

Our Value Creation

OUR VALUE CREATION MODEL

Garanti BBVA seeks to have a positive impact on the lives of people, companies and as a whole the society through its activity. In this context, we focus on creating long-term value for all stakeholders with our responsible banking model.

We create value in various ways – by supporting economic growth via lending, creating job opportunities, providing a safe working environment and developing community investment programs. We also act as an agent for a social change. We take sector-leading action to ignite the transformation for a better future. At Garanti BBVA, we attach importance to not just the impact we create on the economy, but also to the impact we create on the environment, social life and technology and we act with this awareness.

Our Value Creation Model provides a general overview of our value chains and it is based on five capitals. Model should be read from left to right:

Each capital has inputs or resources we use for our activities:

- **Human Capital:** Number of employees, our working model, our workplace and HR policies
- **Financial Capital:** Assets, revenues, operating expenses and equity
- **Digital and Intellectual Capital:** Our technological infrastructure, our processes and IT systems
- **Relationship Capital:** Our communication and service channels, network.
- **Natural and Social Capital:** Use of natural sources, our social ties, our brand, our environmental and social investments

Our business model utilizes these resources to execute the strategy

Following the strategy execution, these inputs are transformed and yield results / values for stakeholders.

- **Investments in Human Capital:** We adopt a management policy that ensures equal opportunity and diversity, with the priority of building the best and most engaged team.

- **Financial Value:** We support economic growth and maximize the value we create for our stakeholders.
- **Data and Technology:** We provide customized and to the point solutions for our customers and improve operational efficiency
- **Customer Experience:** We provide support to improve our customers' Financial health and deepen our relationship with them, via meeting their needs at the right time and at the right channel.
- **Sustainability and Community Investments:** We focus on managing the direct impact we have on natural resources and the social impact created as a result of our community investment programs and our impact through our business activities.

OUR STAKEHOLDERS

In line with its responsible banking model, Garanti BBVA is in regular contact with its stakeholders, listening to their ideas and moving forward with the focus of being an inclusive bank in every field. Continuous feedback from stakeholders not only enables the Bank to better understand stakeholder expectations

	Material Issues	Related Strategic Priorities	Value Creation
1	Climate change	Sustainability	Please see section "Sustainability and Community Investments"
2	Solvency and Financial Performance	Operational Excellence	Please see section "Financial Value"
3	Financial health and advisory	Financial Health, Sustainability, Data and Technology	Please see sections "Customer Experience" and "Data and Technology"
4	Inclusive growth	Financial Health Reaching more Clients	Please see sections "Customer Experience"
5	Natural capital	Sustainability	Please see section "Sustainability and Community Investments"
6	Digital transition and empowerment	Financial Health Reaching more Clients Data and Technology	Please see sections "Customer Experience" and "Data and Technology"
7	Ethical behavior, culture and client protection	Data and Technology Financial Health	Please see sections "Customer Experience" and "Data and Technology"
8	Cybersecurity	Data and Technology	Please see section "Data and Technology"
9	Responsible use of use	Data and Technology	Please see section "Data and Technology"
10	Human Rights	The Best and the Most Engaged Team	Please see section "Investments in Human Capital"
11	Diversity and work/life balance	The Best and the Most Engaged Team	Please see section "Investments in Human Capital"
12	Commitment to employees	The Best and the Most Engaged Team	Please see section "Investments in Human Capital"
13	Corporate governance and proper management of all risks	Operational Excellence Sustainability	Please see sections "Financial Value" and "Sustainability and Community Investments"

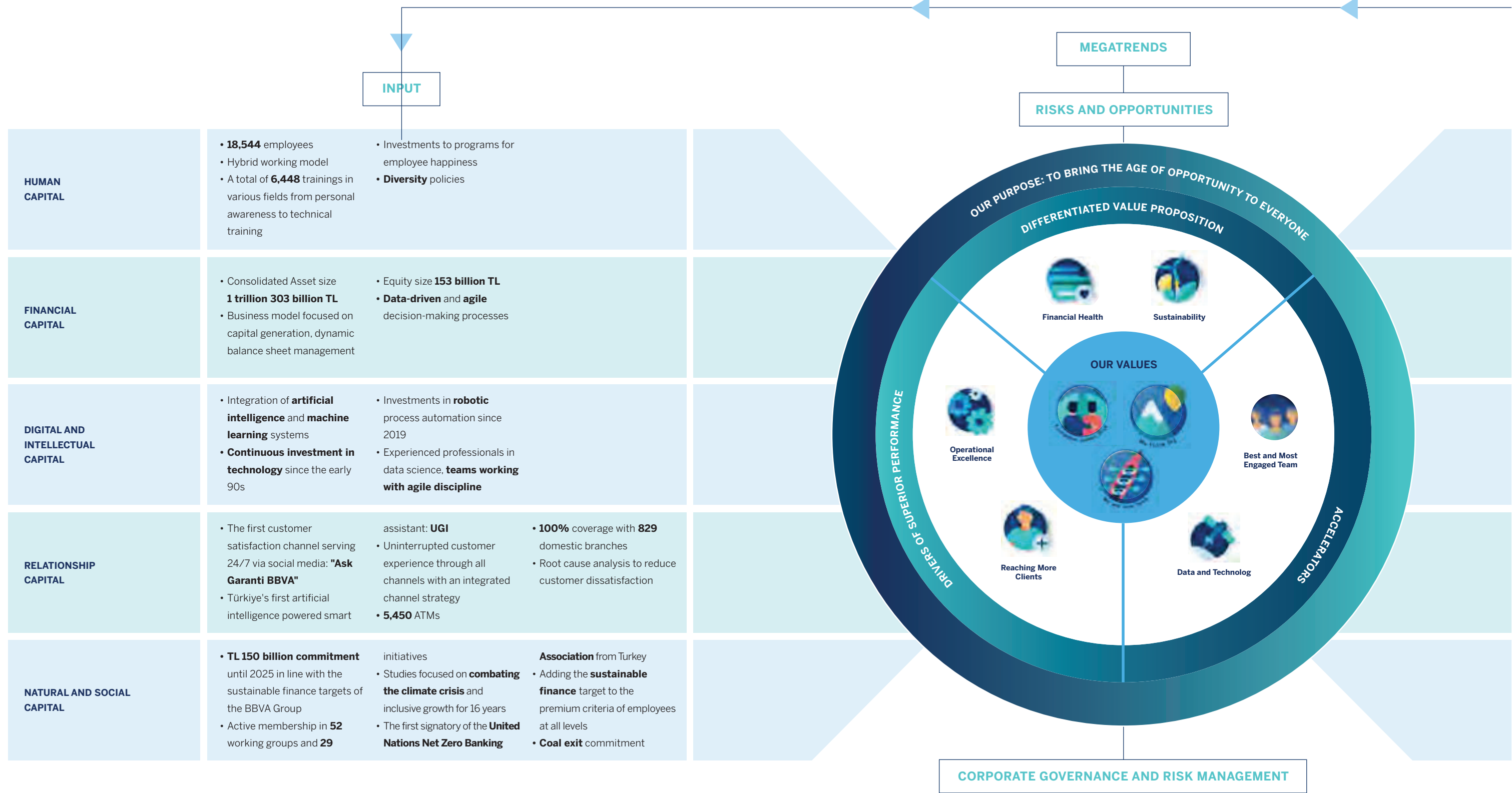
and more accurately meet their needs, but also provides a great opportunity to identify risks and opportunities, and to define its priorities and strategy more comprehensively. Today, dialogue with stakeholders significantly influences the management of sustainability in companies.

Garanti BBVA grouped its stakeholders as those impacted by the Bank through its operations, products and services

and those that have an impact on the Bank's achievement of its goal. Based on this analysis, key stakeholders are determined as;

1. Customers,
2. Employees,
3. Shareholders and investors,
4. Government agencies & regulatory bodies,
5. Community

Non-governmental Organizations (NGOs) and international organizations, which monitor not just the public opinion but also the Bank's activities and its contributions to the Sustainable Development Goals were taken into consideration as part of the society stakeholder.



VALUE CREATED

CONTRIBUTION TO SUSTAINABLE DEVELOPMENT GOALS

<p>INVESTMENTS IN HUMAN CAPITAL</p>	<ul style="list-style-type: none"> According to the employee engagement survey results, 2022 engagement score is 4.30/5 Training hours per employee 42.17 Women make up 40% of middle and senior management In line with the diversity target of the Board of Directors, it is aimed that female managers will represent 25% of the Board of Directors by the end of 2025. 	
<p>FINANCIAL VALUE</p>	<ul style="list-style-type: none"> 974 billion TL contribution to the economy with cash and non-cash loans Return on Equity 51% Leader among private banks in TL loans and TL deposits Capital adequacy ratio of 16.8% (without BRSB forbearance) well above regulatory requirements 17 billion 425 million TL tax payment in 2022 (24% effective tax rate) 	
<p>DATA AND TECHNOLOGY</p>	<ul style="list-style-type: none"> Smart assistants answer an average of over 2 million questions from customers per month Garanti BBVA Mobil's rate of understanding the smart assistant correctly and providing accurate guidance is 90% Number of processes developed with Robotic Process Automation: 93 115 new machine learnings in 77 projects 97.6% of non-cash financial transactions are via digital channels 	
<p>CUSTOMER EXPERIENCE</p>	<ul style="list-style-type: none"> 23.2 million customers 82.3% of customers are served in 30 seconds or less Leader with 13.4 million digital customers, sales from digital channels make up 86% of total sales Net Promoter Score for SME, Commercial, Mobile Banking #1, for Consumer Banking #2 Unrivaled leadership in payment systems - Highest number of credit card customers and acquiring & issuing volumes 	
<p>SUSTAINABILITY AND COMMUNITY INVESTMENTS</p>	<ul style="list-style-type: none"> Carbon neutral bank since 2020 Our contribution to sustainable finance commitment is > 40 billion TL (2018-2022) With the renewable energy used in its branches and buildings, 43,879 tCO₂e carbon emissions, which is equivalent to the amount of greenhouse gas that approximately 2,7 million trees can reduce, were prevented. Contribution to 17 SDGs and 70 target Financing provided to Community Investment Programs 71,7 million TL 	