

CORPORATE GOVERNANCE PRINCIPLES COMPLIANCE REPORT

1. Corporate Governance Principles Compliance Statement

Though its shares are not publicly traded, Odea Bank A.Ş. has chosen to publish the present report as a voluntary compliance with the recommendations of the Capital Markets Board of Turkey (“CMB”), and in line with its commitment to implement sound Corporate Governance practices and to constantly review and improve them. The present report is structured along the “New Corporate Governance Principles Compliance Report Format” published by the CMB.

PART I - SHAREHOLDERS

2. Investor Relations Department

As of December 31, 2022, the shareholding structure of Odea Bank A.Ş. is as follows:

Shareholders	Share Amount	Share Ownership
Bank Audi SAL	2.513.293.000,00	76.42%
European Bank for Reconstruction and Development	263,394,000.00	8.01%
International Finance Corporation	209,251,900.00	6.36%
IFC FIG Investment Company S.a.r.l	112,674,100.00	3.43%
H.H Sheikh Dheyab Binzayed Binsultan Al-Nahyan	131,697,000.00	4.00%
Mohammad Hassan Zeidan	58,532,000.00	1.78%
Total	3,288,842,000	100.00%

At Odeabank, relations with the shareholders are handled by the Corporate Secretariat. The phone number is 0212 304 84 56-66. The following table displays the name/surname and contact information of the authorized employees working as part of the Corporate Secretariat.

Name Surname	Title	Phone Number	E-mail Address
Çağla Kaygısız (*)	Board Support Manager	0212 304 84 56	cagla.kaygisiz@odeabank.com.tr
Ceyda Demircan	Board Support Assistant Manager	0212 304 84 66	ceyda.demircan@odeabank.com.tr

(*) Board Support Manager, Çağla Kaygısız, holds the Corporate Governance Rating Specialist License and the Credit Rating Specialist License from the Capital Markets Board.

The main investor relation activities performed by the Corporate Secretariat in 2022 are as follows:

- Preparing the documents required to be submitted for the information and assessment of the shareholders in relation to Ordinary and Extraordinary General Assembly meetings, and ensuring that the meetings are held in accordance with the related legislation, the articles of association, and other regulations;
- Making sure that the Bank’s corporate website always displays the updated content information on the Corporate Governance page¹,
- Providing support for the preparation of annual reports,
- Responding to the queries that the shareholders deliver in writing,
- Within the scope of the related legislation, responding to the queries concerning the information that are not commercial secrets or customer secrets, which are delivered by credit rating agencies and related parties for international borrowings,
- Coordinating with the Financial and Regulatory Reporting Unit for required notifications and material disclosures.

¹ <https://www.odeabank.com.tr/en-US/about-odeabank/corporate-governance/Sayfalar/corporate-governance.aspx>

All shareholders of the Bank receive equal treatment. Regulating the relations with the shareholders, Corporate Secretariat facilitates the protection and usage of the shareholders rights, primarily the right to demand information and examination right.

During 2022, no application or request for information was delivered by any shareholder to the Corporate Secretariat.

3. Exercise of Shareholders' Right to Obtain Information

All changes that may result in an impact on the Bank's financial or administrative structures are disclosed via the Public Disclosure Platform (KAP) and announced on the Bank's website so as to enable the shareholders to effectively exercise their right to obtain information. Moreover, a process is in place to allow a prompt response by the Corporate Secretariat to queries received via phone, in writing and e-mail.

Provided both in Turkish and English, the Bank's website (www.odeabank.com.tr) is regularly updated. On the website, the documents containing various public information are accessible under the section of "Corporate Governance".

As the shares of the Bank are not publicly traded, its Articles of Association do not encompass the provisions imposed by the CMB on publicly traded companies². However, as per Article 438 of the Turkish Commercial Code, each shareholder is entitled to request, from the General Assembly, to submit certain matters to clarification through a special audit, regardless of whether or not the matter of the request is included on the meeting agenda, provided that it is necessary for the exercise of the shareholding rights and that the right to obtain or review information has already been exercised. No such requests from the shareholders were received during 2022.

Within the framework of the Banking Law, Odeabank is subject to the audit and supervision of the Banking Regulation and Supervision Agency (BRSA), as well as the regulations of the Capital Markets Board of Turkey (CMB), and its operations are periodically audited by the Independent Auditor elected by the General Assembly. Bank provides all necessary means and support to the Independent Auditors for conducting their regular and special audits.

4. General Assembly Meetings

The Bank's General Assembly convenes for ordinary or extraordinary meetings. The required quorums of such meetings are as per the provisions of the Turkish Commercial Law. Calls for ordinary or extraordinary meetings of the General Assembly of Shareholders are made by means of a resolution taken by the Board of Directors. Calls for the General Assembly meetings are published and announced on the website of the Bank and on the Turkish Trade Registry Gazette at least twenty-one days prior to the date of meeting (excluding the announcement and meeting days). In accordance with the Bank's Articles of Association, the place, date, time and agenda of the General Assembly meetings, the gazette in which the notices are published (or is to be published) are also notified to the shareholders by certified mail at least twenty-one days prior to the date of meeting.

During the General Assembly Meetings, agenda items are discussed and submitted for the approval of the shareholders, who may raise questions related to the agenda items, and provide relevant opinions or recommendations. The raised questions are assessed and answered within the framework of the procedures and principles determined by the Capital Markets Board regulations and the Turkish

² CMB legislation requires publicly traded companies to include, in their Articles of Association, a provision to the effect granting "the right to demand individually the assignment of special auditor from the general assembly for the examination of certain incidents, provided that the right to demand information and examination have previously been used".

Commercial Law. Proposed resolutions are submitted for the approval of the General Assembly and adopted when a sufficient quorum is present.

During the year 2022, one (1) Ordinary General Assembly Meeting was held, and the quorum of the Ordinary General Assembly Meeting dated March 29, 2022 was 100%:

- **Ordinary General Assembly Meeting on 29 March 2022:** The Bank's Annual Report and the informative documents were submitted for the information and examination of the shareholders prior to the Ordinary General Assembly meeting. As part of the inalienable right to attend the General Assembly meeting, the right to question is allocated to the shareholders; however, they did not use this right in the Ordinary General Assembly meeting held in 2022.

Since the Bank's shareholding structure is limited in size, and allows the organization of General Assembly meetings by means of "Call", the shareholders were called to the meeting through a Board of Director's resolution, which included information about the meeting, such as the venue, the date, and the agenda.

General Assembly meeting minutes and attendance lists are published in the Trade Registry Gazette and announced to public via the Public Disclosure Platform (KAP). General Assembly meeting minutes and attendance lists are also published on the website of Odea Bank A.Ş., enabling the shareholders to examine them.

5. Voting Rights and Minority Rights

Precautions are taken in the Bank to facilitate the use of voting rights and minority rights. Article 14 of the Odea Bank A.Ş.'s Articles of Association sets forth the provisions concerning the shareholders' voting rights and their exercise. Shareholders or their proxies present in the General Assembly meetings will have one vote for each share they hold or represent. The Articles of Association does not stipulate certain share groups to be represented in the BoD.

6. Dividend Rights

There are no privileged rights on the distribution of company dividends. The Bank's net profit allocation and distribution, as well as the profit's distribution date and procedure, are carried out pursuant to Article 31 and 32 of the Bank's Articles of Association. During Annual Ordinary General Assembly meetings, decisions on the profit distribution are made and the processes arising therefrom are fulfilled within the framework of the related legal regulations.

In the Ordinary General Assembly Meeting dated March 29, 2022, it was unanimously resolved to allocate TL 10.284.366,40 (corresponding to 5% of the 2021 financial year distributable net profit, that amounts to TL 205.687.328,00) as Primary Legal Reserve as per Article 519 of the Turkish Commercial Code numbered 6102 and the remaining amount of the TL 195.402.961,60 shall be allocated as Additional Reserve.

7. Transfer of Shares

There are no provisions in the Articles of Association of Odea Bank A.Ş. that restrict the transfer of shares. Shares are transferred in compliance with the legislation, and in particular, with the provisions of the Turkish Commercial Code, the Banking Law and other related laws and regulations.

PART II – PUBLIC DISCLOSURE AND TRANSPARENCY

8. Disclosure Policy

The disclosure policy of Odea Bank A.Ş. is not spelled out in a specific formal policy document. The Bank, however, makes all necessary disclosures to ensure that stakeholders can easily and accurately access relevant information as soon as possible. Odeabank is abiding by the provisions of the “Communique on the Financial Statements to be Disclosed by the Banks and Related Disclosures and Footnotes” applicable to Banks operating in Turkey and by the provisions of the legislation applicable to issuers of securities listed on the Dublin Stock Exchange where the sub-ordinated notes issued by Odeabank are listed. A formal disclosure policy may be adopted to the extent needed and as more securities of the bank become listed.

As for providing information, annual financial reports and interim financial reports, which are independently audited, are transparently disclosed on the Bank’s website. Apart from financial reports, the following information is also available on the website: the corporate information stating the Bank’s company profile and the shareholders’ status, the shareholding structure, information on the Board of Directors and the senior management, the General Assembly meeting minutes, the adopted and applied policies, the composition of the Board committees, and all other related information, as well as annual and periodical reports. Significant developments regarding the Bank are made accessible through media, if deemed necessary. The General Manager of the Bank or the person authorized by the General Manager makes the public statements. In addition, in accordance with the related laws and regulations, information on all financial reports, responsibility declarations, material disclosures are announced to the public via the Public Disclosure Platform (KAP).

9. Corporate Website and Contents

The Bank’s website is www.odeabank.com.tr. The Bank’s website is used efficiently in order to ensure transparent and fast information sharing. The website is prepared in compliance with the provision “2.1. Corporate Website” in the Public Disclosure and Transparency section of CMB Corporate Governance Principles. The website encompasses the information on the Bank’s trade registry information, shareholding and management structures, Articles of Association, material disclosures, annual and interim reports, financial reports, General Assembly meeting agendas, attendance lists, as well as meeting minutes and Vision& Mission etc. Furthermore, an English version of the website is available and accessible at the following address <https://www.odeabank.com.tr/en-us/sayfalar/default.aspx>.

10. Annual Reports

The Bank’s annual reports are prepared to include the information regulated under the “Regulation on the Principles and Procedures Concerning the Preparation of and Publishing Annual Reports by Banks” published by BRSA and the Corporate Governance Principles stated in the CMB legislation and in a way to enable the public to access complete and accurate information. Annual reports are prepared and published on the Bank’s website and announced via the KAP.

PART III – STAKEHOLDERS

11. Informing Stakeholders

The Bank’s stakeholders are regularly informed by means of material disclosures sent to the Public Disclosure Platform, the newspaper announcements, advertisements, annual reports, social media, news on the website, and internal announcements.

In order to raise potential concern in connection with misconducts or policy violations that have potential to cause damage to the Bank, and to ensure that the necessary precautions are taken to protect the identity of the concern raiser, the Internal Audit Department has established an “Internal

Notification Line”, accessible through e-mail and phone. This notification line is aimed to serve as an objective point of contact available to all employees.

Based on the notifications it receives, the Internal Audit Department acts in accordance with corporate business principles, moral values, ethical rules, reliance and professionalism. Subject matter notifications are evaluated only by the Head of Internal Audit Department with an independent perspective and utmost prudence and sensitivity are shown in all matters related to confidentiality of information.

12. Stakeholder Participation in Management

Odeabank’s Board of Directors is appointed by the Shareholders. In turn, the Board appoints the General Manager, the head of Internal Systems, and their direct reports. There are mechanisms specifically established for the stakeholders to share their complaints and recommendations concerning Bank’s activities and their transactions with Management.

Customers and non-customers have the facility to convey their Suggestion/ Satisfaction/ Request/ Complaint and Objections to our Bank via the official website, branches, Direct Banking channels, Bank’s official social media accounts, e-mail, mail, fax, Head Office telephone numbers, governmental institutions and agencies, website and other social media tools. The notifications submitted to our Bank are handled, analyzed, finalized by Customer Inquiry Management, and customers and non-customers are responded through any of the channels (telephone, e-mail, mail, SMS, social media, face to face) which they prefer.

On the other hand, Customer Inquiry Management is responsible for taking permanent actions for decreasing complaint and objection notifications; making optimization studies for a faster and more appropriate solution of request notifications; increasing the number of staff appreciated in satisfaction notifications. Detailed reports are submitted to the Senior Management and the Board of Directors regularly for raising awareness.

Additionally, within the scope of Article 93 of Banking Law No. 5411, a “Consumer Relations Coordination Officer” has been assigned in the Bank’s organization chart in order to manage the complaints and requests regarding retail products and services. It is aimed to solve any disputes concerning retail customers in a timely, effective and efficient manner, to avoid any unfair treatment for customers, and to comply with the legal regulations. In line with these purposes, “Consumer Relations Coordination Officer” prepares, at the end of each quarter, a report covering the 12-month period then ending, and submits it to the Bank’s Audit Committee and to the BRSA.

The “Customer First Team” has been established by putting the “customer” in the center, aiming to make this approach a part of the culture, enabling cooperation between units by identifying the points where the customer experiences problem and improving the customer experience. The purpose is to bring customer experience studies under a single roof and to provide customer experience management as a whole. In this context, efforts are exerted to increase customer experience awareness throughout the bank, to receive feedback from customers and make measurements regularly, to take action with these outputs by analyzing them, to provide an ideal experience for customers by determining priority customer journeys. The engagements are regularly shared with the senior management in the Customer Experience Committee meetings.

FIDE (your opinion is valued) application and the “Customer is You” engagement within the scope of “Experience Orientation” principle enable employees working at the Head Office, as well as Branch staff, to have a portal where they can convey their recommendations related with products, services and processes in the Bank. The recommendations shared in both categories are submitted to the Assessment Committee after pre-assessment, the recommendations approved by the Committee are followed to be realized, and a sustainable improvement and development environment is created, whereby the owners of the recommendations are rewarded. Moreover, the Head Office employees

get together with ExCo Members in certain environments and communicate on a platform where open communication is supported and they can freely express their opinions.

13. Human Resources Policy

Odeabank Human Resources, while managing its most valuable capital which is human resource, regards fair assessment, providing equal opportunities and transparency as its fundamental principles. The Bank aims at establishing a sustainable structure by ensuring establishment of a high performance institution, bringing and retaining new talents in the company.

The Human Resources Department acts as a strategic business partner in order to create the appropriate teams to achieve the strategic objectives of the Bank. This commitment also shows itself in the role that Human Resources play in the selection, recruitment, motivation, retention, promotion by open communication and improvement of all employees. The Department aims to recruit and retain the most qualified employees in all areas of the Bank.

It develops human resources practices in line with the Bank's strategies, performs studies to increase the motivation of employees, acts as a career counsellor of the staff in line with their competences, skills, needs and expectations, ensures that they receive the trainings which are necessary for their personal development. Human Resources aims at having a sustainable human resource structure for the Bank, and an efficient talent and career management process. It makes studies such as assessment of the staff on title group basis for talent management, and it also makes studies like talent management through HR methods and succession plan. The Human Resources Department aims at ensuring a high level of employee performance and support the same in order to obtain a high corporate performance, develops an open and bilateral communication culture to support employees, and recognizes and rewards successful performance. The Bank exerts every effort to prevent discrimination among bank employees in terms of race, religion, language and gender; and to prevent employees' exposure to physical, mental and emotional maltreatments within the Bank. The Department makes annual researches about employee satisfaction and loyalty, and also makes "root cause" analyses within the scope of the feedback received from the employees and takes necessary action.

These approaches have been announced to all employees at Odeaport, which is an intranet environment where policies and procedures are accessible to employees and related matters are summarized on the Bank's website.

There have been no complaints received from employees about discrimination to date. The job descriptions of the positions available at the Bank are accessible to all the employees on the intranet and are regularly monitored.

Human Resources applications such as Employee Personal Data, Leave Request (i.e. annual leave, maternity leave, sickness and casual leave etc.) and Approval System, E-Payroll Imaging Module, My HR Module, Performance Management System, "e-Odea" Human Resources Training Platform, Vide'O, Temporary Assignment can be used online, which provides fast and quality service for all employees. With the awareness that there is human resource behind the progress, it aims at providing continuous training and development for young creative minds while providing opportunities to them by recognizing and awarding their success. Evaluating the current economic conditions, necessary actions were taken, an interim wage increase was designed to adapt to the inflationary environment, and employees were supported with practices such as meal allowance, transportation allowance, and heating allowance.

Wishing to provide all candidates with an end-to-end recruitment and job adaptation process, the Bank has improved the employment experience by commissioning a digital onboarding practice to adapt the employee to the institution faster, starting from the candidate recruitment processes and throughout the orientation process. Within this scope, an onboarding experience was designed in a way to reflect

the Odeabank employee brand best by evaluating the results of the surveys made and the feedback of managers and the process was initiated to be carried out through a digital platform. By this way, the experience offered has been structured by daily assignments involving the first manager and the teammate in charge of the adaptation process (buddy) and the experience surveys made in certain stages.

In order to help new employees to adapt to the culture by internalizing Bank's vision, mission and values, a special page has been prepared titled "İşte O Gün" (the very day at work) on the intranet for enabling them to find the information which they may need about "e-orientation" and Bank practices easily through a single source from the first day.

Branch visits have been planned to strengthen communication with employees. In these one-to-one meetings, an appropriate environment has been created to come together with the employees and listen to both their feedbacks and the ideas/ suggestions they want to convey.

With the "Employee Support Line" which employees can benefit from 7/24, it is aimed that employees get accurate information about all matters which they need, from the people who are experts in their field ranging from psychological consultancy to health, from financial consultancy to technical support.

In addition to these activities, the Employer Brand was launched in 2022. The vision, mission and values of Odeabank, in other words, the cultural codes, have been re-determined based on the research outputs of the project carried out with an independent research company. In parallel with the results of this study and research, the "employee value proposition" was determined and employer brand strategies and action plans were created. Various activities have been planned and put into practice in order for the values launched in 2022 to become a part of Odeabank culture and for the defined concept of "Odealist" to be accepted by the employees.

The performance management process at the Bank has been designed to support and guide employees to achieve better. In this context, performance evaluation is carried out under two main headings, based on business goals and behaviors, thus clarifying what and how employees will do throughout the year and showing them direction. Business goals are created on an annual basis through target cards, revised if necessary during the year and evaluated according to the extent to which each employee has achieved these goals at the end of the year. Target cards have been created for all employees, including the branch network, and the numerical results are mainly calculated by the Bank's Finance and Strategic Planning department.

In addition to the target cards, behavioral indicators related to values are integrated into the performance system. In this way, it can be measured how much values are kept alive within the Bank's culture and to what extent employees adopt these behaviors. Performance measurements for departments that adopt agile working methodology consist of three breakdowns. The first of these is the OKR and the performances of the employees in the teams are evaluated in accordance with the team's OKRs determined in quarterly periods. Secondly, role-based agile competence for agile roles and finally behavior assessment related to values constitute performance measurements.

Agile Organization Transformation engagement was initiated in order for the Bank to quickly adapt to changing market conditions. Project design and implementation activities are continuing in order to expand agile working to other units of the Bank. The "Agile Transformation Team", which takes responsibility for the cultural transformation within the Bank, continues its activities in order to internalize the agile working perspective throughout the Bank.

Within the scope of Odeabank Human Resources practices, Odeabank employees have the opportunity to progress vertically and horizontally with the powers and responsibilities they can take in parallel with their competence development. Employees are offered consulting services and personal development opportunities in line with their competencies and areas of expertise. In order for filling vacant or new positions in the Bank primarily from the available Bank employees internally and to

provide different career opportunities to the staff, internal vacancy announcement practice was initiated, position announcements are published in a way whereby all Bank employees apply to, and the applications made have been evaluated. In this respect, 32 internal announcements were published during the year, and different career paths were opened for a total of 24 employees with the applications made.

Regarding the training and development of the staff as one of the important indicators of success, Odeabank has been continuing its training activities for the purpose of establishing an environment suitable for continuous learning and ensuring a motivated, high performance, efficient staff structure and professional workforce in line with the long-term strategic needs and targets.

In 2022, as part of Odeabank agile learning strategy, Human Resources department has performed assessment and evaluation activities towards the development of both technical and nontechnical competencies and skills of employees, and in line with the results obtained, trainings and development solutions were customized for the Bank and for person.

Training and webinar series on topics such as data analytics, agility and digital transformation have been organized in order to provide the human resource employed at Odeabank with the knowledge, skills and competencies they will need to prepare themselves for the future today. Being aware of the impact and importance of leaders in the transformation process on the way to the vision of Odeabank, Human Resources department has designed special leadership programs aimed at providing management skills, strategic perspective and leadership competencies necessary for the future of managers working in the branch and at the head office.

In 2022, in order to increase the technical knowledge level of the branch network, special technical training programs were designed for Retail& Private Banking and Commercial Banking RMs, and training supports continued in order to increase the number of SPL licensed personnel.

Within the scope of the new graduate recruitment projects initiated with the aim of bringing young talents to the institution, a training program lasting a total of 15 days has been implemented specifically for young talents who have started working at the bank on different topics such as banking, digitalization, strategic perspective and adaptation to corporate life. Within the scope of the intern program, which was implemented for a similar purpose, a digital development program was created to bring together the needs of corporate working life with the interests and expectations of the young generation.

The webinar series which were initiated in 2021 to encourage all employees to have a continuous learning and multi-disciplinary perspective and organized in various areas of expertise such as economy, psychology and culture-art, were also continued in 2022. In order to keep abreast of world literature and global developments, HBR (Harvard Business Review) Magazine subscription has been specifically provided to employees who request the support, and in addition, English language training support continues with contracted institutions.

In addition to formal education solutions, Odeabank continues to contribute to the informal learning process by adopting the “peer learning” methodology in order to develop a continuous learning culture.

Pursuant to the Law on Occupational Health and Safety numbered 6331 and relevant legislation, required number of employee representatives are assigned in the Bank as stipulated legally and they fulfill their duties de facto. Duties and Authorities of employee representatives are as shown on the table below:

Duties	Authorities
<ul style="list-style-type: none"> • Participate in the engagements related to occupational health and safety matters, • Observe such engagements and request that necessary precautions are taken, • Make recommendations when necessary, and • Represent the employees in such cases. 	<p>Employee representatives are entitled to make recommendations to the employer and request that necessary precautions are taken in order to eliminate the source of danger or to minimize the risk arising from the danger.</p>

Personnel turnover rate within the Bank is monitored on a quarterly basis and action plans are prepared in the event that the related rate exceeds the determined threshold values.

In 2021, the staff turnover rate, excluding Call Center Unit, was 16.18%.

14. Code of Ethics and Social Responsibility

Ethical Rules

Odeabank's core values, along with the highest professional standards of banking, aim to ensure the compliance of employees with all ethical and business rules as parts of the banking sector, in addition to laws, rules and regulations. Odeabank employees have the following responsibilities:

- To act in accordance with the principle of confidentiality of customer and Bank information,
- To keep fair and accurate records,
- To perform transactions honestly,
- To be consistent in their relationships with others,
- To provide complete, accurate and full information,
- To not discriminate on religion, language, race, gender, age, marital status and physical appearance,
- To provide a working environment free of violence, physical and psychological abuse, alcohol and drugs,
- To not obtain personal benefits through their titles or authority.

Odeabank employees are expected to fully comply with all of these ethical principles. The Whistleblowing Reporting Line, accessible to all employees, and the relevant procedure specify and announce the actions our employees should take in case of an irregularity or violation and the channels, authorized units and/ or persons they can directly communicate with and describe in detail the process for making internal notifications in cases of fraud, corruption, forgery, unethical behavior and non-compliance with legal regulations. In the process carried out by the Internal Audit Department, information pertaining to the employee who has made the notification remains completely anonymous. This practice aims to prevent any negative situation that the employee may encounter due to the notification.

Social Responsibility

In addition to its responsibility for sustainable development, Odeabank attaches importance to social responsibility and actively works for the society in which it operates. It undertakes a proactive and collaborative role within the community with the aim of raising the quality of life, public welfare, cultural development, better living, and working society. Odeabank primarily focuses on issues such as

organizational management, human rights, business practices, environment, fair business practices, consumer issues, and social participation and development at international level. Odeabank encourages all managers and employees to act with the awareness of social responsibility while performing their professional duties either on behalf of the Bank, or as an individual. The Bank performs special activities in line with this objective by organizing training activities based on environmental and social issues to improve the sensitivity of all its employees. Within this scope, Odeabank is committed to:

- establishing an open communication with all internal and external stakeholders with the principle of honesty and open communication;
- valuing human resources by promoting versatility, diversity and equal opportunity;
- rewarding talent, support teamwork and the development of employees;
- applying the highest business standards;
- promoting healthy ecosystems, social equity and good organizational governance under the domain and supply chain;
- taking responsibility for its decisions and activities and to be trustworthy.

Odeabank aims to promote a sustainable development environmentally and socially in all banking operations. From this point of view, modelling on the best practices of international finance institutions, Odeabank developed and put into practice the “Environmental and Social Management System” on the purpose of removing the negative environmental and social effects that may arise out of all its activities. “Environmental and Social Risk Team” established within the Bank analyzes environmental and social risk assessments of customers within the framework of the Environmental and Social Management System.

Odeabank specifically focuses on matters such as gender equality, organizational management, human rights, business practices, environment, fair business management practices, consumer problems and social participation at an international level.

In 2021, Odeabank published new tale books within the scope of “Fair Tales” Project whereby world classic tales were reinterpreted from an equitable perspective to provide a fair future to children by taking the social gender equality concept as their focus point, and brought the project to theatre stages in order to extend the sense of equality.

In 2022, “Fair Tales” theatre game went on tour throughout Turkey and “Fair Tales” theatre displayed performance in Konya, Gaziantep, Hatay, Adana, Mersin, İzmir and Muğla provinces which are among the provinces with Odeabank branches, in May and June within the scope of the first part of Türkiye tour. As a result of the great interest received from the children and parents, Fair Tales theatre play performed the second stage of the tour in Samsun, Bursa, İzmit, Eskişehir, Ankara, Denizli and Antalya in November and December. Within this scope, a total of 20.000 children watched the 24 theatre games performed in 16 provinces. Prioritizing the disadvantaged children in “Fair Tales” project that drew great interest, a total of 1 million 22 thousand books were shared with readers and books were sent to more than 1,200 schools.

Odeabank supported “Light the Dark” project initiated by United Nations UN Women in an effort to raise awareness in regard to the International Day for the Elimination of Violence against Women, and turned Etiler Branch lightning into green for raising awareness on the World Autism Awareness Day.

English versions of Fair Tales series have also been prepared in an effort to support foreign language learning of children while learning social gender equality, and they have been made available for access on Odeabank website. Moreover, audio description and sign language facilities were included in storytelling videos of the books available in the Fair Tales project. Odeabank Fair Tales Project has received 21 awards in total.

Odeabank pursuing the cooperation with TEMA Foundation under the motto that “Oxygen of the future is secured with Odeabank Oxygen Account” since 2017 provides active Oxygen Account owners with the right to contribute to nature education of children within the scope of TEMA Foundation Nature Education Projects or to donate seedlings, on condition that they meet the necessary criteria. Within the scope of this cooperation, Odeabank donated 38,719 seedlings on behalf of Oxygen Account clients and supported nature education of 14,238 children. In 2022, to honor 8th anniversary of Oxygen Account, Odeabank contributed to Deniz Temiz Foundation/ TURMEPA that is the leading marine specific civil society organization of Türkiye and contributed to prevent pollution in our coasts and seas in an effort to invest in the future of the world.

Odeabank donated 5.000 seedlings in order to support life and regreen the nature after the forest fires witnessed around the country in 2021 and also supported “1 Million Seedlings” campaign initiated by the Banks Association of Turkey by donating seedlings.

In addition, scholarships are given to Koç University students whose financial situation is not favorable.

Environmental, Social, Administrative Sustainability Engagements and Sustainability Report

In line with the Company's vision and mission, the Sustainability Working Group, consisting of representatives of the relevant business units, has determined sustainability priorities together with focus groups consisting of Odeabank's internal and external stakeholders. The necessary roadmap has been created and the Sustainability Unit has been established within the Bank in 2022. With its Sustainability Unit, Odeabank continues to create its sustainability strategy in accordance with the priorities that are meaningful to the Bank in line with the company's strategies, activities and targets for the next period.

Odeabank published its first Sustainability Report titled “There’s a World, there’s nothing like a better future” covering the sustainability target and performance, environmental and social indicators for the January-December 2021 period, in accordance with the Global Reporting Initiative (GRI) Standards with the financial support by Green for Growth Fund (GGF), to be presented to all stakeholders as of October 2022. As a continuation of the process, Sustainability Policy and Corporate Social Responsibility Policy were published in 2022. The Human Rights Policy was included within the updated Human Resources Policy. The Sustainability Report covering the January-December 2022 period is aimed to be completed and shared with the public opinion within the third quarter of the year 2023.

For the purpose of discussing the development, efficiency, and the strategic decisions to be taken in environmental, social and governance matters, the Sustainability Committee was established under the chair of the General Manager and the vice-chair and secretariat of the Sustainability Unit Director – Head of Legal in August 2022. Establishing the sustainability strategy by determining the road map in line with the vision and mission of the Bank, following-up a sustainable business model, accomplishing the commitments related with sustainability sharing the foregoing transparently are among the authority and responsibilities of the committee.

Odeabank, aiming at integrating the Sustainability principles to all areas of activity directly and indirectly, has been continuing its Sustainability Strategy Development Project, Carbon Emissions Measurement/ Calculation and Sustainability Management System Documentation engagements actively.

Banking for Disabled Customers

Odeabank made “Fair Tales” accessible to all visually disabled and hearing impaired children by adding audio description, sign language translation and subtitle features in story telling videos of within the scope of the project in line with their collaboration with “Accessible Everything” (Erişilebilir Her Şey) platform. Odeabank has been carrying out actions for making the services provided via all branches

and ATMs accessible to everyone in an aim to enable easier access of disabled customers to banking services by pursuing their cooperation with Accessible Everything platform.

Having developed “Environmental and Social Management System” by taking after the best practices of international finance institutions, Odeabank aims at eliminating or minimizing all environmental and social impacts that may arise in all its activities.

SECTION IV – BOARD OF DIRECTORS

15. Structure and Formation of the Board of Directors

Odea Bank A.Ş. Board of Directors consists of 12 members. Members of the Board of Directors are elected to serve for a maximum of three years, as set out in Article 20 of the Bank's Articles of Association. Members can be reelected. The Chair of the Board is Dr. Imad Itani, and Mr. Tamer Ghazaleh is the Vice Chair of the Board of Directors. The Chair of the Board of Directors does not have any executive duties within the regulations of the BRSA, and Dr. Mert Öncü, the General Manager, is the executive member in the Board of Directors.

As of December 31, 2022, the information about the members of the Board of Directors is provided below:

Name	Duty	Assignment Date*	Other Responsibilities
Dr. Imad Itani	Chair of the Board of Directors	24.05.2012	Chair of the Remuneration Committee
Tamer Ghazaleh	Vice Chair of the Board of Directors	24.05.2019	Member of the Risk Committee and Remuneration Committee, and Associate Member of the Credit Committee
Khalil El-Debs	Board Member	14.04.2014	Member of the Credit Committee
Mouayed Makhoulf	Board Member	30.10.2019	Member of the Audit Committee, Risk Committee and Corporate Governance Committee
Antoine Najm	Board Member	09.01.2020	Member of the Credit Committee
Dr. Ayşe Botan Berker	Independent Board Member	12.10.2020	Chair of the Risk Committee
Farid Lahoud	Board Member	14.12.2020	Member of the Audit Committee
Me. Chahdan Jebeyli	Board Member	03.06.2021	Chair of the Corporate Governance Committee
Oya Aydınlik	Independent Board Member	17.06.2021	Chair of the Audit Committee
Ebru Oğan Knottnerus	Independent Board Member	01.07.2021	Member of the Risk Committee, Remuneration Committee and Associate Member of the Credit Committee
Hilmi Güvenal (**)	Independent Board Member	07.04.2022	-
Dr. Mert Öncü	Board Member, General Manager	02.04.2018	Chair of the Credit Committee

(*) The date when the Members of the Board of Directors took an oath in the Commercial Courts has been taken into consideration.

(**) Mr. Hilmi Güvenal, who was appointed as a Board Member as per the General Assembly Resolution dated March 29, 2022, took an oath on April 7, 2022 and took office as a Board Member since then.

(***)

Members of the Board of Directors have been elected for a term of three years and their term of office is still ongoing. CVs, duties in-group and outside the Group of the Bank's Board members are disclosed to the public in the Bank's annual report and on the website. The election of Odeabank Board Members is carried out in accordance with Article 16 of the Articles of Association and in compliance with the provisions of the Banking Law. As per the Banking Law, in the event that the General Manager of the Bank is not present, Deputy General Manager is the natural member of the Board of Directors.

Actions are taken in accordance with Banking Law and the BRSA regulations regarding non-bank duties of Board members. During the period, there were no circumstances that impeded the independency of the independent Board members.

16. Operating Principles of the Board of Directors

The Board of Directors' structure, duties, rights and qualifications, and engagements are described in the Corporate Governance Policy and announced to employees via intranet.

The Board of Directors shall convene at times as necessitated by the Bank's businesses and transactions, upon invitation of the Chair or Vice Chair and at the head office of the Bank or at a convenient place in the city, where the Bank's head office is located, at another city or in a country other than Turkey, provided that a written notification is sent to the Members of the Board of Directors. The invitations to Board of Directors meetings may also be sent via electronic mail. The Board of Directors convenes with the quorums and procedures stipulated in the Turkish Commercial Code and takes decisions with the quorums and procedures stipulated in the Turkish Commercial Code.

The meeting agenda is determined 3 weeks prior to the BoD meeting date and shared with the Board members to request their opinions. The supporting documents are received from the related departments 1 week prior to BoD meetings and shared with the Board members by the Corporate Secretariat.

Resolutions of the Board of Directors are taken by unanimous vote of the attendees or majority vote if a consensus is not reached. All questions, recommendations and opposing views, if any, are written in the meeting minutes. Board of Directors resolutions are written and signed on the official resolution book.

17. Number, Structures and Independence of the Board Committees

In carrying out its duties, the Board of Directors benefits from the support provided by the Audit Committee, the Corporate Governance Committee, the Remuneration Committee, the Risk Committee and the Credit Committee. The Corporate Governance Policy describes the procedure to constitute a guideline for activities of the Board Committees.

Audit Committee:

Serving on behalf of the Board of Directors, the Audit Committee has the following duties and responsibilities: to supervise the efficiency and adequacy of the Bank's internal systems; to supervise the functioning of the said systems and of the accounting and reporting systems, as well as the Integrity of the information that is generated, in accordance with the Law and related Regulations; to carry out the necessary preliminary assessment for the election of Independent Auditing Firms and rating, valuation and support service agencies by the Board of Directors; to regularly monitor and coordinate with the activities of such agencies, which are elected by the Board of Directors and have signed

agreements with the Bank. The Committee convenes minimum 4 (four) times on yearly basis; however, the Committee may convene more frequently when needed or upon the request of Board of Directors.

Audit Committee Members	
Oya Aydınlik	Chair of the Committee
Dr. Farid Lahoud	Committee Member
Mouayed Makhoulf	Committee Member

Corporate Governance Committee:

The missions of the Corporate Governance Committee include assisting the Board of Directors in monitoring the Compliance with the Bank's Corporate Governance principles, as well as conducting improvement works and presenting recommendations to the Board of Directors. The Committee convenes at least 3 (three) times per annum; however, the Committee may convene more frequently when needed or upon the request of Board of Directors.

Corporate Governance Committee Members	
Me. Chahdan Jebeyli	Chair of the Committee
Mouayed Makhoulf	Committee Member

Remuneration Committee:

The mission of the Remuneration Committee is to assist the Board of Directors in monitoring the remuneration practices. The Remuneration Committee assesses the remuneration policy and its practices within the framework of Risk Management principles and submits its recommendations through reports to the Board of Directors on an annual basis. The Committee convenes at least once per annum; however, the Committee may convene more frequently when needed or upon the request of Board of Directors.

Remuneration Committee Members	
Dr. Imad Itani	Chair of the Committee
Tamer Ghazaleh	Committee Member
Ebru Oğan Knottnerus	Committee Member

Risk Committee:

The mission of the Risk Committee is to assist the Board of Directors in carrying out its risk related responsibilities. In this context, the duties of the Risk Committee are to consider the Bank's risk policies and risk appetite and present relevant recommendations for the Board of Directors, to monitor the Bank's risk profile for all types of risks, to manage the management framework of such risks and to assess their effectiveness. The Committee convenes minimum 4 (four) times on yearly basis; however, the Committee may convene more frequently when needed or upon the request of Board of Directors. Within this year, the Committee held 5 (five) meetings in total by holding an ad-hoc meeting in December upon the decision of the Committee members.

Risk Committee Members	
Dr. Ayşe Botan Berker	Chair of the Committee
Tamer Ghazaleh	Committee Member
Mouayed Makhoulf	Committee Member
Ebru Oğan Knottnerus	Committee Member

Credit Committee:

The mission of the Credit Committee is to assist the Board of Directors in allocating loans within its authorization limits. The Committee convenes twice a month, if needed.

Credit Committee Members	
Dr. Mert Öncü	Chair of the Committee
Khalil El Debs	Committee Member
Antoine Najm	Committee Member
Tamer Ghazaleh	Committee Associate Member
Ebru Oğan Knottnerus	Committee Associate Member

18. Risk Management and Internal Control Mechanism

Our Bank's Board of Directors is well aware of the fact that it is in charge of establishing and managing an effective, adequate and coherent internal control system and risk management system in line with Articles 29, 30 and 31 of the "Banking Law" No. 5411 and "Regulation on Bank's Internal Systems and Assessment Process of Internal Capital Adequacy". Accordingly, the Board has established risk management and internal control systems to minimize the risks, which may affect the shareholders and stakeholders. The Internal Control and Fraud Prevention Unit as well as the Risk Management Units fall within the scope of Internal Systems and reports to the Audit Committee through the Risk Management and Internal Control Assistant General Manager. The Internal Audit Department reports directly to the Audit Committee through the Head of Internal Audit. In addition, Regulations and Compliance Unit, in charge of compliance with the regulatory amendments and management of financial crime risks, also reports to the Audit Committee through the Head of Regulations and Compliance.

Process reviews are performed cyclically by the Bank Audit Group and the audit reports are shared with the related units and the Audit Committee. Our Bank is subject to Banking Processes and Information Technology Systems audit by the Independent Audit company, as per the BRSA regulations. Main purpose of the audit conducted on the information systems and banking processes is to review the processes, which are selected as part of the significance principle regarding the information systems and financial data production that are included in the scope within the framework of the Bank's importance principle; to assess their compliance, sufficiency and efficiency, and to report the deficiencies according to the materiality principle. Action plans are prepared and related actions are taken regarding the issues reported by External Audit and Group Audit.

19. Company's Strategic Objectives

The Board of Directors annually reviews the strategic targets of the Bank. The Bank's annual budget is approved by the Board. The budgeted and actual figures are compared and the Bank's performance is reviewed by the Board of Directors on quarterly basis. The core performance indicators are reviewed by the Board of Directors.

Bank's mission and vision are established and announced to the public via website.

Our mission is to make banking simple through unique offerings and expertise, and be a responsible member of our community who contributes genuinely to its sustainable development. Our vision is to be the premier phygital bank of Turkey, offering the best digital experience with physical authenticity.

Our main strategic target is to become a bank providing expeditious service via its advanced technology infrastructure and experienced human resources, contributing to the quality of life of customers and being an indispensable part of their lives. The values adopted for our customers, employees, society, sector, and the bank are given below:

Authenticity:

- We empathize with our stakeholders and make their lives easier.
- We think creatively and provide fast and practical solutions.
- We differentiate ourselves by making personal impacts.

Excitement:

- We wonder, explore, and believe in lifelong learning.
- We take courageous steps to improve ourselves and help others improve.
- We design together, we finalize together.

Openness:

- We build honest and reliable relationships through accountability.
- We prioritize keeping streamlined, transparent and accessible.
- We openly share our thoughts and experiences.

Respect:

- We respect the individual and value diversity and multi-voices.
- We support gender equality and advocate for an equitable world.

20. Remuneration

A Remuneration Policy devoted to Bank staff has been established and the policy has been approved by the Board of Directors. The Bank's Remuneration Policy encourages fair, transparent, measurable and sustainable success among employees and is in alignment with the Bank's risk principles. A remuneration structure consisting of fixed income and variable income items is stipulated. Remuneration Policy is published on Bank's intranet system and Bank's website.

As per article 20 of Bank's Articles of Association, remuneration of the Board Members is determined by the General Assembly. During the Ordinary General Assembly Meeting of 2021 dated March 29, 2022, it was unanimously resolved that no attendance fee be made to the members of the Board of Directors.

Board Members, who do not hold an executive duty, were however granted a separate remuneration for their work and duties within the Bank as members of the Board and its Committees. Such remuneration is not linked to the 2021 profit; all in accordance with the Remuneration Committee decision dated 29.03.2022 and numbered 2022/2. Moreover, it has been unanimously resolved by the attendees that payments be made to other employees of the Bank for their work and duties within the Bank, as bonuses and premiums, in accordance with the Remuneration Committee decision dated 29.03.2022 and numbered 2022/3. In addition to the foregoing resolutions, it was resolved to make an interim wage increase in accordance with the Remuneration Committee decision dated 05.07.2022 and numbered 2022/04 to adapt to the inflationary environment.
