

# ANNUAL REPORT 2025

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GARANTIBANK  
INTERNATIONAL N.V.



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# Who We Are

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GBI is a **wholly-owned subsidiary** of **Garanti BBVA** and a **member of BBVA Group**

# Key Figures

EUR 1,000	2025	2024	2023	2022	2021
Total assets	10,869,786	8,243,637	5,782,545	5,105,720	4,129,876
Cash and balances with central banks	3,004,948	3,316,013	2,254,639	1,533,188	675,396
Loans and advances to banks	907,086	660,483	405,051	753,633	620,651
Loans and advances to customers	5,691,551	3,490,869	2,651,006	2,552,939	2,535,213
Financial assets at fair value through other comprehensive income	1,175,068	703,412	430,001	220,562	250,198
Deposits from banks	805,603	365,517	287,495	333,829	409,982
Deposits from customers	8,775,624	6,936,216	4,685,907	3,995,313	3,037,822
Equity	1,230,408	862,919	755,179	653,322	619,765
Total income	234,241	199,159	187,921	98,553	69,635
Net income	119,252	101,131	100,692	40,793	18,011

RATIOS					
Common Equity Tier 1 ratio %	22.0	23.94	23.62	21.70	21.69
Total capital ratio %	22.09	23.94	23.62	21.70	21.83
LCR - Liquidity coverage ratio %	638.6	342.0	939.0	753.8	516.9
Cost to income ratio % <sup>1</sup>	29	29	27	46	58
Return on average equity % <sup>2</sup>	11.39	12.89	14.81	6.62	3.00
Non-performing loans % <sup>3</sup>	0.30	0.64	1.01	0.60	0.93
Cost of Risk % <sup>4</sup>	(0.02)	0.03	0.04	(0.07)	0.20
Return on average assets %	1.25	1.44	1.85	0.88	0.48

STAFF & NETWORK					
Total average number of employees	267	249	226	221	224
Foreign branches & representative offices	3	3	3	3	3

1 — Cost-to-income ratio is calculated using total expenses and total income. Expected credit losses are excluded.

2 — Return on average equity is calculated using average shareholders' equity, excluding result after tax. For 2025, the results of the year after tax is included.

3 — Credit impaired loans to customers / Gross loans to customers

4 — Expected credit losses on financial instruments / Average gross amounts of loans and advances to customers

## External Rating

GBI has a Baa1 "investment grade" Long-Term Deposits credit rating by Moody's with positive outlook.

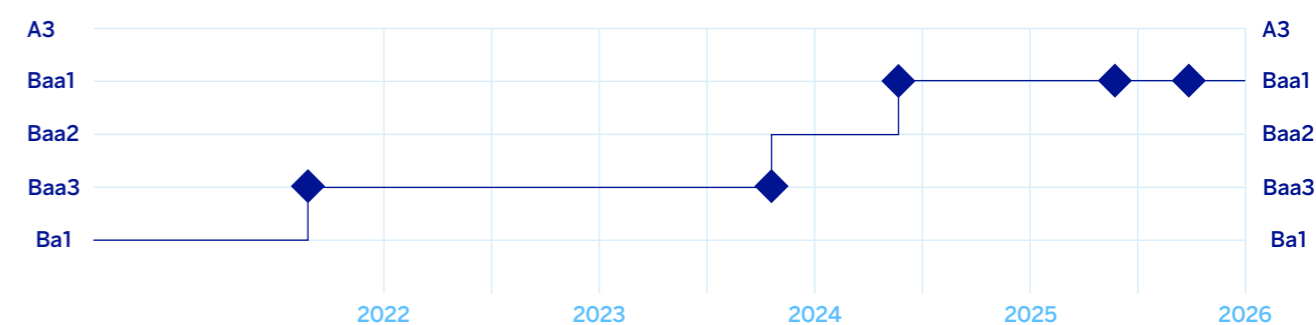
Furthermore, on 3 October 2025. Moody's improved GBI's rating outlook to positive. Subsequently, Moody's published its updated Credit Opinion on 10 October 2025.

### On 18 June 2025, Moody's upgraded GBI's deposit ratings as follows:

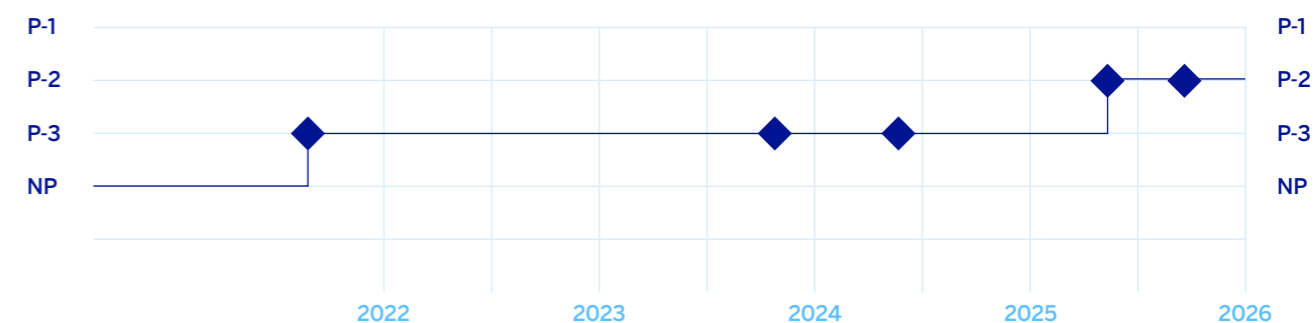
- Long-Term (LT) deposit rating: Upgraded to Baa1 (from Baa2)
- Short-Term (ST) deposit rating: Upgraded to Prime-2 (from Prime-3)

GBI's ratings (Moody's)	2025	2024	2023	2022	2021
LT Deposit Rating	Baa1	Baa2	Baa3	Baa3	Baa3
ST Deposit Rating	P-2	P-3	P-3	P-3	P-3
Outlook	Positive	Positive	Positive	Stable	Stable

### LT Deposit Rating (Moody's)



### ST Deposit Rating (Moody's)



# About Us

**GBI is a wholly-owned subsidiary of Garanti BBVA and a member of BBVA Group**

GarantiBank International N.V., aka Garanti BBVA International is a mid-sized European bank established in Amsterdam, the Netherlands in 1990, with a branch in Germany. Garanti BBVA International (GBI) serves corporate, institutional and retail clientele, offering financial solutions in the areas of trade and commodity finance, corporate banking, global markets and retail banking.

The Bank is a wholly-owned subsidiary of Türkiye Garanti Bankası A.S. (Garanti BBVA). Our ultimate parent is Banco Bilbao Vizcaya Argentaria S.A. (BBVA). We operate in accordance with the Dutch and European Union laws and regulations under the supervision of the European Central Bank (ECB), De Nederlandsche Bank (DNB) and De Autoriteit Financiële Markten (AFM).



## OUR PURPOSE

Our strategy revolves around a single Purpose:  
**“Support your drive to go further”**

**Support:** We support our customers with continuous assistance, listening closely, understanding their needs, and adapting accordingly. We place **empathy** at the center of our approach, aiming to truly understand our customers and become their trusted companion.

**Your drive:** We stand alongside individuals and businesses, encouraging their desire to take one step further every day.

**To go further:** This defines the core of our business. We work to be present in key moments in life, offering consistent support, listening, understanding, and adapting to the needs of those who trust us.

## OUR VALUES

### Customer Comes First

**We make our customers’ needs our own:** We take on our customers’ needs as our own, responding swiftly and effectively. We anticipate challenges and provide continuous support.

**We are empathetic:** We put ourselves in others’ shoes, listen attentively, tailor our response to their needs, and act with respect to ensure everyone feels valued.

**We have integrity:** We always act with honesty, in compliance with the law and BBVA’s internal regulations, without tolerating inappropriate behaviour. We are a trusted partner, providing support with transparency and responsibility.

### We Think Big

**We are ambitious:** We drive a positive impact on people’s lives and society as a whole. We support their desire for growth and progress.

**We are innovators:** We stay ahead of challenges by offering agile and effective solutions. We create value-driven proposals to help our customers go further.

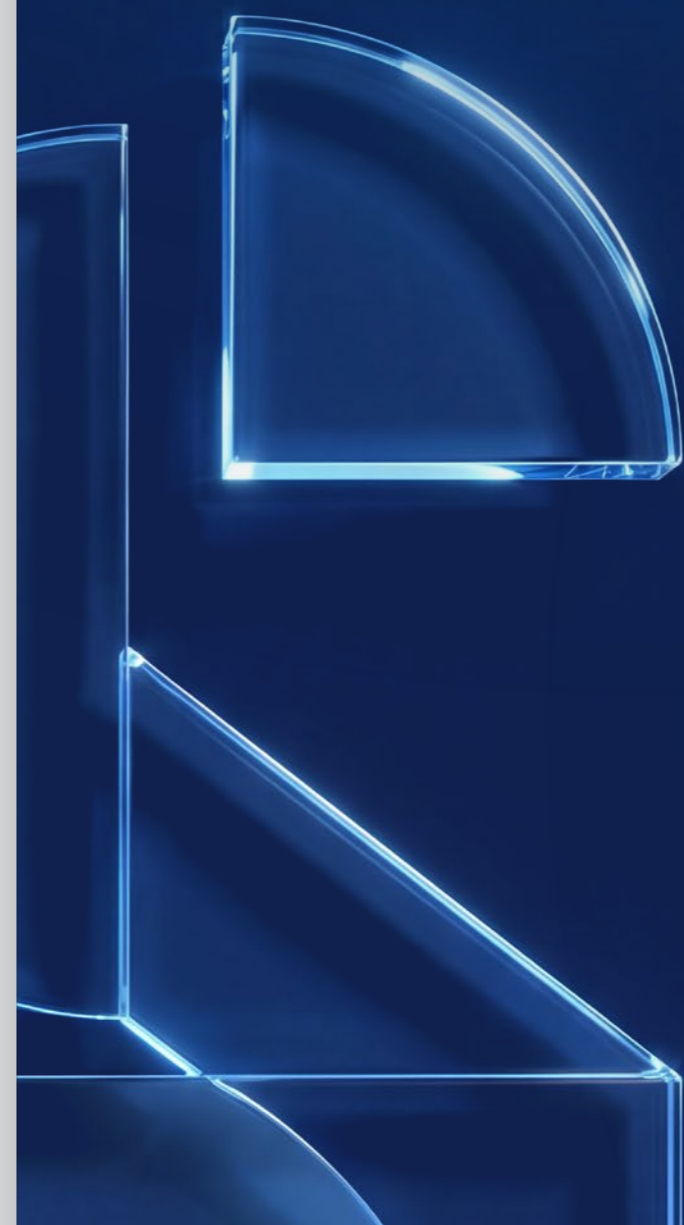
**We exceed customers’ expectations:** We create effective solutions that exceed customer expectations. We help individuals and businesses reach their full potential.

### We Are One Team

**I am committed:** I take on the bank’s objectives as my own, feeling a genuine connection with BBVA’s values and purpose, which drives me to work with passion and enthusiasm.

**I trust others:** We collaborate with generosity and trust, ensuring clear and respectful communication. Together, we drive the growth of our customers and our team.

**I’m BBVA:** We are a global and diverse team that shares a common purpose and creates a positive impact. We support, inspire, and drive people and businesses to reach further.



# Supervisory Board

## MR. MAHMUT AKTEN

*Chair Member of the Remuneration Committee*

Mr. Akten joined GBI's supervisory board in November 2024. Mr. Akten graduated from Boğaziçi University with a Bachelor's degree in Electrical and Electronics Engineering and has a Master's degree in Business Administration from Carnegie Mellon University. Mr. Akten has over 25 years of experience in banking and business administration. Mr. Akten started his professional career in the USA in 1999. After working in various positions in the finance and treasury departments of a global construction company, Mr. Akten joined a global consulting firm in 2006 and worked in the Boston and Istanbul offices between 2006 and 2012. Mr. Akten joined Garanti BBVA in July 2012. He served as the head of Retail Banking from 2012-2017; the executive vice president of Retail Banking from 2017-2022 and the executive vice president of Corporate Banking from 2022-2024. On August 2024, he was appointed CEO at Garanti BBVA and serves as a board member. Mr. Akten is also the chair of the board of directors of various Garanti BBVA subsidiaries. In addition to his responsibilities, he serves as a board of trustees member of the Teachers Academy Foundation.

## MR. AYDIN DÜREN

*Member of Audit and Compliance Committee  
Member of Risk Committee*

Mr. Düren graduated from the Faculty of Law at Istanbul University and earned his graduate degree in International Law from the American University, Washington College of Law. Mr. Düren was appointed as a Supervisory Board member and an Audit Committee member on 17 June 2020. He has 34 years of work experience in banking and business administration. After serving as an associate, partner, and managing partner for over 18 years at international private law firms in New York, London and Istanbul, Mr. Düren joined Garanti BBVA on 1 February 2009 as executive vice president in charge of legal services and collections. Mr. Düren serves as the corporate secretary of Garanti BBVA since June 2015. Mr. Düren is also a member of Garanti BBVA's Board of Directors, responsible for legal services. Furthermore, Mr. Düren serves as a board member at various Garanti BBVA subsidiaries and is a board of trustees member of the Teachers Academy Foundation.

## MR. MIRJAM HALVERHOUT

*Chair of Audit and Compliance Committee*

Ms. Halverhout studied Civil Law and Tax Law at the University of Utrecht and University of Tilburg. Ms. Halverhout joined GBI's supervisory board in 2021. She has been a member of the management team of Projective Biz and Projective Group, a European consultancy firm in financial services, since 2017. Since 2018, she has also been a member of the supervisory board and nomination and remuneration committee of Stichting Bureau Krediet Registratie (BKR), a Dutch credit registration agency. Between 2011 and 2016, Ms. Halverhout served as a board member of Solid Mortgages B.V. Between 2005 and 2009, she was the CEO of Direktbank N.V. and furthermore, she has over 20 years of management and board experience at Rabobank in corporate and retail banking.

## MR. JOHN BOYLES

*Chair of Nomination and Remuneration Committee*

Mr. Boyles is a graduate of Ithaca College with a degree in Economics. Mr. Boyles joined the Supervisory Board in 2023 with nearly 40 years of experience in corporate finance, wholesale banking, corporate funding and management. For nearly 23 years he was a senior leader at ING Bank where he was globally responsible for several sector business and lending products, as well as serving as the CEO of the bank's banking platform in North America from 2008 to 2013. Prior to moving to the Netherlands, Mr. Boyles worked in New York City for Canadian Imperial Bank of Commerce in the securitization, asset finance and sector coverage areas. He also spent three years at Barclays Bank in the corporate lending, leverage finance and asset-based finance businesses.

## MR. MURAT TALAYHAN

*Chair of Risk Committee*

Mr. Talayhan has a BSc degree in Management from the Middle East Technical University in Ankara, Türkiye and earned an MBA degree from Babson College in Massachusetts, USA. Mr. Talayhan joined the Supervisory Board in July 2024. Mr. Talayhan has over 35 years of experience in corporate and investment banking. Prior to joining Supervisory Board, Mr. Talayhan has taken senior regional and country coverage responsibilities, including Türkiye, Russian Federation, Central Asia and Central Eastern Europe for over 16 years and served as Managing Director at Barclays Bank, London. Previous to his work at Barclays, Mr. Talayhan has taken senior positions with various reputable multinational banks including Standard Bank, JPMorgan, Chase and Citibank.

# Managing Board



**Mr. Erhan Zeyneloğlu**  
*Chief Executive Officer*

Mr. Zeyneloğlu started his career at Garanti BBVA's Credits department in 1992 and has over 34 years of experience in banking. He joined GBI in 1995 where he held various managerial positions such as executive director of Credits, executive director of Structured Finance and Retail Banking. He was appointed as CEO in 2015. Mr. Zeyneloğlu holds a Bachelor of Arts degree in Economics from Boğaziçi University.



**Ms. Şebnem Ipekçi**  
*Chief IT & Operating Officer*

Ms. Ipekçi's professional life began in 1988. With a career across banking, telecommunications, and multinational consulting fields, Ms. Ipekçi has held key leadership roles specializing in IT strategy, operational excellence, and business transformation. Ms. Ipekçi joined GBI in 2025 as the Chief IT & Operating Officer and she has been part of the Garanti BBVA Group since 2017. Ms. Ipekçi holds an Industrial Engineering degree from Boğaziçi University and a Master's degree in Industrial Engineering from University of California, Berkeley.



**Dr. Övünç Şişman**  
*Chief Financial Officer*

Dr. Şişman began his career in 1999 and has more than 25 years of experience in banking. He joined GBI in 2003 and before being appointed to GBI's Managing Board in 2015, he was the executive director of Risk Management, Control and Reporting. Dr. Şişman holds a Management Engineering degree from Istanbul Technical University, a Master of Arts degree in Money and Capital Markets and Financial Institutions and a PhD in Economics from Istanbul University.



**Mr. Cem Bahadır Mutlu**  
*Chief Risk Officer*

Mr. Mutlu began his career in 1993. He has held various positions in several Turkish banks and has over 30 years of experience in banking. Mr. Mutlu joined GBI in June 2017 as the executive director of Credits. In January 2018, Mr. Mutlu was appointed as a member of the Managing Board. Since 2000 he has held managerial positions including expatriate assignments. He holds a Bachelor of Arts degree in Economics from Ankara University's Faculty of Political Sciences.

# Senior Management Team

## TRADE & COMMODITY FINANCE

**Mr. Ali Arolat**  
*Executive Director*

## CORPORATE BANKING

**Mr. Osman Barutçu**  
*Executive Director*

## DUSSELDORF BRANCH

**Mr. Nevzat Işık**  
*Executive Director*

## RETAIL BANKING

**Mr. Okan Kupcu**  
*Director*

## TALENT & CULTURE

**Ms. Mijke van Tilburg-van Alfen**  
*Director*

## COMPLIANCE

**Mr. Tahsin Ertan**  
*Chief Compliance Officer*

## INTERNAL AUDIT

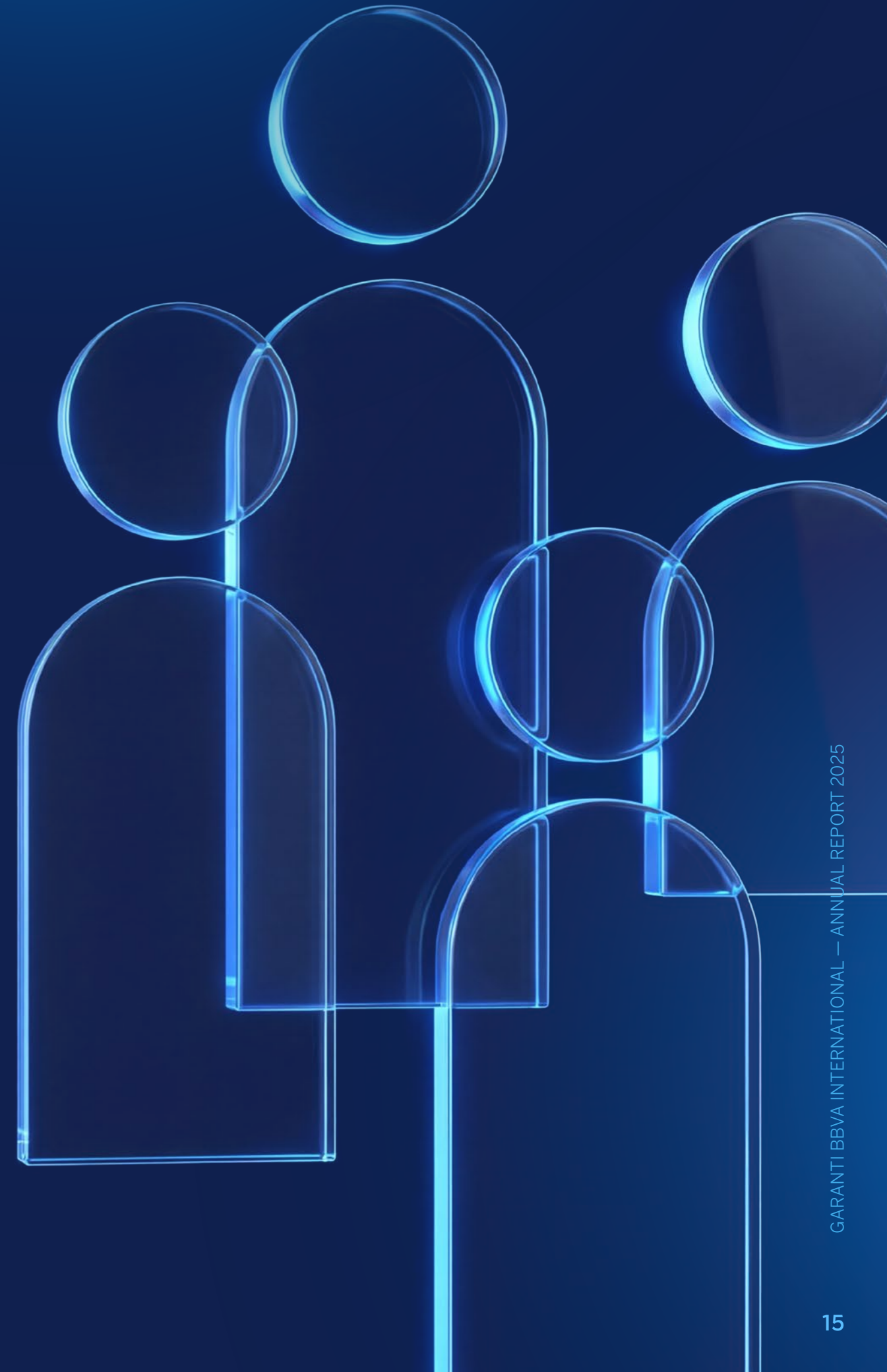
**Mr. Cenk Taşpınar**  
*Chief Audit Executive*

## LEGAL

**Ms. Merve Kocamış**  
*General Legal Counsel*

## ENGINEERING AND DATA

**Mr. Burak Erkek**  
*Executive Director*



# Report of the Managing Board

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GBI continued to **deliver strong financial performance** in 2025

# Economic Developments

Following some major economic shocks in recent years such as the Covid-19 pandemic, Russia-Ukraine war and subsequent increase in global inflation, protectionism and elevated customs tariffs has been at the center of global economic agenda in 2025.

The United States announced major tariff increases for goods early 2025, increasing political tensions and substantially impacting financial markets. Tensions relatively eased following the Geneva Economic and Trade Meeting between the U.S. and China in May, and economic agreements between the U.S. and the United Kingdom, the European Union, Japan and South Korea. Still, trade weighted average customs duties stand at 19 percent as of end of 2025, up from 3 percent a year ago.

Global economic activity has been resilient in 2025, despite heightened protectionism and geopolitical tensions. Front-loaded consumption and investment, as well as swift re-optimization of global supply chains have been the major drivers of this economic resilience. On the other hand, cooling commodity prices (ex-precious metals), more accommodative interest rate environment, expansionist fiscal policies, and AI driven demand contributed to global economic growth.

Looking ahead, driven by high political uncertainty and financial volatility, further increases in protectionist policies and waning support from factors contributing to global economic activity, global GDP growth is expected to slightly decelerate to 3.2 percent in 2025 and to 3.1 percent in 2026.

Global inflation is projected to ease from 4.5 percent in 2025 to 4.1 percent in 2026 as supply chain normalization continues and monetary policy remains mostly restrictive across major economies.

Negative impact of lingering uncertainty regarding trade policies on investment and supply chains, aging population and protectionist immigration policies' impact on labour market supply, macro-financial impacts of a downturn in equity markets in an eventual AI-driven bubble and surging commodity prices on geopolitical tensions or due to climate related reasons are the main downside risks the global economy faces in 2026. These risks require prudential oversight and timely responses from policymakers.

The U.S. economy entered 2025 with strong momentum. Although inflation moderated from its 2024 highs, it remained above the Federal Reserve's target. Aggressive tariff increases have added upward pressure on prices, prompting a cautious and data-driven stance from the Federal Reserve. The latter kept the target range for Federal Funds rate unchanged in the first half of 2025 and gradually lowered it by 0.75 percent to 3.50-3.75 percent range in the second half.

While inventory accumulation, advance orders, and firms adopting a wait-and-see approach initially limited the pass through of tariffs on prices, rising CPI in the third quarter proved the tariff effects were being passed on to consumers. Inflation is projected to average around 3 percent in 2025-2027 period, above the Fed's 2 percent target.

On the demand side, GDP growth has been supported by AI investments, not only through capital accumulation but also via increased household spending due to its wealth effect through rising equity prices. However, the growth on GDP side failed to reflect on the labour market. The U.S. GDP growth is expected to decelerate to 2.0 percent in 2025 and further to 1.9 percent in 2026, from 2.8 percent in 2024.

The Euro Area's recovery from past energy shocks and geopolitical tensions has strengthened resilience despite weak consumption and investment. Inflation stabilized around 2 percent, and unemployment remained at historic lows. Political uncertainty - spanning France, Italy, Spain, and Germany - has not undermined broader economic stability. The U.S. - European Union trade agreement, ceasefire in the Middle East and, robust labour market and private sector balance sheets have been the main reasons behind economic resilience of the Euro area.

The ECB, parallel to the decline in inflation, decreased interest rates by 1 percent in 2025. The Deposit Facility Rate decreased from 3 percent to 2 percent. The ECB has probably come to the end of its easing cycle and interest rates are projected to remain unchanged through 2026.

In 2026, economic activity in the Euro area is expected to benefit from surging real wages supporting household consumption, broad fiscal easing in Germany and, planned increase in defence spending. Downside risks to growth include resurgence of conflicts with Russia impacting on energy prices, political and trade conflict between the U.S. and the European Union and, political and fiscal instabilities in the Union. With defence spending rising through the €150 billion EU SAFE Program and geopolitical risks moderating, growth is expected to reach 1.4 percent in 2025 before easing to 1.1 percent in 2026.

Emerging market flows have been positive but divergent in 2025. Economic outlook has been driven by the countries' positioning in geopolitical risks and trade tensions. Globally cooling inflation and monetary policy easing in major economies however, posed tailwinds to emerging markets economic activity overall. In China, economic environment is characterized by a combination of tariff-induced external pressures and internal structural challenges. While exports initially remained resilient, weakening domestic demand, subdued income growth, and persistent deflationary pressures - alongside a prolonged real estate downturn - pose risks. Consumer inflation remains near zero, and weak investment in the property sector constrains broader economic momentum. Growth is expected to moderate to 5.0 percent in 2025 and 4.5 percent in 2026.



# Financial Analysis

**GBI has demonstrated sustained performance for five consecutive years, delivering yet another record-breaking net income of €119.3 million in 2025, representing a robust 18 percent increase.**

In 2025, GBI delivered another year of solid financial results, reflecting the resilience of its business model and the effectiveness of its strategic priorities. The operating environment was defined by a gradually easing interest rate cycle, persistent competitive pressures, and ongoing geopolitical uncertainty. Despite these challenges, GBI sustained its profitability through proactive balance sheet management, continued focus on business growth, and enhancement of operational efficiency.

Income before tax increased by approximately 20 percent compared with the previous year. Profitability reached a new all-time high, supported by strong revenue generation and disciplined cost management. Bank's strategic focus on product, geographic, and customer diversification continued to show its positive impact, resulting in an enriched revenue base while maintaining cost-income discipline and delivering top-tier performance in 2025.

Overall, 2025 marked another year of strategic execution and sustainable balance sheet development, reinforcing GBI's positioning as a resilient, diversified, and customer-focused financial institution.

GBI continued to advance its strategy focused on customer-centric transactional banking, supported by strengthened digital banking capabilities and actively managed business initiatives. This strategic focus translated into strong balance sheet growth in 2025, driven by both asset expansion and a reinforced funding base.

GBI successfully diversified its funding sources and expanded its balance sheet from €8.2 billion at year-end 2024 to €10.9 billion in 2025. This growth was primarily enabled by a €1,839 million increase in customer deposits, sourced from both retail and non-retail distribution channels, reflecting deeper customer engagement and broadened market reach.

On the asset side, Loans and Advances to Banks increased by €246.6 million, supported by prudent liquidity deployment and increased trade finance business volume. The securities portfolio held at FVOCI and amortised cost reached €1.2 billion,

following targeted purchases aligned with the bank's conservative asset-liability management practices. Meanwhile, Loans and Advances to Customers recorded a significant increase of €2.2 billion, driven by continued demand, disciplined risk-adjusted growth, and the successful mortgage portfolio development in 2025.

GBI managed its asset quality prudently throughout 2025. Stage 3 loans declined further to €17.1 million (2024: €22.5 million), driven by recoveries. The NPL ratio remained low at 0.30 percent (2024: 0.64 percent), underscoring the bank's disciplined credit risk management. As a result, total ECL allowance decreased by €1.7 million, from €23.2 million in 2024 to €22.7 million in 2025, leading to a negative cost of risk of 0.02 percent for the year.

Net Income increased to €119.3 million, representing a 18 percent rise compared to 2024 (€101.1 million). Total Income amounted to €234.2 million, up 17.6 percent from €199.2 million in 2024. This growth was primarily driven by higher Net Interest Income (NII), supported by increased loan and deposit volumes. Despite a declining interest rate environment and associated margin pressure, GBI benefited from an effective asset mix and balance-sheet expansion. The bank's resilient and diversified deposit base helped manage funding costs, mitigating the impact of lower margins. As a result, NII increased by 12.1 percent to €205 million in 2025 (2024: €183 million), despite a decrease in Net Interest Margin (NIM) to 2.21 percent (2024: 2.88 percent).

Net Commission Income also showed strong performance, rising from €13.8 million in 2024 to €19.2 million in 2025, reflecting increased fee and commission income from financial services activities within Trade Finance and Global Markets Sales business lines. Valuation results and Net Trading Income benefited from improved FX results, securities trading, and positive hedge outcomes, increasing to €12.6 million in 2025 (2024: €5.1 million). Other expenses, mainly arising from the contributions to the Deposit Guarantee Scheme (DGS), remained same €3.4 million in 2025 compared to 2024 €3.4 million.

GBI continued investing in its organisational capabilities to support business growth. Total operating expenses increased by 16.4 percent to €67.4 million (2024: €57.8 million). Despite inflationary pressures and ongoing investment in digital capabilities, cost growth remained controlled, enabling the bank to maintain a strong efficiency ratio 28.8 percent with a positive jaws.

Expected loan losses resulted in a positive outcome of €1.3 million in 2025, largely driven by recoveries from loans that had been written off in prior years, which offset the impact of stage 1 ECL allowance increase due to balance sheet expansion. Income tax expense increased to €48.9 million (2024: €39.4 million), resulting in an effective tax rate of 29.1 percent (2024: 28.0 percent). The increase aligns with higher pre-tax profitability and resulted in a slightly higher effective tax rate compared to the previous year.

GBI maintained prudent solvency levels throughout 2025, supported by its sound risk management practices and strong shareholder support. The combination of increased loan volumes and the transition from the Foundation Internal Ratings-Based (F-IRB) approach to the Standardized Approach (SA) for credit risk calculations led to a rise in Risk-Weighted Assets (RWA) from €3.3 billion at year-end 2024 to €5.4 billion in 2025. Despite this increase, the Total Capital Ratio and Core Equity Tier 1 ratio remained robust at 22.09 percent, sustained by a €250 million capital injection from the Group and continued internal capital generation through the inclusion of interim profits in own funds. Total shareholder's equity has reached to €1,230 million in 2025 from €863 million in 2024.

Overall, 2025 marked another year of strategic execution and sustainable balance sheet development, reinforcing **GBI's positioning as a resilient, diversified, and customer-focused financial institution.**

# Business Strategy & Developments

## We provide simple yet customized solutions in a complex regulatory and macroeconomic environment

GBI is a mid-sized European bank, with a branch in Germany. We primarily serve retail, corporate, institutional and high-net-worth clientele. We strive to create an appealing and unique client experience to achieve mutually beneficial relationships and client loyalty.

Our personal approach, reliability, stability and sound balance sheet, provide comfort and value to our stakeholders. We provide simple yet customized solutions in a complex regulatory and macroeconomic environment. Our digital capabilities and aspirations, which are firmly supported by our parent, Garanti BBVA and by our ultimate parent BBVA, aim to enhance the value that we create for our clients and counterparties.

## Business Lines

### RETAIL BANKING

GBI demonstrated resilience and strategic progress in its retail banking activities throughout the year, effectively navigating a dynamic operating environment shaped by evolving customer expectations, regulatory developments, and continued technological transformation. Despite intensified competition and fluctuating market conditions, we delivered strong performance while advancing several foundational initiatives aligned with our long-term retail strategy.

The customer franchise expanded meaningfully, supported by targeted acquisition campaigns and enhanced digital onboarding capabilities. Total deposits collected through our retail banking channels grew by 35 percent, and the customer base increased by 22 percent year-on-year, reaching over 115 thousand, underscoring rising customer trust and the competitiveness of GBI's product suite.

A series of strategic initiatives underpinned this progress. GBI successfully executed multiple digital-transformation programs to elevate customer experience and operational efficiency. The digital onboarding process was redesigned to serve both individual and small-business segments

with a streamlined, customer-friendly journey. Identification, verification, and screening processes were progressively automated through open-banking integrations, reducing onboarding time to under ten minutes. The mid-office platform was replaced by an internally developed application, enhancing processing speed and control, while front-end systems were modernized to deliver a contemporary internet-banking interface. In addition, a dedicated mobile banking application for savings customers was launched, broadening digital engagement channels.

The mortgage strategy was further strengthened through diversification of origination and servicing capabilities. GBI onboarded another strong mortgage partner to accelerate forward-flow origination, and a mortgage portfolio acquisition was completed in line with GBI's long-term ambition to deepen its presence in the housing finance market in the Netherlands. Consequently our mortgage business delivered a significant milestone, reaching €650 million by year-end 2025.

In response to various challenges such as intensifying competition from digital-only providers, interest-rate volatility, and shifting consumer preferences, GBI remains committed to investment in technology, broadening its product offering, and maintaining a radical customer-centric philosophy. These priorities will support continued growth and position GBI to capture emerging opportunities while mitigating structural challenges.

GBI delivered **40 percent year-on-year growth** in trade finance, reaching over **\$ 20 billion** in annual TF transaction volume.

## TRADE & COMMODITY FINANCE

Global merchandise trade grew by approximately 2.4 percent in 2025, according to the WTO, although commodity markets experienced significant volatility driven by geopolitical tensions, shifting supply chains, and changing demand patterns.

Performance varied across sectors: industrial metals such as aluminium and copper rose by 9 percent, while crude oil prices declined by 14 percent due to oversupply. Strong demand pushed up natural gas prices by 23%, and supply disruptions affected cocoa and coffee markets.

Amid these mixed conditions, the Bank strengthened its market position and increased market share. Our digitized product offering—fully aligned with BBVA Group's ESG standards—played a key role in expanding the Trade & Commodity Finance portfolio. The Bank achieved several new records in commodity transactions and delivered 40 percent year-on-year growth in trade finance volumes, reaching over \$ 20 billion in annual TF transaction volume, reflecting our continued commitment to the sector and to supporting our clients' financing needs.



## CORPORATE BANKING

In Corporate Banking, we serve a focused portfolio of international clients across the Netherlands, the European Union, and Türkiye. Our offering includes a comprehensive suite of transactional banking products, working capital loans, trade and term loans, receivable finance, shipping finance, and Islamic finance supported by cash management services, deposits, documentary credits, collections, correspondent banking, and hedging solutions. This integrated approach enables us to provide tailored financial solutions that address clients' cross-border needs and support long-term partnerships.

Our Corporate Banking business recorded strong performance in 2025, with loan demand increasing steadily throughout the year. The loan book grew by 48 percent, driven by client-focused structuring and disciplined execution. Corporate deposits also rose by 20 percent, reflecting the depth of our client relationships and continued confidence in our service model.

Sustainable finance remained central to our franchise strategy. In line with the LMA Green and Sustainability-Linked Loan Principles and the BBVA Group's Sustainable Debt Financing Framework, the Bank expanded its sustainability-aligned portfolio across several themes, including renewable energy, responsible aquaculture, certified sustainable manufacturing, and low-carbon building materials. These transactions contributed to higher eligible deal volume and increased engagement with clients advancing environmental and social objectives.

Cash Management services delivered another year of significant growth, supported by rising corporate deposits, higher transactional flows, and a broader corporate and trade finance client base. Enhanced digital capabilities drove further adoption, with payment volumes increasing and the majority of transactions processed through digital channels.

Customer acquisition reached record levels, while engagement with existing clients strengthened through frequent interaction and hands-on relationship management. Ongoing improvements to our digital platforms—including upgrades to internet banking and new channel-connectivity initiatives—further enhanced operational efficiency and customer experience.

Collaboration within the BBVA Group continued to deepen, particularly around shared initiatives and joint client relationships. These efforts supported improved alignment, stronger client delivery, and growth in cross-sell opportunities. Overall, Corporate Banking remained a key contributor to the Bank's funding base and reinforced its position as a trusted partner for clients' cash management and financing needs.

## FINANCIAL INSTITUTIONS & INVESTOR RELATIONS

GBI has had successful relationships and good cooperation with other reputable global and regional financial institutions since its establishment in 1990.

The Financial Institutions and Investor Relations (FI&IR) department covers GBI's correspondent banking relationships with other financial institutions (FIs) around the globe. It entails cooperation in a broad range of areas and products, including, but not limited to, transactional banking such as documentary credits, collections and cross-border payments, as well as financial markets such as FX and derivatives transactions. In addition, FI&IR is active in distribution of trade-related assets in the secondary markets.

By establishing and maintaining necessary correspondent banking relationships with FIs, and securing crucial credit limits with them, FI&IR also supports our Trade and Commodity Finance, Corporate Banking, ALM and Global Markets teams in terms of their related transactional needs.

In 2025, GBI has further expanded its correspondent network through new ISDA/CSA and GMRA agreements in line with GBI's increasing transaction volume in various markets, providing diversification and ensuring best execution.

FI&IR is also responsible for managing GBI's relations with the credit rating agencies and coordinating the external rating process of the bank.

## GLOBAL MARKETS

GBI Global Markets activity incorporates trading functions related to fixed income, rates and currencies, provides market access and insight to GBI's client-driven businesses, which support corporate and individual investor clientele.

In 2025, our Global Markets team delivered strong performance in a challenging financial landscape. Our expert and talented members eagerly try to evolve the business around client needs and generate innovative ideas & solutions for their changing requirements in response to market dynamics.

We reach sizeable trade & transaction volumes through our broad network of top-tier market counterparties. This ensures fast, accurate and competitive pricings for our customers. Full compliance with regulations and internal procedures is implemented during trade executions and managing risks.

The team is also committed to promote sustainable investing and increase ESG integrated awareness.

## GLOBAL MARKETS SALES

GBI provides high-net-worth individuals and corporate clients with a comprehensive range of sophisticated financial products and strategic investment solutions through its Global Markets Sales (GMS) business line. By combining deep market expertise with a disciplined, long-term approach, we offer services aligned to the evolving needs of our clients.

**GMS offers two core service models:** advisory and execution-only.

Our advisory offering encompasses risk-based portfolio construction, diversified multi-asset investment strategies, and data-driven market insights that support informed and forward-looking decision-making. This approach enables clients to capture short-term market opportunities while maintaining a structured, long-term investment framework.

Our execution-only services ensure direct, efficient access to global financial markets through robust operational capabilities and competitive pricing.

Our strategic objective is to remain the preferred banking partner for our core client segments. We continue to expand our product range, strengthen our advisory capabilities, and maintain strong standards of transparency and regulatory discipline. Through a client-centric service model and rigorous risk management, we aim to deliver sustainable financial outcomes and foster long-term relationships built on trust.

In 2025, GBI broadened its product suite by introducing new investment and market solutions, including Reverse Repos, Forex, CFDs, OTC FX Options, and Carbon EU ETS products. These additions further enhanced our ability to support both individual and corporate clients with tailored and diversified solutions.

Client engagement across digital channels increased significantly during the year. Our iTRADER platform recorded strong year-on-year growth in transaction volumes, supported by clients' growing preference for digital execution and real-time market access. This digital-first model continues to enhance operational efficiency, support responsible risk management, and contribute to a more seamless client experience.

Financial performance also strengthened in 2025. Assets under management (AUM) grew by 47 percent, driven by new client acquisitions and higher engagement from existing clients. Commission generation increased by 22 percent year-on-year, reflecting higher transaction activity, deeper product penetration, and disciplined balance-sheet management. The number of clients increased by 12 percent compared with 2024, underscoring consistent progress in franchise growth and client diversification.

Aligned with the BBVA Group's sustainability agenda, GMS launched the EU ETS Carbon Trading product in 2025 to support corporate clients in managing their exposure within the EU Emissions Trading System. This offering enables companies to meet compliance obligations more efficiently while integrating sustainability considerations into their financial planning.

Looking ahead to 2026, GMS will continue expanding its product capabilities, strengthening digital platforms, and deepening client relationships. Guided by sustainable growth, innovation, and prudent risk management, GBI remains well-positioned to deliver increased value and support the Group's strategic priorities in the years ahead.

## Asset, Liability & Capital Management

GBI focuses on prudent balance sheet management with the aim to sustain adequate risk-adjusted return on capital, a sound funding structure and strong level of solvency and liquidity. Our Asset and Liability Management (ALM) function acts as the central point and applies a funds transfer pricing mechanism, isolating business lines from market risks. These risks are translated into an institutional level to be strategically navigated by the Assets and Liabilities Committee (ALCO). GBI oversees the efficient capital allocation and the management of liquidity, interest rate and exchange rate risks through its Finance function, which analyses and reports on these risks and proposes alternative strategies to ALCO. The Bank follows a prudent strategy in keeping a strong liquidity buffer as well as managing its liquid assets such as placements with ECB and investments in marketable securities of EU based issuers with strong credit quality.

The Bank's overall approach to capital management is intended to maintain sufficient capital to cover the (economic) risks at all levels and to ensure compliance with regulations. GBI's Capital Management strategy is driven by our strategic priorities and risk appetite. Our policy is to retain sufficient financial flexibility to implement GBI's strategy in all market conditions. GBI's Risk Appetite Statement forms the basis of the capital plan. The capital plan sets targets well above the minimum regulatory requirements. The Risk Appetite Statement and targets are developed and communicated to all affiliated businesses. Policies for recovery planning are a natural extension of GBI's Capital Management policies. Within this context, and as a BBVA Group entity, GBI is subject to the Internal Liquidity Adequacy Assessment Process (ILAAP) and Internal Capital Adequacy Assessment Process (ICAAP) as stipulated by the European Central Bank to BBVA Group.

From an ALM perspective, 2025 has been a year of sizeable growth. Total assets grew by 32 percent, customer deposits by over 27 percent and loans to customers by 63 percent. The marked increase in loans is in part due to the surge in mortgage assets, which grew via forward flow originations and through a portfolio purchase transaction in the second half of the year. The growth in balance sheet figures also reflected on profitability and capital generation: yearly Net Interest Income rose by 12 percent despite decreasing interest rates, and Net Income increased by 18 percent on a yearly basis. 2026 comes with new challenges, as the Bank is projected to grow further. Sustaining and further increasing capital generation, optimizing risk adjusted profitability while maintaining risk metrics within the predefined Risk Appetite, and diversification of funding resources to keep strong liquidity buffers will be the main focus points in 2026.

## Risk Management

In our day-to-day business, GBI is exposed to multiple financial risks. These include liquidity and funding risks, interest rate risk, credit risk in our lending and banking transactions and market risk in our trading positions.

Financial risk management at GBI is monitored and governed by an independent Risk Management function. The function primarily serves to correctly identify, measure and propose management actions for risks to the Credit Committee, ALCO, Risk Management Committee and the Supervisory Board in normal and stressed economic conditions and to oversee our business activities to ensure that they are consistent with GBI's risk appetite.

In addition to these financial risks, GBI is subject to non-financial risks in our daily operations. These pertain to IT and cybersecurity, fraud, operational processes, integrity risks, compliance to regulations, laws, as well as the ethical and social norms that generally apply to our people and activities.

Fraud risk is a common risk in the financial sector. GBI has a set of operational controls to mitigate fraud risk, such as four-eye principle, access authentications, authorization checks, segregation of duties and transaction monitoring for lending and payment systems. All these controls are continuously monitored by Risk Control Assurers (first line of defence) and relevant Risk Control Specialists (second line of defence) in accordance with their responsibilities within the Bank's Non-Financial Risk Management model, whereas the Internal Audit Department, as the third line of defence, provide independent assurance over these activities in accordance with their audit planning. Additional measures such as internal training and awareness are in place and GBI has pre- and in-employment procedures resulting in a low-risk culture in relation to internal fraud. The code of conduct is signed by each employee and periodically brought to attention.

The overall amount of risk that GBI is willing to take is established in the Risk Appetite Framework. We monitor a range of risk metrics to ensure our risk profile is in line with our risk appetite. The Risk Appetite Statement, the Principles of Risk Appetite and the Limit Framework, all of which are approved by the Supervisory Board, are designed to withstand market volatility and stress, while meeting strategic goals and regulatory requirements. They combine various financial and non-financial risk disciplines into a single converged approach and provide businesses with a clear and fair view of their risks and the way these risks are managed.

Geopolitical risks remained elevated in 2025, influencing global economic and financial stability. Another major theme was the escalation of trade tensions. Most major central banks initiated gradual rate-cutting cycles. In this shifting environment, GBI has continued to prioritize the management of interest rate risk, the composition of funding from both retail and non-retail deposits and the risk embedded in its lending portfolio.

GBI has further enhanced its practices throughout 2025 in managing the ESG related risks in its day-to-day operations and progressed in line with the ESG roadmap approved by the Supervisory Board. Materiality assessments and stress tests have been performed and included within the ICAAP. Transition and physical risk assessments have been reviewed. Please refer to the Sustainability section of this report for further information on ESG risk practices.

European banking framework has already reached a significant changes in 2024, with the formal adoption of the Banking Package (CRR III and CRD VI), completing the EU's implementation of the final Basel III standards. In 2025, the majority of CRR III provisions became directly applicable, with the most material impact on banks using internal models for capital requirement calculations. 2025 saw other significant developments. European Commission postponed the application of the Fundamental Review of the Trading Book (FRTB) to 2027 to preserve international alignment as other jurisdictions finalize their rules. Several CRD VI provisions will also require transposition into national legislation during 2026. Digital Operational Resilience Act (DORA) became fully enforceable in January 2025, introducing mandatory reporting of major ICT incidents and requiring us as being a financial institution to conduct regular threat led penetration testing. Anti Money Laundering Authority (AMLA) started operations in 2025, centralizing AML/CFT supervision across the EU. AMLA's mandate includes coordinating national supervisors while directly overseeing a selected group of high risk or cross border entities. The EU Instant Payments Regulation (IPR) also moved from a legislative framework to a binding operational requirement in 2025, establishing instant Euro transfers as the new standard for payment execution across the Eurozone. Furthermore, 2025 saw the introduction of several EU level simplification measures aimed at reducing administrative burdens related to ESG and sustainability. These included updates across the ESG "Omnibus" package, ESRS clarifications, EU Taxonomy refinements, and ongoing redesign efforts in SFDR and EUDR implementation.

ECB's Governing Council created a High Level Task Force on Simplification to propose ways to streamline the European regulatory, supervisory, and reporting framework. Task force's recommendations, regarding regulatory requirements, supervisory processes, and reporting obligations, were published in December 2025. GBI will continue to closely monitor the implementation of these proposals throughout 2026.

2025 also represented a significant strategic milestone for GBI in transitioning its methodology for calculating regulatory capital requirements. Following a comprehensive internal review and strategic assessments, including discussions within BBVA Group, GBI has submitted an application to the ECB to transition from the Foundation Internal Ratings-Based (F-IRB) approach to the Standardized Approach (SA) for calculating regulatory capital for credit risk exposures, to be effective from first regulatory reporting date under CRR III. Although the transition to the Standardized Approach resulted in a capital impact, GBI continues to maintain prudent and robust capital levels, while significantly reducing the complexity around the capital calculation processes.

## COMPLIANCE & INTEGRITY

GBI remains firmly committed to fostering a culture of integrity and ensuring rigorous adherence to all applicable laws, regulations, and internal standards. In 2025, the Bank continued to strengthen its compliance framework in response to evolving regulatory expectations, market developments, and strategic growth initiatives. The Compliance function supported business expansion, new product development, and day-to-day operations by providing proactive guidance, conducting rigorous oversight, and enhancing its risk-based controls across the bank.

### Regulatory Developments

In 2025, GBI enhanced its Regulatory Watchtower, the Bank's central mechanism for identifying, assessing, and tracking regulatory developments across its jurisdictions. This improvement has enabled more structured horizon-scanning, clearer impact assessments, and continuous refinement of related internal processes. These efforts ensure that GBI remains fully prepared to meet new regulatory requirements and adjust its compliance posture in a timely and forward-looking manner.

### SIRA

Building on the progress made in previous years, GBI continued to advance its Systematic Integrity Risk Analysis (SIRA). In 2025, efforts focused on further strengthening the assessment methodology and deepening the analysis performed for both Head Office and the Germany Branch. This included the integration of additional risk indicators and a comprehensive review of branch-specific risk profiles. The SIRA remains a cornerstone of GBI's integrity risk assessment framework, enabling the Bank to determine inherent and residual integrity risks, evaluate the effectiveness of mitigating controls, and ensure alignment with the Bank's defined risk appetite. Continuous enhancement of the SIRA supports GBI in managing integrity risks in an informed, consistent, and forward-looking manner.

### AML & Sanctions Compliance

In 2025, GBI continued to reinforce its Anti-Money Laundering (AML) and Sanctions compliance capabilities, responding to regulatory developments and the Bank's growing business activities. A major milestone this year was the successful go-live of Instant Payments alongside the implementation of a new screening tool. This platform enhances real-time detection, improves processing efficiency, and strengthens overall transaction and customer screening

capabilities. All existing payment message types continue to be fully screened using the current tool, and they will be migrated to the new platform in 2026 to ensure full alignment and to benefit from the enhanced functionalities.

GBI also initiated preparations for upcoming AMLD-related requirements, ensuring timely alignment with future EU-wide standards. These collective efforts underscore the Bank's ongoing commitment to maintaining a resilient, scalable, and compliant AML and Sanctions framework.

### Corporate Compliance

Throughout 2025, GBI continued to reinforce its corporate compliance framework by maintaining up-to-date policies and procedures, further aligning with group-level standards, and enhancing internal awareness of expected ethical and conduct behaviours. Ongoing monitoring activities supported a strong culture of integrity, with continued emphasis on accountability, transparency, and responsible decision-making across all business units.

### Customer Compliance

Customer Compliance continues to play a key role in safeguarding customer interests and supporting the Bank's product governance framework. With the introduction of new products and customer-facing initiatives in 2025, the function remained focused on ensuring that offerings are aligned with customer needs, regulatory expectations, and GBI's standards for fairness and transparency. By promoting responsible product design, clear customer communication, and effective oversight mechanisms, GBI reinforces its commitment to delivering positive customer outcomes and maintaining trust across all customer interactions.

### Financial Markets & Sustainability Compliance

In line with GBI's growth and the increasing sophistication of market activities, 2025 saw continued investment in strengthening surveillance and monitoring capabilities. Enhancements were made to support more effective oversight of market conduct and best-execution obligations, while additional developments are underway to further expand these capabilities over time. These efforts contribute to greater efficiency and scalability and ensure that the Bank remains aligned with evolving regulatory and sustainability-related expectations in a dynamic markets environment.

## Privacy

GBI remains committed to safeguarding customer and employee data and ensuring compliance with applicable privacy and data-protection requirements. In 2025, the Bank further reinforced its privacy framework through continued execution of internal controls, training, and oversight measures. Protecting personal data, ensuring responsible data usage, and acting consistently in the best interests of customers remained core principles in the Bank's approach to privacy and information governance.

## ENGINEERING AND DATA (E&D)

In 2025, our Engineering and Data (E&D) organization continued to strengthen GBI's digital foundation and operational resilience. The year was marked by significant achievements in regulatory compliance, customer experience, and technological innovation.

### Our primary focus areas included:

**Increasing Resilience:** We further enhanced our cyber and operational resilience, building on the requirements of the Digital Operational Resilience Act (DORA). Leveraging best-in-class solutions and alignment with our parent bank BBVA, we continue to prepare our environment against evolving cyber threats and business disruptions. To enhance resilience and safeguard Bank's operations, we have also enhanced Business Continuity and Operational Resilience governance structure within the Bank.

**Instant Payments Regulation (IPR):** We successfully completed the implementation of Instant Payments for both incoming and outgoing payments, including Verification of Payee (VoP) and Fraud Monitoring functionalities to improve security and trust in transactions.

**European Accessibility Act Compliance:** Accessibility remains a cornerstone of our digital strategy. In 2025, we improved our digital structure in line with the European Accessibility Act, leading to more inclusive and user-friendly digital channels for all clients.

**Customer Onboarding Improvements:** We continued to enhance our customer onboarding processes by reducing manual interventions and accelerating end-to-end processing, while maintaining full compliance with regulatory requirements. In Retail Banking, we redesigned our existing mobile application and launched a new dedicated app for savings customers, further improving convenience, accessibility, and digital engagement.

### AI-Driven Enhancements:

Looking ahead, we will continue to leverage AI and Generative AI tools to increase efficiency and productivity, supported by our Business Process Engineering (BPE) team, which focuses on process optimization and intelligent automation.

These initiatives contributed to a more scalable and digitalized operating model, reinforcing GBI's ability to integrate with partners and deliver innovative products and services efficiently. Our commitment to digitalization and efficiency is reflected in our strong cost-income ratio and improved client satisfaction scores.

These accomplishments were made possible through the dedication of our colleagues and trusted partners. With a true "One-Team" spirit, we maintained our focus on clients while meeting regulatory and compliance obligations.

### Looking Ahead to 2026, GBI will continue its digital transformation journey with a strong focus on AI-driven innovation and cloud adoption. We aim to:

- Accelerate cloud migration to improve scalability, resilience, and cost efficiency.
- Further automate operational processes through intelligent workflows, reducing manual interventions and improving turnaround times.
- Deliver next-generation digital experiences for retail and corporate clients, ensuring accessibility, personalization, and security remain at the forefront.
- Continue to upgrade our existing platforms, to ensure scalability, security, and readiness for future innovations.
- Strengthen our cyber resilience posture in line with evolving regulatory requirements and emerging threats.

With these initiatives, GBI will continue to build a future-ready technology landscape that supports growth, compliance, and superior client experience.

# Sustainability

## I. Sustainability at GBI

### A. 2025 OVERVIEW: SUSTAINABILITY AND SUSTAINABLE FINANCE

In 2025, sustainability remained a subject of intense debate across Europe and globally. Policymakers faced the challenge of reconciling climate ambition with economic competitiveness, energy security, and social equity. While some sectors pressed for accelerated decarbonization, others raised concerns about regulatory burdens and transition costs. These debates underscored the complexity of embedding sustainability into political and economic agendas.

At the same time, the climate crisis and social inequalities increasingly shaped daily life. Extreme weather events disrupted supply chains, rising energy costs strained households, and vulnerable communities bore disproportionate impacts. These realities reinforced the urgency of sustainable finance as a mechanism to bridge ambition with tangible outcomes.

Within this contested landscape, the COP30 Summit in Brazil delivered a landmark pledge: nations committed to mobilize \$1.3 trillion annually until 2035, including \$120 billion earmarked for climate adaptation. Yet actual flows in 2025 totalled \$1.4 trillion, a 12 percent decline from 2024, highlighting the gap between ambition and delivery. Since 2013, cumulative sustainable finance has reached \$10 trillion, reflecting progress but also volatility in global commitments.<sup>1</sup>

These dynamics underscore the decisive role of private institutions in turning ambition into action. For the BBVA Group, this has never been a new agenda but a long-standing conviction: sustainability is embedded in our DNA and consistently reinforced year after year. In 2025, as the urgency of the climate crisis and the widening impact of social inequalities become more tangible in daily life, this commitment has grown even stronger. Anchored in three strategic pillars, climate action, the preservation of natural capital, and the promotion of inclusive growth, the Group continues to advance its ambitious target of mobilizing €700 billion in sustainable business by 2029.

This vision cascades directly into GBI, where ESG standards are fully integrated across operations. Similar to previous years, but with heightened importance this year, GBI strengthens its role in minimizing environmental impact, fostering social welfare, and upholding ethical governance. In doing so, GBI ensures that our financial activity remains aligned with long-term value creation for society and the planet,

while reinforcing the Group's global commitment to a greener and more inclusive world.

At the same time, regulation itself became a highlight of the sustainability agenda, adding further complexity to the landscape. The February 2025 Omnibus packages introduced significant changes to sustainability reporting and due diligence rules. The Corporate Sustainability Reporting Directive (CSRD) was narrowed in scope, with the European Commission announcing that approximately 80 percent of companies previously expected to report will now be exempt. This reduction was achieved by raising thresholds to companies with more than 1,000 employees and €450 million in net revenue. As a result, GBI is not directly subject to CSRD reporting obligations.

Similarly, the Corporate Sustainability Due Diligence Directive (CSDDD) was streamlined to reduce administrative burdens, narrowing its scope. Within this framework, GBI's clients that remain in scope are required to undertake materiality assessments, environmental due diligence, and value-chain reporting. We will be closely monitoring our stakeholders' readiness, ensuring alignment and reinforcing collaboration as regulatory expectations evolve.

## B. GBI'S SUSTAINABLE FINANCE AMBITION

In 2025, GBI actively contributed to the Group's sustainable finance mobilization target while supporting its clients' sustainability initiatives across key themes, and is looking ahead to further enhance its capabilities.

We recognize that renewable energy remains the most credible pathway for meeting rising global energy demand while protecting natural resources. In this context, GBI acts as a committed financial partner in the green energy transition, supporting projects that accelerate the shift toward a low-carbon economy.

We finance agricultural companies certified by reputable international bodies for managing environmental and social impacts, including the responsible trading of critical agri commodities such as cacao and coffee by ensuring capital flows toward traceable and sustainability-aligned supply chains.

Through Sustainability-Linked Loans, we help incentivize measurable improvements in clients' ESG performance. As a participator in SLL syndications with major international banks around the world, we contribute flexible structures that reward progress and strengthen long-term competitiveness.

We support textile companies that address sector-specific environmental and social challenges by obtaining recognized certifications—such as GRS, OCS, and RCS—across their manufacturing processes.

A significant share of the mortgages we provide is directed toward residential properties with an energy efficiency rating of B or higher. This focus supports investments that reduce household energy consumption and contribute to broader decarbonization efforts.

We finance companies engaged in the responsible trading and processing of scrap metals, helping reduce primary resource extraction and supporting industrial value chains built on material recovery and efficiency.

We support projects that deliver essential services in areas such as education, healthcare, and infrastructure serving disadvantaged groups.

<sup>1</sup> — IIF Sustainable Debt Monitor, Sustainable Debt Monitor: Sustainable Debt Markets in the Crosshairs November 3, 2025

This year, GBI finalized sustainable trade finance criteria aligned with internationally recognized sustainable finance principles. As an important development for the Bank, these standards enable the detection and support of transactions that advance green activities, while ensuring consistency with the BBVA Group's sustainability standards. This step reinforces GBI's role in channelling trade finance toward a greener economy and long-term value creation, and forms a strong foundation for the broader sustainability capabilities the Bank continued to build throughout the year.

In parallel, GBI completed its positioning as a trader in the EU Emission Trading System (ETS) for a selected group of clients. This capability enhances our support for clients managing financial and transition risks, while preparing them for an increasingly carbon-constrained regulatory environment. As mechanisms such as the Carbon Border Adjustment Mechanism (CBAM) continue to expand in scope and impact, GBI's early positioning ensures that stakeholders can leverage carbon markets not only for compliance, but also for future competitiveness.



### Case Study

One of the standout examples of GBI's sustainability driven financing activity in 2025 was a Corporate Banking Department transaction supporting the expansion of an innovative, resource efficient agricultural platform. The deal enabled the integration of advanced sustainability techniques, including geothermal heating, soilless production systems, precision nutrient management, and high efficiency water use, within a modern greenhouse operation located in a climate sensitive region. By backing a model built on certified sustainable practices, renewable energy integration, and climate adaptation technologies, the financing strengthened environmental resilience while promoting inclusive local development. This transaction illustrates how GBI leverages its lending solutions to accelerate the transition toward low carbon, high productivity food systems and reinforces our commitment to delivering progressive sustainable finance solutions.

## C. CONTRIBUTION TO SUSTAINABLE DEVELOPMENT GOALS (SDGS)

With only five years remaining until the 2030 deadline, global progress on the Sustainable Development Goals is significantly off-track. According to recent UN assessments, only 17–18 percent of SDG targets are currently on track, while nearly half show minimal or insufficient progress, and around 18 percent have regressed below 2015 levels. The UN describes the world as receiving a "failing grade," underscoring the urgent need for accelerated action across climate, social, and economic dimensions.

Against this backdrop, GBI views the SDGs not simply as a global framework, but as a practical roadmap for directing capital toward the most pressing systemic challenges. Climate finance, in particular, plays a pivotal role in enabling progress across multiple goals, from decarbonization and resource efficiency to inclusive economic development.

Our activities demonstrate an alignment with several SDGs and their underlying targets. Through targeted financing solutions, sector-specific sustainability criteria, and support for clients navigating the transition, we contribute to tangible progress at both the global and local levels. This approach reflects a commitment to mobilizing capital where it can generate the greatest long-term impact, especially in a decade where the pace of progress must accelerate materially to meet global expectations.

SDG	SDG Target	Description	GBI Action
4 QUALITY EDUCATION	TARGET 4.3	<b>SDG 4.3</b> By 2030, ensure equal access for all women and men to affordable and quality technical, vocational and tertiary education, including university	GBI demonstrates its commitment to the universal right to quality and equitable education by providing financing to educational institutions.
	TARGET 4.7	<b>SDG 4.7</b> By 2030, ensure that all learners acquire the knowledge and skills needed to promote sustainable development, including, among others, through education for sustainable development and sustainable lifestyles, human rights, gender equality, promotion of a culture of peace and non-violence, global citizenship and appreciation of cultural diversity and of culture's contribution to sustainable development	
7 AFFORDABLE AND CLEAN ENERGY	TARGET 7.2	<b>SDG 7.2</b> By 2030, increase substantially the share of renewable energy in the global energy mix	GBI supports the increasing of the world's renewable energy capacity by providing dedicated financing for renewable energy companies and projects.
8 DECENT WORK AND ECONOMIC GROWTH	TARGET 8.7	<b>SDG 8.7</b> Take immediate and effective measures to eradicate forced labor, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labor, including recruitment and use of child soldiers, and by 2025 end child labor in all its forms	By incorporating <b>General Exclusions</b> into its robust <b>Environmental and Social Framework</b> , GBI not only aligns with international standards but also underscores its commitment to ethical practices. Human rights violations and child/forced labor are recognized as essential issues integrated into GBI's financial services availability for potential clients, reflecting GBI's dedication to promoting responsible and sustainable business practices across its credit relationships. This approach not only safeguards the interests of our clients but also contributes to fostering a socially responsible and compliant financial environment.
	TARGET 8.8	<b>SDG 8.8</b> Protect labor rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment	
12 RESPONSIBLE CONSUMPTION AND PRODUCTION	TARGET 12.5	<b>SDG 12.5</b> By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse	We support circular economy practices by financing activities that promote material recovery and reuse, while embedding responsible waste management across our own operations. Through employee-driven Corporate Social Responsibility initiatives, we conduct waste-collection activities, ensuring that collected waste is redirected into useful secondary materials. Single-use plastics have also been fully eliminated across our offices. Our ISO 14001 Environmental Management System certification reinforces this approach, ensuring that waste prevention, reduction, recycling, and reuse remain central to our environmental performance and aligned with SDG 12.5.
	TARGET 12.6	<b>SDG 12.6</b> Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle	
13 CLIMATE ACTION	TARGET 13.3	<b>SDG 13.3</b> Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning	In addition to GBI's internal initiatives aimed at fostering awareness about the climate crisis, including diverse training channels and measurement activities such as <b>transition risk assessments and financed emissions calculations</b> to evaluate the impact of financing, GBI is actively leveraging its financing influence to drive greater awareness. This includes incorporating climate crisis-related prohibited activities into its <b>environmental and social due diligence process</b> when establishing relationships with credit clients, particularly those in hard-to-abate sectors. GBI also actively engages in <b>climate financing activities</b> to support sustainable projects and investments, further enhancing its commitment to addressing climate change.

2 — World Economic Forum, SDG Progress Report, 2025  
 → <https://www.weforum.org/stories/2025/09/sdg-progress-report-2025/>

## D. SUSTAINABILITY GOVERNANCE AT GBI

Over the past two years, we have continued to strengthen the governance foundations that guide our sustainability agenda. Our Sustainability Policy remains supported by a robust structure led by the Supervisory Board and Managing Board, operating within the three-lines-of-defence model. The Sustainability Committee, together with a dedicated Sustainability Unit, continues to oversee ESG integration, credit-process alignment, and the advancement of sustainable finance across the bank.

Our ongoing efforts to embed sustainability across all business units have continued to deepen alignment with group-level objectives, strengthening the integration of sustainability into day-to-day decision-making. Participation in the UN Global Compact Netherlands network also remains an important channel for reinforcing responsible business conduct.

Strengthening our governance model demonstrates a strategic commitment to ESG goals beyond compliance, ensuring sustainability is consistently integrated into GBI's decision-making and risk management.

## E. ESG RISK MANAGEMENT AT GBI

Our approach to climate and environmental risk continues to mature, supported by deeper quantitative analysis and stronger integration into core risk processes. The work initiated last year on physical risk assessment, PACTA-based transition alignment, and PCAF-aligned financed-emissions accounting has advanced and is now more systematically embedded across the lending portfolio.

Our Environmental and Social Framework—fully aligned with the BBVA Group—continues to guide environmental and social stewardship across all lending activities, supported by enhanced due-diligence practices that assess both short-term and long-term sustainability risks. Throughout 2025, we are further strengthening ESG risk management practices to align with forthcoming supervisory expectations, ensuring readiness ahead of the 2026 supervisory cycle.

3 — Carbon credits are purchased for Scope 1 and Scope 3.5, 3.6, 3.7 categories, while I-REC certificates are acquired for Scope 2 emissions of Dusseldorf Office.

## II. Direct Environmental Impact

Over the past two years, we have continued to strengthen the management of our direct environmental impact. Our Environmental Management Policy remains the foundation of this effort, supported by ISO 14001 Environmental Management System certification, which GBI maintained in both 2024 and 2025 with zero findings from independent external audits. This reinforces our commitment to leading by example for our stakeholders, particularly our clients.

GBI is committed to reducing its CO<sub>2</sub> emissions, and for the portion of Scopes 1, 2 and relevant Scope 3 emissions that cannot yet be fully eliminated, we purchase and retire high-quality carbon credits equivalent to our remaining footprint. In 2025, GBI focused on high-integrity carbon projects, including a CAR-certified forest management project in Mexico and continued Climate Action Reserve (CAR) certified restoration work in the Yucatán Peninsula, chosen for their carbon-removal potential, indigenous stewardship, and biodiversity and community benefits.

GBI also advanced its environmental efforts through the energy-efficient renovation of our Amsterdam headquarters, increased employee participation in initiatives like the Clear Rivers Canal Cleanup, support for the Birthday Forest – Trees for Amsterdam project, and the GBI Sustainability Challenge, which engaged staff across four themes to promote practical environmental action and awareness.

## III. Social Responsibility

Social responsibility at our bank is shaped by the culture we build and choices we make each day. We strive to foster an environment that enables continuous growth, encourages awareness and creates meaningful impact within the society in which we operate. Through a people-centred approach, we create an environment that supports individual drive, enables progress, and encourages employees to go further. Employee-focused improvements, professional development and responsible engagement with our stakeholders go hand in hand.

## A. ONE TEAM: GBI EMPLOYEES

Our commitment to supporting employees' ambition and our One Team approach are central to the bank's long-term success. We strive to create an accessible working environment where talent development, wellbeing and long-term engagement are priorities. Our focus is on enabling employees to build sustainable careers, strengthen their skills and contribute meaningfully to the GBI's goals.

The One Team approach guides how we invest in our people and foster lasting engagement. Instead of concentrating solely on roles or functions, we emphasize capability building that enhances both individual contribution and organizational resilience. Learning and development are essential to this effort, providing opportunities for professional growth and knowledge sharing, and encouraging employees to take ownership of their development in line with evolving business needs.

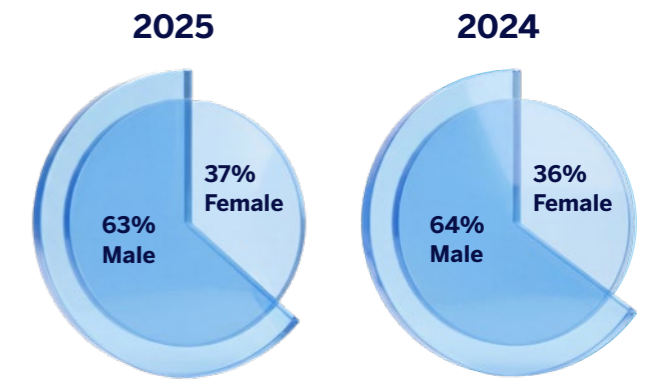
Attracting and retaining talent that shares our values remains a key priority, supported by an employee value proposition rooted in collaboration, trust and shared responsibility, and reinforced by our guiding principle that promotes initiative, accountability and continuous improvement across the organization.

In 2025, our bank continued its positive growth trajectory, with the workforce increasing by 16 percent. This expansion reflects the organization's development and its ability to remain an attractive workplace in a competitive talent market.

Employee retention also showed sustained improvement. After a turnover rate of around 12 percent in 2023, this figure declined to around 8 percent in 2024, before decreasing to 6 percent in 2025. This downward trend highlights the positive impact of our ongoing efforts to support engagement, work-life balance, and long-term development.

### Diversity & Inclusion

Diversity and inclusion remain integral to how our bank builds a strong organization. In 2025, the cultural diversity of our workforce continued to expand, with employees representing 25 nationalities, compared to the previous year. This reflects our ongoing commitment to cultivating an inclusive working environment that embraces different backgrounds perspectives and experiences. Gender representation across the organization remained broadly consistent compared to 2024, with slight increase in female representation, reinforcing our long-term focus on balanced and inclusive participation while ensuring an ongoing environment of inclusivity and equality.



During 2025, our organisation recorded a promotion rate 19 percent reflecting continued investment in internal mobility and career progression. As the workforce continues to grow, these advancements highlight our commitment to recognising performance, capability, and potential across the organisation.

### Employee Engagement

GBI keeps employee centricity at the core of its Talent & Culture approach, focusing on attracting and developing talent aligned with our values and One Team culture. Learning and development remain key, supported by international e-learning platforms, leadership programs, targeted communication trainings, language courses, and DISC sessions.

In 2025, we updated our engagement measurement tools in line with Group strategy, introducing the Internal Reputation and Belongingness Survey and the Employee Experience and Culture Survey. Strong participation and high scores reflected solid alignment with culture and employee expectations.

Our hybrid working model continues to offer flexibility and autonomy. To mark GBI's 35th anniversary, we expanded engagement activities across learning, well-being, sustainability, and company clubs, including new sustainability-focused initiatives and a full-day Core Values event with workshops and open dialogue with the Managing Board. Rotation programs continued to strengthen interdepartmental understanding, while outreach activities with students and young professionals helped build connections with future talent.

## B. STAKEHOLDER ENGAGEMENT

GBI believes that businesses play a crucial role in shaping a better world. Since 2020, as an expression of our gratitude, we have made charitable donations on behalf of our valued customers. A notable example of this is our commitment to contributing to charitable causes for every participation in our customer satisfaction survey. Through our ongoing efforts, we are proudly collaborating with Make-A-Wish Netherlands and Stichting AAP. Make-A-Wish is dedicated to fulfilling the cherished wishes of seriously ill children, while Stichting AAP (Animal Advocacy and Protection) focuses on the well-being of exotic animals subjected to poor conditions, illegal trade, and exploitation. Our consistent support for these impactful organizations reflects GBI's commitment to contributing to the community and fostering positive change.

GBI continues its efforts to contribute to society by exploring new opportunities for impactful partnerships. Our sponsorship with FOAM photography museum to support their educational youth program, has reached more than 20.000 young talent highlighting our commitment to giving back to the society in which we stand and our dedication to supporting programs that inspire creativity and empower future generations.

Additionally, GBI has been one of the proud partners of Erasmus Commodity & Trade Centre (ECTC) since 2024. This sponsorship has further strengthened our commitment to fostering innovation and collaboration in international and academic platforms focused on shaping a sustainable future for commodity trading. As part of this partnership GBI also contributes to ECTC's initiatives by participating in their Advisory Board, supporting the development of forward-looking ideas and impactful solutions for the sector.



## Outlook 2026

Global economic growth is projected to moderate slightly in 2026 as the boost from front-loaded consumption, investment reallocation, and supply-chain re-optimization fades. Following a period marked by elevated tariffs, geopolitical tensions, and political uncertainty, global GDP growth is expected to ease to 3.1 percent, with inflation gradually declining to 4.1 percent as restrictive monetary conditions and supply-chain normalization continue. Downside risks remain prominent, including potential escalation in trade disputes, commodity-price volatility driven by geopolitical or climate factors, and the possibility of financial market corrections linked to an AI-driven asset price surge.

In advanced economies, the United States is expected to grow by 1.9 percent in 2026, as tariff effects and moderating consumption weigh on activity despite ongoing AI-related investment. Inflation is projected to remain above target, prompting a cautious Federal Reserve stance. In the Euro Area, growth is expected to ease to 1.1 percent as the recovery from past shocks stabilizes and the ECB's rate-cut cycle pauses, even as real wage gains, fiscal easing in Germany, and increased defence spending support demand. Risks for the region include renewed geopolitical tensions, energy-price pressures, and political or fiscal instability.

Among emerging markets, performance will remain uneven but supported by lower global inflation and easing financial conditions in major economies. China is expected to grow at 4.5 percent in 2026, facing persistent structural headwinds including weak domestic demand, deflationary pressures, and a prolonged real estate downturn. Overall, while the global outlook for 2026 reflects resilience, it is tempered by significant uncertainties requiring vigilant policy coordination and prudential oversight.

In line with our Group's strategic priorities, GBI will continue placing the radical client perspective at the center of all decisions. In 2026, we will further enhance our value proposition through hyper-personalisation enabled by digitalisation, data and AI. We will strengthen our position in Corporate Banking, Trade & Commodity Finance and Global Markets Sales, while continuing to expand our reach in Retail Banking, including SMEs and the mortgage segment. Sustainability will remain a core pillar, as we advance our ESG-aligned product offering, sustainable trade finance criteria and transition-supporting solutions such as EU ETS carbon trading. Through upgraded digital channels, intuitive onboarding journeys and next-generation mobile capabilities, we aim to deliver seamless, accessible and empathetic client experiences.

Our prudent risk management approach will remain central to sustaining strong solvency, ample liquidity and disciplined growth. In 2026, we will continue optimizing risk-adjusted returns, diversify our funding base, and maintain stable funding through a stronger retail franchise and broader non-retail deposits. With a capital-light mindset, we will prioritize advisory-driven and fee-based growth, expand Global Markets Sales products through digital platforms, continue rotating trade-finance exposures, and grow our mortgage portfolio in a capital-efficient manner. At the same time, we will further strengthen our regulatory and operational readiness, while enhancing cyber resilience, data governance and cloud adoption.

We will continue investing in our people, guided by our emphasis on an emphatic team. Our One Team culture, focus on learning and development, and commitment to diversity, inclusion and engagement will remain key to attracting, developing and retaining talent. We will also maintain our social responsibility agenda and deepen our contribution to society through partnerships and initiatives supporting education, inclusion and environmental stewardship.

GBI's strengths –rooted in prudence, agility, digital innovation and a strong sustainability and people agenda– will allow the bank to continue growing responsibly while creating long-term value for customers, employees, shareholders and society as a whole.

# Corporate Governance

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# Financial Reporting Process

As GBI is a wholly-owned subsidiary of Türkiye Garanti Bankası A.S. (Garanti BBVA), which is in turn a consolidated subsidiary of Banco Bilbao Vizcaya Argentaria S.A. (BBVA), GBI's policies and procedures for establishing and maintaining adequate internal control over financial reporting are broadly in line with those applied by Garanti BBVA, the parent and BBVA, the ultimate parent.

GBI's internal control over financial reporting is a process designed under the supervision of management to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

Our internal control over financial reporting includes policies and procedures that:

- pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of GBI's assets;
- provide reasonable assurance that transactions are recorded as necessary to permit the preparation of financial statements in accordance with generally accepted accounting principles, and that our receipts and expenditures are made only in accordance with the authorizations of our management and directors and;
- provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, and any use or disposition of our assets that could have a material effect on our financial statements.

# Managing Board Composition

GBI aims to have an adequate and balanced composition of its Managing Board. Thereto, annually, the Supervisory Board assesses the composition of the Managing Board. In the context of such assessment, GBI aims to achieve a gender balance in the Managing Board, with the aim that at least 30 percent of the members would be men and at least 30 percent of the members would be women. GBI has improved its gender balance in 2025 with the most recent appointment at the Managing Board to 25 percent. However, since GBI needs to balance several

other relevant selection criteria when composing its Managing Board, the composition of the Managing Board did not align with the gender balance goal in 2025. GBI will continue to strive for an adequate and balanced composition of the Managing Board in future appointments, by considering all relevant selection criteria including but not limited to gender balance, executive experience, experience in corporate governance of large stock-listed companies and experience in the political and social environment.

## INFORMATION ON MEMBERS OF THE MANAGING BOARD

The Managing Board comprises the following members:

Name	Year of Birth	Position	Member since
Mr. S.E. Zeyneloğlu	1967	Chief Executive Officer	2015
Mr. Ö. Şişman	1977	Chief Financial Officer	2015
Ms. Ş. Ipekçi	1965	Chief IT & Operations Officer	2025
Mr. C.B. Mutlu	1968	Chief Risk Officer	2018

In 2025 following changes were made to the composition of the Managing Board:

Mr. M. Witteveen resigned in June 2025 from his role as the Chief Operations Officer. Following this resignation and subsequent to the regulatory approval, Ms. Ş. Ipekçi was appointed as the Chief Operations Officer.

The full profile of the Managing Board can be found in the Charter Governing the Managing Board, which is published on GBI's websites [www.garantibank.eu](http://www.garantibank.eu), [www.garantibank.nl](http://www.garantibank.nl) and [www.garantibank.de](http://www.garantibank.de).

# Supervisory Board Composition

GBI needs to balance several relevant selection criteria when composing the Supervisory Board. We strive for an adequate and balanced composition, by taking into account all relevant selection criteria including, but not limited to; experience in banking, gender balance, executive experience, experience in corporate governance, and experience in the political and social environment.

The Supervisory Board assesses its composition annually (20 percent women as of December 2025). In the context of such assessment, GBI aims to have a gender balance in its Supervisory Board of at least 30 percent men and at least 30 percent women.

## INFORMATION ON MEMBERS OF THE SUPERVISORY BOARD

The Supervisory Board currently consists of five members whose combined experience and technical knowledge are suitable for the international and specialized nature of GBI's businesses from commercial, economic, financial and risk management points of view. The full profile of the Supervisory Board can be found in the Charter Governing the Supervisory Board, which is published on GBI's websites [www.garantibank.eu](http://www.garantibank.eu), [www.garantibank.nl](http://www.garantibank.nl) and [www.garantibank.de](http://www.garantibank.de).

The Supervisory Board comprises the following members:

Name	Year of Birth	Position	Member since	End of Term
Mr. M. Akten	1974	Chair	2024	2028
Mr. A. Düren	1968	Vice Chair	2017	2029
Ms. M. Halverhout	1961	Member	2021	2029
Mr. J.H. Boyles III	1961	Member	2023	2027
Mr. M. Talayhan	1961	Member	2024	2028

In 2025 following changes were made to the composition of the Supervisory Board:

Mr. A. Düren was re-appointed as the Vice Chair of Supervisory Board and member of the Risk, and Audit and Compliance Committees of the Supervisory Board as of 22 September 2025 for another term of four years.

Ms. M. Halverhout was also re-appointed as a member of the Supervisory Board, as well as the Chair of the Audit and Compliance Committee of the Supervisory Board as of 29 July 2025 for another term of four years.

# Future-Oriented Banking

GBI applies the principles of Future-Oriented Banking by embedding the assumptions of the Social Charter, the Dutch Banking Code and the Rules of Conduct associated with the banker's oath in its Code of Conduct and by embedding the principles of the updated Dutch Banking Code in the governance structure.

All employees must comply with the self-regulations that apply within GBI. The Managing Board and Supervisory Board are responsible for ensuring as such with due regard for each other's duties and powers.

Amsterdam, 27 February 2026

During 2025, GBI complied with the principles of the Dutch Banking Code. When applying the principles of the Dutch Banking Code, GBI considered its entire operational environment. GBI complies with all the Banking Code topics (unless otherwise stated): Supervisory Board, Executive Board, Risk Management, Audit and Remuneration Policy.

### The Managing Board

Mr. S.E. Zeyneloğlu, Chief Executive Officer  
Mr. M.Ö. Şişman  
Ms. Ş. Ipekçi  
Mr. C.B. Mutlu

# Report of the Supervisory Board

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# Financial Statements

**The Supervisory Board has voted to adopt the Managing Board's proposal to transfer the net income of 2025, which totals €119.3 million, to the other reserves rather than paying a dividend**

The financial statements were drawn up by the Managing Board and were audited in accordance with Article 27, paragraph 1 of the Articles of Association by EY Accountants B.V. (EY). In compliance with

the provisions of the Articles of Association of GarantiBank International N.V. (GBI, the Bank), the Supervisory Board has reviewed the Annual Report and approved the financial statements of the year 2025. In accordance with Article 29 of the Articles of Association, the Supervisory Board advises and proposes that the shareholder adopts the 2025 financial statements at the next Annual General Meeting of Shareholders to be held in 2026. The Supervisory Board also recommends that the Annual General Meeting of Shareholders discharge the members of the Managing Board and the Supervisory Board from their respective management and supervisory duties related to the financial year of 2025.

## Financial Statements and Proposed Dividend

The Supervisory Board has voted to adopt the Managing Board's proposal to transfer the net income of 2025, which totals €119.3 million, to the other reserves rather than paying a dividend.

## Supervisory Board Meetings

The Supervisory Board met on four occasions during the reporting period, and a quorum of members of the Supervisory Board was present at all meetings. In the meetings, the current business developments and performance of GBI were discussed thoroughly and considerable time was devoted to reviewing the Bank's strategic initiatives, current and future economic challenges, geopolitical risks, compliance with compounded international and national regulations, actions to address the expectations of De Nederlandsche Bank (DNB), correspondence with regulators, including the DNB, the Autoriteit Financiële Markten (AFM) and the European Central Bank (ECB) and Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin). The Supervisory Board continuously focused on a prudent and proactive credit risk management, the Risk Appetite, assessment of Supervisory review and Evaluation Process (SREP) outcomes, the review and approval of various risk policies and the preservation of good relations with our stakeholders.

The 2024 annual figures and all related reports were assessed in the presence of our external auditor during the Supervisory Board meeting held on 13 February 2025. The Supervisory Board has approved EY Accountants B.V.'s external audit plan. Subsequently

the independence of the external auditor has been confirmed for 2025. The Supervisory Board agreed on the renewal of the engagement with Ernst & Young Accountants B.V. as the external auditor for the year 2025, during the meeting held on 13 February 2025. The Managing Board's presentation incorporated the key developments around the implementation of the strategy, key risk and performance indicators, the financial impact of macroeconomic forecasts with regards to the provisions of IFRS 9 and the outcomes of loan portfolio reviews. The CFO and CRO attended all meetings and presented financial and risk management issues. The COO presented the implementation of the IT strategy, and the Supervisory Board discussed the steps required to realize our digital vision and elaborated on the outsourcing initiatives. Compliance-related updates were discussed at all meetings. The Bank's new initiatives to expand its customer base and grow in new markets such as the Dutch residential mortgage market have been discussed, including the acquisition of the mortgage portfolio. The Supervisory Board has closely followed-up the Bank's digitalization process as well as its progress towards alignment with DORA requirements. Appointments and changes within the Managing Board and senior management have been discussed as proposed and advised by the

Nomination and Remuneration Committee. During the year, the chair of the Supervisory Board maintained close contact with the CEO, in addition to attending regular meetings of the Supervisory Board.

One of the most significant developments in 2025 was the capital injection of € 250 million by the sole shareholder. In October 2025, GBI successfully completed a € 250 million increase in its share capital by issuing two 250,000 shares with a nominal value of EUR 1,000.00 each, against payment in full in cash, which increased the Bank's issued and paid-up capital to € 386.836.000 from € 136.836.000. This substantial injection proves the Shareholder's and the Group's confidence in GBI.

### SUPERVISORY BOARD SUBCOMMITTEE MEETINGS

While retaining overall responsibility, the Supervisory Board assigns certain tasks to three permanent committees as listed below and further outlined in the Supervisory Board Charter:

- Audit and Compliance Committee
- Risk Committee
- Nomination and Remuneration Committee.

### AUDIT AND COMPLIANCE COMMITTEE

**MEMBERS:** Ms. M. Halverhout, Chair, and Mr. A. Düren

**In 2025, the Audit and Compliance Committee of the Supervisory Board (ACSB) met five times. The Audit and Compliance Committee assists the Supervisory Board in supervising the activities of the Managing Board with respect to:** (a) the quality and effectiveness of the internal risk management and internal control systems of the Bank, including supervision of compliance with applicable laws and regulations and the operation of the Codes of Conduct, whistleblower regulations, and the corporate governance framework; (b) overseeing the quality and effectiveness of the financial reporting process; (c) submitting proposals regarding the selection, appointment, re-election, and replacement of the external auditor; (d) ensuring that the internal audit and compliance functions can perform their responsibilities independently; (e) internal audit and compliance activities, findings, and reports, acting as the ultimate reporting authority for the internal audit and compliance functions;

(f) ensuring that the recommendations of the internal and external auditors and any deficiencies identified are remedied within the appropriate time frames; and (g) overseeing the independence and remuneration of the external auditor.

Throughout 2025, the Audit and Compliance Committee continued to oversee GBI's business conduct and monitor the effectiveness of the Bank's compliance framework. The Committee maintained a strong focus on ensuring that integrity risks are managed within the Bank's defined risk appetite and that the compliance function remains adequately resourced, independent, and aligned with regulatory expectations. Particular attention was given to developments in sanctions and AML regulations, assessment of Systematic Integrity Risk Analysis (SIRA), the outcomes of supervisory examinations, and the continued reinforcement of a sound compliance culture across the organization. Through regular reporting and dialogue with senior management, the Committee ensured that the Compliance function remained effective, upholding high standards of governance and regulatory adherence, while the Bank continues to grow .

Based on the annual risk assessment, the internal audit plan for 2025 focused on cybersecurity and information security, technology resilience, third-party risk management, AML & TF, credit risk, and governance-related risks. During the year, the Committee discussed the results of internal audit activities addressing these risk areas, with particular attention to the effectiveness of the related governance, control, and risk management frameworks.

The Committee discussed the external audit plan for 2025 and assessed the independence of the external auditor at Group level. The Committee also reviewed the report of the external auditor regarding the audit of the 2024 financial statements, including management letter observations and other reports provided by the external auditor.

## RISK COMMITTEE

**MEMBERS:** Mr. M. Talayhan, Chair, and Mr. A. Düren

The Risk Committee of the Supervisory Board met five times in 2025. The Risk Committee assists the Supervisory Board with its responsibilities related to the supervision of the Managing Board's activities with respect to the review and assessment, as appropriate, of risk management policies, practices and processes through the establishment and maintenance of an effective risk management framework, including the corporate risk policies for each risk type. It also advises the Supervisory Board regarding the adoption of said policies and analyses and assesses the control and management policies of the GBI's different risks and information and internal control systems, including the Risk Appetite Statement, together with other Risk Appetite Framework metrics of GBI, ICAAP and ILAAP. The Committee manages an agenda on all material risk areas requiring Supervisory Board approval concerning proposals and recommendations, as per an initiative led by the Managing Board or the Supervisory Board.

The Risk Committee monitors and periodically assesses the effectiveness of GBI's risk governance. In this capacity, the Risk Committee reviewed the Risk Appetite Statement and various Management Policies, such as the Credit Policies, Market Risk Policy, Liquidity Risk Policies, Interest Rate Risk Policy, Operational Risk Policies, Concentration Policies and Investment Policy, and submitted its recommendations to the Supervisory Board for approval.

The Risk Committee also discusses DNB and ECB correspondences, such as the SREP letter, and ensures that the findings are addressed adequately. It also reviews and approves the Bank's Pillar 3 Disclosures before publication.

GBI's business initiatives and their impact on risk metrics have been assessed in detail and revisions to the management limits have been discussed. Reversion to Standardized Approach from Foundation Internal Rating Based Approach, the composition of GBI's funding both from retail and non-retail depositors, developments on GBI's Dutch mortgage initiative and the interest rate risk hedging process have been specific points of attention throughout the year.

The Committee has received detailed information relating to these developments and provided feedback to the Managing Board regarding, among other issues, credit risk issues and business model.

## NOMINATION AND REMUNERATION COMMITTEE

**MEMBERS:** Mr. J.H. Boyles, Chair, and Mr. A. Düren as the proxy of Mr. Akten

The Nomination and Remuneration Committee of the Supervisory Board convened four times in 2025. Its primary role is to assist the Supervisory Board in overseeing the activities of the Managing Board concerning:

- (a) the development, implementation, and approval of a long-term remuneration policy aligned with the Bank's strategy, risk appetite, objectives, and values, while considering the Bank's long-term interests, the international context, and broader societal expectations;
- (b) the employment terms, conditions, and remuneration of Managing Board members, including oversight of performance targets for individual members and the Board as a whole;
- (c) the design, approval, and evaluation of the remuneration policy for Identified Staff and senior management;
- (d) the appointment, reappointment, and succession planning of the Supervisory Board and Managing Board members, including the assessment of their composition.

During its meetings, the Committee addressed various personnel-related topics, including:

- **Strategic workforce planning** to attract, develop, and retain high-performing talent through leadership and merit, supported by a proactive and personalized employee experience;
- **Diversity and inclusion**, succession planning, strategic priorities, and global mobility;
- **Employee engagement** initiatives, sponsorship programs, learning and development cycles, and sustainability-focused efforts;
- **The hybrid working model** and associated adjustments;
- **Personnel budgeting**, including remuneration packages for Managing Board members, fixed salaries, and variable remuneration for Identified Staff.

Proposals were reviewed and approved including the nomination and appointment of Managing Board and senior management members, remuneration packages comprising fixed and variable components, training budgets, pension plans, and promotions. The Committee also reviewed and updated the Remuneration Policy, presenting proposed revisions to the Supervisory Board.

## GOVERNANCE

Effective corporate governance in accordance with high international standards is fundamental for GBI. The Supervisory Board will ensure responsible, value-driven management and control of GBI through strong corporate governance. This has five key elements:

- Good relations with all stakeholders
- Effective cooperation between the Managing Board and the Supervisory Board
- Sound remuneration policy for all staff
- Transparent reporting system
- Checks and balances
- Sound and ethical operations in accordance with GBI's mission, strategy and objectives.

The Charter Governing the Supervisory Board contains the Supervisory Board Principles of the Dutch Banking Code. The content of this charter is taken from the Articles of Association, Dutch legislation, Capital Requirements Directive and the respective EU directives, EBA guidelines on internal governance and the Dutch Banking Code. The charter concerns the roles and responsibilities of the Supervisory Board, the supervision of the activities of the Managing Board, and the composition and structure of the Supervisory Board. This includes (re)appointment, rotation plans, retirement, meeting schedules, adoption of resolutions, conflicts of interest, and permanent education. The charter describes the different committees of the board, the cooperation with the Managing Board and includes a Supervisory Board profile. Additionally, the individual personal details of each board member are described. GBI meets the requirements that the Supervisory Board is composed in such a way that it can perform its tasks properly, ensuring that the competence, experience and independence requirements of the members are met. The governance of the Supervisory Board complies with the principles of the Dutch Banking Code.

The annual self-evaluation form for the past year has been circulated in line with the requirements prescribed by the Dutch Banking Code and has been discussed accordingly.



# Moral and Ethical Conduct Declaration

The members of the Managing Board have signed the moral and ethical conduct declaration. By this declaration, the members declare to perform their duties as bankers with integrity and care, and that they will prioritize the customers' interests in accordance with the Dutch Banking Code and the principles of Future Oriented Banking. The moral and ethical conduct declaration is published on GBI's website [www.garantibank.eu](http://www.garantibank.eu). Furthermore, as per the rules of conduct established by the NVB, all GBI personnel, the Supervisory Board members and the Managing Board members have taken the Banker's Oath.

## PERMANENT EDUCATION

GBI annually organizes a permanent education program for the members of the Managing Board and the Supervisory Board, as required by the Dutch Banking Code. Each year, a subject is explored in the form of a workshop. GBI has organized online training sessions on relevant topics for Supervisory Board and Managing Board members to support their permanent education program.

## RISK MANAGEMENT

As a financial institution, GBI is exposed to a variety of risks. To ensure measured risk-taking, we have integrated risk management into our daily activities and strategic planning. The Risk Management department assists with the formulation of its risk appetite, risk strategy and policies, and provides an overview, supervision and support function with regards to risk-related issues.

Risk management is addressed in Supervisory Board meetings and in the meetings of the Supervisory Board's Risk Committee. Our risk appetite is discussed yearly and approved by the Supervisory Board. The Supervisory Board supervises the risk policy applied by the Managing Board, and as part of its supervision, discusses the GBI's risk profile and assesses at a strategic level whether the capital allocation and liquidity position of GBI and its operations are in line with our approved risk appetite. In the performance of this supervisory role, the Supervisory Board is advised by its Risk Committee. GBI's Managing Board has also established a Risk Management Committee, which supervises all risk management activities at the Bank. The Committee includes several members of the Managing Board.

The risk management principles of the Dutch Banking Code are met. Our risk policy is characterized by its comprehensive approach. It is transparent and has both a short-term and long-term focus, taking into account reputational and non-financial risks. Detailed disclosures on GBI's risk management practices can be found in the Report on Capital Adequacy and Risk Management, which is published on GBI's website [www.garantibank.eu](http://www.garantibank.eu).

## OPERATIONAL RISK ADMISSION AND PRODUCT GOVERNANCE PROCESS

The governance around the new business, product, service or outsourcing initiative is explained in the Operational Risk Admission and Product Governance (ORA&PG) Policy, which is approved by the Supervisory Board. The ORA&PG Policy covers the entire process, from the initial proposal to the approval of the business or product according to the assessment and approval processes.

New products and services that will go through the ORA&PG shall not be introduced to the market or distributed to various channels without prior careful examination of the risks for GBI and the client, and not without the approval of the ORA&PG Committee. The ORA & PG Committee, which consists of the Managing Board members and related Management Team members, is the ultimate body to approve or reject the introduction of a new product or a service. New business going through the ORA&PG process will be further escalated to the Supervisory Board for final approval.

## INTERNAL AUDIT

GBI assumes all related Dutch and EU regulations including the Dutch Banking Code, the guidelines of the Basel Committee on Banking Supervision and the Institute of Internal Auditors regarding the Internal Audit function, which is formed as an independent, objective assurance and consulting activity designed to add value and improve the operations of the organization. An independent audit function directly reports to the Audit and Compliance Committee of the Supervisory Board. The chief audit executive is always present in meetings held by the Audit and Compliance Committee of the Supervisory Board. Furthermore, the external auditor sometimes takes part in the Audit and Compliance Committee meetings.

## REMUNERATION

GBI has implemented a meticulous, restrained and long-term remuneration policy in line with our strategy and risk appetite. The policy focuses on ensuring sound and effective risk management through:

- a stringent governance structure for setting goals and communicating these goals to the employees;
- including both financial and non-financial goals in performance and result assessments, and;
- making fixed salaries the main remuneration component.

The policy reflects GBI's objectives for good corporate governance and meets the requirements established in DNB's Guidelines on Controlled Remuneration Policy and the Dutch Banking Code, except for one item which has been neutralized by applying the proportionality principle. GBI will not meet the bonus share part of the guidelines as employees of GBI are not rewarded with shares of GBI.

GBI is following the Group policy on Annual Variable Compensation for certain identified staff members. This policy stipulates how the variable remuneration granted under the GBI remuneration policy to those identified staff members should be treated. For 2025, 60 percent of the annual variable compensation, as shares or as cash, will be paid in 2026 and the remaining 40 percent will be deferred over a period of four years, latest payable, if applicable, in 2030. Amounts deferred from the 2025 annual variable remuneration, both in cash and in BBVA shares, will be subject to multi-year performance indicators during the deferral period.

Once a year, the Nomination and Remuneration Committee monitors compliance with the remuneration policy. The Nomination and Remuneration Committee submits any policy adjustments for review to the Supervisory Board and for adoption to the Annual General Meeting of Shareholders. A description of the composition, duties and authority of the Nomination and Remuneration Committee is defined in the remuneration policy and the Charter of the Supervisory Board. In 2025, one of the Managing Board members received an annual remuneration of more than € 1 million. The annual amount of variable remuneration paid out to natural persons amounts to € 2.959 million in 2025, which includes the deferred payments of the previous performance years amounting to € 0.463 million. As of 2025, one GBI employee was identified who met the quantitative criteria of the Group policy on annual variable compensation.

The Supervisory Board would like to thank the members of the Managing Board and all staff for their hard work and appreciate their strong commitment to the Bank in delivering a very strong performance in 2025.

Amsterdam, 27 February 2026

### The Supervisory Board

Mr. M. Akten (Chair)  
Mr. A. Düren (Vice Chair)  
Ms. M. Halverhout  
Mr. J.H. Boyles III  
Mr. M. Talayhan

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The background is a deep, dark blue gradient. It features several glowing, translucent geometric shapes that appear to be made of glass or crystal. On the left, there is a large, curved shape that looks like a quarter of a circle or a sector of a circle, with a bright, glowing edge. Below it, there is a sharp, triangular shape pointing downwards, also with a glowing edge. On the right side, there is a rectangular shape with rounded corners, standing upright, with a glowing edge. The overall effect is futuristic and high-tech.

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**Financial Statements 2025**

**GarantiBank International N.V.**

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## Financial Statements

### Statement of Financial Position

As at 31 December 2025

	Notes	31 December 2025	31 December 2024
<b>Assets</b>			
Cash and balances with central banks	3	3,004,948	3,316,013
Loans and advances to banks	4	907,086	660,483
Financial assets at fair value through profit or loss			
- Trading derivatives	38	294	382
- Non-trading derivatives	38	16,674	26,698
Debt instruments at fair value through other comprehensive income	6	1,162,075	703,412
Loans and advances to customers	5	5,691,551	3,490,869
Debt instruments at amortised cost	6	12,993	-
Property and equipment	7	32,500	30,235
Intangible assets	8	12,107	9,387
Current tax asset	12	4,660	1,853
Deferred tax asset	12	6,589	-
Other assets	9	18,309	4,305
<b>Total Assets</b>		<b>10,869,786</b>	<b>8,243,637</b>
<b>Liabilities</b>			
Deposits from banks	10	805,603	365,517
Deposits from customers	11	8,775,624	6,936,216
Financial liabilities at fair value through profit or loss			
- Trading derivatives	38	236	337
- Non-trading derivatives	38	21,080	34,968
Deferred tax liability	12	-	3,661
Other liabilities	13	36,835	40,019
<b>Total Liabilities</b>		<b>9,639,378</b>	<b>7,380,718</b>
<b>Equity</b>			
Share capital	14	386,836	136,836
Retained earnings	14	830,632	712,556
Other reserves	14	12,940	13,527
<b>Total Equity attributable to owners of the Bank</b>		<b>1,230,408</b>	<b>862,919</b>
<b>Total Liabilities and Equity</b>		<b>10,869,786</b>	<b>8,243,637</b>
<b>Commitments and Contingencies</b>	16	<b>1,377,457</b>	<b>904,192</b>

## Statement of Comprehensive Income

For the Year Ended 31 December 2025

	Notes	2025	2024
<b>Statement of Income:</b>			
Interest income calculated using the effective interest method	17	710,595	450,312
Other interest and similar income	17	28,844	9,439
Interest expense calculated using the effective interest method	17	(526,751)	(272,238)
Other interest and similar expense	17	(7,544)	(4,542)
<b>Net interest income</b>		<b>205,144</b>	<b>182,971</b>
Fee and commission income	18	27,024	21,698
Fee and commission expense	18	(7,830)	(7,908)
<b>Net fee and commission income</b>		<b>19,194</b>	<b>13,790</b>
Valuation results and net trading income	19	12,629	5,113
Investment income / (loss)	20	443	(495)
Net income/(loss) arising from derecognition of financial assets measured at amortised cost	21	-	(1,625)
Other income	22	233	2,864
Other expenses	22	(3,402)	(3,459)
<b>Total income</b>		<b>234,241</b>	<b>199,159</b>
Expected credit losses on financial instruments	29	1,261	(831)
Personnel expenses	24	(43,570)	(38,239)
Depreciation and amortisation	7/8	(3,391)	(2,947)
Other operating expenses	23	(20,376)	(16,658)
<b>Total expenses</b>		<b>(66,076)</b>	<b>(58,675)</b>
<b>Income before tax</b>		<b>168,165</b>	<b>140,484</b>
Income tax expense	12	(48,913)	(39,353)
<b>Net Income</b>		<b>119,252</b>	<b>101,131</b>
<b>Other Comprehensive Income</b>			
<u>Items that will not be reclassified to profit or loss</u>			
<i>Property and equipment</i>			
Revaluation	7	1,148	4,503
Tax effect (deferred)		(296)	(1,162)
<b>Net gain on revaluation of property and equipment</b>		<b>852</b>	<b>3,341</b>
<u>Items that may subsequently be reclassified to profit or loss:</u>			
<i>Cash flow hedges</i>			
Effective portion of changes in fair value	38	(3,443)	(628)
Reclassified to profit or loss	38	(111)	(588)
Tax effect (deferred)		917	315
<b>Net gain on cash flow hedges</b>		<b>(2,637)</b>	<b>(901)</b>

	Note s	<b>2025</b>	<b>2024</b>
<i>Debt instruments at fair value through other comprehensive income</i>			
Valuation results		30	5,619
Tax effect (current)	12	(173)	(980)
Tax effect (deferred)	12	165	(470)
<b>Net gain/ (loss) on debt instruments at fair value through other comprehensive income</b>		<b>22</b>	<b>4,169</b>
<b>Total other comprehensive income for the year, net of tax attributable to the shareholder</b>		<b>(1,763)</b>	<b>6,609</b>
<b>Total comprehensive income for the year, net of tax attributable to the shareholder</b>		<b>117,489</b>	<b>107,740</b>

## Statement of Changes in Equity

	Notes	Share Capital	Fair value reserve	Hedging Reserve	Other legal reserves	Retained Earnings	Total Equity
<b>Balance as at 1 January 2025</b>		<b>136,836</b>	<b>1,042</b>	<b>(240)</b>	<b>12,725</b>	<b>712,556</b>	<b>862,919</b>
Profit for the year						119,252	119,252
<i>Other comprehensive income</i>							
Net unrealised gains/(losses) on fair value assets portfolio			(66)				(66)
Net gains/(losses) on fair value assets and cash flow hedges transferred to profit or loss							-
Foreign currency translation differences on fair value portfolio							-
Net fair value gains/(losses) from cash flow hedges				(2,637)			(2,637)
Net change in expected credit losses on FVOCI instruments			88				88
Revaluation surplus on building					852		852
<b>Total comprehensive income</b>		<b>-</b>	<b>22</b>	<b>(2,637)</b>	<b>852</b>	<b>119,252</b>	<b>117,489</b>
Share capital increase		250,000					<b>250,000</b>
Translation differences							
Other movements					1,176	(1,176)	-
<b>Balances as at 31 December 2025</b>	14	<b>386,836</b>	<b>1,064</b>	<b>(2,877)</b>	<b>14,753</b>	<b>830,632</b>	<b>1,230,408</b>

	<i>Notes</i>	<b>Share Capital</b>	<b>Fair value reserve</b>	<b>Hedging Reserve</b>	<b>Other legal reserves</b>	<b>Retained Earnings</b>	<b>Total Equity</b>
<b>Balance as at 1 January 2024</b>		<u><b>136,836</b></u>	<u><b>(3,127)</b></u>	<u><b>661</b></u>	<u><b>9,252</b></u>	<u><b>611,557</b></u>	<u><b>755,179</b></u>
Profit for the year						101,131	101,131
<i>Other comprehensive income</i>							
Net unrealised gains/(losses) on fair value assets portfolio			4,124				4,124
Net gains/(losses) on fair value assets and cash flow hedges transferred to profit or loss							
Foreign currency translation differences on fair value portfolio							
Net fair value gains/(losses) from cash flow hedges				(901)			(901)
Net change in expected credit losses on FVOCI instruments			45				45
Revaluation surplus on building					3,341		3,341
<b>Total comprehensive income</b>			<b>4,169</b>	<b>(901)</b>	<b>3,341</b>	<b>101,131</b>	<b>107,740</b>
Translation differences							
Other movements					132	(132)	
<b>Balances as at 31 December 2024</b>	<i>14</i>	<u><b>136,836</b></u>	<u><b>1,042</b></u>	<u><b>(240)</b></u>	<u><b>12,725</b></u>	<u><b>712,556</b></u>	<u><b>862,919</b></u>

## Statement of Cash flows

For the year ended 31 December 2025

	Notes	1 January 2025 - 31 December 2025	1 January 2024 - 31 Decemb er 2024
<b>Cash flows from operating activities:</b>			
Profit for the year		119,252	101,131
<i>Adjustments for:</i>			
Depreciation and amortisation	7,8	3,391	2,947
Expected credit losses on financial instruments	29	(1,261)	831
Tax expense	12	48,913	39,353
		<b>170,295</b>	<b>144,262</b>
<i>Changes in:</i>			
Loans and advances to banks	4	(197,998)	(282,788)
Financial assets at fair value through profit or loss	38	6,558	(21,827)
			(840,695)
Loans and advances to customers	5	(2,199,417)	( )
Other assets	9	(14,004)	(1,475)
Deposits from banks	10	456,490	65,051
			2,250,309
Deposits from customers	11	1,839,408	9
Financial liabilities at fair value through profit or loss	38	(13,989)	26,396
Other liabilities, accrued expenses and provisions	13	(3,184)	16,603
		<b>44,159</b>	<b>1,355,836</b>
Income taxes paid	12	(61,357)	(61,481)
<b>Net cash from / (used in) operating activities</b>		<b>(17,198)</b>	<b>1,294,355</b>
<b>Cash flows from investing activities:</b>			
Acquisitions in investment portfolio	6	(874,700)	(557,237)
Proceeds from investment portfolio	6	404,220	289,445
Purchase of tangible and intangible assets	7,8	(7,176)	(5,480)
<b>Net cash from / (used in) investing activities</b>		<b>(477,656)</b>	<b>(273,272)</b>
<b>Cash flows from financing activities:</b>			
Increase in share capital		250,000	-
<b>Net cash from / (used in) financing activities</b>		<b>250,000</b>	<b>-</b>
<b>Effect of exchange rate changes</b>		<b>4,908</b>	<b>(1,588)</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>		<b>(239,946)</b>	<b>1,019,495</b>
Cash and cash equivalents at the beginning of the period	1	3,269,603	2,250,108
<b>Cash and cash equivalents at the end of the period</b>	1	<b>3,029,657</b>	<b>3,269,603</b>
<b>Additional information on operational cash flows from interest</b>			
Interest received		719,120	403,879
Interest paid		540,199	226,905

## Notes to the financial statements

### Notes to the accounting policies

#### Reporting entity

GarantiBank International N.V. (hereafter: 'GBI' or 'the Bank') has its statutory seat in Amsterdam, The Netherlands. Its head office is located at Keizersgracht 569-575, 1017 DR Amsterdam, The Netherlands. Its Chamber of Commerce number is 33225009. The Bank also operates a branch in Germany.

The financial information of GBI is included in the financial statements of its parent Türkiye Garanti Bankasi A.Ş. (Garanti BBVA), incorporated in Türkiye, and in those of the ultimate parent of the group, Banco Bilbao Vizcaya Argentaria S.A. (BBVA), incorporated in Spain. GBI works in close cooperation with its parent, which owns 100% of the shares of GBI, and with the ultimate parent of the group, which owns 85.97% of the shares of Türkiye Garanti Bankasi A.Ş.

GBI is mainly active in international trade finance and corporate lending, as well as in retail banking.

#### Authorisation of the financial statements

On 27 February 2026, the Managing Board prepared the annual accounts of GBI as at and for the year ended 31 December 2025 and the Supervisory Board adopted a resolution, to propose that the Shareholder adopt the 2025 financial statements at the next Annual General Meeting of Shareholders to be held in 2026.

#### Basis of preparation

The GBI financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU) and Part 9 of Book 2 of the Dutch Civil Code.

GBI's annual accounts have been prepared on a going concern basis.

#### Use of estimates and judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Notable areas that involved judgements, estimates and assumptions are:

- Credit risk of financial instruments as disclosed in notes 27 to 32:

Judgement is exercised in determining the extent of the expected credit loss (ECL) for financial assets assessed for impairment both individually and collectively. The ECL for financial assets is based on assumptions about risk of default and expected loss rates. GBI uses judgement in making these assumptions and selecting the inputs to the ECL calculation, based on the historical observations, existing market conditions as well as forward-looking estimates at the end of each reporting period. Changes in such judgements and analyses may lead to changes in the ECL over time.

## Use of estimates and judgements (continued)

The key judgement areas are:

- The criteria for identifying a significant increase in credit risk:

A financial asset moves from Stage 1 to Stage 2 when there is a significant increase in credit risk (SICR) since initial recognition. GBI assesses significant increase in credit risk using qualitative and quantitative assessments.

The qualitative assessments require a considerable level of judgement from the credit officers that perform the assessment as well as from the members of the credit committee that review and approve the assessments.

For the quantitative assessment the Bank compares the probability of default occurring at the reporting date with the probability of default occurring at the initial recognition of the financial asset. Internal credit rating models are used for determining the probability of default (PD) of each financial asset. Judgement is used to determine whether the stage allocation thresholds are suitable for statutory reporting purposes and to assess the need for management overlays, if any such judgements are reviewed and approved by related management committees of the Bank.

The process of comparing a financial asset's PD with the PD banding thresholds determines its ECL stage. Assets in Stage 1 are allocated a 12-month ECL, and those in Stage 2 are allocated a lifetime ECL, and the difference is often significant. As such, the assumptions made in setting PD banding thresholds constitute a key source of estimation uncertainty. Analysis of the sensitivity associated with the assessment of significant increase in credit risk is presented in the Risk Management section of this report.

Assumptions used to measure ECL, including the use of forward-looking and macro-economic information for individual and collective ECL assessment:

Individually assessed loans (Stage 2 and 3): Individual provisions are calculated using the discounted expected future cash flow method. To determine expected future cash flows, three or more scenarios are used. Each scenario is analysed based on the probability of occurrence and includes forward looking information. In determining the scenarios, all relevant factors impacting the future cash flows are taken into account. These include expected developments in credit quality, business and economic forecasts, and estimates about recoveries, including the recoveries from the collaterals (where applicable), taking into account the structure of the financial asset and GBI's restructuring/recovery strategy. The macroeconomic forecast is captured in the estimation, as the expected future macroeconomic situation serves as basis for the cash flows in the scenarios. The management has also chosen to apply haircuts in relation to the valuation of collateral, in order to incorporate any additional uncertainty. For the individual assessment, with granular (company-specific) scenarios, specific factors can have a larger impact on the future cash flows than macroeconomic factors (i.e. for the country as a whole).

Collectively assessed loans (Stages 1 and 2) using ECL models: For the purposes of a collective evaluation of ECL's, financial assets are grouped on the basis of similar credit risk characteristics. Those characteristics are relevant to the estimation of future cash flows for groups of such assets by being indicative of the debtors' ability to pay all amounts due according to the contractual terms of the assets being evaluated. Expected future cash flows in a portfolio of financial assets that are collectively evaluated for ECL's, are estimated on the basis of the contractual cash flows of the assets in the portfolio, GBI's expectations on future economic developments and historical loss experience for assets with credit risk characteristics similar to those in the portfolio. The methodology and assumptions used for estimating future cash flows are reviewed regularly to reduce any differences between loss estimates and actual loss experience.

## Use of estimates and judgements (continued)

Given that modelling assumptions and calculation methodologies that prevail in normal times may prove impaired in the current context of extraordinary uncertainty, management assesses the need for overlays based on expert opinion. The outcome of the models reflects forward looking macro-economic information.

- Assessment of a default: in certain cases, judgement is exercised in GBI's evaluation of whether there is objective evidence of impairment (e.g. in relation to assessing 'financial difficulties' of a borrower).
- Fair value measurement of financial instruments:

Even if quoted market prices and observable inputs are available, when markets are less liquid there may be a range of prices and inputs for the same asset from different sources. Selecting the most appropriate price or input requires judgement and could result in different estimates of fair value. Valuation techniques are subjective in nature and, depending on the liquidity of the market and the extent parameters are unobservable, the valuation uncertainty increases, and hence significant judgement is involved in establishing fair values for certain assets and liabilities. Valuation techniques involve various assumptions regarding pricing factors. The use of different valuation techniques and assumptions could produce significantly different estimates of fair value.

- Deferred tax assets

Deferred tax is recognised for qualifying temporary differences. Temporary differences represent the difference between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates prevailing at the balance sheet date. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will allow the deferred tax asset to be recovered.

## Change in accounting policies

The following standards and amendments became effective in 2025:

- Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability (issued in August 2023)

The change above did not have significant impact on the Bank's financial statements.

## New and revised IFRSs in issue but not yet effective Standards endorsed by the EU

The following published standards and amendments are effective for annual periods beginning on or after 1 January 2026 and have been endorsed by the EU and have not been early adopted by GBI.

- Annual Improvements Volume 11 (issued in July 2024)
- Amendments to IFRS 9 and IFRS 7 - Contracts Referencing Nature-dependent Electricity (issued in December 2024)
- Amendments to IFRS 9 and IFRS 7 - Amendments to the Classification and Measurement of Financial Instruments (the Amendments) (issued in May 2024)
- IFRS 18 Presentation and Disclosure in Financial Statements (issued in April 2024)

Except IFRS 18, the expected impact of above changes on the financial statements is insignificant.

## Standards not yet endorsed by the EU

For the following published standards and amendments that have not been endorsed by the EU yet, GBI is in the process of assessing the detailed impact.

- Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Translation to a Hyperinflationary Presentation Currency (issued on November 2025)

## **New and revised IFRSs in issue but not yet effective (continued) Standards not yet endorsed by the EU (continued)**

For the following published amendments that have not been endorsed by the EU yet, the impact is insignificant.

- IFRS 19 Subsidiaries without Public Accountability: Disclosures (issued in May 2024)
- Amendments to IFRS 19 Subsidiaries without Public Accountability: Disclosures (issued in August 2025)

### **IFRS 18 Presentation and Disclosure in Financial Statements**

In April 2024, the IASB issued IFRS 18 Presentation and Disclosure in Financial Statements, which replaces IAS 1 Presentation of Financial Statements. IFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new. There are specific presentation requirements and options for entities, that have specified main business activities (either providing finance to customers or investing in specific type of assets, or both). The standard requires disclosure of newly defined management-defined performance measures, subtotals of income and expenses, and it also includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements and the notes. In addition, narrow-scope amendments have been made to IAS 7 Statement of Cash Flows, which include changing the starting point for determining cash flows from operations under the indirect method, from 'profit or loss' to 'operating profit or loss' and removing the optionality around classification of cash flows from dividends and interest. In addition, there are consequential amendments to several other standards.

The Bank is currently working to identify the impacts the standard will have on the primary financial statements and notes to the financial statements. The Bank considers its main business activities to include the provision of financing to customers and investing in financial assets. In accordance with IFRS 18, some of the income and expenses related to those activities are classified in the operating category, as an exception to the general requirements that would otherwise have resulted in their classification in the investing or financing categories.

The initial expected material impacts of IFRS 18 on the Bank's financial statements are, as follows:

- Income and expenses from the following will be classified in the operating category within the statement of profit or loss: (a) cash and cash equivalents; (b) liabilities from transactions that involve only the raising of finance; (c) generally, assets invested in as part of the Bank's main business activity of investing in financial assets that generate a return individually and largely independently of the Bank's other resources
- Foreign exchange differences will be classified in the same category as the related income and expense giving rising to the foreign exchange difference, with some exceptions.
- Gains and losses on hedging instruments, including those not designated as such, but used to manage exposure to identified risks, will be classified in the same category as the income and expenses relating to the risk being covered, with some exceptions.
- For the statement of cash flows, the 'operating profit' subtotal will be used as the starting point for determining cash flows from operating activities. Furthermore, the classification of the total cash flows from all dividends received, all interest paid and all interest received will each, respectively, be classified in a single category in the statement of cash flows following the classification of the related income and expenses in the statement of profit or loss.
- New disclosures will be added for: (a) management-defined performance measures; (b) specified expenses by nature if expenses are presented by function in the operating category of the statement of profit or loss;
- A reconciliation for each line item in the statement of profit or loss between the restated amounts presented applying IFRS 18, and the amounts previously presented applying IAS 1.

## Material accounting policies

### Foreign currency

Transactions in the financial statements of the Bank are recorded in EUR, which is the Bank's functional currency and the presentation currency for the accompanying financial statements. Transactions in foreign currencies are translated into the functional currency of the Bank at exchange rates applicable at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into EUR at the exchange rates applicable at date of the statement of financial position with the resulting exchange differences recognized in statement of profit or loss as foreign exchange gain or loss. Gains and losses arising from foreign currency transactions are reflected in the statement of profit or loss as realized during the period.

### Property and equipment and related depreciation and amortisation

At initial recognition, property and equipment (PPE assets) are measured at cost. After initial recognition, the Bank applies the revaluation model for properties and the cost model for all other PPE assets. Accordingly, properties are carried at a revalued amount, being their fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. For all significant properties, a valuation study is performed by independent expertise firms in accordance with the Royal Institution of Chartered Surveyors (RICS) on an annual basis as part of the year-end closing routine to assess the fair value, which is defined as the price received to sell an asset in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions.

#### *Subsequent expenditure*

Other subsequent expenditures are capitalized only when it increases the future economic benefits embodied in the item of such assets. All other expenditures are reflected as expense in the statement of income as incurred.

Expenditures for major renewals and improvement of PPE assets are capitalized and depreciated over the remaining useful lives of the related assets.

## Material accounting policies (continued)

### Property and equipment and related depreciation and amortisation (continued)

#### *Depreciation*

The estimated useful lives and depreciation rates of PPE assets are as follows. Depreciation and amortisation method in use is the straight-line method and was not changed in the current period.

<b>PPE Assets</b>	<b>Estimated useful lives (years)</b>	<b>Depreciation Rates (%)</b>
Properties	50	2
Improvement of properties	50	2
Furniture and equipment	5-10	10-20

The estimated useful lives, residual values and depreciation methods are reviewed at least once a year, with the effect of any changes in estimate accounted for on a prospective basis.

#### **Intangible assets**

As per IAS 38, internally generated software should be recognised as intangible assets, if they meet all the below listed criteria:

- The technical feasibility of completing the asset so that it will be available for use,
- Availability of the intention to complete and use the asset,
- The ability to use the asset,
- Clarity in probable future economic benefits to be generated from the asset,
- The availability of adequate technical, financial and other resources to complete the development phase and to start using the asset, and
- The availability to measure reliably the expenditure attributable to the asset during the development phase.

The directly attributable development costs of intangible assets are included in the cost of such assets; however, the research costs are recognised as expense as incurred.

#### *Subsequent expenditure*

Other subsequent expenditures are capitalized only when it increases the future economic benefits embodied in the item of such assets. All other expenditures are reflected as expense in the statement of income as incurred.

Expenditures for improvements of intangible assets are capitalized and depreciated over the remaining useful lives of the related assets.

#### *Amortisation*

The estimated useful lives are between 2 and 10 years and the depreciation rates are between 10% and 50% for intangible assets. Amortisation method in use is the straight-line method and was not changed in the current period.

The estimated useful lives, residual values and amortisation methods are reviewed at least once a year, with the effect of any changes in estimate accounted for on a prospective basis.

## Material accounting policies (continued)

### Leases

At inception of a contract, the Bank (as lessee) assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Bank uses the definition of a lease in IFRS 16.

For all leases not being a car lease, the Bank has elected not to separate non-lease components and account for the lease and associated non-lease components as a single lease component. The Bank recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Bank by the end of the lease term or the cost of the right-of-use asset reflects that the Bank will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairments, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Bank's incremental borrowing rate. Generally, the Bank uses its incremental borrowing rate as the discount rate.

The Bank determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Bank is reasonably certain to exercise, lease payments in an optional renewal period if the Bank is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Bank is reasonably certain not to terminate early.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate can not be readily determined, the Bank's incremental borrowing rate.

When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or reduction is recorded in statement of profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Bank presents right-of-use assets in 'tangible and intangible assets' and lease liability in 'other liabilities' in the statement of financial position.

## Material accounting policies (continued)

### Leases (continued)

#### *Short-term leases and leases of low-value assets*

The Bank has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets including IT equipment. The Bank recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

### Financial instruments

#### *Recognition and derecognition of financial instruments*

##### Recognition of financial assets

Financial assets are initially recognised in the balance sheet at fair value plus, for an item not measured at fair value through profit or loss, transaction costs that are directly attributable to its acquisition when the Bank becomes a party to the contractual provisions of the instruments. Debt securities and derivatives are recognised using trade date accounting. Trade date is the date on which the Bank commits to purchase or sell the asset. Loans and advances and repurchase agreements are recognised using settlement date accounting.

##### Derecognition of financial assets

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or where the Bank has transferred substantially all risks and rewards of ownership. If the Bank neither transfers nor retains substantially all the risks and rewards of ownership of a financial asset, it derecognises the financial asset if it no longer has control over the asset. The difference between the carrying amount of a financial asset that has been extinguished and the consideration received is recognised in the statement of profit or loss.

##### Recognition of financial liabilities

Financial liabilities are initially recognised in the balance sheet at fair value minus transaction costs for an item not measured at fair value through profit or loss when the Bank becomes a party to the contractual provisions of the instrument.

##### Derecognition of financial liabilities

Financial liabilities are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished and the consideration paid is recognised in the statement of profit or loss.

##### Modifications

If the terms of a financial asset are renegotiated or otherwise modified (for example in forbearance measures), the Bank evaluates whether the cash flows of the modified asset are substantially different (in both qualitative and quantitative terms).

If the cash flows are substantially different, then the contractual rights to cash flows from the original financial asset are deemed to have expired. In this case, the original financial asset is derecognised, and a new financial asset is recognised at fair value plus any eligible transaction costs.

Any fees received as part of the modification are accounted for as follows:

- fees that are considered in determining the fair value of the new asset and fees that represent reimbursement of eligible transaction costs are included in the initial measurement of the asset; and
- other fees are included in the statement of profit or loss as part of the gain or loss on derecognition.

## Material accounting policies (continued)

### Financial instruments (continued)

#### *Recognition and derecognition of financial instruments (continued)*

##### Modifications (continued)

If cash flows are modified when the borrower is in financial difficulties, then the objective of the modification is usually to maximise recovery of the original contractual terms rather than to originate a new asset with substantially different terms. If the Bank plans to modify a financial asset in a way that would result in forgiveness of cash flows, then it first considers whether a portion of the asset should be written off before the modification takes place (see write-off policy). This approach impacts the result of the quantitative evaluation and means that the derecognition criteria are not usually met in such cases.

If the modification of a financial asset measured at amortised cost or FVOCI does not result in derecognition of the financial asset, then the Bank first recalculates the gross carrying amount of the financial asset using the original effective interest rate of the asset and recognises the resulting adjustment as a modification gain or loss in the statement of profit or loss. Any costs or fees incurred and fees received as part of the modification adjust the gross carrying amount of the modified financial asset and are amortised over the remaining term of the modified financial asset.

Financial liabilities are derecognised when the liability has been settled, has expired or has been extinguished. An exchange of an existing financial liability for a new liability with the same lender on substantially different terms, qualitatively and quantitatively (a 10% difference in the present value of the cash flows) is accounted for as a derecognition of the original financial liability and recognition of a new financial liability. The difference between the former amortised cost and the consideration paid is recognised in the statement of profit or loss. Any subsequent resale is treated as a new issuance.

##### *Classification and measurement*

The Bank classifies its financial assets in the following measurement categories:

- fair value (either through other comprehensive income, or through profit or loss), and
- amortised cost.

##### Debt instruments

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows at initial recognition.

###### a) Business models

Business models are classified as either Hold to Collect (HtC), Hold to Collect and Sell (HtC&S) or Other depending on how a portfolio of financial instruments as a whole is managed. GBI's business models are based on the existing management structure of the Bank, and refined based on an analysis of how businesses are evaluated and reported, how their specific business risks are managed and on historic and expected future sales.

Sales are permissible in a HtC business model when these are due to an increase in credit risk, take place close to the maturity date, are insignificant in value (both individually and in aggregate) or are infrequent.

The Bank reclassifies debt investments when and only when its business model for managing those assets changes.

## Material accounting policies (continued)

### Financial instruments (continued)

#### *Classification and measurement (continued)*

- b) Assessing whether contractual cash flows are solely payments of principal and interest (SPPI test)

The contractual cash flows of a financial asset are assessed to determine whether they represent SPPI. Interest includes consideration for the time value of money, credit risk and also consideration for liquidity risk and costs associated with holding the financial asset for a particular period of time. In addition, interest can include a profit margin that is consistent with a basic lending arrangement.

In assessing whether the contractual cash flows are SPPI, GBI considers all contractual terms of the instrument.

Depending on the Bank's business model for managing the asset and the cash flow characteristics of the asset (SPPI test), there are three measurement categories into which the Bank classifies its debt instruments:

- *Amortised Cost*: Debt instruments that are held for collection of contractual cash flows under a HtC business model where those cash flows represent SPPI are measured at amortised cost. Any gain or loss arising on derecognition is recognised directly in the statement of profit or loss. Interest income from these financial assets is included in interest income using the effective interest rate method to the gross carrying amount of a financial asset (before any ECL allowance) except for credit impaired debt instruments, in which case the effective interest rate method is applied to the amortised cost. Expected credit losses are presented as a separate line item in the statement of profit or loss.
- *Fair value through other comprehensive income (FVOCI)*: Debt instruments that are held for collection of contractual cash flows and for selling the financial assets under a HtC&S business model, where the assets' cash flows represent SPPI, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of expected credit losses, interest revenue and foreign exchange gains and losses which are recognised in statement of profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to the statement of profit or loss and recognised in other operating income. Interest income from these financial assets is included in interest income using the effective interest rate method to the gross carrying amount of a financial asset (before any ECL allowance) except for credit impaired debt instruments, in which case the amortised cost.
- *Fair value through profit or loss (FVTPL)*: Debt instruments that do not meet the criteria for amortised cost or FVOCI are measured at FVTPL. A gain or loss on a debt instrument is recognised in the statement of profit or loss and presented on a net basis within investment income in the period in which it arises. Interest income from these financial assets is included in interest income using the effective interest rate method.

#### Derivatives

Derivative contracts are measured at fair value through profit or loss, except for derivatives that are designated in a cash flow hedge. For those, the effective portion of changes in the fair value is recognized in equity. All trading derivatives in a net receivable position (positive fair value) are reported as trading assets. All trading derivatives in a net payable position (negative fair value) are reported as trading liabilities.

#### Financial liabilities

Financial liabilities, not being derivatives, are classified and subsequently measured at amortised cost.

## Material accounting policies (continued)

### Financial instruments (continued)

#### *Classification and measurement (continued)*

#### *Expected credit losses of financial assets*

ECL models are applied to on-balance sheet financial assets accounted for at amortised cost and FVOCI such as loans and debt securities as well as off balance instruments including financial guarantees and loan commitments. Under the ECL model GBI calculates the ECL allowance, by considering the cash shortfalls it would incur in various default scenarios for prescribed future periods and multiplying the shortfalls by the probability of each scenario occurring. The ECL is the sum of these probability-weighted outcomes and the ECL estimates are unbiased and include supportable information about past events, current conditions, and forecasts of future economic conditions. GBI's approach leverages on the existing credit risk models that are used within the scope of Foundation Internal Ratings Based (F-IRB) models used for the calculation of the economic capital requirement. Those credit rating models have been modified to meet the requirements of IFRS 9.

#### Three stage approach

Financial assets are classified in any of the below 3 Stages at each reporting date. A financial asset can move between stages during its lifetime. The stages are based on changes in credit quality since initial recognition and defined as follows:

- Stage 1: 12-month ECL: Financial assets that have not had a significant increase in credit risk since initial recognition (i.e. no stage 2 or 3 triggers apply). Assets are classified as stage 1 upon initial recognition (with the exception of purchased or originated credit impaired (POCI) assets) and a provision for ECL is made associated with the probability of default (PD) events occurring during the next 12 months (12 months ECL);
- Stage 2: Lifetime ECL not credit impaired: Financial assets showing a significant increase in credit risk since initial recognition. A provision is made for the lifetime ECL representing losses over the life of the financial instrument (lifetime ECL) associated with the probability of default (PD) events occurring during the lifetime; or
- Stage 3: Loans considered as credit impaired, require a provision that is based on lifetime ECL's.

#### Significant increase in credit risk

A financial asset moves from stage 1 to stage 2 when there is a significant increase in credit risk (SICR) since initial recognition. GBI established a framework which incorporates quantitative and qualitative information to identify this on an asset level applying a relative assessment. Each financial asset is assessed at the reporting date on the triggers for significant deterioration. GBI assesses significant increase in credit risk using:

- Quantitative indicators: change in the lifetime probability of default (both absolute and relative);
- (Re)payment performance: loans with more than 30 days past due at the reporting date
- Forbearance measures taken and the status thereof;
- Qualitative assessment of the performance of the obligor.

The change in lifetime probability of default is one of triggers for movement between stage 1 and stage 2. For exposures originated after 1 January 2018, the trigger compares lifetime probability of default at origination versus lifetime point in time probability of default at reporting date, considering the remaining maturity. For exposures originated before 2018 a comparison is made based on the 'Through the Cycle' PD's (both current and origination) used for regulatory purposes.

Assets can also return to stage 1 if there is sufficient evidence that there has been a significant reduction in credit risk.

## Material accounting policies (continued)

### Financial instruments (continued)

#### *Classification and measurement (continued)*

##### Significant increase in credit risk (continued)

Exposures with forbearance measures can be either performing (stage 2) or non-performing (stage 3). The Bank uses specific criteria to move forbore exposures from non-performing to performing and to remove the forbearance statuses that are consistent with the corresponding EBA Guidelines on the management of non-performing and forbore exposures. An exposure is reported as forbore for a minimum of two years. An additional one-year probation period is observed for forbore exposures that move from non-performing back to performing.

##### Credit impaired financial assets (Stage 3)

Financial assets are assessed for credit-impairment at each reporting date and more frequently when circumstances warrant further assessment. Evidence of credit-impairment includes arrears of over 90 days on any material credit obligation, indications that the borrower is experiencing significant financial difficulty, a breach of contract, bankruptcy or distressed restructuring.

An asset that is in stage 3 will move back to stage 2 when, as at the reporting date, it is no longer considered to be credit-impaired. The asset will migrate back to stage 1 when its credit risk at the reporting date is no longer considered to have increased significantly since initial recognition.

##### Definition of default

GBI has aligned the definition of credit impaired under IFRS 9 (stage 3) with the definition of default for prudential purposes that stems from CRR article 178 on default of an obligor and the related EBA Guidelines thereon (Regulation (EU) No 575/2013). This is also the definition used for internal risk management purposes.

##### Macroeconomic scenarios

GBI has established a quarterly process whereby forward-looking macroeconomics scenarios and probability weightings are developed for ECL calculation purposes. GBI applies data from its parent company enriched with the internal views. A baseline, up-scenario and a down-scenario are determined to reflect an unbiased and probability-weighted ECL amount. As a baseline scenario, GBI applies the market-neutral view combining consensus forecasts for economic variables (e.g. GDP growth). Applying market consensus in the baseline scenario ensures unbiased estimates of the ECL's.

The alternative scenarios are based on observed events in the past. The probabilities assigned are based on the likelihoods of observing the three scenarios and are derived from confidence intervals on a probability distribution. The scenarios are reviewed on a quarterly basis.

##### Measurement of ECL

The Bank applies a collective assessment method to measure ECL for performing (stage 1) and under-performing (stage 2) assets, except for assets that are in stage 2 due to qualitative factors. For those assets and all assets in stage 3 an individual assessment method to calculate the ECL.

###### a) Collectively assessed assets (Stage 1 and 2)

For financial assets that are collectively assessed, GBI applies a model-based approach that calculates ECL in a formula that is expressed simplistically as  $PD \times EAD \times LGD$ , adjusted for the time value of money. Probability of Default (PD): PDs are assessed on the borrower level and refer to the likelihood that a borrower will default.

## Material accounting policies (continued)

### Financial instruments (continued)

#### *Classification and measurement (continued)*

#### Measurement of ECL (continued)

The internal credit risk rating methodology is the basis on which the PD is calculated. The underlying internal rating models used for the corporate portfolio consider, amongst others, customer financial information and qualitative survey factors. For the mortgage portfolio, the Bank opted to use LGD and PD models developed through a benchmark-based approach rather than a statistical model, due to limitations in the available internal dataset. These models combine external data sources with the internal data of GBI's retail mortgage portfolio to ensure appropriate risk differentiation.

Loss Given Default (LGD): If a loan default occurs, it represents the expected economic loss on the loan. It is expressed as a percentage. LGD calculations are performed using professional judgement, regulatory benchmarks used in capital requirement calculations and other external benchmarks for collateralized exposures due to the low number of internal historical observations.

Exposure at Default (EAD): For cash loans, the expected outstanding balance at default corresponds to the amount of loan granted as of the reporting date plus expectations about future drawdowns. For commitments and contingencies, it is the value calculated through using credit conversion factors. Credit conversion factor corresponds to the factor, which adjusts the potential increase of the exposure between the current date and the default date.

With the exception of revolving facilities, the maximum period for which the credit losses are determined is the contractual life of a financial instrument unless there is the legal right to call it earlier.

The ECL's are discounted using:

- the original effective interest rate for cash loans,
- a discount rate that reflects the current market assessment of the time value of money and the risks that are specific to financial guarantee contracts or on loan commitments.

#### b) Individually assessed assets (stage 2)

For individually significant financial assets that are in stage 2 based on qualitative criteria, GBI estimates the ECL on an individual level at each reporting date and more frequently when circumstances warrant further assessment. Individual provisions are calculated using the discounted expected future cash flow method. To determine expected future cash flows, three or more scenarios are used. Each scenario is analysed based on the probability of occurrence and including forward looking information.

The ECL is calculated as the probability weighted average of the shortfall (gross carrying amount minus discounted expected future cash flow using the original effective interest rate) per scenario. The scenarios are based on the Bank's judgement regarding the magnitude and timing of recoveries. Recoveries can be from different sources including repayment of the loan, additional drawing, collateral recovery, asset sale etc. Cash flows from collateral and other credit enhancements are included in the measurement of the ECL's of the related financial asset when it is part of or integral to the contractual terms of the financial asset and the credit enhancement is not recognised separately. The estimation of future cash flows is subject to significant estimation uncertainty and assumptions.

#### c) Credit impaired financial assets (stage 3)

GBI estimates individual ECL allowance for credit impaired financial assets within stage 3. Financial assets are assessed for credit-impairment at each reporting date and more frequently when circumstances require further assessment. Evidence of credit-impairment may include indications that the borrower is experiencing significant financial difficulty, a breach of contract, probability of bankruptcy or other financial reorganization, as well as a measurable decrease in the estimated future cash flows evidenced by the adverse changes in the payment status of the borrower or economic conditions that correlate with defaults.

## Material accounting policies (continued)

### Financial instruments (continued)

#### *Classification and measurement (continued)*

##### Measurement of ECL (continued)

For Financial assets that are credit-impaired, the ECL calculation method is identical to the approach for individually assessed assets in stage 2.

When a financial asset is credit-impaired, interest ceases to be recognised on the regular accrual basis, which accrues income based on the gross carrying amount of the asset. Rather, interest income is calculated by applying the original effective interest rate to the amortised cost of the asset, which is the gross carrying amount less the related ECL allowance.

#### d) Non-integral financial guarantee contracts

The Bank assesses whether a financial guarantee contract held is an integral element of a financial asset that is accounted for as a component of that instrument or is a contract that is accounted for separately. The factors that the Bank considers when making this assessment include whether:

- the guarantee is implicitly part of the contractual terms of the debt instrument;
- the guarantee is required by laws and regulations that govern the contract of the debt instrument;
- the guarantee is entered into at the same time as and in contemplation of the debt instrument; and
- the guarantee is given by the parent of the borrower or another company within the borrower's group.

If the Bank determines that the guarantee is not an integral element of the debt instrument, then it recognises an asset representing any prepayment of guarantee premium and a right to compensation for credit losses. A prepaid premium asset is recognised only if the guaranteed exposure neither is credit-impaired nor has undergone a significant increase in credit risk when the guarantee is acquired.

These assets are recognised in 'other assets'. The Bank presents a gains or losses on a compensation right in the statement of profit or loss in the line item 'expected credit losses on financial instruments'.

##### Write-off and debt forgiveness

Loans and the related ECL are written off, either partially or in full, when there is no reasonable expectation of recovering a financial asset in its entirety or a portion thereof. This is generally the case when the Bank determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. This assessment is carried out at the individual asset level. When a loan is uncollectable, it is written off against the related ECL allowance. Subsequent recoveries of amounts previously written off are included in 'expected credit losses on financial instruments' in the statement of profit or loss.

Financial assets that are written off could still be subject to enforcement activities in order to comply with the Bank's procedures for recovery of amounts due.

##### Changes in ECL

Changes in ECL are recorded in the statement of profit or loss in the line item expected credit losses on financial instruments.

## Material accounting policies (continued)

### Financial instruments (continued)

#### *Classification and measurement (continued)*

##### Presentation of ECL allowance

ECL allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets. For debt securities at FVOCI, the ECL allowance is recognised in OCI, instead of deducting the carrying amount of the asset. The ECL allowances related to off-balance sheet items are recorded under other liabilities.

##### *Financial guarantees*

A financial guarantee contract is a contract that requires the Bank to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument. A financial guarantee contract is recognised at the date that the Bank becomes a party to the irrevocable commitment and is recorded at face value under commitment and contingencies. Income from issued financial guarantees, and expenses for bought financial guarantees, are amortised over the duration of the instruments and classified as "Fee and commission income" and "Fee and commission expense" respectively. The IFRS 9 ECL requirements apply to issued financial guarantee contracts that are not measured at fair value through profit or loss under IFRS 9 (see section expected credit loss on financial assets in this chapter).

### Cash and cash equivalents

Cash and cash equivalents include notes and coins on hand, unrestricted balances held with central banks and highly liquid financial assets that are subject to an insignificant risk of changes in their fair value and are readily available for use by GBI in the management of its short-term commitments.

Cash and cash equivalents are carried at amortised cost in the statement of financial position.

### Fair values of financial assets and liabilities

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. It uses the assumptions that market participants would use and takes into account the characteristics of the asset or liability that market participants would take into account when pricing the asset or liability. Fair values of financial assets and liabilities are based on unadjusted quoted market prices where available. Such quoted market prices are primarily obtained from exchange prices for listed financial instruments. Where an exchange price is not available, quoted prices in an active market may be obtained from independent market vendors, brokers, or market makers.

For certain financial assets and liabilities quoted market prices are not available. For these financial assets and liabilities, fair value is determined using valuation techniques. These valuation techniques range from discounting of cash flows to various valuation models, where relevant pricing factors including the market price of underlying reference instruments, market parameters (volatilities, correlations and credit ratings), and customer behavior are taken into account. GBI maximises the use of market observable inputs and minimises the use of unobservable inputs in determining the fair value.

## Material accounting policies (continued)

### Derivatives held for risk management purposes

As of 1 January 2025, the Bank adopted IFRS 9 for micro hedge relationships and continue to apply IAS 39 for the macro hedge relationships in order to comply with the changes in the accounting policies of its parent companies and given that moving to IFRS 9 for micro hedges better aligns hedge accounting with actual risk management, reduces rule-based constraints and is in line with the group accounting policies. Transition from IAS 39 to IFRS 9 does not have any impact on the financial results and financial position of the previous years.

Derivatives held for risk management purposes are measured at fair value in the statement of financial position. The treatment for the changes in their fair value depends on their classification into the following categories:

#### Cash flow hedge

When a derivative is designated as a hedge of the variability in cash flows attributable to a particular risk associated with a recognized asset or liability or a highly probable forecast transaction that could affect the income, the effective portion of changes in the fair value of the derivative are recognized directly in other comprehensive income and presented in hedging reserve in equity. Any ineffective portion of changes in the fair value of the derivative is recognized immediately in the statement of profit or loss.

If the derivative expires or is sold, terminated, or exercised, or no longer meets the criteria for cash flow hedge accounting, or the designation is revoked, then hedge accounting is discontinued and the amount recognized in other comprehensive income and presented in the hedging reserve in equity remains there until the forecast transaction affects the income. If the forecast transaction is no longer expected to occur, then hedge accounting is discontinued and the balance in other comprehensive income is recognized immediately in the statement of profit or loss.

#### Fair value hedge

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognized in the statement of profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

Hedge accounting is discontinued when the Bank revokes the hedging relationship, the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. The fair value adjustment to the carrying amount of the hedged item arising from the hedged risk is amortised to income from that date.

### Repurchase and resale agreements over investments

The Bank enters into purchases of investments under agreements to resell (reverse repo) substantially identical investments at a certain date in the future at a fixed price. Investments purchased subject to commitments to resell them at future dates are not recognized. The amounts paid are recognized in loans to either banks or customers. The receivables are shown as collateralized by the underlying security. Investments sold under repurchase agreements (repo) continue to be recognized in the statement of financial position and are measured in accordance with the accounting policy for the related assets as appropriate. The proceeds from the sale of the investments are reported as "deposits from banks", a liability account.

Income and expenses arising from the repurchase and resale agreements over investments are recognized on an accrual basis over the period of the transactions and are included in interest income or expense.

## Material accounting policies (continued)

### Taxes on income

Taxes on income for the period comprise current taxes and deferred taxes. Current taxes on income comprises tax payable on the taxable income for the period, using tax rates enacted or substantively enacted at the reporting date, and any adjustment in taxes payable for previous years.

Deferred income tax is provided, using the statement of financial position method, on all taxable temporary differences arising between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax liabilities and assets are recognized when it is probable that the future economic benefits resulting from the reversal of temporary differences will flow to or from the Bank. A deferred tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deferred tax asset can be utilized. Currently, enacted tax rates are used to determine deferred taxes on income.

The Bank offsets deferred tax assets and deferred tax liabilities if the Bank has a legally enforceable right to set off current tax assets against current tax liabilities and if the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

Deferred taxes related to fair value remeasurement of financial assets measured at fair value through other comprehensive income and cash flow hedges, are charged or credited directly to OCI and subsequently recognized in the statement of profit or loss together with the deferred gains or losses that are realized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable income will be available to allow all or part of the asset to be recovered.

### Offsetting

Financial assets and liabilities are offset and the net amount presented in the statement of financial position if, and only if there is a legally enforceable right to set off the amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously. Income and expenses are presented on a net basis only when permitted by the accounting standards, or for gains and losses from a group of similar transactions.

### Impairment of non-financial assets

Non-financial assets are reviewed at each date of the statement of financial position to determine whether there is objective evidence of impairment. If any such indication exists, the asset's recoverable amount is estimated in order to determine the extent of the impairment loss, if any.

### Income and expense recognition

#### *Interest income and expense*

Interest income and expense is recognized on an accrual basis by taking into account the effective interest of the asset or an applicable floating rate. Interest income and expense includes the amortization of any discount or premium or other differences between the initial carrying amount of an interest-bearing instrument and its amount at maturity calculated on an effective interest rate basis.

Fees received from the syndication loans purchased in the secondary markets or entered into in the primary markets are recorded as interest income as these are an integral part of the effective interest.

Fees for the loans that are paid by GBI is recorded as interest expense as these are an integral part of the effective interest.

## Material accounting policies (continued)

### Income and expense recognition (continued)

#### *Fee and commission*

Fee and commission income and expenses that are integral to the effective interest rate on a financial asset or liability are included in the measurement of the effective interest rate.

Other fees and commission income, including account servicing fees, investment management fees, sales commissions, placement fees and syndication fees, are recognized as the related services are performed. When a loan commitment is not expected to result in the draw-down of a loan, loan commitment fees are recognized on a straight-line basis over the commitment period.

Fees and commission expense relates mainly to transaction and service fees, which are expensed as the services are received.

#### *Valuation results and net trading income*

Valuation results and net trading income includes gains and losses arising from derivatives and investments that are recorded at fair value through profit or loss.

#### *Investment income*

Investment income includes gains and losses arising from sales of investments that are recorded at fair value through other comprehensive income.

### Employee benefits

A description of the most material accounting policies relating to post-employment and other employee benefit commitments assumed by the employees in the Netherlands and the majority of staff employed outside the Netherlands is provided below.

#### Short-term employee benefits

Benefits for current active employees which are accrued and settled during the year and for which a provision is not required in the entity's accounts. These include wages and salaries, social security charges, variable remuneration and other personnel expenses.

Costs are charged and recognized under the heading "Personnel expenses of the statement of profit or loss.

#### Post-employment benefits – Defined-contribution plans

Pension plans have been established for the employees in the Netherlands and the majority of staff employed outside the Netherlands in accordance with the regulations and practices of the relevant countries. Third parties, mostly insurance companies, administer and execute these plans. GBI has no further payment obligations once the contributions have been paid.

The contributions made to these plans are charged and recognized under the heading "Personnel expenses of the statement of profit or loss.

### Cash flow statement

The statement of cash flows is prepared in accordance with the indirect method, classifying cash flows as cash flows from operating, investing and financing activities. In the net cash flow from operating activities, the result before tax is adjusted for those items in the statement of profit or loss and changes in items per the statement of financial position, which do not result in actual cash flows during the year. For the purposes of the statement of cash flows, cash and cash equivalents comprise balances with less than three months' maturity from the date of acquisition, including cash and balances with central banks, treasury bills and other eligible bills, amounts due from other banks, and deposits from banks. Investments qualify as a cash equivalent if they are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

## **Material accounting policies (continued)**

### **Cash flow statement (continued)**

Cash flows arising from foreign currency transactions are translated into the functional currency using the exchange rates at the date of the cash flows.

The difference between the net cash flow in accordance with the statement of cash flows and the change in Cash and cash equivalents in the statement of financial position is due to exchange rate differences and is accounted for separately as part of the reconciliation of the net cash flow and the change in Cash and cash equivalents in the statement of financial position.

## Notes to the statement of financial position and statement of comprehensive income

### 1. Cash and cash equivalents

Cash and cash equivalents include cash balances on hand, loans and advances to banks with original maturity periods of less than three months and other cash items. Cash and cash equivalents as of 31 December 2025 and 2024, included in the accompanying statements of cash flows are as follows:

	<b>31 December 2025</b>	<b>31 December 2024</b>
Unrestricted balances with central banks	2,940,042	3,254,812
Loans and advances to banks	99,631	41,211
Deposits from banks	(10,016)	(26,420)
	<b><u>3,029,657</u></b>	<b><u>3,269,603</u></b>

### 2. Related party disclosures

For the purpose of this report, the 100 percent shareholder Türkiye Garanti Bankasi A.Ş. (GBI's parent company), its controlling shareholder Banco Bilbao Vizcaya Argentaria S.A and all their subsidiaries and key management personnel (being the members of the Supervisory Board and Managing Board of GBI, Garanti BBVA or BBVA) are referred to as related parties. In the course of conducting its banking business, the Bank engaged in various business transactions with its parent and other related parties. These transactions were carried out on commercial terms and at market rates. Transactions conducted with group companies are banking transactions including lending, borrowing funds, purchase and sale of financial assets, trade finance transactions and rendering international payment, derivative transactions and other banking services.

The Bank had the following balances outstanding from and transactions with related parties.

	<b>Parent</b>	<b>Other Related Party</b>	<b>Key Management</b>
<b>31 December 2025</b>			
Assets	185,540	115,336	62
Liabilities	11,104	716,012	2,755
Loan commitments, financial guarantees and other commitments	9,759	-	-
<b>2025</b>			
Income received	3,955	48,216	196
Expense paid	(57,837)	(25,128)	(63)
<b>31 December 2024</b>			
Assets	25,950	103,154	5,649
Liabilities	17,043	518,318	5,695
Loan commitments, financial guarantees and other commitments	2,311	-	-
<b>2024</b>			
Income received	3,857	33,493	489
Expense paid	(1,927)	(6,393)	(194)

The Bank has sold certain receivables measured at amortised cost to a related party in 2024 . The details of the transaction is disclosed in note 21.

The Parent Company of the Bank increased the amount of paid capital by EUR 250 million (full amount) in 2025.

Key management personnel compensation comprises the remuneration of the Supervisory Board and Managing Board, which is disclosed in note 25.

### 3. Cash and balances with central banks

	<b>31 December 2025</b>	<b>31 December 2024</b>
Balances with central banks	3,005,072	3,316,480
	<b>3,005,072</b>	<b>3,316,480</b>
ECL allowance	(124)	(467)
	<b>3,004,948</b>	<b>3,316,013</b>

Cash and balances with central banks include cash on hand and all legal tenders, as well as demand deposits held at the central banks in countries in which GBI's Head Office and its branch are located. Information about the ECL allowance of cash and balances with central banks, their credit quality and the company's exposure to credit risk can be found in the Risk Management section under Credit Risk.

### 4. Loans and advances to banks

*Classification of financial assets as loans and advances to banks*

Loans and advances to banks are recorded at amortised cost and include the following financial instruments:

	<b>31 December 2025</b>	<b>31 December 2024</b>
Discounts to banks	678,743	561,804
Bank placements (cash margins, deposits)	177,232	97,671
Reverse sale-and-repurchase agreements	52,756	2,733
ECL allowance	(1,645)	(1,725)
<b>Net loans and advances to banks</b>	<b>907,086</b>	<b>660,483</b>

The Bank placements include EUR 99,631 (2024: EUR 41,211) of on-demand deposits.

*Expected credit loss and risk exposure*

Information about the ECL allowance of loans and advances to banks, their credit quality and the company's exposure to credit risk can be found in the Risk Management section under Credit Risk.

Total loans and advances to banks includes non-cash loans amounting to EUR nill (31 December 2024: 18,482) for letter of credits that the Bank has provided (note 13), for which a contractual obligation exists to deliver cash.

## 5. Loans and advances to customers

*Classification of financial assets as loans and advances to customers*

Outstanding loans and advances to customers are recorded at amortised cost and are categorised as follows:

	<b>31 December 2025</b>	<b>31 December 2024</b>
Non-financial corporations	3,704,111	2,917,656
Non-bank financial corporations	619,585	308,455
Government and official institutions	494,382	112,648
Households	244,766	110,411
Residential mortgages <sup>(1)</sup>	649,412	61,490
ECL allowance	<u>(20,705)</u>	<u>(19,791)</u>
	<b><u>5,691,551</u></b>	<b><u>3,490,869</u></b>
Non-credit-impaired loans	5,695,072	3,488,115
Credit-impaired loans	17,184	22,545
ECL allowance	<u>(20,705)</u>	<u>(19,791)</u>
	<b><u>5,691,551</u></b>	<b><u>3,490,869</u></b>

- (1) The Bank purchased a mortgage portfolio in September 2025 with a nominal amount of EUR 458,518 and a fair value of EUR 412,795 based on the market rates applicable on the transaction date. The difference between the nominal amount and the fair value amount is amortized considering the expected maturity of the portfolio in accordance with IFRS 9.

### *Expected credit loss and risk exposure*

Information about the ECL allowance of loans and advances to customers, their credit quality and the company's exposure to credit risk can be found in the Risk Management section under Credit Risk.

Total loans and advances to customers includes non-cash loans amounting to EUR 11,848 (31 December 2024: EUR 10,731) for letter of credits that the Bank has provided (note 13), for which a contractual obligation exists to deliver cash.

### *Write-offs*

The Bank may write-off financial assets that might still be subject to enforcement activity. The Bank has not written off any financial assets which are still subject to enforcement activity during the year ended 31 December 2025 (During the year ended 31 December 2024: EUR 2,699). This includes amounts that are written off as a result of disposals as well as amounts that are owed in full by the Bank but which have been (partially) written-off due to no reasonable expectation of full recovery.

The Bank has recovered an amount of EUR 2,947 from the loans that had been written of in prior years and presented it under expected credit losses in the statement of other comprehensive income.

## 6. Financial investments other than those measured at FVPL

<b>Debt instruments measured at FVOCI</b>	<b>31 December 2025</b>	<b>31 December 2024</b>
Bonds issued by financial corporations	80,989	81,416
Bonds issued by non-financial corporations	62,413	50,992
Bonds issued by central governments	1,018,673	571,004
	<b><u>1,162,075</u></b>	<b><u>703,412</u></b>

Upon disposal of these debt investments measured at FVOCI, any balance within the OCI reserve for these debt investments is reclassified to the statement of profit or loss.

<b>Debt instruments measured at amortised cost</b>	<b>31 December 2025</b>	<b>31 December 2024</b>
Bonds issued by financial corporations	-	-
Bonds issued by non-financial corporations	12,993	-
Bonds issued by central governments	-	-
	<b><u>12,993</u></b>	<b><u>-</u></b>

Debt securities include securities pledged and further information is disclosed in note 40 on asset encumbrance.

## 7. Property and equipment

Movement in tangible assets from 1 January to 31 December 2025 is as follows:

	<b>1 January</b>	<b>Additions</b>	<b>Revaluation</b>	<b>Disposals and transfers</b>	<b>31 December</b>
<i>Cost or valuation</i>					
Land and building	<b>28,900</b>	751	1,148	-	<b>30,799</b>
Right of use building	<b>1,661</b>	45	-	(65)	<b>1,641</b>
Furniture and equipment	<b>4,356</b>	640	-	-	<b>4,996</b>
Right of use equipment	<b>595</b>	162	-	-	<b>757</b>
	<b>35,512</b>	<b>1,598</b>	<b>1,148</b>	<b>(65)</b>	<b>38,193</b>
<i>Less: Accumulated depreciation</i>					
Land and building	-	(379)	379	-	-
Right of use building	<b>(1,171)</b>	(163)	-	99	<b>(1,235)</b>
Furniture and equipment	<b>(3,815)</b>	(239)	-	2	<b>(4,052)</b>
Right of use equipment	<b>(291)</b>	(115)	-	-	<b>(406)</b>
	<b>(5,277)</b>	<b>(896)</b>	<b>379</b>	<b>101</b>	<b>(5,693)</b>
	<b><u>30,235</u></b>	<b><u>702</u></b>	<b><u>1,527</u></b>	<b><u>36</u></b>	<b><u>32,500</u></b>

## 7. Property and equipment (continued)

Movement in tangible assets from 1 January to 31 December 2024 is as follows:

	<b>1</b>			<b>Disposals</b>	<b>31</b>
	<b>January</b>	<b>Additions</b>	<b>Revaluation</b>	<b>and</b>	<b>December</b>
				<b>transfers</b>	
<i>Cost or valuation</i>					
Land and building	24,173	669	4,503	(445)	<b>28,900</b>
Right of use building	1,200	533	-	(72)	<b>1,661</b>
Furniture and equipment	4,247	114	-	(5)	<b>4,356</b>
Right of use equipment	462	179	-	(46)	<b>595</b>
	<b>30,082</b>	<b>1,495</b>	<b>4,503</b>	<b>(568)</b>	<b>35,512</b>
<i>Less: Accumulated depreciation</i>					
Land and building	(74)	(371)	-	445	-
Right of use building	(1,091)	(155)	-	75	<b>(1,171)</b>
Furniture and equipment	(3,586)	(234)	-	5	<b>(3,815)</b>
Right of use equipment	(304)	(67)	-	80	<b>(291)</b>
	<b>(5,055)</b>	<b>(827)</b>	<b>-</b>	<b>605</b>	<b>(5,277)</b>
	<b>25,027</b>	<b>668</b>	<b>4,503</b>	<b>37</b>	<b>30,235</b>

Depreciation expense of tangible assets for the year ended 31 December 2025 amounted to EUR 896 (2024: EUR 827).

An independent valuator was involved to assess the valuation of the land and buildings. As per 31 December 2025, the revaluation of land and buildings, net of def tax, amounting to EUR 852 was accounted under shareholders' equity (2024: EUR 3,341). The fair value measurements of land and building have been categorized as Level 3 fair value measurements.

As of 31 December 2025, the net book value of property under cost model instead of revaluation model is EUR 17,841 (2024: EUR 16,710).

The reconciliation of the revaluation surplus on the building is as follows:

	<b>2025</b>	<b>2024</b>
<b>Opening balance as at 1 January</b>	<b>10,343</b>	<b>7,002</b>
Current year charge in OCI – gross amount	1,148	4,503
Current year charge in OCI – related tax	(296)	(1,162)
<b>Closing balance as at 31 December</b>	<b>11,195</b>	<b>10,343</b>

The revaluation surplus in OCI is part of a legal reserve as, under Dutch law, the balance cannot be distributed to the shareholder.

## 8. Intangible assets

Movement in intangible assets from 1 January to 31 December 2025 is as follows:

	<b>01</b>		<b>Disposals</b>	<b>31</b>
	<b>January</b>	<b>Additions</b>	<b>and</b>	<b>December</b>
			<b>transfers</b>	
<i>Cost</i>				
Software	24,396	5,578	(361)	29,613
	<b>24,396</b>	<b>5,578</b>	<b>(361)</b>	<b>29,613</b>
<i>Less: Accumulated depreciation</i>				
Software	(15,009)	(2,497)	-	(17,506)
	<b>(15,009)</b>	<b>(2,497)</b>	<b>-</b>	<b>(17,506)</b>
	<b>9,387</b>	<b>3,081</b>	<b>(361)</b>	<b>12,107</b>

## 8. Intangible assets (continued)

Movement in intangible assets from 1 January to 31 December 2024 is as follows:

	01 January	Additions	Disposals and transfers	31 December
Cost				
Software	20,411	3,985	-	24,396
	<b>20,411</b>	<b>3,985</b>	-	<b>24,396</b>
<i>Less: Accumulated depreciation</i>				
Software	(12,889)	(2,120)	-	(15,009)
	<b>(12,889)</b>	<b>(2,120)</b>	-	<b>(15,009)</b>
	<b>7,522</b>	<b>1,865</b>	-	<b>9,387</b>

Internally generated software of EUR 3,557 (2024: EUR 2,381) is included in the total Software. In accordance with the Dutch Civil Code legal reserves have to be established equal to the carrying value of the internally developed software. The legal reserve cannot be distributed to the shareholder.

## 9. Other Assets

	31 December 2025	31 December 2024
Prepaid expenses, insurance claims and similar items	304	2,982
Miscellaneous receivables	18,005 <sup>(1)</sup>	1,323
	<b>18,309</b>	<b>4,305</b>

<sup>(1)</sup> The amount mainly consists of funds transferred from the Bank for the mortgage originations.

## 10. Deposits from banks

GBI's deposits from banks comprise the following element:

	31 December 2025	31 December 2024
Obligations under repurchase agreements	601,546	325,084
Central bank borrowing (short-term)	170,543	-
On demand deposits	10,016	26,420
Term deposits	23,498	14,013
	<b>805,603</b>	<b>365,517</b>

### *Obligations under repurchase agreements*

The Bank raises funds by selling financial instruments under agreements to repurchasing these instruments at the same price plus interest at a predetermined date.

Central Bank Borrowing represents a short-term borrowing from the Central Bank utilized as part of liquidity operations.

In note 40 further detail is provided in relation to the collateral provided.

## 11. Deposits from customers

Deposits from customers comprise the following:

	31 December 2025		
	Demand	Time	Total
Households	2,045,363	2,115,661	4,161,024
Non-financial corporations	942,225	1,189,084	2,131,309
Non-bank financial corporations	106,523	2,376,768	2,483,291
	<b>3,094,111</b>	<b>5,681,513</b>	<b>8,775,624</b>
	31 December 2024		
	Demand	Time	Total
Households	1,490,795	1,630,858	3,121,653
Non-financial corporations	642,112	1,386,021	2,028,133
Non-bank financial corporations	49,497	1,736,933	1,786,430
	<b>2,182,404</b>	<b>4,753,812</b>	<b>6,936,216</b>

From the deposits from customers EUR 3,723,438 (2024: EUR 2,825,141) is guaranteed under the Deposit Guarantee Scheme.

## 12. Taxation

In the Netherlands, corporate income tax is levied at the rate of 19% (2024: 19%) for tax profits up to EUR 200 (2024: EUR 200) and 25.8% (2024: 25.8%) for the excess part over this amount on the worldwide income of resident companies, which is determined by modifying accounting income for certain exclusions and allowances for tax purposes for the related year. The corporate income tax rate for the Germany branch is 30%.

In line with the OECD's legislative framework, the Netherlands has implemented the Minimum Tax Act 2024, effective from December 31, 2023. It applies to fiscal years starting on or after this date. This legislation introduces a minimum effective tax rate of 15% for large multinational groups with annual consolidated revenues exceeding EUR 750 million. If the effective tax rate in a jurisdiction falls below this threshold, an additional top-up tax will be applied to meet the minimum rate. The Bank assessed the potential impact of the Pillar Two minimum taxation requirements. For the Bank, the new rules are applicable as of fiscal year 2024. There have been no impact on the financial position and financial results of the Bank due to this requirement.

Tax assets and liabilities are as follows:

	31 December 2025	31 December 2024
Current tax asset	4,660	1,853
Deferred tax asset	10,365	92
<b>Tax assets</b>	<b>15,025</b>	<b>1,945</b>
Current tax liability	-	-
Deferred tax liability	(3,776)	(3,753)
<b>Tax liabilities</b>	<b>(3,776)</b>	<b>(3,753)</b>
<b>Net tax assets/(liabilities)</b>	<b>11,249</b>	<b>(1,808)</b>

## 12. Taxation (continued)

The tax income and expense are as follows:

	<b>2025</b>	<b>2024</b>
Current tax income/(expense)	(58,372)	(39,445)
Deferred tax income/(expense)	9,459	92
<b>Tax income/(expense)</b>	<b>(48,913)</b>	<b>(39,353)</b>

The movement of current tax asset/liability is as follows:

	<b>2025</b>	<b>2024</b>
<b>Opening balance as at 1 January</b>	<b>1,853</b>	<b>(19,199)</b>
Current period taxation charge in the statement of profit or loss	(58,371)	(39,444)
Current period taxation charge in the statement of other comprehensive income	(173)	(980)
Movement from deferred to current tax	(5)	(5)
Advance tax paid during the period	34,056	53,998
Imposed withholding tax foreign tax authorities	27,300	7,483
<b>Closing balance as at 31 December</b>	<b>4,660</b>	<b>1,853</b>

In accordance with the related regulation for prepaid taxes on income, such advance payments during the year are being deducted from the final tax liability for the period. Accordingly, the taxation charge on income is not equal to the final tax liability appearing on the statement of financial position.

Deferred tax assets and liabilities are as follows:

	<b>31 December 2025</b>	<b>31 December 2024</b>
Valuation of withholding tax credits	9,358	-
Valuation of (in)angible fixed assets	1,001	84
Valuation of hedges	7	9
<b>Total deferred tax assets</b>	<b>10,366</b>	<b>93</b>
Revaluation of building	(3,338)	(3,145)
Valuation of securities	(305)	(470)
Other	(133)	(139)
<b>Total deferred tax liabilities</b>	<b>(3,776)</b>	<b>(3,754)</b>
<b>Net deferred tax assets/(liabilities)</b>	<b>6,589</b>	<b>(3,661)</b>

Withholding tax ("WHT") is imposed by foreign tax authorities. This WHT can under conditions be credited with Dutch corporate income tax. In FY25, part of the WHT cannot be credited resulting to a WHT credit carry forward of EUR 9,358 per year-end 2025 (YE24: nil). The carry forward period of these credits is indefinite. A deferred tax asset of EUR 9,358 has been recognized for the carry forward WHT credit. Based on the performed analysis, management takes the position that the available WHT credits can entirely be recognized since the entire amount can be credited the coming years based on the expected future results.

## 12. Taxation (continued)

Movements in deferred tax assets and liabilities are detailed in the table below:

	<b>2025</b>	<b>2024</b>
<b>Opening balance as at 1 January</b>	<b>(3,661)</b>	<b>(2,440)</b>
Movement from deferred to current tax	5	5
Deferred tax benefit recognized in the statement of profit or loss	9,460	101
Deferred tax charge recognized in the statement of profit or loss	(2)	(10)
Deferred tax charge recognized in the statement of other comprehensive income	(131)	(1,632)
Deferred tax benefit recognized in the statement of other comprehensive income	917	315
<b>Closing balance as at 31 December</b>	<b>6,589</b>	<b>(3,661)</b>

The total provision for taxes on income is different than the amount computed by applying the Dutch statutory tax rate to income before provision for taxes as shown in the following reconciliation:

	<b>2025</b>	<b>2024</b>
Profit before tax	168,165	140,484
Tax using the GBI's domestic tax rate	(43,387)	(36,245)
Effect of different tax rates in other countries	(34)	(38)
Disallowable expenses	(5,515)	(3,075)
Effect of the tax rate differences	14	14
Changes related to previous years taxation	9	(9)
<b>Tax income/(expense)</b>	<b>(48,913)</b>	<b>(39,353)</b>
Effective tax rate	29.09%	28.01%

## 13. Other liabilities

The principal components of other liabilities are as follows:

	<b>31 December 2025</b>	<b>31 December 2024</b>
Non-cash loans for letters of credit	11,848	10,731
Accrued expenses	4,616	5,265
Withholding taxes	4,430	3,631
Short-term employee benefits	4,142	3,559
Prepayments received	2,314	3,122
Payables to suppliers	1,087	1,340
ECL for non-cash loans (note 29)	732	1,049
Lease liabilities	752	788
Vacation pay liability	332	401
Miscellaneous payables	6,582	10,133
	<b>36,835</b>	<b>40,019</b>

The Bank gives non-cash loans through letters of credit it provides. As of 31 December 2025, non-cash loans provided to banks and customers are EUR nil (note 4) and EUR 11,848 (note 5), respectively (31 December 2024: EUR 18,482 and EUR 10,731).

### 13. Other liabilities (continued)

Management recorded a provision in relation to other long term employee benefits (variable remuneration). Part thereof is to be paid within 12 months after the reporting date and the remainder is deferred and to be paid more than 12 months after the reporting date. The amount of provision that is set aside in relation to variable remuneration is based on the actual performance and is approved by the Supervisory Board. The amount set aside for termination benefits is based on management judgement (or Supervisory Board judgement in case of termination of member of the Managing Board) in relation to negotiations between parties involved.

The following table sets out the movements for short term employee benefits and vacation pay liability.

	<b>2025</b>	<b>2024</b>
<b>Balance at 1 January</b>	<b>3,960</b>	<b>3,120</b>
Provisions made during year	3,483	3,198
Provisions used during year	(2,969)	(2,358)
<b>Balance at 31 December</b>	<b>4,474</b>	<b>3,960</b>

As a financial company, the Bank is inherently exposed to legal risks, particularly in the areas of product liability, duty of care and law matters. The outcome of any current or future proceedings cannot normally be predicted or because the probability of an unfavourable outcome for the Bank is estimated to be remote. It is therefore possible that legal or regulatory judgments or future settlements could give rise to expenses that are not covered, or not fully covered.

### 14. Equity

*Total equity*

	<b>31 December 2025</b>	<b>31 December 2024</b>
<b>Share capital</b>	<b>386,836</b>	<b>136,836</b>
Share capital	386,836	136,836
<b>Retained Earnings</b>	<b>830,632</b>	<b>712,556</b>
<b>Other reserves</b>	<b>12,940</b>	<b>13,527</b>
Fair value reserve	1,064	1,042
Hedging reserve	(2,877)	(240)
Other legal reserves	14,753	12,725
Revaluation reserve	11,195	10,343
Legal reserve of internally generated software	3,558	2,382
<b>Total Equity</b>	<b>1,230,408</b>	<b>862,919</b>

*Share capital*

As of 31 December 2025 and 31 December 2024, the authorized nominal share capital of the Bank amounts to EUR 500,000 and is subdivided into 500,000 shares with a nominal value of EUR 1 each. As of 31 December 2025, 386,836 shares have been fully paid-in (31 December 2024: 136,836 shares fully paid in). The shareholder of the Bank increased the amount of paid capital by EUR 250,000 in 2025 (2024: No change.)

*Retained Earnings*

	<b>2025</b>	<b>2024</b>
<b>Opening balance as at 1 January</b>	<b>712,556</b>	<b>611,557</b>
Transfer to/from other reserves	(1,176)	(132)
Result for the year	119,252	101,131
Dividend and other distributions	-	-
Other	-	-
<b>Closing balance as at 31 December</b>	<b>830,632</b>	<b>712,556</b>

## 14. Equity (continued)

### Other reserves

Components of the other reserves are fair value reserve, hedging reserve and other legal reserves for revaluation of building and legal reserve of internally generated software

*Other comprehensive income/loss that will not to be reclassified to the statement of profit or loss in subsequent periods:*

- Revaluation of land and building:

In line with the applicable accounting policy, the Bank performs an annual revaluation of the office building including land that is reported under buildings in tangible assets (note 7). Under this policy, the revaluation surplus is recognized in the other comprehensive income and shall not be recycled to the statement of profit or loss in the subsequent periods.

The reconciliation of revaluation reserve in other comprehensive income (net of tax) are as follows:

	<b>2025</b>	<b>2024</b>
<b>Opening balance as at 1 January</b>	<b>10,343</b>	<b>7,002</b>
Gains/(losses) during the year	1,148	4,503
Deferred tax effect	(296)	(1,162)
<b>Closing balance as at 31 December</b>	<b>11,195</b>	<b>10,343</b>

- Legal reserve for internally generated software

In accordance with the Dutch Civil Code legal reserves have to be established equal to the carrying value of the internally developed software.

The movement of the legal reserve for internally generated software are as follows:

	<b>2025</b>	<b>2024</b>
<b>Opening balance as at 1 January</b>	<b>2,382</b>	<b>2,250</b>
Movement from/ to retained earnings	1,176	132
<b>Closing balance as at 31 December</b>	<b>3,558</b>	<b>2,382</b>

*Other comprehensive income/(loss) that are or may be reclassified to profit or loss in subsequent periods:*

- Financial assets at fair value through other comprehensive income reserve (FVOCI) is detailed as follows:

The Bank recognises changes between the amortised cost and market value of the securities measured at fair value through other comprehensive income in the other comprehensive income.

These changes are accumulated within the FVOCI reserve under equity. The Bank transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

	<b>2025</b>	<b>2024</b>
<b>Opening balance at 1 January</b>	<b>1,042</b>	<b>(3,127)</b>
Gains/(losses) during the year	(89)	5,558
Change in ECL	119	61
Tax effect (deferred + current)	(8)	(1,450)
<b>Closing balance as at 31 December</b>	<b>1,064</b>	<b>1,042</b>

## 14. Equity (continued)

- Cashflow hedge reserve

The hedging reserve comprises the effective portions of the cumulative net change in the fair value of cash flow hedging instruments related to hedged transactions that have not yet occurred (refer to note 38 'Derivatives and Hedge Accounting' for the details).

	<b>2025</b>	<b>2024</b>
<b>Opening balance as at 1 January</b>	<b>(240)</b>	<b>661</b>
Effective portion of changes in fair value	(3,443)	(628)
Reclassified to the statement of profit or loss	(111)	(588)
Deferred tax effect	917	315
<b>Closing balance as at 31 December</b>	<b><u>(2,877)</u></b>	<b><u>(240)</u></b>

In accordance with the Dutch Civil Code legal reserves have to be established in relation to the revaluation surplus on the building, cash flow hedging reserve, fair value through other comprehensive income (FVOCI) reserve and the legal reserve for internally generated software. Total Legal reserves amounts to EUR 12,940 (2024: EUR 13,527) and are not available for distribution to the Company's shareholders.

### *Capital management*

GBI is part of the BBVA Group. Therefore, the European Central Bank (ECB) sets and monitors capital requirements for the Group as a whole and for GBI individually. The banking operations are directly supervised by De Nederlandsche Bank (DNB).

The standards applied for the capital requirements are based on the Capital Requirements Directive (CRD IV) and Capital Requirements Regulation (CRR) of the European Union. In accordance with the CRR, the Bank has started to use the Standardized Approach (SA) to calculate the regulatory capital ratios in 2025, whereas 2024 figures are stated based on the Foundation Internal Rating Based (F-IRB) Approach

These ratios compare GBI's total capital and Common Equity Tier 1 (CET1) with the required pillar I capital for credit risk (based on the total of risk-weighted assets and off-balance sheet items), the market risk associated with the trading portfolios and the operational risk.

GBI's regulatory capital consists of the sum of the following elements.

- Common Equity Tier 1 (CET1) capital, which includes ordinary share capital, related share premiums, retained earnings and reserves after adjustment for dividends proposed after the year end and deductions for goodwill, intangible assets and other regulatory adjustments relating to items that are included in equity but are treated differently for capital adequacy purposes.

## 14. Equity (continued)

The following table analyses actual capital in accordance with regulatory requirements:

	<b>31 December 2025</b>	<b>31 December 2024</b>
<b>Total Eligible Equity</b>	<b>1,219,214</b>	<b>803,828</b>
Prudent valuation	1,708	(488)
IRB shortfall of credit risk adjustments to ECL	-	(2,743)
Intangible assets	(12,107)	(7,036)
Deferred tax asset deductions	(9,357)	-
<b>Core Tier 1</b>	<b>1,199,458</b>	<b>793,561</b>
Perpetual Tier 1 capital	-	-
Additional Tier 1	-	-
<b>Total Tier I capital</b>	<b>1,199,458</b>	<b>793,561</b>
IRB Provision Excess	-	-
Subordinated capital	-	-
<b>Total Tier II capital</b>	<b>-</b>	<b>-</b>
<b>Total own funds</b>	<b>1,199,458</b>	<b>793,561</b>
<b>CET 1 ratio</b>	<b>22.09%</b>	<b>23.94%</b>
<b>Total Capital Ratio (TCR)</b>	<b>22.09%</b>	<b>23.94%</b>

The Common Equity Tier 1 (CET1) ratio and Total Capital Ratio (TCR) include the second half 2025 net income results whereas 2024 ratio does not include the second half year profit of 2024, in line with the reports submitted to the regulatory authorities. When including the audited full year net result of 2024, the CET1 ratio for 2024 is 25.41 percent and the TCR for 2024 is 25.41 percent.

GBI has preserved its prudent approach to capital and liquidity management in 2025. CET1 has decreased to 22.09 percent from 23.94 percent in 2024, whereas the total capital ratio has decreased to 22.09 percent from 23.94 percent in 2024. Both ratios are comfortably above the minimum required regulatory levels and provides a strong cushion for the Bank. This decrease is mainly driven by GBI's transition to the Standardised Approach in 2025 for the calculation of credit risk-weighted assets, which has materially increased RWA levels. To bolster GBI's capital position under the new methodology and support the growth potential, Turkiye Garanti Bankasi A.S., GBI's shareholder, provided a EUR 250,000 capital injection to GBI in the last quarter of 2025. This increase reflects the shareholder's clear commitment to supporting GBI's financial strength and future development.

As part of the annual Supervisory Review and Evaluation Process (SREP), the regulatory authority sets individual capital guidance for GBI in excess of the minimum capital resources requirement. A key input to the SREP is GBI's internal capital adequacy assessment process (ICAAP).

## 14. Equity (continued)

### *Capital management*

GBI's policy is to maintain a strong capital base to maintain investor, creditor and market confidence and to sustain the future development of the business. The impact of the level of capital on shareholders' return is also recognised and the Group recognises the need to maintain a balance between the higher returns that might be possible with greater earning and the advantages and security afforded by a stronger capital position. The policies in respect of capital management and allocation are reviewed regularly by the Supervisory Board. Management uses regulatory capital ratios to monitor its capital base. Return on risk-adjusted capital is monitored to assess whether the allocation of the capital is in line with the risk appetite and the long-term objectives of the Bank.

## 15. Fair value information

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The estimated fair values of financial instruments have been determined using available market information by the Bank. In case market information is unavailable the Bank applies appropriate valuation methodologies for fair value determination. However, judgment is necessarily required to interpret market data to determine the estimated fair value. While management uses available market information in estimating the fair values of financial instruments, the market information may not be fully reflective of the value that could be realized in the current circumstances.

The Bank analyses financial instruments held at fair value in the three categories described below. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

The fair value hierarchy gives the highest priority to (unadjusted) quoted prices in active markets for identical assets or liabilities and the lowest priority to valuation techniques supported by unobservable inputs.

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices). Financial instrument valuation is the process of determining the fair market value of various financial assets. It involves assessing factors like market conditions, interest rates, and risk to provide accurate and up-to-date pricing for these instruments. For valuation of all derivatives of Garantibank International (GBI), Bloomberg BVAL service is used, which offers valuation and pricing information for a wide range of financial instruments.

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The Bank recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

## 15. Fair value information (continued)

### Financial assets and liabilities measured at fair value

The table below analyses financial instruments carried at fair value, by valuation method:

31 December 2025	Level 1	Level 2	Level 3	Total
	<i>Quoted prices (unadjusted) in active markets</i>	<i>Valuation techniques - observable inputs</i>	<i>Valuation techniques - significant unobservable inputs</i>	
<i>Financial assets measured at fair value</i>				
Financial assets at fair value through profit or loss				
Trading derivatives	-	294	-	294
Non-trading derivatives	-	16,674	-	16,674
Debt securities - FVOCI				
Financial corporations	80,989	-	-	80,989
Non-financial corporations	62,413	-	-	62,413
Central governments	1,018,673	-	-	1,018,673
<b>Total</b>	<b>1,162,075</b>	<b>16,968</b>	-	<b>1,179,043</b>
<i>Financial liabilities measured at fair value</i>				
Financial liabilities at fair value through profit or loss				
Trading derivatives	-	236	-	236
Non-trading derivatives	-	21,080	-	21,080
<b>Total</b>	<b>-</b>	<b>21,316</b>	-	<b>21,316</b>
31 December 2024	Level 1	Level 2	Level 3	Total
	<i>Quoted prices (unadjusted) in active markets</i>	<i>Valuation techniques - observable inputs</i>	<i>Valuation techniques - significant unobservable inputs</i>	
<i>Financial assets measured at fair value</i>				
Financial assets at fair value through profit or loss				
Trading derivatives	-	382	-	382
Non-trading derivatives	-	26,698	-	26,698
Debt securities - FVOCI				
Financial corporations	81,416	-	-	81,416
Non-financial corporations	50,992	-	-	50,992
Central governments	571,004	-	-	571,004
<b>Total</b>	<b>703,412</b>	<b>27,080</b>	-	<b>730,492</b>
<i>Financial liabilities measured at fair value</i>				
Financial liabilities at fair value through profit or loss				
Trading derivatives	-	337	-	337
Non-trading derivatives	-	34,968	-	34,968
<b>Total</b>	<b>-</b>	<b>35,305</b>	-	<b>35,305</b>

## 15. Fair value information (continued)

No transfers occurred between Level 1, Level 2 and Level 3 in 2025 and 2024. There were no significant changes in the valuation techniques during 2025 and 2024.

### Financial assets and liabilities not measured at fair value

The bank assessed that cash and short-term deposits, trade receivables, trade payables, bank overdrafts and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

Non-interest-bearing deposits and cash and cash equivalents are excluded from the table as it's carrying value approximates the fair value. For deposits and loans with maturity, the fair values are estimated using discounted cash flows, applying current rates offered for deposits of similar remaining maturities. Unobservable inputs mainly relate to discount rates including credit spread.

31 December 2025	Carrying value	Level 1	Level 2	Level 3 Valuation technique s - significant unobservable inputs	Total
<i>Assets for which fair values are disclosed but not recognised at fair value:</i>					
Loans and advances to banks	907,086	-	-	912,917	912,917
Loans and advances to customers	5,691,551	-	-	5,761,342	5,761,342
Debt securities measured at amortised cost	12,993	12,931	-	-	12,931
	<b>6,611,630</b>	<b>12,931</b>	<b>-</b>	<b>6,674,259</b>	<b>6,687,190</b>
<b>Total</b>	<b>0</b>	<b>12,931</b>	<b>-</b>	<b>6,674,259</b>	<b>90</b>
<i>Liabilities for which fair values are disclosed but not recognised at fair value:</i>					
Deposits from banks	805,603	-	-	754,398	754,398
Deposits from customers	8,407,810	-	-	8,377,166	8,377,166
	<b>9,213,413</b>	<b>-</b>	<b>-</b>	<b>9,131,564</b>	<b>9,131,564</b>
<b>Total</b>	<b>3</b>	<b>-</b>	<b>-</b>	<b>9,131,564</b>	<b>64</b>

## 15. Fair value information (continued)

31 December 2024	Carrying value	Level 1	Level 2	Level 3	Total
		Quoted prices (unadjusted) in active markets	Valuation techniques - observable inputs	Valuation techniques - significant unobservable inputs	
<i>Assets for which fair values are disclosed but not recognised at fair value:</i>					
Loans and advances to banks	660,483	-	-	664,800	664,800
Loans and advances to customers	3,490,869	-	-	3,495,442	3,495,442
	<b>4,151,352</b>			<b>4,160,242</b>	<b>4,160,242</b>
<b>Total</b>	<b>2</b>	<b>-</b>	<b>-</b>	<b>4,160,242</b>	<b>2</b>
<i>Liabilities for which fair values are disclosed but not recognised at fair value:</i>					
Deposits from banks	365,517	-	-	330,612	330,612
Deposits from customers	6,585,746	-	-	6,558,044	6,558,044
	<b>6,951,263</b>			<b>6,888,656</b>	<b>6,888,656</b>
<b>Total</b>	<b>3</b>	<b>-</b>	<b>-</b>	<b>6</b>	<b>56</b>

## 16. Commitments and contingencies

In the ordinary course of business, the Bank undertakes various commitments and incurs certain contingent liabilities that are not presented in the accompanying financial statements, including letters of guarantee and letters of credit. Commitments and contingent liabilities comprise the following:

	31 December 2025	31 December 2024
Letters of credit	715,004	407,160
Commitments for loan granting	265,391	319,551
Letters of guarantee	86,436	59,028
Commitments for mortgage origination	192,067	21,137
Mortgage loan proposals	34,053	4,373
Construction deposits	12,100	5,001
Other guarantees	72,406	87,942
	<b>1,377,457</b>	<b>904,192</b>

Most of the contingencies have a short-term nature and any outflow is normally reimbursed by the clients of the bank.

Letters of credit mainly secure payments to third parties for a customer's foreign and domestic trade transactions in order to finance a shipment of goods. GBI's credit risk in these transactions is limited since these transactions evolve with the shipment of physical commodities shipped and are of a short duration.

Commitments for loan granting mainly relate to the regular lending activities of the bank.

The Bank has participated in two different collective mandate program and provided commitments in order to originate mortgages in Dutch residential mortgage market.

Mortgage loan proposals refer to liabilities relating to irrevocable commitments for binding mortgage offers which have been sent to the clients by direct lenders on behalf of GBI.

Guarantees relate both to credit (other guarantees) and non-credit substitute guarantees (letters of guarantee). Many of them are expected to expire without being drawn on and therefore do not necessarily represent future cash outflows.

## 17. Net interest income

Interest income and expense from various products of the Bank and the transactions engaged are as follows:

	<b>2025</b>	<b>2024</b>
Interest loans to customers	522,520	347,508
Interest on securities	20,853	16,214
Interest on loans to banks	282,759	170,052
Adjustments of income as a result of hedging transactions	(115,537)	(83,462)
<b>Total interest income using effective interest method</b>	<b>710,595</b>	<b>450,312</b>
<b>Other interest income <sup>(1)</sup></b>	<b>28,844</b>	<b>9,439</b>
<b>Total interest income</b>	<b>739,439</b>	<b>459,751</b>
Interest on deposits from banks	(261,617)	(87,412)
Interest on deposits from customers	(264,383)	(184,758)
Negative interest on assets	-	-
Adjustments of expense as a result of hedging transactions	(751)	(68)
<b>Total interest expense using effective interest method</b>	<b>(526,751)</b>	<b>(272,238)</b>
<b>Other interest expense <sup>(1)</sup></b>	<b>(7,544)</b>	<b>(4,542)</b>
<b>Total interest expense</b>	<b>(534,295)</b>	<b>(276,780)</b>
<b>Net interest income</b>	<b>205,144</b>	<b>182,971</b>

<sup>(1)</sup> Other interest income/expense represents interest on derivatives in economic hedge relationships.

## 18. Net fee and commission income

*Disaggregation of fee and commission income*

Fees and commissions the Bank charges and incurs due to the transaction engaged are as follows:

	<b>2025</b>	<b>2024</b>
Commissions on documentary credits and non-cash loans	14,950	11,395
Brokerage and advisory fees	3,877	3,484
Commissions on account maintenance	3,017	2,758
Commissions on funds transfers	2,363	2,049
Custody fees	2,623	1,854
Other fees and commissions	194	158
<b>Total fee and commission income</b>	<b>27,024</b>	<b>21,698</b>
Corporate banking fees	(269)	(3,703)
Commissions on documentary credits and non-cash loans	(2,410)	(1,798)
Brokerage and custody fees	(3,690)	(1,381)
Commissions and fees paid on foreign correspondents	(609)	(418)
Other fees and commissions	(852)	(608)
<b>Total fee and commission expense</b>	<b>(7,830)</b>	<b>(7,908)</b>
<b>Net fee and commission income</b>	<b>19,194</b>	<b>13,790</b>

## 18. Net fee and commission income (continued)

### Contract balances

The following table provides information about receivables and contract liabilities from contracts with customers.

	<b>31 December 2025</b>	<b>31 December 2024</b>
Receivables included in miscellaneous receivables (note 9)	-	-
Contract liabilities included in other liabilities (note 13)	2,314	3,122

The contract liabilities mainly relate to the fees received from customers in relation to retail and corporate banking services. This is recognised as revenue over the period for which the services are provided.

The amount of EUR 1,749 recognised in contract liabilities at the beginning of the period has been recognised as revenue for the period ended 31 December 2025. The remaining part will be accrued in 2026.

### Performance obligations and revenue recognition policies

Fee and commission income from contracts with customers is measured based on the consideration specified in a contract with a customer. GBI recognises revenue when it transfers control over a service to a customer.

The following table provides information about the nature and timing of the satisfaction of performance obligations in contracts with customers, including significant payment terms, and the related revenue recognition policies.

<b>Type of service</b>	<b>Nature and timing of satisfaction of performance obligations, including significant payment terms</b>	<b>Revenue recognition under IFRS 15</b>
Retail and corporate banking service	<p>GBI provides banking services to retail and corporate customers, including account management, provision of overdraft facilities, brokerage of securities, brokerage of spot foreign exchange, brokerage of derivatives, custody of services, security transfers, third party funds, and servicing fees.</p> <p>Fees for ongoing account management are charged to the customer's account on a monthly basis. GBI sets the rates separately for retail and corporate banking customers at least on an annual basis.</p> <p>Transaction-based fees for interchange, foreign currency transactions and overdrafts are charged to the customer's account when the transaction takes place.</p> <p>Servicing fees are charged on a monthly basis and are based on fixed rates reviewed at least annually by the Bank.</p>	<p>Revenue from account service and servicing fees is recognised over time as the services are provided.</p> <p>Revenue related to transactions is recognised at the point in time when the transaction takes place.</p>
Trade Finance	<p>GBI provides trade finance services to its corporate customers which include letters of credit, standby letters of credit, collection, letters of guarantee.</p> <p>The type of services is transaction based and are charged when the transaction takes place.</p>	<p>Revenue from account service and servicing fees is recognised as the services are provided.</p>

## 19. Valuation results and net trading income

Gains and losses from derivative financial instruments and changes in fair value of other trading instruments are reflected in net trading income including the fair value hedges, whereas gains and losses arising from changes in the effective portion of the fair value of cash flow hedges are reflected as a separate component of equity. Net trading income from trading of financial assets is detailed in the table below:

	<b>2025</b>	<b>2024</b>
Derivatives trading results	1,799	636
Securities trading results	2,520	859
Foreign exchange transaction results	5,185	2,969
Other trading income		
- hedge ineffectiveness on:		
- micro and portfolio fair value hedges	3,407	(1,696)
- micro and portfolio cash flow hedges	(282)	627
<b>Valuation results and net trading income</b>	<b><u>12,629</u></b>	<b><u>5,113</u></b>

## 20. Investment income / (loss)

GBI realised a net gain on the disposal of debt instruments measured at FVOCI of EUR 443 (2024: EUR 495 loss).

## 21. Net income / (loss) arising from derecognition of financial assets measured at amortised cost

31 December 2025: Nil.

During the year ended 31 December 2024, the Bank sold certain loan receivables measured at amortised cost to a related party. The carrying amount of the financial assets sold is 65,008 and the losses arising from the derecognition at 31 December 2024 is EUR 1,625 loss.

## 22. Other income and expenses

Other income for the year ended 31 December 2025 includes EUR 219 received from the liquidation of DSB N.V..

Other income for the year ended 31 December 2024 includes EUR 2,856 received from the liquidation of DSB N.V.. With respect to the payments made by the Bank in 2009 within the scope of Deposit Guarantee Scheme, the Bank received additional payments from the liquidator in 2024.

Other expenses represent contributions to the Deposit Guarantee Scheme (DGS) and Single Resolution Fund (SRF). The total contribution for 2025 consist solely of DGS-related expenses, amounting to EUR 3,369, as the Single Resolution Board has decided that there will be no regular contributions for the 2025 cycle (2024: DGS related expenses is EUR 3,423 and SRF related expenses is nil).

## 23. Other operating expenses

Operating expenses of the Bank is as follows:

	<b>2025</b>	<b>2024</b>
Electronic data processing	8,839	7,317
Audit & consultancy	3,878	2,631
Supervisory fees	1,729	1,636
Communication	2,335	1,891
Advertising	1,433	905
Utility	508	470
Insurance	403	319
Repair and maintenance	273	174
Stationary	81	66
Others	897	1,249
	<b><u>20,376</u></b>	<b><u>16,658</u></b>

Audit and consultancy expenses include expenses related to services provided by EY Accountants B.V. as external auditor of GBI and other members of the international EY network.

The breakdown, in which these expenses have been allocated to the relevant period, is as follows:

	<b>2025</b>			<b>2024</b>		
	<b>EY Accountants B.V.</b>	<b>Other EY network</b>	<b>Total EY network</b>	<b>EY Accountants B.V.</b>	<b>Other EY network</b>	<b>Total EY network</b>
Statutory audit of financial statements	629	-	629	554	-	554
Other assurance services	135	-	135	107	-	107
Tax advisory services	-	-	-	-	-	-
Other non-audit services	-	-	-	-	-	-
<b>Total</b>	<b><u>763</u></b>	<b><u>-</u></b>	<b><u>763</u></b>	<b><u>661</u></b>	<b><u>-</u></b>	<b><u>661</u></b>

For the period to which our statutory audit relates, in addition to this audit, EY has provided the following services to the GarantiBank International N.V.:

- audit and review of financial information for consolidation purposes of the parent company;
- audit and audit-related services on prudential returns and other regulatory reporting to Supervisory Authorities.

## 24. Personnel expenses

	<b>2025</b>	<b>2024</b>
Short-term benefits - salaries	29,417	26,044
Short-term benefits - social security and insurance	3,704	3,272
Short-term benefits - other	2,181	1,971
Other benefits	4,007	2,847
Post employment benefits (pension insurance premium)	3,449	3,079
Termination benefits	812	1,026
	<b><u>43,570</u></b>	<b><u>38,239</u></b>

## 25. Board remuneration

In accordance with the Articles of Association, the remuneration of the members of the Managing Board is subject for approval by the shareholder at the Annual General Shareholders' Meeting.

The remuneration proposal for the members of the Managing Board will be submitted to the next Annual General Shareholders' Meeting in 2026 for adoption. The objective of the remuneration policy is to attract, motivate and retain a qualified Managing Board with an international mind-set and background.

The remuneration of current and former members of the Managing Board amounted to EUR 3,752 in 2025 (2024: EUR 2,786). The total remuneration consists of:

	<b>2025</b>	<b>2024</b>
Short-term benefits	3,167	2,617
Post-employment benefits	200	169
Other long-term employee benefits	-	-
Termination benefits	385	-
	<u><b>3,752</b></u>	<u><b>2,786</b></u>

The remuneration of current and former independent members of the Supervisory Board amounted to EUR 281 in 2025 (2024: EUR 249). The non-independent (current and former) members of the Supervisory Board did not receive remuneration. For further details regarding the remuneration, policy reference is made to the Report of the Supervisory Board. In Note 2 Related party disclosures, contracts transacted with key management personnel including the managing board is disclosed and is extension of this note.

## 26. Leases

The Bank leases certain properties in Germany (Branch office) and Türkiye (Representative Office) as well as cars and other office equipment.

Lease liabilities are recognized at the commencement of the lease contracts and presented under other liabilities. Interest in connection with lease payments are presented under interest expenses amounting to EUR 416 (in full) for the period ended 31 December 2025 (2024: EUR 369 in full). Some leases provide for additional rent payments that are based on changes in certain price indices.

Total cash outflow for the lease payments is EUR 352 for the period ended 31 December 2025 (31 December 2024: EUR 195).

Information about leases for which the Bank is a lessee is presented below.

### *Right-of-use assets*

Right-of-use assets are presented within tangible.

<b>2025</b>	<b>Property</b>	<b>Equipment</b>	<b>Total</b>
<b>Opening balance as at 1 January</b>	<b>490</b>	<b>304</b>	<b>794</b>
Depreciation charge for the year	(64)	(115)	(179)
Additions to the right-of-use assets	45	162	207
Derecognition of right-of-use assets	(65)	-	(65)
<b>Closing balance as at 31 December</b>	<u><b>406</b></u>	<u><b>351</b></u>	<u><b>757</b></u>
<b>2024</b>	<b>Property</b>	<b>Equipment</b>	<b>Total</b>
<b>Opening balance as at 1 January</b>	<b>109</b>	<b>158</b>	<b>267</b>
Depreciation charge for the year	(80)	13	(67)
Additions to the right-of-use assets	533	179	712
Derecognition of right-of-use assets	(72)	(46)	(118)
<b>Closing balance as at 31 December</b>	<u><b>490</b></u>	<u><b>304</b></u>	<u><b>794</b></u>

## Risk Management

### Introduction

GBI has an overall risk management model tailored to its business and its organization. This model allows GBI to develop its activity in accordance with the risk strategy, risk controls and management policies defined by the governing bodies of the Bank and to adapt to a changing economic and regulatory environment. GBI follows a clear and proactive risk management strategy and adjusts its risk management structure continuously in an effort to further align with BBVA.

Given BBVA's stake in Türkiye Garanti Bankasi A.Ş., GBI's shareholder, GBI is also qualified as a significant supervised entity under the Single Supervisory Mechanism (SSM). Since then, the alignment of risk management policies and practices with those of BBVA has been concluded.

GBI has preserved its prudent approach to capital and liquidity management in 2025. Common Equity Tier 1 (CET1) has decreased to 22.09 from 23.94 in 2024. Because there is no provision excess in tier 2 capital and total capital ratio equals CET1 in 2025, the total capital ratio is equal to CET1 capital, decreased to 22.09 percent from 23.94 percent in 2024. Both ratios are comfortably above the minimum required regulatory levels and provide a strong cushion for the Bank.

The Bank has continued to operate with a significant liquidity buffer, evidenced by a high LCR of 638.6 percent (31 December 2024: 342.0 percent). The increase in LCR is mostly due to the decrease in Net Liquidity Outflows due to the growth in non-financial customer and trade finance transactions. Although the increase in HQLA was not material, the change in Net Liquidity Outflows was significantly larger. As a result, the LCR moved accordingly due to the substantial difference between the numerator (HQLA) and the denominator (Net Liquidity Outflows). The liquidity buffer is composed of placements to European Central Bank and investments in high quality liquid assets.

## 27. Overview on Governance Around Risk

GBI has established a governance structure based on the segregation of duties to facilitate sound and controlled business operations. Risk management is structured at various levels within the organization in the form of various committees at the Supervisory Board and at the Managing Board levels and dedicated departments with specific mandates for risk management and control.

The Supervisory Board (SB) bears the overall responsibility for approving the risk appetite of GBI and monitoring of the adherence thereto. The Risk Committee of the Supervisory Board (RCSB) advises and assists the Supervisory Board in monitoring the Bank's risk profile, risk appetite and effective risk management. The Audit and Compliance Committee of the Supervisory Board (ACSB) is the ultimate authority on independent audit functions, compliance-related risks, and advises the SB in monitoring the integrity of the financial statements and compliance with legal and regulatory requirements.

The Managing Board (MB) of GBI functions as a collegial body, as referred to in Section 2:129 of the Dutch Civil Code that reports to the SB. The MB is responsible for the management, general affairs, and business connected with GBI. The MB develops strategies, policies, and procedures to establish effective risk management and ensure that the Bank is in line with the approved risk appetite. CRO, as a member of the MB, is responsible for developing, implementing, and monitoring the effectiveness of risk policies and practices that strategically support the Bank's risk objectives.

The Risk Management Committee (RMC) is responsible for coordinating and monitoring risk management activities at the Bank level. Other committees at the Bank level manage specific key banking risks: the Credit Committee for credit risk; the Asset and Liability Committee (ALCO) for market, interest rate, and liquidity risks; and the Compliance Committee for compliance risks.

The Operational Risk Admission and Product Governance Committee is responsible for the assessment and introduction of new products and services.

The Credit Division is a separate risk control function, independent of commercial activities, ensuring the proper functioning of the Bank's credit processes.

## 27. Overview on Governance Around Risk (continued)

The Risk Management Department (RMD) of GBI is an independent risk monitoring function, also independent of commercial activities. The RMD develops and implements risk policies, procedures, methodologies, and risk management infrastructures. Risks in relation to the limits established by the Bank are continuously measured and comprehensively reported to the appropriate committees.

The Internal Control & Non-Financial Risk Department (IC-NFR) is involved in monitoring and reporting of operational risks and establishing preventive control processes.

The Compliance Department is also an independent body, reporting directly to the ACSB as well as to the Managing Board. The main purpose of the Compliance Department is to support GBI in complying with applicable laws and regulations, GBI policies and standards, and to follow the relevant group entities' policies and principles. Compliance Department is responsible for AML-CTF Compliance, Corporate Compliance, Customer Compliance, Securities Compliance, and conducts its activities in scope of those areas.

The Corporate Information Security Department (CISD) is responsible for identifying risks in the information technology systems and processes at GBI, as well as ensuring that technology-related threats to business continuity are identified and mitigated.

The Internal Audit Department (IAD) monitors the governance frameworks around all risks through regular audits and provides reports to the Managing Board and the ACSB.

## 28. Risk Appetite

GBI's Risk Appetite Framework, in line with that of the Group, determines the risks and risk levels that GBI is prepared to assume in order to achieve its business objectives. The establishment of the risk appetite has the following purposes:

- To set the maximum risk levels that the Bank is willing to assume.
- To establish guidelines and the management framework to avoid actions that could threaten the future viability of the Bank.
- To establish a common terminology in the organization and to develop a compliance-driven risk culture.
- To ensure compliance with the regulatory requirements
- To facilitate communication with the regulators, investors and other stakeholders

The Risk Appetite Framework is expressed through the following elements;

**Risk Appetite Statement:** It sets out the general principles of the risk strategy of the Bank and the target risk profile.

GBI is focused on promoting a multichannel and responsible universal banking model, based on values, committed to sustainable development and centered on our customer's needs and focused on operational excellence and the preservation of an adequate security and business continuity. The Bank intends to achieve these goals, while maintaining a moderate risk profile, so the risk model established aims at ensuring a robust financial position, facilitating its commitment with sustainability and obtaining a sound financial position and a solid through-the-cycle risk-adjusted profitability, as the best way to face adverse situations without jeopardizing the strategic goals. Risk management at GBI is based on prudent management, an integral and forward looking view of risks, that allows GBI to adapt to the disruption risk inherent to the banking business and includes the climate risk driver, portfolio diversification by asset class and client segment, anti-money laundering and combating the financing of terrorism and keeping a long term relationship with the client; thus contributing to sustainable future, to promote profitable growth and recurrent value creation.

## 28. Risk Appetite (continued)

**Core Metrics:** They define, in quantitative terms, the target risk profile set out in the risk appetite statement in line with the strategy of the Bank. The core metrics used internally are expressed in terms of solvency (i.e. CET1 ratio), liquidity (i.e. LCR, loan to stable customer deposits ratio) and recurrent income (i.e. return on equity, net margin, cost of risk). Each core metric has three thresholds (the traffic-light approach), ranging from usual management of the business to higher levels of risk: management reference, maximum appetite and maximum capacity. In determining risk appetite, the Supervisory Board seeks a balanced combination of risk and return while paying close attention to the interests of all stakeholders. As such, the Supervisory Board reviews it on an annual basis at minimum.

- GBI's solvency has always remained at an above-adequate level owing to its committed shareholders and risk-averse strategies. The Bank aims to hold a strong capital base with a high Tier 1 component.
- The Bank focuses in particular on ensuring sufficient liquidity and thus safe banking operations and sound financial conditions in both normal and stressed financial environments, while retaining a stable and diversified liquidity profile.
- In terms of financial performance, the Bank targets a return on equity level that is stable in the long-term and satisfies the stakeholders, including the shareholders, while maintaining core competencies and a strategic position in key markets.
- GBI is strongly committed to act with integrity and adhere to the highest ethical principles in its business conduct.

**By Type of Risk Metrics:** These are defined in conjunction with the risk appetite core metrics. Compliance with the levels of by type of risk metrics ensures the compliance with the core metrics.

**Management Limits:** The core metrics and metrics by type of risk are supported by an additional layer through the introduction of limits on specific risk types i.e. credit, market, structural interest rate, structural FX, liquidity and operational risk.

The RAF was created to support the Bank's core values and strategic objectives. Accordingly, GBI dedicates sufficient resources to ensure full compliance with all requirements as well as to establish and maintain a strong risk culture throughout the organization. Evaluation, monitoring and reporting is an important element of GBI's RAF, which allows the Bank to ensure the compliance with the Risk Appetite set by the Supervisory Board. The Bank's risk limits are continuously monitored through control functions.

### Credit Risk

Credit risk is the current or prospective risk to earnings and capital arising from an obligor's failure to meet the terms of any contract with the bank or otherwise fail to perform as agreed. The Bank is exposed to credit risk on various financial assets, including derivative instruments used for hedging and debt investments and credit risk on off balance sheet instruments (loan commitments and guarantees issued). GBI is predominantly involved in portfolios such as sovereigns, banks, large corporates and trade finance activities, where limited number of defaults are observed. GBI's objective is to preserve a moderate risk profile by proactively managing an adequate return on available capital.

GBI applies dedicated internal rating models to assess the creditworthiness of counterparties, which are integrated into the credit decision-making and monitoring processes. These models support the assessment of expected and unexpected losses arising from lending activities and continue to play a central role in credit risk management. Regulatory capital for credit risk exposures is calculated using the Standardised Approach. Independent third-party experts validate all internal rating models on an annual basis.

## 28. Risk Appetite (continued)

For IFRS-based reporting, the Bank has adopted an Expected Credit Loss (ECL) methodology that makes use of internal credit rating models used for credit risk management purposes. These models produce Through-the-Cycle (TTC) probability of default (PD) estimates. To ensure compliance with IFRS 9 requirements, additional adjustments and overlays are applied to derive Point-in-Time (PIT) PD estimates.

## 29. Approach expected credit loss of financial assets

GBI recognizes an ECL allowance on financial assets and loans measured at amortized cost and financial assets measured at FVOCI, loan commitments and financial guarantee contracts not measured at FVTPL based on IFRS 9. In chapter Material accounting policies, the approach for ECL allowance is further elaborated. The breakdown of individually and collectively assessed ECL's for loans, cash and non-cash loans is as follows:

### Summary of financial instruments to which the IFRS9 ECL requirements apply

31 December 2025	Stage 1		Stage 2				Stage 3		Total carrying amount	Total ECL allowance
	Collective		Individual		Collective		Individual			
	Carrying amount	ECL allowance	Carrying amount	ECL allowance	Carrying amount	ECL allowance	Carrying amount	ECL allowance		
Cash and balance with Central Banks	3,004,948	124	-	-	-	-	-	-	3,004,948	124
Loans and Advances to Banks	907,086	1,645	-	-	-	-	-	-	907,086	1,645
Loans and Advances to Customer	5,666,426	14,077	-	-	14,399	170	10,727	6,457	5,691,551	20,704
Debt securities at FVOCI	1,162,075	249	-	-	-	-	-	-	1,162,075	249
Debt securities at Amortised Cost	12,993	7	-	-	-	-	-	-	12,993	7
<b>Total On-balance sheet assets</b>	<b>10,753,528</b>	<b>16,102</b>	-	-	<b>14,399</b>	<b>170</b>	<b>10,727</b>	<b>6,457</b>	<b>10,778,653</b>	<b>22,729</b>
Commitment and Contingencies	1,377,457	732	-	-	-	-	-	-	1,377,457	732
<b>Total</b>	<b>12,130,985</b>	<b>16,834</b>	-	-	<b>14,399</b>	<b>170</b>	<b>10,727</b>	<b>6,457</b>	<b>12,156,110</b>	<b>23,461</b>

31 December 2024	Stage 1		Stage 2				Stage 3		Total carrying amount	Total ECL allowance
	Collective		Individual		Collective		Individual			
	Carrying amount	ECL allowance	Carrying amount	ECL allowance	Carrying amount	ECL allowance	Carrying amount	ECL allowance		
Cash and balance with Central Banks	3,316,013	467	-	-	-	-	-	-	3,316,013	467
Loans and Advances to Banks	660,483	1,725	-	-	-	-	-	-	660,483	1,725
Loans and Advances to Customer	3,464,623	10,836	9,719	402	2,528	6	13,999	8,547	3,490,869	19,791
Interest-bearing securities (FVOCI)	703,412	138	-	-	-	-	-	-	703,412	138
<b>Total On-balance sheet assets</b>	<b>8,144,531</b>	<b>13,166</b>	<b>9,719</b>	<b>402</b>	<b>2,528</b>	<b>6</b>	<b>13,999</b>	<b>8,547</b>	<b>8,170,777</b>	<b>22,121</b>
Commitment and Contingencies	904,192	1,049	-	-	-	-	-	-	904,192	1,049
<b>Total</b>	<b>9,048,723</b>	<b>14,215</b>	<b>9,719</b>	<b>402</b>	<b>2,528</b>	<b>6</b>	<b>13,999</b>	<b>8,547</b>	<b>9,074,969</b>	<b>23,170</b>

The gross carrying amount of the loans and advances to customers in Stage 2 has increased to EUR 14.4 million (2024: EUR 12.2 million) due to the transfers to Stage 2.

There has been no addition to stage 3 loans during the year ended 2025. The change in the gross carrying amount is due to the repayments. The amount of loans that have been written off during the year ended 2025 is nil (2024: EUR 2,699).

ECL impact arising from the originations of loans and advances to customers is EUR 11.3 million. Gross carrying amount of these loans as of 31 December 2025 is EUR 4.6 billion.

ECL impact arising from the repayment of loans and advances to customers is EUR 7.7 million. Gross carrying amount of these loans as of 31 December 2024 was EUR 0.3 billion whereas their gross carrying amount as of 31 December 2025 is EUR 0.5 billion. The table below summarizes the movement of ECL allowance, per stage and balance sheet line item. Finally, the table shows the changes in ECL calculation during 2025 together with the drivers of changes (e.g. write-offs or transfer to Stage 2 or Stage 3).

## 29. Approach expected credit loss of financial assets (continued)

### Expected Credit Loss allowance movements – 31 December 2025

<b>Cash and balances with central banks</b>	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Total</b>
<b>Balance at 1 January</b>	<b>467</b>	-	-	<b>467</b>
Transfer to Stage 1	-	-	-	-
Transfer to Stage 2	-	-	-	-
Transfer to Stage 3	-	-	-	-
Remeasurement of ECL allowance	-	-	-	-
Matured or repaid	(466)	-	-	<b>(466)</b>
Originations	123	-	-	<b>123</b>
Financial assets that have been derecognised	-	-	-	-
Write-offs	-	-	-	-
Foreign exchange	-	-	-	-
<b>Balance at period end</b>	<b>124</b>	-	-	<b>124</b>

<b>Loans and advances to banks</b>	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Total</b>
<b>Balance at 1 January</b>	<b>1,725</b>	-	-	<b>1,725</b>
Transfer to Stage 1	-	-	-	-
Transfer to Stage 2	-	-	-	-
Transfer to Stage 3	-	-	-	-
Remeasurement of ECL allowance	(1)	-	-	<b>(1)</b>
Matured or repaid	(1,705)	-	-	<b>(1,705)</b>
Originations	1,627	-	-	<b>1,627</b>
Financial assets that have been derecognised	-	-	-	-
Write-offs	-	-	-	-
Foreign exchange	(1)	-	-	<b>(1)</b>
<b>Balance at period end</b>	<b>1,645</b>	-	-	<b>1,645</b>

<b>Loans and advances to customers</b>	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Total</b>
<b>Balance at 1 January</b>	<b>10,836</b>	<b>408</b>	<b>8,547</b>	<b>19,791</b>
Transfer to Stage 1	-	-	-	-
Transfer to Stage 2	(9)	9	-	-
Transfer to Stage 3	-	-	-	-
Remeasurement of ECL allowance	(216)	-	346	<b>130</b>
Matured or repaid	(7,731)	(414)	(1,646)	<b>(9,791)</b>
Originations	11,325	167	-	<b>11,492</b>
Financial assets that have been derecognised	-	-	-	-
Write-offs	-	-	-	-
Foreign exchange	(127)	-	(790)	<b>(917)</b>
<b>Balance at period end</b>	<b>14,078</b>	<b>170</b>	<b>6,457</b>	<b>20,705</b>

<b>Debt Securities at FVOCI</b>	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Total</b>
<b>Balance at 1 January</b>	<b>138</b>	-	-	<b>138</b>
Transfer to Stage 1	-	-	-	-
Transfer to Stage 2	-	-	-	-
Transfer to Stage 3	-	-	-	-
Remeasurement of ECL allowance	3	-	-	<b>3</b>
Matured or repaid	(67)	-	-	<b>(67)</b>
Originations	176	-	-	<b>176</b>
Financial assets that have been derecognised	-	-	-	-
Write-offs	-	-	-	-
Foreign exchange	(1)	-	-	<b>(1)</b>
<b>Balance at period end</b>	<b>249</b>	-	-	<b>249</b>

<b>Debt Securities at amortised cost</b>	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Total</b>
<b>Balance at 1 January</b>	-	-	-	-
Transfer to Stage 1	-	-	-	-
Transfer to Stage 2	-	-	-	-
Transfer to Stage 3	-	-	-	-
Remeasurement of ECL allowance	-	-	-	-
Matured or repaid	-	-	-	-
Originations	7	-	-	<b>7</b>
Financial assets that have been derecognised	-	-	-	-
Write-offs	-	-	-	-
Foreign exchange	-	-	-	-
<b>Balance at period end</b>	<b>7</b>	-	-	<b>7</b>

## 29. Approach expected credit loss of financial assets (continued)

### Expected Credit Loss allowance movements – 31 December 2025 (continued)

Commitments and Contingencies	Stage 1	Stage 2	Stage 3	Total
<b>Balance at 1 January</b>	<b>1,049</b>	-	-	<b>1,049</b>
Transfer to Stage 1	-	-	-	-
Transfer to Stage 2	-	-	-	-
Transfer to Stage 3	-	-	-	-
Remeasurement of ECL allowance	(160)	-	-	<b>(160)</b>
Matured or repaid	(687)	-	-	<b>(687)</b>
Originations	541	-	-	<b>541</b>
Financial assets that have been derecognised	-	-	-	-
Write-offs	-	-	-	-
Foreign exchange	(11)	-	-	<b>(11)</b>
<b>Balance at period end</b>	<b>732</b>	-	-	<b>732</b>

### Expected Credit Loss allowance movements – 31 December 2024

Cash and balances with central banks	Stage 1	Stage 2	Stage 3	Total
<b>Balance at 1 January</b>	<b>96</b>	-	-	<b>96</b>
Transfer to Stage 1	-	-	-	-
Transfer to Stage 2	-	-	-	-
Transfer to Stage 3	-	-	-	-
Remeasurement of ECL allowance	-	-	-	-
Matured or repaid	(94)	-	-	<b>(94)</b>
Originations	465	-	-	<b>465</b>
Financial assets that have been derecognised	-	-	-	-
Write-offs	-	-	-	-
Foreign exchange	-	-	-	-
<b>Balance at period end</b>	<b>467</b>	-	-	<b>467</b>

Loans and advances to banks	Stage 1	Stage 2	Stage 3	Total
<b>Balance at 1 January</b>	<b>2,881</b>	-	-	<b>2,881</b>
Transfer to Stage 1	-	-	-	-
Transfer to Stage 2	-	-	-	-
Transfer to Stage 3	-	-	-	-
Remeasurement of ECL allowance	-	-	-	-
Matured or repaid	(2,815)	-	-	<b>(2,815)</b>
Originations	1,656	-	-	<b>1,656</b>
Financial assets that have been derecognised	-	-	-	-
Write-offs	-	-	-	-
Foreign exchange	3	-	-	<b>3</b>
<b>Balance at period end</b>	<b>1,725</b>	-	-	<b>1,725</b>

Loans and advances to customers	Stage 1	Stage 2	Stage 3	Total
<b>Balance at 1 January</b>	<b>10,105</b>	<b>427</b>	<b>9,936</b>	<b>20,468</b>
Transfer to Stage 1	427	(427)	-	-
Transfer to Stage 2	(15)	15	-	-
Transfer to Stage 3	-	-	-	-
Remeasurement of ECL allowance	(159)	(9)	1,597	<b>1,429</b>
Matured or repaid	(7,844)	-	(677)	<b>(8,521)</b>
Originations	8,444	402	-	<b>8,846</b>
Financial assets that have been derecognised	(164)	-	-	<b>(164)</b>
Write-offs	-	-	(2,699)	<b>(2,699)</b>
Foreign exchange	42	-	390	<b>432</b>
<b>Balance at period end</b>	<b>10,836</b>	<b>408</b>	<b>8,547</b>	<b>19,791</b>

Debt securities at FVOCI	Stage 1	Stage 2	Stage 3	Total
<b>Balance at 1 January</b>	<b>78</b>	-	-	<b>78</b>
Transfer to Stage 1	-	-	-	-
Transfer to Stage 2	-	-	-	-
Transfer to Stage 3	-	-	-	-
Remeasurement of ECL allowance	2	-	-	<b>2</b>
Matured or repaid	(43)	-	-	<b>(43)</b>
Originations	101	-	-	<b>101</b>
Financial assets that have been derecognised	-	-	-	-
Write-offs	-	-	-	-
Foreign exchange	-	-	-	-
<b>Balance at period end</b>	<b>138</b>	-	-	<b>138</b>

## 29. Approach expected credit loss of financial assets (continued)

### Expected Credit Loss allowance movements – 31 December 2024 (continued)

Commitments and Contingencies	Stage 1	Stage 2	Stage 3	Total
<b>Balance at 1 January</b>	<b>1,372</b>	-	-	<b>1,372</b>
Transfer to Stage 1	-	-	-	-
Transfer to Stage 2	-	-	-	-
Transfer to Stage 3	-	-	-	-
Remeasurement of ECL allowance	(330)	-	-	<b>(330)</b>
Matured or repaid	(743)	-	-	<b>(743)</b>
Originations	741	-	-	<b>741</b>
Financial assets that have been derecognised	-	-	-	-
Write-offs	-	-	-	-
Foreign exchange	9	-	-	<b>9</b>
<b>Balance at period end</b>	<b>1,049</b>	-	-	<b>1,049</b>

### Sensitivity analysis

GBI's ECL allowance per 31 December 2025 is EUR 23.5 million (2024: 23.2 million), out of which EUR 17.0 million (2024: 14.2 million) is calculated by use of collective assessment. Said collective ECL allowance is sensitive to the forward-looking macroeconomic forecasts used as model inputs, the probability-weights applied to each of the scenarios, the loss given default rates (LGD) and the criteria for identifying a significant increase in credit risk. These elements require management judgement and are subject to the Bank's internal processes and controls.

#### Macro-economic models and probability weights

GBI has internal credit risk rating models in place for economic capital purposes where the PDs are assessed on a borrower level and refer to the likelihood that a borrower will default. These models consider quantitative and qualitative scoring elements, and the produced PDs are through the cycle (TTC). For IFRS 9 purposes, the Bank has adopted an ECL methodology that makes use of the said credit rating models and converts the TTC PDs to lifetime Point in Time (PIT) PD's. IFRS 9 requires preparers to use multiple macroeconomic scenarios to produce probability-weighted lifetime ECL's. GBI has three different macroeconomic models that are used according to the relevant geography of the borrower as Türkiye, Europe and Global and a separate model for low-default portfolio (LDP) consisting of banks, and sovereigns. These are Vasicek models with one independent variable that aim to provide the best fit to the dependent variable, which is the observed default rates. GBI has seen that real GDP change is observed to be the most relevant factor that impacts GBI's credit forecast and actual credit losses and uses it as the explanatory variable in the said models.

Each macro model consists of three macroeconomic scenarios, namely baseline, upside and downside scenarios, which are determined to reflect an unbiased and probability weighted ECL amount. These forward-looking macroeconomic scenarios are subjective and incorporate uncertainty by nature. GBI makes use of BBVA's internal GDP estimates, which are developed by the economic research team of BBVA, for its Baseline Scenario, which is considered a market-neutral view or market consensus for forecasts. Similarly, GBI makes use of BBVA economic research team estimates for the upside and downside scenarios. GBI considers that the baseline macroeconomic scenario presents the current economic cycle the most and therefore assigns the largest probability weight to this scenario, being 60%. Other two scenarios, Upside and Downside, are equally weighted with 20%.

## 29. Approach expected credit loss of financial assets (continued)

The table below shows the projections for the abovementioned model parameters under three scenarios.

31 December 2025		Downside Scenario			Base scenario			Upside Scenario		
	GDP	Türkiye	Global	EU	Türkiye	Global	EU	Türkiye	Global	EU
	2025	1.90%	0.94%	0.33%	3.97%	1.90%	1.06%	7.47%	2.84%	2.11%
	2026	2.53%	0.72%	0.51%	5.46%	2.02%	1.28%	9.29%	3.18%	2.54%
	2027	1.38%	0.75%	0.66%	3.20%	1.94%	1.35%	5.77%	3.03%	2.60%
31 December 2024		Downside Scenario			Base scenario			Upside Scenario		
	GDP	Türkiye	Global	EU	Türkiye	Global	EU	Türkiye	Global	EU
	2024	0.4%	0.9%	0.3%	2.5%	1.9%	1.0%	6.0%	3.0%	2.1%
	2025	1.6%	0.8%	0.3%	4.5%	2.1%	1.1%	8.4%	3.3%	2.3%
	2026	2.4%	0.8%	0.4%	4.2%	2.0%	1.1%	6.8%	3.2%	2.4%

The GDP estimates and the probability weights applied to each of the three scenarios require management judgement. GBI has internal processes and controls in place where the range of possibilities and expectations referring to said judgements, are assessed, discussed, approved and monitored under the four eyes principle concept (three lines of defence). The ECL could change as per the changes in GDP growth. For example, management assessed that in case of a decrease in GDP estimates by 25 basis points, the ECL allowance for collectively assessed exposures would increase by EUR 555 thousand (2024: EUR 522 thousand), whereas the increase of 25 basis points would result a decrease by EUR 532 thousand (2024: EUR 408 thousand).

The following table shows the unweighted ECL amounts under three macroeconomic scenarios and the final ECL after weighting:

Scenario	Weight	31 December 2025		31 December 2024	
		Unweighted ECL	Weighted ECL	Unweighted ECL	Weighted ECL
Upside	20%	14,429		12,290	
Base	60%	16,906	17,004	14,050	14,221
Downside	20%	19,113		16,223	

### Loss given default

GBI's loan portfolio size is not sufficient to derive statistically significant data on historic losses and hence for most of the portfolio regulatory LGD benchmarks that are used for the regulatory capital requirement calculations, are employed to set the LGD.

### Significant increase in credit risk

All assets that are subject to collective ECL assessment are allocated a 12-month ECL if it belongs in Stage 1, or a lifetime ECL in Stage 2. An asset belongs to Stage 2 if it is considered to have experienced a significant increase in credit risk since initial recognition. The staging process involves an assessment against both quantitative and qualitative criteria to determine the relative significance of credit risk deterioration. While qualitative criteria are based on, amongst others, forbearance indicators, the quantitative criterion is based on the assessment of the change in the probability of default (PD) of the borrower since initial recognition of the asset.

The Bank compares the current PD over the life of the transaction with the original adjusted PD, so that both values are comparable in terms of default probability for their residual life. While comparing these PDs, GBI tests whether both the absolute and relative difference in these two PDs are above certain thresholds. The thresholds used for considering a significant increase in risk might differ as per the asset classes (i.e. sovereign, financial institutions, corporates) in line with the differences in the observed default rates. The setting of thresholds requires management judgement and is a key source of estimation uncertainty.

## 29. Approach expected credit loss of financial assets (continued)

The sensitivity of the thresholds is as follows:

Analysis segment – 2025	Relative Threshold (%)	Absolute Threshold (%)	ECL impact with a 50 bps lower Threshold	ECL impact with a 50 bps higher Threshold
LDP (Banks & Sovereigns)	240	100	-	-
Corporate	150	100	-	-

Analysis segment – 2024	Relative Threshold (%)	Absolute Threshold (%)	ECL impact with a 50 bps lower Threshold	ECL impact with a 50 bps higher Threshold
LDP (Banks & Sovereigns)	240	100	-	-
Corporate	150	100	97	-

## 30. Concentration Risk

The Bank's Wholesale Credit Risk Policy establishes the Bank's decision-making process in granting credit limits, setting rules and guidelines for exposures that give rise to credit risk. In view of the internal ratings and credit assessment analyses of the obligors, the Credit Committee assigns the credit exposure limit. All obligors have individual credit limits based on their creditworthiness. Groups of connected obligors are subject to regulatory 'group exposure' limits, as well as internal Group Concentration Policy, to manage the concentration risk of the Bank effectively. Furthermore, as per the Country Concentration Policy, limits are in place that cap the maximum exposure to specific countries, to ensure that related risks do not threaten the asset quality or solvency of the Bank. Finally, the Sector Limit Policy is designed to minimize contagion risks. The effectiveness of risk monitoring is supported by internal systems ensuring proper compliance with the principle of segregation of duties and authorization levels. Regular monitoring by the Credit Risk Department of GBI's exposure and compliance with the established credit limits ensures timely management of credit risk. The exposures to various customers, business lines and geographical locations are monitored on a regular basis by the Credit Division to ensure compliance with the established limits. The geographical breakdown of carrying amounts assets and commitment and contingencies is based on customer domicile as follows in below tables

**The geographical breakdown of financial assets based on domicile**

As at 31 December 2025	Cash and Central Banks		Banks		Loans and advances		Debt Securities at FVOCI		Debt Securities at amortised cost		Commitments and contingencies		Total	
	Carrying amount	ECL	Carrying amount	ECL	Carrying amount	ECL	Carrying amount	ECL	Carrying amount	ECL	Carrying amount	ECL	Carrying amount	ECL
	<b>2,986,78</b>												<b>4,527,67</b>	
<b>— the Netherlands</b>	<b>2</b>	<b>123</b>	<b>41,675</b>	<b>12</b>	<b>1,104,871</b>	<b>6,640</b>	<b>70,254</b>	<b>22</b>	<b>10,013</b>	<b>5</b>	<b>314,077</b>	<b>85</b>	<b>2</b>	<b>6,886</b>
Stage 1	2,986,782	123	41,675	12	1,101,136	1,951	70,254	22	10,013	5	314,077	85	4,523,937	2,197
Stage 2	-	-	-	-	1,488	2	-	-	-	-	-	-	1,488	2
Stage 3	-	-	-	-	2,247	4,687	-	-	-	-	-	-	2,247	4,687
<b>— Türkiye</b>	-	-	<b>638,703</b>	<b>1,501</b>	<b>1,955,737</b>	<b>6,496</b>	-	-	-	-	<b>68,792</b>	<b>81</b>	<b>2</b>	<b>8,078</b>
Stage 1	-	-	638,703	1,501	1,944,070	6,183	-	-	-	-	68,792	81	2,651,565	7,765
Stage 2	-	-	-	-	11,667	166	-	-	-	-	-	-	11,667	166
Stage 3	-	-	-	-	-	147	-	-	-	-	-	-	-	147
<b>— Great Britain</b>	-	-	<b>12,557</b>	<b>3</b>	<b>200,396</b>	<b>742</b>	<b>4,256</b>	-	-	-	<b>58,286</b>	<b>33</b>	<b>275,495</b>	<b>778</b>
Stage 1	-	-	12,557	3	196,473	697	4,256	-	-	-	58,286	33	271,572	733
Stage 2	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Stage 3	-	-	-	-	3,923	45	-	-	-	-	-	-	3,923	45
<b>— Switzerland</b>	-	-	<b>1,357</b>	-	<b>567,686</b>	<b>3,181</b>	-	-	-	-	<b>413,874</b>	<b>196</b>	<b>982,917</b>	<b>3,377</b>
Stage 1	-	-	1,357	-	563,129	1,684	-	-	-	-	413,874	196	978,360	1,880
Stage 2	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Stage 3	-	-	-	-	4,557	1,497	-	-	-	-	-	-	4,557	1,497
<b>— Germany</b>	<b>18,166</b>	<b>1</b>	<b>13,843</b>	<b>3</b>	<b>352,130</b>	<b>645</b>	<b>168,592</b>	<b>24</b>	-	-	<b>12,502</b>	<b>52</b>	<b>565,233</b>	<b>725</b>
Stage 1	18,166	1	13,843	3	352,130	563	168,592	24	-	-	12,502	52	565,233	643
Stage 2	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Stage 3	-	-	-	-	-	82	-	-	-	-	-	-	-	82
<b>— USA</b>	-	-	<b>21,919</b>	<b>4</b>	<b>221,563</b>	<b>639</b>	-	-	-	-	<b>125,510</b>	<b>84</b>	<b>368,992</b>	<b>727</b>
Stage 1	-	-	21,919	4	221,563	639	-	-	-	-	125,510	84	368,992	727
Stage 2	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>— France</b>	-	-	<b>27,213</b>	<b>11</b>	<b>61,112</b>	<b>286</b>	<b>202,423</b>	<b>76</b>	<b>2,980</b>	<b>2</b>	<b>18,352</b>	<b>23</b>	<b>312,080</b>	<b>400</b>
Stage 1	-	-	27,213	11	61,112	286	202,423	76	2,980	2	18,352	23	312,080	400
<b>— Rest of Europe</b>	-	-	<b>60,716</b>	<b>27</b>	<b>836,015</b>	<b>1,299</b>	<b>716,550</b>	<b>127</b>	-	-	<b>59,221</b>	<b>59</b>	<b>1,672,502</b>	<b>1,512</b>
Stage 1	-	-	60,716	27	834,772	1,296	716,550	127	-	-	59,221	59	1,671,259	1,509
Stage 2	-	-	-	-	1,243	3	-	-	-	-	-	-	1,243	3
<b>— Rest of the world</b>	-	-	<b>89,103</b>	<b>84</b>	<b>392,041</b>	<b>776</b>	-	-	-	-	<b>306,843</b>	<b>119</b>	<b>787,987</b>	<b>979</b>
Stage 1	-	-	89,103	84	392,041	776	-	-	-	-	306,843	119	787,987	979
<b>Total:</b>	<b>3,004,94</b>	<b>8</b>	<b>907,086</b>	<b>1,645</b>	<b>5,691,551</b>	<b>20,704</b>	<b>1,162,075</b>	<b>249</b>	<b>12,993</b>	<b>7</b>	<b>1,377,457</b>	<b>732</b>	<b>12,156,11</b>	<b>23,461</b>

As at 31 December 2024	Cash and Central Banks		Banks		Loans and advances		Debt securities at FVOCI		Commitment and contingencies		Total	
	Carrying amount	ECL	Carrying amount	ECL	Carrying amount	ECL	Carrying amount	ECL	Carrying amount	ECL	Carrying amount	ECL
<b>– the Netherlands</b>	<b>3,302,545</b>	<b>466</b>	<b>5,539</b>	<b>1</b>	<b>555,034</b>	<b>6,354</b>	<b>63,690</b>	<b>15</b>	<b>95,680</b>	<b>75</b>	<b>4,022,488</b>	<b>6,911</b>
Stage 1	3,302,545	466	5,539	1	552,269	1,564	63,690	15	95,680	75	4,019,723	2,121
Stage 2	-	-	-	-	-	-	-	-	-	-	-	-
Stage 3	-	-	-	-	2,765	4,790	-	-	-	-	2,765	4,790
<b>– Türkiye</b>	-	-	<b>421,538</b>	<b>1,578</b>	<b>1,133,256</b>	<b>5,402</b>	-	-	<b>66,855</b>	<b>150</b>	<b>1,621,649</b>	<b>7,130</b>
Stage 1	-	-	421,538	1,578	1,131,078	4,108	-	-	66,855	150	1,619,471	5,836
Stage 2	-	-	-	-	-	-	-	-	-	-	-	-
Stage 3	-	-	-	-	2,178	1,294	-	-	-	-	2,178	1,294
<b>– Great Britain</b>	-	-	<b>696</b>	-	<b>134,508</b>	<b>659</b>	<b>4,643</b>	-	<b>42,826</b>	<b>56</b>	<b>182,673</b>	<b>715</b>
Stage 1	-	-	696	-	129,909	602	4,643	-	42,826	56	178,074	658
Stage 2	-	-	-	-	-	-	-	-	-	-	-	-
Stage 3	-	-	-	-	4,599	57	-	-	-	-	4,599	57
<b>– Switzerland</b>	-	-	<b>734</b>	-	<b>424,561</b>	<b>3,530</b>	-	-	<b>210,509</b>	<b>169</b>	<b>635,804</b>	<b>3,699</b>
Stage 1	-	-	734	-	420,105	1,206	-	-	210,509	169	631,348	1,375
Stage 2	-	-	-	-	-	-	-	-	-	-	-	-
Stage 3	-	-	-	-	4,456	2,324	-	-	-	-	4,456	2,324
<b>– Germany</b>	<b>13,468</b>	<b>1</b>	<b>47,708</b>	<b>14</b>	<b>231,412</b>	<b>624</b>	<b>62,166</b>	<b>18</b>	<b>7,083</b>	<b>3</b>	<b>361,837</b>	<b>660</b>
Stage 1	13,468	1	47,708	14	221,693	140	62,166	18	7,083	3	352,118	176
Stage 2	-	-	-	-	9,719	402	-	-	-	-	9,719	402
Stage 3	-	-	-	-	-	82	-	-	-	-	-	82
<b>– USA</b>	-	-	<b>19,884</b>	<b>4</b>	<b>194,786</b>	<b>878</b>	<b>13,012</b>	<b>1</b>	<b>186,881</b>	<b>274</b>	<b>414,563</b>	<b>1,157</b>
Stage 1	-	-	19,884	4	194,786	878	13,012	1	186,881	274	414,563	1,157
Stage II	-	-	-	-	-	-	-	-	-	-	-	-
<b>– France</b>	-	-	<b>729</b>	-	<b>130,067</b>	<b>479</b>	<b>141,661</b>	<b>45</b>	<b>18,344</b>	<b>47</b>	<b>290,801</b>	<b>571</b>
Stage 1	-	-	729	-	130,067	479	141,661	45	18,344	47	290,801	571
<b>– Rest of Europe</b>	-	-	<b>32,636</b>	<b>71</b>	<b>421,593</b>	<b>1,379</b>	<b>418,240</b>	<b>59</b>	<b>53,045</b>	<b>175</b>	<b>925,514</b>	<b>1,684</b>
Stage 1	-	-	32,636	71	419,065	1,372	418,240	59	53,045	175	922,986	1,677
Stage 2	-	-	-	-	2,528	7	-	-	-	-	2,528	7
<b>– Rest of the world</b>	-	-	<b>131,019</b>	<b>57</b>	<b>265,652</b>	<b>486</b>	-	-	<b>222,969</b>	<b>100</b>	<b>619,640</b>	<b>643</b>
Stage 1	-	-	131,019	57	265,652	486	-	-	222,969	100	619,640	643
<b>Total:</b>	<b>3,316,013</b>	<b>467</b>	<b>660,483</b>	<b>1,725</b>	<b>3,490,869</b>	<b>19,791</b>	<b>703,412</b>	<b>138</b>	<b>904,192</b>	<b>1,049</b>	<b>9,074,969</b>	<b>23,170</b>

### 30. Concentration Risk (continued)

#### Concentration risk by industry

The Bank uses a common industry classification methodology based on the NACE system (European Statistical Classification of Economic Activities). This methodology has over 600 detailed industry descriptions, which are aggregated into 16 industry classes at the highest level.

31 December 2025	Carrying amount				ECL
	Stage 1	Stage 2	Stage 3	Total	
	1,584,329	-	4,146	1,588,475	8,289
Wholesale and retail trade	9	-	4,146	1,588,475	8,289
	1,210,891	12,911	4,557	1,228,359	5,372
Manufacturing	1	12,911	4,557	1,228,359	5,372
Financial and insurance activities	614,405	-	2,024	616,429	3,156
Private Individuals	891,629	1,488	-	893,117	1,061
Transport and storage	171,618	-	-	171,618	59
Public administration and defence; compulsory social security	404,580	-	-	404,580	402
Administrative and support service activities	76,446	-	-	76,446	272
Construction	140,129	-	-	140,129	455
Electricity, gas, steam and air conditioning supply	332,093	-	-	332,093	967
Human health services and social work activities	50,844	-	-	50,844	2
Real estate activities	27,819	-	-	27,819	23
Professional, scientific and technical activities	109,520	-	-	109,520	453
Accommodation and food service activities	50,551	-	-	50,551	188
Agriculture, forestry and fishing	1,572	-	-	1,572	5
	<b>5,666,426</b>	<b>14,399</b>	<b>10,727</b>	<b>5,691,552</b>	<b>20,704</b>
<b>Total Loans and Advances to Customers</b>	<b>26</b>	<b>14,399</b>	<b>10,727</b>	<b>5,691,552</b>	<b>4</b>

31 December 2024	Carrying amount				ECL
	Stage 1	Stage 2	Stage 3	Total	
	1,497,248	2,528	5,313	1,505,089	8,328
Wholesale and retail trade	8	2,528	5,313	1,505,089	8,328
	850,044	9,719	4,455	864,218	5,833
Manufacturing	850,044	9,719	4,455	864,218	5,833
Financial and insurance activities	305,746	-	2,052	307,798	2,427
Private Individuals	171,646	-	-	171,646	255
Transport and storage	158,540	-	322	158,862	283
Public administration and defence; compulsory social security	123,423	-	-	123,423	525
Administrative and support service activities	71,920	-	-	71,920	465
Construction	67,594	-	1,857	69,451	1,300
Electricity, gas, steam and air conditioning supply	59,903	-	-	59,903	43
Human health services and social work activities	50,844	-	-	50,844	2
Real estate activities	44,799	-	-	44,799	90
Professional, scientific and technical activities	27,975	-	-	27,975	123
Accommodation and food service activities	27,673	-	-	27,673	74
Agriculture, forestry and fishing	7,268	-	-	7,268	43
	<b>3,464,623</b>	<b>12,247</b>	<b>13,999</b>	<b>3,490,869</b>	<b>19,791</b>
<b>Total Loans and Advances to Customers</b>	<b>23</b>	<b>12,247</b>	<b>13,999</b>	<b>3,490,869</b>	<b>19,791</b>

### 30. Concentration Risk (continued)

Below is an overview of the portfolio split in Investment Grade (rating BBB- to AAA) and Non-Investment Grade (below BBB-) as of 31 December 2025 and 31 December 2024. GBI uses its own methodology for determining ratings. For exposures that do not have an internal rating, external ratings are used where possible. Exposures which do not have either internal or external ratings are classified as not rated. Table also shows whether assets measured at Amortised Cost or FVOCI were subject to a 12-month ECL or lifetime ECL allowance and, in the latter case, whether they were credit-impaired.

31 December 2025	FVTPL	FVOCI	Amortised cost			Total
			Stage 1	Stage 2	Stage 3	
<b>On-balance assets</b>			<b>3,004,948</b>			<b>3,004,948</b>
<b>Cash at Central Banks</b>	-	-	<b>8</b>	-	-	<b>48</b>
Investment Grade	-	-	3,004,948	-	-	3,004,948
<b>Loans and advances to banks</b>	-	-	<b>907,086</b>	-	-	<b>907,086</b>
Investment Grade	-	-	250,964	-	-	250,964
Sub-Investment grade	-	-	656,121	-	-	656,121
Not Rated	-	-	-	-	-	-
<b>Loans and advances to customers</b>	-	-	<b>5,666,426</b>	<b>14,398</b>	<b>10,727</b>	<b>5,691,551</b>
Investment Grade	-	-	1,810,953	-	-	1,810,953
Sub-Investment grade	-	-	2,954,738	12,910	-	2,967,648
Not Rated <sup>(1)</sup>	-	-	900,735	1,488	-	902,223
Credit Impaired	-	-	-	-	10,727	10,727
<b>Debt securities measured at FVOCI</b>	-	<b>1,162,075</b>	-	-	-	<b>5</b>
Investment Grade	-	1,162,075	-	-	-	1,162,075
Sub-Investment grade	-	-	-	-	-	-
<b>Debt securities measured at AC</b>	-	-	<b>12,993</b>	-	-	<b>12,993</b>
Investment Grade	-	-	12,993	-	-	12,993
Sub-Investment grade	-	-	-	-	-	-
<b>Financial assets at fair value through profit or loss</b>	-	-	-	-	-	-
<b>Carrying amount on-balance assets</b>	-	<b>1,162,075</b>	<b>9,578,459</b>	<b>14,398</b>	<b>10,727</b>	<b>10,778,653</b>
<b>Commitment and contingencies</b>	-	-	<b>1,377,457</b>	-	-	<b>1,377,457</b>
Investment Grade	-	-	581,322	-	-	581,322
Sub-Investment grade	-	-	557,895	-	-	557,895
Not Rated	-	-	238,240	-	-	238,240
<b>Carrying amount of total financial assets</b>	-	<b>1,162,075</b>	<b>10,955,916</b>	<b>14,398</b>	<b>10,727</b>	<b>12,156,109</b>

(1) The net carrying amount of the private individuals in not-rated clients is EUR 892.6 million.



## 32. Modified loans

The contractual terms of a loan may be modified for a number of reasons, including changing market conditions, customer retention and other factors not related to a current or potential credit deterioration of the customer. An existing loan whose terms have been modified may be derecognised and the renegotiated loan recognised as a new loan at fair value in accordance with the accounting policy as detailed in the Material Accounting Policies.

When the terms of a financial asset are modified and the modification does not result in derecognition, the determination of whether the asset's credit risk has increased significantly reflects comparison of:

- its remaining lifetime PD at the reporting date based on the modified terms;
- with the remaining lifetime PD estimated based on data on initial recognition and the original contractual terms.

The Bank renegotiates loans to customers in financial difficulties (referred to as 'forbearance activities') to maximise collection opportunities and minimise the risk of default. Under the Bank's policy, loan forbearance is granted on a selective basis if the debtor is currently in default on its debt or if there is a significant increase in credit risk (i.e. Stage 2), there is evidence that the debtor made all reasonable efforts to pay under the original contractual terms and the debtor is expected to be able to meet the revised terms.

The revised terms usually include extending the maturity, changing the timing of interest payments and amending the terms of loan covenants. For financial assets that are modified, the estimate of PD reflects whether the modification has improved or restored the Bank's ability to collect interest and principal. As part of this process, the Bank regularly evaluates the borrower's payment performance against the modified contractual terms and considers various behavioral indicators.

Generally, forbearance is a qualitative indicator of a significant increase in credit risk and an expectation of forbearance may constitute evidence that an exposure is credit-impaired. A customer needs to demonstrate consistently good payment behavior over a period of time before the exposure is no longer considered to be credit-impaired/in default or the PD is considered to have decreased such that the ECL allowance reverts to being measured at an amount equal to Stage 1. Section 'Material accounting policies' paragraph 'Significant increase in credit risk' explains when there is significant increase or decrease in credit risk.

The following table provides information on financial assets that were modified while they had a ECL allowance measured at an amount equal to lifetime ECL (i.e. stage 2 and stage 3).

*Financial Assets modified during the period*

	31 December 2025	31 December 2024
Amortised costs of financial assets	1,247	3,145
Net Modification Loss	-	-

## 33. Collateral held and other credit enhancements

The bank holds collateral and other credit enhancements against certain of its credit exposures.

As at 31 December 2025	Carrying amount	Cash Collaterals Received	Off Balance sheet financial instruments <sup>(1)</sup>	Other collateral <sup>(2)</sup>
<b>Assets</b>				
Loans and advances to banks	907,086	52,740	207,654	-
Debt securities at FVOCI	1,162,075	-	-	-
Debt securities at amortised cost	12,993	-	-	-
Loans and advances to customers	5,691,551	405,764	549,895	1,897,768
<b>Total</b>	<b>7,773,705</b>	<b>458,504</b>	<b>757,549</b>	<b>1,897,768</b>

(1) Off balance sheet financial instruments includes, guarantees and letters of credit.

(2) Other collateral consists of pledged stocks, receivables and commodities as well as mortgages on real estate and vessels.

### 33. Collateral held and other credit enhancements (continued)

As at 31 December 2024	Carrying amount	Cash Collaterals Received	Off Balance sheet financial instruments (1)	Other collateral (2)
<b>Assets</b>				
Loans and advances to banks	660,483	2,732	117,125	-
Debt securities at FVOCI	703,412	-	-	-
Loans and advances to customers	3,490,869	199,494	289,355	936,284
<b>Total</b>	<b>4,854,764</b>	<b>202,226</b>	<b>406,480</b>	<b>936,284</b>

(1) Off balance sheet financial instruments includes, guarantees and letters of credit.

(2) Other collateral consists of pledged stocks, receivables and commodities as well as mortgages on real estate and vessels

#### Loans and Advances to banks and customers

The general creditworthiness of a counterparty tends to be the most relevant indicator of credit quality of a loan extended to it. However, collateral provides additional security. The Bank may establish collateral in the form of a first charge over real estate, pledged goods, receivables, investments, deposit, and/or any other liens and guarantees.

At 31 December 2025, the net carrying amount of credit-impaired loans and advances to corporate customers amounted to EUR 10.7 million (2024: EUR 14.0 million) and the value of identifiable collateral (mainly residential and commercial properties) held against those loans and advances amounted to EUR 10.0 million (2024: EUR 12.0 million). For each loan, and where appropriate, the value of disclosed collateral is capped at the carrying value of the loan that it is held against.

In addition to the collaterals above, the Bank holds other types of collateral and credit enhancements, such as second charges and floating charges for which specific values are not generally available.

The Bank's reverse sale-and-repurchase transactions are covered by master agreements with netting terms similar to those of International Swaps and Derivatives Association (ISDA) master netting agreements.

#### Debt Securities

At 31 December 2025, the maximum exposure to credit risk of the investments in FVOCI is EUR 1,162,075 (2024: EUR 703,412) and amortised cost portfolio is EUR 12,993 (2024: EUR nil). The Bank has not mitigated the credit risk exposure on these investments.

#### Derivatives

The Bank mitigates the credit risk of derivatives by entering into master netting agreements and holding collateral in the form of cash. Derivative transactions are entered into under ISDA master netting agreements. In general, under these agreements, in certain circumstances – e.g. when a credit event such as a default occurs – all outstanding transactions under the agreement with the counterparty are terminated, the termination value is assessed and only a single net amount is due or payable in settlement of all transactions with the counterparty. The Bank executes a credit support annex in conjunction with the ISDA agreement, which requires the Bank and its counterparties to post collateral to mitigate counterparty credit risk. Collateral is also posted daily in respect of derivatives transacted on exchanges and with CCPs.

The following table sets out the principal types of collateral held against different types of financial assets. Quantification of the collateral arrangements relating to derivatives, reverse repurchase agreements and repurchase agreements is set out in the next section on offsetting financial assets and liabilities.

### 34. Offsetting financial assets and liabilities

The disclosures set out in the following tables include financial assets and financial liabilities that:

- are offset in the Bank's statement of financial position; or
- are subject to an enforceable master netting arrangement or similar agreement that covers similar financial instruments, irrespective of whether they are offset in the statement of financial position.

The 'similar agreements' include derivative clearing agreements and global master repurchase agreements. 'Similar financial instruments' include derivatives, sale-and-repurchase agreements and reverse sale-and-repurchase agreements. Financial instruments such as loans and deposits (excluding lending related to reverse sale-and-repurchase agreements) are not disclosed in the following tables unless they are offset in the statement of financial position. The ISDA and similar master netting arrangements do not meet the criteria for offsetting in the statement of financial position. This is because they create for the parties to the agreement a right of set-off of recognised amounts that is enforceable only following an event of default, insolvency or bankruptcy of the Bank or the counterparties or following other predetermined events. In addition, the Bank and its counterparties do not intend to settle on a net basis or to realise the assets and settle the liabilities simultaneously. The Bank receives and gives collateral in the form of deposits and marketable securities in respect of the following transactions:

- derivatives; and
- sale-and-repurchase, and reverse sale-and-repurchase, agreements.

This collateral is subject to standard industry terms including, when appropriate, an ISDA credit support annex. This means that securities received/given as collateral can be pledged or sold during the term of the transaction but have to be returned on maturity of the transaction. The terms also give each party the right to terminate the related transactions on the counterparty's failure to post collateral.

#### Financial assets and liabilities subject to offsetting, enforceable master netting arrangements and similar agreements

As at 31 December 2025	Gross amounts of recognised financial assets	Gross amounts of recognised financial liabilities offset in the statement of financial position	Net amounts of financial assets presented in the statement of financial position	Related amounts not offset in the statement of financial position		Net amounts
				Financial instruments (including non-cash collateral)	Cash collateral received	
<b>Types of financial assets</b>						
Trading & non-trading derivatives	16,968	-	16,968	-	2,390	14,578
Reverse sale-and repurchase agreements	52,756	-	52,756	52,776	-	(20)
<b>Total</b>	<b>69,724</b>	<b>-</b>	<b>69,724</b>	<b>52,776</b>	<b>2,390</b>	<b>14,558</b>

### 34. Offsetting financial assets and liabilities (continued)

As at 31 December 2025	Gross amounts of recognised financial liabilities	Gross amounts of recognised financial assets offset in the statement of financial position	Net amounts of financial liabilities presented in the statement of financial position	Related amounts not offset in the statement of financial position		Net amounts
				Financial instruments (including non-cash collateral)	Cash collateral pledged	
<b>Types of financial liabilities</b>						
Trading & non-trading derivatives	21,316	-	21,316	-	30,434	(9,118)
Sale-and repurchase and similar agreements	772,089	-	772,089	831,259	6,966	(66,136)
<b>Total</b>	<b>793,405</b>	<b>-</b>	<b>793,405</b>	<b>831,259</b>	<b>37,400</b>	<b>(75,254)</b>

As at 31 December 2024	Gross amounts of recognised financial assets	Gross amounts of recognised financial liabilities offset in the statement of financial position	Net amounts of financial assets presented in the statement of financial position	Related amounts not offset in the statement of financial position		Net amounts
				Financial instruments (including non-cash collateral)	Cash collateral received	
<b>Types of financial assets</b>						
Trading & non-trading derivatives	27,080	-	27,080	-	17,778	9,302
Reverse sale-and repurchase agreements	2,733	-	2,733	2,733	-	-
<b>Total</b>	<b>29,813</b>	<b>-</b>	<b>29,813</b>	<b>2,733</b>	<b>17,778</b>	<b>9,302</b>

As at 31 December 2024	Gross amounts of recognised financial liabilities	Gross amounts of recognised financial assets offset in the statement of financial position	Net amounts of financial liabilities presented in the statement of financial position	Related amounts not offset in the statement of financial position		Net amounts
				Financial instruments (including non-cash collateral)	Cash collateral pledged	
<b>Types of financial liabilities</b>						
Trading derivatives & non-trading derivatives	35,305	-	35,305	-	29,668	5,637
Sale-and repurchase and similar agreements	325,084	-	325,084	325,084	26,724	(26,724)
<b>Total</b>	<b>360,389</b>	<b>-</b>	<b>360,389</b>	<b>325,084</b>	<b>56,392</b>	<b>(21,087)</b>

### 34. Offsetting financial assets and liabilities (continued)

The gross amounts of financial assets and financial liabilities and their net amounts disclosed in the above tables have been measured in the statement of financial position on the following bases:

- Trading derivatives: fair value;
- Non-trading derivatives: fair value; and
- assets and liabilities resulting from sale-and-repurchase agreements, reverse sale-and-repurchase agreements: amortised cost.

#### Reconciliation to the net amounts of financial assets and financial liabilities presented in the statement of financial position

The following tables reconcile the 'net amounts of financial assets and financial liabilities presented in the statement of financial position', as set out above, to the line items presented in the statement of financial position.

As at 31 December 2025	Net amount	Line item in statement of financial position	Carrying amount in statement of financial position	Financial assets not in scope of off- setting disclosures	Not e
<b>Types of financial assets</b>					
Trading derivatives	294	Trading derivatives	294	-	38
Non-trading derivatives	16,674	Non-trading derivatives	16,674	-	38
Reverse sale-and repurchase agreements	52,756	Loans and advances to banks	907,086	854,330	4
<b>Types of financial liabilities</b>					
Trading derivatives	236	Trading derivatives	236	-	38
Non-trading derivatives	21,080	Non-trading derivatives	21,080	-	38
Sale-and repurchase and similar agreements/ Central Bank borrowing	772,089	Deposits from banks	805,603	33,514	10

### 34. Offsetting financial assets and liabilities (continued)

As at 31 December 2024	Net amount	Line item in statement of financial position	Carrying amount in statement of financial position	Financial assets not in scope of off-setting disclosures	Note
<b>Types of financial assets</b>					
Trading derivatives	382	Trading derivatives	382	-	37
Non-trading derivatives	26,698	Non-trading derivatives	26,698	-	37
Reverse sale-and repurchase agreements	2,733	Loans and advances to banks	660,483	657,750	4
<b>Types of financial liabilities</b>					
Trading derivatives	337	Trading derivatives	337	-	37
Non-trading derivatives	34,968	Non-trading derivatives	34,968	-	37
Sale-and repurchase and similar agreements/ Central Bank borrowing	325,084	Deposits from banks	365,517	40,433	10

### Market risk

Market risk arises from fluctuations in interest rates, foreign currency exchange rates and security prices. It is GBI's policy to avoid exposure to significant open positions in interest rate and foreign currency risk, while optimising the return.

The main market risks to which GBI is exposed to are interest rate risk and foreign currency risk which would arise through positions in banking book or trading book. GBI uses derivatives to mitigate market risks for trading and banking books. The banking book positions are intended to be held for the long-term (or until maturity) or for hedging other banking book positions. The trading book positions are typically held with a short-term trading intent or in order to hedge other positions in the trading book. GBI assumes limited market risks in trading activities by taking positions in debt securities, foreign exchange, and derivatives. The Bank has historically been conservative in running its trading book. The main strategy is to keep end-of-day trading positions at low levels within the predefined limits.

### 35. Governance

The Managing Board has the overall responsibility for market risks and implements policies for effective market risk management. The Managing Board delegates its responsibilities to Risk Management Committee (RMC) for the purpose of monitoring market risks. It reviews and sets limits on products and desk levels based on the Bank's risk appetite. GBI's Global Markets unit actively manages market risk arising from the trading book within these limits. The Middle Office (first line) and the IC-NFR (second line) are established as independent control bodies. They monitor and follow up all trading transactions and positions on an ongoing basis. Trading activities are followed-up as per the position, stop-loss and sensitivity. RMD is responsible for the maintenance of internal models, monitoring of risk-based limits and performing stress tests and presenting the results to the related committees.

### 35. Governance (continued)

VaR is supplemented by stress tests and scenario analyses in order to determine the effects of potential extreme market developments on the value of market risk sensitive exposures. Stress tests have the advantage of out-of-model analyses of the trading book. These scenarios are reviewed periodically and updated when necessary. The foreign currency risk and the interest rate risk arising from the banking book is managed by the Asset and Liability Department (ALM) based on the Structural FX Rate and Structural Interest Rate Risk policies set by the Managing Board and monitored by ALCO and RMD.

Due to the fact that the bank hedges the market risk for the banking book and the trading book, concentration risk is insignificant.

The following table sets out the allocation of assets and liabilities subject to market risk between trading and non-trading portfolios.

#### Market risk – trading and non-trading portfolios

31 December 2025	Carrying amount	Trading portfolio	Non-trading portfolio
<b>Assets</b>			
Cash and balances with central banks	3,004,948	-	3,004,948
Loans and advances to banks	907,086	-	907,086
Financial assets at fair value through profit or loss			
- Trading derivatives	294	294	
- Non-trading derivatives	16,674	-	16,674
Debt securities at FVOCI	1,162,075	-	1,162,075
Debt securities at amortised cost	12,993	-	12,993
Loans and advances to customers	5,691,551	-	5,691,551
Other assets	18,309	-	18,309
<b>Liabilities</b>			
Deposits from banks	805,603	-	805,603
Deposits from customers	8,775,624	-	8,775,624
Financial liabilities at fair value through profit or loss			
- Trading derivatives	236	236	
- Non-trading derivatives	21,080	-	21,080
Other liabilities, accrued expenses and provisions	36,835	-	36,835

31 December 2024	Carrying amount	Trading portfolio	Non-trading portfolio
<b>Assets</b>			
Cash and balances with central banks	3,316,013	-	3,316,013
Loans and advances to banks	660,483	-	660,483
Financial assets at fair value through profit or loss			
- Trading derivatives	382	382	
- Non-trading derivatives	26,698	-	26,698
Debt securities at FVOCI	703,412	-	703,412
Loans and advances to customers	3,490,869	-	3,490,869
Other assets	4,305	-	4,305
<b>Liabilities</b>			
Deposits from banks	365,517	-	365,517
Deposits from customers	6,936,216	-	6,936,216
Financial liabilities at fair value through profit or loss			
- Trading derivatives	337	337	
- Non-trading derivatives	34,968	-	34,968
Other liabilities, accrued expenses and provisions	40,019	-	40,019

Note 15 Fair Value Hierarchy elaborates on used fair value data by GBI.

### 36. Interest Rate Risk on the Banking Book (IRRBB)

Interest rate risk is defined as the risk of loss in interest earnings or in the economic value of banking book items as a consequence of fluctuation in interest rates. GBI perceives interest rate risk as a combination of repricing risk, yield curve risk, basis risk and option risk. The asset and liability structure of the Bank creates a certain exposure to IRRBB. Repricing risk is the most relevant one for GBI and the others are at immaterial levels as a result of the business model of the Bank. However, all interest rate risk types are monitored, and their impact is assessed regularly. Business units are not allowed to run structural interest mismatch positions. As a result of this policy, day-to-day interest rate risk management is carried out by the ALM Department in line with the policies and limits set by ALCO, with the help of a well-defined internal transfer pricing process.

IRRBB is measured and monitored at each meeting of ALCO by using Duration, Repricing Gap and Sensitivity analyses. Sensitivity analyses are based on both economic value and earnings perspectives. Interest sensitivity is measured by applying standard parallel yield curve shifts, historical simulation and other yield curve twist scenarios. All analyses are based on the interest rate repricing maturities. Behavioral analyses are used for the products that do not have contractual maturities; for GBI the only product that falls under this condition is retail demand deposits. To assess the interest rate related behavior of these liabilities, GBI conducts a demand deposit modelling analysis to predict deposit outflow patterns over time, taking into account historical deposit trends and various factors such as deposit age and market rates. The Repricing Gap analysis shows interest bearing assets and liabilities broken down by when they are next due for repricing. This analysis is used as a supplementary measure to duration in order to point out interest bearing inflows/outflows and their maturities.

The following table provides a maturity calendar of all interest-bearing financial instruments, including derivatives as of 31 December 2025, which is based on remaining days to maturity for fixed rate instruments and next repricing date for floating rate instruments:

#### IRRBB

	Demand	□ = 3 months	> 3 months □ = 1 year	> 1 year □ = 5 years	> 5 years	Total
Assets	321,269	6,029,007	2,481,617	1,475,816	997,963	11,305,672
Liabilities	800,337	4,817,821	3,257,504	303,607	43	9,179,313
Derivatives	-	704,708	6,687	(239,884)	(656,015)	(184,504)
<b>Net interest position 31 December 2025</b>	<b>(479,068)</b>	<b>1,915,894</b>	<b>(769,200)</b>	<b>932,325</b>	<b>341,905</b>	<b>1,941,856</b>
Net interest position 31 December 2024	(357,675)	1,414,502	(155,439)	453,215	23,766	1,378,369

The calculation of the Economic Value of Equity (EVE) analysis as at 31 December 2025 shows that, assuming an unchanged structure of assets, liabilities and off-balance sheet items, an interest increase of one percent, taking into account a parallel movement of the risk-free yield curves, would result in a decrease in the economic value of the Bank's equity amounting to approximately EUR 43,360 (31 December 2024: EUR 12,726 decrease).

The Earnings at Risk (EaR) analysis focuses on the effects of interest rate changes on the Bank's reported earnings over one year and two years. The standard gradual shift in the yield curve is applied for the calculation of the regulatory stress test; the interest rates are assumed to increase (or decrease) within one year and to remain at that level in the second year. The Bank has a moderate duration structure. The duration mismatch is stable as a natural consequence of the clear business model of the Bank.

### 36. Interest Rate Risk on the Banking Book (IRRBB) (continued)

All interest rate sensitivity analyses are also used for evaluating hedging strategies, internal limit setting and portfolio monitoring purposes, enabling GBI to manage interest rate risk in a proactive manner. GBI uses interest rate swaps and forward rate agreements to hedge interest rate risk in major currencies in its banking book, depending on the composition of the balance sheet.

### 37. Currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rate compared to the functional currency (Euro). GBI manages structural currency risk in line with the policies and the risk appetite set by the Supervisory Board. The Bank uses FX hedging derivatives such as currency swaps and currency forward contracts in convertible currencies to manage the currency risk inherent to the balance sheet. For the derivative contracts concluded to mitigate currency risk, GBI applies cashflow hedge accounting as defined under IFRS 9 starting from 1 January 2025.

The total equivalent of net balance in foreign currencies is EUR (13,728) (2024: EUR (55,994)). The currency position is mitigated through derivative instruments. The notional amount of those derivatives is recorded as an off-balance sheet position.

#### Concentration risk by currency exposure

31 December 2025	USD	TRY	Other	Total
<b>Assets</b>				
Cash and balances with central banks	-	-	-	-
Loans and advances to banks	459,415	52,808	3,716	<b>515,939</b>
Financial assets at fair value through profit or loss				
- Trading derivatives				
- Non-trading derivatives				
Debt securities at FVOCI	43,036	-	-	<b>43,036</b>
Loans and advances to customers	1,871,747	685,698	32,789	<b>2,590,234</b>
Debt securities at amortised cost	-	124	-	<b>124</b>
Property and equipment	-	-	-	-
Intangible assets	-	-	-	-
Current tax asset	-	-	-	-
Other assets	898	-	-	<b>898</b>
<b>Total Assets</b>	<b>2,375,096</b>	<b>738,630</b>	<b>36,505</b>	<b>3,150,231</b>
<b>Liabilities</b>				
Deposits from banks	175,168	601,540	249	<b>776,957</b>
Deposits from customers	3,846,077	161,429	53,694	<b>4,061,200</b>
Financial liabilities at fair value through profit or loss				
- Trading derivatives	-	-	-	-
- Non-trading derivatives				
Current tax liability	-	-	-	-
Deferred tax liability	26	-	-	<b>26</b>
Other liabilities, accrued expenses and provisions	15,565	125	56	<b>15,746</b>
Shareholder's equity				
<b>Total Liabilities</b>	<b>4,036,836</b>	<b>763,094</b>	<b>53,999</b>	<b>4,853,929</b>
<b>Net On Balance Sheet Position</b>	<b>(1,661,740)</b>	<b>(24,464)</b>	<b>(17,494)</b>	<b>(1,703,698)</b>
<b>Off Balance Sheet Position</b>	<b>1,662,063</b>	<b>10,300</b>	<b>17,607</b>	<b>1,689,970</b>
<b>Net Position</b>	<b>323</b>	<b>(14,164)</b>	<b>113</b>	<b>(13,728)</b>

(1) EUR (13,713) of the net TRY position arises from the hedging of TRY loans. The Bank hedges cash flows related with principal and future interest earnings on these loans by entering into FX Forward transactions. Since the future interest earnings of these loans have not yet been (fully) accrued on the financial statement of the Bank, this creates the FX position above. Excluding the hedge accounting impact, the net TRY position is EUR 451.

### 37. Currency risk (continued)

31 December 2024	USD	TRY	Other	Total
<b>Assets</b>				
Cash and balances with central banks	-	-	-	-
Loans and advances to banks	452,641	2,808	4,222	<b>459,671</b>
Financial assets at fair value through profit or loss				
- Trading derivatives				
- Non-trading derivatives				
Debt securities at FVOCI	32,386	-	-	<b>32,386</b>
Loans and advances to customers	1,193,533	533,246	117,721	<b>1,844,500</b>
Property and equipment	-	38	-	<b>38</b>
Intangible assets	-	-	-	-
Current tax asset	-	-	-	-
Other assets	185	-	-	<b>185</b>
<b>Total Assets</b>	<b>1,678,745</b>	<b>536,092</b>	<b>121,943</b>	<b>2,336,780</b>
<b>Liabilities</b>				
Deposits from banks	5,820	325,084	440	<b>331,344</b>
Deposits from customers	2,488,792	127,197	34,376	<b>2,650,365</b>
Financial liabilities at fair value through profit or loss				
- Trading derivatives	-	-	-	-
- Non-trading derivatives	-	-	-	-
Current tax liability	-	-	-	-
Deferred tax liability	-	-	-	-
Other liabilities, accrued expenses and provisions	16,312	38	111	<b>16,461</b>
Shareholder's equity				
<b>Total Liabilities</b>	<b>2,510,924</b>	<b>452,319</b>	<b>34,927</b>	<b>2,998,170</b>
<b>Net On Balance Sheet Position</b>	<b>(832,179)</b>	<b>83,773</b>	<b>87,016</b>	<b>(661,390)</b>
<b>Off Balance Sheet Position</b>	<b>828,897</b>	<b>(136,204)</b>	<b>(87,297)</b>	<b>605,396</b>
<b>Net Position</b>	<b>(3,282)</b>	<b>(52,431)<sup>(1)</sup></b>	<b>(281)</b>	<b>(55,994)</b>

<sup>(1)</sup> EUR (48,326) of the net TRY position arises from the hedging of TRY loans. The Bank hedges cash flows related with principal and future interest earnings on these loans by entering into FX Forward transactions. Since the future interest earnings of these loans have not yet been (fully) accrued on the financial statement of the Bank, this creates the FX position above. Excluding the hedge accounting impact, the net TRY position is EUR 4,105.

#### Sensitivity analysis FX positions

Sensitivity analysis specifically on FX positions are not presented as result of effective risk mitigation whereby the net positions reported in the preceding tables are immaterial.

## 38. Derivatives and Hedge Accounting

### Derivatives

The breakdown of the fair value of GBI's derivative portfolio to product type is as follows:

	31 December 2025		31 December 2024	
	Carrying value assets	Carrying value liabilities	Carrying value assets	Carrying value liabilities
<b>Derivatives held for trading</b>				
Interest rate swaps	-	-	-	-
Foreign currency swaps	103	-	106	57
Foreign currency forwards	120	129	273	262
Foreign currency options (purchased)	2	-	-	-
Foreign currency options (sold)	-	2	-	-
Other derivatives	69	105	3	18
<i>Subtotal</i>	<i>294</i>	<i>236</i>	<i>382</i>	<i>337</i>
<b>Derivatives held for risk management - economic hedge relationships</b>				
Interest rate swaps	0	15	250	-
Foreign currency swaps	1,160	5,230	23,963	700
Foreign currency forwards	207	340	-	-
Other derivatives	1	-	-	-
<i>Subtotal</i>	<i>1,368</i>	<i>5,585</i>	<i>24,213</i>	<i>700</i>
<b>Derivatives held for risk management - fair value hedge accounting relationships</b>				
Interest rate swaps	12,442	703	221	1,031
<i>Subtotal</i>	<i>12,442</i>	<i>703</i>	<i>221</i>	<i>1,031</i>
<b>Derivatives held for risk management - cash flow hedge accounting relationships</b>				
Interest rate swaps	-	-	66	-
Foreign currency swaps	2,820	13,287	2,062	23,213
Foreign currency forwards	44	1,505	136	10,024
<i>Subtotal</i>	<i>2,864</i>	<i>14,792</i>	<i>2,264</i>	<i>33,237</i>
<b>Total</b>	<b>16,968</b>	<b>21,316</b>	<b>27,080</b>	<b>35,305</b>

### Derivatives held for trading

Derivatives held for trading relate to client-driven derivative sales and trading activities, and associated market risk hedging. Typical derivative transactions with clients mostly encompass standardised derivative products (so called "plain vanilla"). Any derivative transaction that is conducted with clients, is offset by GBI with a similar derivative transaction with a professional counterparty in order mitigate risks. Any realized and unrealized gains or losses on derivatives used for client driven trading business are recognized immediately in Valuation results and net trading income (see Note 19).

### Derivatives held for risk management

GBI also uses derivatives for purposes other than trading, primarily for hedging, in conjunction with the management of interest rate and foreign exchange risk related to the funding, lending, and asset/liability management. This involves interest rate swaps to manage interest rate risk and currency swaps to manage foreign currency risk.

Certain derivatives are specifically designated and qualify for hedge accounting (see 'Hedge Accounting' section below). From time to time, the Bank also enters into derivative transactions to economically hedge certain exposures that do not otherwise qualify for hedge accounting, or where hedge accounting is not considered economically feasible to implement. In such circumstances, changes in fair value are presented in Valuation results and net trading income (see Note 19).

## 38. Derivatives and Hedge Accounting (continued)

### Hedge Accounting

#### Fair value hedges of interest rate risk

GBI uses pay-fixed/receive-floating interest rate swaps to hedge its exposure to changes in the fair values of fixed rate bonds in FVOCI portfolio and loans to customers measured amortized cost (micro hedge) as well as interest rate risk on residential mortgage loans (macro hedge). GBI also uses pay-floating/receive-fixed interest rate swaps to hedge its exposure to changes in the fair values of customer deposits measured at amortized cost. GBI's approach to managing market risk, including interest rate risk, is discussed in market risk section of these disclosures. Interest rate risk to which GBI applies hedge accounting arises from fixed-rate bonds whose fair value fluctuates when benchmark interest rates change.

Hedge accounting is applied where economic hedge relationships meet the hedge accounting criteria.

Before fair value hedge accounting is applied by GBI, it first determines whether an economic relationship between the hedged item and the hedging instrument exists based on an evaluation of the qualitative characteristics of these items and the hedged risk. Occasionally, where deemed necessary, this is supported by quantitative analysis. GBI considers whether the critical terms of the hedged item and hedging instrument closely align when assessing the presence of an economic relationship. In addition to this qualitative assessment, the prospective hedge effectiveness is assessed with a sensitivity analysis approach. This method consists of measuring the effect of a parallel shift in the underlying hedged risks on both the hedging instrument and the hedged item.

The Bank establishes a hedge ratio by aligning the par amount of the fixed-rate loans and the par amount of the fixed rate bonds and the notional amount of the interest rate swap designated as a hedging instrument. At each reporting period the effectiveness of the hedge relationship is assessed with a dollar off-set method on a cumulative basis. The hedge is demonstrated to be effective by dividing the cumulative change on the clean fair value (i.e. excluding accrued interest) of the hedging instrument with the cumulative change in clean fair value of the hedged items attributable to the hedged risk. If the ratio is within the range of 80%-125%, the hedge relationship is considered to be effective.

In these hedge relationships, the main sources of ineffectiveness are:

- the effect of the counterparty and GBI's own credit risk on the fair value of the interest rate swap, which is not reflected in the fair value of the hedged item attributable to the change in interest rate; and
- difference in payment frequency between the fixed leg of the hedging instrument and the payment frequency of the hedged item
- difference between the expected and actual volume of prepayments for the mortgage portfolio

There were no other sources of ineffectiveness in these hedge relationships.

### 38. Derivatives and Hedge Accounting (continued)

As at 31 December 2025, GBI held interest rate swaps as hedging instruments in fair value hedges of interest risk with the following maturity profile:

Risk category	2025			2024		
	Less than 1 year	1–5 years	More than 5 years	Less than 1 year	1–5 years	More than 5 years
<b>Interest rate risk</b>						
<b>Hedge of bonds in FVOCI</b>						
Nominal amount	-	-	-	14,700	-	-
Average fixed interest rate	-	-	-	1.17%	-	-

Risk category	2025			2024		
	Less than 1 year	1–5 years	More than 5 years	Less than 1 year	1–5 years	More than 5 years
<b>Interest rate risk</b>						
<b>Hedge of loans</b>						
Nominal amount	60,000	149,600	175,000	40,000	60,000	-
Average fixed interest rate	2.04%	2.67%	2.43%	2.42%	2.04%	-

Risk category	2025			2024		
	Less than 1 year	1–5 years	More than 5 years	Less than 1 year	1–5 years	More than 5 years
<b>Interest rate risk</b>						
<b>Hedge of mortgage pool</b>						
Nominal amount	-	116,000	403,000	-	6,000	35,000
Average fixed interest rate	-	2.15%	2.61%	-	2.83%	2.54%

The amounts relating to items designated as hedging instrument and hedge ineffectiveness are as follows:

	Carrying amount		Line item in the statement of financial position where the hedging instrument is included	Changes in fair value used for calculating hedge ineffectiveness	Hedge ineffectiveness recognised in profit or loss	Line item in profit or loss that includes hedge ineffectiveness
	Nominal amount	Assets				
<b>Interest rate risk</b>						
<b>2025</b>						
Interest Rate Swaps – Bonds in FVOCI			Financial liabilities at FVTPL – non trading derivatives			Valuation results and net trading income
Interest Rate Swaps – Loans	395,000	2,014	(522)	1,843	(16)	Valuation results and net trading income
Interest Rate Swaps – Mortgage Pool	519,000	10,428	(182)	9,060	547	Valuation results and net trading income
<b>2024</b>						
Interest Rate Swaps – Bonds in FVOCI	14,700	435	-	(600)	27	Valuation results and net trading income
Interest Rate Swaps – Loans	100,000	37	(12)	(29)	(28)	Valuation results and net trading income
Interest Rate Swaps – Mortgage Pool	41,000	-	(1,020)	(1,169)	(46)	Valuation results and net trading income

### 38. Derivatives and Hedge Accounting (continued)

The amounts relating to items designated as hedged item are as follows:

		Carrying amount		Accumulated amount of fair value hedge adjustments on the hedged item included in the carrying amount of the hedge item		Line item in the statement of financial position where the hedged item is included	Changes in fair value used for calculating hedge ineffectiveness	Accumulated amount of fair value hedge adjustments remaining in the statement of financial position for any hedged items that have ceased to be adjusted for hedging gains and losses
		Assets	Liabilities	Assets	Liabilities			
2025	Bonds in FVOCI	-	-	-	-	Financial Assets at Fair Value Through Other Comprehensive income	-	-
2025	Loans	461,496	-	(1,476)	-	Loans and advances to customers	(1,565)	-
2025	Mortgage pool	561,451	-	(7,282)	-	Loans and advances to customers	(8,513)	(7,282)
2024	Bonds in FVOCI	14,146	-	556	-	Financial Assets at Fair Value Through Other Comprehensive income	572	(16)
2024	Loans	110,297	-	13	-	Loans and advances to customers	16	-
2024	Mortgage pool	40,000	-	1,066	-	Deposits from customer	1,066	1,769

#### Cash flow hedges of interest rate risk and foreign currency

GBI uses pay-floating/receive-fixed interest rate swaps to hedge the interest rate risks in respect of the benchmark interest rate (mainly Euribor) from the received floating-rate EURO loans. The Bank hedges interest rate risk to the extent of benchmark interest rate exposure on its floating-rate EURO loans to mitigate variability in its cash flows. The Bank also uses currency swaps and cross currency swaps to hedge against the foreign currency exposure. These swaps enable GBI to fix exchange rate and eliminate variability in cash flows the external parties (both borrowers and lenders) as a result of currency fluctuations. Hedge accounting is applied where economic hedge relationships meet the hedge accounting criteria.

GBI's approach to managing market risk, including foreign currency risk, is discussed in note 35. GBI's exposure to market risk is disclosed in notes 36 and 37. GBI determines the amount of the exposure to which it applies hedge accounting by assessing the potential impact of changes in foreign currency exchange rates on the future cash flows. This assessment is performed using analytical techniques, such as cash flow sensitivity analysis.

As noted above for fair value hedges, by using derivative financial instruments to hedge exposures to changes in foreign currency exchange rates, GBI exposes itself to credit risk of the counterparties to the derivatives, which is not offset by the hedged items. This exposure is managed similarly to that for cash flow hedges.

GBI determines whether an economic relationship exists between the cash flows of the hedged item and hedging instrument based on an evaluation of the qualitative characteristics of these items and the hedged risk. Occasionally, where deemed necessary, this is supported by quantitative analysis. GBI considers whether the critical terms (being: notional amount, contract currency, maturity date) of the hedged item and hedging instrument closely align when assessing the presence of an economic relationship.

At each reporting date (i.e. monthly) the effectiveness of the hedge relationship is assessed using the same approach as used for prospective testing.

### 38. Derivatives and Hedge Accounting (continued)

In these hedge relationships, the main sources of ineffectiveness are:

- the effect of the counterparty and GBI's own credit risk on the fair value of the swap, which is not reflected in the fair value of the hedged item attributable to the change in interest rate and foreign currency; and
- differences in maturities or timing of cash flows of the swap and the hedged item.

There were no other sources of ineffectiveness in these hedge relationships.

As at 31 December 2025, GBI held the following instruments to hedge exposures to changes in interest rates and foreign currency.

	31 December 2025			31 December 2024		
	Less than 1 year	1–5 years	More than 5 years	Less than 1 year	1–5 years	More than 5 years
<b>Interest Rate Risk</b>						
<b>Interest rate swaps</b>						
Nominal amount	-	-	-	20,000	-	-
<b>Foreign Currency Risk</b>						
<b>Currency derivatives (EUR:TRY &amp; TRY:EUR)</b>						
Nominal amount	125,562	15,327	-	124,112	53,914	-
Average EUR–TRY exchange rate	50.38	87.41	-	50.54	62.59	-
<b>Currency derivatives (EUR:USD)</b>						
Nominal amount	500	-	-	6,000	-	-
Average EUR–USD exchange rate	1.15	-	-	1.07	-	-
<b>Currency derivatives (EUR against other currencies)</b>						
Nominal amount	12,199	-	-	9,293	-	-

The amounts relating to items designated as hedging instruments and hedge ineffectiveness were as follows.

	Carrying amount			Line item in the statement of financial position where the hedging instrument is included	Changes in fair value used for calculating hedge ineffectiveness	Change in the value of the hedging instrument recognised in OCI in the period	Hedge ineffectiveness recognised in profit or loss	Line item in profit or loss that includes hedge ineffectiveness	Amount reclassified from the hedge reserve to profit or loss	Line item in profit or loss affected by the reclassification
	Nominal amount	Assets	Liabilities							
<b>Interest rate risk 2025</b>										
Interest rate swaps 2024	-	-	-	Financial liabilities at FVTPL Non-trading derivatives	-	-	-	Valuation results and net trading income	111	Valuation results and net trading income
Interest rate swaps	20,000	66	-	Financial liabilities at FVTPL Non-trading derivatives	66	66	-	Valuation results and net trading income	588	Valuation results and net trading income
<b>Foreign currency risk 2025</b>										
(EUR:TRY)	140,889	2,811	13,998	Financial assets/liabilities at FVTPL Non-trading derivatives	(3,876)	(3,876)	-	Valuation results and net trading income	3,618	Valuation results and net trading income
(EUR:Other)	12,699	12	173	Financial assets/liabilities at FVTPL Non-trading derivatives	(2)	(2)	-	Valuation results and net trading income	175	Valuation results and net trading income
<b>2024</b>										
(EUR:TRY)	178,026	36	32,961	Financial assets/liabilities at FVTPL Non-trading derivatives	(258)	(258)	-	Valuation results and net trading income	(372)	Valuation results and net trading income
(EUR:Other)	15,293	88	276	Financial assets/liabilities at FVTPL Non-trading derivatives	(177)	(177)	-	Valuation results and net trading income	(322)	Valuation results and net trading income

### 38. Derivatives and Hedge Accounting (continued)

The amounts relating to items designated as hedged items were as follows.

	Line item in the statement of financial position in which the hedged item is included	Change in value used for calculating hedge ineffectiveness	Cash flow hedge reserve	Balances remaining in the cash flow hedge reserve from hedging relationships for which accounting is no longer applied
<b>Interest rate risk</b>				
<b>2025</b>				
Other loans	Loans and advances to customers	-	-	-
EUR deposits	Deposits from customers	-	-	-
<b>2024</b>				
Other loans	Loans and advances to customers	(66)	66	-
EUR deposits	Deposits from customers	-	-	45
<b>Currency risk</b>				
<b>2025</b>				
TRY Loans	Loans and advances to customers	3,876	(3,876)	-
Other loans	Loans and advances to customers	2	(2)	-
Time deposits	Deposits from customers	-	-	-
<b>2024</b>				
TRY Loans	Loans and advances to customers	258	(258)	-
Other loans	Loans and advances to customers	140	(140)	-
Time deposits	Deposits from customers	37	(37)	-

### Reconciliation of components of equity

The following table provides a reconciliation by risk category of components of equity and analysis of OCI items resulting from hedge accounting.

	<b>2025</b>	<b>2024</b>
<b>Balance at 1 January</b>	<b>(240)</b>	<b>661</b>
Effective portion of changes in fair value:		
- Interest rate risk	-	66
- Currency risk	(3,443)	(694)
Net amount reclassified to statement of profit or loss:		
- Interest rate risk	(111)	(588)
- Currency risk	-	-
Related tax	917	315
<b>Balance at 31 December</b>	<b>(2,877)</b>	<b>(240)</b>

### Liquidity and Funding Risk

Liquidity risk is defined as the risk that the Bank may not be able to fulfil its payment obligations in a timely manner due to the lack of available cash or cash inflows in quality and in quantity to cover the cash outflows in a complete and timely manner due to imbalances in the cash flows of the Bank. Thus, liquidity risk management focuses primarily on short-term scenarios and solutions. Funding risk arises when illiquid asset positions cannot be funded at the expected terms and when required or at extensive cost. Thus, funding risk management focuses primarily on long term scenarios and solutions.

The main objective of GBI's liquidity and funding risk policy is to maintain sufficient liquidity to ensure safe banking operations, a stable long-term liquidity profile, and a sound financial condition, both in normal and stressed financial environments. The liquidity and funding risk policy is approved by the Supervisory Board and aims to mitigate GBI's on and off-balance sheet risks that are associated with liquidity mismatches, while complying with the related regulatory framework. The policy describes the governance of liquidity risk at GBI and provides high level principles for day-to-day and long-term liquidity management.

## Liquidity and Funding Risk (continued)

GBI carries out an extensive Internal Liquidity Adequacy Assessment Process (ILAAP), where all qualitative and quantitative aspects of liquidity risk management at the Bank are monitored using established limits and early warning indicators. The ILAAP framework details the liquidity risk appetite and funding strategy and is continuously reviewed. The funding strategy is also reviewed annually through the budget process with the establishment of the funding plan. The Supervisory Board monitors whether the Bank remains in line with the strategy and plan.

At the bank level, ALCO monitors liquidity risk, implements the appropriate policies as defined by the Supervisory Board, makes pricing decisions through the Internal Transfer Pricing (ITP) process, and directs the Bank's overall liquidity strategy. In case of a liquidity squeeze or an emergency situation, GBI has a detailed contingency funding plan, enabling the Bank to govern crisis management.

ALCO has delegated day-to-day liquidity management to the ALM, the department responsible for managing the overall liquidity risk position of the Bank. It also manages intraday liquidity as per the principles of intraday liquidity management established in the ILAAP Framework. The ALM manages all cash flows along with expected changes in business-related funding requirements. A related operations unit, independent from the front office, performs the role of collateral management and executes the settlements of all transactions. The RMD performs liquidity risk assessment and analyses, develops required methodologies, and conducts regular stress tests to ensure the Bank is operating with sufficient liquidity. The RMD also reports comprehensively on liquidity risk directly to ALCO and to the Supervisory Board.

### 39. Funding concentration

GBI aims for a diversified funding mix in terms of instrument types, fund providers, geographic markets, and currencies. In general, retail funding is the primary funding source, owing to the Bank's well-established position in Dutch and German retail markets. This funding structure enables the Bank to have a positive liquidity gap even when the wholesale funding market dries up. Non-financial corporations, with which the Bank has established long-lasting relationships through its various financial services offerings, constitute a major part of the non-retail deposits. Behavioral analyses of retail deposits held at the Bank show high stickiness ratios, even during times of stress in local and global markets, indicating the resilience of this funding base. Similarly, deposits by non-financial counterparties exhibit a high proportion of non-retail deposits which are held at the Bank over long periods of time, contributing to the stability of the Bank's unsecured funding.

The Bank's funding from other financial institutions includes of secured funding from ECB. The Bank also makes use of money market borrowings and transactional and structured instruments on bilateral or syndicated bases from time to time in order to increase the diversity of resources. These funding sources leverage the Bank's trade finance franchise and transaction flow reciprocity.

GBI aims primarily for a stable funding profile and conducts business activities that are characterized by short-term lending. This strategy enables the quick accumulation of a liquidity buffer in stressed financial environments, and the equally efficient build-up of short-term assets once the stress has passed.

#### 40. Asset encumbrance

The following table sets out the total financial assets recognised in the statement of financial position that had been pledged as collateral for liabilities as at 31 December 2025 and 2024 as well as the availability of the Bank's financial assets to support future funding.

As at 31 December 2025	Carrying amount of encumbered assets		Carrying amount of non-encumbered assets		Total	
		Of which: ECB eligible		Of which: ECB eligible		Of which: ECB eligible
Loans and advances to banks	37,400	-	869,686	-	907,086	-
Loans and advances to customers	183,802	183,802	5,507,749	-	5,691,551	183,802
Debt securities at FVOCI	634,464	634,464	527,611	527,611	1,162,075	1,162,075
Debt securities at amortised cost	12,993	12,993	-	-	12,993	12,993
<b>Total</b>	<b>868,659</b>	<b>831,259</b>	<b>6,905,046</b>	<b>527,611</b>	<b>7,773,705</b>	<b>1,358,870</b>

As at 31 December 2024	Carrying amount of encumbered assets		Carrying amount of non-encumbered assets		Total	
		Of which: ECB eligible		Of which: ECB eligible		Of which: ECB eligible
Loans and advances to banks	56,132	-	604,351	-	660,483	-
Loans and advances to customers	-	-	3,490,869	-	3,490,869	-
Debt securities at FVOCI	324,538	324,538	378,874	378,874	703,412	703,412
<b>Total</b>	<b>380,670</b>	<b>324,538</b>	<b>4,474,094</b>	<b>378,874</b>	<b>4,854,764</b>	<b>703,412</b>

Financial assets are pledged as collateral as part of sales and repurchases, secured funding transactions and derivative transactions under terms that are usual and customary for such activities. In addition, as part of these transactions, the Bank has received collateral that it is also permitted to sell or repledge in the absence of default.

At 31 December 2025, the fair value of financial assets accepted as collateral that the Bank is permitted to sell or repledge in the absence of default is EUR 52.7 million (2024: EUR 267.9 million).

At 31 December 2025, the Bank has not sold or pledged any financial assets accepted as collateral (2024: zero). The Bank is obliged to return equivalent securities.

At 31 December 2025, for derivative liabilities that are classified as trading liabilities and derivatives liabilities held for risk management, the Bank had posted cash collateral with its counterparties for which it had recognised receivables of EUR 30.4 million (2024: 56.3 million). These receivables are regarded as encumbered and included in loans and advances to banks.

The encumbered assets have been pledged as collateral for the following financial liabilities:

##### Liabilities for which assets have been pledged

	<b>31 December 2025</b>	<b>31 December 2024</b>
<b>Carrying amounts of financial liabilities</b>		
Deposits from banks	772,089	325,084
Derivatives	11,450	34,157
<b>Total</b>	<b>783,539</b>	<b>359,241</b>

## 41. Regulations on Liquidity Risk

Compliance with regulatory requirements related to liquidity risk is an integral part of liquidity risk management at GBI. As such, the Bank ensures that it is in line with all regulations in place in its jurisdiction.

In this context, the Bank monitors and reports the Liquidity Coverage Ratio (LCR) and the Net Stable Funding Ratio (NSFR) as per the Capital Requirement Regulation (CRR). Hence, GBI actively manages the level and composition of its High-Quality Liquid Asset (HQLA) buffer, which is composed of various types of assets including cash held at central banks as well as freely available central bank-eligible or investment grade-marketable securities.

Furthermore, GBI frequently monitors liquidity risk through various analyses including loan-to-deposit ratios, contractual maturity gap analyses, and stress tests that are designed according to a variety of scenarios. These allow the Bank to assess the impacts of diverse shocks on its liquidity position. Shock factors are based on bank- or market-specific liquidity squeezes. Shocks are applied to all on- and off-balance sheet items, including derivatives, to estimate cash flows under different stress scenarios. By using regulatory and internally developed stress tests, the Bank aims to hold a sufficient liquidity buffer in order to meet any sudden liquidity needs in times of stress.

## 42. Exposure to liquidity risk

The following table provides a maturity analysis of assets and liabilities according to their contractual remaining maturity at the reporting date. The amounts are gross and undiscounted and exclude the impact of netting agreements.

The inflows/(outflows) disclosed in this table represent the contractual undiscounted cash flows relating to derivative financial liabilities held for risk management purposes and which are not usually closed out before contractual maturity. The disclosure shows net cash flow amounts for derivatives that are net cash-settled and gross cash inflow and outflow amounts for derivatives that have simultaneous gross cash settlement.

### Maturity analysis (contractual) assets and liabilities

<b>31 December 2025</b>	<b>On demand</b>	<b>&lt; = 3 months</b>	<b>3 months - 1 year</b>	<b>1 - 5 years</b>	<b>&gt; 5 years</b>	<b>Undistributed<sup>1</sup></b>	<b>Total</b>
Cash and balances with central banks	64,906	2,940,042	-	-	-	-	3,004,948
Loans and advances to banks	137,023	280,714	438,895	50,454	-	-	907,086
Financial asset at FVPL							
Derivatives							
- Trading derivatives	-	246	48	-	-	-	294
- Non-trading derivatives	-	1,212	2,927	473	12,062	-	16,674
	-	166,783	480,755	404,905	109,632	-	1,162,075
Debt securities – FVOCI	=	-	11,024	1,969	-	-	12,993
Debt securities – amortised cost	119,800	2,239,570	1,091,116	1,360,691	871,671	8,703	5,691,551
Loans and advances to customers							
<b>Total Assets</b>	<b>321,729</b>	<b>5,628,567</b>	<b>2,024,765</b>	<b>1,818,492</b>	<b>993,365</b>	<b>8,703</b>	<b>10,795,621</b>
Deposits from banks	10,016	559,880	220,098	15,609	-	-	805,603
Deposits from customers	3,094,113	4,292,719	1,103,796	284,897	99	-	8,775,624
Derivatives							
- Trading derivatives	-	204	32	-	-	-	236
- Non-trading derivatives	-	8,746	9,114	3,172	48	-	21,080
	-	8,950	9,146	3,172	48	-	21,316
<b>Total Liabilities</b>	<b>3,104,129</b>	<b>4,861,549</b>	<b>1,333,040</b>	<b>303,678</b>	<b>147</b>	<b>-</b>	<b>9,602,543</b>

## 42. Exposure to liquidity risk (continued)

### Maturity analysis (contractual) assets and liabilities

<b>31 December 2024</b>	<b>On demand</b>	<b>&lt; = 3 months</b>	<b>3 months - 1 year</b>	<b>1 - 5 years</b>	<b>&gt; 5 years</b>	<b>Undistributed<sup>1</sup></b>	<b>Total</b>
Cash and balances with central banks	61,201	3,254,812	-	-	-	-	3,316,013
Loans and advances to banks	97,587	110,888	452,008	-	-	-	660,483
Derivatives							
- Trading derivatives	-	360	-	22	-	-	382
- Non-trading derivatives	-	15,957	10,588	153	-	-	26,698
Debt securities – FVOCI	-	147,016	234,966	321,430	-	-	703,412
Loans and advances to customers	73,028	1,564,611	712,834	963,343	165,428	11,625	3,490,869
<b>Total Assets</b>	<b>231,816</b>	<b>5,093,644</b>	<b>1,410,396</b>	<b>1,284,948</b>	<b>165,428</b>	<b>11,625</b>	<b>8,197,857</b>
Deposits from banks	26,419	275,382	63,716	-	-	-	365,517
Deposits from customers	2,182,405	3,881,633	657,954	182,891	31,333	-	6,936,216
Derivatives							
- Trading derivatives	-	337	-	-	-	-	337
- Non-trading derivatives	-	12,175	13,782	8,173	838	-	34,968
<b>Total Liabilities</b>	<b>2,208,824</b>	<b>4,169,527</b>	<b>735,452</b>	<b>191,064</b>	<b>32,171</b>	<b>-</b>	<b>7,337,038</b>

<sup>1</sup> Represent assets and liabilities for which does not have a maturity date.

The following table sets out the carrying amounts of non-derivative financial assets and financial liabilities expected to be recovered or settled less than 12 months after the reporting date.

#### 31 December 2025

	<b>Within 12 months</b>	<b>After 12 months</b>
<b>Assets</b>		
Cash and balances with central banks	3,004,948	-
Loans and advances to banks	856,632	50,454
Debt securities – FVOCI	647,538	514,537
Loans and advances to customers	3,450,486	2,241,065
Debt securities – amortised cost	11,024	1,969
	<b>Within 12 months</b>	<b>After 12 months</b>
<b>Liabilities</b>		
Deposits from banks	789,994	15,609
Deposits from customers	8,490,628	284,996

#### 31 December 2024

	<b>Within 12 months</b>	<b>After 12 months</b>
<b>Assets</b>		
Cash and balances with central banks	3,316,013	-
Loans and advances to banks	660,483	-
Debt securities – FVOCI	381,981	321,431
Loans and advances to customers	2,350,473	1,140,396
	<b>Within 12 months</b>	<b>After 12 months</b>
<b>Liabilities</b>		
Deposits from banks	365,517	-
Deposits from customers	6,721,991	214,225

## Country by country reporting

In line with Article 89 of the Capital Requirements Directives (CRD IV), the information on country-by-country reporting is as follows:

<b>31 December 2025</b>	<b>Country</b>	<b>Location</b>	<b>Turnover</b>	<b>Average number of FTE</b>	<b>Result before Tax</b>	<b>Tax on result</b>	<b>Public subsidies received</b>
Head Office	The Netherlands	Amsterdam	220,037	250	167,348	48,668	-
Dusseldorf Branch	Germany	Dusseldorf	4,301	17	817	245	-
<b>31 December 2024</b>							
Head Office	The Netherlands	Amsterdam	192,760	233	139,578	39,081	-
Dusseldorf Branch	Germany	Dusseldorf	4,001	16	906	272	-

Next to the abovementioned countries GBI also has representative offices in Türkiye and Switzerland. These offices do not perform any activities themselves. All transactions are recorded by GBI's Head Office or GBI's branch in Germany.

## Subsequent Events

There are no events after the reporting date that require disclosure in these financial statements.

Amsterdam, 27 February 2026

### The Managing Board:

Mr. S.E. Zeyneloğlu  
Mr. M.Ö. Şişman  
Ms. Ş. Ipekçi  
Mr. C.B. Mutlu

### The Supervisory Board:

Mr. M. Akten (Chair)  
Mr. A. Düren (Vice Chair)  
Ms. M.A. Halverhout  
Mr. J.H. Boyles III  
Mr. M. Talayhan

## OTHER INFORMATION

### **Provisions in the Articles of Association governing the appropriation of profit**

The profit appropriation has been proposed in conformity with article 31 of the Articles of Association, which states:

#### **Article 31**

1. The profits shall be at the disposal of the general meeting.
2. Dividends may be paid only up to an amount which does not exceed the amount of the distributable part of the net assets.
3. Dividends shall be paid after adoption of the financial statements from which it appears that payment of dividends is permissible.
4. The general meeting may resolve to pay an interim dividend provided the requirement of the second paragraph has been complied with as shown by interim accounts drawn up in accordance with the provision of the law.
5. The general meeting may, subject to due observance of the provision of paragraph 2, resolve to make distributions to the charge of any reserve which need not be maintained by virtue of the law.

## **CONTACT INFORMATION**

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### **Representative Offices**

Türkiye Representative Office  
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Representative & Executive Director  
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## Independent auditor's report

To: the shareholder and supervisory board of GarantiBank International N.V.

### Report on the audit of the financial statements 2025 included in the annual report

#### Our opinion

We have audited the accompanying financial statements for the financial year ended 31 December 2025 of GarantiBank International N.V. based in Amsterdam.

In our opinion the financial statements give a true and fair view of the financial position of GarantiBank International N.V. as at 31 December 2025 and of its result and its cash flows for 2025 in accordance with International Financial Reporting Standards as adopted in the European Union (EU-IFRSs) and with Part 9 of Book 2 of the Dutch Civil Code.

The financial statements comprise:

- The statement of financial position as at 31 December 2025
- The following statements for the year ended 31 December 2025: the statements of comprehensive income, changes in equity and cash flows
- The notes comprising material accounting policy information and other explanatory information

#### Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the Our responsibilities for the audit of the financial statements section of our report.

We are independent of GarantiBank International N.V. in accordance with the EU Regulation on specific requirements regarding statutory audit of public-interest entities, the Wet toezicht accountantsorganisaties (Wta, Audit firms supervision act), the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics for Professional Accountants).

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Information in support of our opinion

We designed our audit procedures in the context of our audit of the financial statements as a whole and in forming our opinion thereon. The following information in support of our opinion and any findings were addressed in this context, and we do not provide a separate opinion or conclusion on these matters.

### Our understanding of the business

GarantiBank International N.V. (the company) is a bank with focus on corporate lending to trade and commodity finance, corporate and retail banking. The company is wholly-owned subsidiary of Türkiye Garanti Bankası A.Ş. and the ultimate parent is Banco Bilbao Vizcaya Argentaria S.A. Funding is predominantly attracted through retail saving and deposits in the Netherlands and its branch in Germany as well as deposits from non-retail clients. We paid specific attention in our audit to the areas driven by these operations and our risk assessment.

We determined materiality and identified and assessed the risks of material misstatement of the financial statements, whether due to fraud or error in order to design audit procedures responsive to those risks and to obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

### Materiality

Materiality	€12 million (2024: €10 million)
Benchmark applied	1% (rounded) of total equity as at 31 December 2025
Explanation	We determined materiality based on our understanding of the company's business and our perception of the financial information needs of users of the financial statements. We consider a benchmark of 1% of total equity attributable to owners of the bank an appropriate quantitative indicator of materiality as it best reflects the company's financial position and is the basis for determining the company's own funds under the regulatory solvency requirements.

We have also taken into account misstatements and/or possible misstatements that in our opinion are material for the users of the financial statements for qualitative reasons.

We agreed with the supervisory board that misstatements in excess of €0.6 million, which are identified during the audit, would be reported to them, as well as smaller misstatements that in our view must be reported on qualitative grounds.

### Scope of the group audit

GarantiBank International N.V. has its head office in the Netherlands and a branch in Germany (hereinafter together: the group). The financial information of the group is included in the financial statements.

We are responsible for planning and performing the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the financial statements. We are also responsible for the direction, supervision, review and evaluation of the audit work performed for purposes of the group audit. We bear the full responsibility for the auditor's report.

Based on our understanding of the group and its environment, the applicable financial framework and the group's system of internal control, we identified and assessed risks of material misstatement of the financial statements and the significant accounts and disclosures. As part of our risk assessment, we visited the German branch to meet with local management, observed the branch's savings operations and discussed the risks of material misstatements for the German branch. Based on this risk assessment, we determined the nature, timing and extent of audit work performed for the head office and the branch in Germany. We performed the work ourselves.

By performing the audit work mentioned above at the head office and the German branch, together with additional work at group level, we have been able to obtain sufficient and appropriate audit evidence about the group's financial information to provide an opinion on the financial statements.

#### **Teaming and use of specialists**

We ensured that the audit team included the appropriate skills and competences which are needed for the audit of a client in the banking industry. We included specialists in the areas of IT audit, forensics and income tax and have made use of our own experts in the areas of credit risk modeling, valuations of derivatives and hedge accounting.

#### **Our focus on climate-related risks and the energy transition**

Climate change and the energy transition are high on the public agenda and lead to significant change for many businesses and society. The managing board reported in the section Sustainability at GarantiBank International of the report of the managing board how the company is addressing climate-related and environmental risks also taking into account related regulatory and supervisory guidance and recommendations. Furthermore, the managing board discloses its assessment and implementation plans in connection to climate-related risks and the effects of energy transition.

As part of our audit of the financial statements, we evaluated the extent to which climate-related risks and the effects of the energy transition and the company's implementation plans are taken into account in estimates and significant assumptions. Furthermore, we read the report of the managing board and considered whether there is any material inconsistency between the non-financial information and the financial statements.

Based on the audit procedures performed, we do not deem climate-related risks to have a material impact on the financial reporting judgments, accounting estimates or significant assumptions as at 31 December 2025.

#### **Our focus on fraud and non-compliance with laws and regulations**

##### **Our responsibility**

Although we are not responsible for preventing fraud or non-compliance and we cannot be expected to detect non-compliance with all laws and regulations, it is our responsibility to obtain reasonable assurance that the financial statements, taken as a whole, are free from material misstatement, whether caused by fraud or error. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

### **Our audit response related to fraud risks**

We identified and assessed the risks of material misstatements of the financial statements due to fraud. During our audit we obtained an understanding of the company and its environment and the components of the system of internal control, including the risk assessment process and the managing board's process for responding to the risks of fraud and monitoring the system of internal control and how the supervisory board exercises oversight, as well as the outcomes.

We refer to section Risk Management of the report of the managing board for the managing board's risk assessment after consideration of potential fraud risks.

We evaluated the design and relevant aspects of the system of internal control and in particular the fraud risk assessment, as well as the code of conduct, whistleblower procedures and incident registration. We evaluated the design and the implementation and, where considered appropriate, tested the operating effectiveness, of internal controls designed to mitigate fraud risks.

As part of our process of identifying fraud risks, we evaluated fraud risk factors with respect to financial reporting fraud, misappropriation of assets and bribery and corruption in close co-operation with our forensic specialists. We evaluated whether these factors indicate that a risk of material misstatement due to fraud is present.

We incorporated elements of unpredictability in our audit. We also considered the outcome of our other audit procedures and evaluated whether any findings were indicative of fraud or non-compliance.

We addressed the risks related to management override of controls, as this risk is present in all organizations. For these risks we have, among other things, performed procedures to evaluate whether the selection and application of accounting policies by the company, particularly those relating to subjective measurements and complex transactions, as disclosed in Section Use of estimates and judgments in the notes to the financial statements, may be indicative to fraudulent financial reporting. As described in our key audit matter Estimation of expected credit losses on loans and advances to customers, we specifically considered the risk of management override of controls in relation to the expected credit loss allowance for defaulted (stage 3) loans and advances.

We have also used data analysis to identify and address high-risk journal entries and other adjustments made in the financial reporting process. We evaluated the business rationale (or the lack thereof) of significant extraordinary transactions, including those with related parties.

When identifying and assessing fraud risks we presumed that there are risks of fraud in revenue recognition. We evaluated that these risks of fraud are present in non-automated transactions, more specifically transactions related to the fee income recognition. We designed and performed our audit procedures relating to revenue recognition responsive to this presumed fraud risk. We evaluated the design and implementation of relevant controls, tested a sample of fees to ensure that the income recorded is accurate and had occurred and performed year-end cut-off procedures to evaluate timely recognition of transactions.

We considered available information and made enquiries of relevant executives, directors, internal audit, legal, compliance, human resources and the supervisory board.

The fraud risks we identified, enquiries and other available information did not lead to specific indications for fraud or suspected fraud potentially materially impacting the view of the financial statements.

#### **Our audit response related to risks of non-compliance with laws and regulations**

We performed appropriate audit procedures regarding compliance with the provisions of those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. Furthermore, we assessed factors related to the risks of non-compliance with laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general industry experience, through discussions with the managing board, reading minutes, inspection of internal audit and compliance reports, inspection of the integrity risk analysis (SIRA) and performing substantive tests of details of classes of transactions, account balances or disclosures.

We also inspected lawyers' letters and correspondence with regulatory authorities and remained alert to any indication of (suspected) non-compliance throughout the audit. Finally, we obtained written representations that all known instances of non-compliance with laws and regulations have been disclosed to us.

#### **Our audit response related to going concern**

As disclosed in section Basis of preparation in the notes to the financial statements, the financial statements have been prepared on a going concern basis. When preparing the financial statements, the managing board made a specific assessment of the company's ability to continue as a going concern and to continue its operations for the foreseeable future.

We discussed and evaluated the specific assessment with the managing board exercising professional judgment and maintaining professional skepticism. We considered whether the managing board's going concern assessment, based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, contains all relevant events or conditions that may cast significant doubt on the company's ability to continue as a going concern, also focusing on whether the company will continue to meet the regulatory solvency requirements. To this end, we also inspected the most recent Supervisory Review and Evaluation Process letter.

If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion.

Based on our procedures performed, we did not identify material uncertainties about going concern or the managing board's use of the going concern basis of accounting. 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 a company to cease to continue as a going concern.

#### **Our key audit matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements. We have communicated the key audit matters to the supervisory board. The key audit matters are not a comprehensive reflection of all matters discussed.

In comparison with previous year, our key audit matters did not change.

## Estimation of expected credit losses on loans and advances to customers

### Risk

The portfolio of loans and advances to customers of GarantiBank International N.V. is measured at amortized cost, less an allowance for expected credit losses. At 31 December 2025, the total gross loans and advances to customers of €5.712 million and €21 million of expected credit loss allowance are reported and disclosed in note 5 to the Notes to the statement of financial position and statement of comprehensive income and further disclosed in the Risk Management section under Credit Risk.

In accordance with IFRS 9 Financial Instruments and as disclosed in sections Use of estimates and judgments and Expected credit losses of financial assets in the notes to the financial statements, the allowance is based on expected credit losses which includes assumptions such as the probability of default, the loss given default, the allocation of loans to stages and the use of macro-economic scenarios and forward-looking information. These models are updated, validated and enhanced periodically.

In accordance with the requirements of IFRS 9, GarantiBank International N.V. calculated the allowance for expected credit losses using a three-stage expected credit loss impairment model. GarantiBank International N.V. determined loan impairments in stage 1 on a modeled basis whereas the loan impairments in stage 2 are determined on either a modeled basis or on a specific loan-by-loan basis and loan impairments in stage 3 are determined on a loan-by-loan basis. Loans and advances move from stage 1 to stage 2 when there is a significant increase in credit risk since initial recognition.

The appropriateness of the expected credit loss allowance is a key area of judgment for the managing board. The identification of a significant increase in credit risk and the determination of recoveries are part of an inherently uncertain process involving various assumptions and factors including the financial condition of the counterparty, expected future cash flows, the value of collateral and the assessment of whether a default has occurred with regard to loans and advances to customers. The use of different assumptions could produce significantly different estimates of the expected credit loss allowance. The modeling assumptions are disclosed in the section Credit risk in the Risk Management chapter.

Given the materiality of the loans and advances to customers of GarantiBank International N.V., the complex accounting requirements with respect to calculating allowances for expected credit losses and the subjectivity involved in the judgments made as well as the identified risk of management override of controls in relation to the expected credit loss allowance for defaulted (stage 3) loans and advances, we considered this to be a key audit matter.

## Estimation of expected credit losses on loans and advances to customers

### Our audit approach

Our audit procedures included, amongst others, evaluating the appropriateness of GarantiBank International N.V.'s accounting policies related to expected credit losses in accordance with the relevant paragraphs and application guidance of IFRS 9. We also obtained an understanding of the impairment allowance process, evaluated the design and tested operating effectiveness of controls relevant to the expected credit loss calculations including monitoring of arrears and the period-end estimation process for determining expected credit loss allowances and the governance over the calculations.

We analyzed the expected credit losses in relation to developments in the loans and advances to customers and the composition of the portfolio.

Further, with the support of our own modeling specialists, we evaluated the appropriateness of the models used by GarantiBank International N.V. for collectively assessed expected credit loss allowances and verified whether the models were adequately designed, implemented and periodically validated. We performed an overall assessment of the allowance levels by risk stage to determine if they were reasonable considering the risk profile of the loans and advances to customers, arrears management and credit risk management practices. We challenged the criteria used to allocate loans to risk stage 1, 2 or 3 in accordance with IFRS 9 and tested a sample of loans on appropriate stage allocation. Finally, we assessed the retrospective review procedures performed by management which compare modeled predictions to actual results.

We performed substantive procedures including the reconciliation of the data used in the allowance calculations and disclosures to source systems. Regarding the application of macro-economic scenarios and forward-looking information, we involved our modeling specialist. This included challenging probability weights and the severity and magnitude of modeled downside scenarios, as well as assessing the sensitivity of changes in the assumptions in the calculations.

For the calculation of the expected credit loss allowance per 31 December 2025, we selected a sample of individual loans and performed detailed credit file reviews and challenged the internal assessment of impairment identification and measurement. In addition, we assessed the assumptions underlying the impairment identification and quantification, including forecasts of future cash flows and valuation of underlying collateral. We applied professional judgment in selecting those exposures for our detailed inspection of the reasonableness of the managing board's valuation of collateral for certain loans. We tested the data used in the expected credit losses calculation by reconciliation to source systems.

Additionally, in order to respond to the identified fraud risk, we specifically paid attention to any deviations from the expected credit loss allowance for stage 3 provisions, as approved by the Restructuring Credit Committee, as this may be indicative for management override of controls.

### Estimation of expected credit losses on loans and advances to customers

	Finally, we evaluated the completeness and accuracy of the relevant disclosures in accordance with the relevant paragraphs and application guidance of IFRS 7 Financial instruments: disclosures.
Key observations	Based on our procedures performed we consider the expected credit loss allowances on loans and advances to customers to be reasonable.

### Reliability and continuity of information technology

Risk	<p>The activities and financial reporting of GarantiBank International N.V. are highly dependent on the reliability and continuity of the IT environment. Effective general IT controls with respect to change management, logical access, infrastructure and operations, support the integrity and continuity of the IT systems as well as the operating effectiveness of the automated controls.</p> <p>The reliability and continuity of electronic data processing is disclosed in the Risk Management chapter to the notes of the financial statements. There is a risk that the general IT controls may not always operate as intended and, as a result, internal controls become ineffective. The dependency on IT environment could lead to undetected misstatements in financial reporting. Considering the importance of information technology to the continuity of the bank's operations and the increasing data granularity in financial reporting, we identified the reliability and continuity of the IT environment to be a key audit matter.</p>
Our audit approach	<p>IT audit specialists are an integral part of the engagement team. We assessed the reliability and continuity of the IT environment to the extent necessary for the scope of our audit of the financial statements. In this context we obtained an understanding of the company's IT environment, evaluated the design of the IT processes and tested the operating effectiveness of general IT controls, as well as application controls over data processing, data feeds and interfaces, where relevant for financial reporting.</p> <p>As GarantiBank International N.V. has outsourced a part of their IT organization, we inspected the outsourcing agreements. We also evaluated the outsourced IT processes and IT general controls from service providers in the context of the financial audit of GarantiBank International N.V. Furthermore, we inspected ISAE 3402 type 2 reports from these service providers, evaluated testing exceptions and how complementary user entity control considerations have been addressed. Where reports did not cover the full audit period, alternative procedures were performed.</p>
Key observations	Our testing of the IT general controls provided sufficient evidence to enable us to rely on the adequate and continued operation of the IT systems relevant for our audit of the financial statements.

## **Compliance with SBR Regulatory Technical Standard, including XBRL mark-ups, unaudited**

We did not examine the compliance with the requirements of the Regulatory Technical Standard of the SBR domain Trade Register (including the applied eXtensible Business Reporting Language [XBRL] mark-ups) and, accordingly, do not express an opinion thereon.

## **Report on other information included in the annual report**

The annual report contains other information in addition to the financial statements and our auditor's report thereon.

Based on the following procedures performed, we conclude that the other information:

- Is consistent with the financial statements and does not contain material misstatements
- Contains the information as required by Part 9 of Book 2 of the Dutch Civil Code for the management report and the other information as required by Part 9 of Book 2 of the Dutch Civil Code

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements. By performing these procedures, we comply with the requirements of Part 9 of Book 2 of the Dutch Civil Code and the Dutch Standard 720. The scope of the procedures performed is substantially less than the scope of those performed in our audit of the financial statements.

The managing board is responsible for the preparation of the other information, including the management report in accordance with Part 9 of Book 2 of the Dutch Civil Code and other information required by Part 9 of Book 2 of the Dutch Civil Code.

## **Description of responsibilities regarding the financial statements**

### **Responsibilities of the managing board and the supervisory board for the financial statements**

The managing board is responsible for the preparation and fair presentation of the financial statements in accordance with EU-IFRSs and Part 9 of Book 2 of the Dutch Civil Code. Furthermore, the managing board is responsible for such internal control as the managing board determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, the managing board is responsible for assessing the company's ability to continue as a going concern. Based on the financial reporting framework mentioned, the managing board should prepare the financial statements using the going concern basis of accounting unless the managing board either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so. The managing board should disclose events and circumstances that may cast significant doubt on the company's ability to continue as a going concern in the financial statements.

The supervisory board is responsible for overseeing the company's financial reporting process.

## **Our responsibilities for the audit of the financial statements**

Our objective is to plan and perform the audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material misstatements, whether due to fraud or error during our audit.

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 financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgment and have maintained professional skepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. The Information in support of our opinion section above includes an informative summary of our responsibilities and the work performed as the basis for our opinion.

Our audit further included among others:

- Performing audit procedures responsive to the risks identified, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion
- Obtaining an understanding of internal control relevant to the audit 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 company's internal control
- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the managing board
- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures
- Evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation

### **Communication**

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

In this respect we also submit an additional report to the audit and compliance committee of the supervisory board in accordance with Article 11 of the EU Regulation on specific requirements regarding statutory audit of public-interest entities. The information included in this additional report is consistent with our audit opinion in this auditor's report.

We provide the audit and compliance committee of the supervisory board with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the supervisory board, we determine the key audit matters: those matters that were of most significance in the audit of the financial statements. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, not communicating the matter is in the public interest.

## Report on other legal and regulatory requirements

### Engagement

We were engaged by the supervisory board as auditor of GarantiBank International N.V. on 28 January 2022, as of the audit for the year 2022 and have operated as statutory auditor ever since that date.

### No prohibited non-audit services

We have not provided prohibited non-audit services as referred to in Article 5(1) of the EU Regulation on specific requirements regarding statutory audit of public-interest entities.

Amsterdam, 27 February 2026

EY Accountants B.V.

signed by R. Koekkoek