



Investor Presentation with 6M'2024 Financials

Executive summary

Türkiye's long-term growth outlook remains strong

- GDP grew strongly by 2.4% QoQ and 5.7% YoY in Q1'24. While the domestic demand remained strong, the improvement in net exports implied a more balanced composition of growth. The leading indicators suggest that growth has slowed down in Q2. We expect more significant slowdown in the second half of the year and forecast 2024 GDP growth at 3%.
- Annual consumer inflation has started to fall after peaking at 75.4% in the first half of 2024. With weakening in domestic demand and stability in currency thanks to tighter financial conditions, we expect consumer inflation to fall rapidly in the second half and reach 42% by the year-end.
- The CBRT has kept the policy rate unchanged after gradually raising it from 8.5% to 50.0% in May 2023-March 2024. The CBRT communicated that tight monetary policy would be maintained until inflation indicators and inflation expectations improve in line with its projected disinflation path.
- Aside from temporary fluctuations, the Turkish economy maintains its favorable position among emerging markets due to its long-term growth potential stemming from its large size along with its highly attractive demographic profile.

One of the Top Performing Banks in the Market

- QNB Finansbank is one of the strongest players in this market ranked 5th across most categories amongst privately owned banks.
- QNB Finansbank has a very strong distribution network balanced between a branch footprint covering 99% of banking business in the market and best in market digital offerings.
- QNB Finansbank has shown strong financial performance beyond its scale even in the most volatile market conditions, driven by differentiation, adaptability and bringing the right people together.

Strong Shareholder Supports QNB Finansbank for Future Growth

- QNB stands out as having one of the highest ratings among all banks with a presence in Türkiye.
- QNB is the largest bank in the Middle East and Africa by all critical measures.
- QNB's presence across a wide geography overlaps well with Türkiye's key foreign trade partners, bringing opportunities in this area
- QNB Finansbank's launch of its new brand has been very successful, and is translating to successful expansion of its customer franchise in potential growth areas
- Following the QNB acquisition, QNB Finansbank has added a new growth chapter in its successful history, capturing Corporate and Commercial Banking market share, while sustaining its success in Retail and SME Banking

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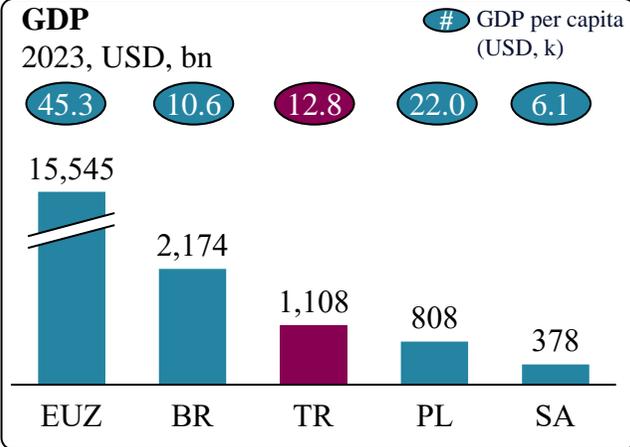


Macro-economic Overview

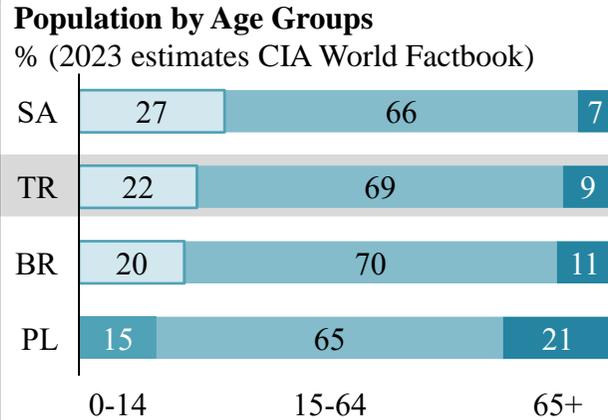
Long-term growth potential remains intact

EUZ: Eurozone PL: Poland
SA: South Africa TR: Türkiye
BR: Brazil

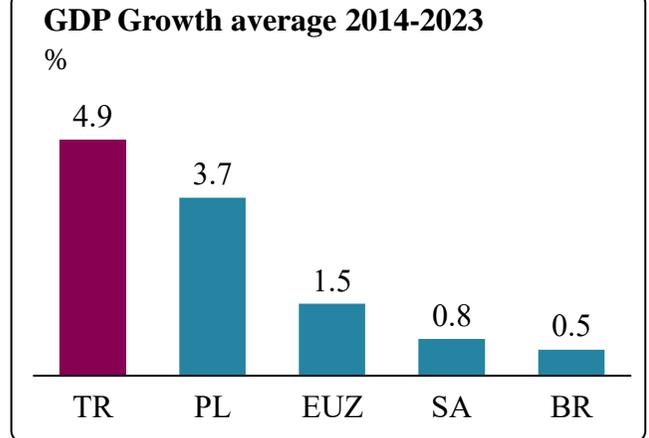
Large economy with moderate GDP per capita...



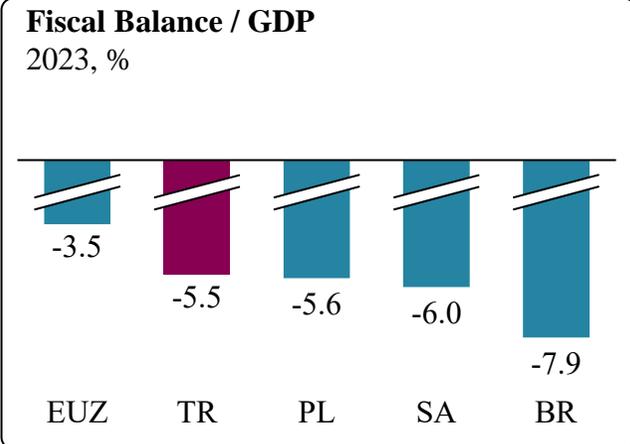
...and highly attractive demographic profile



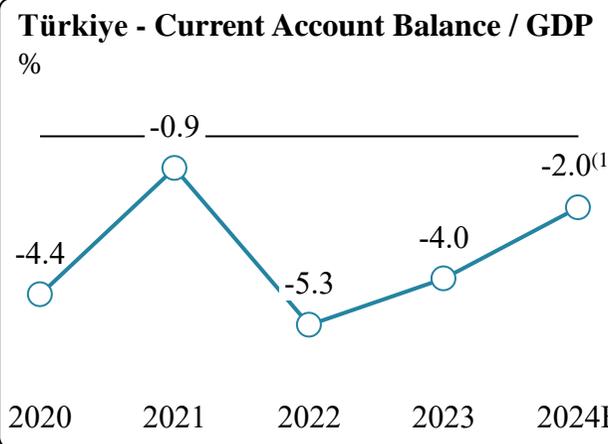
... generating high real GDP growth



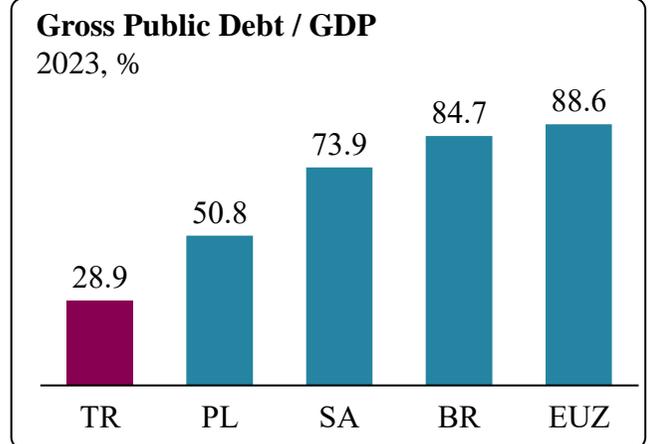
Temporarily high fiscal deficit and



...decreasing current account deficit...



... with relatively low public debt

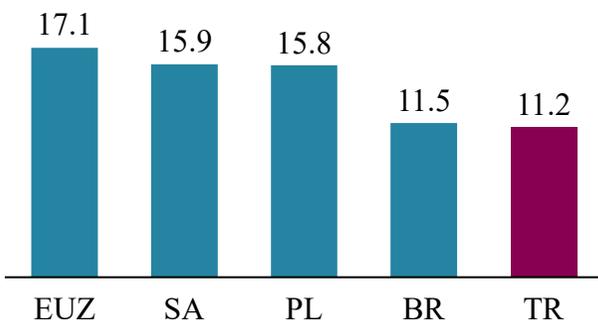


Sound banking system with inherent growth potential

EUZ: Eurozone PL: Poland
SA: South Africa TR: Türkiye
BR: Brazil

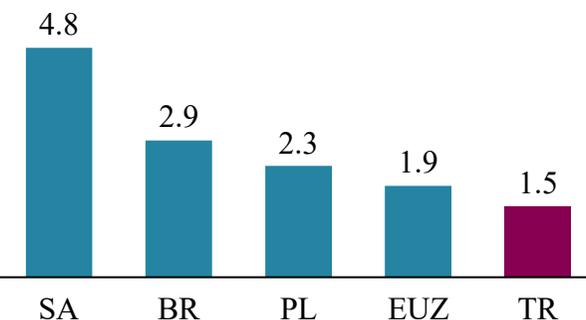
Relatively low leverage ratio...

Leverage ratio⁽¹⁾
Q1'24



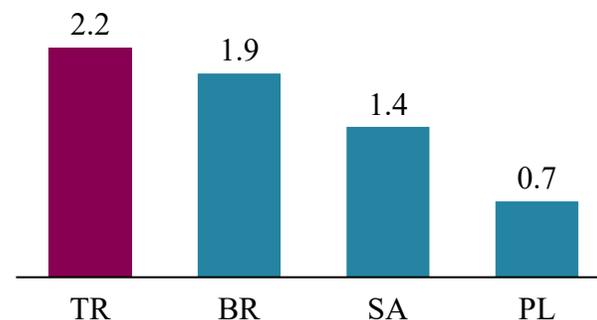
...and contained NPL levels...

NPL ratio⁽²⁾
Q1'24, %



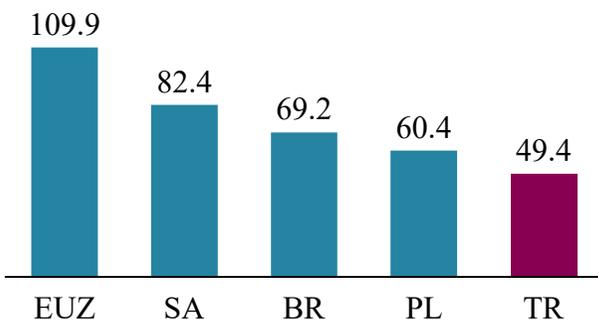
... with strong profitability characteristics

Banking Sector RoA⁽³⁾
2014-2023 average, %



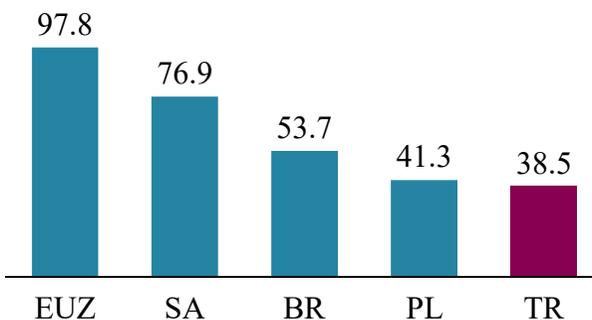
Further growth potential in deposits...

Deposits / GDP
Q1'24, %



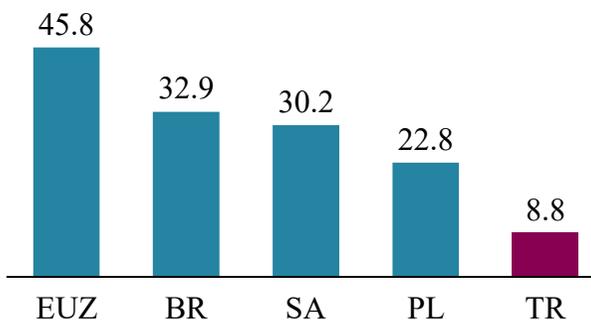
... with potential to boost lending activity across the board,

Loans / GDP
Q1'24, %



... but particularly in Retail, given its untapped potential.

Household debt / GDP
Q1'24, %



⁽¹⁾ Latest data Q4'23 for PL; Q3'22 for SA

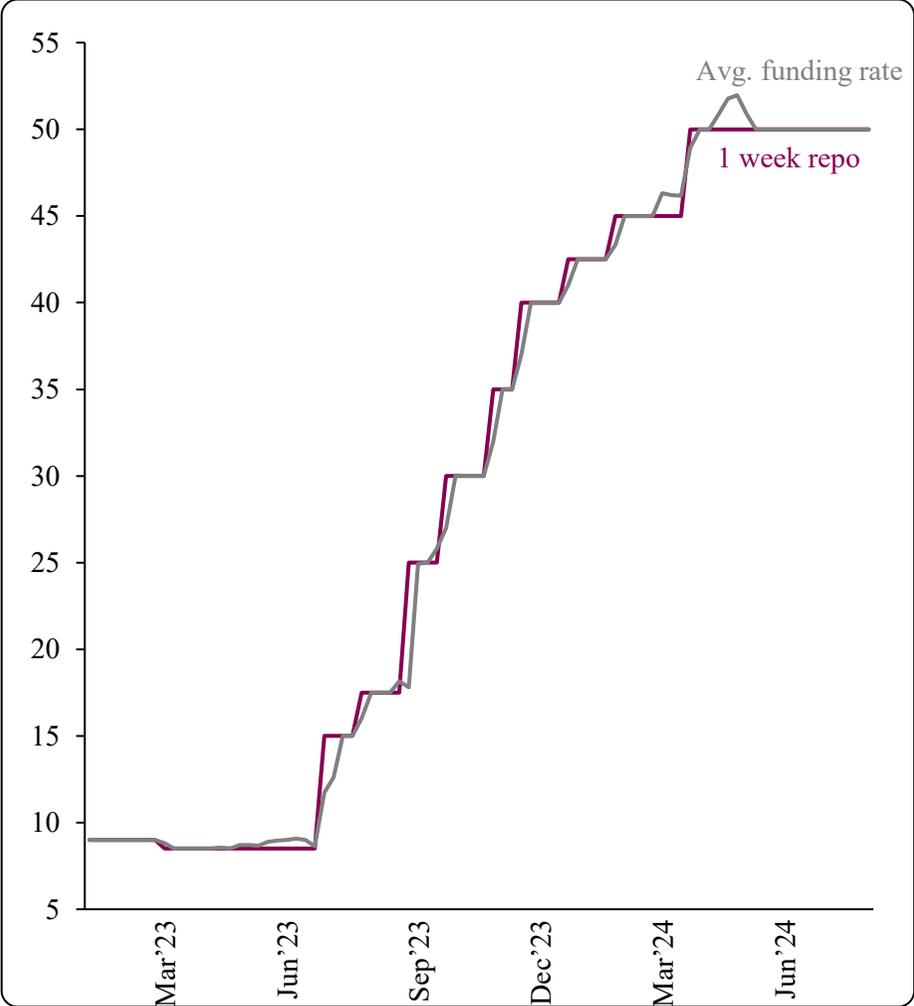
⁽²⁾ Latest data Q4'23 for PL; Q3'22 for SA; EUZ figure represents significant institutions as designated by ECB

⁽³⁾ Latest data Q4'23 for BR; Q3'23 for TR and PL; Q3'22 for SA

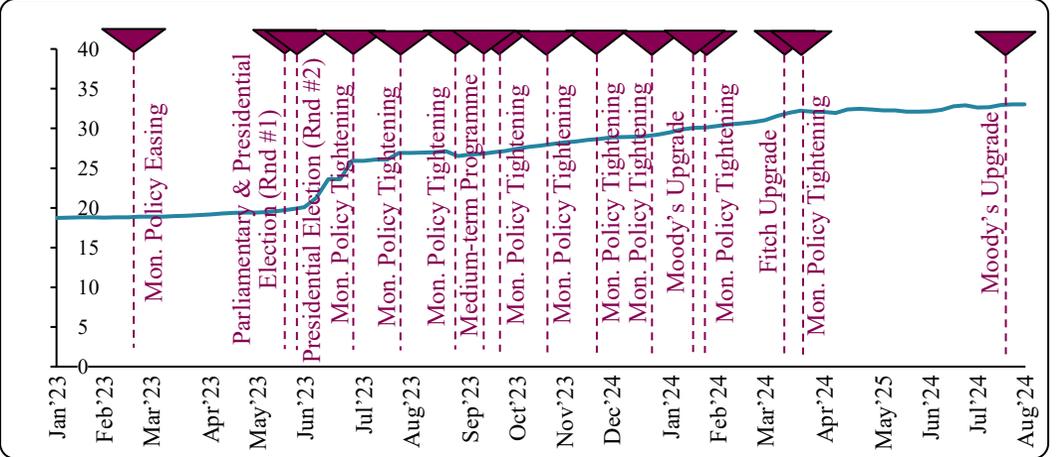
Source: Refinitiv- Data Stream, IMF, ECB, BRSA, Turkstat

Monetary policy remains tight

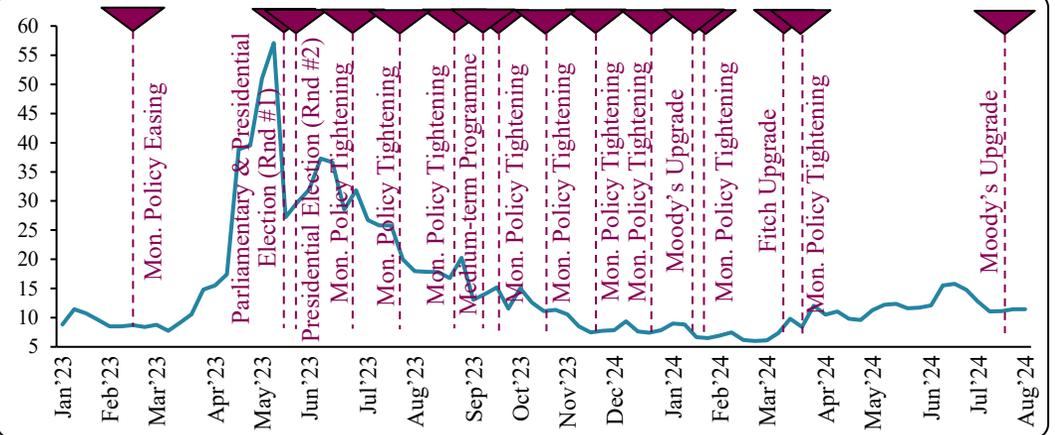
CBRT has maintained the monetary policy stance



The rise in USD/TL has slowed down, implying a real appreciation in TL



Options implied volatility has been low thanks to the tight monetary policy

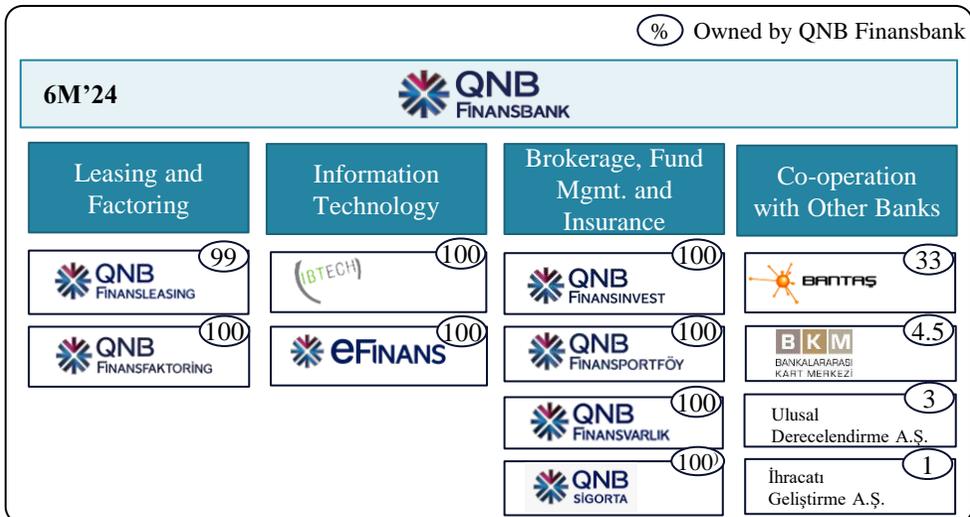




QNB Finansbank and QNB Group at a Glance

QNB Finansbank: 5th Largest Privately Owned Universal Bank⁽¹⁾

QNB Finansbank group structure



Financial highlights

QNB Finansbank BRSA bank only financials	6M'24
TL, bn	Eop
Total assets	1,259
Net loans	721.3
Customer deposits	730.2
Shareholder's equity	98.9
Branches (#)	436
Active customers (mn)	10.7
Bank only employees (#)	12,034

QNB Finansbank market positioning

Bank only, 6M'24 eop	Numbers of Branches	Total Assets	Net Loans	Customer Deposits	Retail Loans ⁽²⁾	Commercial Installment Loans ⁽²⁾
1 st	İşbank	İşbank	İşbank	İşbank	Garanti	İşbank
2 nd	Garanti	Garanti	Garanti	Garanti	Yapı Kredi	Yapı Kredi
3 rd	Yapı Kredi	Akbank	Yapı Kredi	Akbank	İşbank	Akbank
4 th	Akbank	Yapı Kredi	Akbank	Yapı Kredi	Akbank	Garanti
5 th	Denizbank					
6 th	TEB	Denizbank	Denizbank	Denizbank	Denizbank	Denizbank
7 th		TEB	TEB	TEB	TEB	TEB
8 th	ING	ING	ING	ING	ING	ING

QNB Finansbank covers Türkiye through a diverse distribution network and the market's only "pure digital bank"

Internet banking



254K active internet banking customers

Mobile banking



6.5 mn active mobile banking customers

Mobile banking



4.5 mn active mobile banking customers

Internet banking



144K active internet banking customers

Direct sales



702 in-house personnel

436 branches



Covering 68 out of 81 cities of Türkiye

ATMs



3,363 ATMs around Türkiye and reaches 8,003 ATM's through new ATM sharing program



POS



312K POS terminals

Call center



519 inbound agents

Call center



1.2K inbound agents

Telesales



54 outbound agents

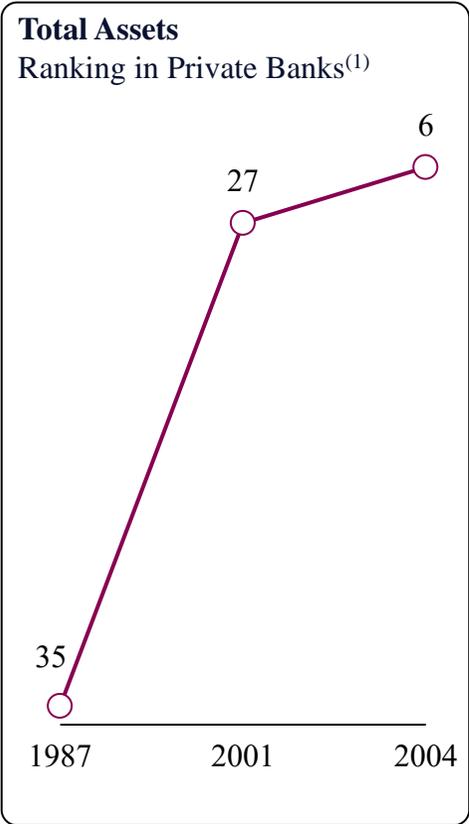
Field service



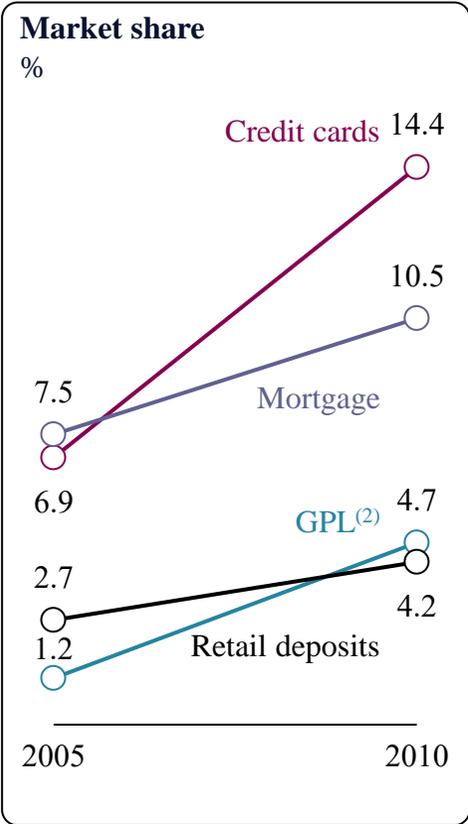
261 field service personnel

One of Türkiye's top performers on the back of its flexible business model

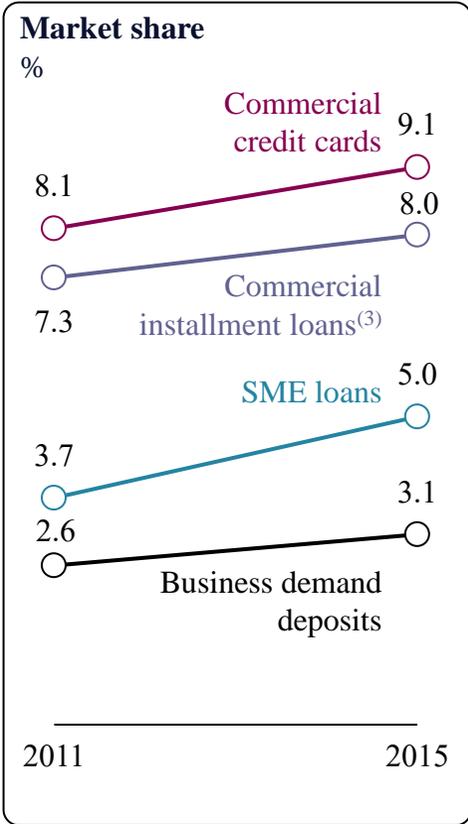
1987-2004: Fast growth behind leadership in Corporate & Commercial Banking



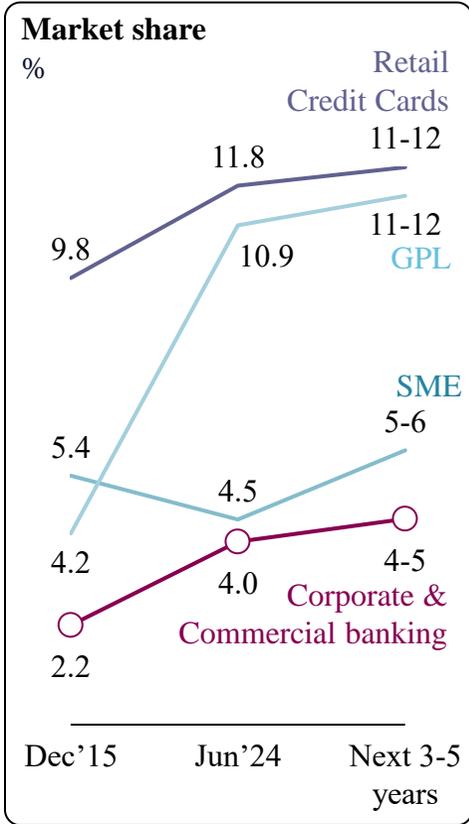
2005-2011: Retail banking boom with market leading growth and success



2012-2016: Business banking growth with productivity and risk focus



2016 beyond: Sustained success in Retail and SME, while beating the market in Corporate & Commercial Banking

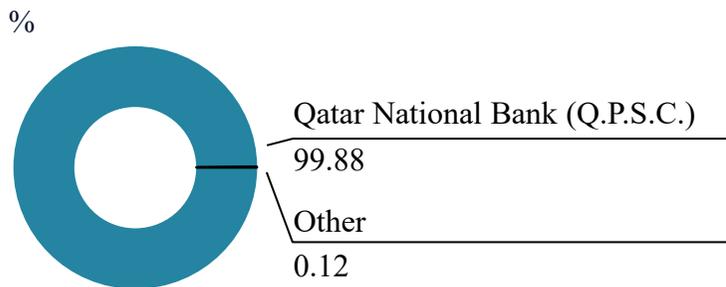


⁽¹⁾ Among private banks operating in given year
⁽²⁾ Including overdraft
⁽³⁾ Excluding commercial auto and mortgage loans
 Source: BAT; BRSA

QNB ownership has provided a strong support to one of market's leading performers

QNB Finansbank

Shareholder Structure



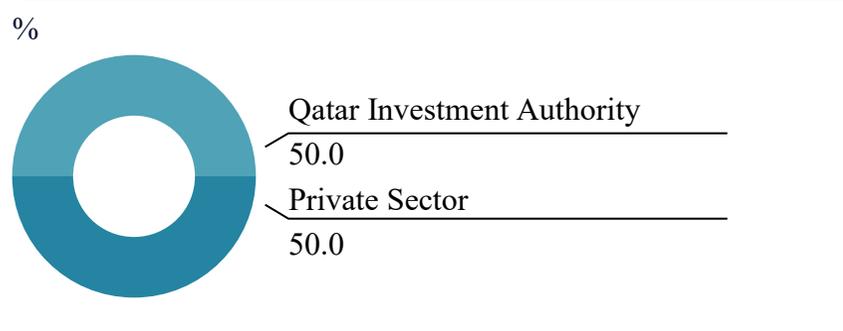
Ratings

	Moody's	Fitch
Foreign Currency Long-term Debt	Ba3	B
Foreign Currency Short-term Debt	NP	B

Corporate Information

- Focused on traditional banking activities, complemented by ancillary services (investment banking, brokerage, leasing, factoring, asset management)
- Important partnerships in insurance with leading international institutions (Sompo Japan for basic insurance)

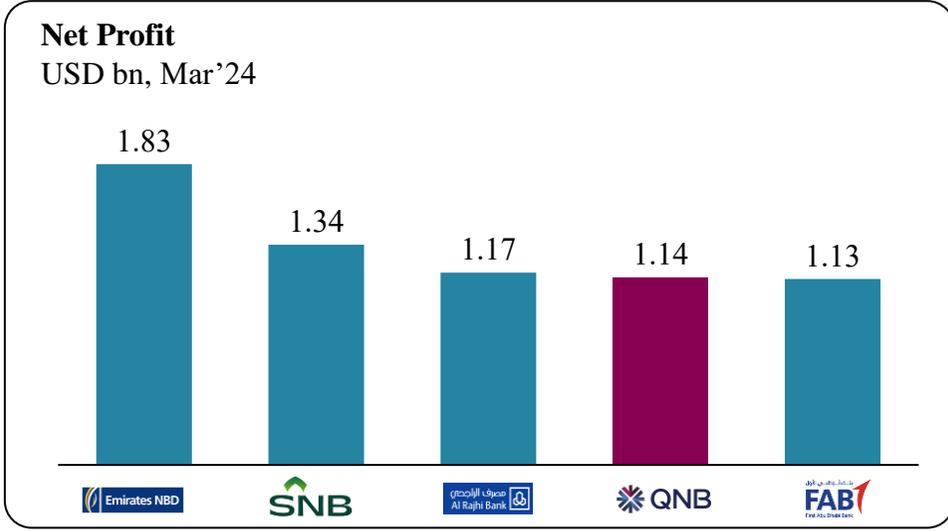
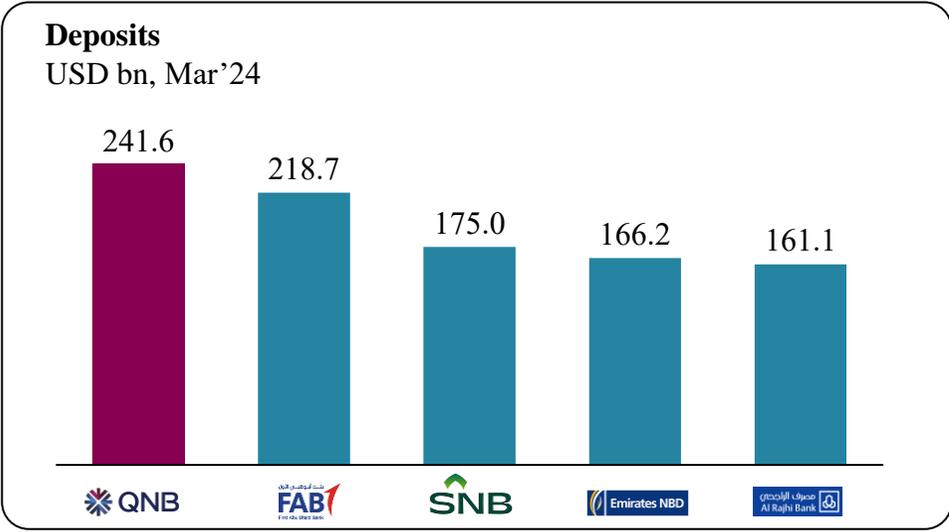
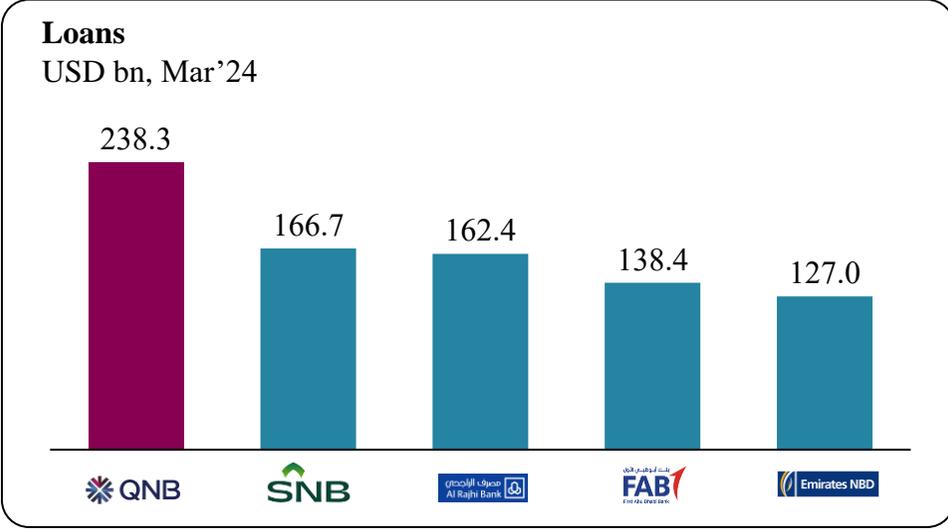
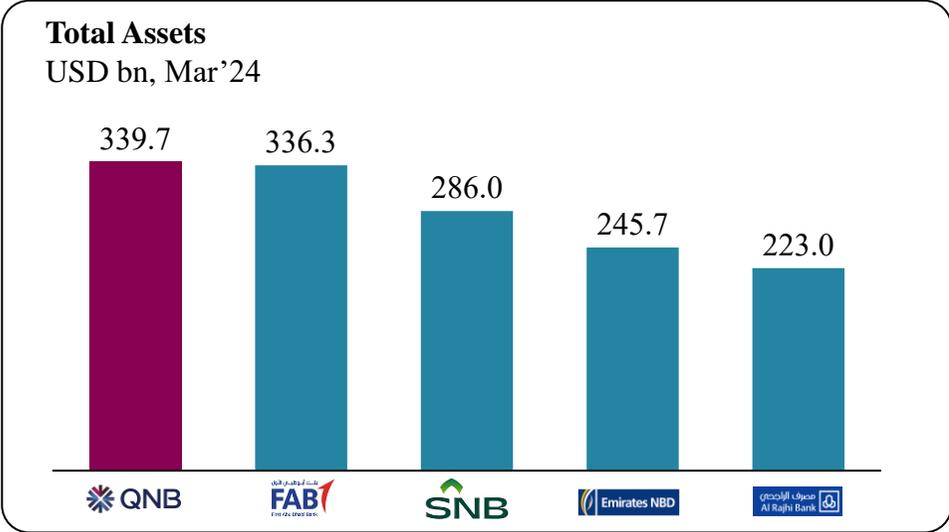
QNB (Q.P.S.C.)



	Moody's	Fitch	S&P
Foreign Currency Long-term	Aa2	A+	A+
Foreign Currency Short-term	P-1	F1	A-1

- Largest bank in Qatar by market cap, assets, loans, deposits and profit
- Largest bank in MEA by total assets, loans and deposits
- Operating in more than 28 countries around the world across 3 continents
- Serving with approximately 30K staff, at more than 900 locations and 5.0K ATMs

QNB retains its position as the leading financial institution in the MEA across all balance sheet metrics...

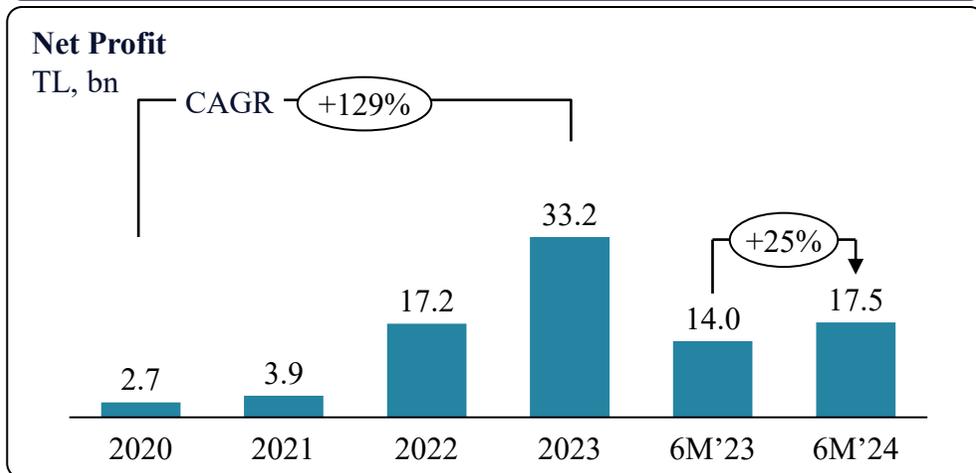




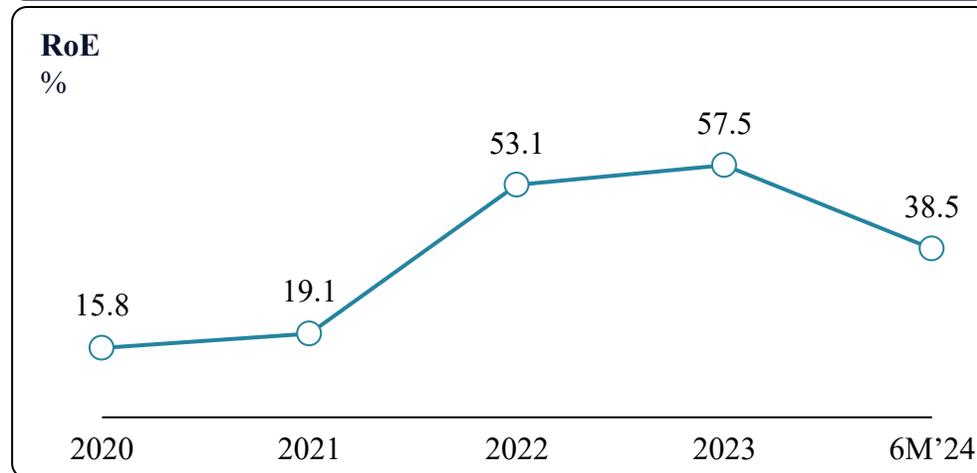
Financial Performance

Outstanding operating performance sustained in a challenging period, as agile ALM enabled bank to sail through volatile market backdrop & maintain conservative buffers

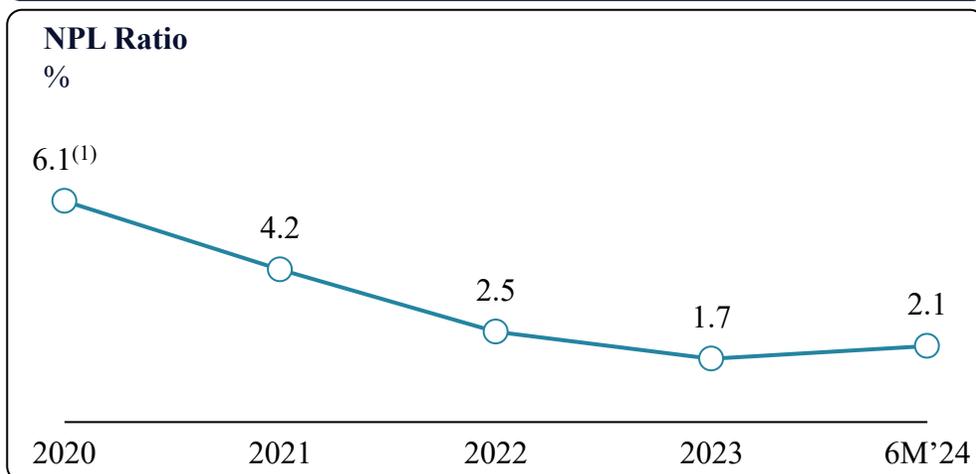
6M'24 net profit was up by 25% YoY on top of strong base of 2023,



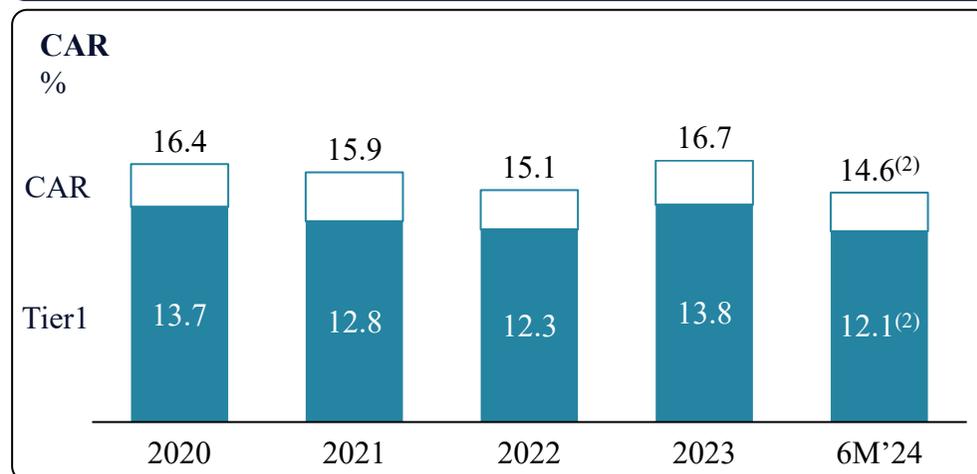
... leading to an outstanding 38.5% ROE, well ahead of sector, in 6M'24



NPL ratio inched up due to increased NPL inflows in Retail segments given high interest rates



Capital adequacy upheld solid with comfortable buffers, while free provision stock preserves additional buffers



⁽¹⁾ 2020 NPL stood at 6.7% without BRSA's forbearance measures regarding staging, and forbearance measures were lifted as of Q4'21.

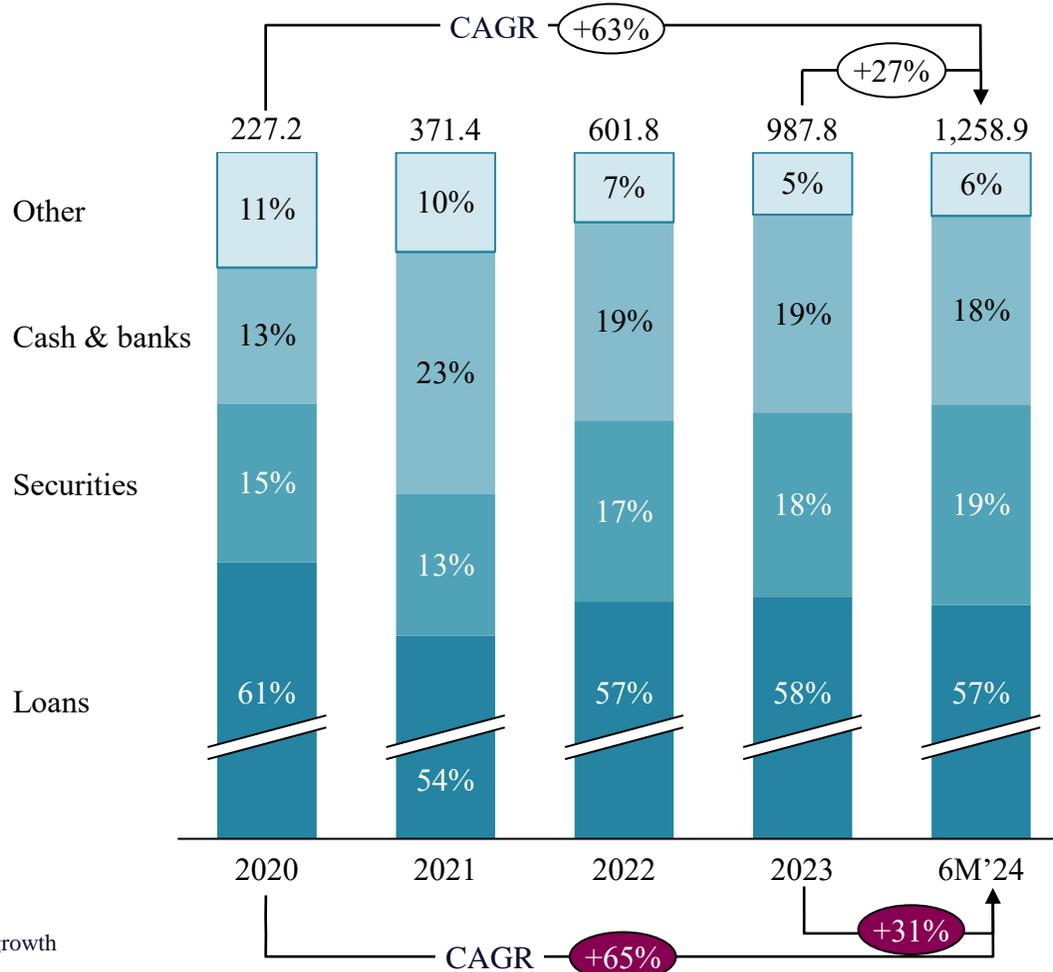
⁽²⁾ Without BRSA's forbearance measures related to solvency ratio calculation: CAR: 13.5%, Tier 1: 11.1%
Including free provision stock of TL 4.7 bn within capital as well: CAR: 14.0%, Tier 1: 11.6%

Well-balanced asset base reached TL 1,259 bn with a robust 27% YtD growth

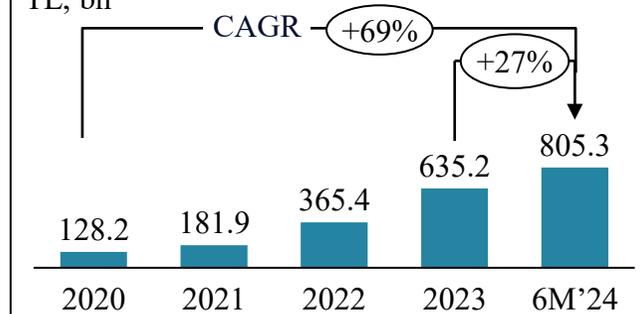
Loans & securities with 76% share in total assets have remained as the main source of income

Balance sheet growth has been supported by both TL and FC growth,

Total Assets
TL, bn

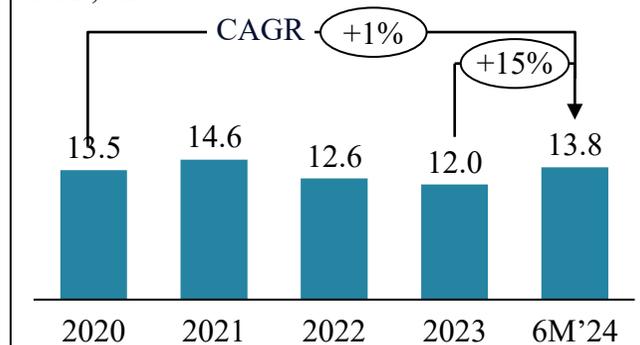


TL Assets
TL, bn



...as the demand on FC side has picked up

FC Assets⁽¹⁾
USD, bn



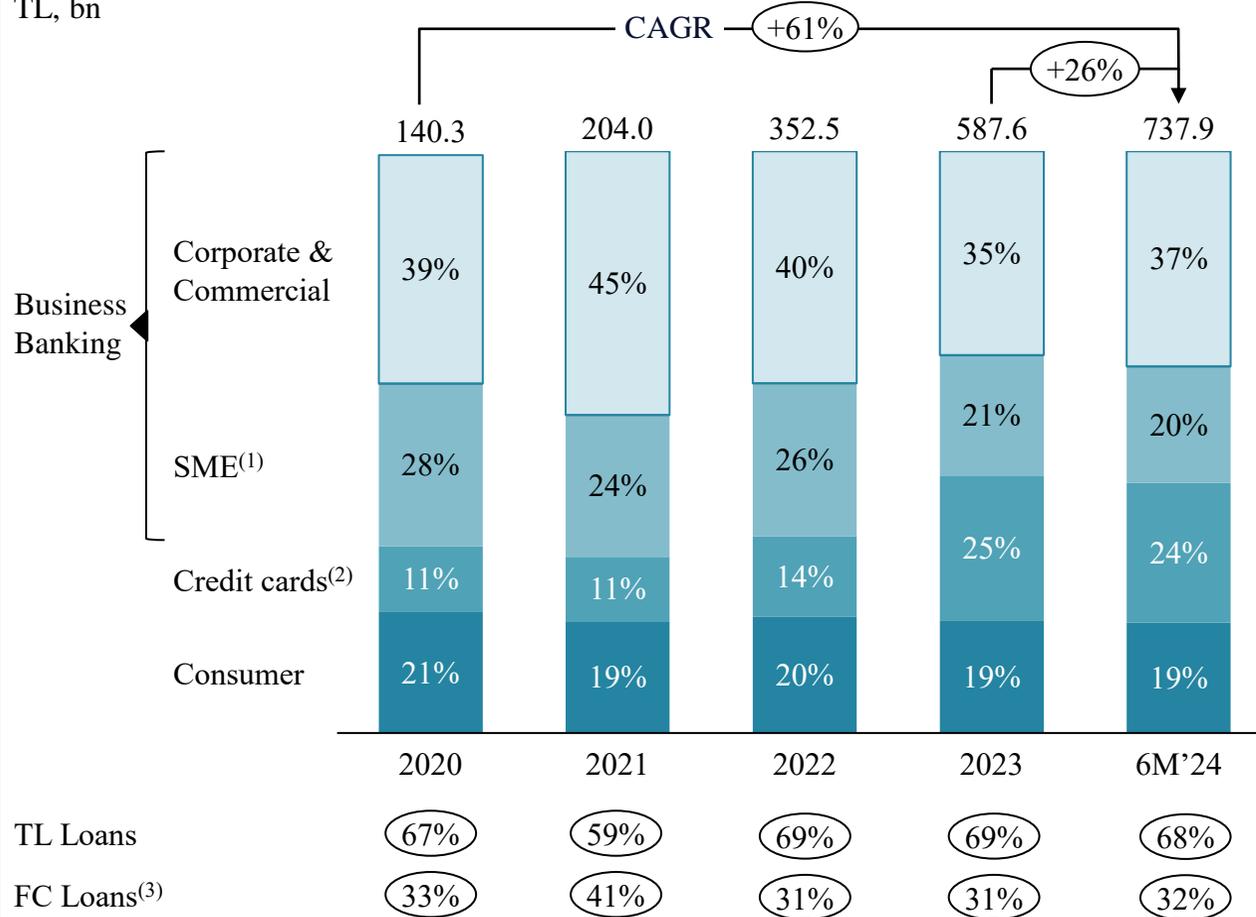
⁽¹⁾ FC-indexed TL loans are shown in FC assets

Loan growth eased considerably on the back of tight monetary policy as well as macroprudential measures, while growth was balanced between Retail and Business

Well-diversified performing loans portfolio recorded 26% YtD growth

Performing Loans by Segment and Currency

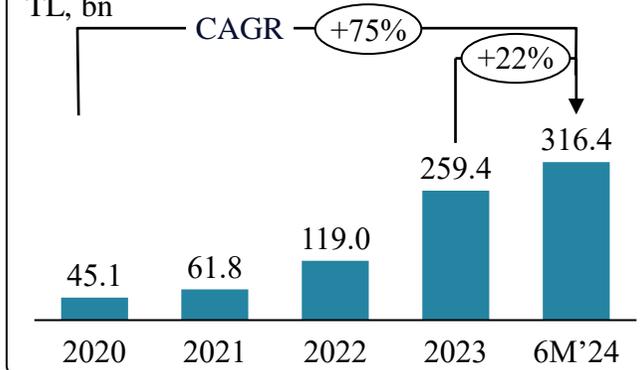
TL, bn



Loan growth lost pace with tighter backdrop and macroprudential measures,

Retail Loans

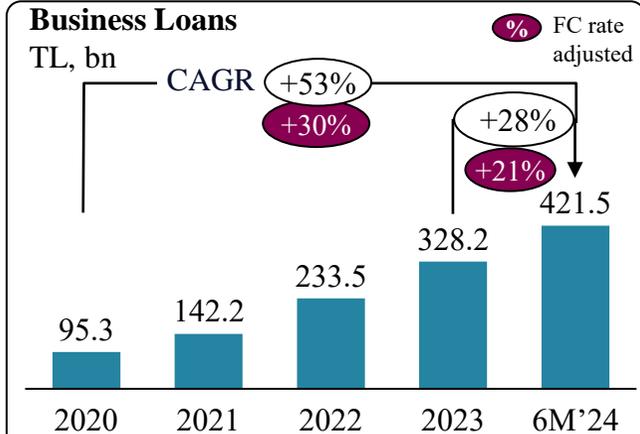
TL, bn



... while demand for FC-denominated loans held up the Business Loans

Business Loans

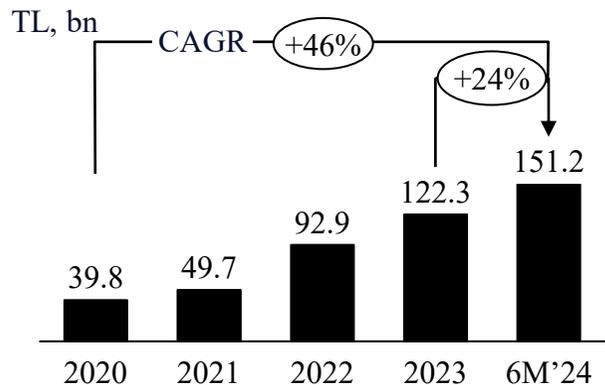
TL, bn



Corporate & Commercial backed by FC lending propped up Business Banking, while decelerating yet robust Retail growth continued to stem from Credit Cards and GPLs

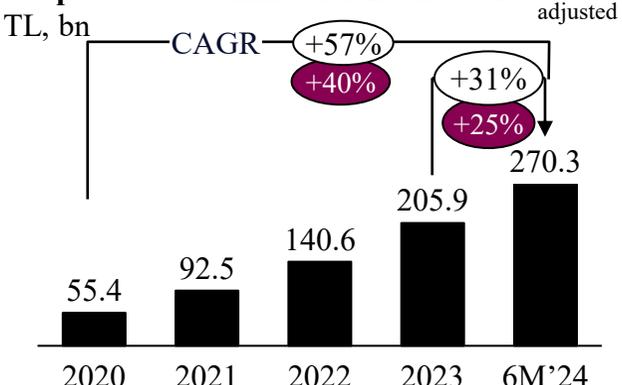
Growth in SME and Business Loans was mainly driven by working capital loans,

SME Loans⁽¹⁾



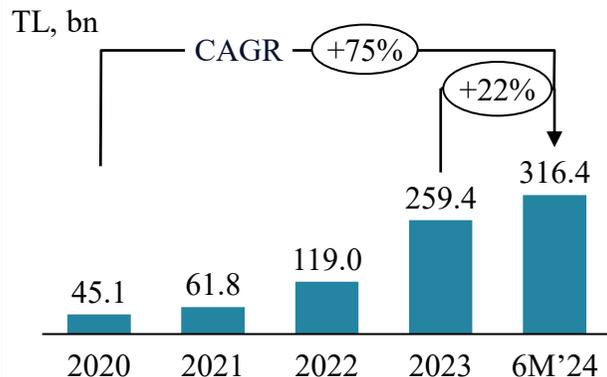
...as growth in Corporate & Commercial benefited from currency impact on FC loans

Corporate & Commercial Loans [%] FC rate adjusted



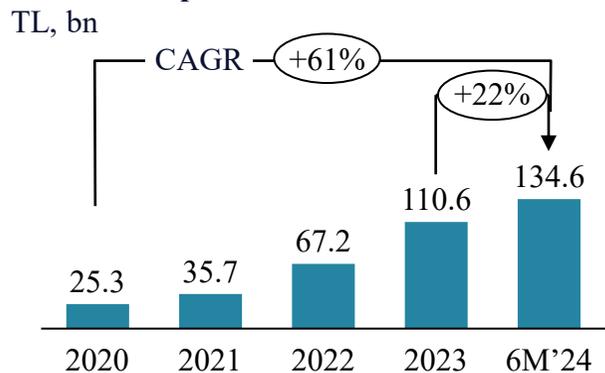
Retail lending focussed on

Retail Loans



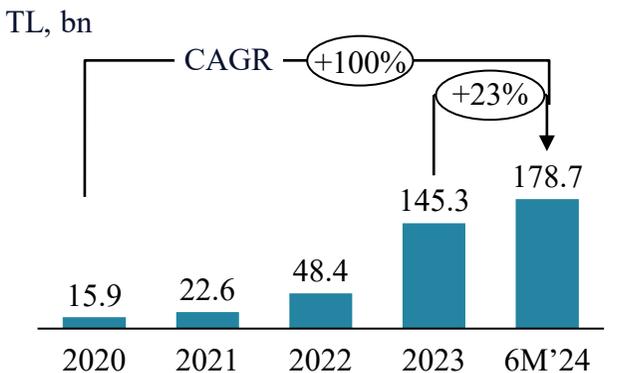
...General Purpose Loans...

General Purpose Loans⁽²⁾



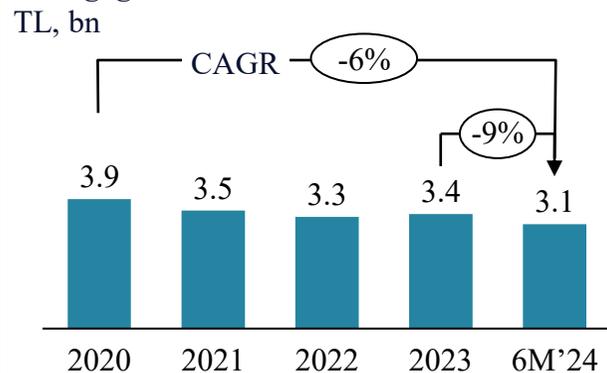
... and Credit Cards, ...

Credit Card Loans⁽³⁾



... while redemptions in mortgage portfolio continued

Mortgage Loans



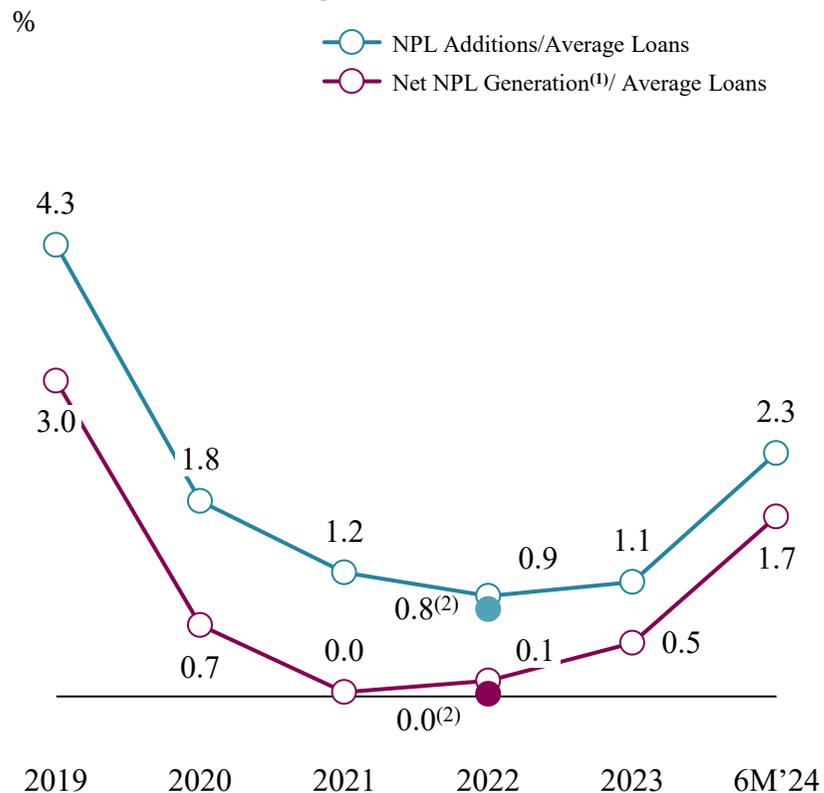
(1) Based on BRSA segment definition
 (2) Including overdraft loans
 (3) Solely represents credit cards by individuals

NPL inflows picked up in Retail segments due to normalization of risk metrics with macro policy normalization, while Business segments remained relatively resilient

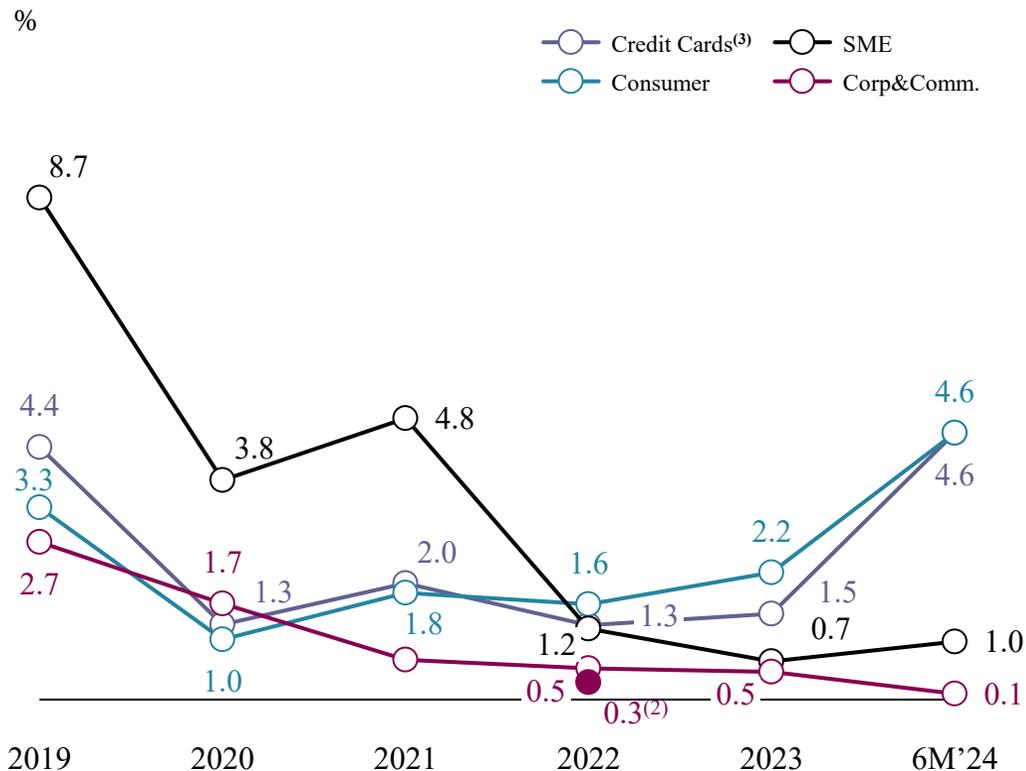
NPL additions picked up mainly due to inflows in Retail segments, while collection performance remained robust

Business segments remained resilient

NPL Additions / Average Loans



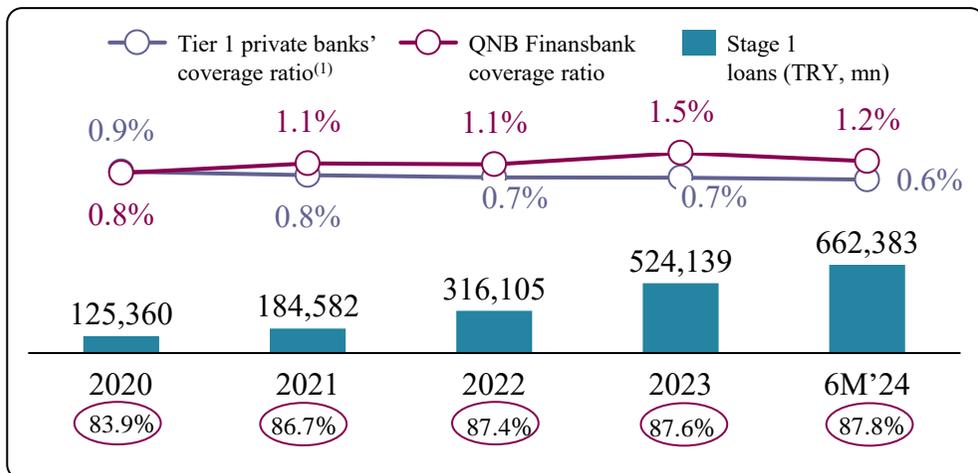
NPL Additions / Average Loans by Segment



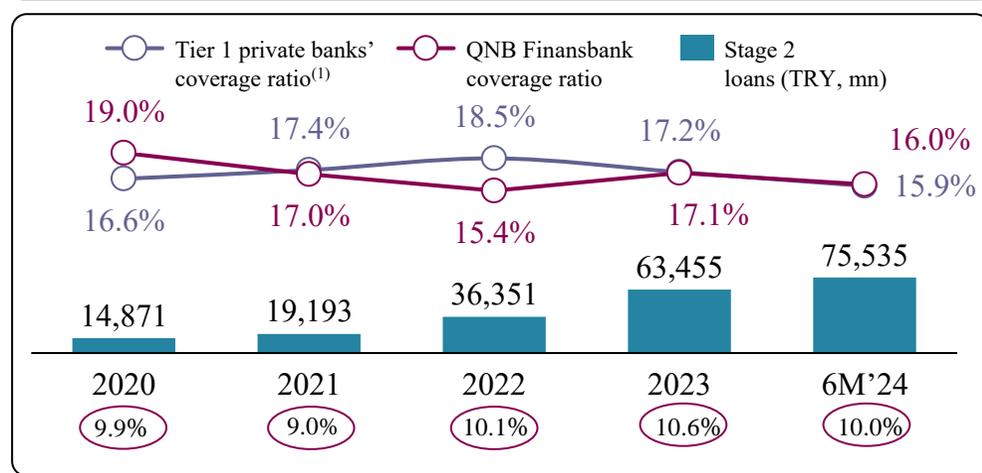
Conservative provisioning stance and staging policies maintained

○ as a % of gross loans⁽²⁾ for the relevant period

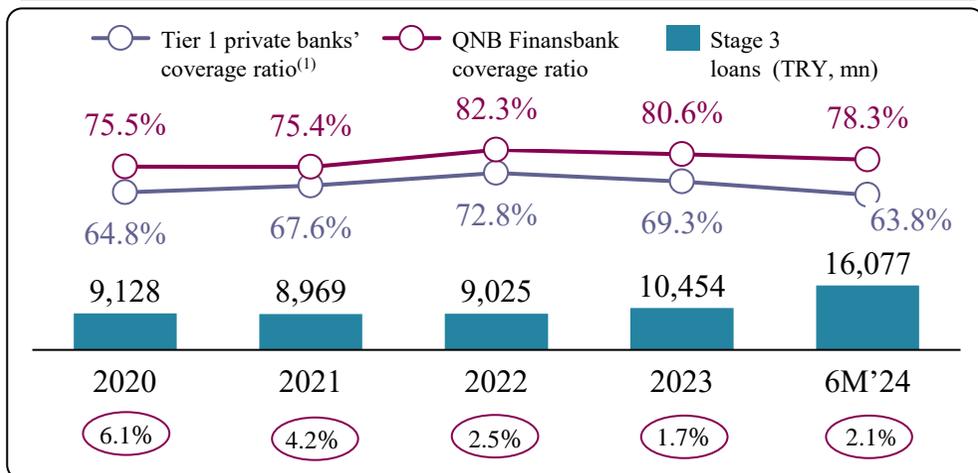
Prudent provisioning approach from the first moment has yielded a Stage I coverage standing well above peers' average



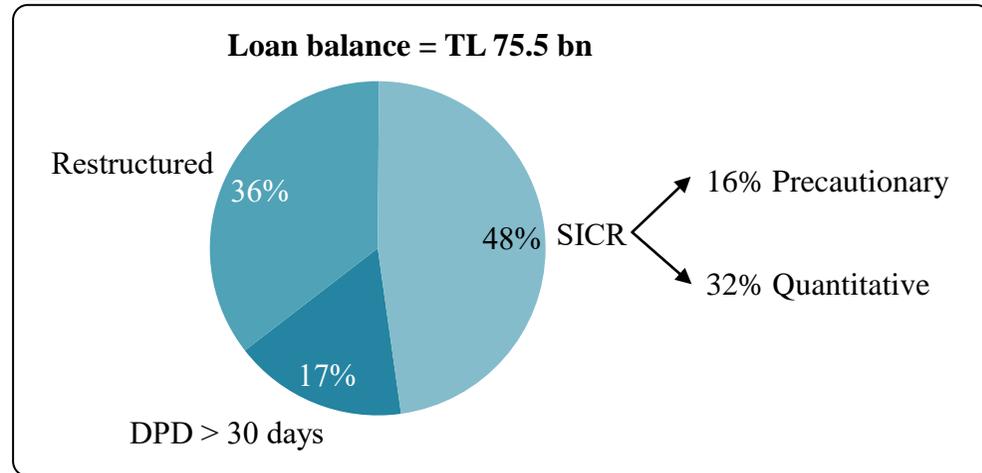
Sound Stage II coverage has been reinforced with proactive staging stance



Stage III coverage maintained well above peers' average, fortifying provision buffers built across the board



48% of Stage II loans composed of SICRs, of which majority are non-delinquent at all



⁽¹⁾ Ratio computed by dividing the sum of provisions for the relevant loan stage of individual banks by the sum of the loan balances of the related stage

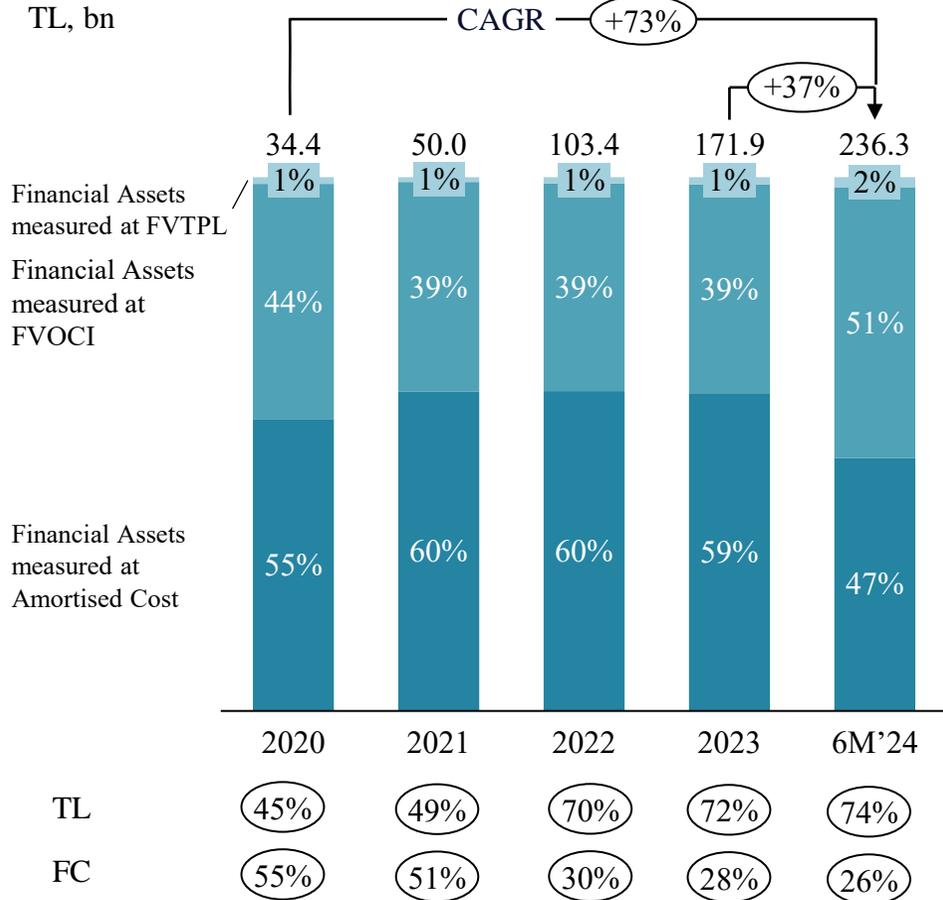
⁽²⁾ Gross loans encompassed loans measured at FVTPL through 2020-2022 period

Securities portfolio reached TL236 bn, accounting for 19% of assets base

Growth in securities portfolio was mainly attributable to TL securities growth

Total Securities

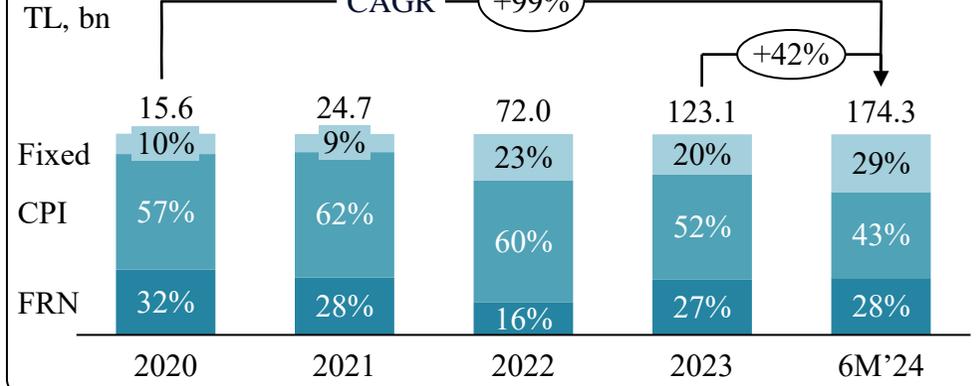
TL, bn



Strategic positioning in Fixed securities, as CPI linkers and FRNs collectively accounted for 71% of TL portfolio

TL Securities

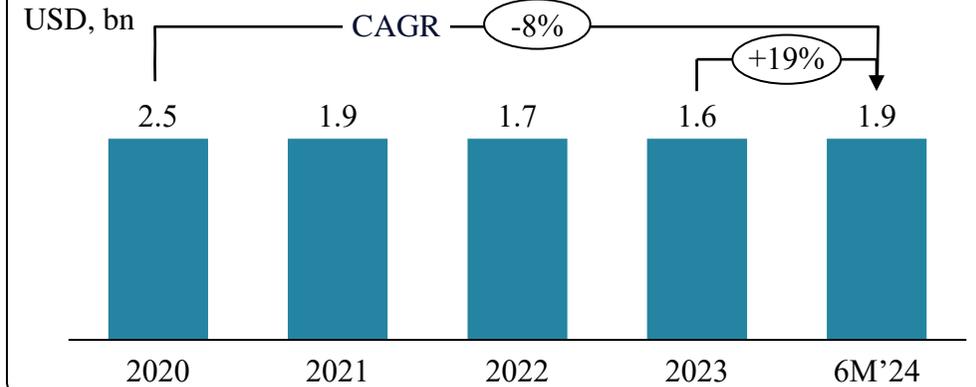
TL, bn



FC securities of US 1.9 bn accounted for 26% of securities portfolio

FC Securities

USD, bn

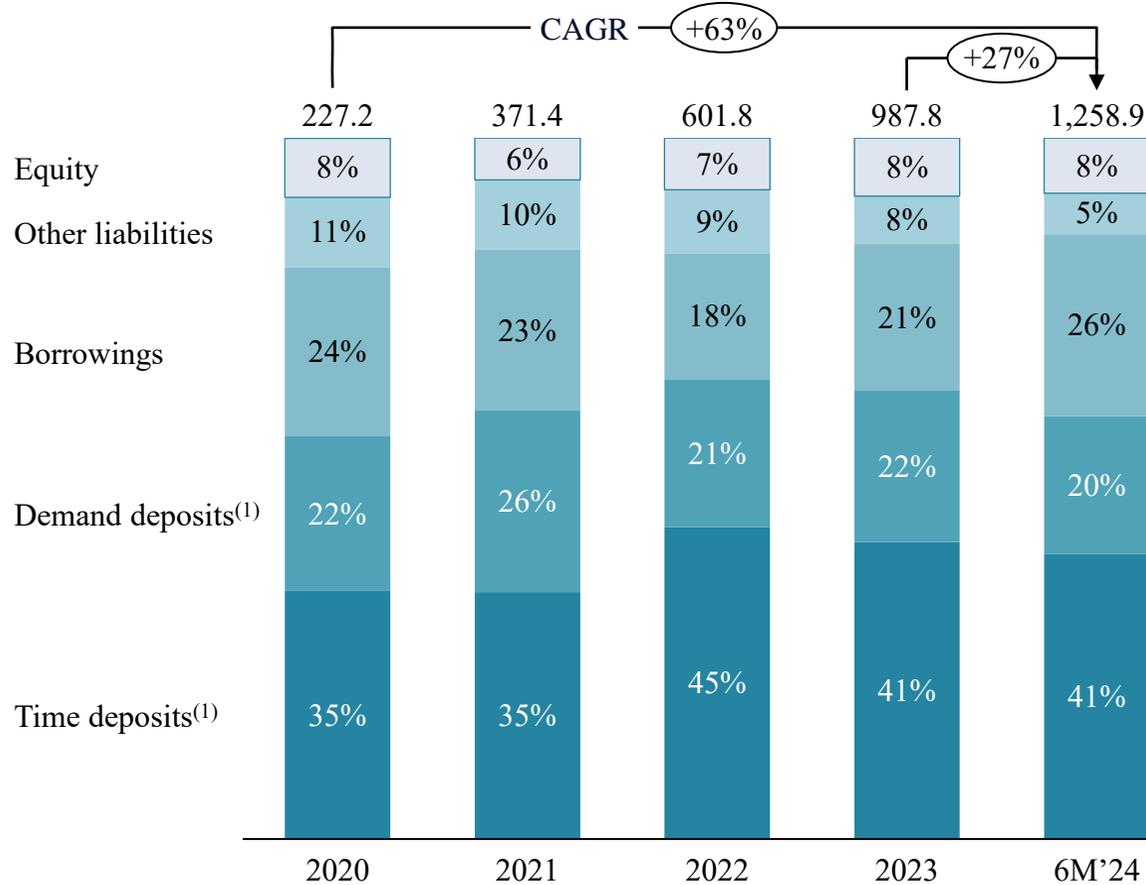


Well-diversified & disciplined funding mix maintained, while wholesale funding's contribution has picked up along with increased capital inflows into Türkiye

Deposits remained as the major source of funding, accounting for 61% of asset base

Total Liabilities

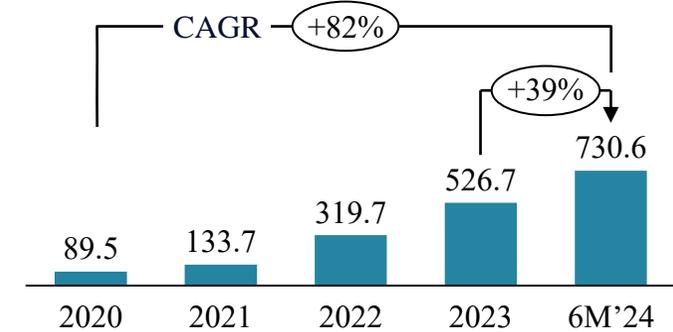
TL, bn



TL liabilities particularly TL deposits drove the growth, ...

TL Liabilities

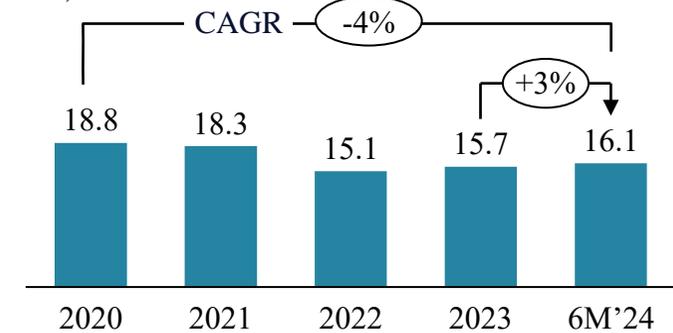
TL, bn



...while growth in FC liabilities growth mainly stemmed from borrowings

FC Liabilities

USD, bn

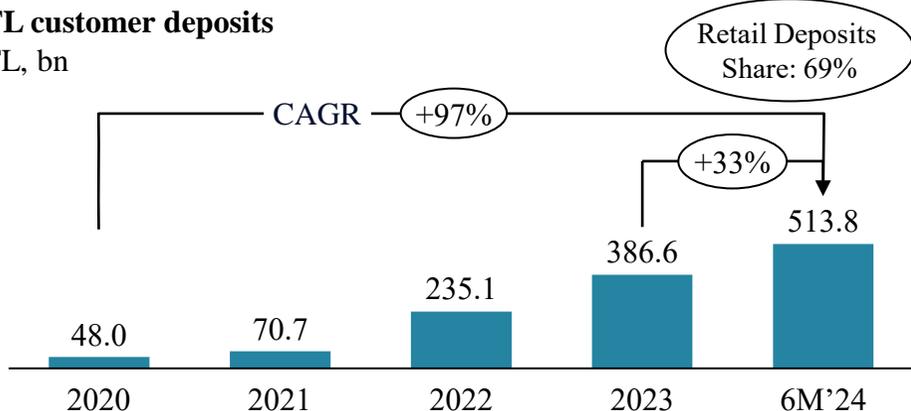


TL deposits remained main funding source with a solid demand deposits base despite high rates, while FC deposits converted into TL in line with the sectoral trends

TL reached for 70% of the customer deposits, as sticky, low-cost Retail Deposits made up 69% of TL base

TL customer deposits

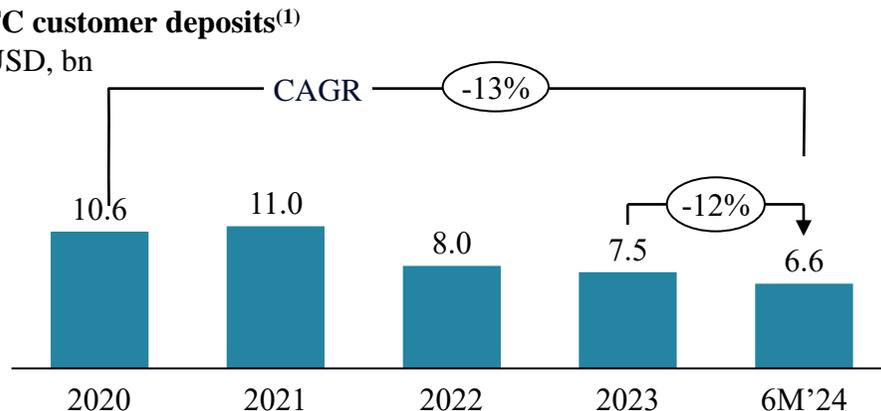
TL, bn



Ongoing unwinding of FC-protected deposit scheme led to a conversion trend into TL in line with the sector

FC customer deposits⁽¹⁾

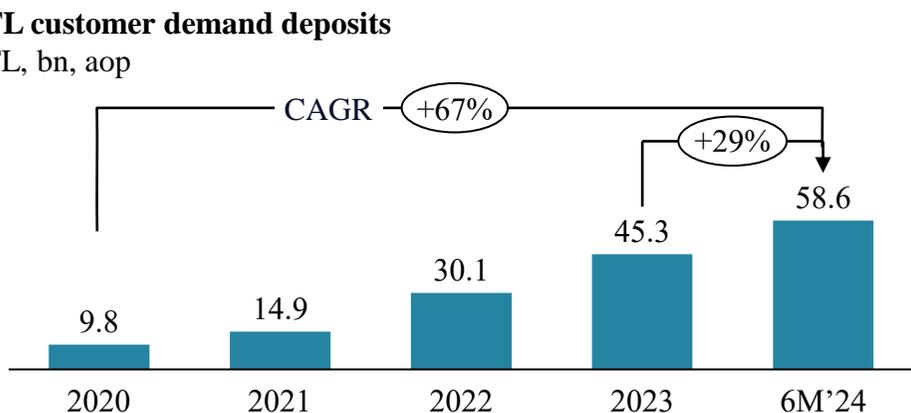
USD, bn



Sound and healthy demand deposit contribution sustained in a high rate environment

TL customer demand deposits

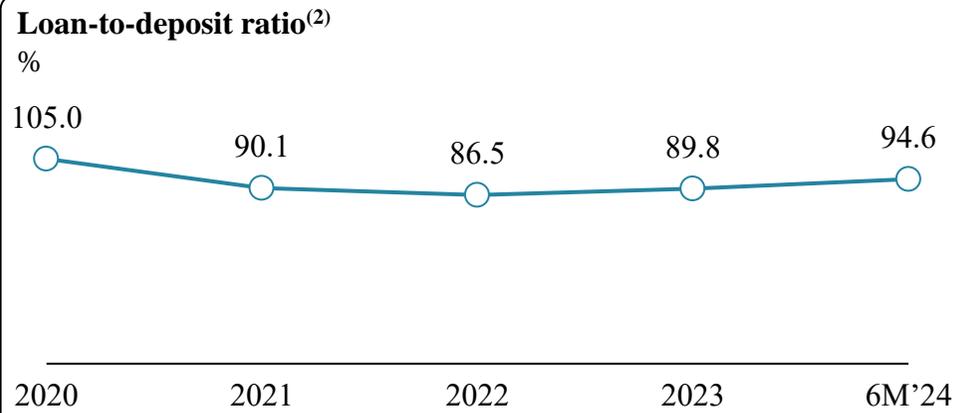
TL, bn, aop



LDR improvement sustained thanks to robust deposits' performance, though it inched up in 6M'24

Loan-to-deposit ratio⁽²⁾

%



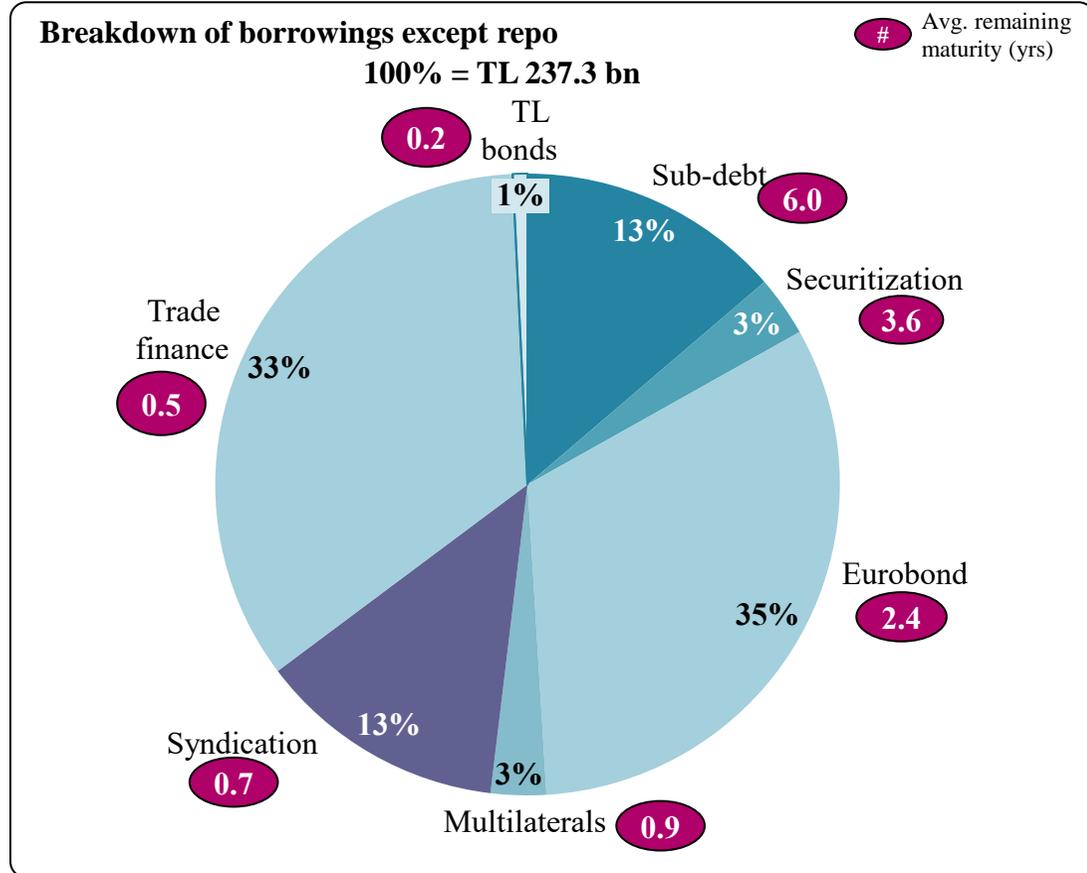
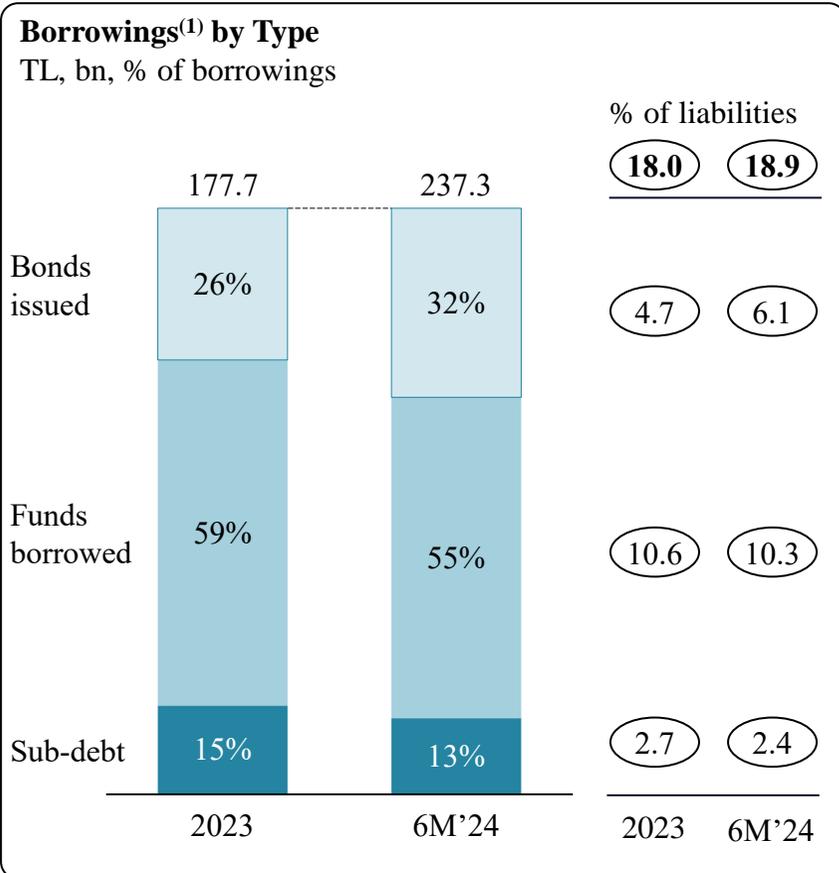
⁽¹⁾ FC deposits represent 62%, 67%, 39%, 36% and 30% of total customer deposits as of the end of 2020, 2021, 2022, 2023 and 6M'24, respectively

⁽²⁾ Including TL issued bonds, bank deposits & fiduciary deposits excluding CBRT swap transactions

Well-balanced wholesale borrowing mix has been actively managed with a cost-oriented approach, closely assessing loan & demand dynamics

Well diversified wholesale borrowing mix funded 19% of the assets base,

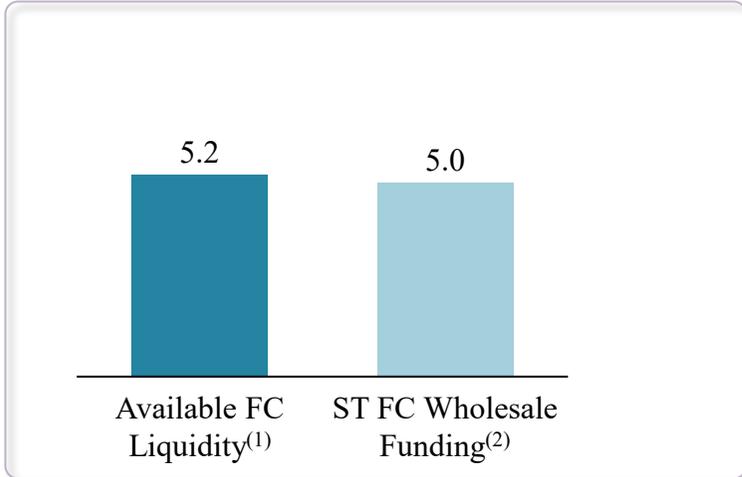
... as wholesale funding portfolio proactively managed with a cost-oriented approach



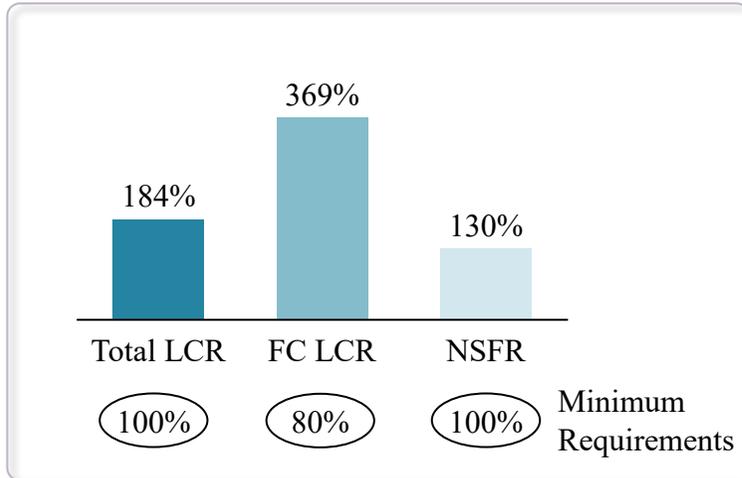
⁽¹⁾ Non-deposit funding except REPO

Manageable external borrowings led to ample FC liquidity vis-a-vis short-term dues

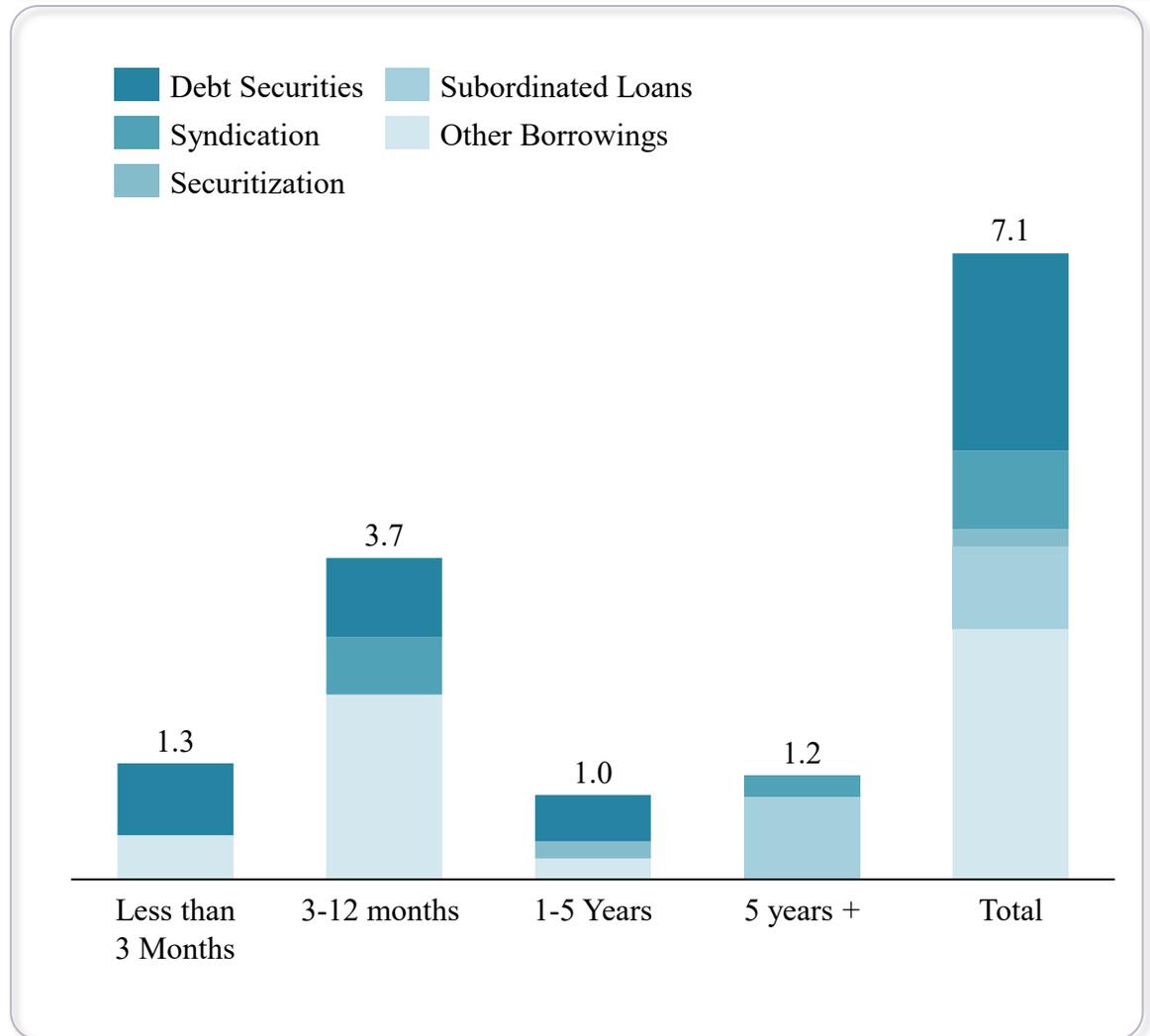
Available FC Liquidity vs Short-term Dues (USD bn)



Liquidity Coverage Ratios (% , eop)



Maturity Profiles of FC Wholesale Funding (USD bn)



A structured approach to market and liquidity risk management

Focused ALM leads to low interest rate sensitivity

- TL interest rate sensitivity is actively managed with a maturity mismatch at its all-time low
- Hedge swap book stands at TL 33.1 bn as of the end of 6M'24
- Net change in Economic Value / Equity is constantly monitored under several scenarios
- Regulatory IRRBB ratio is at 1.3% as opposed to 20% limit; indicating a conservative interest rate position on the banking book (as of the end of 6M'24)

Prudent management of liquidity risk

- Strong framework is in place to ensure sufficient short-term and long-term liquidity
- Total Regulatory Liquidity Coverage ratio is 184% as opposed to 100% limit, whereas FC Regulatory Liquidity coverage ratio is 369% as opposed to 80% limit. (as of the end of 6M'24)
- Continuous monitoring and reporting are in place to support effective management in addition to contingency plans for extreme situations

Low risk appetite for trading risks

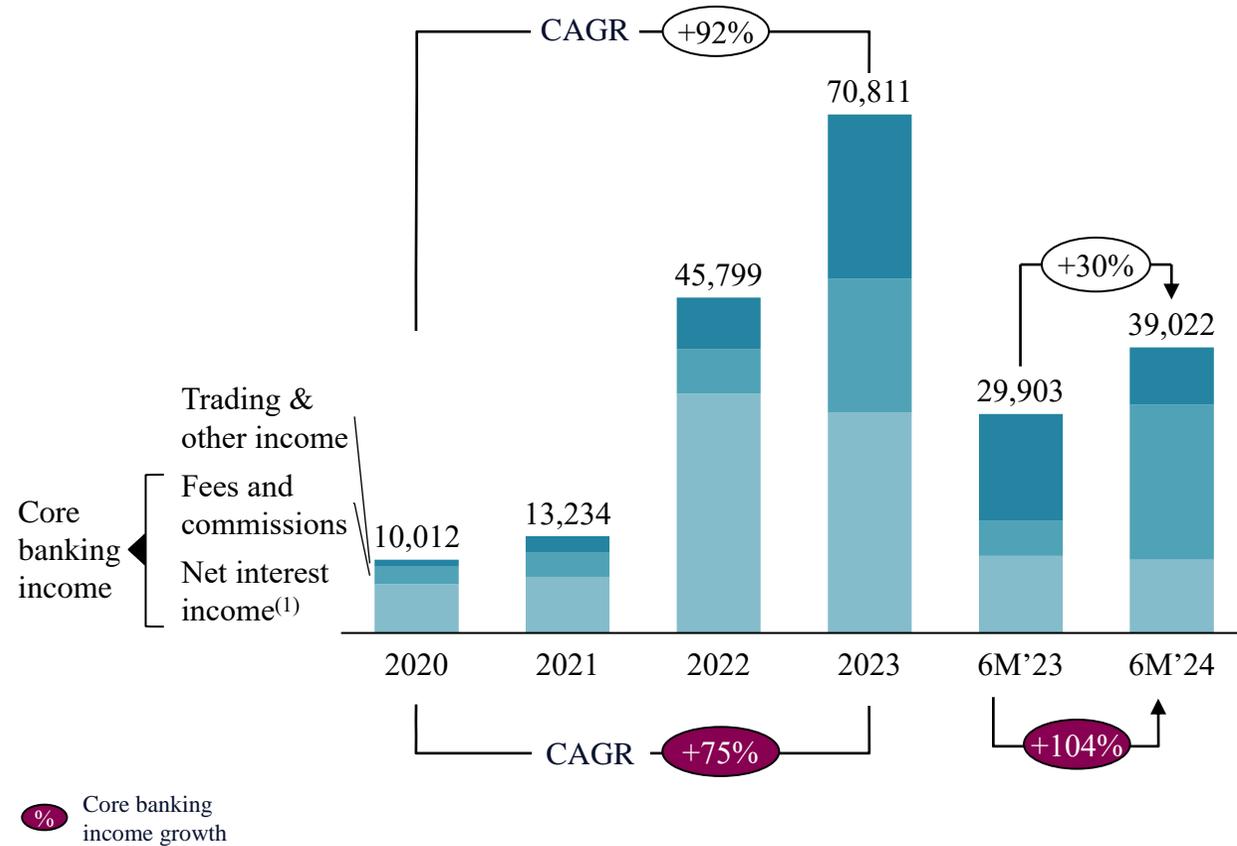
- Low trading risk appetite is reflected by the limit structure both on portfolio and product level
- Best-in-class measurement methodologies are in place with daily monitoring of all market risk metrics (VaR, sensitivities, etc.) in addition to stress tests and scenario analysis

Agile management enabled the Bank to sustain its core banking income throughout volatile macroeconomic backdrop

Resilient core banking income growth on the back of outstanding Fees & Commissions performance compensating for the NII pressures

Total Operating Income

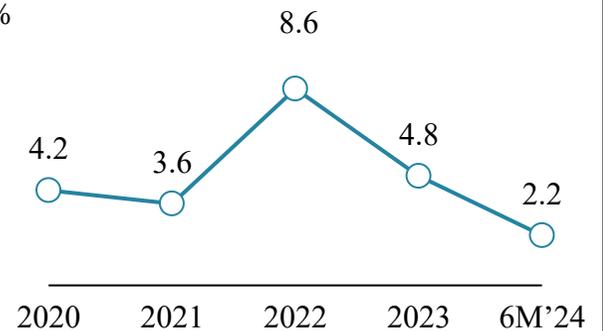
TL, mn



NIM touched the bottom in Q2'24 due to higher rates and macroprudential measures

NIM after Swap

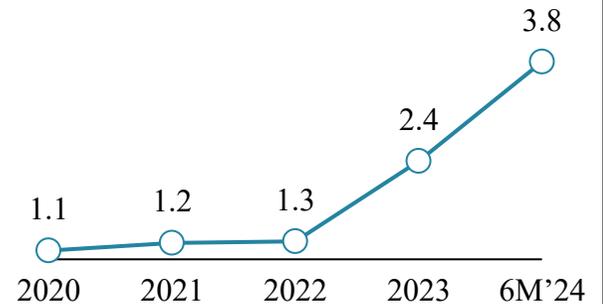
%



Outstanding Fees & Commissions contribution albeit robust assets growth

Fees / Assets

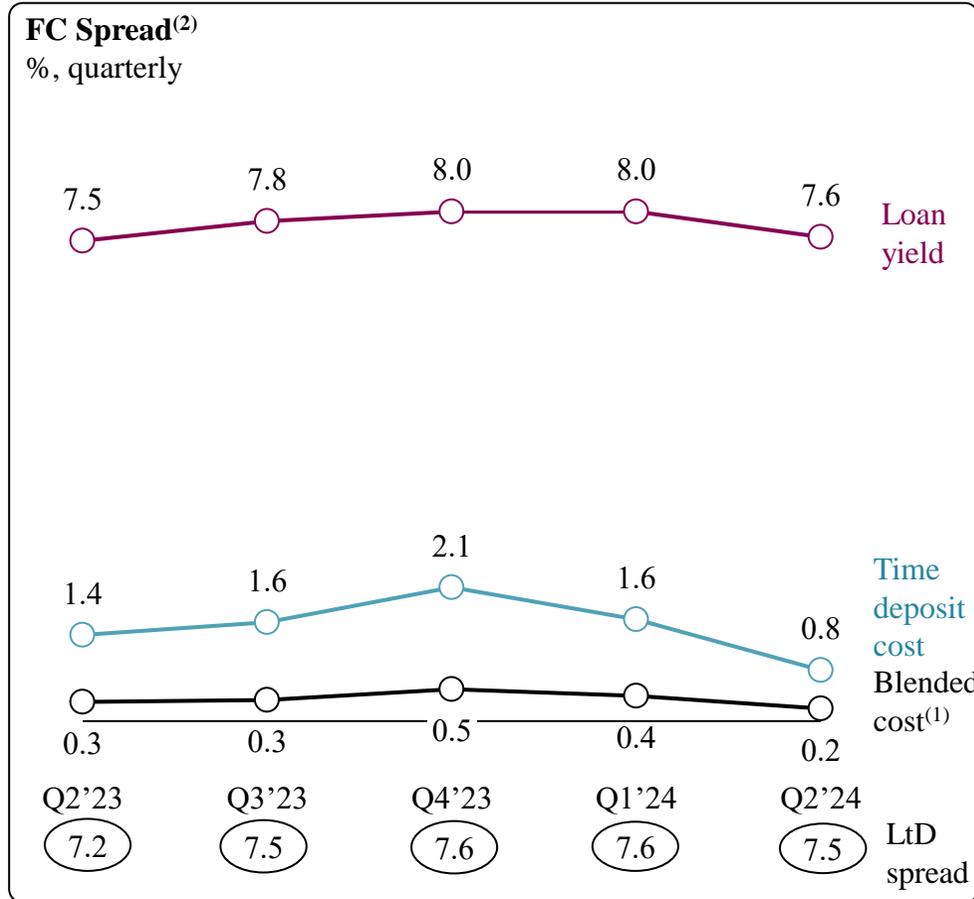
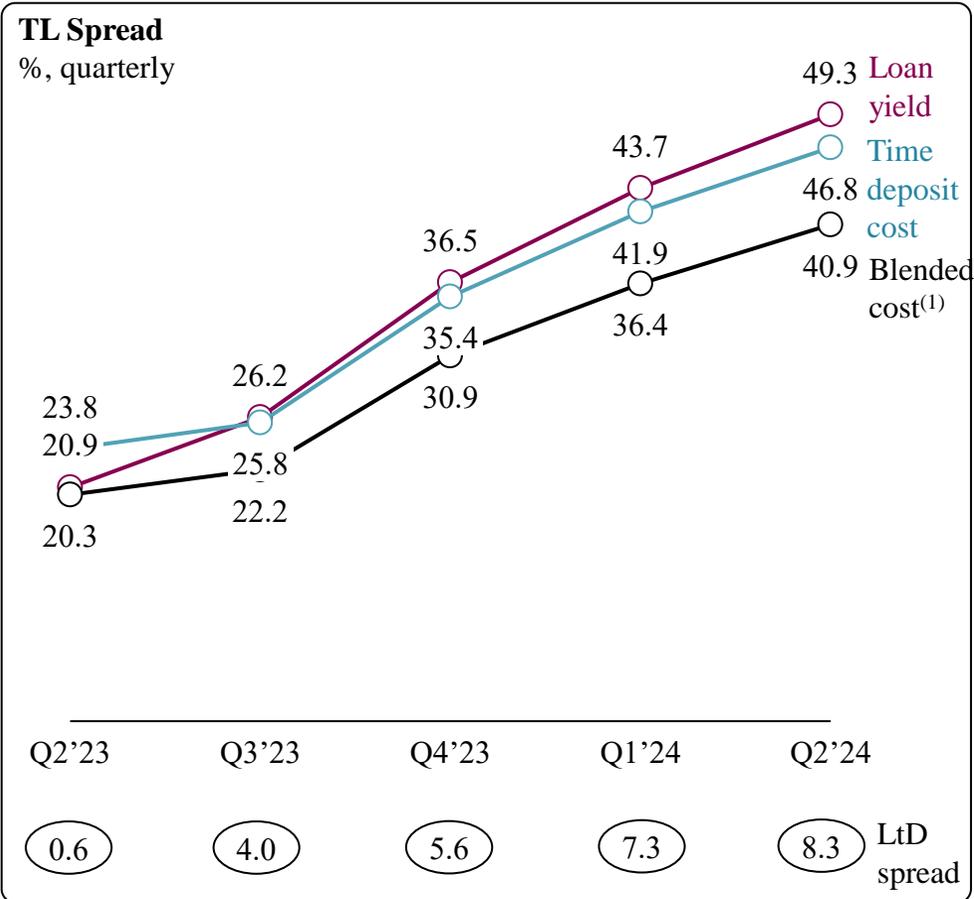
%



TL deposits and loan yields rose in line policy rates, while FC spreads continued to enjoy FC deposit supply

Prudent maturity mismatch management and strong demand deposit base yielded a swift, robust recovery in TL LtD spreads

FC spreads remained relatively intact on the back of ample FC deposit supply and macroprudential policies



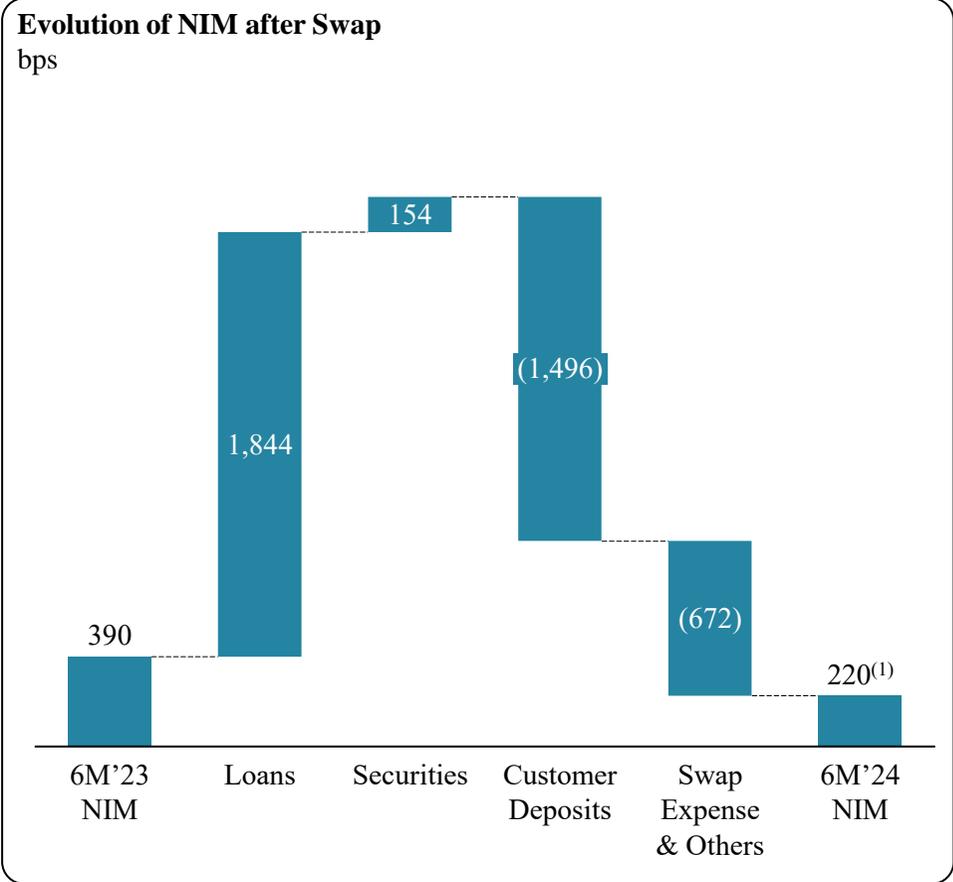
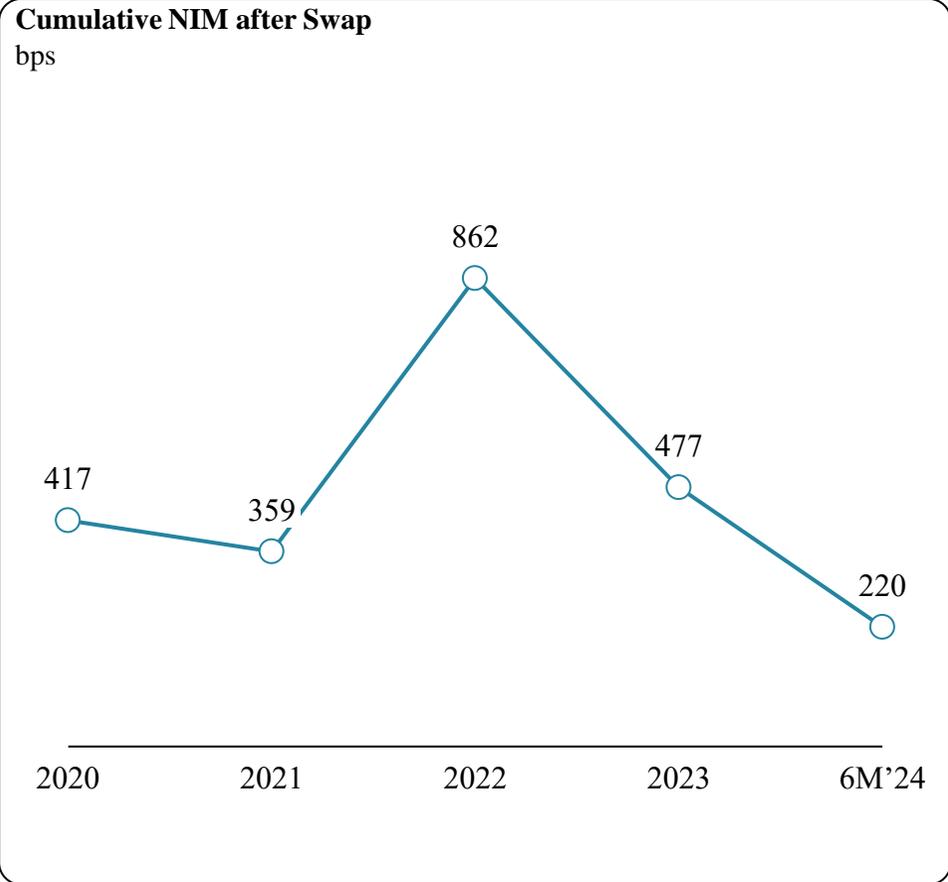
⁽¹⁾ Blended of time and demand deposits

⁽²⁾ Adjusted for FC rate changes

NIM touched the bottom in H1'24 due to higher interest rates and macroprudential measures, and is expected to recover in H2'24

After normalization in 2023, NIM was pressured along with higher interest rates, higher swap costs and macroprudential measures in H1'24

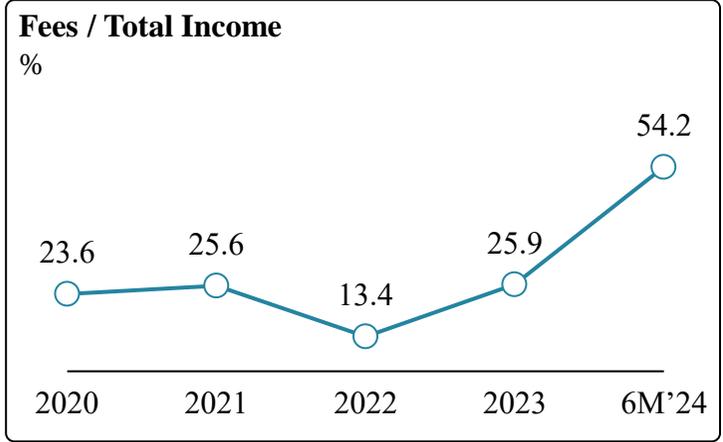
Bank's prudent maturity mismatch management partially upheld the YoY performance, while macroprudential measures resulted in relatively more gradual repricing on the assets side



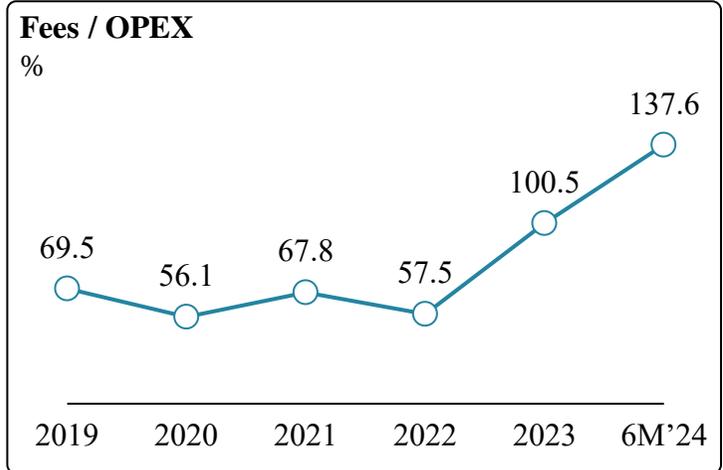
⁽¹⁾ October-October inflation projection used in valuation of CPI linkers was 40% as of the end of 6M'24. An additional 100 bps increase in CPI projection contributes TL 658 mn/yr to NII and 6 bps to annual NIM.

Fees & Commissions once again outperformed the expectations across the board

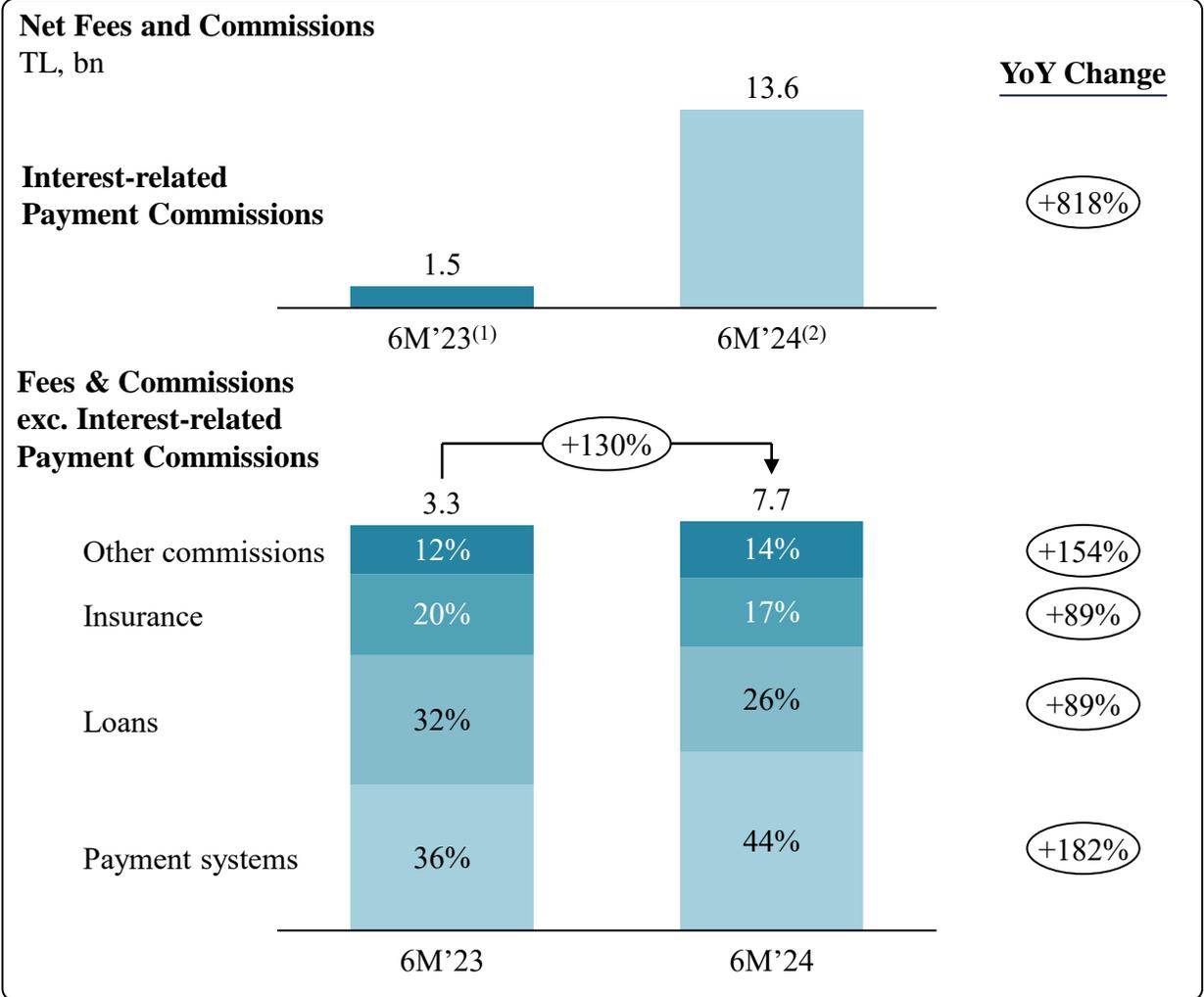
Outstanding F&C contribution to total income



Fees alone more than covered OPEX



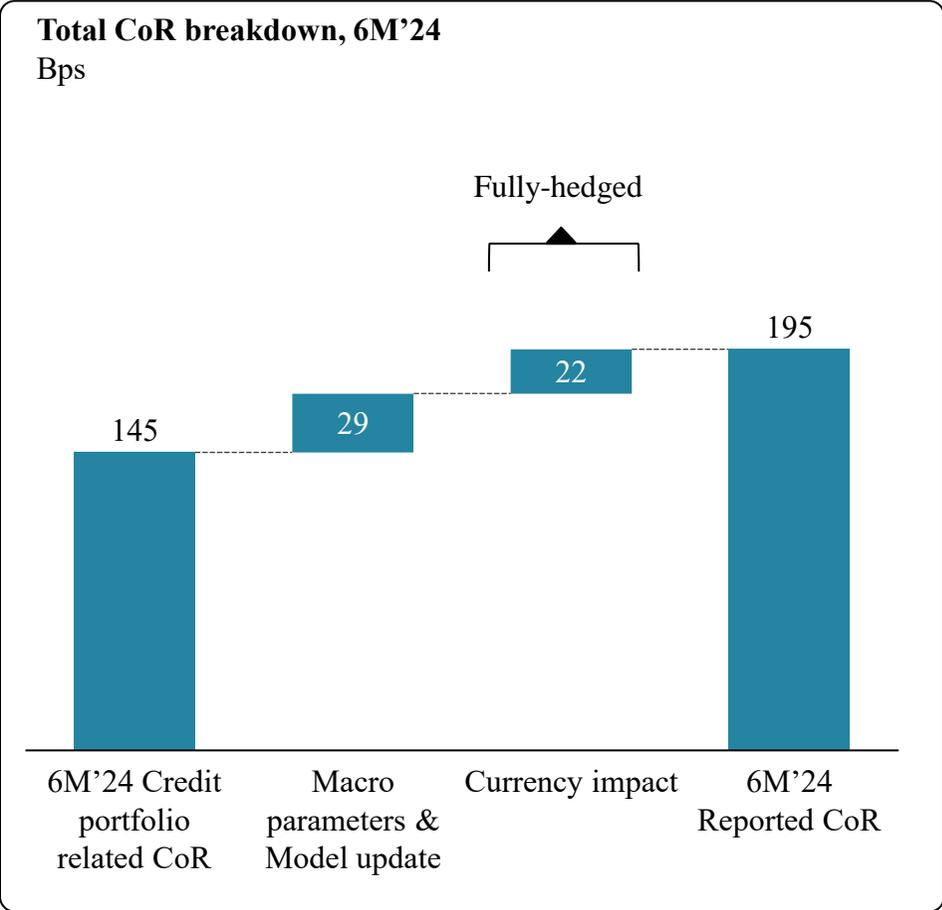
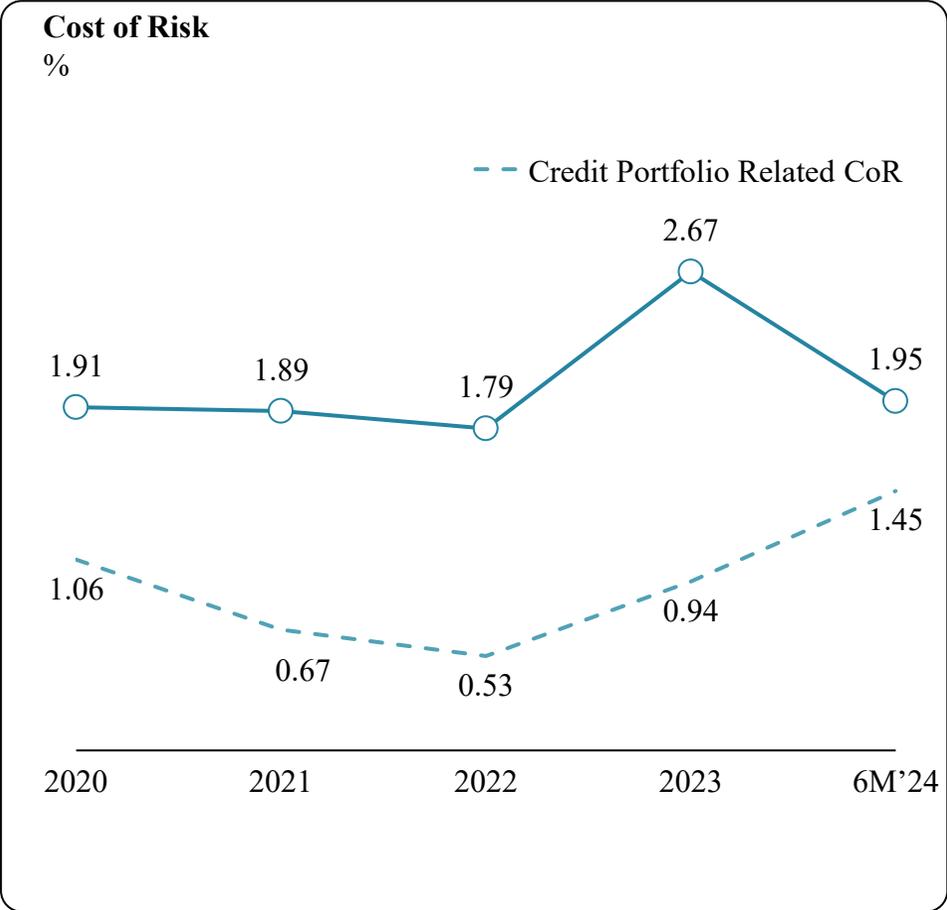
Fees & Commissions performance was supported by all fee categories, while interest-related payment commissions exceeded ninefolds



Reported CoR incorporated prudent macro projections as well as currency impact...

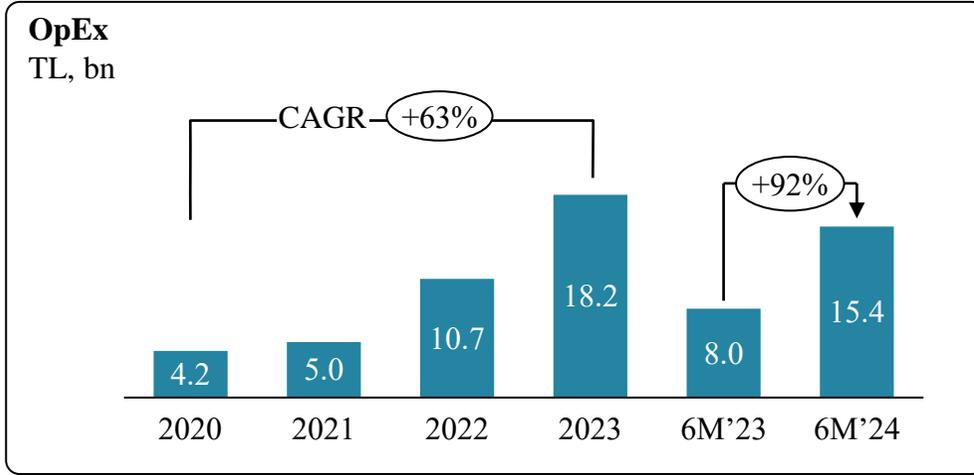
Increase in NPL inflows led to an increase in Credit Related CoR,

Reported CoR remained below 2% even with sustained prudent stance and currency impact thanks to buffers built over time...

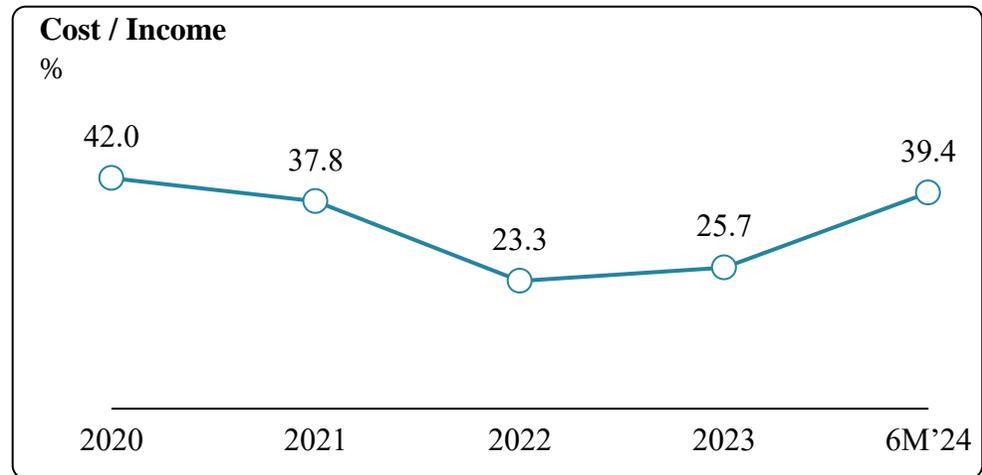


Expense management, supported by digitalization efforts, remained main focus area given elevated inflation and material TL depreciation & paid-off in the form of a resilient ROE

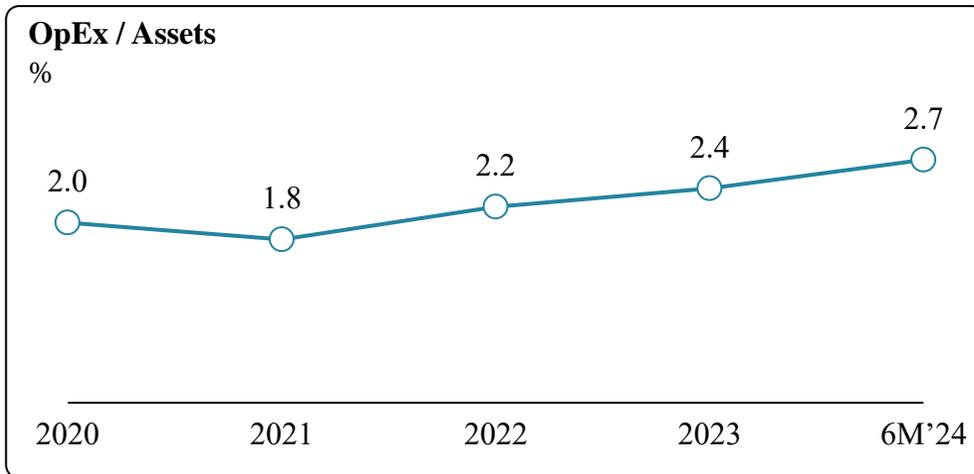
OPEX performance was driven by elevated inflation pressure as well as pass-through impact of material TL depreciation



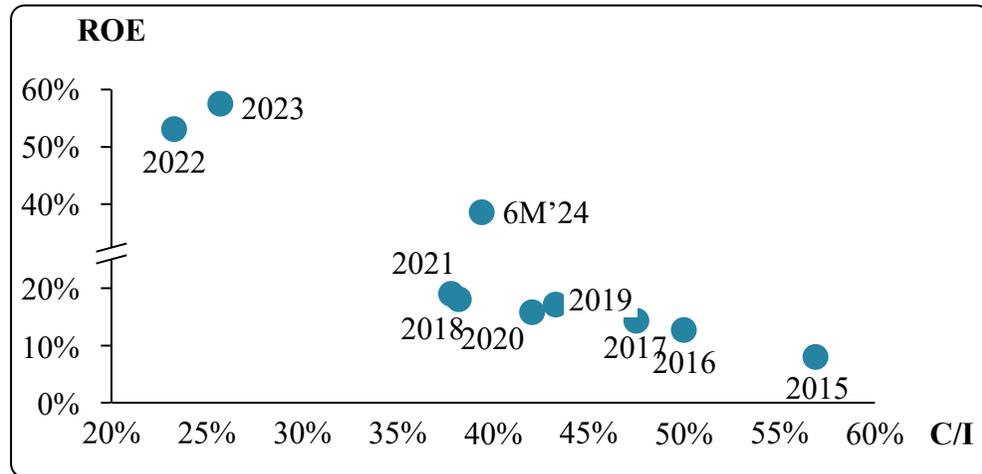
Nevertheless, resilient income kept the cost/income ratio below historical averages



Economies of scale improvement built-up over years sustained relatively well in a challenging backdrop



... contributing positively to the sustainable profitability evolution



Key strategies going forward

- **Core banking**, i.e., minimum market risk
- **Prudent credit risk management**
- **High liquidity** at all times
- Maintain **above market growth in Corporate & Commercial** seeking to achieve fair market share in the long-term
- **Leverage digital transformation** investments in SME segment for new client gathering as well as increasing service coverage for existing clients in line with our target of becoming **client's 'Main Bank'**
- **Continue targeting above-market growth in Retail** via general purpose loans and renewed emphasis on credit cards with 'high card spend'
- Continued emphasis on building a **stable deposit base** through new channels, offerings to untapped segments and customer groups, stronger loyalty (ie: Turkish Airlines co-branded program) and digital offerings (Digital Affluent Model, enpara.com)
- Cost and ESG will remain key focus areas in wholesale funding strategy
- Focus on **fee generation** and **operating expenses control** as well as continuing **improvement on cost of risk** front

Sustainability at QNB Finansbank

QNB Finansbank embraces the principle of «Becoming 1 with the World» while ensuring a more prosperous future for children



SUSTAINABILITY GOVERNANCE

Our roadmap focuses on the transformation of QNB Finansbank and its stakeholders.

SUSTAINABLE
FINANCE

BEYOND
BANKING

SUSTAINABLE
OPERATIONS

TRANSFORMATION OF CUSTOMERS

CLIMATE
CHANGE

GREEN TRANSFORMATION

- Climate Change Mitigation and Adaptation
- Responsible Financing, Products, Services
 - Climate Risk Management

SOCIAL
DEVELOPMENT

RESPONSIBLE TRANSFORMATION

- Financial Inclusion and Financial Literacy
- Empowerment of Entrepreneurship
- Customer Experience and Satisfaction

TRANSFORMATION OF QNB FİNANSBANK

OPERATIONAL TRANSFORMATION

- Environmental Impact of Operations
 - Business Continuity
- Digital Transformation and Innovation
- Responsible Procurement and Supply Chain

TRANSFORMATION OF FİNANSÇI

- Talent Attraction, Development, and Retention
 - Social and Community Investment
- Equal Opportunity, Diversity, and Gender Equality
 - Employee Engagement and Satisfaction

Robust Sustainability Governance

QNB Finansbank has a multi-layered and participatory management structure to ensure the integration of Sustainability into all its processes

SUSTAINABILITY GOVERNANCE STRUCTURE



- **Sustainability Committee** co-chaired by the CEO and Sustainability chairperson.
- Chief Risk Officer attends Committee meetings.
- Climate-related issues are addressed by the Board via the Sustainability and Risk Committee.
- ESG Policies, backed by the Board reinforce sustainability governance.

OVERVIEW OF BOARD COMPOSITION

Nationality	11 members
Qatari	54.54%
Turkish	45.45%

Independent Member	45%*
Female on the Board	27%

BoD's sector experience 31.45 years in average

**Audit Committee members are deemed independent within the scope of the II-17.1 Corporate Governance Communiqué issued by the Capital Markets Board of Türkiye.*

DISCLOSURE AND TRANSPARENCY

- [UNGC signatory](#) since 2020.
- Compliance with International Standards and collaboration with both national and international initiatives;
SDGs, CDP, IR, GRI, ICMA, IFC, ILO
- Core Financial and Sustainability informations are included in the [QNB Finansbank's Integrated Annual Report](#), assured by **independent external auditors**.
- More information is available on the [Bank's website](#) along with other reports.

Sustainability-Related Risk Management

Our Sustainability strategy focuses on the management of environmental and social risks of the Bank's loan portfolio and operations

PORTFOLIO RISK MITIGATION

Coal Phase Out Commitment

- Not lending to new coal thermal power plants and new coal mining investments since 2021.

Expanded the Exclusion List with;

- Production or trade of non-sustainable wood and forestry products,
- Production or trade of radioactive products, and commercial logging operations in primary tropical moist forests,
- Cap on financing for alcohol, tobacco, and coal transport.

E&S Risk Management

- Risk assessment via ESRA Model for all project finance loans with an amount of a minimum USD 10 million, and a tenor of 24 months and above and all loan applications with a credit amount of a minimum of 25 million USD and a tenor of 24 months and above.

Climate Risk Monitoring

- Risk & Opportunities Analysis
- Stress Testing
- Measuring Scope-3 Category 15: Investments emissions according to PCAF since 2023.

DECARBONIZATION OF OPERATIONAL EMISSIONS

- **Managing Climate & Water-Related Risks:**
«Global A List» CDP Climate Change Score
«A-» Leadership Level CDP Water Security Score
- Scope 1 & 2 emissions reduced by **70%**⁽¹⁾⁽³⁾.
- **Zero Scope 2 Emissions:**
100% Renewable Energy in electricity consumption.
- Scope 3 emissions reduced by **41%**⁽²⁾⁽³⁾ since 2021.
- **Fuel-efficient** vehicles for employees.
- **Local procurement** to reduce transportation related emissions.
- **Climate neutral** digital channels.
- **Environment-friendly Buildings:**
HQ buildings with Zero Waste, ISO 14001 & 50001 Certificates.

¹ Base year 2017, ² Excluding category 15, ³ As of 2023



Financial Inclusion, Diversity and Gender Equality

QNB Finansbank is fostering financial inclusivity & promoting equal rights

FINANCIAL INCLUSION

- Enhancing the green transformation of SMEs through the Digital Bridge with TOBB & Captanomy partnership.
- Digital Bridge is the only Platform that supports SMEs with more than 20 non-banking digital solutions.
- Digital Bridge Academy: Supporting sustainability, digital & financial literacy for SMEs.
- Partnership with EBRD, IFC, Proparco & EFSE - \$220 million loan to individuals, businesses affected by the earthquake.
- Dedicated sustainability website to increase stakeholders' sustainability awareness.

DIVERSITY AND GENDER EQUALITY

Gender Equality Guideline with Kadir Has University & Gender Equality Targets:

- Reducing Gender Pay Gap
- Training programs to promote equality in the workplace
- Increasing Women Suppliers
- Enhancing Child-care back-up Services
- Increasing Women in Engineering & IT Roles

Woman at top management*

Committees of the BoD Chaired/co-chaired	20%
Board of Directors	27%
Executive Management	23.5%
Senior Management	32.3%

Gender	12,033 Employees*
Female	59%
Male	41%

* As of June 2024

INITIATIVES, RATINGS & COOPERATIONS



In support of

**WOMEN'S
EMPOWERMENT
PRINCIPLES**
Established by UN Women and the
UN Global Compact Office



Sustainable Finance 1/1

We offer comprehensive sustainable financing solutions, aligned with environmental and social responsibilities, aiming to create long-term value

QNB GROUP SUSTAINABLE FINANCE AND PRODUCT FRAMEWORK

SUSTAINABLE FINANCING

TRANSITION FINANCING

INTERNATIONAL PRINCIPLES, TAXONOMY AND GUIDELINES



Green Loan Principles
Social Loan Principles



SUSTAINABLE LINKED

Sustainability Linked Loan Principles



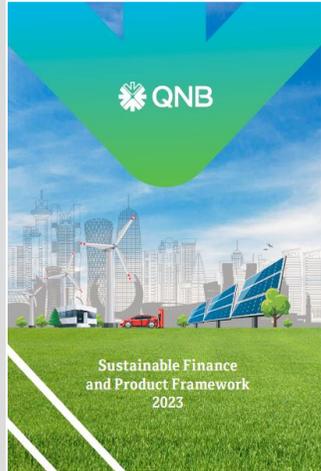
REGUALTIONS IN TURKEY

Green Asset Ratio National Taxonomy

INTERNATIONAL FINANCIAL INSTITUTIONS/ DEVELOPMENT BANKS



Sustainable Finance & Product Framework with SPO



QNB Group's Sustainable Finance and Product Framework:

1. Introduction to QNB Group
2. QNB Group's Approach to Sustainability
3. QNB Group Sustainable Finance and Product Framework
4. Issuance of Green, Social, and Sustainability Bonds (GSSB)
 1. Use of Proceeds (UoP)
 2. Process for Project Evaluation & Selection
 3. Management of Proceeds
 4. Allocation and Impact Reporting
5. Sustainable Finance and Product Purpose
6. Activity and Sector Exclusions
7. Sustainable Finance and Product Scope

SUSTAINABLE FINANCING



- Green Building
- Renewable Energy
- Clean Transportation
- Pollution Prevention and Control
- Protection of Living and Natural
- Energy Efficiency
- Water and Wastewater Management
- Climate Change Adaptation
- Circular Economy

SOCIAL FINANCING

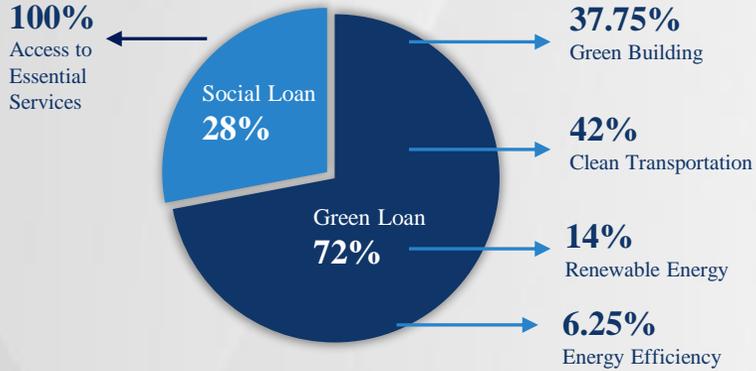


- Access to Essential Services
- Social Housing
- Affordable Basic Infrastructure
- Pandemic Response
- Socia-economic Advancement and Empowerment
- Employment
- Food Safety

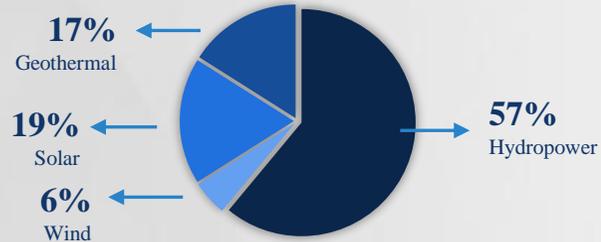
Sustainable Finance 1/2

QNB Finansbank has a sizable diversified pool of sustainable assets

ELIGIBLE PORTFOLIO



Distribution of project finance loans provided for RE investments (%)



PORTFOLIO HIGHLIGHTS

33%

Green Social Eligible Loans/ Project Finance Portfolio⁽¹⁾⁽²⁾

24.7%

Renewable Energy Projects/Total Energy Generation Projects

100%

Renewable Energy Projects / Project Finance Energy Projects Portfolio

31%

Sustainable Funding/Wholesale Funding Portfolio⁽³⁾

⁽¹⁾ Cash Risk ⁽²⁾ Loans exceeding 10 mio USD ⁽³⁾ Excluding subloan

SUSTAINABLE PRODUCTS & SERVICES

- Green/Sustainable Deposit
- Green Transformation Loan Programme
- Renewable Energy & Energy Efficiency Loans
- Eco-Friendly Vehicle & Mortgage Loan
- Clean Energy and Water Fund & Clean Energy Index Equity-Intensive Exchange Traded Fund
- Eco-Friendly Personal Loan
- Earthquake Region Supporting Loan

Sustainable Finance 1/3

Sustainable funding constitutes 31% of our wholesale funding portfolio

WHOLESALE BORROWINGS AND INVESTMENT PRODUCTS

7 Syndicated Loans with ESG Component

- 6 Sustainability Linked Loan Syndications since 2021
- Inaugural Sustainable Loan in May 2024



Sustainable Deposit

- 1st Sustainable Deposit Product in Türkiye offered to ESG sensitive clients
- \$125 mn volume reached so far



Disaster Relief Financing

- Partnered with Development Banks to support individuals and businesses affected by the February 2023 earthquake
- \$110 mn EBRD
- \$110 mn IFC, Proparco & EFSE



Debt Capital Markets

- \$500 mn 1st Public Sustainable Eurobond
- \$63 mn Green Private Placements

Sustainable Trade Finance

- \$114 mn Green Trade Finance ... scrap metal, solar panel etc...



Corporate Social Responsibility: Investing in Future Leaders!

Tiny Hands Big Dreams - Touching the lives of 700,000 children with more than 80+ projects & 4,000 “Volunteer Finansçı”

SUPPORT FOR EDUCATION

Tiny Hands Big Dreams Scholarship Project

TL 36.6 million donation

to support the education of children affected by the earthquake in collaboration with TEV, TED, KAHEV.

Renovation of 100 Schools

TL 10 million donation

in the earthquake-affected region at 100th Anniversary of Turkish Republic in collaboration with UNICEF & MEB.

Scratch Cup 2024 - Sustainable Living Spaces

1,174 teams from 50 cities

applied for Scratch Cup 2024 and 10 finalist teams got awarded in various categories.

100 Women Leaders in Technology with WTECH

STEM education for 10 female students

Executive mentoring and employment opportunities.

SUPPORT FOR CLIMATE AWARENESS

Nature Pioneers Youth Program

Climate education for 20,000 children & 2,000 teachers in collaboration with WWF&MEB Awards for projects addressing the climate crisis.

Climate Protectors Project with TEGV

Touching lives of more than 2,850 children Educating 1,132 children from 19 cities for climate awareness.

Psychosocial support for 1,750 children in the earthquake-affected Region through Social and Emotional-Based Disaster Activities in 2023.

Sustainable art exhibition <Breaking Point>

Write the end of the story with Artkolik

SUPPORT FOR SOCIAL DEVELOPMENT

+1 for the Future Academy

Development Center for children in cooperation with Down Syndrome Association of Türkiye in 2023-2025 term.

Make a Wish – Türkiye Project

Making true the dreams of 53 children Come true who are battling life - threatening in the earthquake affected region, partnering with Make A Wish Foundation.



Appendix

A decorative graphic on the right side of the page consists of overlapping geometric shapes. A large white shape, resembling a stylized 'L' or a corner, is positioned in the lower-left quadrant. Overlapping its top-right corner is a purple shape that extends towards the top-right corner of the page. The background is a solid, deep purple color.

BRSA Bank-Only Key Financial Ratios

	Bank only figures	2020 ⁽¹⁾	2021	2022	2023	6M'23	6M'24
Profitability	RoAE	15.8%	19.0%	53.1%	57.5%	57.0%	38.5%
	RoAA	1.3%	1.4%	3.5%	4.3%	4.2%	3.1%
	Cost / Income	42.0%	37.8%	23.3%	25.7%	26.7%	39.4%
	NIM after swap expenses	4.2%	3.6%	8.6%	4.8%	3.9%	2.2%
Liquidity	Loans / Deposits ⁽²⁾	105.0%	90.1%	86.5%	89.8%	86.9%	94.6%
	LCR	117.4%	145.5%	166.8%	173.7%	167.1%	164.1%
Asset quality	NPL Ratio	6.1%	4.2%	2.5%	1.7%	1.9%	2.1%
	Cost of Risk	1.9%	1.9%	1.8%	2.7%	3.6%	1.9%
Solvency	CAR	16.4%	15.9%	15.1%	16.7%	14.5%	14.6%
	Tier I Ratio	13.7%	12.8%	12.3%	13.8%	11.6%	12.1%
	Liability/Equity	11.8x	16.8x	13.6x	12.1x	14.2x	12.7x

QNB Finansbank BRSA Bank-Only Summary Financials⁽¹⁾

Income Statement

TL, mn	2020	2021	2022	2023	6M'23	6M'24	ΔYoY
Net Interest Income (After Swap Expenses)	6,684	7,669	32,665	30,072	10,521	9,998	(5%)
Net Fees & Commissions Income	2,363	3,391	6,128	18,317	4,776	21,149	343%
Trading & Other Income	965	2,174	7,006	22,422	14,606	7,875	(46%)
Total Operating Income	10,012	13,234	45,799	70,811	29,903	39,022	30%
Operating Expenses	(4,209)	(5,003)	(10,666)	(18,230)	(7,992)	(15,372)	92%
Net Operating Income	5,803	8,231	35,133	52,581	21,911	23,650	8%
Provisions	(2,544)	(3,241)	(5,450)	(13,449)	(7,615)	(6,066)	(20%)
Free Provisions	-	-	(5,400)	(1,400)	(600)	2,100	n.m.
Profit Before Tax	3,259	4,990	24,283	37,732	13,696	19,684	44%
Tax Expenses	(512)	(1,062)	(7,059)	(4,560)	298	(2,225)	n.m.
Profit After Tax	2,747	3,928	17,224	33,172	13,994	17,459	25%

Balance Sheet

TL, mn	2020 ⁽¹⁾	2021	2022	2023	6M'24	ΔYtD
Cash & Banks ⁽²⁾	29,202	85,564	113,652	185,099	228,685	24%
Securities	34,368	49,960	103,354	171,782	236,225	38%
Net Loans	138,719	200,832	344,957	571,044	721,285	26%
Fixed Asset and Investments ⁽³⁾	5,864	6,689	9,710	26,648	32,749	23%
Other Assets	19,089	28,324	30,082	33,244	39,939	20%
Total Assets	227,243	371,369	601,755	987,817	1,258,883	27%
Deposits	130,560	226,923	394,284	632,050	759,614	20%
Customer Deposits	125,976	213,946	384,058	606,467	730,152	20%
Bank Deposits	4,583	12,977	10,226	25,583	29,462	15%
Borrowings	54,892	85,294	108,650	206,558	326,955	58%
Bonds Issued	13,506	28,389	27,940	45,949	76,522	67%
Funds Borrowed	20,192	27,032	41,653	104,824	129,980	24%
Sub-debt	6,704	11,853	17,128	26,949	30,842	14%
Repo	14,489	18,020	21,929	28,836	89,611	211%
Other	22,579	37,009	54,555	67,591	73,443	9%
Equity	19,212	22,144	44,266	81,618	98,871	21%
Total Liabilities & Equity	227,243	371,369	601,755	987,817	1,258,883	27%

BRSA Consolidated Key Financial Ratios

	Bank only figures	2020	2021	2022	2023	6M'23	6M'24
Profitability	RoAE	15.8%	18.9%	53.0%	57.5%	57.0%	38.5%
	RoAA	1.3%	1.4%	3.4%	4.1%	4.1%	3.0%
	Cost / Income	42.4%	38.0%	23.9%	27.5%	28.6%	40.9%
	NIM after swap expenses	4.3%	3.7%	8.7%	5.3%	4.4%	2.9%
Liquidity	Loans / Deposits ⁽¹⁾	110.1%	91.7%	90.4%	94.1%	91.0%	99.0%
	LCR	114.2%	144.1%	159.8%	168.2%	158.2%	162.4%
Asset quality	NPL Ratio	6.0%	4.2%	2.5%	1.7%	1.9%	2.1%
	Cost of Risk	1.9%	1.9%	1.8%	2.6%	3.5%	1.9%
Solvency	CAR	15.8%	15.2%	14.5%	15.9%	13.9%	14.0%
	Tier I Ratio	13.1%	12.2%	11.6%	13.2%	11.1%	11.6%
	Liability/Equity	12.2x	17.3x	14.0x	12.5x	14.7x	13.1x

QNB Finansbank BRSA Consolidated Summary Financials

Income Statement

TL, mn	2020	2021	2022	2023	6M'23	6M'24	ΔYoY
Net Interest Income (After Swap Expenses)	7,103	8,150	33,836	33,848	12,071	13,114	9%
Net Fees & Commissions Income	2,601	3,682	6,689	20,306	5,522	23,027	317%
Trading & Other Income	799	2,068	6,373	20,625	14,055	5,991	(57%)
Total Operating Income	10,503	13,900	46,898	74,779	31,648	42,132	33%
Operating Expenses	(4,451)	(5,278)	(11,207)	(20,558)	(9,063)	(17,239)	90%
Net Operating Income	6,053	8,622	35,690	54,222	22,584	24,893	10%
Provisions	(2,672)	(3,487)	(5,636)	(13,578)	(7,705)	(6,090)	(21%)
Free Provisions	-	-	(5,400)	(1,400)	(600)	2,100	n.m.
Profit Before Tax	3,381	5,135	24,654	39,244	14,279	20,903	46%
Tax Expenses	(626)	(1,227)	(7,428)	(6,066)	(285)	(3,444)	1111%
Profit After Tax	2,755	3,908	17,226	33,178	13,995	17,459	25%

Balance Sheet

TL, mn	2020	2021	2022	2023	6M'24	ΔYtD
Cash & Banks ⁽¹⁾	29,661	86,263	114,128	186,098	232,500	25%
Securities	34,430	50,090	103,820	177,162	241,032	36%
Net Loans ⁽²⁾	146,449	212,565	363,105	602,746	756,589	26%
Fixed Asset and Investments	4,248	4,613	6,308	18,822	20,989	12%
Other Assets	20,232	30,318	33,784	38,594	46,643	21%
Total Assets	235,020	383,849	621,144	1,023,422	1,297,753	27%
Deposits	130,275	225,877	392,763	630,728	758,514	20%
Customer Deposits	125,692	212,900	382,537	605,145	729,052	20%
Bank Deposits	4,583	12,977	10,226	25,583	29,462	15%
Borrowings	62,320	97,098	127,441	237,949	359,886	51%
Bonds Issued	14,724	29,803	32,017	52,037	79,790	53%
Funds Borrowed	25,897	37,252	55,217	127,865	159,559	25%
Sub-debt	6,704	11,853	17,128	26,949	30,842	14%
Repo	14,995	18,191	23,079	31,098	89,696	188%
Other	23,184	38,722	56,664	73,111	80,466	10%
Equity	19,241	22,152	44,276	81,634	98,887	21%
Total Liabilities & Equity	235,020	383,849	621,144	1,023,422	1,297,753	27%

Board of Directors

Name	Position	Background
Dr. Ömer A. Aras	Chairperson and QNB Finansbank Group CEO	Co-founder of Finansbank Former CEO of Finansbank for 6 years President of the High Advisory Council of TUSIAD, member of the Higher Advisory Board of Darüüşşafaka Cemiyeti, Board of Trustees of Boğazici University Foundation, the GBA Angel Investor Network and Bogazici University ECONFIN Honorary
Yousef Mahmoud H N Al-Neama	Vice Chairperson	Group Chief Business Officer at QNB Q.P.S.C. Serves as VP of HBTF in Jordan and Bank Mansour in Iraq and Board member at QNB Capital Previously worked at Group Corp., Institutional Banking & International Banking of QNB and Doha Bank
Temel Güzeloğlu	Member of the BoD	Former CEO of QNB Finansbank Experience at Unilever, Citibank, McKinsey & Co. Chairperson at QNB Finansbank subsidiaries
Osman Ömür Tan	Member of the BoD and QNB Finansbank CEO	Former EVP of Corporate and Commercial Banking Experience at Yapı Kredi Bank Member of TBA Board of Directors and Board member at QNB Finansbank subsidiaries
Yeşim Güra	Member of the BoD	Independent Board member at Pınar Dairy Products, Altın Yunus Çeşme Tourism Company and Sanko Holding's Super Film Flexible Packaging Company. IFC Nominee Director at Acıbadem City Clinic BV, member of the IU Kelley School of Business Global Dean's Council, the DCRO (Directors and Chief Risk Officers) Institute and Board of Directors Association. Experience at P&G, Danone, Altıparmak Gıda AS, Draeger Medical and Safety Technology. Currently at European Innovation Council. Qualified Risk Director®.
Adel Ali M A Al-Malki	Member of the BoD	Senior Vice President at QNB Group Retail Banking Division Holds board membership at Egypt's QNB Al Ahli and in the Group's subsidiaries, including Al-Mansour Investment Bank in Iraq Previously worked at Development and User Services, E-Business & System Analyst of QNB
Ramzi T. A. Mari	Member of the BoD and Member of the Audit Committee	QNB Group Chief Financial Officer Holds board membership at Housing Bank for Trade and Finance (Jordan), QNB Capital LLC and Chairperson at Qatar International Holdings LLC (Luxembourg)
Noor Mohd J. A. Al-Naimi	Member of the BoD and Member of the Audit Committee	QNB Senior Executive Vice President - Group Treasury and Financial Institutions Previously held positions in Treasury Operations Trading & Investment Assistant General Manager
Fatma Abdulla S S Al-Suwaidi	Member of the BoD	QNB Group Chief Risk Officer Serves as President Commissioner of QNB Indonesia; Previously been Assistant General Manager of Credit Risk Management
Saleh Nofal	Member of the BoD and Chairperson of the Audit Committee	Member of the Association of Certified Fraud Examiners (ACFE), Association of Certified Anti-Money Laundering Specialists (ACAMS) and Institute of Internal Auditors (IIA), MENA Financial Crime Compliance Group (FCCG) in partnership with the Union of Arab Banks Previously worked as QNB Group Chief Compliance Officer and with the Arab Bank Group, Jordan Ahli Bank, the Arab World Auditing Bureau and a Jordanian Public Accountancy Firm
Durmuş Ali Kuzu	Member of the BoD and Member of the Audit Committee	Former Vice President of BRSA Experience at Vakıfbank, Emlakbank, Treasury, Public Oversight Institution Holds board membership at TMA Türkiye and Bank Examiners Foundation

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