FIRST SUPPLEMENT dated 9 January 2023 to the Base Prospectus dated 13 June 2022

QNB FİNANSBANK A.Ş.
US$5,000,000,000
Global Medium Term Note Programme

This supplement (this "*Supplement*") constitutes a supplement for the purposes of Article 23 of Regulation (EU) No. 2017/1129 (as amended, the "*Prospectus Regulation*") and is supplemental to, and must be read in conjunction with, the Base Prospectus dated 13 June 2022 (the "*Base Prospectus*") prepared by QNB Finansbank A.Ş. (the "*Issuer*" or the "*Bank*") under the Issuer's global medium term note programme. Capitalised terms used but not otherwise defined herein shall have the meaning ascribed thereto in the Base Prospectus.

This Supplement has been approved by the Central Bank of Ireland as competent authority under the Prospectus Regulation. The Central Bank of Ireland only approves this Supplement as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the Issuer or the quality of the Notes and investors should make their own assessment as to the suitability of investing in the Notes. This document constitutes a supplement for the purposes of the Prospectus Regulation and has been prepared and published for the purposes of incorporating into the Base Prospectus the Issuer's latest financial statements and updating certain provisions of the Base Prospectus. As a result, modifications to the Base Prospectus are hereby being made.

A copy of each of: (a) the consolidated BRSA Financial Statements of the Group as of and for the nine month period ended 30 September 2022 (including any notes thereto and the independent auditor's review report thereon, the "*Group's New BRSA Financial Statements*") and (b) the unconsolidated BRSA Financial Statements of the Issuer as of and for the nine month period ended 30 September 2022 (including any notes thereto and the independent auditor's review report thereon, the "*Issuer's New BRSA Financial Statements*" and, with the Group's New BRSA Financial Statements, the "*New BRSA Financial Statements*") has been filed with the Central Bank of Ireland and the Irish Stock Exchange plc trading as Euronext Dublin and, by means of this Supplement, is incorporated by reference into, and forms part of, the Base Prospectus (and the Group's and the Issuer's BRSA Financial Statements as of and for the three month period ended 31 March 2022, which were incorporated into the Base Prospectus, shall cease to be considered to be incorporated into the Base Prospectus). Copies of the New BRSA Financial Statements can be obtained without charge from the registered office of the Issuer and from the Issuer's website at: (a) with respect to the Group's New BRSA Financial Statements, https://www.qnbfinansbank.com/medium/document-file-3634.vsf, and (b) with respect to the Issuer's New BRSA Financial Statements, https://www.qnbfinansbank.com/medium/document-file-3633.vsf (such websites do not, and shall not be deemed to, constitute a part of, nor are incorporated into, this Supplement or the Base Prospectus). The New BRSA Financial Statements, which are in English, were prepared as convenience translations of the corresponding Turkish language BRSA Financial Statements (which translations the Issuer confirms are direct and accurate). The New BRSA Financial Statements were not prepared for the purpose of their incorporation by reference into the Base Prospectus.

The New BRSA Financial Statements were reviewed by PwC Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. as an independent auditor ("*PwC*"). PwC's review reports included within the New BRSA Financial Statements note that they applied limited procedures in accordance with professional standards for a review of such information and such reports state that they did not audit and they do not express an opinion on the interim financial information in the New BRSA Financial Statements. Accordingly, the degree of reliance upon their reports on such information should be restricted in light of the limited nature of the review procedures applied. The financial information in the New BRSA Financial Statements is subject to any adjustments that might be necessary as a result of the audit process to be undertaken in respect of the full financial year. In addition, PwC's review reports included within the New BRSA Financial Statements contain a qualification. See "Risk Factors - Risks Relating to the Group and its Business - Other Group-Related Risks - Audit Qualification" in the Base Prospectus as hereby amended.

Statements contained herein (or in the New BRSA Financial Statements incorporated by reference into the Base Prospectus by means of this Supplement) shall, to the extent applicable and whether expressly, by implication or otherwise, modify or supersede statements set out in, or previously incorporated by reference into, the Base Prospectus. Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of the Base Prospectus. Where there is any inconsistency between the information contained in (or incorporated by reference into) the Base Prospectus and the information contained herein (or incorporated by reference into the Base Prospectus by means of this Supplement), the information contained herein (or incorporated by reference into the Base Prospectus by means of this Supplement) shall prevail.

Except as disclosed in (including in the information incorporated by reference into) the Base Prospectus (including in the New BRSA Financial Statements incorporated by reference into the Base Prospectus by means of this Supplement), there has been: (a) no material adverse change in the prospects of the Bank since 31 December 2021, (b) no significant change in the financial performance of the Group since 30 September 2022 to the date of this Supplement and (c) no significant change in the financial position of the Group since 30 September 2022.

The Issuer accepts responsibility for the information contained in this Supplement or incorporated by reference into the Base Prospectus by means of this Supplement. To the best of the knowledge of the Issuer, the information in (including incorporated by reference into) the Base Prospectus (as supplemented hereby) is in accordance with the facts and makes no omission likely to affect the import of such information. To the full extent permitted by applicable law, none of the Dealers, the Arrangers, the Agents or any of their respective affiliates accept any responsibility for the information contained in this Supplement or incorporated by reference into the Base Prospectus by means of this Supplement.

AMENDMENTS

The following amendments are made to the Base Prospectus:

References to the "Republic of Turkey" or "Turkey" other than in the Conditions are hereby replaced with the "Republic of Türkiye" or "Türkiye" (as applicable).

All financial and other information with respect to the Group (and any member thereof) and the Bank (including all related amounts, percentages and discussion) as of or for the three month periods ended 31 March 2021 and 2022 are hereby deleted in their entirety from, and shall hereafter not form part of, the Base Prospectus.

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

The third sentence of the first paragraph of the section titled "Presentation of Financial and Other Information" on page ix of the Base Prospectus is hereby deleted in its entirety and replaced with the following:

> All financial statements incorporated by reference herein, including the Bank's consolidated and unconsolidated annual statutory financial statements as of and for each of the years ended 31 December 2020 (including comparative information for 2019) and 2021 (including comparative information for 2020) (in each case, including any notes thereto and the independent auditor's audit reports thereon) (the "*BRSA Annual Financial Statements*") and the Bank's consolidated and unconsolidated interim statutory financial statements as of and for the nine month period ended 30 September 2022 (including comparative information for the same period of 2021) (including any notes thereto and the independent auditor's review report thereon) (the "*BRSA Interim Financial Statements*"), have been prepared and presented in accordance with the BRSA Principles except for the free provisions (which do not meet the recognition criteria of Turkish Accounting Standards 37 "Provisions, Contingent Liabilities and Contingent Assets") recognised by the Bank. Each of the independent auditor's reports included in the BRSA Interim Financial Statements incorporated by reference herein includes a qualification regarding free provisions recognised as a result of the Bank's prudential approach considering the circumstances that might arise from possible changes in the economy and market conditions. See "Risk Factors – Risks Relating to the Group and its Business – Other Group-Related Risks – Audit Qualification."

The following is hereby inserted as a new paragraph after the seventh paragraph of the section titled "Presentation of Financial and Other Information" on page ix of the Base Prospectus:

> PwC's reports included in each of the BRSA Interim Financial Statements were qualified with respect to the free provisions that were allocated by the Bank because free provisions are not permitted under the BRSA Principles. These additional provisions were taken in accordance with the prudence principle applied by the Group in considering the circumstances that might arise from any changes in the economy or market conditions. See "Risk Factors – Risks Relating to the Group and its Business – Other Group-Related Risks – Audit Qualification" and PwC's reports included within such BRSA Financial Statements. Although these provisions did not impact the Group's level of tax, if the Group had not established these provisions, then its net profit/(loss) and/or capital adequacy ratios might have been higher in the first nine months of 2022.

The following is hereby inserted at the end of the ninth paragraph of the section titled "Presentation of Financial and Other Information" on page x of the Base Prospectus:

> As a result of the recent high levels of inflation in Türkiye (exceeding 100% cumulatively over the past three years), IFRS requires Turkish companies (including the Bank) to start applying the hyperinflationary accounting policies of IAS 29 (Financial Reporting in Hyperinflationary Economies) starting with the IFRS Financial Statements as of and for the six months ended 30 June 2022; *however*, the POA has not (as of 9 January 2023) made the determination to apply hyperinflationary accounting under the relevant Turkish standards (TAS 29), though such a determination might be made at any time (including with respect to the year-end 2022 BRSA Financial Statements). As a result, the Group's BRSA Financial Statements and IFRS Financial Statements will: (a) for so long as they apply different inflation accounting approaches, be less comparable than before such change, and (b) to the extent they have been so adjusted for inflation, not be comparable to financial statements from earlier periods prepared without such policies.

DOCUMENTS INCORPORATED BY REFERENCE

Clauses (c) and (f) of the fourth paragraph of the section titled "Documents Incorporated by Reference" starting on page xv of the Base Prospectus are hereby deleted in their entirety and replaced by the following, respectively:

(c) with respect to the Bank's BRSA Interim Financial Statements as of and for the nine month period ended 30 September 2022, https://www.qnbfinansbank.com/medium/document-file-3633.vsf,

(f) with respect to the Group's BRSA Interim Financial Statements as of and for the nine month period ended 30 September 2022, https://www.qnbfinansbank.com/medium/document-file-3634.vsf,

RISK FACTORS

The following is hereby inserted before the last sentence of the fifth paragraph of the section titled "Risk Factors - Risks Relating to Türkiye - Political Conditions - Political Developments" on page 15 of the Base Prospectus:

In 2022, the Central Bank initially held its policy rate notwithstanding rapidly increasing inflation and then, contrary to the expectations of many market participants, reduced the rate to 13.00% on 18 August 2022 and again to 12.00% on 22 September 2022, both of which reductions resulted in the Turkish Lira declining to a new all-time low, and then further reduced the rate to 10.50% on 20 October 2022 and 9.00% on 24 November 2022.

The last sentence of the sixth paragraph of the section titled "Risk Factors - Risks Relating to Türkiye - Political Conditions - Political Developments" on page 15 of the Base Prospectus is hereby deleted in its entirety and replaced by the following:

In December 2022, a court convicted Mr. İmamoğlu of violating a law prohibiting insulting public officials, for which he was sentenced to over two years in prison, which sentence is currently being appealed. The next Turkish general election is scheduled for 18 June 2023, the run-up to which might result in an increase in political uncertainty, particularly as a final conviction of Mr. İmamoğlu would block his ability to run for President.

The sixth and seventh sentences of the second paragraph of the section titled "Risk Factors - Risks Relating to Türkiye - Economic Conditions" on page 18 of the Base Prospectus are hereby deleted in their entirety and replaced by the following:

During 2021, GDP increased by 11.4%, which growth was supported by the recovery in global growth, moderate credit growth and a favourable base effect, whereas growth during the first nine months of 2022 was 6.2%, due primarily to strong consumption and moderate export performance.

The second paragraph of the section titled "Risk Factors - Risks Relating to Türkiye – Economic Conditions – Turkish Economy" on page 19 of the Base Prospectus is hereby deleted in its entirety and replaced by the following:

Domestic macroeconomic factors, including the current account deficit, high levels of unemployment (a seasonally adjusted 10.2% as of October 2022), high levels of inflation and interest rate and currency volatility, remain of concern, particularly in light of the further depreciation of the Turkish Lira. These conditions have had, and likely will continue to have, a material adverse effect on the Group's business, financial condition and/or results of operations, including as a result of their impact on the Group's customers. The Turkish government has sought to improve economic growth and, in September 2022, the Turkish Treasury published a three-year medium-term economic programme (referred to as the "Medium Term Programme") under which GDP growth was anticipated to be 5.0% for both 2022 and 2023 and 5.5% for both 2024 and 2025; *however*, consumer inflation has substantially exceeded the target for 2022 and is anticipated to remain well above the inflation target of 5.0% through the programme period.

The fifth, sixth and seventh paragraphs of the section titled "Risk Factors - Risks Relating to Türkiye - Economic Conditions - Turkish Economy" on pages 20 and 21 of the Base Prospectus are hereby deleted in their entirety and replaced by the following:

Since February 2001, the Central Bank has applied a floating exchange rate policy. Exchange rates for the Turkish Lira have historically been, and continue to be, highly volatile and recent events have further contributed to significant fluctuations in the value of the Turkish Lira and various governmental policies to respond to currency volatility and the resulting economic conditions. In recent years, there have been a number of periods of sharp depreciation and some recovery in the value of the Turkish Lira (*e.g.*, the Turkish Lira depreciated against the U.S. dollar by 11.1% in 2019, 19.1% in 2020, 44.3% in 2021 and 28.7% in 2022, with significant volatility driven in part by changes in Central Bank policy and regulatory changes, particularly since September 2021 with the Central Bank's decision to reduce policy rates despite very high levels of inflation). The Central Bank has from time to time used its interest rate policy, reserve requirements and other tools to try to lower inflationary pressures arising from exchange rate volatility, including some fairly large hikes in interest rates in 2018 (which were then followed by large decreases in 2019 and early 2020 as inflation moderated and then, notwithstanding the disinflationary impact of COVID-19 pandemic-related shutdowns, significant increases starting in August 2020 to address a significant depreciation in the value of the Turkish Lira; *however*, contrary to the expectations of some market participants, the Central Bank reduced its policy rate by 100 basis points in September 2021 and then, after three members of the Central Bank's monetary policy committee were replaced on 13 October 2021, further reduced the policy rate by a larger-than-expected 200 basis points (to 16.00%) on 21 October 2021, another 100 basis points (to 15.00%) on 18 November 2021 and another 100 basis points (to 14.00%) on 16 December 2021), following which the Turkish Lira reached an all-time low of TL 17.47/US$1 on 20 December 2021 given the Central Bank's accommodative stance despite high inflationary conditions. Subsequently, the Turkish government, among other things, introduced a foreign exchange-protected Turkish Lira deposit scheme in an effort to reduce the volatility in exchange rates and lower the inflation rate, resulting in some improvement in exchange rates. The scheme was announced in respect of retail depositors on 20 December 2021 and subsequently expanded to include corporate foreign currency accounts and gold deposit accounts in January 2022 and non-resident Turkish nationals in February 2022. In 2022, the Central Bank initially held its policy rate notwithstanding rapidly increasing inflation and then, contrary to the expectations of many market participants, reduced the rate to 13.00% on 18 August 2022 and again to 12.00% on 22 September 2022, both of which reductions resulted in the Turkish Lira declining to a new all-time low, and then further reduced its policy rate to 10.50% on 20 October 2022 and 9.00% on 24 November 2022. The impact of these circumstances, including changes in the exchange rates of the Turkish Lira, might have a material adverse effect on the Group, including through borrower defaults, increased NPLs, reduced loan volumes and reduced earnings, the revaluation of assets and liabilities (including increases in the Turkish Lira-equivalent value of the Group's obligations in other currencies), a decline in capital and/or rapid changes in the economic and legal environment. For example, the Group's and the Bank's capital adequacy ratios have been materially impacted by the recent depreciation of the Turkish Lira, with (during the first nine months of 2022) every TL 0.1 decrease in the value of the Turkish Lira when compared to the U.S. dollar resulting in about a five basis point negative impact on the Group's and the Bank's total capital adequacy ratios. As of 30 September 2022, this impact has resulted in such ratios declining slightly - while still above not only the minimum legal requirement of 8% but also the Group's internal minimum of 12.5%, the Group might consider methods to increase its capital ratios, including through obtaining additional capital.

As described elsewhere, the BRSA announced a rule allowing banks to use: (a) the arithmetic mean of the Central Bank's foreign exchange buying rates for the previous 252 business days in certain capital and other calculations for 31 December 2021 and (b) thereafter until such date as determined by the BRSA, the foreign exchange buying rate as of 31 December 2021. If the Group and the Bank had not elected to use such calculation, their capital adequacy ratios would have been lower as of 31 December 2021 by 62 and 63 basis points and as of 30 September 2022 by 82 and 84 basis points, respectively. As also described elsewhere, the BRSA (in response to the COVID-19 pandemic) announced regulatory forbearance measures that allow banks to use 0% risk weightings for foreign currency-denominated receivables owed by the centralised administration (*i.e.*, Turkish state institutions and other public institutions that do not have a separate legal entity and act under the legal entity of Turkish state institutions) while calculating the principal amount subject to credit risk in accordance with the standard approach as determined under the Capital Adequacy Regulation. Collectively, these accommodations have had a material positive impact on the capital adequacy ratios of the Group and the Bank and, if such were to be discontinued or limited, the Group and/or the Bank might need to obtain additional capital.

Any further significant depreciation of the Turkish Lira against the U.S. dollar or other major currencies, or any actions taken by the Central Bank or other Turkish authorities (such as changes to interest rates or other policy actions by the Central Bank), might adversely affect the financial condition of Türkiye as a whole, including its inflation rate and/or the ability of the Central Bank to implement its policy goals, and might have a material negative effect on the Group's business, financial condition and/or results of operations. As of 31 December 2022, the Central Bank had net negative foreign exchange reserves (excluding swap transactions), which could further limit the Central Bank's policy actions, including actions to limit any further reductions in foreign currency liquidity in Türkiye.

Any monetary policy tightening of the U.S. Federal Reserve (including as started in early 2022) and/or the ECB (such as the announced wind-down of asset purchases or the interest rate increases started in July 2022), or any other increase in market interest rates, particularly if it is more accelerated than expected, might have an adverse impact on Türkiye, including on Türkiye's external financing needs, and might reduce the availability of and/or increase the cost of funding to the Turkish banking sector.

The sixth sentence of the first paragraph of the section titled "Risk Factors - Risks Relating to Türkiye - Economic Conditions - Current Account Deficit" starting on page 22 of the Base Prospectus is hereby deleted in its entirety and replaced by the following:

During the first ten months of 2022, and despite an increase in export and tourism revenues, Türkiye's current account deficit increased to US$43.4 billion on a 12 months basis due largely to the increase in energy prices (including resulting from the Russian invasion of Ukraine). Various events and circumstances, including (*inter alia*) a decline in Türkiye's foreign trade and tourism revenues (including due to a resurgence of COVID-19), political risks, changes to Türkiye's macroeconomic policy (such as with respect to domestic interest rates) and an increase in the price of oil, might result in an increase in the current account deficit.

The first two paragraphs of the section titled "Risk Factors - Risks Relating to Türkiye - Economic Conditions - Inflation" on page 24 of the Base Prospectus are hereby deleted in their entirety and replaced by the following:

The Turkish economy has been subject to significant inflation increases in recent years which might continue (including at elevated levels). In 2019, the annual consumer price index ("*CPI*") inflation rate was 11.8% and domestic producer price inflation was 7.4%. In 2020, the CPI inflation rate was 14.6%, reflecting primarily an increase in food, energy and commodity prices (including due to the depreciation of the Turkish Lira). In 2021, the CPI inflation rate surged to 36.1%, reflecting primarily an increase in the prices of food, energy, consumer durables and transportation, which increases resulted from the depreciation of the Turkish Lira, the impact of disruptions in supply chains, the rise in government-administered prices and the reopening of the Turkish economy from COVID-19-related restrictions. On 27 October 2022, the Central Bank published an inflation report indicating an inflation forecast of 65.2%, 22.3% and 8.8% at the end of 2022, 2023 and 2024, respectively. As of December 2022, the last 12 month CPI inflation rate was 64.27% and the last 12 month domestic producer price inflation rate was 97.72% (it should be noted that this is the official inflation rate whereas other analysts have published different rates, in some cases significantly higher than the official rate). While the Bank's management expects inflation to decline in the first half of 2023 due to the impact of the higher base created in 2022, inflation might continue at an elevated, or even higher, pace due to potential higher food inflation (in part due to droughts, wildfires, logistics obstacles and other supply side challenges), cost push factors (where sellers pass along increasing costs to their customers) and/or worsening inflation expectations. In addition, high inflation levels in Türkiye since 2022 matched with reduced policy rates have resulted in a de-linking of market interest rates in Türkiye from Central Bank rates since market participants set borrowing and lending rates on broader market conditions, including expectations regarding inflation.

High inflation rates might distort the Group's results of operations, with nominal growth rates of the balance sheet and profitability in the Group's BRSA Financial Statements signficantly exceeding the rates as measured on a constant-currency basis. As noted in "Presentation of Financial and Other Information," as Türkiye's cumulative inflation has exceeded 100% over the past three years, the criteria of IAS 29 (Financial Reporting in Hyperinflationary Economies) for inflation-adjusted accounting have been satisfied and the Group's IFRS Financial Statements starting with those as of and for the six months ended 30 June 2022 are required to utilise inflation accounting, which not only complicates comparisons with past periods but might materially impact the Group's reported financial results under IFRS, including its reported net income. While, as of 9 January 2023, the POA has not yet required hyperinflation accounting for the BRSA Financial Statements, such might be required if inflation continues at an elevated level (as noted in the BRSA Interim Financial Statements, the POA announced that such was not applicable for the 2021 BRSA Financial Statements but had not yet provided any guidance with respect to later BRSA Financial Statements), which change in accounting practices would similarly make the BRSA Financial Statements published at that time not comparable to those incorporated by reference herein and might materially impact the Group's reported financial results.

The fourth and fifth sentences of the fourth paragraph of the section titled "Risk Factors - Risks Relating to the Group and its Business - Credit Risks - Counterparty Credit Risk" on page 27 of the Base Prospectus are hereby deleted in their entirety and replaced by the following:

Primarily due to an increase in NPLs as a consequence of the depreciation of the Turkish Lira and the deceleration of the growth of the Turkish economy, the Group's NPL ratio changed from 7.0% as of 31 December 2019 to 6.0% as of 31 December 2020, 4.2% as of 31 December 2021 and then 2.8% as of 30 September 2022 and the Stage 2 loans to performing loans ratio changed from 10.4% as of 31 December 2019 to 10.1% as of 31 December 2020, 8.9% as of 31 December 2021 and then 9.7% as of 30 September 2022. The Group's provisions for loan losses and other receivables increased to TL 4,199 million as of 30 September 2022 from TL 3,311 million as of 31 December 2021, which itself was an increase from TL 2,530 million as of 31 December 2020, which had itself increased from TL 1,919 million as of 31 December 2019.

The last sentence of the second paragraph of the section titled "Risk Factors - Risks Relating to the Group and its Business - Credit Risks - Government Default" on page 30 of the Base Prospectus is hereby deleted in its entirety and replaced by the following:

On 11 February 2022, Fitch downgraded Türkiye's long-term foreign currency issuer default credit rating to "B+" (with a negative outlook), which was followed on 8 July 2022 by a further downgrade to "B" (with a negative outlook). On 12 August 2022, Moody's downgraded Türkiye's sovereign rating to "B3" (with a stable outlook).

The fifth sentence of the first paragraph of the section titled "Risk Factors - Risks Relating to the Group and its Business - Market Risks - Foreign Exchange and Currency Risk" on page 31 of the Base Prospectus is hereby deleted in its entirety and replaced by the following:

As a reference, the Turkish Lira depreciated against the U.S. dollar by 11.1% in 2019, 19.1% in 2020, 44.3% in 2021 and 28.7% in 2022.

The following is hereby inserted as the first risk factor in the section titled "Risk Factors - Risks Relating to the Group and its Business – Other Group-Related Risks" on page 38 of the Base Prospectus:

Audit Qualification – The auditor's reports in relation to the Group's and the Bank's financial statements have included a qualification and reports in relation to future financial statements might include similar qualifications

The independent auditor's reports included in the BRSA Interim Financial Statements were qualified with respect to free provisions that were allocated by the Bank. Specifically, such report in the Group's BRSA Interim Financial Statements states that the qualification was the result of the fact that these reserves are "not within the requirements of" the BRSA Principles. Similar qualifications might be included in the corresponding audit or review reports for future fiscal periods.

In the third quarter of 2022, the Bank's management approved a free provision of TL 3,200,000 thousand due to the possible effects of adverse situations that might arise from possible changes in the economy and market conditions.

Although free provisions do not impact the Group's level of tax, the Group's capital adequacy ratios and net profit/(loss) might otherwise be higher in the periods in which such provisions are established and lower in the periods in which such provisions are reversed.

RECENT DEVELOPMENTS

The section titled "Recent Developments" starting on page 59 of the Base Prospectus is hereby deleted in its entirety and replaced by the section set out on Exhibit A.

The last paragraph of the section titled "The Group and its Business – General" on page 63 of the Base Prospectus is hereby deleted in its entirety and replaced by the following:

Reference is also hereby made to "Recent Developments" with respect to certain more recent financial information about the Group.

CREDIT RATINGS

The tables of ratings from Fitch and Moody's on page 85 of the Base Prospectus are hereby deleted in their entirety and replaced by the following:

Fitch (26 July 2022)

Long-term Foreign Currency Issuer Default Rating/Outlook:	B- / Negative
Short-term Foreign Currency Issuer Default Rating:	B
Local Currency Long Term Issuer Default Rating/Outlook:	B / Negative
Local Currency Short Term Issuer Default Rating:	B
National Long-term Rating/Outlook:	AA (tur) / Stable
Shareholder Support Rating:	b-
Viability Rating:	b-
Long-term Foreign Currency Senior Unsecured Debt Rating:	B-

Moody's (19 August 2022)

Long-term Foreign Currency Deposit Rating/Outlook:	B3 / Stable
Short-term Foreign Currency Deposit Rating:	Not Prime
Long-term Local Currency Deposit Rating/Outlook:	B1 / Stable
Short-term Local Currency Deposit Rating:	Not Prime
BCA (Baseline Credit Assessment):	b3
Adjusted BCA:	b1
Long-term Foreign Currency Senior Unsecured Debt Rating/Outlook:	B3 / Stable

Accordingly, the ratings for the senior Notes issued under the Programme, including on the cover of the Base Prospectus and in "General Description of the Programme – The Programme – Rating" on page 11 of the Base Prospectus, are hereby updated to reflect the applicable such ratings from Fitch and Moody's.

TURKISH REGULATORY ENVIRONMENT

The last three paragraphs of the section titled "Turkish Regulatory Environment – Liquidity and Reserve Requirements" starting on page 130 of the Base Prospectus are hereby deleted in their entirety and replaced with the following:

> On 23 April 2022, the Central Bank amended the Communiqué Regarding Reserve Requirements (effective as of 29 April 2022) to require Turkish banks to establish mandatory reserves for their Turkish Lira-denominated commercial cash loans; *provided* that the following are excluded: (a) loans provided to SMEs, tradesmen, financial institutions and/or certain governmental authorities and their subsidiaries and (b) export and investment loans, agricultural loans and corporate credit cards. With respect to such amendments (as further amended on 10 June 2022), banks are required to reserve 20% of the relevant commercial loans (as calculated on the last Friday of every four week period) for a maintenance period of four weeks. In addition, as a provisional application, banks with a growth rate in loans subject to reserve requirements above 20% as of 31 May 2022 compared to 31 December 2021 are required to maintain mandatory reserves between 10 June 2022 and 24 November 2022 at a rate of 20% of the difference between their existing such loan balances on 31 March 2022 and 31 December 2021 (the "*Commercial Cash Loan Reserve Requirement*").
>
> From 23 December 2022, if a bank's Turkish Lira share of either its total consumer or company deposits is: (a) from 50% to below 60%, then such bank must pay a fee to the Central Bank equal to 3% of the reserves required to be held by it with respect to all of its foreign exchange deposits, or (b) below 50%, then such fee rate is increased to 8%.
>
> The Central Bank issued on 10 June 2022 the Regulation on the Maintenance of Turkish Lira Securities for Foreign Currency Liabilities (the name of which was later changed to Regulation on the Maintenance of Securities) (the "*Regulation on the Maintenance of Securities*"). Pursuant to this regulation (as amended on 31 December 2022), effective from 24 June 2022, each Turkish bank is required to hold with the Central Bank long-term Turkish Lira-denominated securities issued by the Turkish government (including lease certificates issued by Undersecretariat of Treasury Asset Leasing Company) for the foreign currency deposits, participation funds and precious metals accounts held with such bank (excluding those of certain depositors, including the Central Bank itself, the Turkish Treasury, certain other governmental entities, other Turkish banks and non-citizens, and such deposits/funds/accounts funded by foreign direct investments as determined by the Central Bank) as well as the funds from foreign exchange-denominated repo transactions. Pursuant to amendments to the Regulation on the Maintenance of Securities made on

18 October 2022 and 31 December 2022, each Turkish bank is required to hold an amount of such securities equal to 5% of the amount of the foreign currency deposits, participation funds and precious metals accounts held by the relevant customers with such bank as well as the funds from foreign exchange-denominated repo transactions; *however*, if the relevant bank's ratio of Turkish Lira deposits to total deposits is: (a) less than 50%, then such rate is to be increased to 12%, and (b) greater than or equal to 50% but less than 60%, then such rate is to be increased to 7% (in each case, one-third of such increase is to apply for the calculation date 30 December 2022 and two-thirds of such increase is to apply for the calculation date 27 January 2023). On 7 January 2023, the Central Bank announced its intention to further amend the Regulation on the Maintenance of Securities so that, effective from 24 February 2023, the general rate is increased to 10%; *however*, if a bank's ratio of Turkish Lira deposits to total deposits is: (i) less than 50%, then such rate is to be increased to 17%, (ii) greater than or equal to 50% but less than 60%, then such rate is to be increased to 12%, (iii) greater than or equal to 60% but less than 70%, then such rate is to be decreased to 5%, and (iv) greater than or equal to 70%, then such rate is to be decreased to 3%.

On 20 August 2022 and 31 December 2022, the Central Bank amended the Regulation on the Maintenance of Securities to: (a) require Turkish banks to hold with the Central Bank long-term Turkish Lira-denominated securities issued by the Turkish government in an amount equal to 30% of the amount of the securities issued by entities (other than financial institutions) held by such banks, (b) replace the Commercial Cash Loan Reserve Requirement with a requirement to hold with the Central Bank long-term Turkish Lira-denominated securities issued by the Turkish government in an amount equal to 30% of the amount of such Turkish Lira-denominated commercial cash loans (excluding the loans previously excluded from the Commercial Cash Loan Reserve Requirement as noted above only if such loans are disbursed against expenditures) and (c) provide that if:

(i) a bank's Turkish Lira-denominated commercial cash loan growth (excluding such excluded loans) during each calculation period from 26 August 2022 to 25 November 2022 compared to the previous calculation period was higher than 3%, then such bank is required to hold with the Central Bank long-term Turkish Lira-denominated securities issued by the Turkish government in an amount equal to the amount over such 3%,

(ii) a bank's Turkish Lira-denominated commercial cash loan (excluding such excluded loans) growth as of 30 December 2022 compared to 29 July 2022 is higher than 10%, then such bank is required to hold with the Central Bank long-term Turkish Lira-denominated securities issued by the Turkish government in an amount equal to the amount over such 10% *minus* the amount already held as required by clause (i), and

(iii) a bank's Turkish Lira-denominated commercial cash loan growth (excluding such excluded loans) during each calculation period from 27 January 2023 to 29 December 2023 compared to the previous calculation period was higher than 3%, then such bank is required to hold with the Central Bank long-term Turkish Lira-denominated securities issued by the Turkish government in an amount equal to the amount over such 3%.

Additionally, the 20 August 2022 amendment provides that, for commercial loans extended from 20 August 2022 until 31 December 2022, a Turkish bank is required to hold with the Central Bank long-term Turkish Lira-denominated securities issued by the Turkish government in an amount equal to:

(A) 20% of the amount of Turkish Lira-denominated commercial cash loans (excluding such excluded loans) extended during such period at an annual compound interest rate from and including 1.4 times to but excluding 1.8 times higher than the Central Bank-released annual compound reference rate (which reference rate is 10.31% for the period between 1 December 2022 and 31 December 2022), and

(B) 90% of the amount of Turkish Lira-denominated commercial cash loans (excluding such excluded loans) extended during such period at an annual compound interest rate of 1.8 times or more higher than such Central Bank-released annual compound reference rate.

With respect to commercial loans extended from 31 December 2022, banks are required (based upon a calculation to be made on the last Friday of every month) until 29 December 2023 to hold with the Central Bank long-term Turkish Lira-denominated securities issued by the Turkish government in an amount equal to 20% or 90% of the amount of Turkish Lira-denominated commercial cash loans (excluding such excluded loans) extended during such month depending upon their annual compound interest rate.

Also in August 2022, the Central Bank introduced new regulations to increase the share of Turkish Lira-denominated assets in the collateral system and to ensure the maintenance of additional required reserves for foreign currency deposits. Effective as of 2 September 2022, the collateral discount rate for CPI-indexed securities and assets subject to collateral in foreign currency and gold was increased from 50% to 60% and the remuneration rate for Turkish Lira-denominated required reserves was reduced to 0% from 8.5%.

On 31 December 2022, as a provisional application to be applied from 31 December 2022 through 29 December 2023 (based upon a calculation to be made on the last Friday of every month), the Central Bank required banks to hold the following additional reserves with the Central Bank: should there be an increase in the positive difference in the sum of a bank's foreign currency deposits, participation funds and funds from foreign exchange-denominated repo transactions *minus* the amount of loans provided and the related required reserves, reserves in the amount of such increase must be held using long-term Turkish Lira-denominated securities issued by the Turkish government.

The sole paragraph of the section titled "Turkish Regulatory Environment – Foreign Exchange Requirements" on page 133 of the Base Prospectus is hereby deleted in its entirety and replaced with the following:

According to the Regulation on Foreign Exchange Net Position/Capital Base issued by the BRSA and published in the Official Gazette No. 26333 dated 1 November 2006 (and amendments thereto effective as of 9 January 2023), for both the bank-only and consolidated financial statements, the weekly arithmetic mean of the ratio of a bank's foreign exchange net position to its capital base should not exceed (+/-) 5%, which calculation is required to be made on a weekly basis. The net foreign exchange position is the difference between the Turkish Lira equivalent of a bank's foreign exchange assets and its foreign exchange liabilities. For the purpose of computing the net foreign exchange position, foreign exchange assets include all active foreign exchange accounts held by a bank (including its foreign branches), its foreign exchange-indexed assets and its subscribed forward foreign exchange purchases; and for purposes of computing the net foreign exchange position, foreign exchange liabilities include all passive foreign exchange accounts held by a bank (including its foreign branches), its subscribed foreign exchange-indexed liabilities and its subscribed forward foreign exchange sales. In addition, a bank must include any general and special provisions it has set aside pursuant to the Classification of Loans and Provisions Regulation for the calculation of the standard ratio of its foreign exchange net position to its capital base. If such ratio exceeds (+/-) 5%, then the bank is required to take steps to move back into compliance within two weeks following the bank's calculation period. Banks are permitted to exceed this ratio up to six times per calendar year.

The third sentence of the third paragraph of the section titled "Turkish Regulatory Environment – Disclosure of Financial Statements" on page 139 of the Base Prospectus is hereby deleted in its entirety and replaced with the following:

As companies in Türkiye prepare their financial statements in Turkish Lira, the value of any foreign currency-denominated asset and liability is converted into Turkish Lira based upon the currency rate applicable as of the date of such financial statements; *however*, until 1 January 2024, the communiqué allows companies to disregard any losses arising from the exchange rate volatility of any outstanding foreign currency-denominated liability while making any capital loss or insolvency calculations.

The following is inserted before the section titled "Turkish Regulatory Environment – Additional COVID-19-Related Temporary Measures" starting on page 144 of the Base Prospectus:

Turkish Lira Borrowing Restrictions

On 24 June 2022, the BRSA introduced Turkish Lira borrowing restrictions for non-financial institution companies that are subject to independent audit. Pursuant to these restrictions, such companies may only borrow Turkish Lira-denominated commercial cash loans from Turkish banks and financial leasing, factoring and financing companies subject to various restrictions depending upon the amount of their foreign currency assets (including (*inter alia*) gold, foreign currency cash, foreign exchange deposits and foreign currency-denominated securities but excluding foreign currency-denominated securities issued by Türkiye itself).

According to these restrictions, these companies with such foreign currency assets of the equivalent of at least TL 10 million at the time of loan application are not permitted to receive Turkish Lira-denominated commercial cash loans (including swap transactions) if such foreign currency assets exceed 5% of the higher of their total assets and net sales revenue for the most recent financial year. The BRSA has, however, provided an exception for companies who are not permitted to borrow Turkish Lira-denominated commercial cash loans due to this restriction and foreign currency-denominated loans due to other restrictions imposed by applicable laws at the time of the loan application, which companies are permitted to borrow Turkish Lira-denominated commercial cash loans in an amount up to the amount of their three month foreign currency net position deficit as declared by the company at the time of loan application and then confirmed by the company's independent auditors or a certified public accountant at the end of every three month period. Where any such companies have entities that consolidate into them, these calculations are made on a consolidated basis (though disregarding non-Turkish entities).

Such companies with such foreign currency assets of less than the above-noted amount are permitted to borrow Turkish Lira-denominated commercial cash loans; *provided* that they submit a declaration that: (a) their current foreign exchange assets, total assets and net sales revenue for the most recent financial year do not exceed the relevant thresholds at the time of the loan application and (b) they undertake that the Turkish Lira equivalent of their foreign exchange assets will not exceed such amount (or, if it exceeds such amount, it will not exceed 5% of the higher of their total assets and net sales revenue for the last financial year ending during the term of such loan). In addition, such companies must (every three months) submit to the lending bank(s) a declaration confirmed by their independent auditor or a certified public accountant reaffirming that the above remain true in order to ensure that such bank(s) is/are able to monitor such declaration and undertaking.

OTHER GENERAL INFORMATION

The following is hereby inserted as a new paragraph after the second paragraph in the section titled "Other General Information – Independent Auditors" on page 253 of the Base Prospectus:

PwC's reports included in the BRSA Interim Financial Statements contain a qualification (see "Risk Factors – Risks Relating to the Group and its Business – Other Group-Related Risks – Audit Qualification" for further information).

MANAGEMENT

The table in the section titled "Management – Board of Directors" on page 100 of the Base Prospectus is hereby amended by: (a) replacing "Sinan Şahinbaş" therein with "Dr. Esel Yıldız Çekin" and so that the related position is "Board Member" and the related "Date first appointed" is 2022 and (b) changing the position of Yousef Mahmoud H. N. Al-Neama to Vice-Chairman.

The description of Sinan Şahinbaş in the section titled "Management – Board of Directors - Chairman" on page 101 of the Base Prospectus is hereby deleted in its entirety and replaced by the description of Yousef Mahmound H. N. Al-Neama on page 101 of the Base Prospectus, noting him as the Vice-Chairman of the Board of Directors.

The description of Yousef Mahmoud H. N. Al-Neama in the section titled "Management – Board of Directors" on page 103 of the Base Prospectus is hereby replaced in its entirety by the following:

Dr. Esel Yıldız Çekin

Ms. Çekin has a degree in economics from Boğaziçi University, thereafter earning a PhD in the same field from the City University of New York Graduate School. She also completed the Advanced Management Program at Harvard Business School. Ms. Çekin started her career as a consultant at the İstanbul office of Bain & Co. Management Consultancy, thereafter joining Boyner Holding, Turkey's largest non-food retail group, as Vice President of Strategy and Business Development in 1999. From 2004 to 2009, she served as Chief Executive Officer of Beymen, Boyner Holding's luxury department store chain. She then served as Executive Director of the Graduate School of Business at Koç University before becoming the Executive Director of the Harvard Business School MENA Research Centre when it opened in 2013, where she manages the school's research activities in Türkiye, the Middle East, North Africa and Central Asia. Ms. Çekin is also a board member at Migros Ticaret, one of Turkey's biggest food retailers, and a board member at Coca Cola İçecek, the Coca Cola Company's bottler in the region (in both cases, sitting on the boards' corporate governance committees). In September 2022, she was appointed as a member of the Board of Directors of the Bank.

OVERVIEW OF DIFFERENCES BETWEEN IFRS AND THE BRSA PRINCIPLES

The following is hereby added at the end of Appendix A to the Base Prospectus:

Hyperinflationary Accounting

Pursuant to TAS 29, Financial Reporting in High Inflation Economies ("*TAS 29*") under Turkish financial reporting standards ("*TFRS*") and the corresponding International Accounting Standards 29 ("*IAS 29*") under IFRS, the financial statements of entities whose functional currency is that of a hyperinflationary economy must be adjusted for the effects of changes in a general price index. Neither TAS 29 nor IAS 29 establishes an absolute rate when hyperinflation is deemed to arise, but rather each provides a series of non-exclusive guidelines as to when restatement of financial statements becomes necessary. These guidelines include, among other considerations, a quantitative characteristic verifying if the three-year cumulative inflation rate approaches or exceeds 100%. In March 2022, the International Practices Task Force of the Centre for Audit Quality, which monitors countries experiencing high inflation, categorised Türkiye as a country with three-year cumulative inflation rate greater than 100% as of 28 February 2022. Accordingly, Turkish companies reporting under IFRS should apply IAS 29 to their financial statements for periods ending on and after 30 June 2022.

With respect to TFRS, on 20 January 2022, the POA stated that businesses applying TFRS do not need to make any adjustments in their financial statements for 2021 within the scope of TAS 29. As of 9 January 2023, there has been no further announcement by the POA regarding this issue and, as a result, inflation adjustments for such periods have not been applied on the BRSA Financial Statements. As a result, the BRSA Financial Statements that do not apply hyperinflationary accounting will differ materially from those applying hyperinflationary accounting in accordance with IAS 29.

EXHIBIT A

RECENT DEVELOPMENTS

The Bank published its consolidated and unconsolidated BRSA Financial Statements (*i.e.*, the BRSA Interim Financial Statements) on 27 October 2022. The following tables set out certain information regarding the Group as of (or for the nine month periods ended) on the indicated dates. The following financial information has been extracted from the Group's BRSA Interim Financial Statements without material adjustment. These tables should be read in conjunction with the Group's BRSA Interim Financial Statements (including the notes therein) incorporated by reference into this Base Prospectus.

	For the nine month period ended 30 September	
	2021	**2022**
Income Statement Data:	*(TL thousands)*	
Interest income	18,372,340	44,139,120
Interest expense	(9,935,793)	(18,590,583)
Net interest income/expense	**8,436,547**	**25,548,537**
Fees and commissions received	3,340,681	6,223,706
Fees and commissions paid	(726,043)	(1,507,746)
Net fees and commissions income/expense	**2,614,638**	**4,715,960**
Net trading income/loss	(2,875,843)	(37,067)
Other operating income	400,447	277,314
Dividend income	1,129	16,728
Net operating income	**8,576,918**	**30,521,472**
Other operating expenses (including other provision expenses and personnel expenses)	(3,704,865)	(7,024,939)
Expected credit losses	(1,565,595)	(4,198,778)
Free provisions[(1)]	-	(3,200,000)
Income/loss from investments under equity accounting	96,817	166,106
Operating profit/loss before taxes	**3,403,275**	**16,263,861**
Provisions for taxes of continued operations	(802,165)	(4,790,943)
Net profit/(loss)	**2,601,110**	**11,472,918**

(1) As such free provisions are not permitted under the BRSA Principles, the Group's independent auditors noted this departure in the Interim Financial Statements by qualifying their opinion. Should the Bank's management determine that market conditions have improved to such an extent that such additional provisions are not required, then they might elect to reverse such provisions in future periods, which would have the result of increasing income in such period.

Balance Sheet Data:	As of 31 December 2021	As of 30 September 2022
	(TL thousands)	
Cash and balances with the Central Bank	70,294,571	79,441,641
Financial assets measured at fair value through profit or loss (net)	19,221,279	19,761,805
Banks	15,820,128	35,489,661
Money market placements	159,508	419,489
Loans and receivables (net)	212,355,262	320,107,196
Investment securities (net)(1)	49,524,930	93,027,350
Investment in associates (net)(2)	270,367	400,613
Tangible assets (net)	3,694,515	3,952,983
Intangible assets (net)	648,585	935,921
Current tax asset	2,040	20,349
Deferred tax assets	341,690	413,524
Other assets	11,516,137	17,222,708
Total assets	**383,849,012**	**571,193,240**
Bank deposits	12,977,095	9,692,756
Deposits from customers(3)	212,899,484	339,984,169
Money market borrowings	18,190,614	30,535,137
Funds borrowed	37,252,267	53,074,512
Other liabilities and provisions(4)	38,554,240	50,834,432
Securities issued (net)	29,802,816	28,606,732
Subordinated loans	11,852,564	17,262,406
Current tax liabilities	167,723	2,872,346
Deferred tax liabilities	—	—
Total liabilities	**361,696,803**	**532,862,490**
Paid-in capital	3,350,000	3,350,000
Share premium	714	714
Other comprehensive income/expense items to be reclassified to profit or loss	(1,963,526)	2,727,502
Other comprehensive income/expense items not to be reclassified to profit or loss	(223,943)	(209,351)
Other capital reserves	—	—
Profit reserves	17,072,922	20,979,569
Profit / (loss)	3,906,647	11,471,211
Total equity attributable to equityholders of the parent shareholder	**22,142,814**	**38,319,645**
Minority shares	9,395	11,105
Total shareholders' equity	**22,152,209**	**38,330,750**
Total liabilities and shareholders' equity	**383,849,012**	**571,193,240**
Off-balance sheet commitments and contingencies	**206,155,941**	**360,734,296**

(1) Represents the total of investment securities measured at fair value through other comprehensive income (net) and investment securities measured at amortised cost (net).
(2) Represents the total of investment in associates (net), investment in subsidiaries (net) and entities under common control (joint ventures) (net).
(3) Referred to as "other deposits" in the BRSA Financial Statements.
(4) Represents the total of derivative financial liabilities for hedging purposes, derivative financial liabilities for trading, provisions and other liabilities.

With respect to earnings, during the first three quarters of 2022, the Group's: (a) net interest margin was 9.2%, increasing from 5.4% during the first three quarters of 2021, (b) cost-to-income ratio was 23.0%, decreasing from 43.2% during the first three quarters of 2021, (c) return on average total assets was 3.2%, increasing from 1.3% during the first three quarters of 2021, and (d) return on average shareholders' equity was 52.0%, increasing from 17.2% during the first three quarters of 2021.

With respect to loan quality, as of 30 September 2022, the Group's: (a) NPL ratio was 2.8%, decreasing from 4.2% as of 31 December 2021, (b) specific provisions for loan losses to NPLs was 82.4%, increasing from 74.9% as of 31 December 2021, and (c) specific provisions for loan losses to total loans was 2.4%, decreasing from 3.4% as of 31 December 2021.

With respect to capital adequacy (as calculated pursuant to the BRSA's guidelines), as of 30 September 2022, the Group's: (a) Tier 1 regulatory capital as a percentage of risk-weighted assets and market risk was 11.92%, decreasing from

12.21% as of 31 December 2021, (b) total regulatory capital as a percentage of risk-weighted assets and market risk was 14.8%, decreasing from 15.2% as of 31 December 2021, and (c) average shareholders' equity excluding minority interest as a percentage of average total assets was 6.2%, decreasing from 7.2% as of 31 December 2021.

With respect to the Group's total capitalisation, as of 30 September 2022, this had increased to TL 101,761,887 thousand from TL 79,743,529 thousand as of 31 December 2021. As of 9 January 2023, there has been no significant change in total capitalisation since 30 September 2022.

On 21 December 2022, the Bank paid TL 981 million to acquire the 51% of Cigna Health, Life and Pension that it did not already own, resulting in the company becoming a 100% subsidiary of the Bank.