

Garanti BBVA's Financial Subsidiaries



Established in 1990, carrying out its domestic and international factoring transactions through a wide network with the synergy of the BBVA. The company offers service through 11 branches, 124 employees in eight cities across Türkiye. The company serves a wide customer base, especially SMEs, organizations with extensive supplier and dealer networks. Garanti BBVA Factoring uses its constantly invested-in technological infrastructure and its artificial intelligence, machine learning and big data expert team in order to enable its customers to make sound financial decisions and accelerate the solution processes.

2022 Key Data

TL 9.7 billion
Total Assets
(+122.5% YoY)

TL 31.6 billion
Business Volume
(+82.2% YoY)

TL 350.7 million
Net Profit
(+165.8% YoY)

~44 k
Total Number of Factoring
Transactions (+0.7% YoY)

0.7%
Asset Contribution to
Garanti BBVA Group

2023 Strategic Priorities

- Continue to expand the customer base with diversified products and prioritizing digitalization to offer quality and fast solutions.
- Focusing more on SME customers and export transactions.
- Increasing the automation of business processes to improve efficiency.



Garanti BBVA Romania (GBR) and its two sister companies, Motoractive (Leasing) and Ralfi (Consumer Finance), continue to offer service in all business lines to more than 450 thousand customers (consolidated) in Romania with 1,058 active employees (consolidated) and 116 branches (consolidated).¹

¹ Indicates the number of active personnel, excluding the personnel on unpaid leave as of the end of the year due to maternity leave etc.

2022 Key Data

2.4%
loan market share - 12th
largest bank in Romania

85.3%
Coverage Ratio
vs. sector avg. of 65.9%

22.6%
Capital Adequacy
Ratio

4.6%
Asset Contribution to
Garanti BBVA Group

2.1%
NPL Ratio
vs. sector avg. of 2.9%

2023 Strategic Priorities

- Reaching more customers and strengthening market share presence in both loans and deposits within all business lines.
- Investing in digital platforms and modernizing the IT system to provide ease in transactions and quality service to customers.
- Expanding sustainable solutions and further enhancing employee engagement.



Established in 1997, Türkiye's first asset management company, Garanti BBVA Asset Management provides services in mutual funds, pension funds and discretionary portfolio management. With its 51 experienced staff, the company aims to offer sustainable performance with personalized investment solutions. With the new member of the sustainability-themed mutual funds, Garanti BBVA Climate Index Equity Fund, Garanti BBVA AM offers customers the opportunity to invest in domestic/foreign companies in various sub-themes such as climate change, clean energy and ESG through its sustainability-themed mutual funds.

2022 Key Data

140.5 bn TL
Asset under management
(+132% YoY)

4th largest
asset management
company in Türkiye

384 k
Investor accounts
in mutual funds

316.2% return
in Non-BIST-100
Companies Equity Fund

64.0 bn TL
Pension fund
(+93% YoY)

Fund AUM reached
3.1 bn TL

74.5 bn TL
Mutual fund
(+184% YoY)

Highest return among
equity funds

2023 Strategic Priorities

- Developing new products and solutions in order to add value to the savings of investors.
- Maintaining sustainable fund performance by closely monitoring developments and trends in the markets.



Garanti BBVA International (GBI) is a mid-sized European bank with a EUR 5.1 billion asset size, established in Amsterdam, the Netherlands in 1990. Offering financial solutions in the areas of trade and commodity finance, corporate banking and global markets, GBI also furnishes retail banking services in the Netherlands and Germany. Trade and Commodity Finance operations of GBI delivers traditional products such as transactional trade finance facilities, syndicated facilities, documentary credits and collections. Under the Corporate Banking coverage, GBI serves a select set of corporate clientele with international operations, which are predominantly based in Europe and Türkiye, with well-designed products, that can be categorized under transactional banking, such as working capital loans, trade loans, receivable finance.

2022 Key Data

Baa3 (Moody's)
External Credit
Rating

7.8%
Asset Contribution to
Garanti BBVA Group

712 mn TL
Profit contribution

0.60%
NPL Ratio

21.7%
Capital Adequacy Ratio

753.8%
Liquidity Coverage Ratio

46.04%
Cost to income ratio

2023 Strategic Priorities

- Further enhancing digital offerings in Trade and Commodity Finance, Retail Banking and Global Markets Sales with new digital platforms. Focusing on growth and diversification in Corporate Banking.
- Following the ESG roadmap through continuous interaction with Garanti BBVA and increasing focus on sustainability.



Established in 1991, Garanti BBVA Securities is among Türkiye's leading brokerage houses in brokerage and investment banking services in domestic and overseas capital markets as well as in advisory services for investments, company mergers and acquisitions, public offerings, corporate bond issuances and privatization. Garanti BBVA Securities furnishes brokerage and investment banking service in domestic and overseas capital markets to investors with its intensive distribution network, superior technology, powerful brand image, experienced teams, innovative character and solid shareholding structure.

2022 Key Data

5.44% (#4)
Equity
Market share

4.34% (#6)
Derivative
Market share

5 companies
Intermediated for
public offerings

2.7 bn TL
IPO Brokerage

1.2 bn TL
Net Profit

>500k
Active client

2023 Strategic Priorities

- Improving the customer experience by updating the e-Trader application with rich functions and content, and serving customers through a single platform by adding foreign markets to the e-Trader application.



Established in 1990 to engage in leasing activities in Türkiye and abroad, Garanti BBVA Leasing serves its clients in Türkiye through its 14 branches, call center, its website, mobile site and social network channels. In addition to its contribution to the Bank's BRSA consolidated financials, the Company continues to create value through its 100% owned subsidiary Garanti BBVA Fleet, which ended the year 2022 generating TL 1,007 million in profits.

2022 Key Data

TL 16,614 million
Total Assets
(+55% YoY)

TL 7,565 million
2022 Registered Contracts
New Business Volume
(+54% YoY)

TL 1,414 million
Net Profit (+101% YoY)

1.3%
Asset contribution

2023 Strategic Priorities

- Expanding the customer base through increasing the number of new customers and providing quick and high-quality funding for their investments.
- Increasing the market share in the clean energy sector.
- Continuing to provide end-to-end solutions to the customers based on our experience in diverse industries.



Established in 1992 as a life insurance company, Garanti BBVA Pension and Life expanded its scope with private pension operations in 2002. After entering into partnership with Achmea in 2007, one of the strongest insurance companies in Europe, the company began to offer a variety of insurance products that were already available in Europe. As the most effective user of bank insurance; the company offers the most extensive service at its 12 regional offices and nearly 900 Garanti BBVA branches.

2022 Key Data

TL 1,000.9 million
Net Profit
(+58% YoY)

TL 4.9 billion
Total Assets
(+59% YoY)

TL 58,081 million
Total Pension
Fund Size

2,607 million
Total Number of Pension
Participants (as of
23.12.2022)

16.37%
Total Number of Pension
Participants' Market Share
(as of 23.12.2022)

2023 Strategic Priorities

- Expanding the market share in under-18 private pension system.
- Keep increasing the automation of business processes and digitalization of the client base.
- Reaching more clients in terms of fund advisory.

Important Developments Regarding 2022 Operations

IMPORTANT DEVELOPMENTS REGARDING 2022 OPERATIONS INFORMATION ON SHARE BUYBACKS BY THE BANK

The Bank did not buy back any of its own shares in 2022.

INFORMATION ON PRIVATE AUDIT AND PUBLIC AUDIT CONDUCTED DURING THE FISCAL YEAR

Under the applicable legislation, routine audits are conducted by supervisory authorities such as the Banking Regulation and Supervision Agency (BRSA), the Capital Markets Board of Türkiye (CMB), the Ministry of Treasury and Finance, the Undersecretariat of Treasury and the Central Bank of the Republic of Türkiye (CBRT). Detailed information about the administrative fines imposed against the Bank in 2022 by supervisory authorities as a result of auditing is provided herein below.

INFORMATION ON LAWSUITS FILED AGAINST THE BANK, WHICH MAY AFFECT THE FINANCIAL STATUS AND OPERATIONS OF THE BANK AND THEIR POTENTIAL RESULTS

The Competition Board decision dated 08.03.2013 and no. 13-13/198-100: As the result of the investigation conducted to determine whether 12 financial institutions including Garanti BBVA and its subsidiaries Garanti Payment Systems and Garanti BBVA Mortgage (Garanti Economic Group) violated Article 4 of the Law on the Protection of Competition no. 4054 through engaging in a deal and/or concerted act for jointly setting interest rates, fees and commissions for deposit, loan and credit card services; with its decision dated 08 March 2013, no. 13-13/198-100, the Competition Board resolved to levy an administrative fine of TL 213,384,545.76 on the grounds that Garanti Economic Group violated Article 4 of the Law on the Protection of Competition. Believing this decision to be contrary to law and was based on inadequate examination, our Bank filed a lawsuit for the annulment of the decision. Before filing lawsuit, the administrative fine has been paid benefiting from 1/4 early payment discount. Ankara 2nd Administrative Court disregarded our defense in its entirety and dismissed the case. This time, an appeal was lodged with the higher court against this unfair and

unlawful ruling. The 13th Chamber of the Council of State adjudged dismissal of our appeal and approved the ruling of the first degree court. For this unfair and unlawful adjudgment, our Bank applied for revision of decision. In this case, the 13th Chamber of the Council of State reversed the judgment of the first degree court on the grounds that it was not established with adequate standard of proof (beyond reasonable doubt) that all of the banks investigated by the Competition Board were aware of a single framework agreement in relation to deposit, loan, credit card or public deposit services or that joint groups were aware of the said framework agreement or common plan, just like we defended, and hence the judgment was based on inadequate examination. Following reversal, the first degree court decided to sustain the original ruling. An appeal was lodged against the unfair and unlawful decision, and the Plenary Session of Administrative Law Divisions adjudged to accept our appellate plea and to reverse the first degree's decision to sustain its original ruling. The Competition Board, applied for revision of decision, which was rejected by the Plenary Session of Administrative Law Divisions. Following