

3.5 Explanations on Operating Expenses

The table below shows the distribution of the CBRT's expenses in the last two years on the basis of the current expenditure items in real (2003) prices.

Table 3.5.1: Distribution of Expenses (With 2003 prices)

	2021 (TRY)	2020 (TRY)	Change (%)
I- Personnel Expenses	256,042,473	289,567,993	-12
II- Other Expenses	35,164,053	63,120,400	-44
III- Banknote Printing Expenses	47,136,316	43,374,690	9
TOTAL	338,342,842	396,063,083	-15

In 2021, personnel expenses and other expenses decreased, while banknote printing expenses increased compared to 2020.

- Personnel expenses cover salaries, fringe benefits, social security payments, social benefits, health and education expenses, travel allowances and outsourcing expenses. The number of employees of the Bank including the senior management, which was 3,515 in 2020, increased by 3.50% to 3,638 in 2021. Compared to 2020, there was a 12% decrease in personnel expenses in real terms. In 2021, the total amount of gross salaries paid to the senior management of the CBRT, comprising the Board, the Executive Committee, the MPC and the Auditing Committee members, was TRY 15,243,016.
- In 2021, other expenses declined by 44% compared to 2020. This decline stemmed from the decrease in Social Expenses, Taxes, Duties and Charges, Repair and Maintenance Expenses, and Consultancy and Research Expenses.
- Banknote printing expenses rose by 9% in 2021 due to the appreciation in exchange rates and the increase in banknote production amount

When performing the duties assigned to it by the CBRT Law, the Bank prepares its budget adhering to the principle of frugality in spending.