SECOND SUPPLEMENT dated 31 August 2023 to the Base Prospectus dated 24 March 2023

İŞBANK

TÜRKİYE İŞ BANKASI A.Ş.

US$7,000,000,000

Global Medium Term Note Programme

This supplement (this "*Supplement*") is supplemental to, and must be read in conjunction with, the Base Prospectus dated 24 March 2023 (the "*Original Base Prospectus*") as amended by the First Supplement thereto dated 13 June 2023 (the "*First Supplement*"; the Original Base Prospectus as supplemented by the First Supplement being the "*Base Prospectus*") prepared by Türkiye İş Bankası 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 Regulation (EU) No. 2017/1129 (as amended, 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 Article 23 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 six-month period ended 30 June 2023 (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 six-month period ended 30 June 2023 (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 2023, which were incorporated into the Base Prospectus pursuant to the First Supplement, 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.isbank.com.tr/contentmanagement/IsbankFinancialDocuments/TAS%20Consolidated/pdf/isbnk30062023cons.pdf, and (b) with respect to the Issuer's New BRSA Financial Statements, https://www.isbank.com.tr/contentmanagement/IsbankFinancialDocuments/TAS%20Bank-only/pdf/IsbankUnconsolidatedFinancial30062023.pdf (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 Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. (a member firm of Ernst & Young Global Limited) ("*EY*"), independent auditors. EY's review report included within each of the New BRSA Financial Statements notes 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, EY's review report included within each of the New BRSA Financial Statements contains 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.

Other than to the extent described 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 2022, (b) no significant change in the financial performance of the Group since 30 June 2023 to the date of this Supplement and (c) no significant change in the financial position of the Group since 30 June 2023.

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:

The BRSA Financial Statements of the Group and the Bank as of and for the three-month period ended 31 March 2023 incorporated into the Base Prospectus pursuant to the First Supplement are hereby removed from, and shall hereafter not form part of, the Base Prospectus. In connection therewith, all financial 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 2022 and 2023 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 Original Base Prospectus (as amended by the First Supplement) 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 2021 (including comparative information for 2020) and 2022 (including comparative information for 2021) (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 six-month period ended 30 June 2023 (including comparative information for the same period of 2022) (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.

DOCUMENTS INCORPORATED BY REFERENCE

The last sentence of the fourth paragraph of the section titled "Documents Incorporated by Reference" starting on page xvi of the Original Base Prospectus (as inserted pursuant to the First Supplement) is hereby deleted in its entirety and replaced by the following:

> In addition, copies of the BRSA Interim Financial Statements can be obtained without charge from the registered office of the Issuer and from the Issuer's website at: (i) with respect to the Bank's BRSA Interim Financial Statements as of and for the six-month period ended 30 June 2023, https://www.isbank.com.tr/contentmanagement/IsbankFinancialDocuments/TAS%20Bank-only/pdf/IsbankUnconsolidatedFinancial30062023.pdf, and (ii) with respect to the Group's BRSA Interim Financial Statements as of and for the six-month period ended 30 June 2023, https://www.isbank.com.tr/contentmanagement/IsbankFinancialDocuments/TAS%20Consolidated/pdf/isbnk30062023cons.pdf.

RISK FACTORS

The penultimate sentence of the fifth paragraph of the section titled "Risk Factors - Risks Relating to Türkiye – Political Conditions – Political Developments" on page 12 of the Original Base Prospectus (as such sentence was inserted pursuant to the First Supplement) is hereby deleted in its entirety and replaced by the following:

> After the presidential elections in May 2023, a new governor of the Central Bank and a new Minister of Treasury and Finance were appointed, after which the first meeting of the Central Bank's Monetary Policy Committee increased the rate to 15.00% and then raised it again to 17.50% in July 2023 and 25.00% in August 2023; *however*, as of 31 August 2023, such rate remains well below the level of inflation. The Central Bank has actively employed other tools to seek to support the Turkish Lira's exchange rate even while maintaining the policy rate below the inflation rate.

The following is hereby inserted after the seventh sentence of the fifth paragraph of the section titled "Risk Factors - Risks Relating to Türkiye - Economic Conditions - Turkish Economy" starting on page 16 of the Original Base Prospectus:

After the presidential elections in May 2023, the Central Bank increased the rate to 15.00% and then raised it again to 17.50% in July 2023 and 25.00% in August 2023; *however*, as of 31 August 2023, such rate remains well below the level of inflation.

The first paragraph of the section titled "Risk Factors – Risks Relating to Türkiye – Economic Conditions – Inflation" on page 20 of the Original Base Prospectus is hereby deleted in its entirety and replaced by the following:

The Turkish economy has been subject to significant increases in inflation in recent years, which might continue (including at elevated levels). In 2020, the annual consumer price index ("*CPI*") inflation rate was 14.60% and domestic producer price inflation was 25.15%, 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 rose to 36.08%, 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. In 2022, the CPI inflation rate was 64.27% and the domestic producer price inflation rate was 97.72%, with inflation then declining to 47.83% and 44.50%, respectively, for the twelve months ended July 2023 (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), reflecting increases in the prices of food, energy and imported goods as well as recent increases in interest rates as well as VAT and other consumption taxes. On 27 July 2023, the Central Bank published an inflation report indicating an inflation forecast of 58.0%, 33.0% and 15.0% in 2023, 2024 and 2025, respectively. As of 31 August 2023, the Bank's management expects inflation to remain steady or slightly increase in the remainder of 2023, with inflation continuing 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), depreciation of the Turkish Lira and/or worsening inflation expectations. In addition, high inflation levels in Türkiye since 2022 matched with policy rates below the inflation rate 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.

The fourth sentence 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 24 of the Original Base Prospectus (as amended by the First Supplement) is hereby deleted in its entirety and replaced by the following:

The Group's NPL ratio changed from 5.4% as of 31 December 2020 to 4.0% as of 31 December 2021, 3.0% as of 31 December 2022 and 2.3% as of 30 June 2023 and the Stage 2 loans as a percentage of performing loans changed from 12.0% as of 31 December 2020 to 11.6% as of 31 December 2021, 9.2% as of 31 December 2022 and 9.1% as of 30 June 2023.

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 27 of the Original Base Prospectus (as amended by the First Supplement) is hereby deleted in its entirety and replaced by the following:

As a reference, the Turkish Lira depreciated against the U.S. dollar by 19.1% in 2020, 43.4% in 2021 and 30.6% in 2022 before declining by a further 29.7% in 2023 through 30 August 2023.

The following sentence is hereby inserted after the second sentence of the second paragraph of the section titled "Risk Factors - Risks Relating to the Group and its Business – Other Group-Related Risks – Audit Qualification" on page 34 of the Original Base Prospectus:

As of 30 June 2023, free provisions amounted to TL 6,475 million, reflecting a reversal of TL 2,000 million during the first six months of 2023.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The section titled "Management's Discussion and Analysis of Financial Condition and Results of Operations – Recent Developments" inserted into the Base Prospectus pursuant to the First Supplement is hereby deleted in its entirety and replaced by the section titled "Recent Developments" contained in Exhibit A.

The first sentence of the section titled "Management's Discussion and Analysis of Financial Condition and Results of Operations" on page 58 of the Original Base Prospectus (as amended by the First Supplement) is hereby deleted in its entirety and replaced by the following:

> The following discussion and analysis of the consolidated financial position and results of operations of the Group covers the fiscal years ended 31 December 2020, 2021 and 2022 and, in "-Recent Developments" below, the six-month periods ended 30 June 2022 and 2023.

TURKISH REGULATORY ENVIRONMENT

The first sentence of the fifth paragraph of the section titled "Turkish Regulatory Environment – Capital Adequacy" starting on page 168 of the Original Base Prospectus is hereby deleted in its entirety and replaced by the following:

> The Capital Adequacy Regulation also lowered the risk weights of certain assets and credit conversion factors, including reducing: (a) the risk weights of residential mortgage loans from 50% to 35%, (b) the risk weights of consumer loans (excluding residential mortgage loans) qualifying as retail loans (*perakende alacaklar*) in accordance with the Capital Adequacy Regulation and instalment payments of credit cards from a range of 100% to 250% (depending upon their outstanding tenor) to 75% (irrespective of their tenor) (on 31 July 2023, the BRSA increased the risk weighting for consumer credit cards (including cash withdrawals and spending) and consumer cash loans (excluding mortgage loans and including overdraft accounts) issued after 31 July 2023 to 150%); *provided* that such receivables are not reclassified as NPLs, and (c) the credit conversion factors of commitments for credit cards and overdrafts from 20% to 0%.

The sixth paragraph of the section titled "Turkish Regulatory Environment – Capital Adequacy" on page 169 of the Original Base Prospectus is hereby deleted in its entirety.

The following paragraph is hereby inserted after the eighth paragraph to the section titled "Turkish Regulatory Environment – Capital Adequacy" on page 169 of the Original Base Prospectus:

> On 31 July 2023, the BRSA increased the risk weightings for: (a) credit card instalment payments (including cash withdrawals and spending), (b) consumer cash loans (including overdraft accounts, auto loans for passenger cars and auto secured loans) and (c) financial leasing transactions with consumers to 150% for the loans issued after 31 July 2023; *however*, such increased risk weightings shall not be applied to customers located in the cities affected by such earthquakes until 1 January 2024.

The ninth and later paragraphs of the section titled "Turkish Regulatory Environment – Liquidity and Reserve Requirements" starting on page 177 of the Base Prospectus (as amended pursuant to the First Supplement) are hereby deleted in their entirety and replaced by 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 (*i.e.*, the Commercial Cash Loan Reserve Requirement).
>
> From 8 July 2023, if a bank's Turkish Lira share of either its total consumer or company deposits is: (a) from 50% to below 57%, 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%.

On 15 January 2023, the Central Bank amended the Communiqué Regarding Reserve Requirements so that (starting with the maintenance period starting on 3 February 2023), the reserve requirement rate for Turkish Lira deposit accounts and participation accounts held by certain customers with maturities longer than three months is 0%. Additionally, should there be an increase (compared to 6 January 2023, based upon a calculation to be made on the last Friday of every two-week period) in a bank's foreign currency-denominated liabilities with maturities longer than six months provided directly from abroad, the reserve requirement rate for such increased amount is 0% until 22 December 2023. On 21 July 2023, the Central Bank amended the Communiqué Regarding Reserve Requirements (effective as of 21 July 2023) to oblige banks to hold mandatory reserves at the rate of 15% for the foreign exchange-protected Turkish Lira-denominated deposit accounts regardless of their maturities. On 20 August 2023, the Central Bank amended the Communiqué Regarding Reserve Requirements (effective as of 18 August 2023) to increase reserve requirement ratios for foreign currency-denominated deposits and participation funds (excluding those obtained from banks abroad) on demand or with a maturity up to (and including) one month from 25% to 29%.

The Central Bank issued on 10 June 2022 the Communiqué on the Maintenance of Turkish Lira Securities for Foreign Currency Liabilities (the name of which was later changed to Communiqué 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 an amendment to the Regulation on the Maintenance of Securities made on 25 June 2023 (as itself amended on 20 August 2023), 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.

On 20 August 2022, 31 December 2022 and 25 July 2023, 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 (for a 12-month period) 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 (for a 12-month period) 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 2.5% for commercial loans, then such bank is required to hold (for a 12-month period) with the Central Bank long-term Turkish Lira-denominated securities issued by the Turkish government in an amount equal to the amount over such rate.

Additionally, the 20 August 2022 amendment provides that, for commercial loans extended from 20 August 2022 until 30 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 150% 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 gradually increased from 50% to 60% to 70% to 80% and the remuneration rate for Turkish Lira-denominated required reserves was reduced to 0% from 8.5%.

In May 2023, the Central Bank introduced new rules for credit growth for consumer loans, vehicle loans, SME loans and loans subject to the Commercial Cash Loan Reserve Requirement, which rules provide that, if any of such loan types grows more than 3% per month, the applicable bank will be required to hold with the Central Bank long-term Turkish lira-denominated securities issued by the Turkish Treasury in an amount equal to the excess of loans over the 3% growth rate (reduced in August 2023 to 2.5% for Turkish Lira-denominated commercial cash loans (excluding export, investment, agricultural and tradesmen loans), 2.0% for vehicle loans and 2.5% for other Turkish Lira denominated cash loans excluding consumer loans).

On 26 May 2023, the BRSA published the Regulation on the Net Stable Funding Ratio Calculations of Banks to align the Turkish regulatory capital regime with Basel III requirements that seeks to strengthen the liquidity of banks. Pursuant to this new regulation, starting as of 1 January 2024, the three-month arithmetic mean of a bank's consolidated and non-consolidated net stable funding ratios (calculated on a monthly basis) shall not be less than 100%. The BRSA shall also announce a minimum rate for the banks' consolidated and non-consolidated net stable funding ratios (as calculated monthly) and if either the consolidated or non-consolidated net stable funding ratio of a bank falls below such minimum requirement, then such bank must resolve this discrepancy by the next calculation period.

On 20 August 2023 the Central Bank further amended the Regulation on the Maintenance of Securities (effective as of 26 August 2023) and required banks to hold such securities in an amount equal to 150% for their Turkish Lira-denominated commercial cash loans (excluding export and investment loans) extended (based upon a calculation to be made on the last Friday of every month) until (and including) 29 December 2023 at an annual compound interest rate that is higher than the Central Bank-released annual compound reference rate.

On 20 August 2023, as a provisional measure effective from 26 August 2023, the Central Bank has required each Turkish bank (except banks whose deposit/participation fund size is below an amount determined by the Central Bank from time to time) to hold (for a six-month period) additional Turkish Lira-denominated securities issued by the Turkish government equal to the amount of the deficient portion (based upon a calculation to be made as of the last Friday of every month through 29 December 2023) if: (a) the conversion rate of foreign exchange protected accounts that mature through 29 December 2023 to Turkish Lira term deposit/participation accounts is less than 50% and/or (as calculated for real persons only) is less than 5% per monthly calculation period, (b) the renewal rate of foreign exchange protected accounts is less than 95% and/or (c) the share of Turkish Lira deposits/participation accounts (as calculated only for real persons) is less than 2% below the share of to the previous calculation period and the share of Turkish Lira deposits/participation accounts (as calculated only for legal entities) is less than the share calculated on 18 August 2023.

TAXATION

The eleventh paragraph of the section titled "Taxation - Certain Turkish Tax Considerations" on page 282 of the Original Base Prospectus is hereby deleted in its entirety and replaced by the following:

Capital gains realised by a resident corporation or individual on the sale or redemption of the Notes (or beneficial interests therein) are subject to income tax or corporate (income) tax declaration. The corporate income tax rate in Türkiye for 2023 is: (a) 30% for banks, financial leasing, factoring and financing companies, e-money and payment services institutions, authorised foreign exchange currency-related entities, asset management companies (*varlık yönetim şirketleri*), securities intermediaries and other capital markets institutions, insurance and reinsurance companies and pension companies and (b) 25% for other corporate entities (the rate for individuals' income tax ranges from 15% to 40% at progressive rates). Capital gains are, in principle, calculated in local currency terms and resident individuals' acquisition costs can be increased at the Producer Price Index's rate of increase for each month except for the month of discharge, so long as such index increased by at least 10%.

OTHER GENERAL INFORMATION

The section titled "Other General Information – Documents Available" starting on page 304 of the Original Base Prospectus is hereby deleted in its entirety and replaced by the following:

For the period of 12 months following the date of this Base Prospectus (or, if any Notes issued pursuant to this Base Prospectus are listed on the Official List of Euronext Dublin (or any other regulated market in the EEA) and admitted to trading on the regulated market of Euronext Dublin (or any other regulated market in the EEA), for such longer period as such Notes remain so listed and admitted), the following documents (or copies thereof) may be inspected at the registered office of the Issuer:

(a) the articles of association (with a certified English translation thereof) of the Issuer,

(b) the BRSA Financial Statements incorporated by reference herein or, when published, copies of the latest audited annual and unaudited interim financial statements of the Bank (in English) delivered by the Bank pursuant to Condition 5.3 (for the purpose of clarification, such financial statements are not, and shall not be deemed to be, included in (or incorporated by reference into) this Base Prospectus except to the extent so incorporated by a supplement hereto),

(c) the Agency Agreement (including the forms of the Deed of Covenant, the Deed Poll, the Global Notes and the Definitive Notes),

(d) a copy of this Base Prospectus, and

(e) any future base prospectus, prospectuses, information memoranda, supplements to this Base Prospectus and Final Terms and any other documents incorporated herein or therein by reference (except that a Final Terms relating to a Note that is neither admitted to trading on a regulated market in the EEA nor offered in the EEA in circumstances in which a prospectus is required to be published under the Prospectus Regulation will only be available for inspection by a holder of such Note and such holder must produce evidence satisfactory to the Issuer and the Fiscal Agent as to its holding of such Note and identity).

In addition, for such period, copies of the documents described in clauses (a) through (e) are (or, as applicable, are expected to be) available in electronic format on the Issuer's website (as of the date hereof, at: https://www.isbank.com.tr/en/about-us/investor-relations); *provided* that: (a) the articles of incorporation of the Issuer can be found at https://www.isbank.com.tr/en/about-us/corporate-information and (b) with respect to such documents (or portions thereof) that are incorporated by reference herein, see "Documents Incorporated by Reference" above. Each Final Terms relating to Notes that are admitted to trading on a regulated market in the EEA will also be available on the Issuer's website. Such website does not, and shall not be deemed to, constitute a part of, nor is incorporated into, this Base Prospectus and has not been scrutinised or approved by the Central Bank of Ireland.

EXHIBIT A

Recent Developments

The Bank published its consolidated and unconsolidated BRSA Financial Statements (*i.e.*, the BRSA Interim Financial Statements) on 7 August 2023. The following tables set out certain information regarding the Group as of (or for the six-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.

Analysis of Results of Operations for the First Six Months of 2022 and 2023

	Six months ended 30 June	
	2022	**2023**
	(TL thousands, except where indicated)	
Consolidated Income Statement Data		
Interest Income	**59,363,416**	**95,865,034**
Interest Income on Loans	36,772,487	61,678,548
Interest Income on Reserve Deposits	284,989	263,332
Interest Income on Banks	450,520	1,113,543
Interest Income on Money Market Placements	841,402	240,189
Interest Income on Marketable Securities Portfolio	19,669,481	29,529,738
Financial Assets at Fair Value Through Profit or Loss	*141,432*	*227,510*
Financial Assets at Fair Value Through Other Comprehensive Income	*12,059,986*	*17,245,934*
Financial Assets at Measured at Amortised Cost	*7,468,063*	*12,056,294*
Finance Lease Income	699,846	1,318,604
Other Interest Income	644,691	1,721,080
Interest Expense	**21,930,311**	**52,404,588**
Interest on Deposits	13,463,629	32,164,506
Interest on Funds Borrowed	2,042,910	5,643,509
Interest on Money Market Funds	1,522,960	4,382,100
Interest on Securities Issued	3,985,929	4,071,567
Financial Lease Expense	100,540	184,892
Other Interest Expense	814,343	5,958,014
Net Interest Income	**37,433,105**	**43,460,446**
Net Fees and Commissions Income	**5,996,809**	**12,479,997**
Fees and Commissions Received	9,181,931	18,054,794
Non-cash Loans	1,031,554	1,564,918
Other	8,150,377	16,489,876
Fees and Commissions Paid	3,185,122	5,574,797
Non-cash Loans	13,788	53,976
Other	3,171,334	5,520,821
Dividend Income	**217,713**	**319,074**
Trading Income (net)	**6,175,142**	**25,581,385**
Gains/(Losses) on Securities Trading	1,136,470	6,301,423
Derivative Financial Transactions Gains/(Losses)	(8,624,609)	15,807,384
Foreign Exchange Gains/(Losses)	13,663,281	3,472,578
Other Operating Income	**10,482,925**	**29,542,313**
Gross Operating Income	**60,305,694**	**111,383,215**
Expected Credit Loss (-)	**6,303,447**	**11,178,167**
Other Provision Expenses (-)	**3,174,076**	**547,634**
Personnel Expense (-)	**7,717,867**	**13,950,215**
Other Operating Expenses (-)	**18,214,172**	**43,695,944**
Net Operating Income/(Loss)	**24,896,132**	**42,011,255**
Profit/(Loss) From Associates Accounted for Using the Equity Method	**4,741,976**	**4,674,443**
Profit/(Loss) On Continuing Operations Before Tax	**29,638,108**	**46,685,698**
Tax Provision For Continuing Operations	**4,847,654**	**8,584,544**
Current Tax Provision	7,562,762	3,631,187
Deferred Tax Income Effect (+)	1,710,569	11,174,027
Deferred Tax Expense Effect (-)	4,425,677	6,220,670
Net Period Profit/(Loss) From Continuing Operations	**24,790,454**	**38,101,154**
Group's Profit/(loss)	23,097,789	31,565,335
Non-controlling Interest Profit/(loss)	1,692,665	6,535,819
Earnings Per Share[1]	**0.092390324**	**0.126260204**

(1) Earnings per share are calculated by using the average number of shares of the applicable period. Presented in Turkish Lira instead of thousands of Turkish Lira.

Net Interest Income

The Group's interest income increased by 61.5% to TL 95,865 million in the first six months of 2023, which increase resulted primarily from an increase in interest income on loans and securities as described below. Interest income from loans totalled TL 61,679 million (64.3% of total interest income) and interest income from total securities totalled TL 29,530 million (30.8% of total interest income) during the first six months of 2023, compared to TL 36,772 million (61.9% of total interest income) and TL 19,669 million (33.1% of total interest income), respectively, during the same period of 2022. The primary drivers of the increase in interest income were the increase in the volume of loans and the size of the Group's securities portfolio. In addition, the depreciation of the Turkish Lira resulted in an increase in the Turkish Lira-equivalent income of foreign currency-denominated loans during the first six months of 2023.

The Group's interest expense increased by 139.0% to TL 52,405 million in the first six months of 2023 from TL 21,930 million in the same period of 2022, which increase was mainly due to 138.9%, 187.7% and 176.2% increases in interest expenses on deposits (particularly Turkish Lira-denominated deposits), money market funds and funds borrowed, respectively.

As a result of this interest income and interest expense, the Group's net interest income was TL 43,460 million in the first six months of 2023, increasing by 16.1% from TL 37,433 million in the same period of 2022. As set out in the table below, the Bank's net interest margin on an annualised basis in the first six months of 2023 was 5.8%, compared to 8.6% in the same period of 2022, which decrease was mainly due to the increase in average interest-earning assets exceeding the increase in net interest income.

	Six months ended 30 June	
	2022	2023
	(TL thousands, except percentages)	
Net interest income	32,629,673	35,157,156
Interest from the Central Bank	284,681	263,305
Total	**32,344,992**	**34,893,851**
Average loans and receivables (performing)	553,835,785	842,104,550
Average total securities portfolio	170,738,415	327,370,213
Average banks	25,666,888	29,436,072
Average money market placements	4,007,396	-
Average interest-earning assets	**754,248,484**	**1,198,910,835**
Nominal net interest margin	4.3%	2.9%
Annualisation factor	**2.00**	**2.00**
Net interest margin	8.6%	5.8%

Other Income

The Group's net fees and commission income increased by 108.1% to TL 12,480 million in the first six months of 2023 from TL 5,997 million in the same period of 2022, which increase was primarily a result of the increase in fees and commissions received by the Bank from cash loans, payment systems and asset management.

The Group's dividend income increased by 46.6% to TL 319.1 million in the first six months of 2023 from TL 217.7 million in the same period of 2022, which increase was the result of an increase in shares in the trading portfolio. On 25 August 2023, the Bank announced its intention to transfer shares it directly holds in its subsidiaries and other participations to a newly established 100% subsidiary.

The Group's trading gain was TL 25,581 million in the first six months of 2023, compared to a gain of TL 6,175 million in the same period of 2022, which gain in 2023 was the result of securities trading gains of TL 6,301 million, foreign exchange gains of TL 3,473 million and derivative transactions gains of TL 15,807 million. The change in the first six months of 2023 as compared to the same period of 2022 was mainly driven by the lower costs for swaps due to declines in Turkish Lira interest rates resulting from the Central Bank's cuts to its policy rate. The continuing depreciation of the Turkish Lira also resulted in improved income on the Group's foreign exchange-denominated assets in the first six months of 2023.

The Group's other operating income in the first six months of 2023 was TL 29,542 million, increasing by 181.8% from TL 10,483 million in the same period of 2022, which increase was primarily attributable to an increase in the volume of the Group's insurance and reinsurance companies, resulting in an increase in income from those activities by 157.7% to TL 16,637 million in the first six months of 2023 from TL 6,457 million in the same period of 2022. In addition, in the first six months of 2023, the Group collected TL 4,257 million, or 15.6%, of its NPLs as of 31 December 2022, an increase of TL 264.1 million from the same period of 2022.

Provisioning for Loans and other Receivables

The Group's provision expenses for loans and other receivables were TL 11.18 billion in the first six months of 2023, increasing by 77.5% from TL 6.30 billion in the same period of 2022. In the first six months of 2023, Stage 3 expected credit loss expenses increased by 31.6% compared to the same period of 2022, which increase was primarily due to the Bank's decision to provide additional reserves for loans that were disbursed to borrowers in the regions affected by the earthquakes of February 2023. The expected credit loss expenses for Stage 1 and Stage 2 increased by 147.3% in the first six months of 2023 compared to the same period of 2022, which increase was due both to an increase in the loan portfolio (including as a result of the depreciation in the Turkish Lira) and the Group's decision to take reserves in excess of the required amounts in order to anticipate potential uncertainties. The net NPL formation was TL 515.8 million in the first six months of 2023 compared to TL (766.5) million in the same period of 2022, which increase was primarily attributable to new NPLs, which increased more than the collections on existing NPLs.

The Group's NPL ratio was 2.3% as of 30 June 2023, compared to 3.0% as of 31 December 2022. During the first six months of 2023, the Group did not sell any NPLs.

The following tables show the Group's provisioning for loans and other receivables for the indicated periods:

	Six months ended 30 June	
	2022	**2023**
	(*TL thousands*)	
Expected Credit Loss(-)	**6,303,447**	**11,178,167**
12 Month Expected Credit Losses (Stage 1)	*464,455*	*2,052,135*
Significant Increase in Credit Risk (Stage 2)	*2,029,210*	*4,113,560*
Credit-Impaired Losses (Stage 3/Special Provision)	*3,809,782*	*5,012,472*
Marketable Securities Impairment Losses	**78,250**	**23,477**
Financial Assets at Fair Value through Profit and Loss	*8,837*	*481*
Financial Assets at Fair Value through Other Comprehensive Income	*69,413*	*22,996*
Impairment Losses on Investments in Associates, Subsidiaries, Jointly Controlled Entities	-	-
Investments in Associates	-	-
Subsidiaries	-	-
Jointly Controlled Entities	-	-
Other	**3,095,826**	**524,157**
Total	**9,477,523**	**11,725,801**

Other Operating Expenses

The Group's other operating expenses in the first six months of 2023 were TL 43,696 million, increasing by 139.9% from TL 18,214 million in the same period of 2022, which change was principally attributable to a 122.6% increase in the activities of the Group's insurance and reinsurance companies, with expenses related to such businesses contributing TL 19,044 million and TL 8,555 million, respectively, in the first six months of 2022 and 2023.

Net Period Profit/(Loss) from Continuing Operations

As a result of the above-described income and expenses for the first six months of 2023, the Group's net period profit/(loss) from continuing operations during such period was TL 38,101 million, increasing by 53.7% from TL 24,790 million in the same period of 2022. The following table sets out certain of the Group's selected financial ratios and other data for the indicated periods:

	Six months ended 30 June	
	2022	2023
	(*TL thousands, except percentages*)	
Net period profit/(loss) from continuing operations	24,790,454	38,101,154
Average total assets	1,244,715,415	1,976,785,115
Average shareholders' equity	106,786,121	198,723,663
Average shareholders' equity as a percentage of average total assets	8.58%	10.05%
Return on average total assets[(1)]	4.0%	3.9%
Return on average shareholders' equity[(1)]	43.3%	31.8%

(1) As this is determined for a period shorter than 12 months, this is expressed on an annualised basis in the manner described in "Presentation of Financial and Other Information - Alternative Performance Measures."

Financial Condition

The table below sets forth the Group's balance sheet data as of the indicated dates.

	As of 31 December 2022	As of 30 June 2023
	(*TL thousands*)	
ASSETS		
Financial Assets (Net)	502,126,978	716,064,737
Cash and Cash Equivalent	*247,036,056*	*386,912,120*
Financial Assets at Fair Value Through Profit or Loss	*33,574,852*	*38,992,274*
Financial Assets at Fair Value Through Other Comprehensive Income	*202,125,577*	*246,157,175*
Derivative Financial Assets	*19,560,649*	*44,296,727*
Expected Credit Loss (-)	*170,156*	*293,559*
Financial Assets Measured at Amortised Cost (Net)	979,329,078	1,251,435,352
Loans	*878,093,482*	*1,101,045,695*
Lease Receivables	*18,361,594*	*23,211,885*
Factoring Receivables	*15,908,657*	*15,493,296*
Other Financial Assets Measured at Amortised Cost (Net)	*106,956,161*	*156,181,384*
Expected Credit Loss (-)	*39,990,816*	*44,496,908*
Assets Held for Sale and Discontinued Operations (Net)	1,618,994	1,607,482
Equity Investments	42,870,444	51,408,400
Investments in Associates (Net)	*405,345*	*423,659*
Subsidiaries (Net)	*42,449,189*	*50,960,916*
Joint Ventures (Net)	*15,910*	*23,825*
Tangible Assets (Net)	24,478,118	26,761,859
Intangible Assets (Net)	4,079,813	5,071,718
Investment Property (Net)	11,320,190	13,964,154
Current Tax Asset	26,354	2,318,030
Deferred Tax Asset	974,110	913,564
Other Assets (Net)	148,607,490	260,101,960
Total Assets	**1,715,431,569**	**2,329,647,256**
LIABILITIES & EQUITY		
Deposits	952,635,932	1,294,457,248
Funds Borrowed	155,981,599	196,107,721
Money Markets	51,240,156	108,164,912
Securities Issued (Net)	58,344,560	71,748,929
Funds	737,733	728,332
Derivative Financial Liabilities	10,091,101	16,619,590
Lease Payables (Net)	1,643,053	2,130,984
Provisions	67,292,475	80,227,415
Current Tax Liability	8,125,987	4,366,938
Deferred Tax Liability	1,599,383	1,826,095
Subordinated Debts	33,558,745	45,773,915
Other Liabilities	164,128,152	274,108,080
Total Liabilities	**1,505,378,876**	**2,096,260,159**
Shareholders' Equity	210,052,693	233,387,097
Total Liabilities and Shareholders' Equity	**1,715,431,569**	**2,329,647,256**

Assets

As of 30 June 2023, the Group had total assets of TL 2,329,647 million, an increase of 35.8% from 31 December 2022. This increase was primarily attributable to a 25.4% increase in cash loans (excluding lease receivables, factoring receivables and NPLs) and a 28.8% increase in total securities.

As of 30 June 2023: (a) the Group's cash and cash equivalents was TL 386,619 million, an increase of 56.6% from 31 December 2022, (b) the Group had gross loans (which for these purposes comprises loans, leasing receivables and factoring receivables) of TL 1,139,751 million, an increase of 24.9% from 31 December 2022, which increase was primarily attributable to increases in loans and the appreciation of foreign currencies against the Turkish Lira, and (c) the Group's other assets totaled TL 260,102 million, an increase of 75.0% from 31 December 2022, which increase was principally driven by increases in the activities of the Group's insurance and reinsurance companies, the assets of which increased by 34.7% during the first six months of 2023.

Liabilities

As of 30 June 2023, the Group had total liabilities of TL 2,096,260 million, an increase of 39.3% from 31 December 2022. The increase was primarily attributable to 35.9%, 111.1% and 67.0% increases in deposits, money markets and other liabilities, respectively, compared to year-end 2022.

Shareholders' Equity

As of 30 June 2023, the Group's shareholders' equity amounted to 10.0% of the Group's total assets, compared to 12.2% as of 31 December 2022. Total shareholders' equity was TL 233,387 million as of 30 June 2023, an increase of 11.1% from 31 December 2022, which increase was due to current period profits. The Bank paid dividends of TL 12,323 million in March 2023 with respect to earnings from 2022.

Off-Balance Sheet Arrangements

The aggregate amount of off-balance sheet arrangements comprising guarantees, letters of credit and similar obligations totalled TL 351,156 million as of 30 June 2023, a 40.2% increase from 31 December 2022. This increase was largely due to increases in the letters of credit portfolio.

Capital Adequacy

The following table sets out information on the Group's capital and its capital adequacy ratios as of the indicated dates.

	As of 31 December 2022	As of 30 June 2023
	(*TL thousands, except percentages*)	
Paid-in capital	10,000,000	10,000,000
Paid-in capital inflation adjustments	1,615,938	1,615,938
Profit reserves	58,096,893	110,016,286
Profit	61,471,023	31,980,931
Tier 1 Capital (I)	198,553,596	219,168,341
Tier 2 Capital (II)	39,010,424	49,210,504
Deductions (III)	2,650	1,441
Own Funds (I+II-III)	237,561,370	268,377,404
Risk Weighted Assets (including market and operational risk)	1,087,995,231	1,403,020,182
Capital Ratios:		
Tier 1 ratio(1)	18.25%	15.62%
Capital adequacy ratio(3)	21.84%	19.13%

(1) The Tier 1 ratio is: (a) the tier 1 capital (*i.e.*, the common equity tier 1 capital *plus* additional tier 1 capital *minus* regulatory adjustments to common equity) *as a percentage of* (b) the aggregate of the credit risk, market risk and operational risk. Capital adequacy ratios are based upon BRSA regulations.

(2) The capital adequacy ratio is: (a) the sum of tier 1 capital *plus* tier 2 capital (*i.e.*, the "supplementary capital," which comprises general provisions, subordinated debt) *minus* items to be deducted from capital (the "deductions from capital," which comprises items such as unconsolidated equity interests in financial institutions and assets held for resale but held longer than five years) *as a percentage of* (b) the aggregate of the credit risk, market risk and operational risk. The capital adequacy ratios are based upon BRSA regulations.

The Bank's own Tier 1 ratio as of 30 June 2023 was 17.57% and its capital adequacy ratio as of such date was 21.34%. The Bank elected not to exercise its option to call its US$500,000,000 Tier 2 Notes due 2028 on their call date (*i.e.*, 29 June 2023), which decision was taken in consideration of market conditions, refinancing costs and the continuing recognition of portions of such notes as tier 2 capital.

Please see: (a) "Risk Factors - Risks Relating to Türkiye - Economic Conditions - Turkish Economy" with respect to the negative impact on the capital ratios resulting from the depreciation of the Turkish Lira and positive (but likely temporary) impacts of certain regulatory accommodations provided by the BRSA and (b) "Risk Factors - Risks Relating to Türkiye - Economic Conditions - Inflation" with respect to the potential distorting impact of high inflation, including the use of non-inflation-adjusted figures in the BRSA Financial Statements.