 12,780 thousand) comprise exchange rate and interest accruals from derivatives and foreign exchange transactions amounting to EUR 8,234 thousand (previous year: EUR 8,368 thousand) customer payment orders not processed by the clearing house in the amount of EUR 1,347 thousand (previous year: EUR 2,195 thousand). Furthermore, EUR 1,716 thousand (previous year: EUR 1,144 thousand) relates to dormant accounts, EUR 591 thousand to returns from undeliverable transfers to Türkiye (previous year: EUR 320 thousand), capital gains taxes still to be paid in the amount of EUR 341 thousand (previous year: EUR 543 thousand), and liabilities to tax authorities for income tax and church tax still to be paid in the amount of EUR 210 thousand (previous year: EUR 206 thousand). Liabilities from salary payments for social security contributions amounting to EUR 5 thousand (previous year: EUR 4 thousand) are also included.

Deferred income in the amount of EUR 897 thousand (previous year: EUR 696 thousand) mainly consists of interest payments to be accrued on a pro rata basis in connection with financing transactions with banks in the amount of EUR 373 thousand and fee payments in connection with credit market transactions in the amount of EUR 182 thousand (previous year: EUR 323 thousand). Prepaid expenses and deferred income relating to customers mainly consist of guarantees from sureties amounting to EUR 188 thousand (previous year: EUR 41 thousand) and prepaid commission income to be deferred on an accrual basis amounting to EUR 154 thousand.

Tax provisions amounting to EUR 1,155 thousand (previous year: EUR 5,787 thousand) include corporate income tax and trade tax provisions amounting to EUR 522 thousand (previous year: EUR 5,052 thousand), provisions for trade tax from previous years of EUR 393 thousand (previous year: EUR 433 thousand) and provisions for corporate income tax from previous years amounting to EUR 240 thousand (previous year: EUR 302 thousand).

NOTES FOR THE 2025 FISCAL YEAR

At the end of the year, other provisions amounting to EUR 2,758 thousand (previous year: EUR 3,734 thousand) were created. These consisted mainly of bonus provisions amounting to EUR 1,595 thousand (previous year: EUR 1,670 thousand). In addition, provisions for other payment obligations amounted to EUR 472 thousand (previous year: EUR 444 thousand), provisions for guarantees EUR 202 thousand (previous year: EUR 923 thousand) and provisions for audit and annual financial statement costs EUR 148 thousand (previous year: EUR 183 thousand). Also included are archiving provisions amounting to EUR 114 thousand (previous year: EUR 105 thousand), vacation provisions amounting to EUR 77 thousand (previous year: EUR 94 thousand), provisions for contributions amounting to EUR 65 thousand (previous year: EUR 112 thousand) and provisions for legal and consulting costs amounting to EUR 63 thousand (previous year: EUR 90 thousand). Provisions for legal costs amounting to EUR 22 thousand (previous year: 113) are also included.

The subscribed capital totals TEUR 335,000 and has not changed in comparison to the previous year.

The share capital of İsbank AG is divided into 33,500,000 no-par value bearer shares and amounts to EUR 335,000 thousand. There are no other classes of shares.

The equity is divided up as follows:

	12/31/2025	Previous year
	TEUR	TEUR
Subscribed capital	335,000	335,000
Capital reserves	315	315
Statutory reserves	7,646	6,108
Profit reserves	110,636	76,290
Net profit	29,226	34,346
	482,823	452,059

Pursuant to § 150 Sect. 2 AktG, 5% of the annual net profit must be recognized in the statutory reserves annually. Accordingly, the statutory reserves were increased by TEUR 1,538.

The valuation allowance for country risks on receivables from customers and banks totals EUR 15,802 thousand (previous year: EUR 20,688 thousand), of which EUR 202 thousand relates to off-balance sheet provisions.

The breakdown of total risk provisioning to the individual items of the balance sheet is as follows:

	12/31/2025	Previous year
	TEUR	TEUR
Receivables from credit institutions	4,037	8,484
Receivables from customers	11,563	11,281
Non-balance sheet reserves	202	923

Items recorded in foreign currency:

	12/31/2025	Previous year
	TEUR	TEUR
Assets	494,125	546,946
Liabilities	507,578	510,344

The breakdown of payables from guarantees and guarantee contracts after deduction of the general loan loss reserves is as follows:

	12/31/2025	Previous year
	TEUR	TEUR
Guarantees and guarantee contracts	33,800	28,870
Letters of credit	8,067	12,056
	41,868	40,926

Of the guarantees and warranty agreements, EUR 1,651 thousand (previous year: EUR 1,651 thousand) relate to the sole shareholder.

The cash-collateralized guarantees amount to EUR 5,350 thousand in the fiscal year (previous year: EUR 5,346 thousand). As in the previous year, there are no irrevocable credit commitments. The risks from claims to contingent liabilities and other liabilities are estimated as low by İsbank AG due to the existing securities.

D. Notes to the profit and loss account

The profit and loss account has been prepared in vertical format pursuant to § 275 Sect. 1 HGB.

In accordance with Section 170 (2) of the German Stock Corporation Act (AktG), the Management Board of İsbank AG proposes to the Supervisory Board that the reported net profit for the 2025 fiscal year in the amount of EUR 29,226 thousand be distributed to the sole shareholder.

The breakdown of earnings based on geographic markets is as follows:

	Germany TEUR	Netherlands TEUR	Total TEUR
Interest income	128,439	10,794	139,233
Commission income	9,568	1,230	10,797
Other operating income	3,199	-76	3,123
Net income for the year	27,727	3,037	30,764

Interest income includes total interest income from lending and money market transactions amounting to EUR 126,546 thousand (previous year: EUR 173,600 thousand) and from fixed-income securities and debt register receivables amounting to EUR 8,847 thousand (previous year: EUR 5,708 thousand). In addition, this item includes interest income from money market transactions with the Deutsche Bundesbank amounting to EUR 3,840 thousand (previous year: EUR 12,253 thousand).

Total interest expenses amount to EUR 76,299 thousand (previous year: EUR 117,406 thousand). Interest expenses to customers amounting to EUR 36,633 thousand (previous year: EUR 36,987 thousand) mainly result from fixed-term deposits, which are broken down by customer group (private, commercial, other, and affiliated companies), as well as from overnight deposits and savings accounts with an agreed notice period of three months. Interest expenses to banks amounting to EUR 7,028 thousand (previous year: EUR 5,424 thousand) relate to fixed-term liabilities (including the Bundesbank, repo banks, and affiliated companies) as well as liabilities due daily to other banks and affiliated companies. Interest expenses also include interest of EUR 32,638 thousand (previous year: EUR 74,995 thousand) from FX swap and CC swap transactions entered into to hedge currency risks.

Other operating income of EUR 3,123 thousand (previous year: EUR 1,194 thousand) mainly comprises income from foreign currency conversions of EUR 2,661 thousand (previous year: EUR 469 thousand), income from the reversal of other provisions amounting to EUR 358 thousand (previous year: EUR 512 thousand), and income from uncollected customer amounts from previous years amounting to EUR 7 thousand (previous year: EUR 126 thousand). In addition, this item includes income from other administrative expenses amounting to EUR 84 thousand (previous year: EUR 84 thousand) and interest refunds from income taxes from previous years amounting to EUR 4 thousand (previous year: EUR 1 thousand).

Other operating expenses amounting to EUR 92 thousand (previous year: EUR 466 thousand) mainly result from general administrative expenses of EUR 72 thousand (previous year: EUR 92 thousand) and the payment of the severely disabled contribution in the amount of EUR 20 thousand (previous year: EUR 27 thousand).

In accordance with IDW RS HFA 36, the fee for audit services includes the annual audits of İsbank AG for Germany in the amount of EUR 325 thousand (previous year: EUR 358 thousand). Other assurance services include, in particular, fees for legally required and contractually agreed assurance services amounting to EUR 4 thousand (previous year: EUR 4 thousand).

For the current fiscal year, as in the previous year, there were no depreciations or adjustments, nor income from write-ups of investments, shares in affiliated companies, or securities treated as assets.

Likewise, in the 2025 fiscal year, as in the previous year, there were no extraordinary expenditures.

NOTES FOR THE 2025 FISCAL YEAR

As of December 31, 2025, taxes on income and earnings amounted to EUR 14,353 thousand (previous year: EUR 22,023 thousand).

Set-off of the net profit of the previous year:

The ordinary general meeting held on April 30, 2025, resolved to allocate the net retained earnings from 2024 in the amount of EUR 34,346 thousand to be retained in full and immediately transferred to other retained earnings.

E. Other information

There were no transactions with related parties or companies that did not occur under standard market conditions.

The MinBestRL-UmsG [Minimum Tax Directive Implementation Act] was resolved by the German Bundestag on 11/10/2023. The Federal Council approved it on 12/15/2023. The law was announced in the Federal Law Gazette on 12/27/2023. The regulations will take effect for fiscal years beginning after December 30, 2023. The goal of the global minimum tax is to improve tax competitiveness and to minimize tax avoidance by multinational companies.

Because the parent company Türkiye İş Bankası A.Ş. creates a consolidated financial statement and its subsidiaries in all the affected countries are subject to a nominal tax rate of no less than 15 percent, it is assumed that none of the business units in Germany are subject to a tax burden from the global minimum tax. The corresponding notification is made by Türkiye İş Bankası A.Ş. in accordance with the legal requirements in Türkiye.

Country-specific reporting (country-by-country reporting) by İşbank AG pursuant to § 26a KWG as per December 31, 2025

The data on country-specific reporting (country-by-country reporting) from Article 89 EU Directive 2013/36/EU resp. § 26a KWG is presented in detail in our "Country-Specific Report" (country-by-country reporting) as per December 31, 2025. After approval of the annual financial statement the country-by-country reporting is published together with the annual financial statement and management report in the Federal Gazette.

Disclosure report

İşbank AG is subject to the disclosure requirements set out in Articles 431 et seq. of Regulation (EU) No. 575/2013. The corresponding disclosure report is published on the İşbank AG website (www.isbank.de).

Other financial obligations

The total amount of other financial obligations is broken down as follows:

	2026	2027-2028	as from 2029	Total
	TEUR	TEUR	TEUR	TEUR
Leases	2,745	5,910	3,254	11,909
Leasing contracts	106	217	110	433
Other contracts	1,377	2,863	1,499	5,739

To cover loans granted in USD, GBP, and TRY, the bank had five foreign exchange swaps (nominal value: EUR 91,825 thousand) and twenty cross-currency swaps (nominal value: EUR 470,115 thousand) in its portfolio at the end of the year. As per the balance sheet date a negative amount of TEUR 14,882 as well as a positive amount of TEUR 2,115 result from these currency swaps.

The following table illustrates the nominal amounts of the foreign currency swaps concluded for coverage of foreign exchange risks from customer transactions:

Residual term	Nominal (TEUR)	- Market value (TEUR)	+ Market value (TEUR)
Up to 1 year	124,707	-305	18,247
More than 1 year	437,233	0	1,605

On the basis of membership in the deposit protection fund with Bundesverband deutscher Banken e.V. (Federal Association of German Banks) İsbank AG may be obligated to pay subsidies in certain circumstances. Currently, there is no obligation to pay subsidies.

Employees

The average annual number of employees at İsbank AG includes full-time and part-time workers.

	2025	Previous Year
Germany	142	144
Netherlands	8	7
Authorized signatories	6	6
Total	156	157

İsbank AG does not offer its Management Board members benefits for the period after their employment contracts end, hereinafter known as pension guarantees. For this reason, İsbank AG does not create pension reserves for members of the Management Board.

With reference to the disclosure of total remuneration of the Management Board, the safeguard clause pursuant to § 286 Sect. 4 HGB was exercised.

In fiscal year 2025, expense allowances totaling EUR 22 thousand (previous year: EUR 22 thousand) were paid to the members of the Supervisory Board in accordance with Section 285 No. 9a of the German Commercial Code (HGB).

NOTES FOR THE 2025 FISCAL YEAR

Company bodies

Management Board:

Gamze Yalçın, Frankfurt am Main, Chairperson of the Management Board
Ayşe Doğan, Frankfurt am Main, Member of the Management Board
Emir Serdar Gülpınar, Frankfurt am Main, Member of the Management Board

Supervisory Board

Hakan Aran, Istanbul, Türkiye, Chairperson of the Supervisory Board, Chairperson of the Management Board of Türkiye İş Bankası A.Ş.,

Sabri Gökmenler, Istanbul, Türkiye, Deputy Chairperson of the Supervisory Board, Member of the Management Board of Türkiye İş Bankası A.Ş.

Hürdoğan İrmak, Istanbul, Türkiye, Member of the Supervisory Board from May 1, 2025, Head of Financial Management at Türkiye İş Bankası A.Ş.

Hakan Kartal, Istanbul, Türkiye, Member of the Supervisory Board, Treasury Division Head of Türkiye İş Bankası A.Ş.,

Murat Doğan, Istanbul, Türkiye, Member of the Supervisory Board, Head of Subsidiaries at Türkiye İş Bankası A.Ş.,

Celal Caner Yıldız, Istanbul, Türkiye, Member of the Supervisory Board, Head of Corporate Loans Underwriting Division at Türkiye İş Bankası A.Ş.,

Imge Hilal Soyluoğlu Canlı, Istanbul, Türkiye, Member of the Supervisory Board, Head of Financial Institutions at Türkiye İş Bankası A.Ş.,

Alper Gürler, Istanbul, Türkiye, Member of the Supervisory Board, Head of Economic Research at Türkiye İş Bankası A.Ş.,

Nilgün Yosef Osman, Istanbul, Türkiye, Member of the Supervisory Board from May 1, 2025, Head of Investor Relations and Sustainability at Türkiye İş Bankası A.Ş.,

Yavuz Ergin, Istanbul, Türkiye, Member of the Supervisory Board until April 30, 2025, advisor to Türkiye İş Bankası A.Ş.,

Ali Tolga Ünal, Istanbul, Türkiye, Member of the Supervisory Board until April 30, 2025, Head of Financial Management at Türkiye İş Bankası A.Ş.

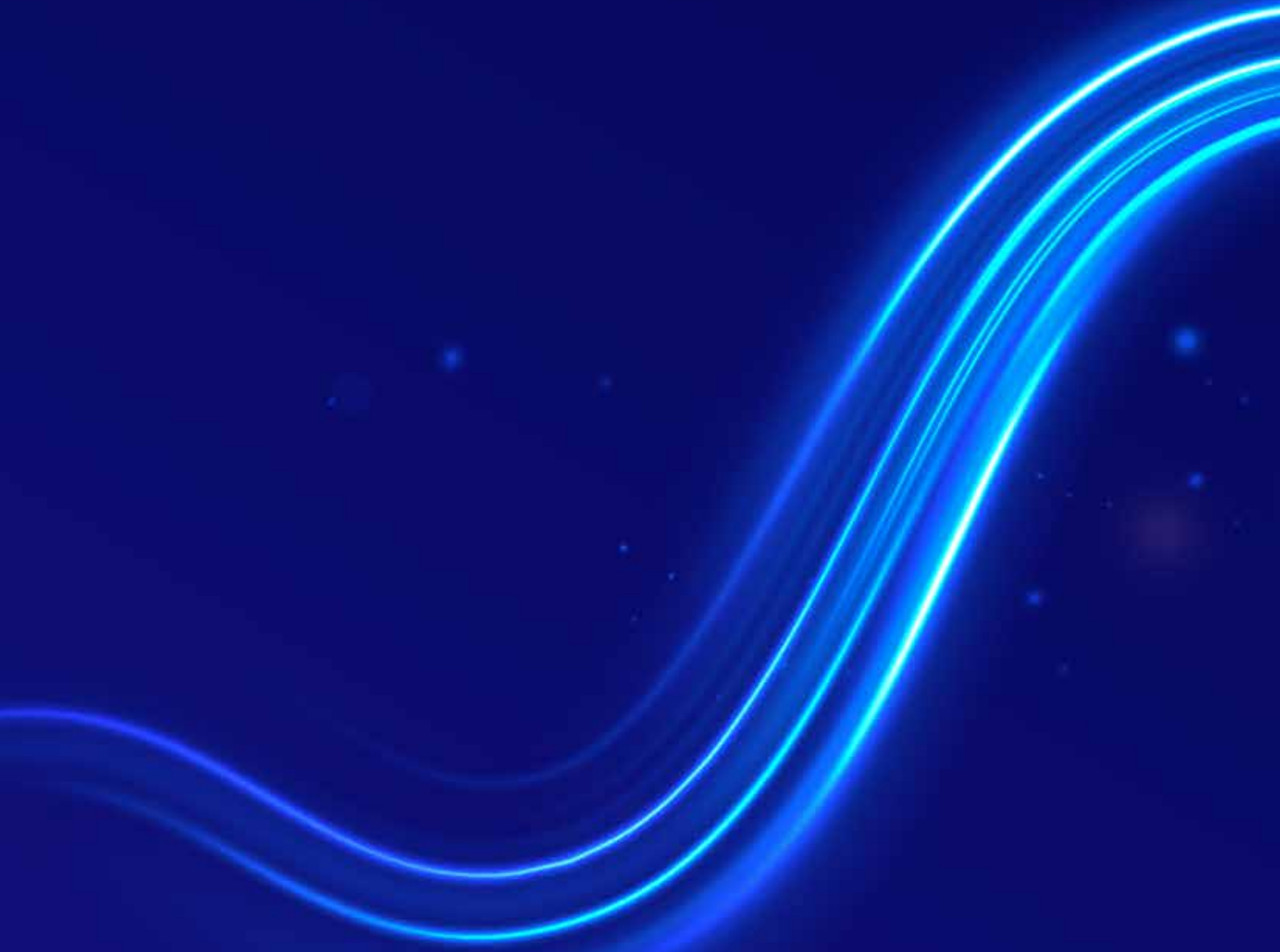
Company Group relations

İşbank AG, Frankfurt am Main, is a wholly owned subsidiary of Türkiye İş Bankası A.Ş., Büyükdere Cad. Pembegül Sok, 34330, Levent - Istanbul, Türkiye. The parent company Türkiye İş Bankası A.Ş. prepared a consolidated financial statement as per December 31, 2025, which is also available at the Head Office of the company.

Frankfurt am Main, March 19, 2026

Gamze Yalçın	Ayşe Doğan	Emir Serdar Gülpınar
Chairperson of the Management Board	Member of the Management Board	Member of the Management Board

INDEPENDENT AUDITOR'S REPORT



INDEPENDENT AUDITOR'S REPORT

Independent auditor's report

To İşbank AG

Report on the audit of the annual financial statements and of the management report

Opinions

We have audited the annual financial statements of İşbank AG, Frankfurt am Main, which comprise the balance sheet as at 31 December 2025, and the income statement for the fiscal year from 1 January 2025 to 31 December 2025, and notes to the financial statements, including the recognition and measurement policies presented therein. In addition, we have audited the management report of İşbank AG for the fiscal year from 1 January 2025 to 31 December 2025.

In our opinion, on the basis of the knowledge obtained in the audit,

- the accompanying annual financial statements comply, in all material respects, with the requirements of German commercial law applicable to institutions and give a true and fair view of the assets, liabilities and financial position of the Institution as at 31 December 2025 and of its financial performance for the fiscal year from 1 January 2025 to 31 December 2025 in compliance with German legally required accounting principles, and
- the accompanying management report as a whole provides an appropriate view of the Institution's position. In all material respects, this management report is consistent with the annual financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development.

Pursuant to Sec. 322 (3) Sentence 1 HGB ["Handelsgesetzbuch": German Commercial Code], we declare that our audit has not led to any reservations relating to the legal compliance of the annual financial statements and of the management report.

Basis for the opinions

We conducted our audit of the annual financial statements and of the management report in accordance with Sec. 317 HGB and the EU Audit Regulation (No 537/2014, referred to subsequently as "EU Audit Regulation") and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Our responsibilities under those requirements and principles are further described in the "Auditor's responsibilities for the audit of the annual financial statements and of the management report" section of our auditor's report. We are independent of the Institution in accordance with the requirements of European law and German commercial and professional law as well as the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), as applicable to audits of financial statements of public interest entities. We have also fulfilled our other German professional responsibilities in accordance with these requirements and the IESBA Code. In addition, in accordance with Art. 10 (2) f) of the EU Audit Regulation, we declare that we have not provided non-audit services prohibited under Art. 5 (1) of the EU Audit Regulation. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions on the annual financial statements and on the management report.

Key audit matters in the audit of the annual financial statements

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the annual financial statements for the fiscal year from 1 January to 31 December 2025. These matters were addressed in the context of our audit of the annual financial statements as a whole, and in forming our opinion thereon; we do not provide a separate opinion on these matters.

Below, we describe what we consider to be the key audit matter:

Identification and valuation of impaired receivables from customers in the manufacturing, construction, automotive, tourism and wholesale and retail sectors

Reasons why the matter was determined to be a key audit matter

The identification and valuation of loans and advances to customers in the manufacturing, construction, automotive, tourism and wholesale and retail sectors constitutes a significant area of management judgment. The identification of impaired loans and advances and determination of required specific bad debt allowances entail uncertainties and involve various assumptions and judgment, in particular regarding the financial situation of the customer, and expectations regarding future cash flows and the realization of collateral. These uncertainties are elevated in the fiscal year as a result of the direct and indirect effects of the war in Ukraine, inflation in Türkiye and the volatile, higher interest rate level, all of which cannot be conclusively assessed as yet. Even minor changes in the assumptions and estimation inputs can lead to significantly different valuations. Against this background, the identification and valuation of loans and advances to customers in the manufacturing, construction, automotive, tourism and wholesale and retail sectors included in the customer lending volume was a key audit matter.

Auditor's response

We examined the design and operating effectiveness of selected controls relating to the identification and valuation of loans and advances to customers in the manufacturing, construction, automotive, tourism and wholesale and retail sectors and tested these controls. Our audit procedures focused on the process for regularly evaluating the financial situation of borrowers using internal risk classification procedures, the process for monitoring early warning indicators and the determination of a country risk provision in relation to customers based in Türkiye.

In addition, we performed substantive procedures on a sample basis, analyzing in our credit file review whether impairment was required to be recognized for the loan exposures in our sample. We also examined the valuation of impaired loans and advances. We selected the sample on a risk basis, applying in particular criteria such as amount of the exposure and/or listing on watchlists for potential and acute risks of default, and rating category.

Our audit procedures did not lead to any reservations relating to the identification and valuation of loans and advances to customers in the manufacturing, construction, automotive, tourism and wholesale and retail sectors.

Reference to related disclosures

The Institution's disclosures on the identification and valuation of impaired loans and advances to customers, which include the manufacturing, construction, automotive, tourism and wholesale and retail sectors, are contained in sections "B. General accounting and valuation principles" and "C. Notes to the balance sheet" of the notes to the financial statements.

Further information on the portfolio of loans and advances to customers and the development of risk provisions in the fiscal year can be found in the "Credit risks" section of the Institution's management report.

Other information

The Supervisory Board is responsible for the "Report of the Supervisory Board" and the "Letter from the Supervisory Board Chairperson," which are to be included in the annual report. In all other respects, the executive directors are responsible for the other information. The other information comprises "Who are we," "Letter from the Supervisory Board Chairperson," "Letter from the Management Board Chairperson," "Report of the Supervisory Board," "Sustainability at İşbank AG" and "Offices."

Our opinions on the annual financial statements and on the management report do not cover the other information, and consequently we do not express an opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information and, in so doing, to consider whether the other information

- is materially inconsistent with the annual financial statements, with the management report or our knowledge obtained in the audit, or
- otherwise appears to be materially misstated.

INDEPENDENT AUDITOR'S REPORT

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the executive directors and the Supervisory Board for the annual financial statements and the management report

The executive directors are responsible for the preparation of the annual financial statements that comply, in all material respects, with the requirements of German commercial law applicable to institutions, and that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Institution in compliance with German legally required accounting principles. In addition, the executive directors are responsible for such internal control as they, in accordance with German legally required accounting principles, have determined necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud (i.e., fraudulent financial reporting and misappropriation of assets) or error.

In preparing the annual financial statements, the executive directors are responsible for assessing the Institution's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting, provided no actual or legal circumstances conflict therewith.

Furthermore, the executive directors are responsible for the preparation of the management report that, as a whole, provides an appropriate view of the Institution's position and is, in all material respects, consistent with the annual financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. In addition, the executive directors are responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the management report.

The Supervisory Board is responsible for overseeing the Institution's financial reporting process for the preparation of the annual financial statements and of the management report.

Auditor's responsibilities for the audit of the annual financial statements and of the management report

Our objectives are to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the management report as a whole provides an appropriate view of the Institution's position and, in all material respects, is consistent with the annual financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our opinions on the annual financial statements and on the management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Sec. 317 HGB and the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual financial statements and this management report.

We exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual financial statements and of the management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit of the annual financial statements and of arrangements and measures relevant to the audit of the management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Institution's internal control and of such arrangements and measures.

- Evaluate the appropriateness of accounting policies used by the executive directors and the reasonableness of estimates made by the executive directors and related disclosures.
- Conclude on the appropriateness of the executive directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Institution's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the annual financial statements and in the management report or, if such disclosures are inadequate, to modify our respective opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Institution to cease to be able to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements present the underlying transactions and events in a manner that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Institution in compliance with German legally required accounting principles.
- Evaluate the consistency of the management report with the annual financial statements, its conformity with [German] law, and the view of the Institution's position it provides.
- Perform audit procedures on the prospective information presented by the executive directors in the management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the executive directors as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the relevant independence requirements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and where applicable, the related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the annual financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

Other legal and regulatory requirements

Further information pursuant to Art. 10 of the EU Audit Regulation

We were elected as auditor by the Annual General Meeting on 30 April 2025. We were engaged by the Supervisory Board on 30 April 2025. We have been the auditor of Isbank AG without interruption since fiscal year 2017.

We declare that the opinions expressed in this auditor's report are consistent with the additional report to the Audit Committee pursuant to Art. 11 of the EU Audit Regulation (long-form audit report).

German Public Auditors responsible for the engagement

The German Public Auditors responsible for the engagement are Carsten Rothermel and Paul Hoffmann.

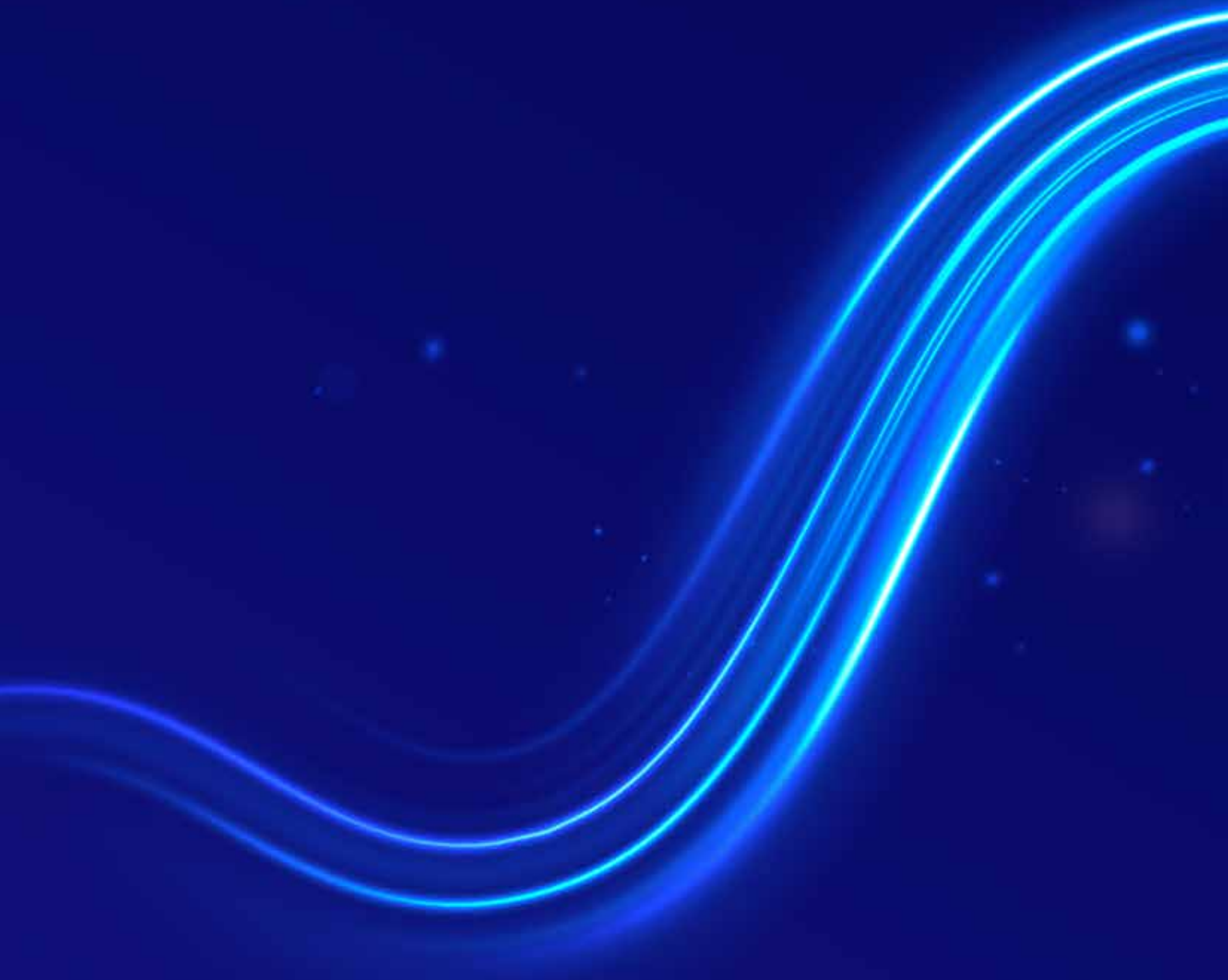
Eschborn/Frankfurt am Main, 23 March 2026

EY GmbH & Co. KG
Wirtschaftsprüfungsgesellschaft

Rothermel
Wirtschaftsprüfer
[German Public Auditor]

Hoffmann
Wirtschaftsprüfer
[German Public Auditor]

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