



Application of the Dutch Banking Code in 2024

by Anadolubank Nederland N.V.

Comply or explain statement

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INTRODUCTION

At Anadolubank Nederland N.V. (“Anadolubank”), we are committed to upholding the highest standards of governance and accountability in line with the Dutch Banking Code.

This Matrix Comply-or-Explain document outlines our adherence to the principles set forth in the code and reflects our dedication to transparency in our operations and decision-making processes.

We believe that robust governance is essential for long-term success. By adhering to the principles of the Dutch Banking Code, we aim to create a strong foundation for ethical conduct, effective risk management, and responsible stakeholder engagement. This report not only demonstrates our compliance but also our commitment to continuous improvement and accountability.

The aim of this matrix document is to provide stakeholders with a clear understanding of our governance framework and outline how it complies with the Dutch Banking Code. We recognize the importance of effective governance in maintaining trust and fostering sustainable growth within the banking sector.

This document covers the key principles of the Dutch Banking Code, including leadership, risk management, remuneration, and stakeholder engagement. For each principle, we indicate whether we comply or explain any deviations, providing insight into our governance practices and the rationale behind our decisions.

The revised Dutch Banking Code came into effect on 1 January 2015. In 2021, the Dutch Banking Code has been supplemented with two clarifying paragraphs elaborating on the further embedding of the public and social interest and on remuneration policy.

Anadolubank is of the opinion that the principles of the latest Dutch Banking Code fit in well with its vision and objectives. The following is an overview of all principles in the Dutch Banking Code and the manner in which Anadolubank applies them.

1. SOUND and ETHICAL OPERATION

Text Dutch Banking Code	Implementation by Anadolubank Nederland N.V.
<p>To build and maintain its position as a stable and reliable partner, a bank must formulate its mission, strategy and objectives. These focus on the long-term and are expressed in part in the bank's risk policy and the policy for sustainability and corporate social responsibility.</p>	<p>The bank complies with the principle. The bank's Management Board has established a clear strategy and set of business principles focused on sustainable value creation for all stakeholders. This is achieved through the following measures:</p>
<p>A bank chooses its positioning such that its commercial interests and social role are extensions of each other. This is also expressed in the bank's governance structure and guides the implementation of its policy based on its mission, strategy and objectives.</p>	<p>Conservative Credit Policy: We maintain a prudent approach to credit risk by prioritizing the long-term interests of our clients in product development.</p>
	<p>Moderate Risk Policy: Our risk management approach ensures that we take measured and well-considered risks to safeguard the bank's stability and profitability.</p>
	<p>Sustainable Profitability: We are committed to continuously improving our profitability, while ensuring that it aligns with our responsibility to both our clients and broader society.</p>
	<p>To integrate sustainable principles into our operations, Anadolubank has implemented an Environmental, Social and Governance project group in 2023. This project group mainly focuses on the 13 expectations of European Central Bank. As a result, this program is underpinned by a dedicated policy and supported by a working group to ensure its effectiveness and alignment with our strategic objectives. Moreover, as a member of PCAF, the bank measures its financed emissions starting from 2023, each year and with the relevant KPIs tries to limit its effect on the environment.</p>
	<p>Effective risk management and compliance with all relevant laws and regulations are fundamental to our operations. This is ensured through a strong governance structure, which directs and oversees the bank's activities, ensuring accountability, transparency, and alignment with our strategic goals.</p>

<p>The Management Board and Supervisory Board are - with due regard for each other's duties and powers - responsible for setting up a sound governance structure and compliance with the governance principles.</p> <p>The members of these boards will set an example to all of the bank's employees and exhibit this in their day-to-day activities. The Supervisory Board will evaluate the way the members of the Management Board are setting an example each year.</p>	<p>Anadolubank complies with this principle.</p> <p>Both the Management Board and the Supervisory Board engage in regular formal consultations to ensure alignment with the principles of the Dutch Banking Code, as well as best practices from the Corporate Governance Code. These discussions focus on governance structure, compliance, and the continuous improvement of the bank's governance practices.</p> <p>Given the bank's size, we do not operate with formal committees. Instead, specific members of the Management Board are assigned clear responsibility for key areas, including Credit risk, Audit, Compliance, and Risk & Capital management. This structure ensures accountability while maintaining an efficient decision-making process.</p> <p>All members of the Management Board and Supervisory Board have taken the Bankers' Oath, reinforcing their commitment to ethical conduct and responsible management of the bank. Additionally, the role of leadership by example is reviewed annually as part of the performance evaluation process for individual members of both boards. This evaluation ensures that each board member exemplifies the values and behaviours expected of leaders in the organization.</p> <p>Furthermore, the bank's compliance and audit functions are robustly established and operate under well-defined charters, ensuring their independence and effectiveness in overseeing the bank's operations. These functions are integral to maintaining the highest standards of governance and regulatory compliance.</p> <p>In summary, Anadolubank is committed to upholding sound governance practices through regular board engagement, clear leadership accountability, and a structured approach to compliance, with all members consistently exemplifying these values in their daily activities.</p>
<p>The Management Board and Supervisory Board are – with due regard for each other's</p>	<p>Anadolubank complies with this principle.</p>

<p>duties and powers – responsible for developing, communicating and enforcing standards on integrity, morals and leadership in the bank.</p>	<p>The Management Board takes a proactive role in promoting responsible behaviour and fostering a healthy organizational culture, ensuring that the interests of all stakeholders—customers, employees, shareholders, and the wider community—are always carefully considered in decision-making processes. This commitment to ethical conduct and leadership is embedded throughout the bank's operations and is communicated clearly through various internal policies.</p>
<p>In addition, they ensure there are proper checks and balances and they safeguard a solid IT infrastructure that is vital for the functioning of the bank. Among other things, thorough checks and balances mean that the compliance function is also safeguarded within the Management Board and Supervisory Board.</p>	<p>The bank's core values are articulated in a set of guiding principles, including its Code of Conduct, Human Resources policies, and ethical business standards. These policies apply to all employees across the bank and are regularly reinforced through training and development initiatives. A key component of this approach is the Bankers' Oath, which all employees, including the Management and Supervisory Boards, take as a formal commitment to uphold the highest standards of integrity and ethics in their professional conduct.</p>
<p>The Management Board will promote responsible behaviour and a healthy culture both at the top of the bank and throughout its organisation. In this, it will consider the interests of the bank's customers and other stakeholders. The Supervisory Board supervises this.</p>	<p>In line with the bank's commitment to fostering a culture of integrity, all new employees undergo a comprehensive compliance training program. This training, which is a core element of our onboarding process, emphasizes critical concepts such as integrity, customer-centric behaviour, and the bank's commitment to acting in the best interests of stakeholders.</p>
<p>A bank's culture must also express the assumptions in the social charter of the Dutch Banking Association. These must be embedded in the bank's organisation and the bank will include them in its contact with its stakeholders. It will provide an insight into the way in which the bank deals with the assumptions in the charter.</p>	<p>The Management Board also ensures that proper checks and balances are in place, particularly in relation to the compliance function. This is actively overseen by both the Management Board and the Supervisory Board to ensure that the governance framework is effective and that compliance is integrated into decision-making processes at all levels of the organization.</p>
<p>All employees will comply with the formal regulations and self-regulation that apply to them.</p>	<p>The bank has also implemented a robust IT infrastructure that supports the integrity and operational efficiency of the bank's systems. This infrastructure is continually monitored and</p>

maintained to ensure it remains secure, reliable, and capable of supporting the bank's operations, particularly in terms of safeguarding customer data and maintaining operational continuity.

As part of its commitment to the Dutch Banking Association's Social Charter, Anadolubank ensures that its culture reflects the principles laid out in the charter, both internally and in its interactions with stakeholders. The bank is transparent in communicating how it implements the social charter's assumptions, which are deeply embedded in our organizational practices.

Finally, Anadolubank ensures that all employees comply with formal regulations and self-regulation, and these expectations are clearly outlined and regularly reinforced through ongoing training, audits, and compliance checks.

2. SUPERVISORY BOARD

Text Dutch Banking Code	Implementation by Anadolubank N.V.
<p>The Supervisory Board will be composed in such a way that it is able to perform its tasks properly. It will form a risk committee and an audit committee.</p> <p>The members of the Supervisory Board will be prepared and able to make sufficient time available for their duties and exhibit effort and commitment. They will at the same time be critical and independent.</p>	<p>Anadolubank complies with this principle.</p> <p>The Supervisory Board is structured in accordance with a profile that has been carefully defined by the Board itself, ensuring that it is equipped to fulfil its responsibilities effectively. The members of the Supervisory Board have demonstrated a strong commitment to their roles, consistently making sufficient time available to carry out their duties with the required attention and dedication.</p>
	<p>The Board is composed of independent members who bring a critical and objective perspective to their work. These members are well-prepared to challenge and scrutinize the decisions of the Management Board, ensuring a robust system of oversight and accountability.</p> <p>While the Supervisory Board has not established separate risk and audit committees, it has, after careful consultation with the Dutch Central Bank (DNB), chosen an alternative approach. Individual members of the Supervisory Board have been assigned specific responsibility for overseeing risk management and audit functions. This arrangement ensures that these critical areas receive the necessary focus and expertise, while still allowing for a comprehensive and effective oversight process.</p>
<p>Each member of the Supervisory Board will be aware of the social role of a bank and of the interests of the various stakeholders.</p>	<p>Anadolubank complies with this principle.</p> <p>The Supervisory Board is composed of individuals with a broad range of expertise and experience, ensuring that the board collectively possesses the</p>

<p>There are specific competence and experience requirements for members of the Supervisory Board's risk and audit committees.</p> <p>Members of the risk committee must have thorough knowledge of the financial aspects of risk management or the necessary experience to permit a thorough assessment of risks. Members of the audit committee must have thorough knowledge of financial reporting, internal control and audit or the necessary experience to permit thorough supervision of these subjects.</p>	<p>necessary knowledge to address the bank's social responsibilities, stakeholder interests, and the key aspects of risk and audit oversight. The members of the Supervisory Board are aware of the significant role the bank plays in the economy and society, and they are committed to balancing the interests of the bank's stakeholders, including customers, employees, shareholders, and the broader community.</p> <p>Regarding the specific competence requirements for the risk and audit functions, the current composition of the Supervisory Board meets the required standards. The members assigned to these areas have demonstrated in-depth knowledge and extensive experience in risk management, financial oversight, and audit processes, ensuring effective supervision of these critical functions.</p> <p>The Supervisory Board is committed to maintaining and strengthening its composition to ensure ongoing alignment with the evolving needs of the bank and regulatory requirements, and that all members are appropriately equipped to fulfil their duties.</p>
<p>The chairman of the Supervisory Board will organise a programme of lifelong learning for all members of the Supervisory Board with the aim of maintaining their expertise at the required level and improving it where necessary. The learning programme will in any event cover relevant developments at the bank and in the financial sector, corporate governance in general and in the financial sector in particular, the duty of care towards customers, integrity, IT infrastructure, risk management, financial reporting and audit. Every member of the Supervisory Board will take part in the programme and meet the requirements for lifelong learning. The assessment of the effectiveness of the programme of lifelong learning will be part of the annual evaluation performed by the Supervisory Board.</p>	<p>Anadolubank complies with this principle. There is a lifelong permanent education program in place that is followed by all members of the Supervisory Board and also by all members of the Management Board. This topic is on the agenda in the annual self-evaluation of the Supervisory Board.</p> <p>The bank has implemented a structured and ongoing education program for all Supervisory Board members, as well as for all members of the Management Board, aimed at maintaining and enhancing their expertise. This program covers key areas such as relevant developments in the banking sector, corporate governance, duty of care towards customers, AML, integrity, IT infrastructure, cybersecurity, risk management, ESG, financial reporting, and audit, in line with the bank's commitment to professional development.</p> <p>Participation in this lifelong learning program is part of the annual evaluation.</p>

<p>In addition to the Supervisory Board's annual self-evaluation, the functioning of the Supervisory Board will be evaluated under independent supervision once every three years. The involvement of each member of the Supervisory Board, the culture within the Supervisory Board and the relationship between the Supervisory Board and the Management Board will be part of this evaluation.</p>	<p>Anadolubank complies with this principle.</p> <p>In addition to the Supervisory Board's annual self-evaluation, the functioning of the Supervisory Board is independently evaluated once every three years. This evaluation is conducted under the guidance of an external, independent party, and covers key aspects such as the involvement of each board member, the culture within the Supervisory Board, and the relationship between the Supervisory Board and the Management Board. The results of the evaluation are discussed by the Supervisory Board, and any areas for improvement are addressed as part of the ongoing development of the board's effectiveness.</p>
<p>Each member of the Supervisory Board will receive appropriate compensation for the amount of time that he or she spends on Supervisory Board activities. This compensation will not depend on the bank's results.</p>	<p>Anadolubank complies with this principle.</p> <p>The compensation for the independent members of the Supervisory Board is structured to reflect the time commitment required for their supervisory duties and is in line with the fees paid to independent members of Supervisory Boards at comparable companies.</p> <p>Non-independent members of the Supervisory Board do not receive any remuneration for their role.</p>

3. MANAGEMENT BOARD

Text Dutch Banking Code	Implementation by Anadolubank N.V.
<p>The Management Board will be composed in such a way that it is able to perform its tasks properly. Each member of the Management Board will be aware of the social role of a bank and of the interests of the various stakeholders.</p>	<p>Anadolubank complies with this principle.</p> <p>The Management Board is composed of three members, a number deemed sufficient by both the Management and Supervisory Boards to ensure effective performance of its duties. The composition of the Management Board is based on the relevant competencies and experiences required to carry out the bank's responsibilities effectively.</p> <p>Each member of the Management Board is fully aware of the social role of the bank, as well as the interests of its various stakeholders, including customers, employees, shareholders, and the wider community. Furthermore, all members of the Management Board participate in the annual lifelong learning program, developed by the Chairman of the Supervisory Board, to ensure that they remain well-informed and equipped to address the evolving challenges in the banking sector.</p>
<p>One member of the Management Board will have the duty of preparing decision-making by the Management Board on risk management. This member will be involved in good time in the preparation of decisions that are of material significance for the bank's risk profile, especially where these decisions may result in a departure from the risk appetite approved by the Supervisory Board. This member may combine his or her function with other responsibilities, provided that he or she does not bear any individual commercial responsibility and operates independently from commercial areas. Risk management will also include a focus on the impact that systemic risk could have on the bank's risk profile.</p>	<p>Anadolubank complies with this principle.</p> <p>A designated member of the Management Board is responsible for preparing decision-making related to risk management. This member is involved in the timely preparation of decisions that are of material significance to the bank's risk profile, particularly where these decisions could lead to a deviation from the risk appetite approved by the Supervisory Board.</p> <p>The responsible Management Board member also serves on both the Asset & Liability (ALCO) Committee and the Credit Committee, ensuring a comprehensive approach to risk management. Importantly, this member has no commercial duties and operates independently from the bank's commercial areas, ensuring that risk</p>

	<p>management is conducted with the necessary objectivity.</p> <p>In addition, risk management includes an ongoing focus on the potential impact of systemic risks on the bank's risk profile, in line with the bank's commitment to identifying and mitigating all relevant risks.</p>
<p>The chairman of the Management Board will organise a programme of lifelong learning for all members of the Management Board with the aim of maintaining their expertise at the required level and improving it where necessary. The learning programme will in any event cover relevant developments at the bank and in the financial sector, corporate governance in general and in the financial sector in particular, the duty of care towards customers, integrity, risk management, financial reporting and audit. Every member of the Management Board will take part in the programme and meet the requirements for lifelong learning.</p>	<p>Anadolubank complies with this principle.</p> <p>The Management Board, together with the members of the Supervisory Board, follows the lifelong learning program, which is aimed at maintaining and enhancing their expertise in key areas. This program covers relevant developments at the bank, as well as broader trends in the financial sector. It includes topics such as corporate governance, the duty of care towards customers, integrity, risk management, financial reporting, and audit, in line with the requirements of the Dutch Banking Code.</p> <p>All members of the Management Board participate in this program annually and meet the necessary requirements for lifelong learning, ensuring that they remain well-equipped to perform their duties effectively and in compliance with industry best practices.</p>

4. RISK POLICY

Text Dutch Banking Code	Implementation by Anadolubank N.V.
<p>A bank's risk policy is characterized by a comprehensive approach, is transparent and has both a short- and long-term focus. The risk policy also takes reputational risks and non-financial risks into account.</p>	<p>Anadolubank complies with this principle.</p> <p>The bank complies with this principle by adopting a comprehensive risk policy that is transparent and considers both short- and long-term perspectives. In addition to implementing the risk policy, the Management Board is responsible for overseeing the identification, assessment, and management of all risks. The board ensures a balanced approach, weighing both financial and non-financial factors. It actively considers reputational risks and other non-financial risks that may impact the bank's long-term sustainability and public image.</p>
<p>A bank's Management Board will be responsible for its risk policy and ensure proper risk management. The Management Board will propose the risk appetite to the Supervisory Board for approval at least once a year. Any material changes to the risk appetite in the interim will also require the Supervisory Board's approval.</p> <p>The Supervisory Board will supervise the risk policy pursued by the Management Board. As part of its supervision, the Supervisory Board will discuss the bank's risk profile and assess at a strategic level whether capital allocation and liquidity requirements are generally in line with the approved risk appetite and whether operations in general are in line with the bank's risk appetite. In the performance of this supervisory role, the Supervisory Board will be advised by its risk committee.</p>	<p>Anadolubank complies with this principle.</p> <p>The Management Board defines and implements the bank's risk appetite, which is reviewed annually.</p> <p>The Management Board regularly engages with the Supervisory Board to discuss the identified key risk matters. This includes the risk appetite statement, stress testing results, business continuity planning, SREP outcomes, and the annual Systematic Integrity Risk Analysis (SIRA).</p>

5. AUDIT

Text Dutch Banking Code	Implementation by Anadolubank N.V.
A bank's Management Board will ensure that a systematic audit is conducted of the management of the risks related to the bank's operations.	<p>Anadolubank complies with this principle.</p> <p>The internal audit function systematically monitors the existence and effectiveness of the bank's governance, risk management, and control processes across all of its activities.</p> <p>The audit program is determined annually and approved by the Management Board the Supervisory Board.</p>
To this end, a bank will have its own internal audit department with an independent position within the bank. The head of the internal audit department will report to the chairman of the Management Board and also have a direct reporting line to the chairman of the Supervisory Board's audit committee.	<p>Anadolubank complies with this principle.</p> <p>The audit function is established independently, and the reporting lines are structured in accordance with this principle. This is confirmed in the Internal audit charter.</p>
The internal audit department, external auditors and Supervisory Board's audit committee will consult periodically.	<p>Anadolubank complies with this principle.</p> <p>Periodic consultation is held between Internal audit, the external auditor, and the Supervisory Board.</p>
The internal audit department will take the initiative in arranging talks with DNB and the external auditors at least once a year to discuss each other's risk analyses, findings and audit plans at an early stage. The bank's Management Board and internal audit department will encourage these tripartite talks, aiming for a clear delineation of each other's duties and responsibilities.	<p>Anadolubank complies with this principle.</p> <p>Regular tripartite consultations are held between the auditors and DNB.</p>

6. REMUNERATION POLICY

Text Dutch Banking Code	Implementation by Anadolubank N.V.
<p>The bank will implement a detailed, restrained and long-term remuneration policy that is unambiguous and transparent and in line with national and international regulations.</p> <p>The remuneration policy will have a primarily long-term focus and be in line with the bank's risk policy. It will incorporate an internal and external balance of interests, considering the expectations of the various stakeholders and social acceptance. It will also take the relevant international context into account.</p>	<p>Anadolubank complies with this principle.</p> <p>The bank's remuneration policy adheres to national and international laws and regulations. The policy is reviewed annually by the Management Board and the Supervisory Board, and a detailed explanation is provided in the annual report.</p>
	<p>Anadolubank's remuneration policy is structured and focused on long-term goals, aligning with the Dutch Banking Code's sustainability and risk management principles, as well as alignment with the bank's risk appetite and strategic goals. It aims to ensure sustainable financial health and value for stakeholders over short-term profits. Variable compensation is given only under strict conditions, balancing both short- and long-term impacts on bank stability.</p> <p>Anadolubank's remuneration policy balances internal and external interests per the Dutch Banking Code. It uses benchmarking to keep pay competitive and aligned with the bank's risk appetite, ensuring transparency and meeting stakeholder expectations. The policy considers all stakeholders, including employees, customers, shareholders, and regulators, linking variable pay to ethical and risk-averse behaviour. Non-financial criteria like customer satisfaction and compliance ensure variable pay reflects values important to all stakeholders, meeting the Code's social acceptance requirements.</p>
<p>The total income of a member of a bank's Management Board will at the time it is set be below the median for comparable positions inside and outside the financial industry, considering the relevant international context.</p>	<p>Anadolubank complies with this principle.</p> <p>Anadolubank aims at remunerating the members of the Management Board in conformity with the median level of the fixed income in the market. The total remuneration of the members of the Management Board is published in the annual report.</p>

<p>The variable remuneration of a member of the Management Board will be set in accordance with national and international regulations.</p>	
<p>The banking industry considers it important to take the expectations of key stakeholders and social support into consideration in the remuneration policy for the Management Board and to provide transparency on the pay ratio within the company.</p> <p>In the remuneration policy for the Management Board of a bank the Supervisory Board outlines how the shareholders' and employees' expectations and social support have been taken into consideration and which reference group has been compared with.</p> <p>Banks take into consideration the director's view on his/her own remuneration in formulating the remuneration proposals regarding the director and disclose the internal pay ratio in the annual report.</p>	<p>Anadolubank complies with this principle.</p> <p>Anadolubank takes a comprehensive approach when developing its Management Board remuneration policy, ensuring that it aligns with both the expectations of key stakeholders and broader societal values.</p> <p>Anadolubank's remuneration policy is designed to reflect stakeholder expectations and maintain social responsibility. The Supervisory Board actively considers the views of shareholders, employees, and directors when determining management pay, incorporating this feedback into annual remuneration reviews. To ensure fairness and competitiveness, Anadolubank benchmarks its management pay against a reference group of similar institutions, keeping remuneration socially acceptable and in line with industry standards. Transparency is a key priority, with the bank disclosing detailed information on management pay ratios and high earners in its annual report, thereby fostering public trust and meeting the Dutch Banking Code's transparency requirements.</p>