



BANKING
REGULATION AND SUPERVISION
AGENCY

2022 ANNUAL REPORT



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Partial citations from BRSA Annual Report 2022 can be made by referencing.

The Report is available at BRSA website (www.bddk.org.tr) with full content.



Banking Regulation and Supervision Agency Annual Report is prepared for the purpose of informing the concerning authorities and the public in line with the principles of transparency and accountability.

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ABBREVIATIONS

A.S.	Incorporated Company
AML/CFT	Anti Money Laundering/Countering the Financing of Terrorism
BADES	Independent Audit Tracking System
BCBS	Basel Committee on Banking Supervision
BDDK	Banking Regulation and Supervision Agency
BGYS	Information Security Management System
BRS	BRSA Reporting System
BSCEE	Group of Banking Supervisors From Central and Eastern Europe
BVTS	Banking Data Transfer System
CAR	Capital Adequacy Ratio
CBDDO	Presidency Digital Transformation Office
CBRT	Central Bank of the Republic of Türkiye
CIMER	Presidency Center for Communication
CMB	Capital Markets Board
EBA	European Banking Authority
EBYS	Electronic Document Management System
EU	European Union
FSAP	Financial Sector Assessment Program
FSB	Finansal İstikrar Kurulu, Financial Stability Board
FX	Foreign Exchange
GDP	Gross Domestic Product
IFSB	Islamic Financial Services Board
IMF	International Monetary Fund
ICAAP	Internal Capital Adequacy Assessment Process
İGE	Export Development Agency
KGF	Credit Guarantee Fund
KEİ	Black Sea Economic Cooperation

SME	Small and Medium Sized Enterprises
MASAK	Financial Crimes Investigation Board
OECD	Organisation for Economic Co-operation and Development
OG	Official Gazette
RIP	Official Statistics Program
SOME	Cyber Issues Intervention Team
SREP	Supervisory Review and Evaluation Process
TBB	Banks Association of Türkiye
PEE	Public Economic Enterprise
TBMM	Turkish Grand National Assembly
T.C.	Republic of Türkiye
TRNC	Turkish Republic of Northern Cyprus
THP	Uniform Accounting Plan
TL	Turkish Lira
SDIF	Saving Deposit Insurance Fund
TURKSTAT	Turkish Statistics Institute
USOM	National Cyber Issues Intervention Center
WB	World Bank
WTO	World Trade Organization
YP	Foreign Currency
YUVAM	Non-Resident Citizens Deposit and Participation System

CHAIRMAN'S FOREWORD

Today's financial world is faced with new development processes that require it to renew itself from the point of the sector's technological infrastructure, human resources and corporate governance. Aforementioned transformation processes have been derived from that on the one hand, the recent Russia-Ukraine war and the aftermath of the Covid 19 pandemic temporary global factors such as the global inflation increase, on the other hand, the recent structural changes in the economy such as digitalization and sustainability. In any case, with the transformation and change in the banking sector and the non-bank financial sector, it has become a necessity for supervisory authorities to transform and keep up with the change. This obligation also arises from the necessity of effectively managing the risks brought by the transformation process.

In 2022, our Agency continued its precautionary perspective based on the effective management of existing and emerging risks, with the awareness of the transformation processes experienced by the sectors in its field of duty. In this context, in parallel with the developments in national and international markets, many important structural steps have been taken in matters falling within its scope of responsibility for the healthy functioning of the banking sector and credit market.

Digital financial services and digital banking activities are among the most important areas where our Agency has made structural changes. Digital banking is important in terms of promoting financial innovation, increasing competitive power and improving financial inclusion by facilitating access to banking services. In this framework, the "Regulation on the Operating Principles of Digital Banks and Service Model Banking", which was prepared to provide a legal infrastructure for digital banking activities in our country entered into force in early 2022. The Regulation regulates the operating principles of branchless banks that provide services only through digital channels and the conditions for the provision of banking services as a service model to financial technology companies and other enterprises. The establishment of the legal infrastructure for digital and service model banking has enabled new institutions with different business models to enter the banking sector. As a matter of fact, 1 digital deposit bank and 3 digital participation banks were granted establishment permits in 2022, and two of the participation banks granted establishment permits were also granted operating permits in 2023.

2022 was a year in which the issue of sustainable finance came to the forefront for our Agency. Within the scope of the "Sustainable Banking Strategic Plan (2022-2025)", two pilot studies were conducted in the first half of 2022 on transition risks and physical risks in order to effectively analyze and manage climate-related risks, which is one of the main strategic objectives of the Plan. A "Sustainable Banking" page was created on the Agency's website in 2022 in order to share the methods, findings and results of these studies as well as other studies carried out by the Agency in the field of sustainable banking in recent years with national and international stakeholders and the public in a more effective and comprehensive manner and to increase transparency. Again, in accordance with the "Sustainable

Banking Strategic Plan (2022-2025)", "Sustainable Banking Working Group" and "Green Asset Ratio Sub-Working Group" were established at the beginning of 2022 in cooperation with our Agency and TBB. The working group has prepared a draft methodology to be used as a basis for the calculation of the ratio of green assets to total assets in banks' balance sheets and to be used as an interim taxonomy until the national taxonomy enters into force.

The FSAP studies, which are carried out every five years by the IMF and the World Bank due to Türkiye's G20 membership and which were initiated for the fourth time in 2021, were completed in 2022. These studies serve to ensure that our country's banking regulation, supervision and enforcement activities are updated in line with developments in international finance and carried out in compliance with international principles and rules.

Our Agency continued to improve its regulation, supervision and enforcement activities in 2022. The Agency's supervisory guidelines were updated by taking into account the principles and rules published by international regulatory bodies and the recommendations in the Financial Sector Assessment Program (FSAP) report for 2022 prepared by the International Monetary Fund (IMF) and the World Bank. In this context, a new risk-focused supervisory methodology called "Examination and Evaluation Process (IDES) Rating System" was developed by taking into account the European Banking Authority's (EBA) "Guidelines for Common Procedures and Methodologies for the Supervisory Review and Evaluation Process and Supervisory Stress Testing". Furthermore, a "Data Analytics Group" was established within the Agency in order to use audit technologies and data analytics more intensively in the audit processes and outputs of the Agency. In addition to these, "Guideline on Consideration of the Risks of Prevention of Laundering Proceeds of Crime, Financing of Terrorism and Proliferation of Weapons of Mass Destruction in On-site Audits Carried out by BRSA" was prepared in order to assess the level of compliance with the legislation on prevention of laundering proceeds of crime, financing of terrorism and financing of proliferation of weapons of mass destruction. Another issue that we attach special importance within the scope of our Agency's mandate is to ensure that retail banking activities are carried out in accordance with customer rights and in a way to serve fair competition in the sector. With the digitalization and widespread use of retail banking products and services, the banking sector is increasingly turning towards this field. This situation makes effective supervision of retail banking products and services even more important. In this direction, an audit methodology called Retail Banking Analysis and Rating Model (BAM) has been developed within the Agency, and on-site audit activities were carried out in 5 banks in 2022 using the methodology in question.

The Agency continues to expand the scope of services offered to financial consumers through the e-Government portal. In this framework, in addition to the service enabling citizens to track which banks they have deposit accounts in via e-Government, services that will enable them to make heir-testator inquiries were also added to e-Government, and this service was put into use in 2022. On the other hand, studies on the provision of safe deposit box data through the e-Government portal are still ongoing. With these applications, it is aimed to increase transparency and protect financial consumer rights more effectively by moving public services to the electronic environment with a citizen-oriented perspective.

Immediately after the earthquake disaster centered in Kahramanmaraş, the Agency rapidly implemented measures for the affected citizens and firms in order to alleviate the economic effects of the earthquake. In this context, the necessary regulations and instructions were immediately put into practice in order to change the maturities of vehicle and consumer loans and to provide grace periods, to provide flexibility in credit card limits and payments, to extend the valuation and reporting periods, to facilitate telephone banking services and to ensure the continuity of banking services.

In this period of increasing global economic risks, the banking sector has been one of the most important stabilizing dynamics of the Turkish economy. The Turkish banking sector continues to play a critical role in the effective functioning of the credit market and in meeting the financing needs of the real sector. Despite international fluctuations, the sector's asset size increased by 56% in 2022, reaching TL 14,347 billion. Total deposits and loans increased by 67% and 55%, respectively, compared to the end of 2021 and reached TL 8,862 billion and TL 7,581 billion in 2022. The capital adequacy ratio of banks was 19.46% as of the end of 2022, while net profit for the period increased by 364% compared to the previous year and reached TL 432 billion.

As the Agency, we see annual activity reports as an effective tool of transparency and accountability. I hope that the Annual Report of our Agency for 2022, prepared with this understanding, will be useful for all our stakeholders, and I would like to thank my colleagues for their hard work.

Mehmet Ali AKBEN
CHAIRMAN

AGENCY'S VISION

The Agency's vision is to become a model authority that undertakes regulation, supervision and risk management functions for financial markets, institutions and consumers at international standards, in line with national needs and requirements.



AGENCY'S MISSION

Agency's mission is to ensure that the institutions subject to its supervision within the scope of its duties and authorities perform their operations in a safe and sound manner in line with the Banking Law and other applicable regulations, that the credit system functions efficiently, that the rights and interests of savers are safeguarded, thereby contributing to the development of financial markets and financial stability.

CORE VALUES

Prudence

The Agency shall use the regulation and policy instruments in compliance with critical developments in the economy and shall take measures as necessary such that the institutions subject to supervision by the Agency can safely and soundly perform their operations.



Independence

The Agency does not receive instructions from any authority in performing its duties and exercising its powers, freely uses the resources allocated to it in line with the principles and procedures stipulated in its budget, and its decisions are not subject to expediency control.



Reliability

The Agency's activities shall be performed by observing public interest, in an equal, fair, consistent and predictable manner for all related parties, while ensuring transparency and accountability.



Participation

The Agency shall execute its activities in active cooperation and collaboration with related national and international agencies and organizations, and by taking into consideration the comments and suggestions of these organizations.



Efficiency

The Agency shall perform its activities in a timely manner, on the basis of benefit/cost approach, with focus on risk and quality.



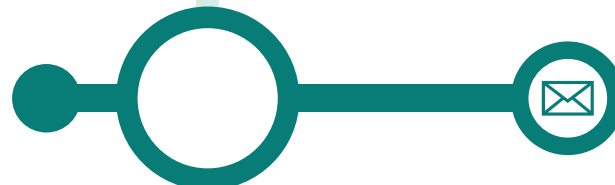
Competence

The Agency shall be equipped with internationally recognized standards on professional qualifications, knowledge and skills to perform its activities.



Responsiveness

The Agency shall respond to the requests, suggestions and complaints, which have to be addressed pursuant to the applicable legislation, in a timely and efficient manner, and take due regulatory and supervisory action as necessary.



ORGANIZATION CHART

The Agency was established as a public legal entity with administrative and financial authority by the annulled Banks Law No. 4389 published in the Official Gazette 23734 dated 23/06/1999, in line with the policies for increasing the efficiency of supervision and oversight systems and establishing independent decision-making mechanisms in financial markets, and strengthened in terms of independence, efficiency and capacity pursuant to Banking Law 5411 published in the Official Gazette 25983 dated 01/11/2005.

The existing organizational structure of the Agency is governed by Banking Law and the Regulation on the Organization of Banking Regulation and Supervision Agency, which has been put into force through Council of Ministers Decree 2014/5885 published in the Official Gazette 28943 dated 16/03/2014.

The Agency consists of the Banking Regulation and Supervision Board (Board) including the Chairman and the members and the Presidency Organization. The Chairman of the Board is also the Chairman of the Agency. Chairmanship Organization consists of the Chairman, 5 Vice Chairmen and service units. Service units of the Agency consist of maximum twenty main service, advisory and auxiliary service units organized as departments. Maximum fifteen chairmanship advisors may be appointed in areas such as legal, press and public relations, management and finance.

The Agency's organizational structure is revised and its service units are reorganized in response to evolving conditions and emerging needs. These amendments are made to establish the infrastructure which will provide the administrative capacity required for the expanded roles and liabilities of the Agency and the emerging needs and are based on a horizontal organization required by contemporary professional expertise.

As of end of 2022, the Agency has 20 departments and 5 directorates operating in the fields of board affairs and decisions, human resources, training, financial affairs and administrative affairs within the Support Services Department. In addition, within the audit departments, there are audit groups consisting of sworn auditors and assistant sworn auditors and banking specialists and assistant banking specialists, and within the audit groups, there are audit teams working on an institutional basis. For controlling specific IT or legal issues or when requested and approved by the chairman, mixed teams are created from the personnel assigned at audit and other departments for audit, review, survey, projects and/or audit of risk models, review of risk analyses, banking and accounting standards.

BANKING REGULATION AND SUPERVISION AGENCY

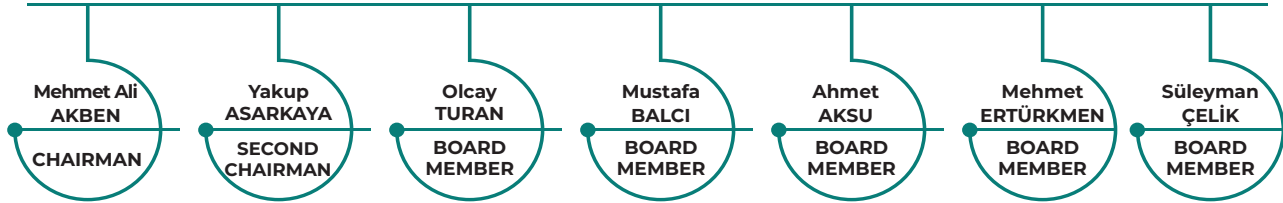
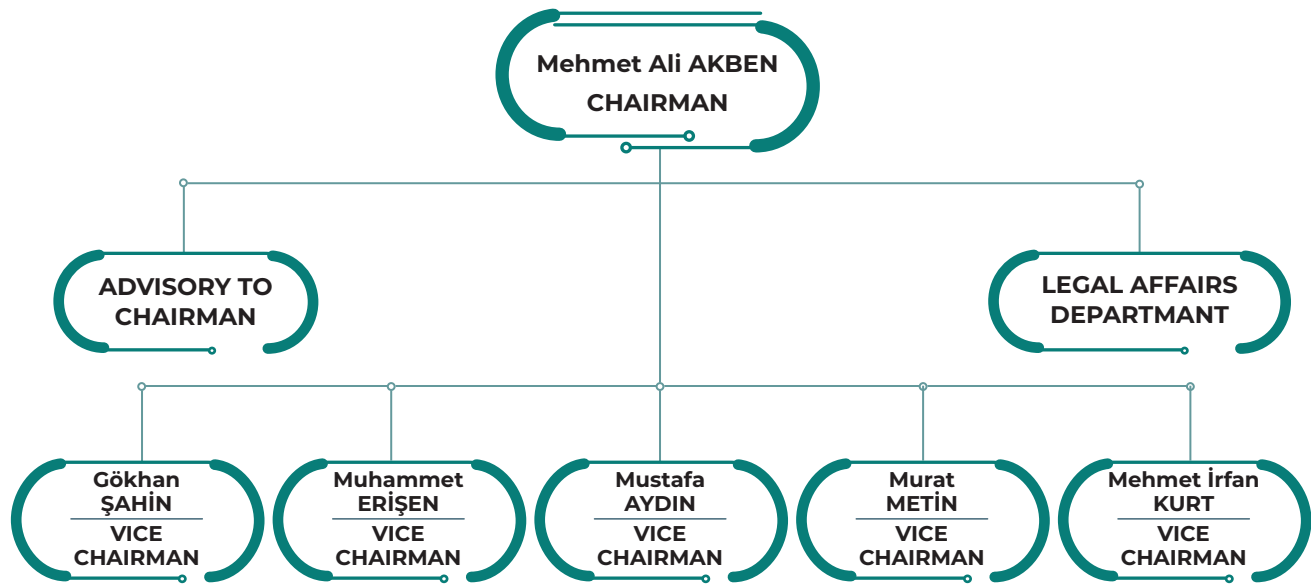


FIGURE 1: ORGANIZATION STRUCTURE OF BANKING REGULATION AND SUPERVISION AGENCY*



-AUDIT I DEPARTMENT
-AUDIT II DEPARTMENT
-AUDIT III DEPARTMENT
-AUDIT V DEPARTMENT
-FINANCIAL CONSUMER
RELATIONS DEPARTMENT
-ECONOMIC RESEARCH
DEPARTMENT

-ENFORCEMENT I
DEPARTMENT
-ENFORCEMENT II
DEPARTMENT
-ENFORCEMENT III
DEPARTMENT
-ENFORCEMENT IV
DEPARTMENT
-ENFORCEMENT V
DEPARTMENT
-RISK MANAGEMENT
DEPARTMENT
-CORPORATE
COMMUNICATIONS AND
EXTERNAL AFFAIRS
DEPARTMENT
-STRATEGY EVELOPMENT
DEPARTMENT

-INFORMATION
SYSTEMS COMPLIANCE
DEPARTMENT
-DATA AND SYSTEM
MANAGMENT
DEPARTMENT

-REGULATION
DEPARTMENT
-AUDIT IV DEPARTMENT

-SUPPORT SERVICES
DEPARTMENT
-Directorate of Board
Affairs and Resolutions
-Directorate of
Administrative Affairs
-Directorate of Human
Resources
-Directorate of Training
-Directorate of
Financial Affairs

*The figure demonstrates the current organization structure.

IMPORTANCE OF THE AGENCY IN THE NATIONAL ECONOMY

Acting as the responsible institution in the field of regulation and supervision of the financial sector of 89% of the active size, our Agency plays an important role in the Turkish economy in terms of ensuring financial stability, developing the industry, strengthening the framework for oversight, supervision, enforcement and regulation, protection of the rights and interests of savers, and developing an effective financial system and a strong banking industry by increasing the corporate capacity.

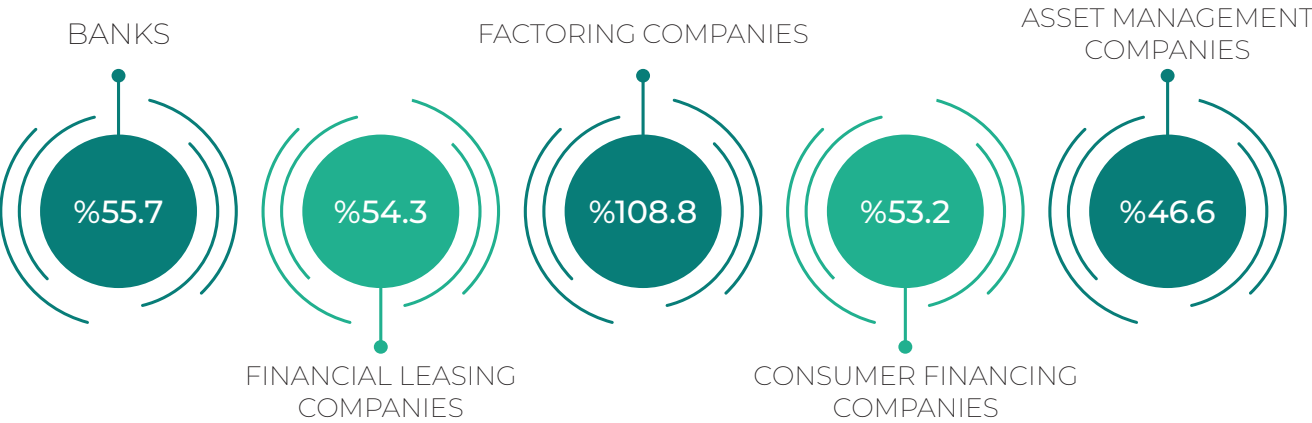
Acting as the responsible institution in the field of regulation and supervision of the financial sector of 89% of the active size, our Agency plays an important role in the Turkish economy in terms of ensuring financial stability, developing the industry, strengthening the framework for oversight, supervision, enforcement and regulation, protection of the rights and interests of savers, and developing an effective financial system and a strong banking industry by increasing the corporate capacity.

The asset size of the financial sector has reached TL 16,6 trillion (approximately USD 886 billion) as of the end of 2022. When we take a look at the asset size of the financial sector that has reached to 1.1 times of the GDP, we see that the Turkish banking industry has the largest share with 86,56%.

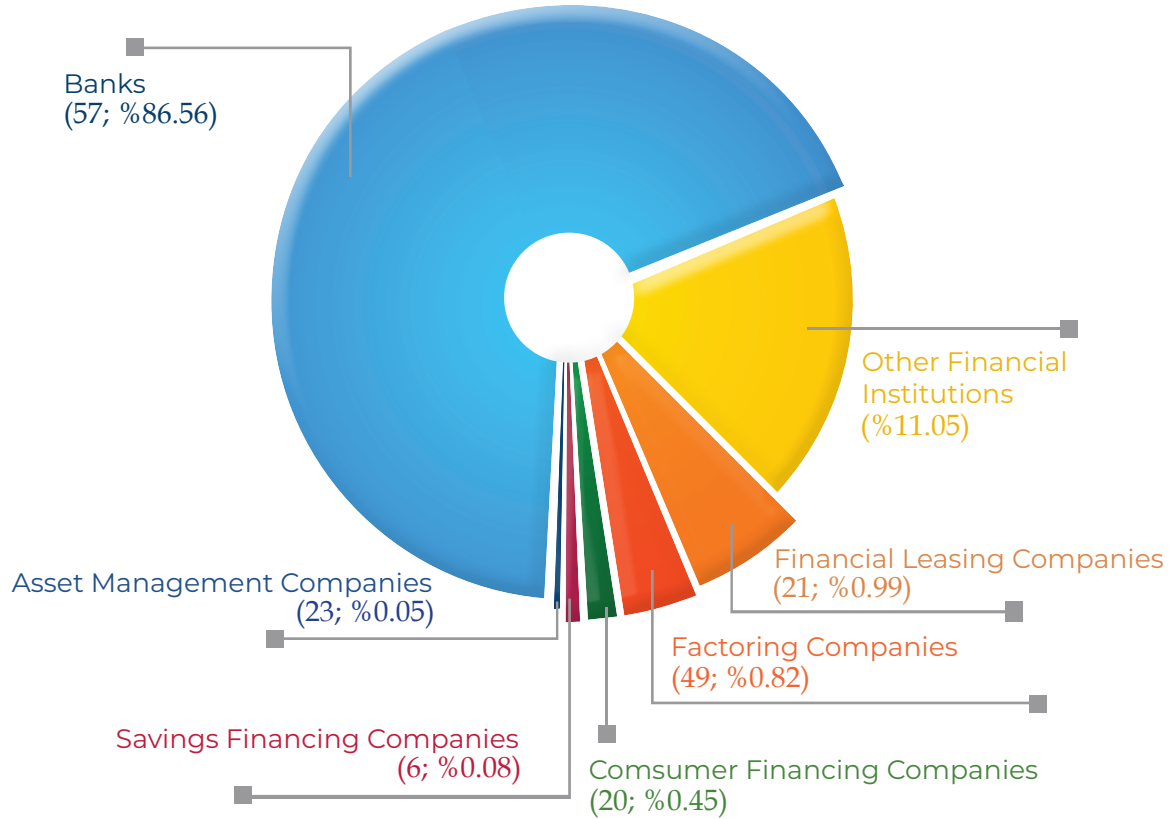
In 2022, as shown in Graph 1, the shares of banks, financial leasing companies, factoring companies, financing companies, savings finance companies and asset management companies, which are within the scope of the Agency's oversight and supervision, in the financial sector were 86.56%, 0.99%, 0.82%, 0.45%, 0.08% and 0.05%, respectively. On the other hand, the development in the asset size of these institutions is presented in Graph 2. As can be seen in Graph 2, banks, financial leasing companies, factoring companies, financing companies and asset management companies grew by 55.7%, 54.3%, 108.8%, 53.2% and 46.6%, respectively, in terms of total assets compared to the previous year.

Being responsible for the oversight and supervision of 89% of the financial sector that has a total asset size of TL 14.744 billion, the BRSA contributes to ensuring effectiveness in financial intermediation by making financial markets operate accurately and effectively under a reliable system.

Net growth rates in terms of total assets during the last 1 year:



Graph 1: Shares of Institutions under BRSA Supervision in the Financial Sector (Number, share)



Graph 2: Financial Sector Total Assets (Billion TL)

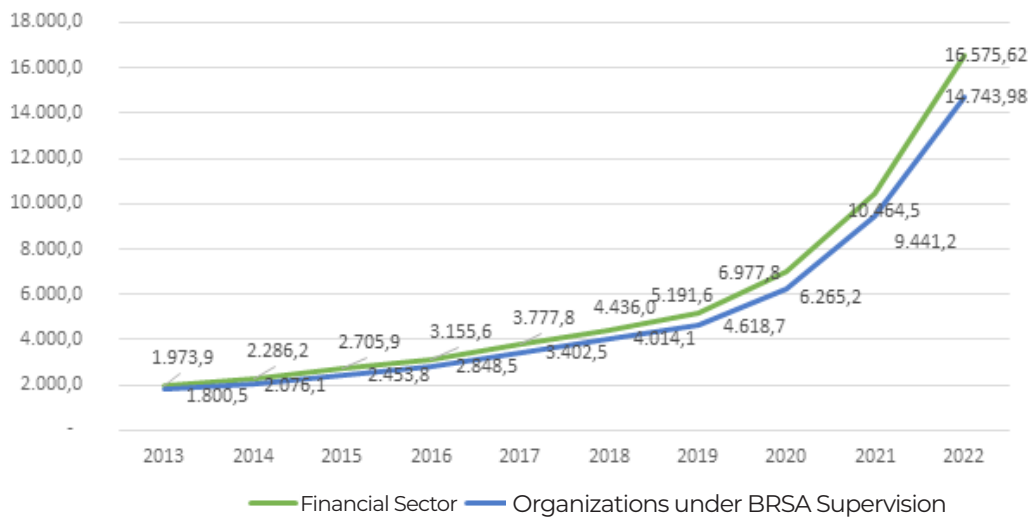
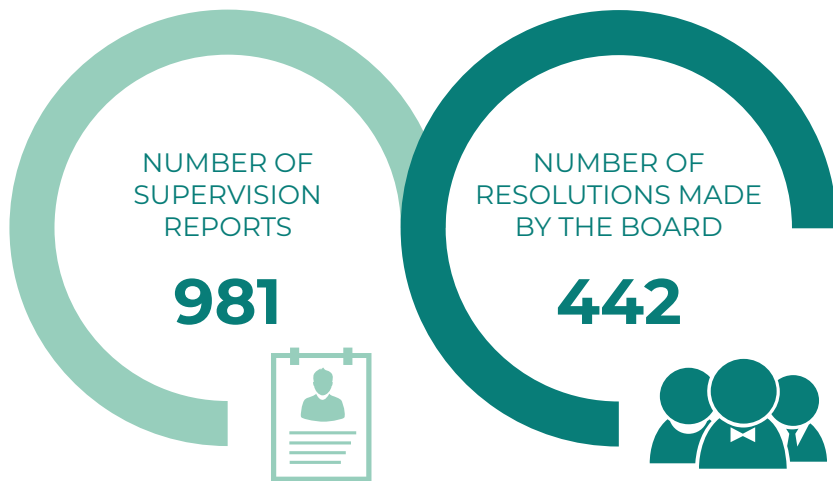


TABLE 1: BRSA IN FIGURES IN 2022



NUMBER OF
SECTOR OVERSIGHT
REPORTS

2.519



NUMBER OF
BANK OVERSIGHT
REPORTS

1.230



NUMBER OF
DENUNCIATIONS
AND COMPLAINTS
EVALUATED BY THE
AGENCY

210.404



NUMBER OF
EXTERNAL OFFICIAL
LETTERS

11.929



1. BANKING REGULATION AND SUPERVISION BOARD

Banking Regulation and Supervision Board is the decision-making body of the Banking Regulation and Supervision Agency established as per the Banking Law 5411 and other applicable legislation to ensure reliability and stability of the financial markets, efficient functioning of the credit system, development of the finance industry, and protection of the rights and benefits of deposit owners.

The Board convenes at least once a week and as necessary. The agenda of the Board chaired by the Chairman, or the Second Chairman in his absence, is set by the Chairman, or the Second Chairman, respectively, and sent to the members one day prior to the meeting at the latest. The Board convenes with the presence of minimum 5 members, and takes decisions with affirmative votes of minimum 4 members, except for specific cases requiring special quorum as stipulated

in the Law. Members cannot cast abstentious votes. In cases where decision quorum cannot be attained and votes are equal in subsequent meetings, the vote of the Chairman determines the decision. Without prejudice to periods stipulated by the Law, Board decisions are consummated within maximum 15 days from the meeting date, together with its justifications, rationale for objecting votes and signatures.

In 2022, 59 meetings were held by the Board and 442 decisions were made. Looking at the distribution of decisions, 64% of the total number of decisions are related to Board decisions on banks.

Table 2: Outlook of Board Decisions

Subject of Decision	Year 2021		Year 2022	
	Number	Percent	Number	Percent
Banks	351	53.5	283	64.0
Financial Leasing, Factoring, Financing Companies and Savings Finance Companies	156	23.8	59	13.3
Valuation/Rating/Support Service Institutions	11	1.7	9	2.0
Asset Management Companies	33	5.0	19	4.3
Independent Auditing Companies	6	0.9	5	1.2
Filing/Not filing a Criminal Complaint- Temporary Suspension of Signatory Power/Removal of Suspension	67	10.2	31	7.0
Administrative, Financial and Staff Procedures of the Agency	32	4.9	36	8.2
TOTAL	656	100.0	442	100.0

Multiple issues may be addressed in Board decisions. For instance, a decision on imposing administrative sanctions on a practice violating the legislation may at the same time specify whether any amendment is needed in the legislation on the same subject. Also, a decision may both rule for filing a criminal complaint and temporarily suspending the signatory powers of the related bank officials. To prevent complications regarding the classification of decisions, no decision was associated with multiple issues.

The figures in Table 3 are inclusive of all issues referenced to the Board, whether or not affirmative. For example, 87 board decisions made by the Board in 2022 on permits refer to all decisions, whether or not affirmative. Looking at the Board decisions by the distribution of subjects, we see that the top three include 48,4% on administrative fines, 19,7% on permit procedures, and 14,2% on regulation procedures.

Table 3: Classification of Board Resolutions by Subject

Subject of Decision	Year 2021		Year 2022	
	Number	Percent	Number	Percent
Regulatory Activities	99	15.1	63	14.2
Permission Activities	84	12.8	87	19.7
Administrative Fines	362	55.2	214	48.4
Revocation of Operating License or Revocation of Authorization	3	0.5	8	1.8
Filing/Not filing a Criminal Complaint- Temporary Suspension of Signatory Power/Removal of Suspension	66	10.1	30	6.8
Administrative, Financial and Staff Procedures of the Agency	28	4.2	30	6.8
Other	14	2.1	10	2.3
TOTAL	656	100.0	442	100.0

2. HIGHLIGHTS FROM ACTIVITIES

2.1. Studies on the Application of Current Technological Developments to Audit Processes

In line with the transformation process in the use of technology in the financial sector in recent years, the Medium Term Program (2022-2024) prepared by the Republic of Türkiye Ministry of Treasury and Finance and the Presidency of the Republic of Türkiye Strategy and Budget Directorate and published in the Official Gazette dated 05.09.2021 and numbered 31589 (Reiterated) includes supervisory technologies among the policy measures expected to be implemented under the heading of "Financial Stability" and aims to implement new supervisory practices and methodologies based on supervisory technologies.

Due to both the policy measures included in the Medium-Term Program and the wide scope of the Agency's supervision and surveillance framework in the financial sector, it has become a necessity to use technological facilities and tools in conducting the supervisions in a sound manner. In this context, a working group was established at the Agency in 2021 to investigate new opportunities and tools that can be considered within the scope of supervisory technologies and to carry out the necessary studies to increase the Agency's capacity in this field. The researches carried out by the relevant working group were completed in 2022 and the steps that could be taken by the Agency were determined.

2.2. Transition to the IDES Process and Completion of the Update of Supervision Guidelines for Banks

A study was initiated in 2022 to renew the Agency's supervisory guidelines, which entered into force in 2016, due to the updating needs arising during the process, the principles and rules published by international regulatory bodies and the FSAP audit results. The work on updating the said supervisory guidelines was completed in 2022 and a new methodology framework under the name of IDES rating system was established to be applied in the financial soundness examinations to be carried out by taking into account the risk-oriented supervisory approach adopted by the Agency and the "Guidelines on Common Procedures and Methodologies for the

Supervisory Review and Evaluation Process (SREP) and Supervisory Stress Testing" by the European Banking Authority (EBA). In this context, it is envisaged that the IDES rating system adopted by the Agency in previous years will be applied in the financial soundness reviews to be conducted by the Agency in 2023 and in the following period.

2.3. Establishment of Data Analytics Group

Within the framework of the studies on the application of current technological developments to audit processes and the new audit methodology put into practice, a Data Analytics Group was established under the Vice Presidency of Audit in order to continue the activities to use audit technologies and data analytics more intensively in the audit processes and outputs of the Agency. In order for the Data Analytics Group to conduct sectoral analyses and develop audit tools, the relevant authorization and assignment processes were completed in 2022. In 2023 and the following period, it is envisaged that the Data Analytics Group will carry out the studies for:

- Development of a remote rating model for banks, early warning system, stress test and scenario analyses, analyses for monitoring systemic risk and macroprudential measures,
- Developing models and tools to be used in checking the accuracy of information in banks' risk models and financial reports,
- Designing and developing all kinds of audit tools to be utilized within the framework of the audit of the Agency
- In the following process, updating the systems and tools created.

2.4. Establishment of AML/CFT Risks Investigation Guidelines

Within the framework of the financial structure and rating examinations carried out by the audit departments under the Vice Presidency responsible for audit at the Agency, the "Guideline on Consideration of the Risks of Prevention of Laundering Proceeds of Crime, Financing of Terrorism and Proliferation of Weapons of Mass Destruction" was prepared in 2022 in order to evaluate the level of compliance with the legislation within the scope of "prevention of

laundering proceeds of crime, financing of terrorism and proliferation of weapons of mass destruction" and the systems to be established. The principles in the said guideline have started to be taken into consideration in the soundness examinations carried out by the Agency in 2022 and it is envisaged that the use of the relevant guideline will continue in the following period.

2.5. Activities for Meeting the Needs of Inspection Tools

In order to support the audit processes of the Agency with modern technological audit tools in addition to the existing programs used, studies are being carried out to procure an IT program with a modular panel structure that can meet the needs in line with the

- Operation of audit and enforcement workflows and processes and work steps through the systems to be created,
- Coding and processing of the findings that need to be followed up by the Agency and transferring them to the relevant Agency units by the audit units by classifying them according to different criteria,
- Establishing systems that facilitate the generation of data on audit results with a groupable and reportable structure,
- Electronic organization, storage and archiving of working papers, which constitute the basis of audit activities,
- Creating modules to provide access to analytical models and other audit tools to be developed by the Agency.

2.6. Operating Principles of Digital Banks and Service Model Banking

In parallel with the digital transformation in the world and in our country, establishing the legislative infrastructure for digital (branch-free) banking and service model banking, encouraging financial innovation, increasing financial inclusion and facilitating access to banking services are emerging as priority targets.

As known, the second paragraph of Article 76 of the Banking Law ("Law") No. 5411 has been amended as "Relationships between banks and customers with regard to the fields of activity included in Article 4 of this Law, are regulated by written contracts or contracts to be concluded through methods that

will be realized over an information or electronic communication device and that will allow the verification of the identity of the customer using distant communication tools, which can replace the written form as the Board determines, and the procedures and principles regarding thereof are determined by the Board" by the Law, No. 7247, dated 18.06.2020; based on such amendment, with the entry into force of the "Regulation on Remote Identification Methods to be Used by Banks and Establishment of Contract Relationship in the Electronic Environment" on 01.05.2021 published in the Official Gazette dated 01.04.2021 and numbered 31441, it has been made possible to establish contractual relations between banks and their customers in electronic environment, including contracts that must be in writing, and thus, an important step has been taken towards establishing the infrastructure of the branch-free banking model, also called "neo-bank", which works only in the digital environment, as in the applications of other countries. As a continuation of this step, the possibility of increasing access to financial products, financial inclusion and investments in financial technology, offering banking activities at lower costs with branch-free operations and considering that it would be beneficial to regulate the operating principles, the permission process for branch-free banking operations and operating principles, with the aim of increasing access to financial products, financial inclusion, and enabling the provision of products and services at more competitive and customer-friendly prices and investments in financial technology, the issue of "Enabling Digital (Branch-free) Banking Licensing (Practices)" in the Economic Reforms Action Plan announced by the Turkish Ministry of Treasury and Finance on 12.03.2021 has been specified as the 3.4.c action step and Banking Regulation and Supervision Agency has been determined as the responsible authority for this action. Likewise, among the Actions of the Presidency's 2nd Term of 2021 & 180-Day Activities, the action step "Preparing transactions that will allow for digital (branch-free) banking licensing" has also been included.

In this context, the draft Regulation that was prepared in order to encourage financial innovation and competition in the banking sector, to increase financial inclusion and to facilitate access to banking services, the operating principles of branchless banks that only serve through digital channels and determination of the conditions for providing banking

services to financial technology companies and other enterprises as a service model, to contribute to the solid development of the financial sector and the national economy, was finalized by taking the opinions and evaluations of all relevant stakeholders and entered into force after being published in the Official Gazette dated 29.12.2021 and numbered 31704. The said Regulation has enabled digital banks that will only serve through digital channels, without any branches, and numerous innovative business models through service banking. In this context; it is considered that they will be an important turning point for the development of our country's financial sector and fintech ecosystem.



2.7. National Risk Assessment (NRA) Project Working Group Activities

In the Circular No. 2016/22 published in the Official Gazette dated 21.10.2016 and numbered 29864 by the Repealed Prime Ministry, it was decided to prepare a "National Risk Assessment Project" and "Project Action Plan" under the coordination of the Ministry of Treasury and Finance, Financial Crimes Investigation Board (MASAK), and the "Steering Committee" was formed under the Undersecretary of the Ministry of Finance, in which the Vice President of the Banking Regulation and Supervision Agency also participated for our country to successfully complete the Financial Action Task Force (FATF) 4th Round of Mutual Evaluation and fulfill our international obligations.

In this context, upon approval of the BRSA Chairmanship, the Agency participates in working groups formed with the coordination of MASAK during the FATF IVth Round of Mutual Evaluation Process, and provides technical support to the process in the areas of expertise of the Agency regarding the prevention of money laundering and financing of terrorism within the framework of international regulations and developments.



2.8. Audits on Non-Bank Financial Sector

Supervision of non-bank financial institutions consisting of factoring, leasing, financing, saving finance and asset management companies is carried out by the Audit V Department, which was established as per the Decision of the Banking Regulation and Supervision Board dated 01.10.2020 and numbered 9181.

Audits of non-bank financial institutions are carried out taking into account the balance sheet size, complaints submitted to the Agency regarding these institutions and audits of the Agency requested by other public institutions within the framework of the audit plans determined. In this context, audit groups of non-bank financial institutions to be audited on-site are submitted to the Chairman's approval following approval of the relevant Head of Department and Vice President and audit activities are carried out within the scope of the approval given.

The Law No. 6361 was amended by Law No. 7292 on 04.03.2021 and its name was changed as "Financial Leasing, Factoring, Financing and Savings Finance Companies Law" and the Agency was authorized to regulate and supervise the savings finance companies. In this context, the audit of 35 savings finance companies that applied for adaptation to the Agency was completed in 2021. 21 of these companies were not found to have sufficient adaptation plans and it was decided to liquidate them compulsorily, 6 companies to be directed to voluntary liquidation, and to continue the adaptation processes of 6 companies, which were formed as a result of the merger of some of the remaining 8 companies.

A total of 103 reports/opinions on the non-bank financial sector were prepared by the Audit V Department in 2022. A wide range of investigations have been carried out, such as the compliance of factoring, financial leasing and financing companies with the legislation, the qualifications of their partners, managers and employees, the compatibility of their capital with the scope of their activities, the effectiveness of accounting and information processing systems, and the complaints made against these companies.



2.9. Practices regarding Information Systems

The Information System Compliance Department is responsible for effectively performing the regulation, implementation and audit functions on IT systems of institutions under the responsibility of the Agency. BRSA Independent Audit Tracking System (BADES) is used to digitally monitor independent audit institution data on establishment, auditor, contract information, independent audit and Agency IT systems audit reports, report findings,

summary information and action plans and penetration test reports, findings and action plans regarding the audits, generated by independent audit companies.

Procedures and sample letter templates for information systems audit reports performed by independent audit companies and the Agency staff were updated and implementation activities were carried out.

In 2022, an on-site audit was carried out for a bank within the scope of its application for an operating license and an Information Systems Audit Report was prepared. 7 different institutions were audited on-site in coordination with other units within the Agency and Information Systems Audit Reports were prepared.

In 2022, within the framework of special comprehensive audits, special comprehensive on-site audits were carried out for 3 banks and Information Systems Audit Reports were prepared. The information systems reports submitted to the Information Systems Compliance Department were subjected to preliminary examination and action was taken by communicating with independent audit companies to eliminate the deficiencies and the reports were made available for evaluation. When necessary, meetings were held with organizations requesting permission on issues related to information systems.

On 25 June 2022, within the scope of the Banks' Information Systems and Electronic Banking Services Meeting, participants from banks came together and analyzed the effects and consequences of the recent changes in the information systems legislation to which the banks are subject, evaluated the ongoing studies on information systems and future plans, and held interactive panel and question and answer sessions with banks.

On 17 October 2022, within the scope of the Information Systems and Business Processes Independent Audit Evaluation Meeting, information systems independent lead auditors of independent audit companies came together; evaluations were made on the presentations prepared on the information systems independent audits, reports and findings of the financial institutions under the supervision and audit of the Agency, and

information was exchanged regarding the new regulations and the development of the sector.

Within the scope of the Agency's Sectoral Cyber Incident Response Team (SOME) activities, cyber incidents concerning the banking sector and fraud incidents targeting bank customers were followed up and the "Security Committee Meeting" held periodically was attended. The Agency participated in the "NATO Locked Shield Exercise" on cyber security held by the Ministry of National Defense during 19-22 April 2022. Studies comparing our legislation with the Information and Communication Security Guide (Guide) published by the Presidential Digital Transformation Office (CBDDO) were carried out, and information on the Guide and the related audit was shared at the event organized by the Agency on 24 August 2022, which was attended by the Banks Association of Türkiye, CBDDO and banks. The Agency participated in the "Financial Sector Cyber Shield 2022 Exercise" on 20-21 October 2022, which was organized with the participation of institutions in the financial sector under the coordination of the Ministry of Transport and Infrastructure, Information Technologies Authority-National Cyber Incident Response and Capital Markets Board. Articles and reports containing information on current cyber threats from different platforms were followed. The relevant issues were subject to follow-up by periodically connecting to the SOME Communication Platform and receiving information on the cyber security incidents in question and additional information from banks when necessary. In this context, information exchange was carried out with both banks and other relevant institutions. Within the scope of surveillance activities regarding fraud incidents, information on fraud was periodically received from banks and analyzed. Information and documents were obtained from the banks and related parties regarding the fraud incidents subject to the complaints submitted to us and were subject to examinations and audit activities were carried out.



2.10. Sustainable Banking

2022 was a year in which sustainable finance came to the forefront for the Agency due to the first implementation period of the "Sustainable Banking Strategic Plan (2022-2025)", the inclusion of climate-related financial risks and green finance

in the scope of FSAP-Türkiye studies, and the intense agenda caused by the 27th United Nations Conference of the Parties.

Within the scope of the "Sustainable Banking Strategic Plan (2022-2025)", two pilot studies were conducted in the first half of 2022 on transition risks and physical risks in order to effectively analyze and manage climate-related risks, which is one of the main strategic objectives of the Plan, and the methods, findings and results of the studies were shared with the public on the Agency's website.

In order to analyze transition risks, the Agency conducted an impact analysis study with the participation of all banks in order to assess the potential impacts of the Carbon Regulation Mechanism on Border (CRMB), which is planned to be implemented as of 2026 within the framework of the EU Green Deal, on the Turkish banking sector at the first stage. Within the scope of the study, the loan repayment capacities of the customers exporting to the EU in the sectors that will be subject to carbon tax in the first phase of the CRMB were assessed prospectively by taking into account their current financial situation and their potential exposure to carbon tax. As a result of the assessment, it is estimated that the iron-steel sector will be the sector that will be most affected by the CRMB and that the non-performing loans ratio of the Turkish banking sector may increase by approximately 0.1 points as of end-2021 data due to the impact of the CRMB.

The relationship between physical risk factors and non-performing loans for agriculture, energy, food, forestry products, tourism and paper products sectors in Antalya Province, which was selected as a pilot region, was examined to analyze the physical risks. According to the findings, while there is a statistically significant relationship between non-performing loans and physical risk factors for agriculture, energy, food and timber production, no such relationship was found for tourism and paper production. In addition, the study revealed that food production is the only sector where non-performing loans are affected by average temperature deviation and the most effective physical risk factor on non-performing loans is "severe weather events".

The "Green Asset Ratio Working Group" was established in early 2022 in cooperation with the

Agency to effectively manage climate-related financial risks and develop green finance, and the TBB in parallel with international and regional initiatives to calculate a "green asset ratio" in the banking sector, particularly in the EU. The Working Group aims to establish a green asset ratio methodology that will serve as an indicator for the Turkish banking sector, can be used in comparisons and is applicable. The study, which sets out the criteria to be taken as basis in determining the assets to be included in the green asset ratio on a sectoral basis, was largely completed in 2022, and the comprehensive guidance document to be prepared as a result of the studies is planned to be completed in the first half of 2023.

One of the main objectives of the "Sustainable Banking Strategic Plan (2022-2025)" is to increase co-operation among the relevant parties. To this end, a "Sustainability Working Group" was established at the Banks Association of Türkiye (TBB) at the beginning of 2022 with the participation of the Agency in order to increase information-experience sharing, cooperation and coordination on sustainability issues in the Turkish banking sector and to develop solutions by addressing important and material issues in a participatory and transparent manner. In the meetings of the Working Group, presentations are made by leading banks on sustainable banking issues as well as the priority issues on the agenda, and information and experience sharing is ensured.

In 2022, within the scope of cooperation, numerous bilateral and multilateral meetings were held with a large number of national and international, public and private institutions and organizations in order to exchange information and views, and various programs in the form of workshops, seminars, conferences and trainings were attended as speakers or audiences.

The "climate risks" and "green finance" issues were included in the Financial Sector Assessment Program (FSAP-Türkiye) for the first time in line with the request of Türkiye to assess and improve the capacity of the Turkish financial sector to manage climate-related financial risks and support the transition to a sustainable economy. In this framework, in the first half of 2022, the FSAP Delegation, consisting of IMF and World Bank officials, carried out detailed examinations

and assessments under these headings with the contributions of the relevant financial authorities, particularly the Agency. As a result of the studies, problems and areas that need to be improved and recommendations for them have been put forward, and the results of the evaluation will be guiding the Agency's policies and practices in the field of sustainable finance in the coming period.

In 2022, the Agency also participated in the 27th United Nations Conference of the Parties (COP27) held in Egypt between 6-18 November. Within the scope of COP27, which was attended by thousands of participants from international organizations, non-governmental organizations and academic circles, as well as public and private institutions, organizations and officials from many countries, national and international developments and policies, principles and standards were discussed, an intensive exchange of information and opinions was carried out, and decisions were taken for international joint actions. The Agency closely followed these events and participated in a conference held by the Integrated Reporting Association of Türkiye entitled "Green Transformation in Developing Countries: Financing Low Carbon Transition and Carbon Trading System". A "Sustainable Banking" page was created on the Agency's website in May 2022 in order to ensure more effective and comprehensive sharing of the work carried out by the Agency in the field of sustainable banking in recent years with national and international stakeholders and the public and to increase transparency. Strategies and action plans, guidelines, research reports and presentations prepared by the Agency in the field of sustainable banking are shared on the page in Turkish and English.

3. REGULATORY ACTIVITIES AND IMPACT ANALYSES

Article 93, paragraph four of the Banking Law No. 5411, stipulates that the Agency will use its authorities granted as per this law and other applicable legislation in line with the regulating procedures and special decisions and the Agency is authorized to enact regulations and communiqués regarding the enforcement of this law. In line with the regulating function, efforts were made to amend the banking legislation to ensure compliance with EU and international banking rules and implementations.

Within the scope of the efforts on legislation, draft regulations prepared by the Agency are publicly shared at the Agency's web site. All drafts are shared with the relevant industry representatives for their opinions, and opinions and suggestions of the relevant institutions and organizations are requested where necessary. The drafts are reviewed based on the opinions and proposals of these organizations and sent to the opinions and suggestions of the concerning Ministry with regards to the applicable industry strategies and policies and the Presidential Strategy and Budget Department with regards to the development plan and annual program in line with Article 93 clause five of the Banking Law, 5411. Following the evaluation of such opinions and proposals, the final draft is submitted to the Board and the regulations and communiqués accepted by the Board are submitted to the Presidency to be published in the official gazette.

3.1. Enacted Regulations

In 2022, 4 Laws were amended, 2 new regulations and 1 communiqué were put into effect, 12 regulations and 4 communiqués were amended and 14 Board Decisions were taken.

Table 4: Distribution of Enacted Regulations by Type

Type of Regulation	2021	2022
Law	-	-
Amendment of Law	4	4
Regulation	8	2
Amendment of Regulation	14	12
Communique	2	1
Amendment of Communique	4	4
Circular	-	1
Board Decision	19	14
TOTAL	51	38

3.1.1. Amendment Of The Laws

Law No. 7394 dated 08.04.2022 on the Amendment of Certain Laws and Decree Laws with the Law on the Valuation of Immovable Properties Belonging to the Treasury and Amendment to the Value Added Tax Law (OG dated 15.04.2022 and numbered 31810): Law No. 6361 on Financial Leasing, Factoring, Financing and Savings Finance Companies Law No. 6361 was amended in order to eliminate the grievances of the savings period customers of the liquidated savings finance companies under the duty and responsibility of the Agency.

Law No. 7407 dated 26.05.2022 on Amendments to the Banking Law, Certain Laws and Decree Law No. 655 (OG dated 28.05.2022 and numbered 31849): The SDIF's powers were increased in order to ensure harmonization with the EU Deposit Insurance Law, to increase the SDIF's powers in the bankruptcy and liquidation process, and to allow the SDIF to cover the expenses incurred due to the proceedings related to other laws including Law No. 5411 and international lawsuits filed against the State from the SDIF budget when necessary. Amendments to Law No.

5411 expanded the scope of insurance; in addition to deposits and participation funds belonging only to real persons and not subject to commercial transactions, all commercial deposits and participation funds other than those belonging to official institutions, credit institutions and financial institutions were included in the scope of insurance.

Law dated 03.11.2022 and numbered 7420 on Amendments to the Income Tax Law and Certain Laws and Decree Laws (OG dated 09.11.2022 and numbered 32008): The said Law amended 3 articles of the Law No. 5411 and 2 articles of the Law No. 6361. With the amendment made to Article 10 of the Law No. 5411 on Activity Permit, in order to clarify whether the Board may grant limited or restricted activity permits to banks on the basis of their fields of activity, it has been clarified that the Board is also authorized to grant activity permits to banks by imposing limitations or restrictions on the basis of their fields of activity. In addition, in line with the amendment made in Article 10 of the Law No. 5411, in cases where limited operating licenses are granted, such cases are subject to administrative sanctions in order to increase the deterrence against exceeding such operating limits in case of non-compliance with such limitations or restrictions, or in case of non-compliance with the restrictions in the last paragraph of Article 4 of the relevant Law.

With the amendment made in Article 35 titled "Support service institutions" of the Law No. 5411, the phrase "according to the nature of the support service" was amended as "according to the nature of the service to be received, to determine the procedures and principles to be followed by the support service institutions and other service providers while providing these services, to authorize them or", and the Board was granted direct authority to determine the procedures and principles regarding the institutions providing support services to banks.

With the amendments made to Law No. 6361, in order to ensure that the way of doing business of financing companies adapts to the developing technology and to increase the competitiveness of these companies, the "general agreements" that financing companies are obliged to make in advance with the sellers to whom they are obliged to transfer the loan amounts directly, can be established in writing, as well as in electronic environment through distance communication tools.

On the other hand, it is regulated that the loss of the conditions required for the establishment permit by the companies subject to the Law No. 6361 or the loss of the conditions required for the founders by the shareholders of the said companies are among the actions that may require the cancellation of the operating permit for these companies, and thus, it is aimed to give the Board the authority to cancel the operating permit of the said companies in case of such cases. The amendment also authorizes the Board to revoke the operating licenses of savings finance companies and to decide on liquidation in the event that these situations occur for savings finance companies, in accordance with the procedure set forth in Article 50/A.

With the Provisional Article 3 of the Law, it is aimed to liquidate the receivables arising from all kinds of credit agreements of individual nature, which were transferred and assigned from banks and other financial institutions and organizations as of 15.08.2022 (including) by the asset management companies operating within the scope of Law No. 5411 in order to reduce the enforcement proceedings due to small amount receivables, and whose principal follow-up balance is TL 2,500 or less as of the date of entry into force of the Law, by paying 50% of the principal debt amount with the amount to be transferred from the budget of the Ministry of Treasury and Finance.



3.1.2. Regulations

Regulation on Remote Identification Methods to be Used by Banks and Establishment of Contractual Relationship in Electronic Environment (OG dated 06.04.2022 and numbered 31801): The Regulation on Remote Identification Methods to be Used by Banks and Establishment of Contractual Relationship in Electronic Environment was introduced in order to fulfil the purpose set out in the Communiqué on Deposit and Participation System Accounts of Citizens Residing Abroad (YUVAM) published by the Central Bank of the Republic of Türkiye. A new section was added to the Regulation on Remote Identification Methods to be Used by Banks and Establishment of Contractual Relationship in Electronic Environment to ensure the remote identification of real persons who do not have a Turkish ID Card with chip but have a chipless Turkish identity card or Blue Card, and these amendments entered into force after being published in the Official Gazette dated 06.04.2022 and numbered 31801.

Regulation Amending the Regulation on Calculation of Liquidity Coverage Ratio of Banks (OG dated 04.02.2022 and numbered 31740): Due to the adaptation of the practices in international standards to the Turkish legislation and the increasing trend of banks' issuances of mortgage-backed securities and asset-backed securities, the need to regulate the issues related to the risk class of mortgage-backed securities in the Regulation on Measurement and Assessment of Capital Adequacy of Banks for securities with collateral has arisen, and the Regulation on Calculation of Liquidity Coverage Ratio of Banks has been amended accordingly. In this context, the phrase "mortgage-backed securities" in the aforementioned Regulation and annexed tables has been changed as "collateralized securities". In addition, since the Undersecretariat of Treasury of the Republic of Türkiye merged with the Ministry of Finance with all its duties and authorities and became the Ministry of Treasury and Finance of the Republic of Türkiye, the references to the Undersecretariat in the said Regulation and its annexes have been changed to the Ministry of Treasury and Finance.

Regulation Amending the Regulation on Measurement and Assessment of Capital Adequacy of Banks (OG dated 04.02.2022 and numbered 31740): By regulating the adjustment amount to be added to the capital adequacy standard ratio (CAR) calculated during the transition period of banks that have obtained permission to use internal rating-based (IRB) approaches in capital adequacy calculation, the possible sharp increases in the CARs calculated by these banks are gradually spread over the years. In addition, an amendment has been made to the aforementioned article regarding the application of the adjustment amount not only during the transition period but also throughout the period when the IRB approaches are used and the updating of the parameters used in the calculation of the adjustment amount.

Within the framework of "The Standardized Approach for Measuring Counterparty Credit Risk Exposures" and "Capital Requirements for Bank Exposures to Central Counterparties" documents prepared by BCBS, changes are envisaged in the calculation of counterparty credit risk and capital requirement calculation for exposures to central counterparties. Accordingly, in the calculation of counterparty credit risk, it is required to use the "standardized approach to counterparty credit risk measurement" instead of the "fair value measurement method" and the

"standardized method". In this framework, Annex-2 and Annex-4 of the Regulation on Measurement and Assessment of Capital Adequacy of Banks have been amended in order to ensure full compliance with the Basel III consensus.

Regulation Amending The Regulation On Audit Of Bank Information Systems and Banking Processes To Be Conducted By Independent Audit Firms (OG dated 21.04.2022 and numbered 31816): Law No. 3071 on the Exercise of the Right to Petition and Law No. 4982 on the Right to Information stipulates that the notices, complaints and applications for information received by the Agency in accordance with the Law No. 4982 on the Right to Information shall be subject to preliminary examination, preliminary evaluation, audit and implementation stages within the framework of the procedures and principles to be determined by the President of the Agency.

Regulation Amending the Regulation on Procedures and Principles for Classification of Loans and Provisions to be set aside (OG dated 24.05.2022 and numbered 31845): The threshold for the amount of receivables left to the discretion of the bank in the classification of non-performing receivables has been revised as TL 500 for consumer loans on loan basis and TL 2,500 for other receivables on debtor basis, and it has been ensured that these amounts can be updated at the annual PPI increase rate. In addition to these amount limits, a proportional limit of 1% has been introduced in the assessment of the ratio of the debtor's overdue debts to total debts in line with EU practices.

Regulation Amending The Regulation Governing The Accounting Practices And Financial Statements Of Financial Leasing, Factoring, Financing And Saving Financing Companies (OG dated 24.05.2022 and numbered 31845): The threshold for the amount of receivables left to the discretion of the company in the allocation of specific provisions has been revised as TL 500 for each debtor.

Regulation on Remote Identification Methods to be Used by Financial Leasing, Factoring, Financing and Savings Financing Companies and Establishment of Contractual Relationship in Electronic Environment (OG dated 11.01.2022 and numbered 31716): The Regulation regulates the procedures and principles regarding the remote identification methods that may be used by financial leasing, factoring, financing and savings finance companies in the acquisition of

new customers and the establishment of a contractual relationship over an information or electronic communication device, whether distance or not, as a substitute for the written form or distance for the services to be provided following the identification of the customer identity. In this context, meetings have been held with the companies that have requests for remote identification and establishment of contractual relationship in electronic environment and their requests have been evaluated.

Regulation Amending the Regulation on Independent Audit of Banks (OG dated 25.05.2022 and numbered 31846): Regulations have been made regarding the conditions for the re-listing of independent audit firms that have been removed from the list indefinitely and the notification obligation, the period for submitting the annual report and the minimum elements of the report, and the ambiguities in the paragraphs have been eliminated.

Regulation Amending the Regulation on Banks' Procurement of Valuation Services and Authorization and Activities of Institutions to Provide Valuation Services to Banks (OG dated 17.09.2022 and numbered 31956): Amendments have been made in order to strengthen the independence criteria for appraisal institutions, to make the institutional structures of these institutions more robust and to eliminate the problems arising in practice during the implementation of appraisal services. With these amendments, it has been clarified that valuation institutions and those who have a full-time employment relationship with them cannot provide valuation services to another valuation institution, the transportation expenses incurred by the valuation institutions in connection with the valuation work, and that some reports must be prepared by responsible valuation experts in order to minimize erroneous value determination.

Regulation Amending the Regulation on the Principles Regarding the Authorization and Activities of Rating Agencies (OG dated 20.09.2022 and numbered 31959): The phrase "partners of the authorized rating agency" in paragraph four of Article 8 titled "Independence" of the Regulation on the Principles Regarding the Authorization and Activities of Rating Agencies has been amended as "non-bank partners of the authorized rating agency" in order to eliminate the problems encountered in practice.

Regulation Amending the Regulation on the Competition, Competency and Qualification Examinations and Working Procedures and Principles of the Professional Personnel of the Banking Regulation and Supervision Agency (OG dated 30.10.2022 and numbered 31998): The conditions for the electronic submission of the application for the competition exam to be held for the professional staff of the Agency have been regulated; new departments have been added to the graduation requirements for assistant auditors to increase the efficiency and effectiveness of the Agency's recruitment practices, and necessary arrangements have been made regarding the competency and qualification exams.

Regulation Amending Regulation On The Principles And Procedures For Accepting, Withdrawal of Deposits And Participation Funds As Well As The Prescribed Deposits, Participation Funds Custody And Receivables that have expired (OG dated 08.11.2022 and numbered 32007): For participation accounts based on an investment proxy agreement, arrangements have been made to ensure the renewal/continuation of the said account with the existing agreement without the need to conclude a new investment proxy agreement at the end of the maturity, limited to the case where the maturity and estimated profit rate have not changed.

Regulation Amending the Regulation on Procurement of Support Services by Banks (OG dated 08.11.2022 and 32007): In the seventh paragraph of Article 4 of the Regulation before the amendment of the Regulation, "retail receivables specified in subparagraph 6/1(g) of the Regulation on Measurement and Assessment of Capital Adequacy of Banks" was listed as one of the marketing activities that banks can provide from support service institutions. The expression "products and services classified as retail receivables" in the said provision of the Regulation has been amended as "products and services offered to SMEs" taking into account the requests from the sector due to the difficulty and hesitation in determining this activity due to the limitations on the products and services classified as retail receivables.

Regulation Amending the Regulation on Calculation And Application of Foreign Exchange Net General Position / Own Funds Standard Ratio By Banks on Consolidated and Non-Consolidated Bases (OG dated 10.12. 2022 and numbered 32039 OG):

The notification tables regarding the consolidated/unconsolidated foreign currency net general position/consolidated equity standard ratios (standard ratio) calculated in accordance with the Regulation on Calculation and Application of Foreign Currency Net General Position/Shareholders' Equity Standard Ratio on Consolidated and Unconsolidated Basis by Banks (Regulation) have been updated in accordance with the changes in banks' THPs and other relevant legislation. Notification sheets are no longer annexed to the Regulation and are designed to be determined by the Board together with their explanations. In the calculation of standard ratios, currency options included in forward foreign exchange purchase commitments and forward foreign exchange sale commitments are arranged to be taken into account over their delta equivalents. All foreign currency general reserves are included in foreign currency liabilities and included in the calculation of standard ratios. The absolute value of the standard ratios, which was 20%, has been changed to 5%, taking into account the effects of the changes made. Considering the developments in the foreign exchange market in the current conjuncture, the Board has been authorized by the amendment to the Regulation to reduce the standard rates by up to one fourth or increase them by up to four times, if necessary.



3.1.3. Communiqués

Communiqué on Report on Independent Audit of Information Systems and Business Processes (OG dated 25.03.2022 and numbered 31789): With the entry into force of the Communiqué, the Communiqué on the Report on the Audit of Bank Information Systems and Banking Processes to be Performed by Independent Audit Institutions dated 13.1.2010 and numbered 27461 was repealed. The Communiqué regulates the principles and procedures for the preparation of independent audit reports in accordance with the provisions of the Regulation on Independent Audit of Information Systems and Business Processes. In addition, regulations regarding the coding of findings in independent audit reports have been added to the Communiqué.

Communiqué Amending the Communiqué On Disclosures About Risk Management to be

Announced to Public by Banks (OG dated 04.02.2022 and numbered 31740): Within the framework of the document titled "The Standardized Approach for Measuring Counterparty Credit Risk Exposures" and the document titled "Capital Requirements for Bank Exposures to Central Counterparties" prepared by BCBS, changes are envisaged in the calculation of counterparty credit risk and the calculation of capital requirements for exposures to central counterparties. As a result of these changes, the relevant parts of the Communiqué on Public Disclosures to be made by Banks on Risk Management have been amended.

Communiqué Amending the Communiqué on Credit Risk Mitigation Techniques (OG dated 04.02.2022 and numbered 31740): The amendments made in Annex-2 with the Regulation Amending the Regulation on Measurement and Assessment of Capital Adequacy of Banks published in the Official Gazette dated 04.02.2022 and numbered 31740 are reflected in the Communiqué on Credit Risk Mitigation Techniques.

Communiqué Amending the Communiqué on Compliance with the Principles and Standards of Interest-Free Banking (OG dated 13.08.2022 and numbered 31922): The Communiqué on Compliance with the Principles and Standards of Interest-Free Banking has been amended so that the provision in the Communiqué on Compliance with the Principles and Standards of Interest-Free Banking that allows a person to serve on the advisory committees of at most two banks is not applicable for the memberships in the advisory committees of development and investment banks that provide interest-free financing to their customers.

Communiqué Amending the Communiqué on the Procedures and Principles on Informing the Customers and Public in Terms of Interest-Free Banking Principles and Standards (OG dated 18.08.2022 and numbered 31927): It is now possible to fulfil the obligation to provide verbal information in the fourth paragraph of Article 4 of the Communiqué on Procedures and Principles Regarding Informing Customers and the Public within the Scope of Interest-Free Banking Principles and Standards by making audio or video recordings available to customers instead of speaking to

¹ With the Board Decision on Increasing the Foreign Currency Net General Position/Shareholders' Equity Standard Ratio (Board Decision No. 10534 dated 09.03.2023), the consolidated/unconsolidated foreign currency net general position/consolidated shareholders' equity standard ratios (standard ratio) were changed to 10%.

customers via audio or video. In addition, the issue of obtaining the customers' declaration of will regarding the contracts on which the products and services are based has been removed from the scope of the Communiqué.



3.1.4. Circulars

Circular No. 2022/1 (Board Decision dated 11.08.2022 and numbered 10295): It was prepared in order to eliminate the hesitations that may arise in practice regarding the Regulation on Sharing Confidential Information that entered into force on 01.07.2022, was published with the Board Decision dated 11.08.2022 and numbered 10295.



3.2. Major Board Decisions

Board Decision on Updating the Duration and Scope of Rating Obligation (Board Decision dated 06.01.2022 and numbered 10026): Regardless of the date on which the companies within the scope of the obligation to obtain a rating, it has been decided that a valid rating obtained from an authorized rating agency or a document certifying that the rating process has been initiated from an authorized rating agency must be submitted to the bank for credit use approval in credit applications.

Board Decision on Changing the Limits on Vehicle Loans (Board Decision dated 21.02.2022 and numbered 10099): Pursuant to the sixth paragraph of Article 12/A of the Regulation on Banks' Credit Transactions and the fifth paragraph of Article 11/A of the Regulation on the Establishment and Operating Principles of Financial Leasing, Factoring and Financing Companies, amendments were made to the loan maturity limits and the ratios regarding the value of the vehicle of the loan amount.

Board Decision on Credit Guarantee Fund (KGF) and Export Development Agency (İGE) Equity-Backed Portfolio Guarantee System (Board Decision dated 10.03.2022 and numbered 10128): Within the scope of the Equity-backed Portfolio Guarantee System provided by KGF and İGE in accordance with the Regulation on Measurement and Evaluation of Capital Adequacy of Banks, it has been decided that the cash collaterals held as pledges in banks provide protection over the total balance amount and that this protection is evaluated in the same way as the cash collateralized loan and that each

loan collateralized by the said pledge in the capital adequacy calculation has this guarantee within the framework of the limit regarding the amount of protection provided.

Board Decision on Changes Regarding CAR(SYR) Calculation (Board Decision dated 28.04.2022 and numbered 10188): It has been decided to continue using the CBRT foreign exchange buying rate of 31.12.2021 in the calculation of the amount subject to credit risk as of 01.05.2022 in accordance with the Regulation on Measurement and Assessment of Capital Adequacy of Banks. In addition, the turnover limit for the definition of SME in the Regulation was set as TL 250,000,000 for resident SMEs. In addition, it has been decided to apply a 200% risk weight to commercial cash loans to be extended as of 01.05.2022, excluding agricultural credits, credits to be extended to SMEs, export and investment credits, credits to be extended to the institutions and organizations listed in the tables (I), (II), (III) and (IV) annexed to the Public Financial Management and Control Law No. 5018 and PEEs and their establishments, subsidiaries and affiliates, credits to be extended through corporate credit cards and credits to be extended to banks or financial institutions.

Board Decision on Changing the General Maturity Limit for Consumer Loans and the Minimum Payment Rate for Credit Cards (Board Decision dated 09.06.2022 and numbered 10222): It has been decided to set the minimum amount for credit cards as 40% of the term debt for credit cards with a limit over TRY 25,000. Pursuant to the sixth paragraph of Article 12/A of the Regulation on Banks' Credit Transactions and the fifth paragraph of Article 11/A of the Regulation on the Establishment and Operating Principles of Financial Leasing, Factoring and Financing Companies, the general maturity limit for consumer loans was set as 12 months for loans with a loan amount over TRY 100,000. It was decided that the loans which were extended before the Board Decision dated 16.09.2021 and numbered 9811, can be restructured for a maximum period of 36 months if requested by the borrower, even if the debt balance is over TRY 50,000. After the Board Decision dated 16.09.2021 and numbered 9811 and before the date of this Decision, the loans within this scope, which were extended after the Board Decision dated 16.09.2021 and numbered 9811 can be restructured for no more than the maximum maturity limit valid on the date of utilization of the relevant loan.

Board Decision on Calculation of the Amount Subject to Credit Risk with Internal Ratings Based Approaches in Capital Adequacy Ratio Calculation (Board Decision dated 23.06.2022 and numbered 10246): In the calculation of the capital adequacy ratio in accordance with the Regulation on Measurement and Assessment of Capital Adequacy of Banks, it has been decided that in cases where IRB approaches are used for the calculation of the amount subject to credit risk, in order for a receivable collateralized with a residential real estate mortgage to be included in the retail receivables risk class, the requirement of residence of the debtor may not be sought.

Board Decision on the Risk Weighting of Banks' FX Receivables from the CBRT (Board Decision dated 23.06.2022 and numbered 10247): In the calculation of the capital adequacy ratio in accordance with the Regulation on Measurement and Assessment of Capital Adequacy of Banks, it was decided to apply a 0% risk weight to the banks' FX denominated receivables from the CBRT while calculating the amount subject to credit risk.

Board Decision on Derivative Transactions with Non-Residents (Board Decision dated 23.06.2022 and numbered 10248): It is aimed to ensure that the TL and FX resources held by banks are utilized in accordance with the purpose of meeting the financing needs of segments in need of financing and to ensure the effective functioning of the credit system. In the event that residents other than banks and financial institutions perform derivative transactions with non-residents, the risk weight of TL and FX denominated commercial cash loans to be extended to these persons after the date of this Decree has been changed. In this framework, in the calculation of the capital adequacy ratio in accordance with the Regulation on Measurement and Assessment of Capital Adequacy of Banks, it was decided to apply a 500% risk weight without taking into account credit risk mitigation techniques, credit ratings and real estate mortgages, regardless of the approach used in calculating the amount subject to credit risk.

Board Decision on the Loan Value Ratio and Maximum Loan Amount to be applied in Housing Loans and Collateralized House Loans (Board Decision dated 23.06.2022 and numbered 10249): Pursuant to the sixth paragraph of Article 12/A of

the Regulation on Banks' Credit Transactions, in loans to be extended to consumers for the purpose of housing acquisition and in housing collateralized loans excluding vehicle loans, a differentiation was made in the loan value ratio for houses with Energy Class A and B and houses other than these, and changes were made regarding the ratio of the loan amount to the value of the house taken as collateral.

Board Decision on Restrictions on the Purposeful Utilization of Turkish Lira Denominated Cash Commercial Loans (Board Decision dated 07.07.2022 and numbered 10265): As a macroprudential measure deemed necessary in order to strengthen financial stability and to ensure that the credit system operates effectively by using resources more efficiently and that loans are used for their intended purpose, if the TL equivalent of the FX cash assets (including gold, effective foreign currency and FX deposits in banks) of the companies subject to independent audit is above TL 15 million on the date of loan application; if the FX cash assets of these companies exceed 10% of the higher of their total assets or net sales revenue for the last 1 year according to their most recent financial statements, no new cash commercial loans in TL will be extended to these companies. In addition, within the scope of this Decree, companies that are not eligible for FX-denominated loans are allowed to extend TL-denominated loans within certain limits.

Board Decision on the Implementation of the Changes Regarding CAR Calculation by Internal-Ratings Based Banks (Board Decision dated 21.10.2022 and numbered 10388): The Board Decisions No. 9645 dated 01.07.2021 and No. 9645 dated 01.07.2021 and No. 10188 dated 28.04.2022, which increased the risk weights of retail credit cards, general purpose loans and commercial cash loans, are regulated to be taken into account by banks calculating capital adequacy through IRB approaches.

Board Decision on the Revision of the Board Decision dated 7.7.2022 and numbered 10265 on the Limitations for the Purposeful Utilization of Turkish Lira Denominated Cash Commercial Loans (Board Decision dated 21.10.2022 and numbered 10389): The thresholds of "TL 15 million" and "10%" specified in the declaration and commitment sample in Annex-1 and article 1 and 7 of the Board Decision dated 07.07.2022 and numbered 10265, shall be applied as "TL 10

² Amendments were made with the Board Decision (Board Decision dated 24.02.2023 and numbered 10525) on the Loan to Value Ratio and Maximum Loan Amount to be Applied in Housing Loans and Housing Collateralized Loans, which is included under the heading Regulations Completed in 2023.

million" and "5%", effective as of 01.11.2022 until a Board Decision is taken to the contrary.

Board Decision on Additional Documents Required to be Obtained by Banks and Revision of the Minimum Amount for Obtaining These Documents (Board Decision dated 09.12.2022 and numbered 10435): Pursuant to Article 11/A of the Regulation on Banks' Credit Transactions, it has been decided that for the analysis tables in Annex-4 of the Regulation, which are required to be provided by banks at the credit allocation stage, to be prepared based on the information contained in the financial statements of customers residing abroad and customers' main shareholders or joint controlling shareholders residing abroad, it is sufficient to ensure that the customer declares and undertakes the accuracy of the said analysis tables instead of the assurance report issued by the independent audit firm. Effective as of 01.01.2023, pursuant to the first paragraph of Article 11/A of the Regulation, the amount of TL 100 million determined for the documents required to be obtained from those whose total risk in the banking sector, including the requested loan, is above the amount to be determined by the Board, according to the most up-to-date information available at the TBB Risk Centre, during the loan allocation phase, has been updated as TL 200 million.

Board Decision on the Notification Schedules and Explanations of the Regulation on Calculation and Implementation of Foreign Currency Net General Position/Own Funds Standard Ratio by Banks on Consolidated and Unconsolidated Bases (Board Decision dated 26.12.2022 and numbered 10458): The Board has decided to accept the notification schedules and explanations prepared within the framework of the authority to determine the notification schedules and explanations related to the notification schedules given to the Board by the Regulation Amending the Regulation on Calculation and Implementation of Foreign Currency Net General Position/Shareholders' Equity Standard Ratio on Consolidated and Non-Consolidated Basis by Banks and to publish them on the Agency's website.



3.3. Regulations completed in 2023

Board Decision on Changing the Maturity Limits for Consumer Loans and Credit Card Instalment Limits (Board Decision dated 05.01.2023 and numbered 10479): Pursuant to the seventh paragraph of Article 26 of the Regulation on Bank Cards and Credit Cards,

the sixth paragraph of Article 12/A of the Regulation on Banks' Credit Transactions and the fifth paragraph of Article 11/A of the Regulation on the Establishment and Operation Principles of Financial Leasing, Factoring and Financing Companies, amendments have been made regarding the instalment periods of credit cards for the purchase of mobile phones, which are refurbished products within the framework of macroprudential measures, and the maturity limits and loan amount of consumer loans extended for mobile phones.

Board Decision on Amendments Regarding CAR Calculation (Board Decision dated 31.01.2023 and numbered 10496): In the calculation of the amount subject to credit risk in accordance with the Regulation on Measurement and Assessment of Capital Adequacy of Banks, it has been decided that the CBRT foreign exchange buying rate of 30.12.2022 can be used in the calculation of the amount subject to credit risk, while calculating the amounts of monetary assets and non-monetary assets, excluding foreign currency denominated items measured at historical cost, valued in accordance with TAS and the related specific provision amounts. In addition, it was decided to set the turnover limit for the definition of SME in the Regulation as TL 500,000,000 for resident SMEs and to use the SME definition used by the banking authority of the country where the SME is located in the capital adequacy calculation for SMEs resident abroad. Finally, it was decided to set the retail credit limit in the said Regulation as TL 20,000,000.

Board Decision on Increasing Credit Maturity and Credit Card Instalment Limits for Residents of the Cities in the Earthquake-Disaster Region (Board Decision dated 07.02.2023 and numbered 10503): Due to the earthquake disaster that occurred in Adana, Adıyaman, Diyarbakır, Hatay, Gaziantep, Kahramanmaraş, Kilis, Malatya, Osmaniye and Şanlıurfa, pursuant to the sixth paragraph of Article 12/A of the Regulation on Banks' Credit Transactions, the fifth paragraph of Article 11/A of the Regulation on the Establishment and Operating Principles of Financial Leasing, Factoring and Financing Companies and the seventh paragraph of Article 26 of the Regulation on Bank Cards and Credit Cards, flexibility was provided to the residents and merchants in these provinces in terms of grace periods and credit card instalment limits.

Board Decision on the Earthquake Disaster Affecting Ten Cities (Board Decision dated 10.02.2023 and numbered 10507): Due to the earthquake disaster

that occurred in Adana, Adana, Adiyaman, Diyarbakır, Hatay, Gaziantep, Kahramanmaraş, Kilis, Malatya, Osmaniye and Şanlıurfa, various regulations have been made in order to prevent difficulties that may arise in practice. While some of these regulations have consequences for resident real persons, some of them have consequences for all customers affected by this disaster. In this context, the regulations valid until 01.01.2024 regarding the resident real persons affected by the earthquake disaster are as follows:

- The minimum payment amount for credit cards was set at 20% of the period debt. The total credit card limit can be determined in a way not to exceed 4 times the monthly net income in the first year and 8 times in the second and subsequent years, and the total limit of credit cards of persons whose income level cannot be determined was increased to TL 5,000. The closure of credit cards with unpaid minimum amounts to cash use and shopping was left to the discretion of banks, and banks were allowed to define grace periods by deferring card debts.
- It was decided not to take maturity limits into account in consumer and vehicle loans deferred upon customer request.
- Regarding the customers affected by the earthquake disaster, until 01.01.2024; the provision of credit rating notes and additional documents required to be obtained was left to the discretion of the banks and the valuation period of the real estates taken as collateral for the loans was postponed.
- The deadlines for the information and documents to be submitted to the banks by the companies affected by the earthquake disaster, which are subject to independent audit, while utilizing loans have also been extended. In addition, it was decided to send an instruction to the Associations of Institutions to postpone the loan payments for a minimum period of 6 months upon the request of the customers affected by the earthquake disaster, and if the postponement is made without demanding interest / profit share, the customer's request should not be sought, so that all kinds of convenience should be provided.
- The flexibilities provided in the Board Decision dated 07.02.2023 and numbered 10503 regarding the credit maturity limit and credit card instalment limit were extended until 01.01.2024

Circular No. 2023/1 on Providing Authentication and Transaction Security in Electronic Banking Services

and Establishment of Contractual Relationship in Electronic Environment: Articles 34 and 35 of the Regulation on Banks' Information Systems and Electronic Banking Services (BSEBY) stipulate how authentication and transaction security should be carried out in electronic banking service channels and techniques that will enable irrefutability and assignment of responsibility for both the bank and customers should be used for transactions to be carried out through these channels, and Articles 38 and 39 of BSEBY include additional provisions on these issues specific to internet banking and mobile banking distribution channels. In the second paragraph of Article 12 of the Regulation on Remote Identification Methods to be Used by Banks and Establishment of Contractual Relationship in Electronic Environment; the conditions for establishing a contractual relationship over an information or communication device as a substitute for the written form are listed. Similarly, Articles 12 and 13 of the Regulation on Remote Identification Methods to be Used by Financial Leasing, Factoring, Financing and Savings Financing Companies and Establishment of Contractual Relationship in Electronic Environment contain provisions on identity verification and transaction security and establishment of contractual relationship. In addition, the fourth and fifth paragraphs of Article 13 of the Regulation on the Operating Principles of Digital Banks and Service Model Banking stipulate that if the contractual relationship is established electronically, the process must be carried out in accordance with the Regulation on Remote Identification Methods to be Used by Banks and Establishment of Contractual Relationship in Electronic Environment and the service channels offered must comply with the security criteria specified in the BSEBY. In this context, a Circular addressing the technical criteria has been prepared and published in order to clarify how to implement the provisions of the above-mentioned Regulations and to eliminate any possible ambiguities.

Board Decision on Capital Adequacy and Equity Calculation Regarding the Earthquake Disaster Affecting Ten Cities (Board Decision dated 14.02.2023 and numbered 10508): Due to the earthquake disaster in Adana, Adiyaman, Diyarbakır, Hatay, Gaziantep, Kahramanmaraş, Kilis, Malatya, Osmaniye and Şanlıurfa (earthquake/disaster zone);

- Within the scope of the Board Decision dated 1.7.2021 and numbered 9645, the high-risk

weights applied to retail credit cards and general-purpose loans shall not be applied until 1.1.2024 for the loans extended to real persons residing in the provinces in the earthquake/disaster zone after 6.2.2023,

- The high-risk weights applied to commercial cash loans within the scope of the Board Decisions dated 28/4/2022 and numbered 10188 and dated 21.10.2022 and numbered 10388 shall not be applied until 1.1.2024 for the loans extended to customers affected by earthquake/disaster after 6.2.2023,

- For publicly traded banks whose shares are traded on the Equity Market of Istanbul Stock Exchange, it has been decided that their own shares acquired through repurchase from this market after 6.2.2023 shall not be taken into account as a deduction item from the core capital in accordance with the Regulation on Equity of Banks until 1.1.2024 and shall not be included in the calculation of amount subject to credit risk and amount subject to market risk in the application of the Regulation on Measurement and Assessment of Capital Adequacy of Banks.

Board Decision on Other Places Declared as Disaster Areas Affecting General Life (Board Decision dated 23.02.2023 and numbered 10524):

With the Board Decision, the facilities provided for Adana, Adıyaman, Diyarbakır, Hatay, Gaziantep, Kahramanmaraş, Kilis, Malatya, Osmaniye, Osmaniye and Şanlıurfa provinces within the scope of the Board Decisions dated 07.02.2023 and numbered 10503, dated 10.02.2023 and numbered 10507, dated 14.02.2023 and numbered 10508, were also made available to other places that were/will be declared as "Disaster Areas with General Impact on Life" due to the earthquakes and subsequent aftershocks in Kahramanmaraş province.

Board Decision on the Loan Value Ratio and Maximum Loan Amount to be applied in Housing Loans and Collateralized House Loans (Board Decision dated 24.02.2023 and numbered 10525):

Pursuant to the sixth paragraph of Article 12/A of the Regulation on Banks' Credit Transactions, in loans to be extended to consumers for the purpose of housing acquisition and in collateralized house loans excluding vehicle loans, a differentiation was made in the loan value ratio for houses with Energy Class A and B and houses other than these, and updates were made regarding the ratio of the loan amount to the value of the house taken as collateral.

Board Decision on Increasing the Foreign Currency Net General Position/Shareholders' Equity Standard Ratio (Board Decision dated 09.03.2023 and numbered 10534): Pursuant to the first paragraph of Article 4 and the first paragraph of Article 5 of the Regulation on Calculation and Application of Foreign Currency Net General Position/Shareholders' Equity Standard Ratio by Banks on Consolidated and Unconsolidated Basis, the foreign currency net general position/shareholders' equity standard ratio, the absolute value of which is determined as maximum 5%, and the foreign currency net general position/shareholders' equity standard ratio calculated on the basis of consolidated financial statements, will be determined as 10% to be applied as of the date of this Decision.



3.4. Repealed Regulations

Board Decision on Restrictions on the Purposeful Utilization of Turkish Lira Denominated Cash Commercial Loans (Board Decision dated 24.06.2022 and numbered 10250):

As a macroprudential measure deemed necessary in order to strengthen financial stability and to ensure that the credit system operates effectively by using resources more efficiently and that loans are used for their intended purpose, if the TL equivalent of the FX cash assets (including gold, effective foreign currency and FX deposits in banks) of the companies subject to independent audit is above TL 15 million on the date of loan application; if the FX cash assets of these companies exceed 10% of the greater of their total assets or net sales revenue for the last 1 year according to their most recent financial statements, no new cash commercial loans in TL will be extended to these companies. In addition, within the scope of this Decree, companies that are not eligible for FX-denominated loans are allowed to extend TL-denominated loans within certain limits.



3.5. Draft Regulations in Progress

Draft Regulation on Credit Limit: The Draft Regulation on the Credit Limit, which is prepared by taking into account the Basel standard on the large loan limit adopted by the BCBS in April 2014 and related documents, is in progress. With this standard, it is aimed to limit the loss that banks will be exposed to in case of default of a risk group. It is envisaged that the credit limit, which is limited to 25% of the shareholders' equity under the current

legislation, will be limited to the tier 1 capital of banks, and new procedures and principles will be determined on how to calculate the risk amount to be used in this limitation.

Draft Regulation on the Funds to be Provided by Development and Investment Banks: Studies are being carried out to regulate the procedures and principles regarding the funds to be provided by their credit customers, partnerships and shareholders to diversify the funds to be provided by development and investment banks.

Draft Regulation on Remote Identification Methods to be Used by Banks and Establishment of Contractual Relationships in Electronic Environment:

With an amendment to the Regulation on Remote Identification Methods to be Used by Banks and Establishment of Contractual Relationship in Electronic Environment, the Draft Regulation, which includes provisions on artificial intelligence in order to enable legal entities registered in the trade registry to become customers through remote customer acquisition in banks and to accelerate and facilitate the remote identification process, to reduce the risks arising from the customer representative in the process, to minimize the number of customer representatives and to ensure that the process is completed in an end-to-end digital manner, has been prepared and opened for internal and external opinions and the evaluation of the opinions received is ongoing.

Amendments to the Regulation on Corporate Governance Principles of Banks, Regulation on Internal Systems and Internal Capital Adequacy Assessment Process of Banks and Guidelines on ICAAP Report:

Following the 2007 global financial crisis, international standard-setting organizations have amended their previously published corporate governance principles and developed more comprehensive governance principles in areas related to banks' risk management, compliance risk controls and internal audit systems. The Regulation on Corporate Governance Principles of Banks and the Regulation on Internal Systems and Internal Capital Adequacy Assessment Process of Banks are subject to revision in order to comply with these developments, to cover the new governance principles developed in response to internationally experienced problems and to eliminate the problems encountered in current practice in this field. Moreover, since it is planned to regulate the provisions regarding the internal capital adequacy assessment process of banks with a separate regulation, the Regulation

on Internal Systems of Banks and Internal Capital Adequacy Assessment Process is being transformed into two separate draft regulations, one on internal systems of banks and the other on internal capital adequacy assessment process. Within the framework of the studies on ICAAP, necessary amendments are made in the Regulation and Guidelines by taking into account the international best practices and the characteristics of the Turkish banking sector, in the procedures and principles regarding ICAAP and their operation, international best practices and the characteristics of the Turkish banking sector in order to ensure that banks calculate internal capital requirements at a level to cover the risks they are and may be exposed to and to ensure that they maintain their activities with a capital above this level. Internal opinions on the drafts have been evaluated and the stage of receiving external opinions has been reached. With the completion of these studies, it is aimed to ensure the harmonization of banks' corporate governance with international standards and to make banks' internal capital adequacy assessment processes more effective.

Draft Regulation on Banks' Calculation of Net Stable Funding Ratio:

Draft Regulation on Calculation of Banks' Net Stable Funding Ratio, which was prepared by taking into account the Basel III Standard on Net Stable Funding Ratio, which was adopted by the BCBS in October 2014 within the framework of the Basel III consensus and amended at various times, frequently asked questions and other relevant documents published by the BCBS on this Standard in order to guide the implementation, is in progress. The Regulation aims to ensure more stable and reliable funding of banks by strengthening their liability structures in order to prevent the funding risk that banks may be exposed to in the medium and long term from causing deterioration in their liquidity levels. Liabilities and assets, including off-balance sheet transactions, are classified according to their liquidity status and are subject to consideration ratios. The three-month simple arithmetic average of the net stable funding ratio, which is planned to be measured in consolidated and unconsolidated form, should not be less than 100% as of March, June, September and December.

Draft Communiqué Amending the Communiqué on Financial Statements and Related Disclosures and Footnotes to be Publicly Announced by Banks:

Taking into account the BCBS document that provides standard templates and rules on the

issues to be disclosed to the public by banks regarding the net stable funding ratio, work is underway to amend the Communiqué on Financial Statements to be Publicly Announced by Banks and Explanations and Footnotes Related to These Financial Statements, which has been prepared to disclose the templates to be filled in the format specified in this document and quantitative and qualitative explanations to the public as of the periods when banks publish their financial report.

Draft Communiqué Amending the Communiqué on Public Disclosures on Risk Management by Banks:

Studies have been initiated to ensure that the updates made by the BCBS on the information to be disclosed to the public regarding risk management by banks are incorporated into our legislation. In this framework, it is planned to amend the Communiqué on Public Disclosures on Risk Management by Banks in order to amend the procedures and principles regarding the public disclosure of consolidated and unconsolidated risk management information of banks.

Draft Regulation on Effective Management of Climate-Related Financial Risks: Legislative work will be carried out to strengthen the existing supervisory framework for the management of climate-related financial risks and to ensure that banks manage their climate-related financial risks in a manner commensurate with the nature, scale and complexity of their activities and the overall level of risk they are willing to accept.

ICAAP Legislation Update Study: As it is known, the Agency regularly monitors international regulations and international best practices regarding the supervision of these regulations. In this context, one of the leading issues followed is the Supervisory Review Process (SREP: Supervisory Review Process), which is the Second Pillar 2 of the Basel II Accord published by the Basel Committee on Banking Supervision (BCBS). In this framework, it is of great importance that the internal capital adequacy assessment process (ICAAP), which can be defined as ensuring that banks calculate the level of capital to cover the risks they are and may be exposed to in line with their risk profiles and strategies and that they maintain their activities with capital above these levels, is carried out correctly by banks and that the said processes of banks are supervised. In this context, taking into account the international best practices regarding the Second Structural Pillar and the characteristics of the Turkish Banking Sector, the studies carried out under the coordination of the Vice

Presidency in charge of supervision for the revision of the Regulation on the Internal Systems and Internal Capital Adequacy Assessment Process of Banks and the Guideline on the ICAAP Report, which are currently in force, were brought to the final stage and submitted to the relevant units of the Agency and the draft regulation prepared as a result of the evaluations of the relevant unit was opened for internal opinion. In-house evaluation studies on the draft regulation are ongoing within the framework of current developments. As a result of these studies, it is aimed to make the internal capital adequacy assessment processes of banks more effective and to increase compliance with international best practices in this field.



3.6. Impact Analyses

As part of the impact analysis study prepared pursuant to clause six of article 101 of the Banking Law No. 5411, numerical analysis results are presented for measurable arrangements and the assessments made in the context of expert opinions are presented for other arrangements. On the other hand, the Report does not include impact analyses on decisions on individual organizations or persons and decisions and sub-regulations considered to be under the scope of article 73 of the Banking Law No. 5411.



3.6.1. Impact Analyses on Laws

Impact Analysis on the Law No. 7407 dated 26.05.2022 on the Amendment of the Banking Law and Certain Laws and Decree Law No. 655 (OG dated 28.05.2022 and numbered 31849): With the related Law, the article on the insurance of deposits and participation funds was rearranged and those to be insured were determined by excluding the deposits and participation funds of the institutions that will not be insured by the SDIF and regulations on risk-based insurance premium were added to the text of the article. In the article on deposits and participation funds excluded from the scope of insurance, subparagraphs a, b and d have been amended and the term "savings deposits" has been removed from the article. In order to ensure harmonization with the EU Deposit Insurance, to increase the SDIF's powers in the bankruptcy and liquidation process, and to ensure that the expenses incurred due to other laws including Law No. 5411 and international lawsuits filed against the State can be covered from the SDIF budget when necessary. Amendments to Law No. 5411 expanded

the scope of insurance and increased the guarantee provided by including not only deposits and participation funds belonging to real persons and not subject to commercial transactions, but also all commercial deposits and participation funds, except those belonging to official institutions, credit institutions and financial institutions, within the scope of insurance.

Impact Analysis on the Law No. 7420 dated 03.11.2022 on Amendments to the Income Tax Law and Certain Laws and Decree Laws (OG dated 09.11.2022 and numbered 32008): The Law amended the Law No. 5411 and the Law No. 6361. Amendments to Law No. 6361 aim to adapt the way of doing business of financing companies to technology and increase the competitiveness of these companies in the face of developing technology, while the Provisional Article 3 of the Law abolishes the obligation of asset management companies operating within the scope of Law No. 5411 to incur expenses exceeding the debt in the follow-up of loan debt for banks and other financial institutions and organizations, and reduces the burden of enforcement offices.



3.6.2. Impact Analysis of the Regulations

Impact Analyses on the Regulation on Remote Identification Methods to be Used by Financial Leasing, Factoring, Financing and Savings Financing Companies and Establishment of Contractual Relationship in Electronic Environment (OG dated 11.01.2022 and numbered 31716): With this regulation, digitalization processes were supported by paving the way for financial leasing, factoring, financing and savings finance companies to use digital channels for new customer acquisitions and to establish contractual relationships through these channels.

Regulation Amending the Regulation on Calculation of Liquidity Coverage Ratio of Banks (OG dated 04.02.2022 and numbered 31740): With the said regulation, the practices in international standards were adapted to the Turkish legislation and the phrase "mortgage-backed securities" in the said Regulation and annexed tables was changed as "collateralized securities" and the need to regulate the issues regarding the risk class of mortgage-backed securities in the Regulation on Measurement and Assessment of Capital Adequacy of Banks for collateralized securities was met.

Regulation Amending the Regulation on Measurement and Assessment of Capital Adequacy of Banks (OG dated 04.02.2022 and numbered 31740): With the said regulation, the adjustment amount to be added to the capital adequacy standard ratio (CAR) calculated during the transition period for banks that are permitted to use internal rating-based (IRB) approaches in capital adequacy calculation is regulated and the possible sharp increases in the CARs calculated by these banks in this way are gradually spread over the years. In addition, the adjustment amount will be applied not only during the transition period, but also throughout the period when the IRB approaches are used.

Impact Analysis on the Regulation Amending the Regulation on Remote Identification Methods to be Used by Banks and Establishment of Contractual Relationship in Electronic Environment (OG dated 06.04.2022 and numbered 31801): With the said regulation, a section on "Principles Regarding Remote Identification to be Applied within the Scope of YUVAM" was added to the said Regulation, supporting the process of encouraging citizens living abroad to invest their savings in our country and facilitating the implementation of the Communiqué No. 2022/7 on Deposit and Participation System Accounts of Non-residents issued by the CBRT.

Impact Analysis on the Regulation Amending the Regulation on the Procedures and Principles Regarding the Classification of Loans and the Provisions to be set aside for them (OG dated 24.05.2022 and numbered 31845): Taking into account the general economic conditions, the limits in the regulation have been updated. By linking the said amounts to the annual PPI increase rate, a legislative infrastructure has been established to adapt to the economic conditions that will occur in the future.

Impact Analysis on the Regulation Amending the Regulation on Banks' Procurement of Valuation Services and Authorization and Activities of Institutions to Provide Valuation Services to Banks (OG dated 17.09.2022 and numbered 31956): With these amendments, it is ensured that the institutional structures of these institutions are made more robust by strengthening the independence criteria for valuation institutions, the problems arising in practice in the process of performing valuation services are eliminated, and the monetary limits are brought in line with the current economic situation.

Impact Analysis on the Regulation Amending the Regulation on the Procedures and Principles Regarding the Acceptance and Withdrawal of Deposits and Participation Funds and the Procedures and Principles Regarding Deposits, Participation Funds, Deposits and Receivables that have expired (OG dated 08.11.2022 and numbered 32007): With the said amendment, an exception has been introduced for participation accounts based on the investment proxy agreement, and convenience has been provided to ensure that the said account is renewed/continues to operate with the existing agreement without the need to conclude a new investment proxy agreement at the end of the maturity, specific to the situation where the maturity and estimated profit rate has not changed.

Impact Analysis on the Regulation Amending the Regulation on Banks' Procurement of Support Services (OG dated 08.11.2022 and 32007): In the seventh paragraph of Article 4 of the Regulation before the Regulation Amendment, "retail receivables specified in subparagraph 1(g) of Article 6 of the Regulation on Measurement and Assessment of Capital Adequacy of Banks" was included as one of the marketing activities that banks can provide from support service institutions. The aforementioned expression "products and services classified as retail receivables" has been changed to "products and services offered to SMEs" by evaluating the requests from the sector due to difficulties and hesitations in the determination of the activity.

Impact Analysis on the Regulation Amending the Regulation on the Calculation and Application of the Foreign Currency Net General Position/ Shareholders' Equity Standard Ratio by Banks on Consolidated and Unconsolidated Basis (OG dated 10.12.2022 and numbered 32039): With the amendment to the Regulation, the items taken into account in the calculation of the foreign currency net general position, which constitutes the numerator of the foreign currency net general position/equity standard ratios (standard ratio) calculated on a consolidated and unconsolidated basis in order to establish the relationship and balance between the foreign currency assets and liabilities of banks more accurately, have been changed. Based on a quantitative study, it has been assessed that it is more reasonable to set the absolute values of the standard ratios at a maximum of five per cent after this change. Thus, banks are prevented from taking foreign currency positions that are incompatible with

their equity amounts and it is aimed to manage their positions prudently. In addition, with the amendment to the Regulation, the Board is authorized to increase the said standard ratios up to four times or decrease them up to one quarter, taking into account the macroeconomic conjuncture. Thus, it is planned to prevent a situation that may cause systemic risk in banks' FX positions by allowing the Board to make rapid changes in the standard ratios when a situation that may cause systemic risk is detected.



3.6.3 Impact Analyses on the Amendments to the Communiqué

Impact Analysis on the Communiqué Amending the Communiqué on Credit Risk Mitigation Techniques (OG dated 04.02.2022 and numbered 31740): In the Communiqué, the purpose of which is to regulate the principles and procedures regarding the credit risk mitigation techniques to be used by banks in calculating the risk-weighted amount under the Standardized Approach and the risk-weighted amount and expected loss under the Basic IRB Approach, the areas where internal models can be used have been expanded under the heading of calculation of fully adjusted risk amount with the internal models approach in special netting agreements; and in the eleventh paragraph of the same article, determinations regarding the "holding period" have been included. In addition, amendments have been made in the article titled Standard Volatility Adjustment Approach and the "holding period" has been determined as twenty, five and ten days under certain conditions.

Impact Analysis on the Communiqué Amending the Communiqué on Compliance with Interest-Free Banking Principles and Standards (OG dated 13.08.2022 and numbered 31922): With the said regulation, the second paragraph of Article 15 of the Communiqué titled "Provisions regarding development and investment banks" has been amended and a new paragraph has been added to the article. An exception has been made to the rule that the same person can be a member of the advisory committee of at most two banks, and the provision that development and investment banks will not be subject to this rule has been regulated in the fifth paragraph of Article 15.

Impact Analysis Regarding the Communiqué Amending the Communiqué on the Procedures and Principles Regarding Informing Customers and the Public within the Scope of Interest-Free

Banking Principles and Standards (OG dated 18.08.2022 and numbered 31927): With the said amendment, the first paragraph of Article 4 of the Communiqué regulates the obligation of banks to inform their customers in a clear and understandable manner; the fourth paragraph of the same article regulates that the information form must be signed with the customer's wet signature in face-to-face customer information, and based on technological developments, it is now possible to inform the customer via audio or video communication tools. The issue of obtaining the customers' declaration of will regarding the contracts on which the products and services are based has been removed from the Communiqué.



3.6.4 Impact Analysis on Circulars and Board Decisions

Impact Analyses on Circular No. 2022/1 (Board Decision dated 11.08.2022 and numbered 10295): The said Circular and the Board Decision eliminated the hesitations that may arise in practice regarding the Regulation on the Sharing of Confidential Information.

Impact Analysis Regarding the Board Decision on Changing the Limits on Vehicle Loans (Board Decision dated 21.02.2022 and numbered 10099): With the aforementioned Board Decision, it was decided that the loan maturity limits will be determined on the basis of the final invoice value for loans extended for the purchase of vehicles, and that the ratio of the loan amount to the value of the vehicle will not exceed certain amounts based on the final invoice value in vehicle loans to be extended to consumers for the acquisition of passenger cars or in financial leasing transactions, except for vehicle-secured loans, and the vehicle loan limits were rearranged according to the current situation.

Impact Analysis on the Board Decision on the Purposeful Utilization of Turkish Lira Denominated Cash Commercial Loans (Board Decision dated 07.07.2022 and numbered 10265): This Decision was taken as a macroprudential measure deemed necessary to strengthen financial stability and to ensure that the credit system operates effectively by using resources more efficiently and that loans are used for their intended purpose. This Decision is also expected to contribute positively to the utilization of foreign exchange in areas where it is really needed and to the control of inflation.

Impact Analysis Regarding the Board Decision on the Loan Value Ratio and Maximum Loan Amount to be Applied in Housing Loans and Housing Guaranteed Loans (Board Decision dated 23.06.2022 and numbered 10249): Considering the recent developments in the housing market and in order to ensure the effective functioning of the credit system and thus to strengthen financial stability, the Agency has made necessary regulations regarding the "Loan to Value Ratio and Maximum Loan Amount to be applied in Housing Loans and Housing Collateralized Loans". While issuing these regulations, it was aimed to keep the loan-to-value ratios and maximum loan amounts more flexible compared to second-hand housing purchases due to the greater contribution of first-hand housing purchases to production and employment, and to limit the impact of loans to be extended for second-hand housing purchases on the increase in second-hand housing prices. In addition, within the scope of the amendment, a differentiation was made in the loan-to-value ratio for houses with energy class A and B in order to contribute to the support of joint efforts in the field of climate change.

Impact Analysis Regarding the Board Decision on Risk Weights to be Applied in Case of Derivative Transactions with Non-Residents (Board Decision dated 23.06.2022 and numbered 10248): The Agency has previously instructed banks not to carry out the transactions contrary to the purpose for which loans are extended. However, in the current situation, it is observed that some commercial loan customers place the TL and FX credit resources they use from banks abroad by performing derivative transactions with non-residents in order to obtain benefits through arbitrage. This situation causes the limited domestic resources, which should be used to meet the financing needs of the public and private sectors, to be transferred to unproductive channels and adversely affects the effective functioning of the credit system. In this framework, in order to ensure that the TL and FX resources held by banks are allocated in accordance with the purpose of meeting the needs of the segments in need of financing and to ensure the effective functioning of the credit system, the aforementioned Board Decision was taken to apply a 500% risk weight in the calculation of capital adequacy to TL and FX denominated commercial cash loans to be extended to domestic residents other than banks and financial institutions in case they perform derivative transactions with non-residents.

4. ON-SITE SUPERVISION ACTIVITIES



4.1. Financial Soundness Audit

On-site Supervision Activities

On-site supervision activities are inclusive of all on-site audits performed by the experts on the relevant institutions using the authority granted to the Agency as per the Banking Law and other applicable legislation. These activities include review and analysis of various indicators on consolidated or nonconsolidated financial performances of banks and other institutions within the scope of the audit and regulations and generating periodic reports.

These activities include analysis of financial and non-financial risks encountered by institutions, analysis of financial strength, supervision of the level of compliance with the Law and the applicable legislation, detection of problems and vulnerabilities through reports and analyses of the off-site supervision regarding these organizations, and notification of concerning units and decision makers in case of negative issues without waiting for the issuance of standard reports in case of adverse developments and vulnerabilities. The audit function is performed using various resources including the Agency's database.

Methods and principles on supervision are set forth by the Regulation on Principles and Procedures Regarding the Audit Performed by Banking Regulation and Supervision Agency issued on the Official Gazette 26236 dated 22/07/2006. Under the mentioned Regulation, activities regarding the audit process are maintained based on the audit guideline and best practice guidelines.

The supervision tasks assigned to the Agency with the applicable legislation are performed by the Board, Chairmanship, Departments, heads of audit groups and group members consisting professional staff of Audit Departments.

The Agency performs on-site supervision activities with a risk-based and dynamic approach to ensure the effectiveness, continuity and adequacy of audits, and efficient use of resources. Audit groups follow up the developments in the financial markets from current resources and perform audits in line with the audit guidelines, best practice guidelines and risk-

focused supervision approach drafted on the basis of international practices. The risk-focused supervision approach ensures determining the scope, scale, duration, content and intensity of the audit to be performed based on the features complementing and exceeding the information obtained from financial statements for being dynamic, forward-looking, effective and prudent and determining the risk levels of organizations. The purpose of Risk-Focused Supervision is to establish a holistic view of the financial strength of organizations, size of risks they encounter and quality of their risk management; and to ensure early detection of trends that may threaten the financial strength of organizations. It is thus possible to set forth a significant information source for determining the ideal amount of capital to be retained for each risk by making a classification based on the risks exposed to by organizations.

The scope of on-site audit in accordance with the Banking Law and other relevant regulations is determined as;

- Risk evaluation of banks and determination of risk profiles,
- Analyzing the relationships and balances between banks' assets, liabilities and commitments, shareholders' equity, income and expenses, and all other factors affecting the financial soundness,
- Adequacy and efficiency review of bank's internal control, risk management and internal audit systems,
- Supervision of bank's financial statements and books in terms of compliance with accounting principles and standards,
- Supervision of bank's activities in terms of compliance with the provisions of the Banking Law and other regulations applicable to institutions within the scope of the Law,
- Review of issues regarding the material activities of banks,
- Consolidated supervision of financial holding companies and/or parent banks and their subsidiaries and affiliates,
- Supervising the activities of factoring, leasing and financing companies,
- Supervising the activities of asset management companies,
- Supervising the activities of independent audit companies,

- Supervising the companies subject to Debit Cards and Credit Cards Law,
- Supervision conducted during the authorization process of rating companies,
- Inspections of whistleblowing and complaints excluding the ones regarding individual products and services,
- Inspections conducted upon the requests of public prosecutors, MASAK and other public institutions and organizations.

Best practice guidelines are issued to guide banks on various issues, particularly risk management frameworks, and to inform banks about the assessment criteria to be considered in audits conducted by the Agency. The principles listed in the best practice guidelines are used as risk assessment criteria for systemically important banks' practices and implementations and the Agency's assessments are based on these principles. For other banks, the issues in best practice guidelines are considered according to the principle of proportionality.



4.1.1. Supervision Cycle

On-site supervision process carried out by the Agency is established so as to provide a risk-oriented, dynamic, efficient and forward-looking supervision approach by taking into account the international best practices including the Core Principles for Effective Bank Supervision of Basel Banking Committee.

Supervision process is reviewed and revised regularly in order to ensure it suits the characteristics of Turkish banking industry, and compliant with the latest developments and best practices in banking supervision. The most recent revision was completed by the end of 2022, and supervision guidelines that were updated based on supervisory approach recommendations set forth in 2022 Financial Sector Assessment Program (FSAP) Report conducted by the IMF and the WB were put into force in 2022 upon approval of the Agency Presidency.

Updated in 2022, the supervisory guidelines were based on the "Guidelines on Common Procedures and Methodologies on the Supervisory Review and Evaluation Process (SREP) and Supervisory Stress Testing" issued by the European Banking Authority (EBA), and the risk-focused supervisory approach adopted by the Agency is based on measuring the risk profiles of banks with the IDES rating system with a dynamic and future-oriented approach.

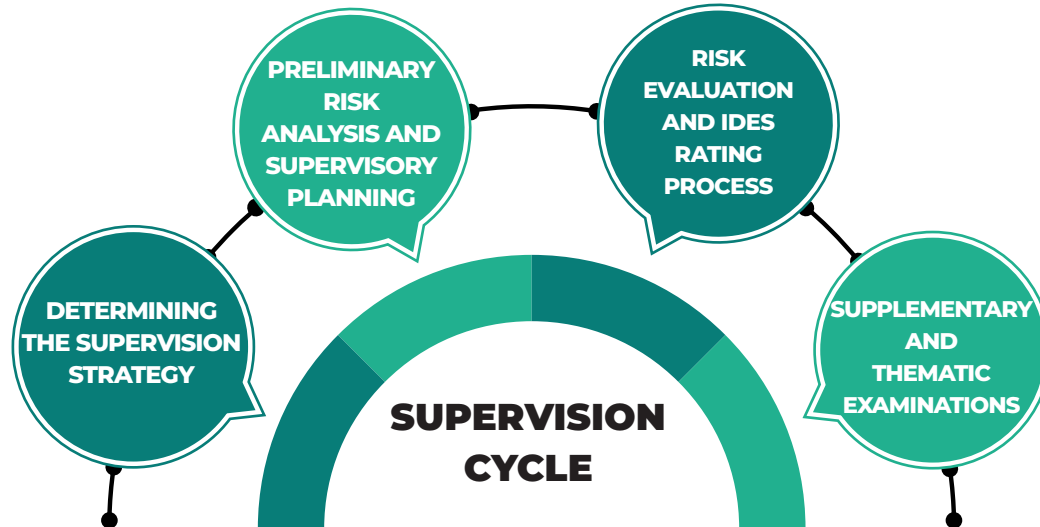
The supervision cycle shaped in the context of risk-focused supervision approach consists of successive processes and the diagram of the said process has been shown below and the description of each process has been specified in the upcoming section.

Determination of Supervision Strategy: At the first stage of on-site supervision within the scope of risk-focused supervision approach, supervision frequency and scope are defined for the bank using the matrices based on the criteria specified in Bank Supervision Process Guide (bank's previous rating, various exposed risks, balance sheet size etc.) by the Department Heads chaired by the Vice Chairman Responsible for Audit. In this context, the banks that will perform the audit, on-site supervision scope, audit groups, group head and on-site teams are determined and submitted to the approval of the Chairmanship.

Risk Analysis Process (RAS) and Supervision Planning Process: The Agency's supervisory cycle is designed to determine the areas deemed to be risky in banks, to prioritize these areas in supervision, to ensure that detailed examinations are carried out in the relevant fields of activity by directing the available resources to the determined areas, and thus to ensure that timely and healthier evaluations and ratings regarding the financial soundness of banks are possible in the long term.

During the risk analysis phase of the cycle, the audit team makes a preliminary assessment of the bank's risk management adequacy. This assessment is inclusive of assessment of the bank's basic risks, internal systems, credit management and compliance functions. While making this assessment, the most up-to-date risk assessment and management, business model and profitability, equity adequacy, liquidity adequacy ratings, ICAAP (Internal Capital Adequacy Assessment Process) report, independent audit reports, internal system reports to the Agency and various data sources, especially the Agency database, are utilized.

At the risk analysis stage, the quantity of the risks arising from the bank's activities and the quality of risk management activities related to these risks are evaluated and the net risk level is determined on the basis of each risk and the results are included in the preliminary assessment opinion prepared.

Figure 2: Supervision Cycle

The purpose of the opinion is to update the risk profile of the bank, determine the areas to be supervised with a risk-focused approach and provide a basis for the audit plan for the bank.

Benefits expected from the RAS system are;

- Maximum efficiency and consistency of the audit process,
- Systematic and fast follow up of developments in the risk profiles and financial soundness of banks,
- Planning and implementation of audit processes based on the risk profile of each bank,
- Effective allocation of audit resources to high-risk areas of activity.

Audit plans are prepared by the Head of Audit Group with the assistance of Audit Group members and submitted to the approval of the Presidency upon confirmation of the Department Head and Vice Chairman as specified in the Audit Regulation and Audit Guideline.

Audit plans basically specify the bank's major risks specified during the risk analysis, audit durations and professional staff assigned for on-site audit in these areas. The basic principle is to implement the Audit Plan during the audit cycle without any change; however, changes can be made in the said plans by approval of the Chairman where necessary.

Risk Evaluation and IDES Rating Process: It is a process in which the financial soundness analyses of banks are performed and their ratings are determined, the overall risk profile of the bank, the effectiveness of risk management and internal control and internal audit systems (including systems and processes for the prevention of laundering proceeds of crime and financing of terrorism) are revealed from a consolidated perspective and the ICAAP reports of banks are evaluated. The rating system consists of four main components: management, business model and profitability, capital adequacy and liquidity adequacy. The ratings of all components are evaluated together to arrive at the final composite rating of the bank. The final rating system is based on the internationally recognized SREP approach, which is also applied by the European Banking Authority, and takes into account the supervisory needs of the Turkish banking sector. In addition, the conformity of the financial statements and records of banks with the THP, Turkish Accounting Standards and Turkish Financial Reporting Standards is also assessed in this process.

Within the scope of Basel regulations, the audit of ICAAP, which includes banks' self-assessments of their internal capital adequacy levels, is carried out within the IDES rating process. In summary, the IDES report assigns a rating to the relevant institution within the framework of various qualitative and quantitative assessment criteria; with this rating, institutions become comparable with each other

and with the ideal situation in terms of financial soundness.

Finally, the Financial Soundness and Assessment Report prepared for the bank is submitted to the Departments.

Supplementary and Thematic Examinations: Upon the completion of IDES Rating and Risk Assessment processes, regulatory compliance reviews, AML/CFT compliance reviews conducted upon the request of MASAK, follow-up of audit findings and inspections of whistleblowing and complaints are conducted.



4.1.2. Audit Results

As a result of the audits carried out by the audit teams under the Vice Presidency responsible for audit in 2022, a total of 213 reports were prepared including Financial Soundness and Rating Reports, compliance reports, reports of whistleblowing and complaints etc., 30 Risk Analysis Opinions (RAS-Detection of Risk Areas), 13 reports on the AML/CFT compliance examinations requested by the MASAK Presidency and 300 opinions on various issues were prepared. The following table shows the number of opinions and reports issued in 2022 in comparison with the previous year.

Table 5: Institutions Under Supervision*

Organization Type	2017	2018	2019	2020	2021	2022
Banks	52	53	53	54	56	57
Deposit Banks	32	32	32	32	32	32
Participation Banks	5	6	6	6	6	6
Development and Investment Banks	13	13	13	14	16	16
Banks under SDIF	2	2	2	2	2	3
Non-Bank Financial Institutions	114	114	114	111	114	119
Financial Leasing Companies	25	23	23	22	22	21
Factoring Companies	60	58	56	56	52	49
Financing Companies	14	14	15	15	18	20
Asset Management Companies	15	19	20	18	22	23
Savings Finance Companies	0	0	0	0	0	6
Other Organizations	347	358	221	215	222	227
Independent Auditing Companies	125	125	38**	28	28	25
Rating Companies	1	1	1	1	1	1
Valuation Companies	130	133	134	139	146	152
Representative Offices of Foreign Banks	46	44	41	40	40	41
Financial Holding Companies	0	0	0	0	0	0
Payment Institutions ***	29	34	0	0	0	0
Electronic Money Institutions ***	11	14	0	0	0	0
Unions and Other Organizations	3	3	3	3	3	3
Bank Cards and Credit Cards No. 5464 Activity Permit Under the Law Granted Organizations	2	4	4	4	4	5
Total	513	525	388	380	392	403

* List of organizations is updated and sorted on a field of operation bas by 16.03.2023

** As the responsibilities regarding Payment Institutions and Electronic Money Institutions were transferred to CBRT at the beginning of 2021, only institutions that provide independent auditing service to banks are included.

*** Responsibilities regarding Payment Institutions and Electronic Money Institutions were transferred to the Central Bank of the Republic of Türkiye in the context of the provisions of the Law No. 7192 that entered into force upon publication on the Official Gazette No. 30956 dated 22/11/2019.

In 2022, seminar programs organized at 2-week intervals were initiated in order to increase the sharing of knowledge and experience of the audit staff working at the Agency and to strengthen the interaction and solidarity among the audit staff. The seminars were held 9 times in total in 2022 and the topics covered included supervision principles within the scope of Basel principles, investment banking, asset liability management, public banking, analysis of financial leasing sector, inflation accounting, rating and expected credit losses calculation methodology, CBRT balance sheet and balance of payments. In 2023, these seminar programs will continue.

In 2022, the Agency organized a workshop titled "Supervision, Practices and Future in the Banking Sector" in cooperation with the Banks Association of Türkiye, the Participation Banks Association of Türkiye and the Independent Audit Association.



4.2. Risk Management

Internal and external coordination was ensured in 2021 and 2022 for the FSAP (Financial Sector Assessment Program) process, which is carried out every 5 years and assesses the compliance of a country's financial system with internationally accepted regulations and its consistency with good practices. In the assessments conducted jointly by the International Monetary Fund (IMF) and the World Bank (WB) under the headings of stability and development, the information on the areas for which the Agency is directly and indirectly responsible, particularly on the areas of banking sector regulation and supervision, contingency planning and crisis management, resolution of non-performing loans, systemic risks and stress testing, resilience to cyber risks and climate-related financial risks was shared and contributions to the Technical Notes

Table 6: Supervision Reports

Subjects	2021	2022
Risk Analysis Opinions	21	30
Financial Soundness and Rating Reports	44 ³	24 ⁴
Compliance Reports of Banks	104	72
Reports of Whistleblowing and Complaints Regarding Banks	89	81
Inspection Reports of Domestic Branches	6	3
Compliance Reports of Non-Bank Financial Institutions	44	25 ⁵
Reports of Whistleblowing and Complaints Regarding Non-Bank Financial Institutions	27	8 ⁶
Opinions *	296	300 ⁷
AML/CFT Inspection Reports Prepared Upon the Request of MASAK **	11	13 ⁸
Other	2	0
Total	644	556

* The opinions are prepared in the following cases: (i) when there is no need to prepare an inspection report, (ii) for the opinions given to the regulation drafts, (iii) for the evaluation results for permissible activities, (iv) when additional opinions and answers are needed for previously issued reports.

³ Includes 25 reports on banks and 19 reports on non-bank financial institutions.

⁴ Includes 23 reports on banks and 1 report on non-bank financial institutions.

⁵ 19 of them are related to non-bank financial institutions.

⁶ 5 reports on non-bank financial institutions.

⁷ 71 of them are related to non-bank financial institutions.

⁸ 7 of them are related to non-bank financial institutions.

prepared in this context and to the finalization of the Financial Sector Assessment (FSA) and Financial Sector Stability Assessment (FSSA) Reports prepared by the World Bank and the International Monetary Fund, respectively were made.

- Comprehensive audit activities were initiated in 2021 in order to ensure the adequacy and standardization of risk management systems in banks, to evaluate the effectiveness and compliance with the legislation of credit risk management, expected loss provision calculations and capital adequacy calculation processes and the management of liquidity risk and interest rate risk in the banking book continued.

In this context, on-site supervision activities related to liquidity risk and the calculation process of TFRS 9 Expected Credit Loss provisions, which were started in 3 public banks in 2021, were completed in 2022 and the relevant banks were instructed. On-site supervision activities regarding the interest rate risk in the banking book are ongoing. The supervision activities carried out in 3 banks regarding the assessment of the adequacy of the credit risk management system were completed in 2022 and the relevant banks were instructed accordingly.

- The preliminary application of a bank that applied to use the internal rating-based approach (IRB) in regulatory credit risk calculations was finalized.

- The Internal Capital Adequacy Assessment Process (ICAAP), which is a part of Pillar II of the Basel Capital Accord, is a detailed assessment process conducted by banks regarding the risks they are exposed to due to their activities. At the end of this process, each bank determines the level of additional capital it needs and may need in the future due to the risks it is exposed to and submits the year-end ICAAP report to the Agency. In this framework, stress test scenarios within the scope of ICAAP were developed together with the relevant departments.

- A benchmarking study was conducted to assess banks' compliance with the "Guideline on Credit Granting and Monitoring Processes" and "Non-Performing Exposures Workout Guideline" (credit lifecycle guidelines) published within the scope of the Economic Reform Package dated 12 March 2021 and the efficiency of the practices carried out by banks within this scope. As a result of this supervision, which was initiated simultaneously in 10 banks, it is aimed to clarify the expectations

from banks in terms of compliance with the credit lifecycle guidelines, to enable banks to interpret the regulations more accurately in the processes of preparing non-performing loan strategies and operational plans, to improve sectoral practices and to reveal how the asset quality of the banking sector is managed from a holistic perspective.

- In-house efforts were coordinated to contribute to the representation of Türkiye in the ongoing work at the international level regarding the Basel Committee on Banking Supervision (BCBS) and the Financial Stability Board (FSB).

- Contributions to the process of finalizing international financial reforms were made by participating in the activities of the BCBS committees and working groups at various levels.

- Requests from relevant institutions for comments and assessments on G20 activities were responded. The Agency was represented at meetings with the European Central Bank (ECB), various national supervisory authorities, international organizations such as the European Bank for Reconstruction and Development (EBRD), International Monetary Fund (IMF), World Bank (WB), international credit rating agencies and international investors on issues such as the general outlook of the banking sector, legislative changes and expectations.

- Coordination of activities related to the Group of Banking Supervisors from Central and Eastern Europe (BSCEE) was ensured; the 34th annual meeting of the Group held in Tbilisi, the capital of Georgia, was attended on behalf of Türkiye and necessary information sharing presentations were made.

- Participation in the works of the Task Force on Climate Related Financial Risks (TCFR) which was established under the Basel Committee to work on climate-related financial risks within the scope of the pillars of the Basel regulatory framework was ensured. In addition, a separate working report was prepared and shared with the Agency by examining the assessments on the impact of climate-related financial risks on banks' business models and risk profile and the qualitative and/or quantitative analyses on the possible effects of these risks on banks' capital and liquidity position, which banks are required to prepare under a separate heading in their ICAAP Reports.

- Participation in the international quantitative impact study conducted by the Basel Committee on Banking Supervision every six months to see the effects of the Basel-III Final Reforms was ensured with the data of 3 banks. A national quantitative impact analysis study was conducted for 13 banks selected on the basis of asset size within the scope of credit risk, market risk and operational risk in order to see the possible effects of the Basel-III Final Reforms, which are planned to be implemented in Türkiye in parallel with the EU as of 2025, on the Turkish banking sector.
- In order to reveal the differences in expected credit loss provisions calculated in accordance with TFRS 9 and to identify the reasons for these differences, an analysis was conducted on domestic systemically important banks and the report prepared as a result of the analysis was shared with the Agency.
- Contributions to the preparation, realization and evaluation of the exam questions were made by taking part in the exam commissions formed for both the exams for the recruitment of new professional staff to the Agency and the authorization and proficiency exams of the existing professional staff.
- Training was provided in internal and external trainings.



4.3. Information Audit Systems

The information systems audit of the institutions that fall under the authority of the Agency is carried out by the personnel of the Agency and independent audit firms. Within the framework of the Information Systems Audit Guide prepared by the Agency's personnel for information systems audit activities, operating permits of 1 bank, 2 electronic money organization, 4 financing companies and 1 asset management company and 3 banks and special comprehensive audits were conducted for 3 banks. Within the scope of information systems evaluation and implementation activities, administrative fines were imposed on 18 deposit banks, 3 participation banks, 7 development and investment banks, 1 information exchange organization. There are 342 discrete articles in total that impose administrative fines.

Independent Audit Tracking System (BADES) of BRSA is efficiently used with all its functions, and findings of independent audits and penetration test results are tracked from BADES.

Table 7: Information Systems Audit Report

Scope of Audit	2021	2022
1. Performed by Independent Audit Institutions		
Information Systems	1	-
Information Systems + Banking /Business Processes	53	57
Banking/Business Processes	5	-
Information Systems + Banking Processes (Consolidated Audit)	27	28
2. Performed by Agency Staff		
Scheduled Audit	-	-
Special Scope	3	3
Operation License	2	8
TOTAL	91	96

5. OVERSIGHT ACTIVITIES

Oversight activities include monitoring banks and financial indicators and risks of banking industry, compliance with the relevant regulations, primarily the legal limits and analyzing them within the frame of macroeconomic developments and policies.

In oversight activities, data provided by institutions that fall under the supervision and audit area of the Agency at various intervals, data provided by other institutions, audit reports and other internal and external information sources are used through the database of the Agency. In addition, current and potential risks and possible effects of the regulations to be implemented are assessed. In this sense, periodic reports issued on a bank and industry basis, studies and information notes are shared with the relevant units and top management.

All oversight activities are now organized by Audit IV Department as per the Chairmanship Approval 12551 dated 13/03/2013 to strengthen the oversight function, increase its effectiveness and ensure sustainability, coordination and standardization and BRSA audit structure was further strengthened and sustainability, coordination and standardization of oversight activities were ensured.

Within the scope of oversight activities, staff members responsible for oversight of banks prepare reports, information notes and opinion papers for each bank at certain intervals. In addition, the banks and the legal limits set forth by the regulations are closely monitored with quarterly, monthly, weekly and daily reviews with a risk-based approach. Financial performances of banks are compared and their position within the system is considered through bank-based rating/sorting activities and bank-based detailed industrial reports.

In 2022, a total of 1.230 bank reports, including 32 bank oversight report, 599 legal limits reports and 599 monthly ratio reports were prepared as part of bank oversight activities.

Table 8: Bank Oversight Reports

Bank Oversight Reports (Number)	
Bank Oversight Report	32
Legal Limits Report	599
Monthly Ratio Report	599
Total	1.230

Within the scope of sector-based oversight, oversight reports, information notes and presentations are prepared on a daily, weekly, monthly, quarterly, semi-annual and annual basis, including information on bank and bank group basis, on various topics such as market developments, basic indicators, loans, country risks, derivative products.

Another important part of oversight activities is stress testing and liquidity stress testing. These studies analyze the level of risk and resistance of banks and the banking system. These studies, which are very important tools in testing the resilience of the Turkish Banking Sector against macroeconomic risks that are unlikely to occur but have high impact, also serve as an early warning, and the results are one of the important inputs of audit and oversight activities.

In addition, various impact and scenario analyzes are carried out before the said measures are put into practice, so that the possible effects of both macro and micro precautionary measures and actions on banks and the industry could be numerically revealed. In this context, the impact analysis of the exceptional regulations and various decisions taken by the Agency due to the pandemic and the implementation periods have been extended, and their effects on the legal limits of the banks are also continued.

On the other hand, oversight activities are not limited to the banking industry, but are also carried out to cover non-bank financial institutions that operate under the supervision and control of the Agency. Within the scope of the above-mentioned issues, a total of 2.527 reports, information notes and presentations were prepared on a sectoral basis in 2022.

Table 9: Sector Reports

Sector Reports (*) and Other Studies	
Weekly Presentation	52
Weekly Agency Meeting Presentation	52
Presentations to Foreign Organizations	26
Turkish Banking System Key Indicators Presentation (Monthly)	12
Turkish Banking System Key Data Report	12
Credits Quarterly Development Report	4
Credit Allocation Capacity Study	3
Stress Test Report	2
Liquidity Stress Test Report	1
Profitability Rating	4
Country Risk Analysis	4
Consumer Loans and Credit Cards Report	2
Study on Banking Sector Risk Capacity	2
BHFOR Impact Analysis of Securities Blocking	1
Turkish Banking Sector Currency Risk and Derivative Transactions Report	1
Impact Analysis of CAR Regulations	12
Impact Analysis of CAR Rate	10
Impact Analysis of CAR Other	7
Foreign Currency Net General Position Impact Assessment	3
Borrowings with Triggering Conditions Note	1
LKO Impact Analysis Studies	2
Bank Based Borrowings with CDS Condition	1
Sensitivity of Assets and Liabilities of the Banking Sector to Interest Rate Changes	1
Potentially Non-Performing Loans Report	2
Turkish Banking Sector Credit Quality Report	1
Foreign Debts Report	1
Credit Limits Impact Analysis	1
Identification of Systemically Important Banks	1
ICAAP Reports and Systemically Important Banks	1
Capital Requirement Impact Analysis (Including Buffer Ratios)	4
Data/Information Request from Domestic and Foreign Organizations	138
Weekly Deposit and Participation Funds Development Monitoring Report	52
Daily Commercial Loan-Deposit Interest Follow up Report (Based on Stock Data)	250
Daily Commercial Loan-Deposit Interest Follow up Report (Based on Current Data)	250
Daily Credit Tracking Report	250
Daily Foreign Currency Deposit and Participation Fund Tracking Report	250
Daily Receivables from Overseas Banks and Payables to Overseas Banks Follow-up Report	250
Daily Foreign Currency Net General Position Tracking Report	250
Daily Currency Protected Deposit Report	250
Daily Commercial Loans Over 50 million TL	210
Daily Commercial Loan Disbursement of TL 1 million or more	150
Total	2.527

(*) The table provides a general idea about the reports. Depending on the circumstances in the period, some reports may be combined or prepared due to specific periods and needs.

The bank-level oversight reports and sector surveillance reports complete each other and ensure the evaluation of both the potential of the banking system and the identification of risks on a micro and macro level through a proactive approach. On the other hand, within the scope of monitoring the economic developments, national and international economic and financial indicators, macroeconomic data on the Turkish economy, reports on Türkiye published by domestic and foreign research institutions, and the decisions and statements of the competent authorities are followed. The information obtained through these activities, which are the supporting and complementary elements of surveillance activities, and the findings created as a result of the analysis are presented to the senior management.

Besides surveillance activities, the Board Chairman and Members are continuously informed on developments in the banking sector through presentations and information notes, opinion requests are met, various working groups are actively participated, and information requests of other public institutions are met.

In addition, the Agency participates in meetings with rating institutions, foreign investors, international organizations such as the World Bank and IMF, presentations are made about the finance system

and banking industry of our country and the Agency is represented by exchanging information. As part of these duties and responsibilities, training, meeting and technical assistance/cooperation activities are carried out with both domestic and foreign organizations in order to increase and strengthen the existing capacity.

In addition, the studies, presentations and meetings held by the Department of Audit IV regarding the Financial Sector Assessment Program (FSAP) launched by the International Monetary Fund (IMF) and the World Bank (WB) in 2021 and continued in 2022.

Economic Evaluation Activities

Taking into account national and international economic and financial developments, movements in money and capital markets (foreign exchange purchases/sales, derivative transactions, purchase/sale transactions of financial assets such as bonds, bills, partnership shares, etc.) are monitored on a daily basis; their reflections on the banks' financial statements and their possible effects are reported to the senior management of the Agency.

6. ENFORCEMENT ACTIVITIES



6.1. Permission and Authorization Activities

As part of establishment, operation and authorization procedures, the Agency reviews, evaluates and concludes the applications filed by banks and non-bank financial institutions covered by the mandate of the Agency, as well as independent audit, valuation and rating institutions on matters subject to permit pursuant to Banking Law and the applicable legislation.

In this framework;

- Establishment, operation, share transfer, merger, transfer, branch and representative's office opening permits are issued for banks, and the referred permits other than representative's office opening permit are issued for nonbank financial institutions, namely leasing, factoring and financing companies,
- The procedures for capital increase requests of banks and leasing, factoring and financing companies are completed,
- Amendments to articles of association are evaluated within the framework of legislation.

Furthermore,

- The procedures for authorization of institutions to provide valuation, rating and independent audit services to banks, and the establishment and operation permit applications field by asset management companies are concluded,
- Whether the executive board members, general managers and deputy general managers to take office in the abovementioned institutions bear the required qualifications is evaluated,
- Authorization procedures are carried out for institutions covered by Debit Cards and Credit Cards Law.



6.1.1. Establishment & Operation Permits and Authorization Procedures

In 2022, 2 investment banks, 1 (digital) deposit bank, 3 (digital) participation banks, 3 financing companies, 2 asset management companies were granted establishment permits; 2 investment banks, 4 financing companies, 2 asset management companies, and 6 savings finance companies whose adaptation request was deemed appropriate were granted operating permits. In addition, 7 valuation institutions were authorized to perform valuations for banks, and 1 payment and electronic money institution was authorized to operate as an institution making agreements with member merchants.

Table 10: Establishment & Operation Permits and Authorization Procedures *

Name of Company	Date and Number of the Board Resolution	Type of Procedure
Destek Yatırım Bankası A.Ş.	06.01.2022 / 10024	Operation
Tepe Taşınmaz Değerleme ve Danışmanlık A.Ş.	13.01.2022 / 10045	Valuation License
Tuna Varlık Yönetim A.Ş.	03.03.2022 / 10111	Operation
Total Kurumsal Gayrimenkul Değerleme ve Danışmanlık A.Ş.	03.03.2022 / 10109	Valuation License
Mercedes Benz Kamyon Finansman A.Ş.	03.03.2022 / 10110	Operation
Hayat Finans Katılım Bankası A.Ş.	21.04.2022 / 10165	Establishment
TT Finansman A.Ş.	21.04.2022 / 10167	Establishment
Pozitif Varlık Yönetim A.Ş.	21.04.2022 / 10166	Establishment
Hedef Yatırım Bankası A.Ş.	28.04.2022 / 10189	Establishment
FUPS Bank A.Ş.	28.09.2022 / 10347	Establishment
Ofisfinans Finansman A.Ş.	27.05.2022 / 10208	Operation
Oga Grup Gayrimenkul Değerleme ve Danışmanlık A.Ş.	27.05.2022 / 10204	Valuation License
City Kurumsal Gayrimenkul Değerleme ve Danışmanlık A.Ş.	02.06.2022 / 10211	Valuation License
Emin Evim Tasarruf Finansman A.Ş.	07.06.2022 / 10215	Operation
Fuzul Tasarruf Finansman A.Ş.	07.06.2022 / 10216	Operation
Birevim Tasarruf Finansman A.Ş.	07.06.2022 / 10217	Operation
Katılmevim Tasarruf Finansman A.Ş.	07.06.2022 / 10218	Operation
İmece Tasarruf Finansman A.Ş.	07.06.2022 / 10219	Operation
Sinpaş Tasarruf Finansman A.Ş.	07.06.2022 / 10220	Operation
DGfin Finansman A.Ş.	16.06.2022 / 10238	Establishment
Ozan Elektronik Para A.Ş.	16.06.2022 / 10240	Authorization to Operate as an Organization Concluding Agreements with Member Business
Quick Finansman A.Ş.	07.07.2022 / 10264	Operation
Kasa Katılım Bankası A.Ş.	07.07.2022 / 10263	Establishment
T.O.M. Katılım Bankası A.Ş.	04.08.2022 / 10282	Establishment
Pozitif Varlık Yönetim A.Ş.	11.08.2022 / 10299	Operation
Admer Gayrimenkul Değerleme ve Danışmanlık A.Ş.	25.08.2022 / 10316	Valuation License
Mahal Gayrimenkul Değerleme ve Danışmanlık A.Ş.	01.09.2022 / 10321	Valuation License
Mint Finansman A.Ş.	22.09.2022 / 10338	Establishment
EPS Varlık Yönetim A.Ş.	22.09.2022 / 10339	Establishment
Q Yatırım Bankası A.Ş.	12.10.2022 / 10379	Establishment
Pi Taşınmaz Değerleme ve Danışmanlık A.Ş.	27.10.2022 / 10397	Valuation License
Misyon Yatırım Bankası A.Ş. (Eski unvanı Inveo Yatırım Bankası A.Ş.)	15.12.2022 / 10437	Operation
TT Finansman A.Ş.	29.12.2022 / 10463	Operation

On the other hand, the operating licenses of 5 factoring companies and 1 financing company were cancelled, while the operating licenses of 3 independent audit companies were cancelled pursuant to Article 15/1/h of the Regulation on Independent Audit of Banks.

Table 11: Revocation of Operation Permissions and Authorizations

Company Name	Date /Number of Board Resolution	Grounds for Cancellation
ING Faktoring A.Ş.	13.01.2022 / 10043	Upon request
C Faktoring A.Ş.	13.01.2022 / 10044	Upon request
Doğa Faktoring A.Ş.	01.09.2022 / 10318	Pursuant to Provisional Article 6/3 of Law No. 6361
Kredi Finans Faktoring A.Ş.	01.09.2022 / 10319	Upon request
Devir Faktoring A.Ş.	15.09.2022 /10336	Upon request
Şeker Finansman A.Ş.	29.12.2022 / 10462	Upon request
Aktan Bağımsız Denetim ve Yeminli Mali Müşavirlik A.Ş.	04.08.2022 / 10288	Pursuant to Article 15/1/h of the Regulation on Independent Audit of Banks
Artı Değer Uluslararası Bağımsız Denetim ve Yeminli Mali Müşavirlik A.Ş.	04.08.2022 /10288	Pursuant to Article 15/1/h of the Regulation on Independent Audit of Banks
YKY Bağımsız Denetim ve Yeminli Mali Müşavirlik A.Ş.	04.08.2022 / 10288	Pursuant to Article 15/1/h of the Regulation on Independent Audit of Banks

As of the end of 2022, 24 permit and authorization requests are being evaluated by the Agency. These applications include;

- 9 establishment permits, 5 of which are banks, 1 factoring company, 2 savings finance companies, 1 asset management company,
- 12 operating licenses, 5 of which are for banks, 1 for financing companies, 1 for asset management companies and 5 for rating agencies,

- 1 of the authorizations to provide valuation services to banks within the scope of the Regulation on Banks' Procurement of Valuation Services and Authorization and Activities of Institutions to Provide Valuation Services to Banks; and
- 2 Authorization to conclude merchant agreements within the scope of the Bank Cards and Credit Cards Law No. 5464.

Table 12: Permissions and Authorization Requests Under Evaluation

Type of Company	Type of Procedure	Number
Bank	Establishment	5
Bank	Operation	5
Financing Company	Operation	1
Factoring Company	Establishment	1
Savings Finance company	Establishment	2
Asset Management Company	Establishment	1
Asset Management Company	Operation	1
Valuation Institution	Authorization	1
Rating	Operation	5
Payment and Electronic Money	Operating Permit for the Companies signing Member Workplace Agreements	2



6.1.2. Permissions for Share Transfer, Merger and Division

In 2022, various permits for share transfer were granted for institutions covered by the Banking Law No. 5411, and the Law on Financial Leasing, Factoring, Financing and Savings Finance Companies, No. 6361, and through Board decisions detailed below, within the framework the provisions of applicable legislation.

1. With the Board Decision dated 02.06.2022 and numbered 10209; Banco Bilbao Vizcaya Argentaria S.A. (BBVA), which owns 49.85% of the capital of T. Garanti Bankası A.Ş. (the Bank), has decided to increase BBVA's direct shareholding in the Bank to 85.97% as a result of the Voluntary Share Purchase process carried out within the scope of the provisions of the Capital Markets Board Communiqué No. II-26. 1 of the Capital Markets Board's Communiqué on Share Purchase Offer No. II-26.1, BBVA's direct shareholding in the Bank increased to 85.97% in accordance with the first paragraph of Article 18 of the Banking Law No. 5411 (Law) and paragraphs (1) and (2) of Article 11 of the Regulation on Banks' Transactions Subject to Authorization and Indirect Shareholding.
2. With the Board Decision dated 29.12.2022 and numbered 10459; Nurol İnş. ve Tic. A.Ş.'s 16.70% share in Nurol Yatırım Bankası A.Ş. (the Bank) to be acquired by Nurol Holding A.Ş. (the Holding) and the Holding's direct share in the Bank to increase to 95.68% in accordance with Article 18 of the Law.
3. With the Decision of the Banking Regulation and Supervision Agency dated 25.02.2022 and numbered 10107; as a result of the evaluation of the permission application made to the Agency for the transfer of all (30.17%) of C Faktoring A.Ş.'s shares in Bank Pozitif Kredi ve Kalkınma Bankası A.Ş. (the Bank) to Tarshish-Hapoalim Holdings and Investments Ltd. which currently holds 69.83% shares in the Bank;
 - C Faktoring A.Ş.'s direct share in the Bank will be reduced from 30,17% to 0%,
 - Damla Cingilloğlu's indirect shareholding in the Bank decreased from 24.47% to 0%
 to be authorised in accordance with Article 18 of the Banking Law No. 5411.
4. Pursuant to the Board Decision dated 24.03.2022 and numbered 10130, it has been decided to authorize the decrease of Dallah Albaraka Holding's direct shareholding in the Bank's capital from 15.38% to 8.30% as a result of the planned capital increase in Albaraka Türk Katılım Bankası A.Ş. (the Bank), in accordance with the first paragraph of Article 18 of the Banking Law No. 5411.
5. With the Decision of the Banking Regulation and Supervision Board dated 21.01.2022 and numbered 10055; without prejudice to the provisions of the Turkish Commercial Code and other relevant legislation, it has been decided to increase the share of Ali ERCAN, one of the shareholders of Bien Finans Faktoring A.Ş. (the Company), in the Company's capital from 1% to 40% and to allow Q Yatırım Holding A.Ş. to acquire 60% shares in the Company within the framework of paragraph (1) of Article 11 of the Financial Leasing, Factoring and Savings Finance Companies Law No. 6361.
6. Pursuant to the Decision of the Banking Regulation and Supervision Board dated 10.02.2022 and numbered 10086, without prejudice to the provisions of the Turkish Commercial Code No. 6102 and other relevant legislation, Tradewind Holding GmbH was authorized to acquire 100% shares in Tradewind Faktoring A.Ş. pursuant to Article 11 of the Financial Leasing, Factoring, Financing and Savings Finance Companies Law No. 6361.
7. With the Decision of the Banking Regulation and Supervision Board dated 17.02.2022 and numbered 10097; without prejudice to the provisions of the Turkish Commercial Code No. 6102 and other relevant legislation; the current shareholders of Doruk Finansman A.Ş., Doğan Şirketler Grubu Holding A.Ş., Doğan Dış Ticaret ve Müessellik A.Ş., Arzuhan Doğan YALÇINDAĞ, Vuslat Doğan SABANCI, Hanzade Vasfiye Doğan BOYNER; to Hepsi Finansal Danışmanlık A.Ş., whose sole shareholder is D-Market Elektronik Hizmetler ve Ticaret A.Ş., within the framework of paragraph (1) of Article 11 of the Financial Leasing, Factoring, Financing and Savings Finance Companies Law No. 6361.
8. Pursuant to the Decision of the Banking Regulation and Supervision Board dated 18.02.2022 and numbered 10098, without prejudice to the provisions of the Turkish Commercial Code No. 6102 and other relevant legislation, Altınhas Yatırım Holding A.Ş. was authorized to acquire 84.99% shares in Ak Faktoring A.Ş. pursuant to Article 11 of the Law No. 6361 on Financial Leasing, Factoring, Financing and Savings Financing Companies.
9. With the Decision of the Banking Regulation and Supervision Board dated 28.04.2022 and numbered 10190; it has been decided to grant permission to Turk Holding A.Ş. to acquire all of the 10% group A and B privileged shares owned

- by Turk Elektronik Para A.Ş. in Turk Finansman A.Ş. within the framework of paragraph (2) of Article 11 of the Law No. 6361 on Financial Leasing, Factoring, Financing and Savings Financing Companies, subject to the provisions of the Turkish Commercial Code No. 6102 and other relevant legislation.
10. With the Decision of the Banking Regulation and Supervision Board dated 28.04.2022 and numbered 10191; without prejudice to the provisions of the Turkish Commercial Code numbered 6102 and other relevant legislation, it has been decided to grant permission to Zip International Holdings PTY LTD to acquire 60% shares in Hemenal Finansman A.Ş. within the framework of Article 11 of the Financial Leasing, Factoring, Financing and Savings Finance Companies Law numbered 6361.
 11. With the Decision of the Banking Regulation and Supervision Agency dated 28.04.2022 and numbered 10192; Vecih YAMANYILMAZ and Tolunay TOYBUKOĞLU were allowed to hold 12,25% shares in Arsan Varlık Yönetim A.Ş., without prejudice to the provisions of other legislation, within the framework of Articles 5 and 7 of the Regulation on the Principles of Establishment and Activities of Asset Management Companies and Transactions Regarding the Receivables to be Taken Over.
 12. With the Decision of the Banking Regulation and Supervision Board dated 02.06.2022 and numbered 10214; without prejudice to the provisions of the Turkish Commercial Code No. 6102, it was decided to authorize Hemenal Finansman A.Ş. (the Company), which has a 60% share in the capital of Hemenal Finansman A.Ş. (the Company), and group A privileged shares authorizing the appointment of members to the board of directors, and group B privileged shares authorizing the appointment of members to the board of directors over the shares of OYAK Dördüncü Girişim Sermayesi Yatırım Fonu, which has a 40% share in the Company, within the framework of paragraph (2) of Article 11 of the Financial Leasing, Factoring, Financing and Savings Finance Companies Law No. 6361.
 13. With the Decision of the Banking Regulation and Supervision Board dated 16.06.2022 and numbered 10239; it was decided to authorize the partial spin-off of various assets owned by Fuzul Tasarruf Finansman A.Ş. by transferring them to Fuzul Yapı İnşaat Pazarlama A.Ş. in accordance with the third paragraph of Article 12 of the Financial Leasing, Factoring, Financing and Savings Finance Companies Law No. 6361 and Article 9 of the Regulation on the Establishment and Operating Principles of Savings Finance Companies.
 14. With the Decision of the Banking Regulation and Supervision Agency dated 18.08.2022 and numbered 10300; it has been decided to grant permission to Doğru Grup Gayrimenkul Yatırımları A.Ş. to acquire 100% shares in the capital of the Company through the acquisition of all of the shares of Doğru Varlık Yönetim A.Ş. (the Company) by Doğru Grup Gayrimenkul Yatırımları A.Ş., without prejudice to the provisions of other relevant legislation, in accordance with Articles 5 and 7 of the Regulation on the Establishment and Operating Principles of Asset Management Companies and Transactions Regarding the Receivables to be Taken Over.
 15. With the Decision of the Banking Regulation and Supervision Agency dated 01.09.2022 and numbered 10320; it has been decided to authorize Daimler Truck Financial Services GmbH to acquire 100% shares in Mercedes Benz Kamyon Finansman A.Ş., without prejudice to the provisions of the Turkish Commercial Code numbered 6102 and other relevant legislation, within the framework of Article 11 of the Financial Leasing, Factoring, Financing and Savings Finance Companies Law numbered 6361.
 16. With the Decision of the Banking Regulation and Supervision Agency dated 12.10.2022 and numbered 10376; Birleşim Varlık Yönetim A.Ş. which currently holds 100% shares in Birleşim Varlık Yönetim A.Ş., it has been decided to authorize the establishment of Group A privileged shares authorizing the board of directors to appoint 4 members for 52% of the shares and Group B privileged shares authorizing the board of directors to appoint 3 members for the remaining 48% of the shares, without prejudice to the provisions of other relevant legislation, within the framework of Articles 5 and 7 of the Regulation on the Establishment and Operating Principles of Asset Management Companies and Transactions Regarding the Receivables to be Taken Over.
 17. With the Decision of the Banking Regulation and Supervision Board dated 17.11.2022 and numbered 10417, it was decided to authorize the merger of Şeker Finansman A.Ş. with Şekerbank T.A.Ş. (the Bank) in the form of acquisition within the Bank, without prejudice to the provisions of other relevant legislation, pursuant to the first paragraph of Article 12 of the Financial Leasing, Factoring, Financing and Savings Finance Companies Law No. 6361.

18. With the Decision of the Banking Regulation and Supervision Board dated 29.12.2022 and numbered 10461, without prejudice to the provisions of the Turkish Commercial Code No. 6102 and other relevant legislation, it was resolved that the shares of Türkiye Sigorta A.Ş. in Vakıf Faktoring A.Ş. (the Company) with a total of 13.71%, 9.18% of which are group A shares with the privilege to appoint members to the board of directors and 4.52% of which are group B shares without privileges, be transferred to T. Vakıflar Bankası T.A.O. (the Bank) to increase the Bank's shareholding in the Company's capital from 78.39% to 92.10%, within the framework of Article 11 of the Financial Leasing, Factoring, Financing and Savings Finance Companies Law No. 636.



6.1.3. Cross Border Operation, Representative Office and Branch Opening Permissions

In 2022, 1 bank was allowed to open foreign representative, 1 bank to open local representative, 1 bank to establish an office abroad:

1. With the Decision of the Banking Regulation and Supervision Board dated 22.12.2022 and numbered 10455, Golden Global Yatırım Bankası A.Ş. was authorized to open a Representative Office in Azerbaijan.
2. With the Decision of the Banking Regulation and Supervision Board dated 25.08.2022 and numbered 10315, UBS Switzerland AG was authorized to open a representative office in Türkiye.
3. With the Decision No. 10428 dated 24.11.2022 of the Banking Regulation and Supervision Agency, T.C. Ziraat Bankası A.Ş. was authorized to open a branch in Algeria.

Table 13: Acquisition of Affiliates /Opening Branch Offices Abroad

Bank Name	Country-Procedure	Date/Number
Golden Global Yatırım Bankası A.Ş.	Azerbaijan - Representative Office	22.12.2022 - 10455
Yapı ve Kredi Bankası A.Ş.	Germany-Subsidiary	25.08.2022 - 10314
T.C. Ziraat Bankası A.Ş.	Algeria-Branch	24.11.2022 - 10428

Table 14: Banks Established Abroad Authorized to Open Representative Offices

Bank Name	Country of Origin	Date / Number	Operation Date
UBS Switzerland AG	Switzerland	25.08.2022 - 10315	02.01.2023



6.2. Evaluation and Enforcement Activities

Within the scope of evaluation and enforcement activities and to ensure that institution operate in line with the applicable legislation;

- Reports produced from the results of on-site audit and oversight activities and
- Information and documents from banks, non-bank financial institutions, independent audit institutions, and other persons, entities and institutions are evaluated jointly.

As a result of such evaluations;

- The measures decided are notified to related institutions for necessary action, and are also taken into account in audit and oversight activities,
- Necessary administrative procedures are executed in relation to notices and complaints about institutions and subjects covered by the Banking Law, within the framework of the applicable legislation.

In 2022, as a result of the results of on-site audits and inspections and the evaluation of notices and complaints, 5 criminal complaints were filed for unauthorized activities within the framework of the Banking Law No.5411, 1 criminal complaint for making false statements, 1 criminal complaint for damage to reputation, 6 criminal complaints for embezzlement, 2 criminal complaints for disclosure of secrets, 1 criminal complaint for improper accounting. 7 temporary signature authorizations were removed. 1 signature authorization was returned.

In addition, 26 administrative fines were imposed on banks, 8 on factoring companies, 3 on financing companies, 1 on financial leasing companies and 13 on asset management companies in 2022.

7. PROTECTION OF FINANCIAL CONSUMERS

The Financial Consumer Relations Department conducted works also in 2022 for the purpose of protecting the rights and raising awareness of financial consumers, who are considered as an important part of preserving financial stability and the complaint and application follow-up process was executed meticulously.

In parallel with the development and expansion of retail banking products and services, and the ease of access with digitalization, the focus of the banking sector is shifting towards retail/mass banking day by day. In this direction, through the Retail Banking Analysis and Rating Model (BAM), which was prepared by the Financial Consumer Relations Department and adopted with the Board Decision dated 17.06.2021 and numbered 16686, it is aimed to examine the retail banking products and services of banks within the framework of different parameters and the provisions of the Agency's legislation, in order to follow the trend and to rank them. It is envisaged that through the on-site inspection of the banks operating in the retail banking sector, and the determination of whether the retail banking activities are carried out in accordance with customer rights and serve fair competition will increase the position and functionality of the Agency in the sector. Accordingly, the audit teams consisting of the professional staff of the Financial Consumer Relations Department completed the on-site audit activities in 2022, which started in 5 banks in 2021. Following this, another on-site audit activities were started in 5 more banks in 2022 and the audit activities are planned to be completed in 2023.

As known, the Banking Law No. 5411 in particular, and other laws that constitute the legislative provisions of the Agency and related sub-regulations constitute the rules that banks are obliged to comply with. Again, the instructions and Board resolutions conveyed to the banks by the Agency through the associations of organizations also constitute the basic building blocks that regulate the business and transactions of the banks. It is planned to evaluate the compliance status of banks with BAM and Agency's legislations not based on complaints but over all transactions, thus to prevent violations at their source. The non-compliance reports to be prepared as a result of the determinations to be

made on the aggregated data will increase the deterrent power of the Agency, and the root causes of the legislative violations will be reached with the analyzes. The process of harmonization with the legislation will be accelerated by providing relevant feedback to the banks.

Additional forms have been designed in line with the purpose of analyzing retail banking data in more detail in areas such as complaints/income/expense mechanisms/customer profile; and in this way, it has been made possible to make analyzes, comparisons/evaluations that have not been done before, and to follow the trend of the industry more closely and instantly. In addition to the Banks Surveillance System Form Package, the profitability status, customer profiles and business lines of banks operating in the field of retail banking will be analyzed and represented to the knowledge of the Agency by means of the data to be obtained over BVTs (Banking Data Transfer System).

In addition, on-site inspection activities carried out in 2022, within the scope of the "Regulation on Service Level and Quality of Bank Call Centers", which came into effect on 20.05.2020 to observe the rights and interests of consumers, to measure the service level of the banks' call centers and to determine the service quality, due to the density experienced in the call centers of the banks as a result of the fact that the financial transactions of the consumers were mostly carried out through the Call Center channel during the pandemic period.

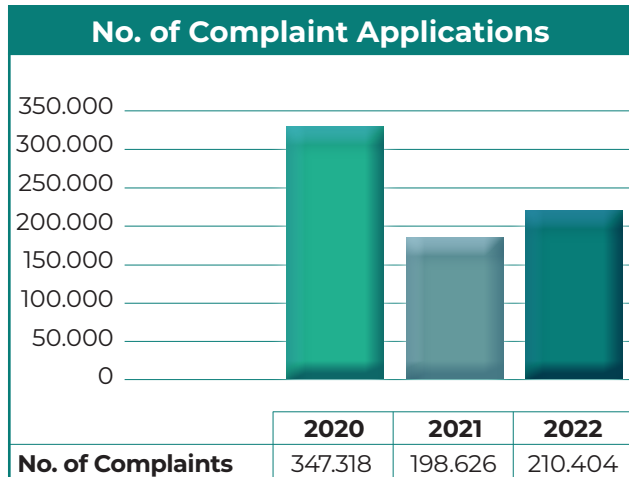
Also, in 2022, necessary participation and contributions were made to the Customer Complaints Arbitration Committees, which were established pursuant to subparagraph (j) of Article 80 of the Banking Law No. 5411 to evaluate and resolve disputes between individual customers and Turkish Banks Association (TBB) and Turkish Participation Banks Association (TKBB) member banks.

At the same time, all of the applications and complaints received by the Agency through various channels are first referred to the Financial Consumer Relations Department, after being subjected to preliminary evaluation by the Preliminary Investigation Unit within the Department. The

applications that concern other institutions or other units of the Agency are forwarded to the relevant institutions and relevant units of the Agency.

The total number of applications submitted to the Agency in 2022 and in previous years through the channels through which applications can be made is given in the graph below.

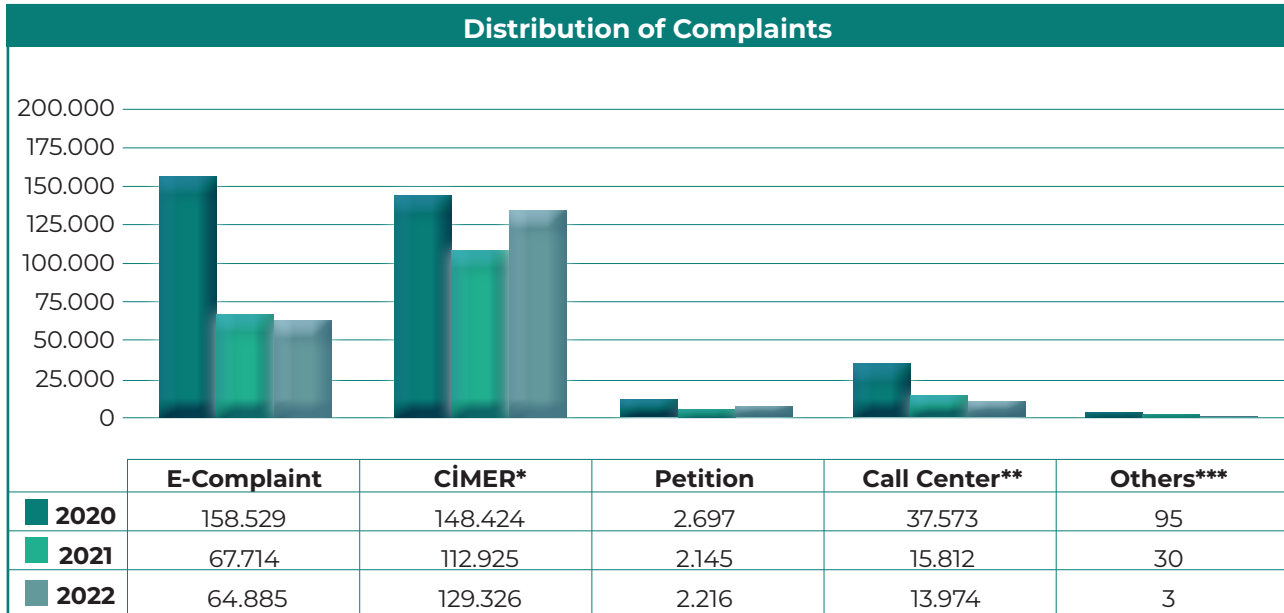
Graph 3: Applications received by the Agency annually



When the "Applications Received by the Agency" is analyzed, the number of applications received by the Agency increased significantly with the Covid-19 epidemic that emerged in 2020, and there was a strong demand from our citizens, especially for the support loans with a limit of 10.000 TL offered by the public banks to support the economy. The applications made to the Agency for "Support Loan up to 10,000 TL ", increased by 274% in 2020 compared to the previous year and reached 347,318; In 2021, with the expiration of the said campaign, the number of complaints decreased by 42.8% and a total of 198,626 complaints were filed in 2021. In 2022, there was a partial increase in complaint applications and 210,404 applications were received by the Agency.

The distribution of the number of applications submitted to the Agency in 2022 according to the application channel is given in the graph below.

Graph 4: Channel-based Distribution of Applications received by the Agency



*Since Information and BIMER channels were closed, these data were added to the current CiMER data.

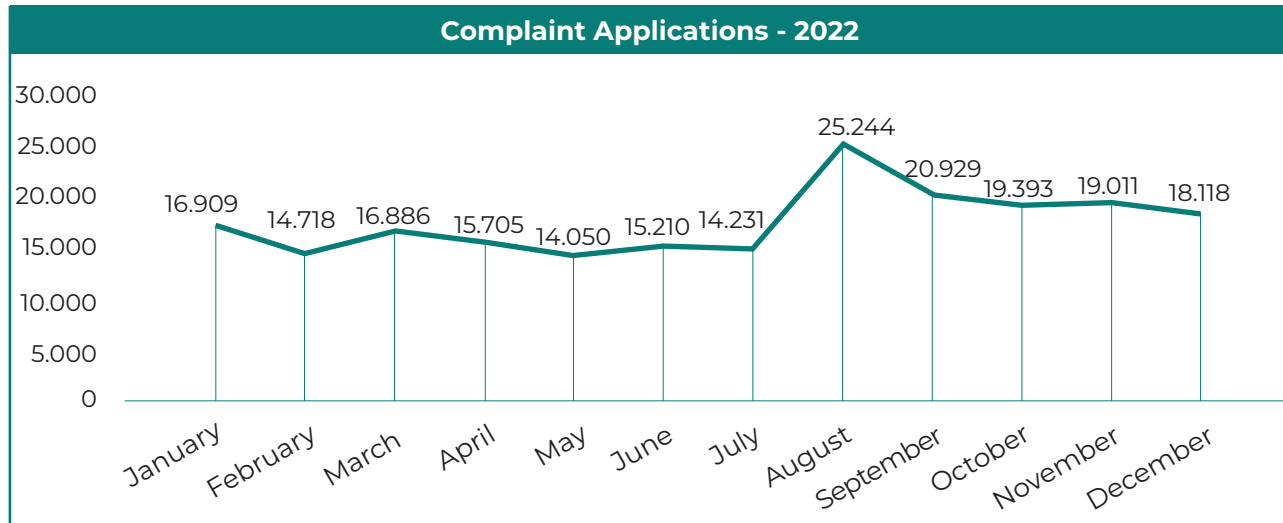
** As complaints were not accepted through the Call Center channel until April 2020, data covering the period before this date were excluded.

***Applications made through the other channel consist of applications manually entered into the E-complaint system by the Agency personnel.

A total of 81,075 applications were received in 2022 to the e-complaint, petition and Call Center channels, which are the direct communication channels of the Agency, and it is observed that the e-complaint and Call Center channels are mainly used. Complaint applications received by the Agency through the e-complaint system decreased by 4,1% compared to 2021 and decreased to 64,885 in 2022. On the other hand, 15,812 complaints were submitted to the Agency in 2021 and 13,974 in 2022 through the Call Center, which started to accept complaint applications in April 2020.

The highest number of complaints were received through the CiMER in 2021 and 2022, and a total of 112,925 and 129,326 complaints respectively were submitted to the Agency via the CiMER.

The number of applications submitted to the Agency through all channels in 2022 on a monthly basis for 2022 is given in the graph below.

Graph 5: Distribution of Applications received by the Agency in 2022 on a monthly basis

When the "Monthly-Based Numbers of Applications Received by the Agency in 2022" graph is examined, it is seen that there was a rapid increase in the number of complaints due to pension promotion payments as of August, and the number of complaints in the following months was higher compared to the months before August.

The change in complaint issues on a yearly basis is given in the table below.

Table 15: Comparison of Subject-based Distribution of Applications Received by the Agency in 2022 and 2021

Subject	2021	2022
Bank and Credit Cards	37.316	38.145
Consumer Loans	58.042	44.792
Deposit/Participation Fund Transactions	28.089	45.269
Applications that fall within the scope of other Institutions/Organizations	19.269	20.061
Commercial Loans/Product	16.682	10.583
Alternative Distribution Channels	13.595	17.944
Execution related Issues	5.091	9.547
Overdraft Account Procedures	2.487	2.599
Request of Information & Documents from the Agency	1.227	729
Request for Advice and Opinion from the Agency	1.203	1.358
Applications not containing Concrete Requests	1.907	1.012
Disclosure of Customer Secrets	982	1.308
Non- Bank Institutions	11.853	11.036
*Other subjects	883	6.021
Total	198.626	210.404

When the table "Comparison of Subject-based Distribution of Applications Received by the Agency in 2022 and 2021" is analyzed, it is seen that 21.52% of the total 210,404 complaint applications received by the Agency in 2022 were received under the subject headings of Deposit / Participation Fund Transactions, 21.29% under the subject headings of Personal Loans, and 18.13% under the subject headings of Bank and Credit Cards. It is observed that the total number of complaints has increased compared to the previous year and the increase in the total number of complaints is attributable to the complaints about pension promotion payments classified under SSI/Institutional Salary Payments, which is a sub-heading of Deposit/Participation Fund Transactions compared to other topics.

However, the total number of calls to the Agency's Call Centre was 139,475 and 87,447 in 2021 and 2022, respectively. The main reason for the 37.3% decrease in the total number of calls in 2022 compared to 2021 is that there was an intense increase in the number of calls to the Call Centre in July and the following months after the liquidation decision on 21 Savings Finance Companies was published in early July 2021.

In 2022, the monthly distribution of the applications received by the Agency through the Call Centre channel is given in the graph below.

Table 16: Monthly Distribution of Complaints made to the Agency's Call Center in 2022

	Number of calls	Number of responded calls	Unanswered calls	Number of calls terminated in the voice response system	Average call time (sn)	Availability level (%)	Coverage rate (%)	Service level (%)
January	6.580	4.738	21	1.820	263	100	100	96
February	5.905	4.099	156	1.650	238	100	96	98
March	6.674	4.830	18	1.826	236	100	100	97
April	7.015	4.861	43	2.109	224	100	99	97
May	8.094	5.582	102	2.410	211	100	99	95
June	7.429	5.443	73	1.908	236	100	99	93
July	6.468	4.666	71	1.731	236	100	99	92
August	9.895	7.459	176	2.252	241	100	100	80
September	7.860	5.832	127	1.901	246	100	98	86
October	6.867	5.039	71	1.757	235	100	99	91
November	7.554	5.491	71	1.986	227	100	98	90
December	7.106	4.939	53	2.114	227	100	99	93
TOTAL	87.447	62.979	982	23.464	242	100	99	92

Examining the table of "Monthly Distribution of Complaints made to the Agency's Call Center in 2022", it is seen that a total of 87,447 calls were received by the Agency's Call Center in 2022; 62,979 calls were answered and 982 calls were not answered.

Any denunciations, complaints, applications and requests for examination by the judicial authorities regarding individual products and services that were submitted to the Agency in 2022 audited by the Financial Consumer Relations Department. Within the scope of audit activities, 329 reports were prepared in 2022, 111 writs were included in the agenda of the Board, and 111 Board Decisions were taken as a result of the audits. With the Board Decisions an administrative fine of 36.425.761 TL was imposed on the banks and non-bank financial institutions in total.

8. INFORMATION MANAGEMENT SYSTEMS

Management information system activities include systematic acquisition, analyzing and evaluation of information on the Agency's activities and accurate and clear transfer to any user in need in a timely manner.



8.1. Data and System Management

Within the scope of data and system management activities, efficiency and diversity of applications which support the Agency's functions were increased.

Within the scope of data acquisition process, banks, leasing, factoring, finance, asset management companies, and Turkish representations of foreign banks submitted 235 types of forms on a daily, weekly, monthly, quarterly, semi-annually and annually basis.

In 2022, studies were carried out to integrate the savings finance companies that obtained operating licenses into the Banking Data Transfer System (BVTS) and to include the data templates for these companies in the reporting set. In the first quarter of 2023, it is planned to start transmitting financial statements, legal limits and various information of savings finance companies to the Agency via BVTS.

In line with the demand of the top management of the economy, studies for rapid data acquisition have intensified and studies have been carried out to receive reports consisting of selected data sets for the relevant day at the end of the day. As a result of these studies, the acquisition of data sets of this nature, which has been started since the beginning of 2020, continues.

In addition to the periodic reports received from the institutions subject to the audit and supervision of the Agency, the Rapid Information Transfer System (HBAS), which was designed to meet the rapid data and information needs of the business units and put into use in 2020, continued to be actively used by the relevant units in 2022; the infrastructure was strengthened by continuing to improve the system.

In order to increase the data quality, we conducted studies on the improvement of metadata of forms/data received via BVTS.

In accordance with the relevant legislation updates, the entire reporting set was reviewed; 9 new surveillance

forms were created and 27 template forms and explanations were changed.

In order to test the consistency of information on the reported forms, we create check lists and review cross-reference set in both form updates and quality process. Changes in periodic reports that pass the checks are carried out under acknowledgement of the Agency in order to improve data quality. The application channel created for this purpose and named as key application is used for updating information by the parties concerned. Organizations that started operations in 2022 were defined in BVTS to ensure they submit their periodic reports to the Agency,

In order to ensure that statistics within the scope of the Official Statistics Program (OSP) are produced in accordance with quality principles, to raise awareness on national quality principles and indicators and to identify areas for improvement in statistics, the process of quality assessment of the data of our public opinion publications on the banking sector and non-bank financial institutions has been completed and the Official Statistics Quality Certificate has been obtained from the Turkish Statistical Institute (TURKSTAT) within the scope of the quality assessment of official statistics by TURKSTAT in line with the "National Quality Principles and Standards in Official Statistics" and labelled with the Quality Logo.

Bulletins (Banking Sector Data): New items have been added to the Weekly Bulletin and Monthly Bulletin due to various studies and legislative changes. The current bulletins have been published in their current form as of the date of change. Before the changes to be made in the bulletins were published to the public, necessary announcements were made in accordance with the publications revision policies.

The "National Data Publication Calendar", which is included in the Official Statistics Program and shows the dates and manner in which the statistics produced under the responsibility of the Agency will be published during the year, was updated with the data for 2023 and published on the Agency's website.

For public disclosure purposes, data on major assets, liabilities and off-balance sheet items of the banking sector on a daily basis; on a weekly basis, data on Loans, Non-Performing Loans, Securities,

Deposits, Other Balance Sheet Items, Off-Balance Sheet Transactions, Securities Held by Banks-1 and Securities Held by Banks-2, Foreign Currency Position; on a monthly basis, data on Balance Sheet, Profit-Loss, Loans, Consumer Loans, Sectoral Loan Distribution, SME Loans, Syndicated Securitization Loans, Securities, Deposits by Type, Deposits by Maturity, Liquidity Status, Capital Adequacy, Foreign Currency Position, Off-Balance Sheet Transactions, Ratios, Foreign Branch Ratios and Other Information are made available to the public. "Selected Banking Sector Data by Provinces (FinTürk)" is published on a quarterly basis, "Key Banking Indicators" is published to ensure the comprehensibility and readability of the published data on a graphical and tabular basis, and Financial Leasing, Factoring and Financing Companies Bulletin containing basic financial statements of financial leasing, factoring and financing companies and information on their receivables is published on a monthly basis.

Meanwhile, the scope of the weekly banking sector data set was expanded by including TL deposits and participation accounts with exchange rate hedges. The said data set is based on the relevant articles of the "Law on the Amendment of the Private Pension Savings and Investment System Law and Certain Laws and the Decree Law No. 375" published in the Official Gazette dated 22.01.2022 and numbered 31727, and 2021/14 numbered and 21.12.2021 dated the Central Bank of the Republic of Türkiye's Communiqué on Supporting Conversion from Gold Accounts to Turkish Lira Deposit and Participation Accounts, and 2021/16 numbered Communiqué on Supporting Conversion from Gold Accounts to Turkish Lira Deposit and Participation Accounts dated 29.12.2021; and these data have started to be published for statistical purposes as of 18.02.2022 in accordance with the relevant legislation.

The said information is presented to users in Turkish and English. In addition, "frequently asked questions" prepared for the bulletins in order to better meet the needs of the users and to provide ease of use are available on the Agency's website.

In order to ensure graphical and tabular comprehensibility and readability of the published data, the scope of the "Key Banking Indicators" document, which is currently published quarterly, was expanded and enriched in terms of content and visual elements.

The preparation process for the "Factoring, Financial Leasing and Financing Companies Key Indicators

Report" to be published quarterly for factoring, financial leasing and financing companies is ongoing.

The Bank participated in the "Women in Finance" project initiated by IMF, EBRD and other non-governmental organizations and started to compile statistics for Türkiye in terms of female employees in the banking sector and female population benefiting from financial services.

Within the scope of the IMF Data Provision Survey, necessary preparations were made within the scope of the data content in our database on macro-financial indicators.

Within the scope of the FSB (Financial Stability Board) global non-bank financial intermediation study, a forward-looking key was created in the preparation of the requested data and data for 2021 were compiled and shared.

The data requested by the IFSB within the scope of PSIFIs (Prudential and Structural Islamic Financial Indicators) and DFS (Detailed Financial Statements) were prepared.

In 2021, the preparation of the data and information set requested by the IMF-WB Delegation for the information request documents prepared by the IMF-WB Delegation within the scope of the Financial Sector Assessment Program (FSAP) was carried out and data support was provided within the scope of the 2022 Türkiye review.

Information Sharing with other organizations and institutions:

Activities related to meeting new demands for data sharing with other institutions and organizations within the framework of legislation and bilateral agreements and maintenance of related systems were continued in 2022, and improvements were made regarding the continuation of data sharing.

The Agency shared information with domestic and foreign institutions and the public within the framework of the principles of confidentiality, integrity and accessibility of data within the scope of ISO 27001.

In order to ensure coordination and cooperation among institutions on issues related to the execution of monetary, credit and banking policies, regular information sharing is ensured within the framework of existing protocols with the CBRT, the Ministry of Treasury and Finance, the Savings Deposit Insurance

Fund, the Financial Crimes Investigation Board and KOSGEB. Especially between the CBRT and the Agency, comprehensive data sharing is carried out at very frequent frequencies through the transfer mechanisms that are frequently updated throughout the day and the automated data sharing infrastructure. The aforementioned data sharing continued in 2022, and the scope of the shared data set was expanded within the framework of the duties and authorities of the institutions and in line with their increasing information needs.

Data is exchanged within the scope of the protocol signed with the Ministry of Commerce, TURKSTAT and the Revenue Administration in order to strengthen the cooperation on data sharing, to define mutual information needs, to use administrative records more effectively in statistical production processes, and to determine the principles regarding information sharing to ensure that data transfer is carried out in a secure environment.

In accordance with the protocol signed with the Central Registry Agency within the scope of the "e-VEDO Electronic Data Repository Project" in 2020, systematic studies continue to determine the safe way and method and share the data reported through the e-VEDO Platform.

Pursuant to the provisions in various articles of the Banking Law No. 5411 and within the scope of periodic information sharing in cooperation with the relevant institutions and organizations operating in the field of duty, data was regularly shared between the Agency and the Finance Office of the Presidency within the scope of the data sharing protocol signed in 2020.

New protocols are signed and existing protocols are updated according to the needs in order to improve data quality, accelerate data sharing processes and ensure data exchange in electronic environment. In this context, work is underway to prepare a protocol for data sharing with the Interbank Card Centre. Studies on the National Data Dictionary were initiated by the Digital Transformation Office of the Presidency in order to solve various problems such as integration difficulties in the information systems of public institutions and organizations, repetitive and conflicting data, the lack of language unity in information systems and the uncertainty of data ownership, and the Agency participates in such studies.

The sharing of domestic branch information of banks with the Ministry of Interior continued.

Pursuant to the provisions of various articles of the Banking Law, the Agency, in cooperation with the relevant institutions and organizations operating in its field of duty, periodically shared information as well as responded to other information requests from the institutions.

BRSA Business Intelligence (BIZ): With the BRSA Business Intelligence Application, users are provided with advanced analytics, advanced data visualization, dashboards, query, instant reporting, analysis and formatted reporting, as well as support in many other areas.

After the new version of the BRSA Business Intelligence Application was switched to the new version and opened to the service of the employees of the institution, support was provided to the users in advanced analytics, advanced data visualization, dashboards, query, instant reporting, analysis and formatted reporting, as well as many other issues.

In order to ensure faster and more accurate control of the data shared with the public, Daily Bulletin and Weekly Bulletin reports were prepared in the BRSA Business Intelligence Application and additional control points were created. In order to provide detailed control in the BRSA Business Intelligence application, Fintürk Bulletin was created and Ratio Analysis reports were prepared. Within the scope of external data sharing, automatic queries of the data to be shared outside the institution were prepared.

The compliance study of the MARS (Financial Analysis Reporting System) application, which is accessed through BRSA Business Intelligence, with the legislative amendment was completed and the 2021 period report was created in a sound manner.

Citizens' Deposit Account Enquiry Service via e-Government: Additions were made to the system that allows citizens to track which banks they have deposit accounts in via e-Government. Internal control processes were strengthened. The infrastructure created to receive Safe Deposit Box data has been updated and banks have been integrated. Services that will enable citizens to make heir-testator enquiries were added to e-government and put into use.

Electronic Document Management System (EBYS): System improvement/development activities based on requests by the Agency personnel continued in 2022. The capacity of the system was increased and

the system infrastructure was improved. The system infrastructure has been developed and improvements have been made in the application interface to provide ease of use for users. Improvements will continue to be made in areas where needed.

Agency Website: The Agency website was renewed to ensure that its design and infrastructure complies with developing technologies and the development of its content management system was put into use. In this context, improvement works continue in accordance with modern design principles that are compatible with both internal needs and developing technology and open to development and expansion.

Agency's Intranet Site: Renewal works continued in line with the needs of the Agency. On the Intranet Site, where changes can be easily integrated thanks to its flexible infrastructure, necessary improvements were made in the interfaces and functionality to provide the best service to the employees of the Agency. Integration with the corporate website and information security applications was ensured. Transformations continued for other in-house applications to work in harmony with the intranet site. The necessary infrastructure was established to report access information about the intranet site and the applications accessed from it. Improvement works continue to be carried out in accordance with modern design principles that are open to development and expansion, compatible with both internal needs and developing technology.

E-Complaint Application: Regarding the E-Complaint Application, the improvements deemed necessary by the Agency and requested by the relevant organizations were performed. System development and improvement studies continued in line with the developing technology. The process of service integration with the TBB and the TKBB has been completed and complaints are directed to the unions through the services. Developments that increase ease of use and functionality regarding the e-Government integration process were completed, and it is planned to be implemented in 2023 after the completion of the tests.

Independent Audit Tracking System (BADES): Maintenance and improvement studies were carried out in line with the needs of internal and external users. Errors encountered by organizations while reporting have been eliminated. Necessary updates were made on the existing BADES, which meets the new and advanced needs in line with the changing technology.

File Transfer System: A system consisting of a tool and related management and monitoring software (File Transfer System - DTS) has been developed to fulfil the file transfer processes between servers of applications that are developed to meet the needs of the institution and perform operations on files.

Support Services Applications: New modules were added to the application, which runs on the intranet infrastructure of the Agency and is used by the relevant units, within the scope of the requests received in 2022, and the system was made capable of making calculations according to the updated data. Errors occurring in the application were corrected and requested improvements were made in the program. The career gate service offered on the e-government platform has been integrated.

BRSA Reporting System (BRS) Technical Support: Both technical support and business-related issues are monitored for the problems notified to the BRS support e-mail address or communicated by the companies directly by telephone. During this period, approximately 7.250 e-mail notifications were received regarding the problems faced by organizations reporting via BVTS and solutions for these e-mails were delivered to the parties through the e-mail channel.

Reporting Sets Application: It has been developed to provide explanations and templates of the forms periodically received from the institutions subject to the audit and supervision of the Agency through the BRSA Data Transfer System (BVTS) and general information about the forms. In line with the opinions and requests of the relevant units, the necessary improvements on the application continued in 2022.

The Study of Collecting the Services received from Other Public Institutions under a single roof: In order to integrate the services provided by other public institutions open to the access of the Agency and accessed within the framework of the protocols signed between the parties, an intermediate web service to access all services and related monitoring to ensure access security and to monitor the accesses and to perform the authentication methods, and management applications have been started to be developed; and in this context, the first version of the query gate service and application has been put into service within the Agency and the development and integration process is ongoing.

Improvement Studies in Server Topology: In line with the principles of confidentiality, integrity and accessibility, renewal and improvement studies are carried out in the server topology. Due to the increasing needs of the Agency, it is tried to get maximum benefit from the available resources. In this context, necessary studies were carried out for optimum use of system resources.

BVTS Renewal Work: Within the scope of the efforts to redevelop the services offered by the Banking Data Transfer System by using new technologies and adding features that the existing system cannot support, the first version was put into use with a narrow data set. Improvement studies of the system are ongoing and it is planned to expand the data set received through this channel following the achievement of the targeted performance and quality criteria. The development of the BVTS-2 application, which is planned to replace the existing Banking Data Transfer System when completed, has started and as a result of the improvements made, the new system has been opened to banks for some reporting. System improvements are currently in progress.

ISO-CBDDO Integrated Task Tracking System Application: An infrastructure application has been designed and started to be developed in which ISO and CBDDO information security management and audit systems can work in integration with internal task management processes. In this context, it is planned to transfer the audit processes to electronic environment.

Coordination with Treasury Ministry of Finance General Directorate of Information Technologies and National Cyber Incidents Response Center: Within the scope of security measures to be taken against known and emerging cyber-attacks, the Agency made necessary definitions on security devices in information systems for the effective protection in harmony with the Treasury Ministry of Finance General Directorate of Information Technologies and the National Cyber Incidents Response Center (USOM).

Operation Information Security Management System (BGYS): In 2022, the ISO 27001 control audit carried out by the Turkish Standards Institute was successfully completed and the ISO 27001 Information Security Management System certificate has been in use since 2019. In addition, the necessary work has been carried out within the framework of the necessary controls in accordance with the Information

and Communication Security Audit Guide published by the Digital Transformation Office of the Presidency of the Republic of Türkiye.

Maintenance Agreements: An annual maintenance support agreement was made for the video conferencing devices used in the meeting rooms within the organization. Thus, periodic maintenance and security updates of these devices will be carried out regularly.

A license update and maintenance support agreement were made for the firewall and its components, which are the basic security components of the Agency's information systems, and the version upgrade work was carried out.

License updates of cyber security products such as anti-virus and URL filtering used in the Agency's information systems were made.

Trainings and Workshops: Cisco CCNA trainings on local network management and security were received and completed. Linux and the domestic operating system Pardus, which is one of the training packages offered by TUBITAK-ULAKBIM to public institutions within the scope of open-source code transformation, have started.

Participated in the national workshop titled "Dissemination of Domestic and National Cyber Security Products in Public Sector" organized by the Cyber Security Department of the Digital Transformation Office of the Presidency of the Republic of Türkiye.

Cyber Security Exercise: Participated in the cyber security exercise called "National Cyber Shield 2022" organized by the Presidency of Information and Communication Technologies.

Improvements made in Information Systems: Necessary updates were made to the operating system and Office programs on user computers.

Periodic hardware inventory studies of information systems were continued, the current situation in the hardware was determined and studies were carried out for hardware redundancy.

Hardware software and operating system patch updates were made against security risks on server computers.

9. SUSTAINABLE BANKING

Being felt more and more every day, environmental and social problems, especially climate change, create harmful effects for individuals and organizations. While the finance sector is faced with important risks and opportunities arising from these problems, it plays a leading and encouraging role for the solution of environmental and social problems as a financier.

The risks that financial institutions are exposed to appear in two ways as physical risks and transition risks. Physical risks may appear as the direct effects of extreme climate events on the physical assets, service flows and supply chains of financial institutions, as well as indirectly through the effects on customers and investors. In addition, it is seen that the regulations and policies implemented to prevent or reduce these physical risks, especially the transition to a low carbon economy, have the potential to create significant effects on the financial sector, called transition risks.

On the other hand, the transition to a sustainable and green economy also brings important opportunities for the financial sector. Foremost among these is the large amount of additional financing need arising from the investments necessary for the transition to a sustainable economy. In parallel with the increase in financing demand, international funds of sustainability, new emerging markets, products and tools, especially the carbon emission market, additional funds and liquidity opportunities that can be accessed through special products to be designed for environmentally and socially sensitive segments, possible incentives and supports to be provided by the public are among the opportunities that the financial sector should consider and evaluate in this process.

In this process, the Turkish banking sector has developed awareness in environmental and social sustainability since the 2000s in order to effectively evaluate the risks and opportunities it faces, and as a requirement of its social responsibility awareness and international integration, identified strategies and policies, built capacity, displayed good practice examples. In this context:

- In 2014, the “Sustainability Guide for the Banking Sector” was published by the Banks Association of Türkiye (TBB). The Guide was updated in March 2021.
- “BIST Sustainability Index” was formed by Istanbul Stock Exchange (BIST) in 2014. Currently, there are 9 banks within the scope of the Index, with a total sector share of 63%.
- In 2016, the first green bond issuance at international standards was carried out by banks domiciled in Türkiye, and the total of green/social/sustainable bond/sukuk issuances to date has reached 4 billion USD.
- In 2017, “Global Compact Türkiye’s Sustainable Finance Statement” was signed by 8 UN Global Compact member banks.
- Since 2017, 5 banks have joined the supporters of the Financial Stability Board (FSB) Climate-Related Financial Disclosures Task Force (TCFD) recommendations.
- Since 2020, 8 banks have been publishing an integrated report that includes both financial and sustainability perspectives.
- In 2021, the first independent “Climate Risks Report” was published in line with TCFD recommendations.
- In 2021, sustainable subordinated lease certificates and partnership-based green lease certificates were issued for the first time by banks.
- Environmental and social risk assessment systems have been established by 15 banks with a sector share of 62% to conduct risk assessments specific to projects and customers.
- Portfolio-level analysis such as scoring, heat map, stress test, scenario analysis has been carried out for climate risks by some banks, especially large-scale banks, or efforts have been made to build capacity in this direction.
- Considerable financing has been provided by the Turkish banking sector for renewable energy, which is of critical importance in the fight against climate change, and as of September 2021, the total cash financing balance provided to renewable energy reached TL 200 billion (US\$ 22.6 billion).

In addition to these efforts in the sector, some guiding and encouraging steps have been taken by the BRSA to increase awareness, knowledge and institutional capacity in the field of sustainability. In this context:

- In 2015, The Agency became the member of the IFC “Sustainable Banking and Finance Network” (SBFN).
- “Turkish Banking Sector Sustainability Research” was conducted in 2018.
- In 2019, the loan-to-value ratio was increased for these loans in order to increase housing finance with high energy performance.
- In 2020, the Agency became a member of the Basel Committee on Banking Supervision “Task Force on Climate-Related Financial Risks” (TCFR).
- In 2021, with the “Credit Allocation and Monitoring Processes Guide”, expectations from banks regarding the development of policies for climate risks and environmental loans were identified.
- In 2021, the “Sustainable Banking Working Group” was established within the Agency.
- In 2021, the Agency became a member of the “Financial System Greening Network” (NGFS).

Despite all these developments, it is seen that sustainable finance in Türkiye has not developed in parallel with the level of advancement, diversity and weight of the sector. Uncertainties in the macroeconomic environment, low national savings rate and short-term funding structure of the banking sector are the leading structural problems in front of development.

Among the corporate problems, the lack of a green classification for economic activities, a standard reporting practice on sustainability in the real sector, a carbon market in which carbon emissions are priced, and unavailability of a widespread, reliable and accessible service infrastructure for the verification of sustainability data are the leading ones. In addition, difficulties in following and internalizing advanced approaches and methodologies that are just developing and taking shape at the global level in risk management are also important problems. It is important for both banks and authorities to establish the internal capacity required by the aforementioned approaches and methodologies. Finally, the absence of a regulatory and supervisory framework on sustainability prevents the establishment of a minimum standard in practices, increasing uncertainties and information pollution.

In addition to all these issues mentioned, considering:

- The carbon border adjustment, which is envisaged by the “EU Green Deal” published in 2019 and which will be implemented as of 2026, posing a significant risk for our country's economy, which exports almost half of its exports to EU countries,
- Environmental, social and governance (ESG) criteria, which are taken into account in global investment strategies, are increasingly becoming a prerequisite for access to finance, and it is becoming difficult for companies that do not have sufficient performance in this field to access finance in international markets,
- The critical importance of a financial sector that can effectively manage climate-related risks and opportunities and provide the necessary financing for sustainable investments and projects under appropriate conditions in the effective implementation of the commitments made by our country and the plans and policies announced within the scope of the Paris Agreement,
- The importance of investments in renewable energy and energy efficiency in terms of energy security and economic and financial stability of our country

the development of sustainable finance in our country has gained a special importance and urgency.

As a matter of fact, within the scope of the “Green Deal Action Plan” put into effect with the Presidential Circular No. 2021/15 published in the Official Gazette dated 16.07.2021, a roadmap (Action 3.2.5) for the development of sustainable banking is envisaged by the Agency in line with the objective of developing the ecosystem that will enable the development of green finance in our country (Target No: 3.2.).

In this regard, the “Sustainable Banking Strategic Plan (2022-2025)”, prepared based on the opinions and recommendations of all relevant parties, was shared with the public in December 2021. The Strategic Plan has been prepared to cover the period of 2022-2025 in order to ensure that our banking sector provides the necessary adaptation before 2026, an important transition date for the economic and financial system of our country, when the carbon border adjustment will begin to create financial obligations in accordance with the EU Green Deal and the “Fit for 55 Package”.

Defining its sustainable finance vision as “a banking sector that effectively manages the environmental and social risks and opportunities it faces, especially climate change, and provides the financing needed for the transition to a low-carbon economy, under appropriate conditions”, the Plan includes 3 main strategic objectives: (1) effectively managing and monitoring climate-related risks, (2) improving the financing needed for the transition to a sustainable economy, and (3) improving cooperation between interested parties.

There are 21 actions aimed at creating a suitable environment for this and making joint studies of the relevant parties in the field of sustainability for the strategic purposes in question in the plan; establishing a data infrastructure with the required quality and scope for the analysis of financial risks based on climate change, increasing the climate risk management capacity of banks, strengthening the supervision and surveillance framework in order to enable banks to manage climate risks effectively, encouraging sustainable loans, and easier access of banks to international funds for sustainability purposes.

10. RELATIONS WITH OTHER INSTITUTIONS AND THE PUBLIC



10.1. BRSA Corporate Communications Policy

Within the framework of the vision and mission undertaken by the Agency, the main objective of the Agency's communication policy is to continuously monitor the development of its work and the level of reaching the determined targets, and to share the results with the relevant stakeholders in a simple, effective and two-way communication framework in accordance with the principles of openness, transparency and accountability.

Among the holistic objectives of the communication strategy of the Agency are to introduce the Agency, to develop and implement policies that will contribute to the increase of the welfare of the society, especially the financial sector, to support the public awareness by establishing financial awareness, to increase the trust, corporate image and reputation of the Agency through healthy communication channels to be established with the awareness of being a public authority, to support the perception that it is a transparent, merit-based, leading institution in technical, national and international socio-economic issues.

In this respect, the "Corporate Communication Policy" was prepared in order to clearly identify the communication scope of the Agency, the content of sharing, the principles on which it is based, and the communication channels suitable for the addressee audience. Within the framework of the said policy, the Agency's website and social media accounts are managed by the Corporate Communication and Foreign Relations Department.



10.2. Domestic Organizations



10.2.1. Public Institutions and Organizations

Based on Article 98 of Banking Law, views were exchanged and information was shared in 2022 with the Strategy and Budget Department of the Presidency, Ministry of Treasury and Finance, CMB,

MASAK, SDIF, and Central Bank in order to ensure coordination and cooperation among these agencies in executing monetary, credit and banking policies. In addition to these agencies, the Agency exchanged views on the issues concerning the banking sector with other public institutions and organizations especially the Ministry of Foreign Affairs and the Ministry of Commerce.

Coordination Committee: The Coordination Committee consisting of the Agency Chairman and Vice Chairmen and SDIF Chairman and Vice Chairmen pursuant to Article 100 of the Banking Law, is in charge of ensuring that maximum cooperation be established between the Agency and the SDIF when it is necessary to carry out transactions in the competency of the SDIF, with respect to the exchange of information regarding the general status of the banking sector, measures to be taken as a result of the supervision of deposit banks, results of analyses indicating the financial standing of credit institutions to be used in calculating the risk-based insurance premiums, the number of deposit and participation fund accounts, total amount of the insured deposits and participation funds and the total amount of deposits and participation funds in these institutions. At the quarterly meetings of the Committee in 2022, evaluations and information exchange were made on the general outlook of the banking industry, measures to be taken as a result of credit institution audits, calculation of risk-based insurance premiums and situations which require procedures by SDIF.



10.2.2. Criminal and Administrative Judiciaries

As per subparagraph (çç) of third paragraph of article 26 of the Regulation on Organization of Banking Regulation and Supervision Agency promulgated in the Official Gazette dated 16.03.2014 and numbered 28493; "To request the Legal Affairs Department to recover and collect the unpaid contributions within the frame of the Law on Procedures of Collection of Public Receivables no. 6183 dated 21.07.1953", the Legal Affairs Department authorized to collect any

amount on behalf of the Agency within the frame of the Law on Collection Procedures of Public Receivables No. 6183.

On the other hand, article 25 of the Regulation on Organization of Banking Regulation and Supervision Agency lists the duties of the Legal Affairs Department. Accordingly, the Department continued to represent the Agency before civil,

criminal and administrative judiciaries and execution proceedings. The Legal Affairs Department also, expresses legal opinions on the representation and legal issues of the Agency.

In this context, information on the lawsuits to which the Agency is a party is presented in the table below by classifying them according to the nature of the lawsuits in question.

Tablo 17: Lawsuits involving the Agency

Type of Lawsuit	2021		2022	
	Number	Percentage (%)	Number	Percentage (%)
Administrative Lawsuits	1.577	86,8	1.617	86,2
Criminal Lawsuits	172	9,5	181	9,6
Civil Lawsuits	67	3,7	78	4,2
Total	1.816	100,0	1.876	100,0

As seen in the table, 86.2% of the cases involving the Agency in 2022 were the administrative cases. The scope of the said administrative actions include retrial actions by small shareholders of Demirbank T.A.Ş., administrative actions against Asya Katılım Bankası A.Ş., and nullity cases and full remedy actions against various administrative actions of the Board and the Agency pursuant to banking regulations and general legislation. On the other hand, criminal lawsuits filed by the Agency as well as civil lawsuits are followed by the Legal Affairs Department. While legal processes regarding the applications to European Court of Human Rights against the Republic of Türkiye with regards to banks whose management, supervision and shareholding rights, excluding dividends, were transferred to Saving Deposits Insurance Fund were followed up by the Ministry of Justice, coordination of information, documents and opinions requested from the Agency by the Ministry of Justice is being carried out by the Legal Affairs Department.

The Legal Affairs Department makes the written application to the chief public prosecutor's office regarding the issues that are submitted to the agenda of the Board by the Implementation Departments of the Agency and which are decided by the Board to make a written application against them.

Within this framework, a total of 31 written applications were made in 2022. However, during the same period, 1362 internal and 1759 external correspondences were made, including correspondence from various courts, public prosecutors' offices or public institutions and organizations.

On the other hand, a total of 63 opinions were given by the Department of Legal Affairs in 2022, within the scope of its duty to express opinions on legal issues, under Article 25 Paragraph (ç) of the Regulation on the Organization of Banking Regulation and Supervision Agency. These opinions are on various subjects including the implementation of the Banking Law, draft regulations, international memorandum of understandings signed by the Agency and oversight and audit authorities of foreign countries and implementation problems relating to personnel regime of the Agency.



10.3. International Organizations



10.3.1. Foreign Equivalent Authorities

The Turkish banking sector is closely integrated with international financial markets. In this context, supervision and surveillance of the overseas activities of our banks are closely related to the stability and reliability of the financial systems of both our country and the host country.

In order to increase its competitiveness and market share, Turkish banks operate in international markets through their overseas branches, representative offices and financial subsidiaries. On the other hand, in addition to the globalized world economies and increasing competition conditions, the attractiveness of the Turkish financial markets for the investor is influential in the participation of many foreign banks through participation, branch and representative offices in our country.

In 2022, meetings were held with the supervisory authorities of foreign banks operating with such structures in our country, and information was exchanged, and the relevant authorities were informed about the effects of the banking sector and macro variables on the sector.

To gain access to the necessary information to evaluate the activities of our banks abroad and their connections with the parent company through their foreign subsidiaries, branches and representative offices; to facilitate cooperation with foreign countries in order to carry out effective regulation and supervision activities related to these activities, the establishment of an international legal framework continued by the Agency.

As stipulated in Article 98 of the Banking Law, the Agency cooperates and exchanges information with foreign supervisory authorities for the harmonization of policies and regulations within the framework of bilateral memorandum of understanding signed with them.

In 2022, within the framework of these memorandums of understanding, information requests from foreign supervisory authorities were responded by coordinating with the relevant units of the Agency. In addition, training requests from foreign supervisory authorities were met and trainings were provided by the authorized units of the Agency on the requested subjects.

Memorandums of understanding are signed to increase collaboration between the supervision and regulating authorities to ensure financial stability and sustainable growth. In relation to the memorandums signed by and between the Agency and foreign equivalent supervision authorities, the parties attach significant importance to collaboration to support the legal, regulating and corporate framework to maintain financial stability, work in cooperation to define and deploy best practices to improve the finance industry, organize education programs and share information.

As of the end of 2022, a memorandum of understanding was signed with 40 authorities from 36 countries and information regarding existing memorandums of understanding is given in the table below.

Table 18: Memorandums of Understanding Signed with Foreign Equivalent Authorities

Country	Organization	Signing Date
TRNC	Central Bank of TRNC	17.09.2001
Albania	Central Bank of Albania	19.10.2001
Romania	Central Bank of Romania	19.02.2002
Bahrain	Central Bank of Bahrain	30.07.2002
Indonesia	Central Bank of Indonesia	11.12.2002
Pakistan	National Bank of Pakistan	20.01.2004
Malta	Malta Financial Services Authority	10.12.2004
Greece	Central Bank of Greece	28.01.2005
Kyrgyzstan	Central Bank of Kyrgyzstan	17.05.2005
Azerbaijan	Central Bank of Azerbaijan Financial markets Supervisory Authority of the Republic of Azerbaijan	14.06.2005 28.12.2018
Bulgaria	Central Bank of Bulgaria	13.09.2005
China	Banking Regulation Commission of China	11.07.2006
Georgia	Central Bank of Georgia	02.11.2007
Kosovo	Central Bank of Kosovo	12.05.2008
Luxembourg	Luxembourg Finance Industry Inspection Authority	13.03.2009
Lebanon	Banking Control Commission of Lebanon	10.06.2009
Bosnia-Herzegovina	Bosnia-Herzegovina Banking Agency	12.06.2009
Kazakhstan	Banking Committee of the Central Bank of Kazakhstan Kazakhstan Financial market Supervision Authority	28.08.2009 12.02.2019
Ukraine	Central Bank of Ukraine	19.02.2010
Macedonia	Central Bank of Macedonia	30.08.2010
Russian Federation	Central Bank of Russian Federation	30.09.2010
Syria	Central Bank of Syria Money and Credit Committee	21.12.2010
Qatar	Qatar Finance Center Regulation Authority	25.07.2011
Germany	Federal Financial Supervision Authority (BaFin)	05.08.2011
Croatia	Central Bank of Croatia	29.08.2011
Jordan	Central Bank of Jordan	06.09.2011
Belgium	Central Bank of Belgium	18.11.2011
South Korea	South Korea Financial Services Supervision Authority	25.11.2011
Iraq	Central Bank of Iraq	20.12.2011
Spain	Central Bank of Spain	25.11.2013
Netherlands	Central Bank of Netherlands	24.01.2015
Serbia	Central Bank of Serbia	09.06.2015
United Arab Emirates	Dubai Financial Services Authority Central Bank of BAE Abu Dhabi Global Market Financial Services Audit Authority	23.08.2007 17.02.2009 17.06.2016
India	Central Bank of India	23.11.2016
UK	Bank of England	22.05.2017
Uzbekistan	Central Bank of Republic of Uzbekistan	16.05.2019



10.3.2. Relations with International Organizations

In 2022, meetings were held in line with the requests received from international institutions, particularly credit rating agencies, foreign bank representatives and investors; presentations were made to these institutions on the indicators of the Turkish banking sector, the banking regulatory framework and the effects of macro variables on the banking sector; and questions on the agenda of the institutions were answered.

International Monetary Fund (IMF) and World Bank (WB): The FSAP process, which is carried out by the IMF and the World Bank every five years and evaluates the compliance of the country's financial system with internationally accepted regulations and consistency with best practices, was restarted in 2021, and the reports prepared by these institutions in 2022 were evaluated in coordination with the Ministry of Treasury and Finance and the Agency's views were shared.

Within the framework of the Bilateral Technical Cooperation Agreement signed between the Agency and the World Bank in 2013, our relations with the World Bank continue in a positive way. In this regard, contributions were made to the departments that fall under the Agency's scope of duty in the meetings and joint works carried out under the coordination of the Ministry of Treasury and Finance.

Organization for Economic Cooperation and Development (OECD): Within the framework of studies carried out within the OECD, the Agency participated in the meetings in which it has an interest and the opinion on the issues of the reports prepared by the OECD within the scope of the Agency's areas of responsibility was presented.

Multilateral Trade System – World Trade Organization (WTO): The fact that WTO regulations, which provide a legal framework on how governments make domestic trade laws and regulations, and where trade relations between countries are developed through collective meetings and negotiations, cannot meet the needs of today, and that multilateral trade order is inadequate for new market openings, governments started to pursue making mutual and regional trade agreements. Participation in the meetings was ensured by contributing to the studies on FTAs, which have become widespread in the commercial and economic relations between countries and whose

negotiations are carried out under the coordination of the Ministry of Commerce, on matters falling within the Agency's field of duty. Our evaluations regarding the commitments of these countries regarding both the banking sector and non-bank financial institutions were shared with the Ministry of Commerce.

European Union (EU): The Agency continued its efforts on issues under its responsibility on meeting the obligations listed under the title of Ability to Assume the Obligations of Membership of National Program of Türkiye for the Adoption of the EU Acquis as promulgated on Official Gazette 27097 dated 31/12/2008, and presented information regarding these efforts to the European Union Department of the Ministry of Foreign Affairs. In order to contribute to the Progress Report prepared by the EU Commission, the Agency contributed to the studies carried out by the said institution regarding the developments in the chapters within the scope of the Agency's field and banking sector related issues.

The works of the “Sub-Committee No. 4 on Economic and Monetary Topics, Capital Movements and Statistics” were conducted.

Islamic Financial Services Board (IFSB): IFSB is an international organization that follows international regulations for investors who prefer Islamic financial products and financial services, prepares standards and guidelines for regulatory agencies and sector participants, and organizes informative meetings on current developments and new practices. The Agency contributed to the works of the Board as a full member of the IFSB and participated in the meetings.

Organization of the Black Sea Economic Cooperation (BSEC): The Agency contributed to the activities of the Banking and Finance Working Group of the BSEC Organization, which was established in 1992 with the aim of diversifying and further developing bilateral and multilateral economic, technological and social relations between the member countries by taking advantage of their potential, geographical proximity and complementary characteristics of their economies, thus making the Black Sea basin a region of peace, stability and prosperity.

Bilateral Economic Relations: The meetings of the Inter-Governmental Commissions on Economic Cooperation and the Joint Economic Commissions were participated and contributions were made to the works for preparing protocols and action plans.



10.4. Press and Public Relations

In line with the principles of transparency and accountability imposed by the Banking Law, No .5411, the Agency informs the public and the relevant institutions on its activities, regulations regarding the industry, industrial developments and agreements signed with national and international institutions, the results of research studies and handles the information requests received.

In this sense, communication activities continued in 2022 to inform the public and the industry. Information on the industry were shared with the public through press releases and presentations. In 2022, a total of 9 press releases were made to inform the public.

Table 19: Distribution of Press Releases by Subject

Subject	2021		2022	
	Number	Share %	Number	Share %
Applications for Banks	6	31,5	4	44,5
Publications	2	10,5	1	11,1
Corporate Activities	1	5,3	2	22,2
Other	9	52,7	2	22,2
Total	18	100,0	9	100,0

In 2022, "Procedures and Principles for the Management of Social Media Accounts" was prepared for the management of social media accounts. Press releases, human resources announcements, legislation, death announcements/condolences, special and official days were shared on the official Twitter, Instagram and LinkedIn accounts of the Agency.

Pursuant to Article 20 of the Regulation on the Organization of the Banking Regulation and Supervision Agency, the Department of Corporate Communication and External Affairs is responsible for realizing projects related to the corporate identity and image, conducting corporate communication activities and media relations. In this context, information requests from the media regarding the regulation and supervision activities of the Agency and the sector were responded to; documents and materials requested to be used in the news about the Agency were sent to media organizations. The daily Press Bulletin containing news, comments and evaluations on the banking sector and financial markets, compiled from national and international newspapers, magazines and financial bulletins, was sent to the staff via e-mail.

Making Banking Legislation Available in English:

As part of increasing the integration of the Turkish banking sector with international financial markets, and contributing to the effectiveness of the Agency's relations with international institutions and organizations, especially with foreign equivalent authorities due to the overseas activities of our banks; English translations of the regulations, communiqués and guides issued by the Agency regarding the Banking Law, Bank Cards and Credit Cards Law, Financial Leasing, Factoring and Financing Companies Law and the implementation of these laws are made available to domestic and foreign stakeholders on the Agency's English website.

11. AGENCY RESOURCES



11.1. Human Resources

Pursuant to Article 92 of the Banking Law; the permanent duties and services necessitated by duties assigned to the Agency are carried out by the professional personnel consisting of sworn bank auditors and assistants, banking specialists and assistants, legal experts and assistants, information experts and assistants and BRSA specialists and assistants, as well as administrative personnel and permanent workers.

Vice chairmen, department heads, directors, chairman's advisors, professional personnel, agency specialists and lawyers are contracted employees. Contracted personnel are subject to the Civil Servants Law No. 657 excluding their wages, financial and social rights, while administrative personnel are subject to the Civil Servants Law No. 657 in all kinds

of rights and obligations and personnel employed in the status of permanent workers are subject to the Labor Law 4857.

Total personnel members of the Agency are listed as 867 in list (I) attached to the Banking Law and the rate of Agency personnel not categorized in manager, advisor and professional personnel positions is limited by 30% of total number of personnel.



11.1.1. Human Resources Profile

As of the end of 2022, the Agency has total 593 personnel members including managers, advisors, professional personnel, administrative personnel, permanent workers and contracted IT personnel. 63% of the personnel are professional personnel.

Table 20: Distribution of the Agency's Personnel

Group	2021	Share (%)	2022	Share (%)
Manager	25	4,4	29	4,8
Advisor	14	2,5	13	2,2
Professional Personnel	348	61,0	372	62,9
Administrative Personnel	72	12,6	66	11,2
Permanent Worker	111	19,5	112	18,8
Contracted IT Personnel	-	-	1	0,1
Total	570	100,0	593	100,0

The Agency's vision and mission are considered determining and meeting the human resources requirements and the main principle is to ensure that the activities are performed by a sufficient number of qualified employees.

When the distribution of professional personnel according to seniority is considered as of the end of 2022; it is seen that 37.1% of the personnel have seniority between 1 and 3 years, followed by the personnel group in the seniority tranche between 10 and 19 years with a share of 22.5%.

Table 21: Distribution of Career Personnel by Seniority

Title Group	2021	Share (%)	2022	Share (%)
Sworn Bank Auditors	102	100,0	105	100,0
Over 20 years	14	13,7	14	13,3
10-19 years	21	20,6	22	20,9
4-9 years	26	25,5	33	31,4
1-3 years	41	40,2	36	34,4
Banking Specialists	230	100,0	252	100,0
Over 20 years	48	20,6	54	21,4
10-19 years	63	26,6	62	24,6
4-9 years	38	18	45	17,8
1-3 years	81	34,8	91	36,2
BRSA Specialists	11	100,0	15	100,0
4-9 years	5	45,5	4	26,6
1-3 years	6	54,5	11	73,4
Total Professionals	348	100,0	372	100,0
Over 20 years	62	17,9	68	18,2
10-19 years	84	24,1	84	22,5
4-9 years	74	21,2	82	22,2
1-3 years	128	36,8	138	37,1

As of the end of 2022, 65.7% of the staff members are 40 years old or younger and the largest age group is under age 30 with 33.5%.

Table 22: Age Distribution of Personnel

Age Group	2021		2022	
	Number	Share (%)	Number	Share (%)
Up to 30 years	177	31,1	199	33,5
31 to 40 years	205	36,0	191	32,2
41 to 50 years	136	23,9	149	25,1
51 and over	52	9,1	54	9,2
Total	570	100,0	593	100,0

As of the end of 2022, 84.8% of 593 Agency staff members have a bachelor's degree or higher and 27.2% have post graduate and PHD degrees.

Table 23: Number of Personnel by Education Level

Group	PhD		Post Graduate		Bachelor		Other	
	2021	2022	2021	2022	2021	2022	2021	2022
Manager	2	3	16	18	7	8	-	-
Advisor	3	3	6	8	5	2	-	-
Professional Personnel	10	11	107	111	231	250	-	-
Administrative Personnel	-	-	8	6	43	46	21	14
Permanent Worker	-	-	1	1	30	35	80	76
Contracted IT Personnel	-	-	-	-	-	1	-	-
Total	15	17	138	144	316	342	101	90
Share (%)	3	2,9	24	24,3	55	57,6	18	15,2

A significant share of the staff members with a bachelor's degree are graduated from departments of economics and business administration.



11.1.2. Improvement of Human Resources

Table 24: Distribution of Personnel by Fields of Degree

Majors	2021	2022
	Number of Personnel	Number of Personnel
Economics and Administrative Sciences	316	330
Law	37	43
Engineering-Architecture	61	61
Mathematics-Statistics	36	28
Other	120	131
Total	570	593

With the goal of improvement of available human resources; participation opportunities are provided for staff members to in-service training, domestic and overseas courses, seminars and similar training activities to help them improve themselves, increase their skills and knowledge in their areas of expertise, monitor their professional development and gain up-to-date knowledge.

In 2022, the number of participants to local and international trainings increased by 102.27% and the number of training days decreased by 32.23% with respect to the previous year.

Table 25: Domestic and Overseas Training Activities

			Change compared to previous year (%)	
	2021	2022	2021	2022
Number of Attendees	1.055	2.134	265,05	102,27
Number of Days	2.271	3.003	-19,09	32,23
Number of Days per Attendee	2,15	1,40	-78,4	-34,88

In this period, 2,134 participants attended a total of 3,003 days of training in Türkiye and abroad, and the number of training days per participant was 1.40 days. When the distribution of training activities by subjects is analyzed, it is seen that the trainings organized in the fields of personal development, banking and finance rank among the top three in terms of the number of training days. In this period, 594 participants received 595 days of training in personal development, 142 participants received 440 days of training in banking and 82 participants received 224 days of training in finance.

Table 26: Domestic and International Training Activities by Subject (*)

Subjects	Number of Attendees		Number of Days	
	2021	2022	2021	2022
Banking	267	142	872	440
Finance	138	82	272	224
Personal Development	113	594	155	595
Basic Training	0	42	0	168
IT	310	22	606	189
Accounting	39	26	54	128
Law	39	20	110	39
Risk	32	3	47	4
Ethics	37	0	37	0
Audit	6	4	21	8
Other	74	1.199	97	1.208
Total	1.055	2.134	2.271	3.003

(*) The reason why the data in the table of training activities according to their subjects in the 2021 annual report differed as of 2022 is that in 2022, the data on overseas training was included in the table.

The Agency personnel also participates in seminars and meetings on general banking, economy, law, accounting, risk management, informatics and similar professional issues organized abroad by international organizations and banking authorities of other countries. In 2022, IMF-JVI trainings ranked first among the overseas trainings attended.

Table 27: Distribution of Overseas Training activities by Organizing Institutions

Organizations	Number of Days		Share %	
	2021	2022	2021	2022
BCBS	0	6	0	6,7
IFSB	4	0	6,9	0
BIS	0	21	0	23,3
IMF-JVI	54	35	93,1	38,9
Other	0	28	0	31,1
Total	58	90	100,0	100,0

Personnel was not sent for overseas post-graduate training in 2022. However, 42 professional employees took language courses in Türkiye to improve the level of foreign language skills.

Table 28: Number of Personnel Members Sent Abroad for Higher Education

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Number of Personnel	14	9	8	1	5	2	0	0	0	0

In 2022, overseas education costs did not change compared to the previous year, and no expenses were made for education abroad expenses. Domestic and international course expenses increased by 201,3% compared to the previous year and reached 654 thousand TL. In 2022, total education expenses increased by 201,3% compared to the previous year and rose to 654 thousand TL, while the share of education expenses in total expenses did not change compared to the previous year and remained constant at the rate of 0.1.

Table 29: Training Costs

(TL Thousand)	2014	2015	2016	2017	2018	2019	2020	2021	2022
Cost of Overseas Education (*)	4.476	4.254	2.137	1.677	1.654	528	0	0	0
Domestic and Overseas Course Costs	303	201	66	216	186	247	158	217	654
Sum of Training Costs	4.779	4.455	2.203	1.893	1.840	775	158	217	654
Share in Total Costs (%)	4,7	4,2	2,0	2,0	1,5	0,7	0,1	0,1	0,1

(*) Monthly payments to personnel members abroad for education are included.



11.2. Information Resources

Electronic Information Sources

The Agency's library is a specialized library established to provide local and foreign information resources in printed and electronic media related to the financial sector, to organize them in accordance with the contemporary librarianship approach and to present them to the users.

Today, in parallel with the development and change of information and communication technologies and the rapid and easy access to current information, the library services of the Agency are provided in digital environment only through electronic information resources as of 2016. In this context; In 2022, 9 local and foreign database subscriptions on economy, banking, law, statistics and news were made. In addition, an online training on digital research resources and literature search was organized and various new databases were made available to the Agency staff for trial use throughout the year.

Journal of BRSA Banking and Financial Markets

The Agency publishes the Journal of BRSA Banking and Financial Markets, a peer-reviewed journal published twice a year, which includes original articles written in Turkish or English about the financial sector to contribute to the literature, and supports and aims to accelerate the scientific studies that will contribute to the development of the Turkish financial sector. With the publication of the journal, it is aimed to contribute to the efficient operation of the financial sector by increasing the communication and information sharing between academics, professionals, researchers and policy makers. 10 original articles were shared with the users through the website as part of the two new issues of the Journal of BRSA Banking and Financial Markets published in 2022.



11.3. Financial Resources

11.3.1. Budget Implementation Results

Article 17 of Public Finance Management and Control Law 5018 stipulates that the regulating and supervision agencies make their budgets with a 3-year budget approach, strategic plans and performance objectives as well as institutional, functional and economic classification system. The Agency's 2022 Budget prepared in line with this Law and confirmed by the Board Decision, numbered 9781, dated 16.09.2021 was confirmed by TGNA and made effective with "2022 Central Management Budget Law" No. 7344 issued in the duplicate Official Gazette No. 31706, dated 31/12/2021.

Within the scope of this budget, total budget revenues were estimated as TL 1 billion 253 million TL and actualized as TL 1 billion 253 million. The revenues are distributed as participation share income collected from banks and other audited institutions with 99%.

Table 30: Income Budget and Realization

(TL Thousand)	Budget		Realizatio		Difference (Actual-Budget)	
	2021	2022	2021	2022	2021	2022
Participation Share Income	923.249	1.251.744	922.150	1.251.735	-1.099	-9
Other Income	751	1.256	837	1.170	86	-86
-Interest Income	111	116	1	3	-110	-113
-Other Various Income	640	1.140	836	1.167	196	27
Total	924.000	1.253.000	922.987	1.252.905	-1.013	-95

On the other hand, out of TL 1 billion 253 million portion of the budget realized revenue, TL 968 million was spent in 2022. The highest expenditure items among the total expenditures have been current transfers totaling to TL 716 million and personnel expenses totaling to TL 171 million. In this sense, among total expenditures;

- 74% current transfers,
- 17% personnel expenses,
- 6% purchase of goods and services,
- 2% premiums paid to Social Security Institutions for the personnel,
- 1% capital expenses are included.

Table 31: Budget and Expenditure Realization

(TL Thousand)	Starting Allowance		Expenditures		Remaining	
	2021	2022	2021	2022	2021	2022
Personnel Costs	301.680	385.650	103.474	171.003	198.206	214.647
SGK Premium Payments	50.350	86.580	9.718	15.861	40.632	70.719
Purchase of Goods and Services	72.080	109.750	41.109	60.670	30.971	49.080
Current Transfers	130.520	227.620	142.723	716.130	-12.203	-488.510
Capital Costs	369.370	443.400	3.122	4.391	366.248	439.009
Total	924.000	1.253.000	300.146	968.055	623.854	284.945



11.3.2. Financial Statements

As of the end of 2022, the balance sheet sum of the Agency grew by approximately 14,8% and reached to TL 2 billion 358 million when compared to the previous year. The largest share among the assets is the Corporate Receivables under the Single Treasury Corporate Account, with TL 2 billion 171 million and the second largest item is fixed assets with TL 176 million. On the liabilities side, long-term liabilities are the biggest item with TL 1 billion 893 million.

Table 32: Summary Balance Sheet

Thousand TL	2021	2022
Assets		
1 Current Assets	1.879.448	2.182.066
10 Liquid Assets	3	2
12 Receivables from Operations	352	351
13 Agency's Receivables	1.874.587	2.171.041
14 Other Receivables	597	3.400
15 Inventories	452	740
16 Prepayments	3.458	6.532
2 Fixed Assets	174.579	176.822
Total Assets	2.054.027	2.358.889
Liabilities		
3 Short term liabilities	1.257.135	9.392
32 Operating liabilities	0	1.704
33 Deposit Foreign Assets	1.277	266
36 Other Liabilities	4.425	7.422
38 Short term prepaid income and accrued expenses	1.251.434	0
4 Long Term Liabilities	3.365	1.892.903
47 Provisions for Debts and Expenses	3.365	4.905
48 Long-term deferred income and accrued expenses	0	1.887.998
5 Equity	793.527	456.594
50 Net Value	171.409	171.409
59 Period Operating Results	622.118	285.185
Total Liabilities	2.054.027	2.358.889

The excess revenues of the Agency are transferred to the general budget as income. The 2022 excess revenues were transferred to the budget as TL 984,8 million.



11.3.3. Financial Audit of the Agency

Law No. 5018 is applicable to the external audit of the Agency as per Article 101 of Banking Law. In this sense, post expenditure external audit of the Agency is performed by the Supreme Court of Public Accounts

ANNEXES

ANNEX 1: INSTITUTIONS SUBJECT TO THE AUTHORITY OF THE AGENCY *

NO	TYPES OF ESTABLISHMENT/ NAMES
BANKS	
1	ADABANK A.Ş.
2	AKBANK T . A.Ş.
3	AKTİF YATIRIM BANKASI A.Ş.
4	ALBARAKA TÜRK KATILIM BANKASI A.Ş.
5	ALTERNATİF BANK A.Ş.
6	ANADOLUBANK A.Ş.
7	ARAP TÜRK BANKASI A.Ş.
8	BANK MELLAT
9	BANK OF AMERICA YATIRIM BANK A.Ş.
10	BANK OF CHINA TURKEY A.Ş.
11	BANKPOZİTİF KREDİ VE KALKINMA BANKASI A.Ş.
12	BİRLEŞİK FON BANKASI A.Ş.
13	BURGAN BANK A.Ş.
14	CITIBANK A.Ş.
15	D YATIRIM BANKASI A.Ş.
16	DENİZBANK A.Ş.
17	DEUTSCHE BANK A.Ş.
18	DESTEK YATIRIM BANKASI A.Ş.
19	DİLER YATIRIM BANKASI A.Ş.
20	FİBABANKA A.Ş.
21	GOLDEN GLOBAL YATIRIM BANKASI A.Ş.
22	GSD YATIRIM BANKASI A.Ş.
23	HABİB BANK LİMİTED
24	HSBC BANK A.Ş.
25	ICBC TURKEY BANK A.Ş.
26	ING BANK A.Ş.
27	INTESA SANPAOLO S.P.A.
28	İLLER BANKASI A.Ş.
29	İSTANBUL TAKAS VE SAKLAMA BANKASI A.Ş.
30	JP MORGAN CHASE BANK NATIONAL ASSOCIATION
31	KUVEYT TÜRK KATILIM BANKASI A.Ş.
32	MUFG BANK TURKEY A.Ş.

33	NUROL YATIRIM BANKASI A.Ş.
34	ODEA BANK A.Ş.
35	PASHA YATIRIM BANKASI A.Ş.
36	QNB FİNANSBANK A.Ş.
37	RABOBANK A.Ş.
38	SOCIETE GENERALE S.A.
39	STANDARD CHARTERED YATIRIM BANKASI TÜRK A.Ş.
40	ŞEKERBANK T. A.Ş.
41	T.C. ZİRAAT BANKASI A.Ş.
42	TURKISH BANK A.Ş.
43	TURKLAND BANK A.Ş.
44	TÜRK EKONOMİ BANKASI A.Ş.
45	TÜRK TİCARET BANKASI A.Ş.
46	TÜRKİYE EMLAK KATILIM BANKASI A.Ş.
47	TÜRKİYE FİNANS KATILIM BANKASI A.Ş.
48	TÜRKİYE GARANTİ BANKASI A.Ş.
49	TÜRKİYE HALK BANKASI A.Ş.
50	TÜRKİYE İHRACAT KREDİ BANKASI A.Ş.
51	TÜRKİYE İŞ BANKASI A.Ş.
52	TÜRKİYE KALKINMA VE YATIRIM BANKASI A.Ş.
53	TÜRKİYE SİNİİ KALKINMA BANKASI A.Ş.
54	TÜRKİYE VAKIFLAR BANKASI T.A.O.
55	VAKIF KATILIM BANKASI A.Ş.
56	YAPI VE KREDİ BANKASI A.Ş.
57	ZİRAAT KATILIM BANKASI A.Ş.
FINANCIAL LEASING COMPANIES	
1	A&T FİNANSAL KİRALAMA A.Ş.
2	AK FİNANSAL KİRALAMA A.Ş.
3	ALTERNATİF FİNANSAL KİRALAMA A.Ş.
4	ANADOLU FİNANSAL KİRALAMA A.Ş.
5	ARI FİNANSAL KİRALAMA A.Ş.
6	BNP PARIBAS FİNANSAL KİRALAMA A.Ş.
7	BURGAN FİNANSAL KİRALAMA A.Ş.

8	DE LAGE LANDEN FİNANSAL KİRALAMA A.Ş.
9	DENİZ FİNANSAL KİRALAMA A.Ş.
10	GARANTİ FİNANSAL KİRALAMA A.Ş.
11	HALK FİNANSAL KİRALAMA A.Ş.
12	ING FİNANSAL KİRALAMA A.Ş.
13	İŞ FİNANSAL KİRALAMA A.Ş.
14	MERCEDES-BENZ FİNANSAL KİRALAMA TÜRK A.Ş.
15	PERVİN FİNANSAL KİRALAMA A.Ş.
16	QNB FİNANS FİNANSAL KİRALAMA A.Ş.
17	SIEMENS FİNANSAL KİRALAMA A.Ş.
18	ŞEKER FİNANSAL KİRALAMA A.Ş.
19	VAKIF FİNANSAL KİRALAMA A.Ş.
20	VFS FİNANSAL KİRALAMA A.Ş.
21	YAPI KREDİ FİNANSAL KİRALAMA A.Ş.

FACTORING COMPANIES

1	ABC FAKTORİNG A.Ş.
2	ACAR FACTORING A.Ş.
3	AK FAKTORİNG A.Ş.
4	AKDENİZ FAKTORİNG A.Ş.
5	AKIN FAKTORİNG A.Ş.
6	ANADOLU FAKTORİNG A.Ş.
7	ARENA FAKTORİNG A.Ş.
8	ATILIM FAKTORİNG A.Ş.
9	BAŞER FAKTORİNG A.Ş.
10	BAYRAMOĞLU FAKTORİNG A.Ş.
11	BIEN FAKTORİNG A.Ş.
12	CREDITWEST FAKTORİNG A.Ş.
13	ÇAĞDAŞ FAKTORİNG A.Ş.
14	ÇÖZÜM FAKTORİNG A.Ş.
15	DENİZ FAKTORİNG A.Ş.
16	DESTEK FİNANS FAKTORİNG A.Ş.
17	DORUK FAKTORİNG A.Ş.
18	EKO FAKTORİNG A.Ş.

19	EKSP0 FAKTORİNG HİZMETLERİ A.Ş.
20	FİBA FAKTORİNG A.Ş.
21	GARANTİ FAKTORİNG A.Ş.
22	GSD FAKTORİNG A.Ş.
23	HALK FAKTORİNG A.Ş.
24	HUZUR FAKTORİNG A.Ş.
25	İSTANBUL FAKTORİNG A.Ş.
26	İŞ FAKTORİNG FİNANSMAN A.Ş.
27	KAPİTAL FAKTORİNG A.Ş.
28	KENT FAKTORİNG A.Ş.
29	LİDER FAKTORİNG A.Ş.
30	MERT FİNANS FAKTORİNG HİZMETLERİ A.Ş.
31	MNG FAKTORİNG A.Ş.
32	OPTİMA FAKTORİNG A.Ş.
33	PARAFİNANS FAKTORİNG A.Ş.
34	QNB FİNANS FAKTORİNG A.Ş.
35	SARDES FAKTORİNG A.Ş.
36	SÜMER FAKTORİNG A.Ş.
37	ŞEKER FAKTORİNG A.Ş.
38	ŞİRİNOĞLU FAKTORİNG A.Ş.
39	TAM FİNANS FAKTORİNG A.Ş.
40	TEB FAKTORİNG A.Ş.
41	TRADEWİND FAKTORİNG A.Ş.
42	TUNA FAKTORİNG A.Ş.
43	ULUSAL FAKTORİNG A.Ş.
44	VAKIF FAKTORİNG A.Ş.
45	VDF FAKTORİNG A.Ş.
46	YAPI KREDİ FAKTORİNG A.Ş.
47	YAŞAR FAKTORİNG A.Ş.
48	YEDİTEPE FAKTORİNG A.Ş.
49	ZORLU FAKTORİNG A.Ş.

FINANCING COMPANIES

1	ALJ FİNANSMAN A.Ş.
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2	EVKUR FİNANSMAN A.Ş.
3	HEPSİ FİNANSMAN A.Ş.
4	KOÇ FİAT KREDİ FİNANSMANI A.Ş.
5	KOÇ FİNANSMAN A.Ş.
6	MERCEDES BENZ FİNANSMAN TÜRK A.Ş.
7	MERCEDES BENZ KAMYON FİNANSMAN TÜRK A.Ş.
8	OFİSFİNANS FİNANSMAN A.Ş.
9	ORFİN FİNANSMAN A.Ş.
10	QUICK FİNANSMAN A.Ş.
11	TEB FİNANSMAN A.Ş.
12	TIRSAN FİNANSMAN A.Ş.
13	TOM FİNANSMAN A.Ş.
14	TT FİNANSMAN A.Ş.
15	TURK FİNANSMAN A.Ş.
16	TURKCELL FİNANSMAN A.Ş.
17	VFS FİNANSMAN A.Ş.
18	VODAFONE FİNANSMAN A.Ş.
19	VOLKSWAGEN DOĞUŞ FİNANSMAN A.Ş.
20	ZİP FİNANSMAN A.Ş.

SAVINGS FINANCE COMPANIES

1	BİREVİM TASARRUF FİNANSMAN A.Ş.
2	EMİN EVİM TASARRUF FİNANSMAN A.Ş.
3	FUZUL TASARRUF FİNANSMAN A.Ş.
4	İMECE TASARRUF FİNANSMAN A.Ş.
5	KATILİMEVİM TASARRUF FİNANSMAN A.Ş.
6	SİNPAŞ TASARRUF FİNANSMAN A.Ş.

INDEPENDENT AUDITING COMPANIES

1	A-1 YEMİNLİ MALİ MÜŞAVİRLİK VE BAĞIMSIZ DENETİM A.Ş.
2	AKSİS BAĞIMSIZ DENETİM A.Ş.
3	ANIL YEMİNLİ MALİ MÜŞAVİRLİK VE BAĞIMSIZ DENETİM A.Ş.
4	ATA ULUSLARARASI BAĞIMSIZ DENETİM VE SMMM A.Ş.
5	AVRASYA BAĞIMSIZ DENETİM VE YMM A.Ş.
6	BDO DENET BAĞIMSIZ DENETİM YEMİNLİ MALİ MÜŞAVİRLİK A.Ş.

7	BİRLEŞİK UZMANLAR YEMİNLİ MALİ MÜŞAVİRLİK VE BAĞIMSIZ DENETİM A.Ş.
8	CONSULTA BAĞIMSIZ DENETİM VE YEMİNLİ MALİ MÜŞAVİRLİK A.Ş.
9	DENGE BAĞIMSIZ DENETİM SERBEST MUHASEBECİ MALİ MÜŞAVİRLİK A.Ş.
10	DRT BAĞIMSIZ DENETİM VE SERBEST MUHASEBECİ MALİ MÜŞAVİRLİK A.Ş.
11	ECOVIS DEĞER BAĞIMSIZ DENETİM VE YEMİNLİ MALİ MÜŞAVİRLİK A.Ş.
12	ELİT BAĞIMSIZ DENETİM VE YEMİNLİ MALİ MÜŞAVİRLİK A.Ş.
13	GÜNEY BAĞIMSIZ DENETİM VE SERBEST MUHASEBECİ MALİ MÜŞAVİRLİK A.Ş.
14	GÜRELİ YEMİNLİ MALİ MÜŞAVİRLİK VE BAĞIMSIZ DENETİM HİZMETLERİ A.Ş.
15	IHY BAĞIMSIZ DENETİM VE YEMİNLİ MALİ MÜŞAVİRLİK A.Ş.
16	İRFAN BAĞIMSIZ DENETİM VE YEMİNLİ MALİ MÜŞAVİRLİK A.Ş.
17	KARDEN PARTNERS BAĞIMSIZ DENETİM VE SMMM A.Ş.
18	KPMG BAĞIMSIZ DENETİM VE SERBEST MUHASEBECİ MALİ MÜŞAVİRLİK A.Ş.
19	MBK BAĞIMSIZ DENETİM VE SMMM A.Ş.
20	MERCEK BAĞIMSIZ DENETİM VE YEMİNLİ MALİ MÜŞAVİRLİK A.Ş.
21	MGI BAĞIMSIZ DENETİM SMMM A.Ş.
22	PWC BAĞIMSIZ DENETİM VE SERBEST MUHASEBECİ MALİ MÜŞAVİRLİK A.Ş.
23	REHBER BAĞIMSIZ DENETİM VE YEMİNLİ MALİ MÜŞAVİRLİK A.Ş.
24	SER&BERKER BAĞIMSIZ DENETİM A.Ş.
25	ULUSAL BAĞIMSIZ DENETİM VE YMM A.Ş.

REPRESENTATIVE OFFICE OF FOREIGN BANKS

1	UBS SWITZERLAND AG TÜRKİYE TEMSİLCİLİĞİ
2	AAREAL BANK
3	ABC INTERNATIONAL BANK PLC
4	ALUBAF ARAB INTERNATIONAL BANK BSC
5	BANCA MONTE DEI PASCHI DI SIENA S.P.A.
6	BANCO SABADELL S.A.
7	BANK AL HABIB LIMITED
8	BANK J. SAFRA SARASIN AG
9	BANK JULIUS BAER&CO
10	BANK OF BAHRAIN AND KUWAIT
11	BANQUE SYZ SA
12	BARCLAYS BANK PLC TÜRKİYE TEMSİLCİLİĞİ
13	CAIXABANK S.A.

14	COMMERZBANK A.G.
15	CREDIT EUROPE BANK NV
16	CREDIT INDUSTRIEL ET COMMERCIAL
17	DEG-DEUTSCHE INVESTITIONS-UND ENTWICKLUNGSGESELLSCHAFT MBH
18	DEMIR-HALK BANK (NEDERLAND) N.V.
19	DOHA BANK
20	DUBAI ISLAMIC BANK
21	DZ BANK A.G.
22	GARANTIBANK INTERNATIONAL
23	HUNGARIAN EXPORT-IMPORT BANK PLC
24	ING BANK N.V.
25	JSC BANK OF GEORGIA
26	KEB HANA BANK
27	KENTBANK D.D.
28	KFW IPEX-BANK GMBH
29	LANDESBANK BADEN-WÜRTTEMBERG
30	MIZUHO CORPORATE BANK LTD
31	NEAR EAST BANK LIMITED
32	NOMURA BANK INTERNATIONAL PLC
33	OJSC ORIENBANK
34	OYAK ANKER BANK GMBH
35	QINVEST LLC
36	RABOBANK INTERNATIONAL
37	SUMITOMO MITSUI BANKING CORPORATION
38	THE BANK OF NEW YORK MELLON
39	THE EXPORT IMPORT BANK OF KOREA
40	UNION BANCAIRE PRIVÉE, UBP SA
41	ZİRAAT BANK INTERNATIONAL AG
ASSET MANAGEMENT COMPANIES	
1	ADILVARLIK YÖNETİM A.Ş.
2	ARMADA VARLIK YÖNETİM A.Ş.
3	ARSAN VARLIK YÖNETİM A.Ş.
4	BİRİKİM VARLIK YÖNETİM A.Ş.

5	BİRLEŞİM VARLIK YÖNETİM A.Ş.
6	BOĞAZIÇI VARLIK YÖNETİM A.Ş.
7	DENGE VARLIK YÖNETİM A.Ş.
8	DOĞRU VARLIK YÖNETİM A.Ş.
9	DÜNYA VARLIK YÖNETİM A.Ş.
10	DİRİKER VARLIK YÖNETİM A.Ş.
11	EFES VARLIK YÖNETİM A.Ş.
12	EMİR VARLIK YÖNETİM A.Ş.
13	GELECEK VARLIK YÖNETİM A.Ş.
14	HEDEF VARLIK YÖNETİM A.Ş.
15	İLKE VARLIK YÖNETİM A.Ş.
16	İSTANBUL VARLIK YÖNETİM A.Ş.
17	MEGA VARLIK YÖNETİM A.Ş.
18	MET-AY VARLIK YÖNETİM A.Ş.
19	ORTAK VARLIK YÖNETİM A.Ş.
20	POZİTİF VARLIK YÖNETİM A.Ş.
21	SÜMER VARLIK YÖNETİM A.Ş.
22	TUNA VARLIK YÖNETİM A.Ş.
23	YUNUS VARLIK YÖNETİM A.Ş.

VALUATION COMPANIES

1	1A GRUP GAYRİMENKUL DEĞERLEME VE DANIŞMANLIK A.Ş.
2	24 TAŞINMAZ DEĞERLEME VE DANIŞMANLIK A.Ş.
3	4A DANIŞMANLIK VE GAYRİMENKUL DEĞERLEME A.Ş.
4	A GAYRİMENKUL DEĞERLEME A.Ş.
5	ABAK GAYRİMENKUL DEĞERLEME VE MÜŞAVİRLİK A.Ş.
6	ACAR TAŞINMAZ DEĞERLEME VE DANIŞMANLIK A.Ş.
7	ACE GAYRİMENKUL DEĞERLEME VE DANIŞMANLIK A.Ş.
8	AÇI KURUMSAL GAYRİMENKUL DEĞERLEME VE DANIŞMANLIK A.Ş.
9	ADA TAŞINMAZ DEĞERLEME DANIŞMANLIK A.Ş.
10	ADEN GAYRİMENKUL DEĞERLEME VE DANIŞMANLIK A.Ş.
11	ADIM GAYRİMENKUL DEĞERLEME A.Ş.
12	ADİL TAŞINMAZ DEĞERLEME VE DANIŞMANLIK A.Ş.
13	ADMER GAYRİMENKUL DEĞERLEME VE DANIŞMANLIK A.Ş.

14	AGD ANADOLU GAYRİMENKUL DEĞERLEME VE DANIŞMANLIK A.Ş.
15	AKADEMİ GAYRİMENKUL DEĞERLEME VE DANIŞMANLIK A.Ş.
16	AKTİF GAYRİMENKUL DEĞERLEME VE DANIŞMANLIK A.Ş.
17	ALAN TAŞINMAZ DEĞERLEME VE DANIŞMANLIK A.Ş.
18	ALESTA KURUMSAL GAYRİMENKUL DEĞERLEME VE DANIŞMANLIK A.Ş.
19	ALFA ANADOLU TAŞINMAZ DEĞERLEME VE DANIŞMANLIK A.Ş.
20	ANALİZ TAŞINMAZ DEĞERLEME VE DANIŞMANLIK A.Ş.
21	ANAYAPI GAYRİMENKUL DEĞERLEME VE DANIŞMANLIK A.Ş.
22	ANKA GAYRİMENKUL DEĞERLEME VE DANIŞMANLIK A.Ş.
23	ANREVA KURUMSAL GAYRİMENKUL DEĞERLEME VE DANIŞMANLIK A.Ş.
24	ARCHİ DANIŞMANLIK VE GAYRİMENKUL DEĞERLEME A.Ş.
25	AREA GAYRİMENKUL DEĞERLEME VE DANIŞMANLIK A.Ş.
26	ARGE GAYRİMENKUL DEĞERLEME VE DANIŞMANLIK A.Ş.
27	ARI GAYRİMENKUL DEĞERLEME VE DANIŞMANLIK A.Ş.
28	ARIKAN TAŞINMAZ DEĞERLEME A.Ş.
29	ARMA TAŞINMAZ DEĞERLEME VE DANIŞMANLIK A.Ş.
30	ARTI GAYRİMENKUL DEĞERLEME VE DANIŞMANLIK A.Ş.
31	ARVES GAYRİMENKUL DEĞERLEME VE DANIŞMANLIK A.Ş.
32	ASAL GAYRİMENKUL DEĞERLEME VE DANIŞMANLIK A.Ş.
33	ATAK GAYRİMENKUL DEĞERLEME A.Ş.
34	ATLANTİS TAŞINMAZ DEĞERLEME VE DANIŞMANLIK A.Ş.
35	ATLAS GAYRİMENKUL DEĞERLEME VE DANIŞMANLIK A.Ş.
36	AVRUPA GAYRİMENKUL DEĞERLEME VE DANIŞMANLIK A.Ş.
37	BAŞKENT TAŞINMAZ DEĞERLEME A.Ş.
38	BİLGE GAYRİMENKUL DEĞERLEME VE DANIŞMANLIK A.Ş.
39	BİLGİ GAYRİMENKUL DEĞERLEME A.Ş.
40	CİTY KURUMSAL GAYRİMENKUL DEĞERLEME VE DANIŞMANLIK A.Ş.
41	CLS KURUMSAL GAYRİMENKUL DEĞERLEME VE DANIŞMANLIK A.Ş.
42	ÇELEN KURUMSAL GAYRİMENKUL DEĞERLEME VE DANIŞMANLIK A.Ş.
43	ÇINAR TAŞINMAZ DEĞERLEME VE MÜŞAVİRLİK A.Ş.
44	ÇİZGİ GAYRİMENKUL DEĞERLEME A.Ş.
45	D TAŞINMAZ DEĞERLEME VE DANIŞMANLIK A.Ş.
46	DEGA GAYRİMENKUL DEĞERLEME VE DANIŞMANLIK A.Ş.

47	DEĞER GAYRİMENKUL DEĞERLEME VE DANIŞMANLIK A.Ş.
48	DEMİR GAYRİMENKUL DEĞERLEME VE DANIŞMANLIK A.Ş.
49	DENGE GAYRİMENKUL DEĞERLEME VE DANIŞMANLIK A.Ş.
50	DETAY TAŞINMAZ DEĞERLEME VE DANIŞMANLIK A.Ş.
51	DİZAYN GAYRİMENKUL DEĞERLEME VE DANIŞMANLIK A.Ş.
52	DONATI GAYRİMENKUL DEĞERLEME A.Ş.
53	DORA GAYRİMENKUL DEĞERLEME A.Ş.
54	DÖNÜŞÜM GAYRİMENKUL DEĞERLEME VE DANIŞMANLIK A.Ş.
55	DÜNYA GRUP GAYRİMENKUL DEĞERLEME DANIŞMANLIK A.Ş.
56	DÜZEY GAYRİMENKUL DEĞERLEME VE DANIŞMANLIK A.Ş.
57	EGE TAŞINMAZ DEĞERLEME VE DANIŞMANLIK A.Ş.
58	EKİP TAŞINMAZ DEĞERLEME A.Ş.
59	EKOL GAYRİMENKUL DEĞERLEME VE DANIŞMANLIK A.Ş.
60	EKSEN GAYRİMENKUL DEĞERLEME VE DANIŞMANLIK A.Ş.
61	EKSPER GAYRİMENKUL DEĞERLEME VE DANIŞMANLIK A.Ş.
62	EKSPERTUR GAYRİMENKUL DEĞERLEME VE DANIŞMANLIK A.Ş.
63	ELİT GAYRİMENKUL DEĞERLEME A.Ş.
64	ELMA GAYRİMENKUL DEĞERLEME VE DANIŞMANLIK A.Ş.
65	EMEK TAŞINMAZ DEĞERLEME VE DANIŞMANLIK A.Ş.
66	EMSAL GAYRİMENKUL DEĞERLEME VE DANIŞMANLIK A.Ş.
67	EPOS GAYRİMENKUL DANIŞMANLIK VE DEĞERLEME A.Ş.
68	ETİK GAYRİMENKUL DEĞERLEME VE DANIŞMANLIK A.Ş.
69	ETKİN GAYRİMENKUL DEĞERLEME VE DANIŞMANLIK A.Ş.
70	EVA GAYRİMENKUL DEĞERLEME DANIŞMANLIK A.Ş.
71	FOCUS GLOBAL GAYRİMENKUL DEĞERLEME VE DANIŞMANLIK A.Ş.
72	FOREKS GAYRİMENKUL DEĞERLEME VE DANIŞMANLIK A.Ş.
73	FORM GAYRİMENKUL DEĞERLEME VE DANIŞMANLIK A.Ş.
74	GALATA TAŞINMAZ DEĞERLEME VE DANIŞMANLIK HİZMETLERİ A.Ş.
75	GEDAŞ GAYRİMENKUL DEĞERLEME A.Ş.
76	GERÇEK GAYRİMENKUL DEĞERLEME A.Ş.
77	GİRİŞİM GAYRİMENKUL DEĞERLEME A.Ş.
78	GOLD GAYRİMENKUL DEĞERLEME EKSPERTİZ VE DANIŞMANLIK A.Ş.
79	GORDİON TAŞINMAZ DEĞERLEME VE DANIŞMANLIK A.Ş.

80	HARMONİ GAYRİMENKUL DEĞERLEME VE DANIŞMANLIK A.Ş.
81	İDEAL GAYRİMENKUL DEĞERLEME VE DANIŞMANLIK A.Ş.
82	İLKE GAYRİMENKUL DEĞERLEME A.Ş.
83	İTERNORM GAYRİMENKUL DEĞERLEME VE DANIŞMANLIK A.Ş.
84	İNVEST GAYRİMENKUL DEĞERLEME VE DANIŞMANLIK A.Ş.
85	İSTANBUL GAYRİMENKUL DEĞERLEME VE DANIŞMANLIK A.Ş.
86	İSTEM GAYRİMENKUL DEĞERLEME VE DANIŞMANLIK A.Ş.
87	KALE TAŞINMAZ DEĞERLEME VE DANIŞMANLIK A.Ş.
88	KALME KURUMSAL GAYRİMENKUL DEĞERLEME VE DANIŞMANLIK A.Ş.
89	KARAT TAŞINMAZ DEĞERLEME A.Ş.
90	KARE GAYRİMENKUL DEĞERLEME A.Ş.
91	KARŞIYAKA GAYRİMENKUL DEĞERLEME VE DANIŞMANLIK A.Ş.
92	KENT KURUMSAL GAYRİMENKUL DEĞERLEME VE DANIŞMANLIK A.Ş.
93	KFB GAYRİMENKUL DEĞERLEME VE DANIŞMANLIK A.Ş.
94	KOZA GAYRİMENKUL DEĞERLEME A.Ş.
95	KUZEY KURUMSAL GAYRİMENKUL DEĞERLEME VE DANIŞMANLIK A.Ş.
96	LAL GAYRİMENKUL DEĞERLEME VE MÜŞAVİRLİK A.Ş.
97	LİDER GAYRİMENKUL DEĞERLEME A.Ş.
98	LİMAN TAŞINMAZ DEĞERLEME VE DANIŞMANLIK A.Ş.
99	LİMİT GAYRİMENKUL DEĞERLEME HİZMETLERİ A.Ş.
100	LODOS GAYRİMENKUL DEĞERLEME VE DANIŞMANLIK A.Ş.
101	LOTUS GAYRİMENKUL DEĞERLEME VE DANIŞMANLIK A.Ş.
102	MAHAL GAYRİMENKUL DEĞERLEME VE DANIŞMANLIK A.Ş.
103	MAKRO GAYRİMENKUL DEĞERLEME A.Ş.
104	MARKA KURUMSAL GAYRİMENKUL DEĞERLEME DANIŞMANLIK A.Ş.
105	MAVİ GAYRİMENKUL DEĞERLEME A.Ş.
106	MAY GAYRİMENKUL DEĞERLEME A.Ş.
107	METAS GAYRİMENKUL DEĞERLEME VE DANIŞMANLIK A.Ş.
108	METRİK GAYRİMENKUL DEĞERLEME DANIŞMANLIK A.Ş.
109	METROPOL GAYRİMENKUL DEĞERLEME VE DANIŞMANLIK A.Ş.
110	MÜLK KURUMSAL GAYRİMENKUL DEĞERLEME VE DANIŞMANLIK A.Ş.
111	NET KURUMSAL GAYRİMENKUL DEĞERLEME VE DANIŞMANLIK A.Ş.
112	NOKTA TAŞINMAZ DEĞERLEME A.Ş.

113	NOVA TAŞINMAZ DEĞERLEME VE DANIŞMANLIK A.Ş.
114	ODE GAYRİMENKUL DEĞERLEME VE DANIŞMANLIK A.Ş.
115	OGA GRUP GAYRİMENKUL DEĞERLEME VE DANIŞMANLIK A.Ş.
116	ÖZEN TAŞINMAZ DEĞERLEME VE DANIŞMANLIK A.Ş.
117	ÖZTÜRK GAYRİMENKUL DEĞERLEME A.Ş.
118	Pİ TAŞINMAZ DEĞERLEME VE DANIŞMANLIK A.Ş.
119	PİRAMİT GAYRİMENKUL DEĞERLEME VE DANIŞMANLIK A.Ş.
120	PLATFORM GAYRİMENKUL DEĞERLEME VE DANIŞMANLIK A.Ş.
121	PRİM E GAYRİMENKUL DEĞERLEME VE DANIŞMANLIK A.Ş.
122	RASYONEL GRUP TAŞINMAZ DEĞERLEME A.Ş.
123	REEL GAYRİMENKUL DEĞERLEME A.Ş.
124	REFERANS GRUP GAYRİMENKUL DEĞERLEME VE DANIŞMANLIK A.Ş.
125	REHBER GAYRİMENKUL DEĞERLEME DANIŞMANLIK A.Ş.
126	RM RİTİM GAYRİMENKUL DEĞERLEME A.Ş.
127	ROTA TAŞINMAZ DEĞERLEME VE DANIŞMANLIK A.Ş.
128	SEAK GAYRİMENKUL DEĞERLEME A.Ş.
129	SENTEZ GAYRİMENKUL DEĞERLEME A.Ş.
130	SMART KURUMSAL GAYRİMENKUL DEĞERLEME VE DANIŞMANLIK HİZMETLERİ A.Ş.
131	SOM KURUMSAL GAYRİMENKUL DEĞERLEME VE DANIŞMANLIK HİZMETLERİ TİCARET A.Ş.
132	SÜMER GAYRİMENKUL DEĞERLEME VE DANIŞMANLIK A.Ş.
133	TADEM TAŞINMAZ DEĞERLEME MÜŞAVİRLİK A.Ş.
134	TAKSİM KURUMSAL GAYRİMENKUL DEĞERLEME VE DANIŞMANLIK A.Ş.
135	TALYA GAYRİMENKUL DEĞERLEME VE DANIŞMANLIK A.Ş.
136	TEKNİK GAYRİMENKUL DEĞERLEME A.Ş.
137	TEPE TAŞINMAZ DEĞERLEME VE DANIŞMANLIK A.Ş.
138	TER RA GAYRİMENKUL DEĞERLEME VE DANIŞMANLIK A.Ş.
139	TOTAL KURUMSAL GAYRİMENKUL DEĞERLEME VE DANIŞMANLIK A.Ş.
140	TSKB GAYRİMENKUL DEĞERLEME A.Ş.
141	TUVEO KURUMSAL GAYRİMENKUL DEĞERLEME VE DANIŞMANLIK A.Ş.
142	ULUSAL GAYRİMENKUL DEĞERLEME A.Ş.
143	UZMAN GAYRİMENKUL DEĞERLEME VE DANIŞMANLIK A.Ş.
144	VAKIF GAYRİMENKUL DEĞERLEME A.Ş.
145	VARLIK TAŞINMAZ DEĞERLEME VE DANIŞMANLIK A.Ş.
146	VERA GAYRİMENKUL DEĞERLEME VE DANIŞMANLIK A.Ş.

147	VİZYON TAŞINMAZ DEĞERLEME VE DANIŞMANLIK A.Ş.
148	YATIRIM GAYRİMENKUL DEĞERLEME A.Ş.
149	YEDİTEPE GRUP GAYRİMENKUL DEĞERLEME VE DANIŞMANLIK A.Ş.
150	YETKİN GAYRİMENKUL DEĞERLEME VE DANIŞMANLIK A.Ş.
151	ZEUGMA GAYRİMENKUL DEĞERLEME VE DANIŞMANLIK A.Ş.
152	ZİRVE GAYRİMENKUL DEĞERLEME A.Ş.

ASSOCIATIONS AND OTHER ORGANIZATIONS

1	FİNANSAL KURUMLAR BİRLİĞİ
2	TÜRKİYE BANKALAR BİRLİĞİ
3	TÜRKİYE KATILIM BANKALARI BİRLİĞİ

ORGANIZATIONS GIVEN PERMIT TO OPERATE WITHIN THE SCOPE OF BANK CARDS AND CREDIT CARDS LAW, NO. 5464

1	BANKALARARASI KART MERKEZİ A.Ş.
2	KKB KREDİ KAYIT BÜROSU A.Ş.
3	OZAN ELEKTRONİK PARA A.Ş.
4	POSTA VE TELGRAF TEŞKİLATI A.Ş.
5	TÜRK ELEKTRONİK PARA A.Ş.

RATING COMPANIES

1	JCR AVRASYA DERECELENDİRME HİZMETLERİ A.Ş.
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** List of organizations is updated and sorted alphabetically on the basis of their fields of operation by 17.03.2023.*

