

As Akbank, we are proud to issue our second Sustainability Report, the first of which had been presented last year as the first of its kind among deposit banks of Turkey. This year's report also covers our achievements realized within the framework of our environmental, social and economic performance and our sustainability vision.

Based upon our principle of ethical and reliable banking, our sustainability vision is to be a bank with strong financial foundations having respect for the environment, keeping community investment at high levels and attaching importance to stakeholder relations and transparency. This vision guides our Bank in our sustainability strategies and practices.



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Dear Stakeholders,

We, as Akbank, are proud to issue our second Sustainability Report, the first of which had been presented last year as the first of its kind among deposit banks of Turkey. This year's report also covers our achievements realized within the framework of our environmental, social and economic performance and our sustainability vision.

Based upon our principle of ethical and reliable banking, our sustainability vision is to be a bank with strong financial foundations having respect for the environment, keeping community investment at high levels and attaching importance to stakeholder relations and transparency. This vision guides our Bank in our sustainability strategies and practices.

We believe that environmental and social sustainability is as important as profitability in our operations. Thus, since 2007 we have been reemphasizing our commitment to the United Nations Global Compact (UNGC). During the reporting period, in other words throughout 2010, we continued to support four areas of UNGC (labour, human rights, environment, and anti-corruption) as well as the related ten principles with our various policies and practices within the framework of our operations.

During 2010, which has been a year of recovery due to efforts to overcome the global economic crisis, environmental issues have again been one of the most important items in the global agenda. 2010 has been a year in which environmental awareness increased throughout the world and necessity to take actions against climate change was felt more deeply.



Occupying an important part in the agendas of numerous private sector companies, financial institutions, governments, and non-governmental organizations, the increase in greenhouse gas emissions is also among the priorities of us in Akbank. Especially since 2005, we have been implementing various activities and practices on this end. Among these are activities and practices to support increasing environmental awareness in our country, to reduce environmental effects resulting from our operations, and to minimize effects caused by climate change. In addition, since requirements regarding this issue also bring economic benefits alongside, we offer loan opportunities for energy efficiency and renewable energy financing to our customers.

We closely follow all international developments that contribute to solutions regarding climate change and



MESSAGE FROM THE CHAIRMAN

we take active part in solution processes. In line with this approach, we took pioneering steps both locally and internationally in 2010. Carbon Disclosure Project, which is considered to be among the most globally recognized and prestigious projects today, has been one of the most concrete and awareness-raising initiatives in 2010 both in terms of its influence area and results. This project is also one of the most important indicators of Akbank's declaration of and commitment to its responsibilities in sustainable environment.

Cancun Communiqué, drafted prior to the United Nations Climate Change Summit held towards the end of 2010 in Cancun, Mexico and also signed by Akbank, makes a call for cooperation of governments against climate change. As a pioneer of the struggle against climate change in the Turkish finance industry, our Bank has been one of the 384 companies and the only bank in Turkey to sign the Cancun Communiqué. By signing the Communiqué presented to government representatives, Akbank made a call to governments to achieve global consensus on measures to be taken against climate change and to bring the low-carbon economy to life at local, national and regional levels.

Another effort that we believe will make significant contribution to the socioeconomic development of Turkey is our services provided to support SMEs that are vital to the economy. SMEs -accounting for over 99 percent of all enterprises in our country- represent a strategic potential in terms of sustainable growth. Similarly, entrepreneurship and youth are the other elements of power that has not been revealed yet. Believing that these three elements must be supported through various tools, we have developed a variety of products, projects, information and communication channels, and campaigns. Two examples of such successful projects are "Special Loans for Endeavor Entrepreneurs" initiated by Akbank and the Endeavor Foundation and the "Ideas Paving the Way to Business" program implemented in cooperation with the Sabancı University.

On the other hand, in order to benefit from the innovative and creative potential in our country, Akbank offers some suitable platforms to the youth. "Thinking Club" activities initiated with such an approach at various universities grow with the participation of new students and projects every year.

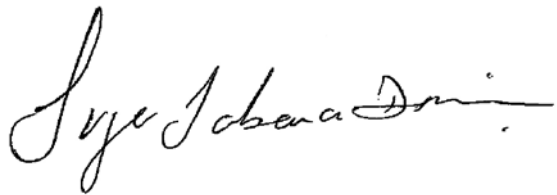
We, as Akbank, also aim to contribute to processes of policy-making that will accelerate the development of Turkey. İstanbul meeting of the Royal Institute of International Affairs (Chatham House) in 2010, High-Impact Entrepreneurship support organization Endeavor's meetings, Opportunities in Exports Seminars of the Foreign Economic Relations Board (DEİK), İstanbul Trade and Export Finance Conference, Euromoney Turkey Conference are only some of the events we supported in 2010.

Numerous art events that our Bank has been supporting for a long time via Akbank Art Center play an important role in enriching the arts and culture in our country and create social values.

While carrying out operations that have its signature under positive developments in environmental, social and economic sustainability, Akbank will certainly continue to pioneer changes in the industry and in our country and to build cooperation with the aim of creating common benefits.

Suzan Sabancı Dinçer

Chairman, Board of Directors





Dear Stakeholders,

In 2010, we left behind a period of time in which the traces of the recent economic turmoil were cleared and main focus stood on growth strategies. In this difficult period, we, as Akbank, maintained the same momentum for creating lasting values for all of our stakeholders. We are proud to share our second Sustainability Report, which is one of the most important indicators of our long-term perspective and commitment.

Akbank steers its operations not only towards its corporate targets, but also with a direction of growth that meets expectations of its significant stakeholders including Shareholders, Employees, Customers, Investors, International Financial Institutions, Society, Legislators, Business Partners, Suppliers, Youth, Media, and Non-Governmental Organizations. Dialogues on important and material issues with our stakeholders via various platforms contribute to improving our business processes and performance.

Since 2009, we have been communicating our practices and performance related to our environmental, social and governance responsibilities to our stakeholders with our Sustainability Report. Our 2010 Sustainability Report covers six main subject areas; namely, Our Approach to Sustainability, Corporate Governance and Risk Management, Value Added to Customers, Our Employees, Our Operations and the Environment, and Our Community Investment. We believe our Report documents our ever-increasing commitment and performance in the area.



Corporate governance, transparency and loyalty to ethical values have always been a priority of Akbank. We are aware of the fact that a transparent and sincere communication is what brings value to Akbank from the perspective of existing stakeholders and potential investors. Akbank management team meticulously implements the principle of sharing financial results of its operations with all related parties in a complete, fair, accurate, timely and understandable manner within the framework of generally accepted accounting principles and legislation provisions. In terms of informing the public, our practices are based upon the regulations of the Capital Markets Board of Turkey and the İstanbul Stock Exchange Market.

Global and local operations that we perform for the sake of sustainable environment accelerated in 2010.



MESSAGE FROM THE CEO

Akbank continued its sponsorship to the Carbon Disclosure Project (CDP) in 2010 and therefore contributed considerably to the implementation of this project in Turkey. CDP is a voluntary initiative carried out in approximately 60 countries worldwide, with the aim of measuring environmental footprints of companies and ensuring that they implement carbon management and assess the issue strategically.

As one of the pioneers in making an internationally standard greenhouse gas reporting commitment in Turkey, we, as Akbank, also received scores that carry us to the world leaders category in our sector with our CDP 2010 Global 500 reporting. Furthermore, we have been the first and only Turkish institution to take place in the global report. In addition to these, our bank also presents as a "signatory member" in the report, together with the world's most prestigious institutions.

As one of the largest companies in Turkey, we are aware that we need to assess and audit our environmental impacts. Our Head Office building and 20 Regional Management buildings, 912 branches, over 15,300 employees mean not only a huge physical asset, but also a huge power that believes in change. The dimensions of our responsibility become evident when more than 500 suppliers and elements within our delivery network that offers countrywide services are also included. In full awareness of this responsibility, we continue to develop various environmental projects and programs. We accelerate our efforts to create programs that raise employee awareness in areas such as energy conservation, reducing carbon emissions, and paper conservation.

As we have been doing since the day our Bank was established, we continue to contribute to social developments via projects we implement and support in various areas, including culture and arts, education, youth, entrepreneurship, and environment.

We collected all of our efforts to create customer and employee satisfaction so far under a "For You" philosophy in 2010. With this "For You" philosophy that bears signatures of all Akbank employees, we improve our customer and stakeholder satisfaction-based banking approach even further. Going beyond being simply the bank of our customers and stakeholders, we are their power supplies and supporters. Building closer relations with our customers and stakeholders, we closely monitor their needs, expectations, and questions. With accordingly-devised innovative products and services, practices and projects, we offer solutions that improve their quality of life and that create sustainable values.

Having completed 2010 in line with its targets, our Bank will continue to operate with a customer satisfaction-based approach, to support the national economy and the real sector, to create everlasting values together with all our stakeholders, and to carry out national and international efforts for a sustainable environment. I would like to take the opportunity to extend my gratitude to all our stakeholders who encourage us to perform better with their feedbacks, opinions, and support while we are continuing to invest in the future of our country and the world.

Ziya Akkurt
CEO





AKBANK AND SUSTAINABILITY - A TIMELINE

AKBANK SUSTAINABILITY
REPORT 2010

Continuous Development of Akbank

- January 1948** Established in the city of Adana to finance cotton producers in the region.
- 1950** First branch in İstanbul opened in Sirkeci.
- 1954** Akbank Head Office moved to İstanbul.
- 1963** Automation of all banking operations.
- 1964** First representative office opened in Frankfurt, Germany for bank transfers of Turkish workers.
- 1981** All banking operations computerized and online transactions started.
- 1990** Akbank shares offered to public.
- 1996** AkSecurities established.
- 1996** Investor Relations Group established to manage relations with shareholders.
- 1998** With a secondary public offering, Akbank shares started trading in international markets as an American Depository Receipt (ADR).
- 1998** Akbank Representative Office in Frankfurt transformed into a branch.
- 1998** AkInvestment established.
- 1999** Akbank Internet Banking started.
- 2000** Ak Portfolio Management and Private Banking Department established.
- 2000** Akbank Malta branch opened.
- 2001** Akbank International N.V. –completely owned by Akbank- established in the Netherlands.
- 2001** Opportunity to make banking transactions via Pocket Computer Banking offered to Akbank customers.
- 2001** Akbank Call Center started operations.
- 2002** Akbank Operations Center established.
- 2005** Akbank became the first bank to repurchase its founders shares.
- 2005** AkLease incorporated.
- 2009** Akbank International Advisory Board established.
- 2009** Co-branded fund for investments in BRIC countries offered to customers.
- 2009** Akbank videophone branch opened.
- 2009** Akbank (Dubai) Limited as the first Turkish bank established in Dubai International Finance Center.
- 2010** Akbank Banking Center started operations with a capacity of approximately 5,000 people.



AKBANK AND SUSTAINABILITY - A TIMELINE

Akbank and Sustainability

- 2003** Became the first bank to publicly declare its dividend policy.
- 2003** Became the first bank to announce Corporate Governance Principles in the annual report.
- 2004** Became the first bank to publish Corporate Governance Principles in its website.
- 2005** Became the sponsor of "Make a Wish" foundation, established to fulfill the wishes of children aged 3-18, fighting life-threatening diseases.
- 2007** Became the first Turkish bank to sign the UN Global Compact.
- 2007** Started cooperation with Endeavor – an international non-governmental organization aimed to contribute to economic development by supporting active entrepreneurs in developing countries.
- 2007** Akbank Customer Complaint Management System obtained ISO 10002 Quality Certificate.
- 2007** Supported entrepreneurs with its "Ideas Paving the Way to Business" program.
- 2008** Established "Akbank Thinking Club" with the aim of thinking together with the young and co-creating values for the future of Turkey.
- 2009** "The Power of Thinking" to support the education system initiated. Thanks to Akbank's "Power of Thinking" project, hundreds of thousands of students were reached through thousands of teachers.
- 2009** Corporate Governance and Social Responsibility Committee (CGSRC) established under the Board of Directors.
- 2009** Women's Development Center "BİZ", established by KAGİDER (Women Entrepreneurs Association of Turkey) with the aim of helping women improve their individual productivities, opened with Akbank as the main sponsor.
- 2010** Mentorship program in which experienced managers guide management trainees at Akbank put into effect.
- 2010** Became the first Turkish bank to publish UN Global Compact Communication on Progress report.
- 2010** Drew attention to environmental transparency by supporting the implementation of the Carbon Disclosure Project (CDP) - one of the world's most comprehensive and prestigious environmental initiatives- in Turkey.
- 2010** Became the first Turkish deposit bank to publish a Sustainability Report in accordance with the GRI standards.
- 2010** Became the first and only Turkish institution to take place in the CDP 2010 Global 500 reporting and received scores that carry the Bank to the "world sector leaders" category.
- 2010** "Akbank Energy-Friendly Loan" put into effect.
- 2010** A loan pool of TL 20 million and on easy terms opened for entrepreneurs selected by Endeavor Turkey.
- 2010** Signed the Cancun Communiqué prepared prior to the United Nations 2010 Climate Change Summit.
- 2010** Supported the "Before They Disappear" Project implemented in Turkey in coordination with the Regional Environment Center (REC) with the aim of drawing attention to regions at risk due to climate change.



AKBANK AND SUSTAINABILITY - A TIMELINE

Akbank and Arts

- 1972** Akbank Children's Theatre started performances.
- 1974** Akbank Karagöz (shadow theatre) and Puppet Theatres started performances to bring Karagöz's various adventures to audiences in many places of Turkey, starting with İstanbul.
- 1991** Akbank Jazz Festival started with the aim of creating a well-established musical culture in Turkey, by bringing world's most famous jazz performers to large audiences.
- 1991** As the first example of a private sector company supporting musical performances in Turkey, Akbank Chamber Orchestra established.
- 1993** Akbank Art Center established.
- 1998 - 2000** Ottoman Calligraphy Exhibition "Golden Letters", containing numerous valuable works, exhibited in New York Metropolitan, Los Angeles County Museum of Art, and Paris Louvre with the sponsorship of Akbank.
- 2003** Akbank Art Center restructured itself towards modern arts and accelerated artistic dynamics of our country by drawing attention to the local and international qualities of globalizing tendency of arts with its exhibitions.
- 2003-2007** Our Bank became the sponsor of Rock'n Coke Festival that brings world-famous rock stars to the youth.
- 2004** Akbank Short Film Festival was initiated.
- 2004** Akbank started to support the International İstanbul Film Festival and later became the main supporter.
- 2006** Rodin's works were exhibited at Sakıp Sabancı Museum with support from Akbank.
- 2007** Sponsoring the modern and contemporary arts event "Contemporary İstanbul", Akbank contributed to the realization of Turkey's most important contemporary arts fair.
- 2008** With the sponsorship of Akbank, art fans had the opportunity to see the works of Salvador Dali -one of the most important artists of the surrealist movement- at the Sakıp Sabancı Museum. With 385 works, the exhibition has been the largest Salvador Dali exhibition outside Spain.
- 2008** Akbank Children's Theatre got on Hürriyet Newspaper's "Human Rights Train" to once again carry the excitement, gloom, and beauties of theatre to 45 cities in Turkey.
- 2008** Rock legend Metallica came to Turkey with the sponsorship of Akbank and 37,000 fans had the opportunity to watch the band live on stage.
- 2009** Latin Rock legend Carlos Santana gave a concert in İstanbul with the sponsorship of Akbank Wings Credit Card.
- 2010** Around 75,000 people participated in the Sonisphere Festival that brought world-famous heavy metal bands with the sponsorship of our exi26 brand.



► Akbank in Brief

The main scope of Akbank's operations covers banking activities including SME banking, consumer banking, corporate banking, private banking, foreign exchange, money markets and securities (Treasury Transactions), and international banking services. Such needs of individuals and institutions are also supported via the Bank's financial subsidiaries. Non-bank financial services as well as capital markets and investment services are provided by Akbank's subsidiaries.

As the most valuable company in Turkey as of 2010 year-end, Akbank continues performing its role as the leader of the Turkish banking sector with its robust capital, consistent deposit structure, opportunities of cost-efficient foreign exchange funding, and strong asset structure.

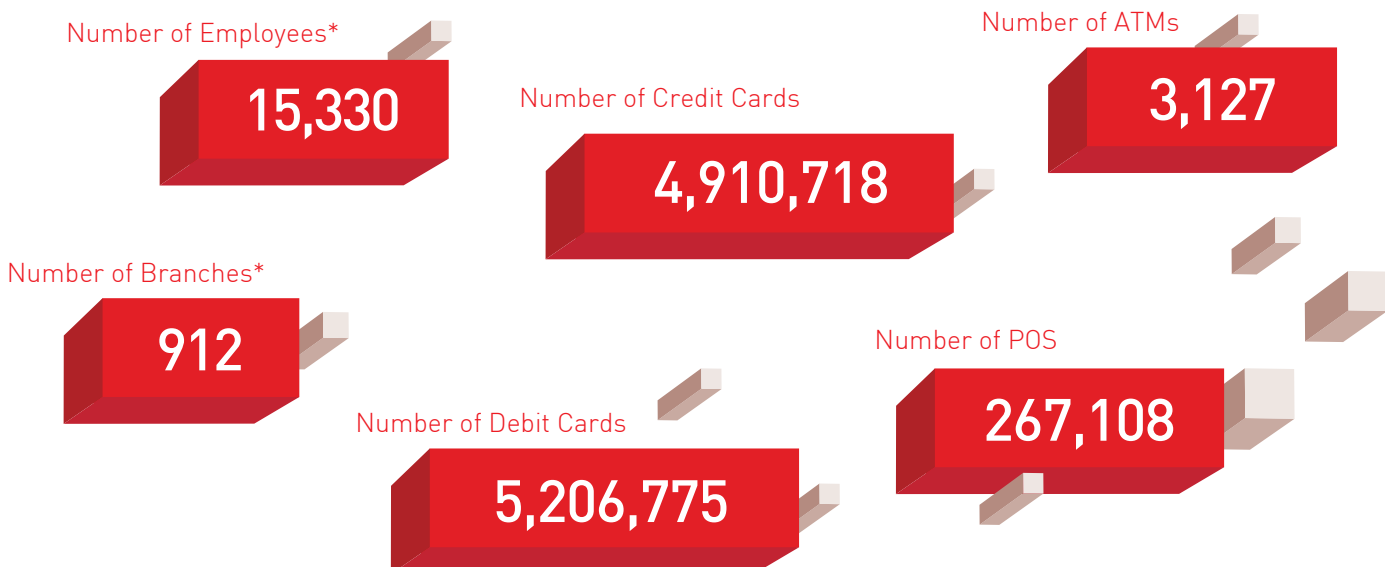
Benefiting from a strong and widespread domestic delivery network with a total of 912¹ branches, over 15,300 employees and more than 500 suppliers, Akbank performs operations via its Head Office in İstanbul and 20 regional directorates throughout Turkey. In addition to branches that form the traditional delivery channel, we also offer banking services to customers via the Internet and telephone branches, 3,127 ATMs, over 267,000 POS terminals, and other high-tech channels.

As of the end of 2010, the Bank's consolidated net profit is TL 3 billion (approximately USD 2 billion) and total consolidated current assets are TL 120 billion (approximately USD 78 billion). The Bank's consolidated capital adequacy ratio is 19.9% - one of the highest in the Turkish banking sector.

Akbank stocks are traded at İstanbul Stock Exchange Market (ISE) with a free float rate of 28.8%. Given the markets abroad, the Bank's Level 1 American Depository Receipts are traded at the OTC market in the USA. With a market value of USD 22.3 billion as of December 31st, 2010, Akbank is the company with the highest market value in ISE.

Carrying the responsibility of being a prestigious brand throughout its well-rooted history since 1948, Akbank adopted finding rapid and long-standing solutions to ever-changing needs together with continuous transformation as its corporate culture since these are indispensable prerequisites of such a success. The fact that Akbank is one of the strongest, biggest, and most valuable brands in Turkey is a consequence of its enthusiasm to create new and sustainable value for employees, customers, our country, and itself, as well as of its stable and consistent working principles.

¹Number of our branches reach 913 when Malta branch is included.



* Excluding the Malta branch.

01

ABOUT AKBANK

Our Main Brands

AKBANK



axess
Wings
HAYAT. ŞİMDİ. BENZERSİZ.



AKBANK
SANAT
BEYOĞLU

► Our Corporate Vision, Mission and Objectives, Our Strong Foundations

Vision

To become the most admired Turkish company, with the best people, constantly delivering outstanding results.

Mision

To provide the best banking experience in Turkey, offering outstanding value for its stakeholders.

Strategic Goals

- To achieve a long-term sustainable return on equity of at least 18%
- To be the leading bank in Turkey in terms of critical market shares
- To be the best bank in Turkey in terms of customer experience and satisfaction
- To be Turkey's most valuable bank

Our Strong Foundations

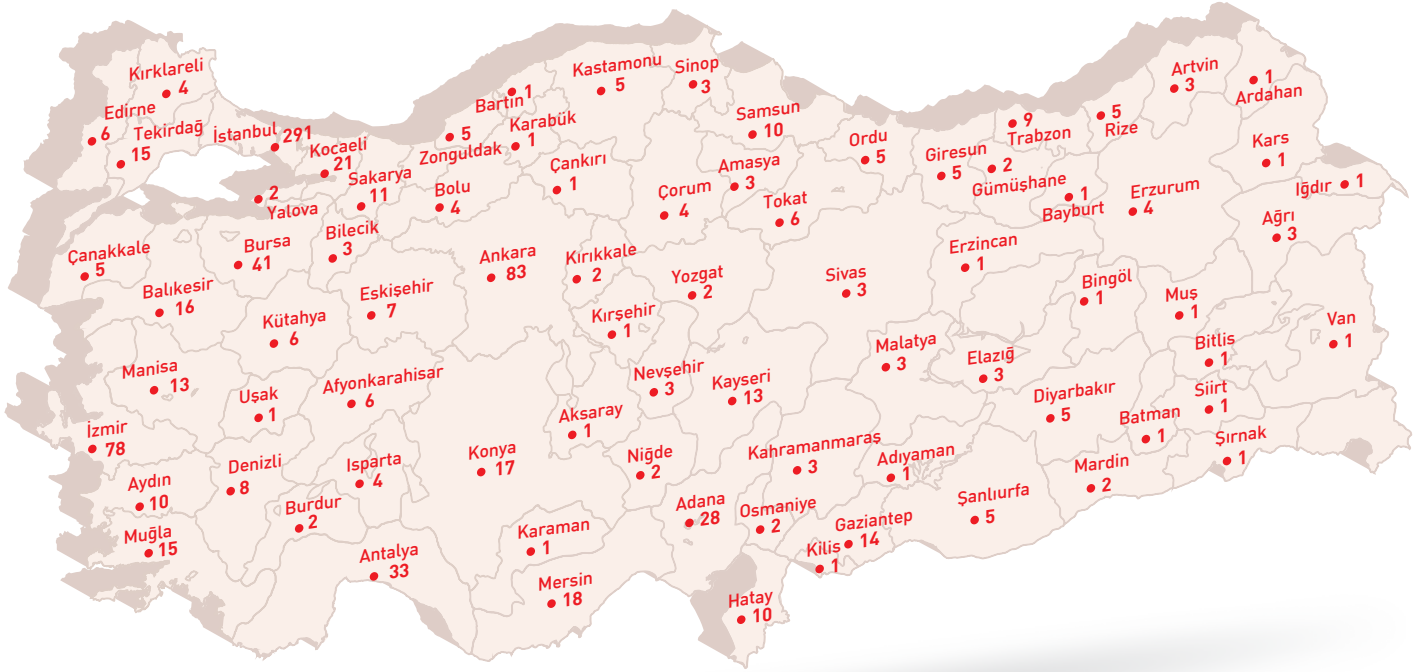
- Turkey's most valuable company*
- Long-term strategic management with successful practices
- 912 branches and high-tech delivery channels throughout Turkey
- Turkey's innovative force with countless "firsts" in the sector
- A stable and extensive funding base
- Sustainable profitability as well as high return on equity and assets
- A robust capital structure with 19.9% capital adequacy ratio
- A superior asset quality with a low non-performing loans ratio of 2.2%
- High level of efficiency with an operational expenses/assets ratio of 2.2%
- Advantage of high loan growth thanks to low loans/deposits and leverage ratios
- The highest Individual and Financial strength ratings to be assigned in Turkey

*As of 31.12.2010.

► Akbank in Figures

Our Extensive Network of Branches

We increased the number of domestic branches from 877 in 2009 to 912 in 2010 and thus improved and enhanced our economic area of influence.

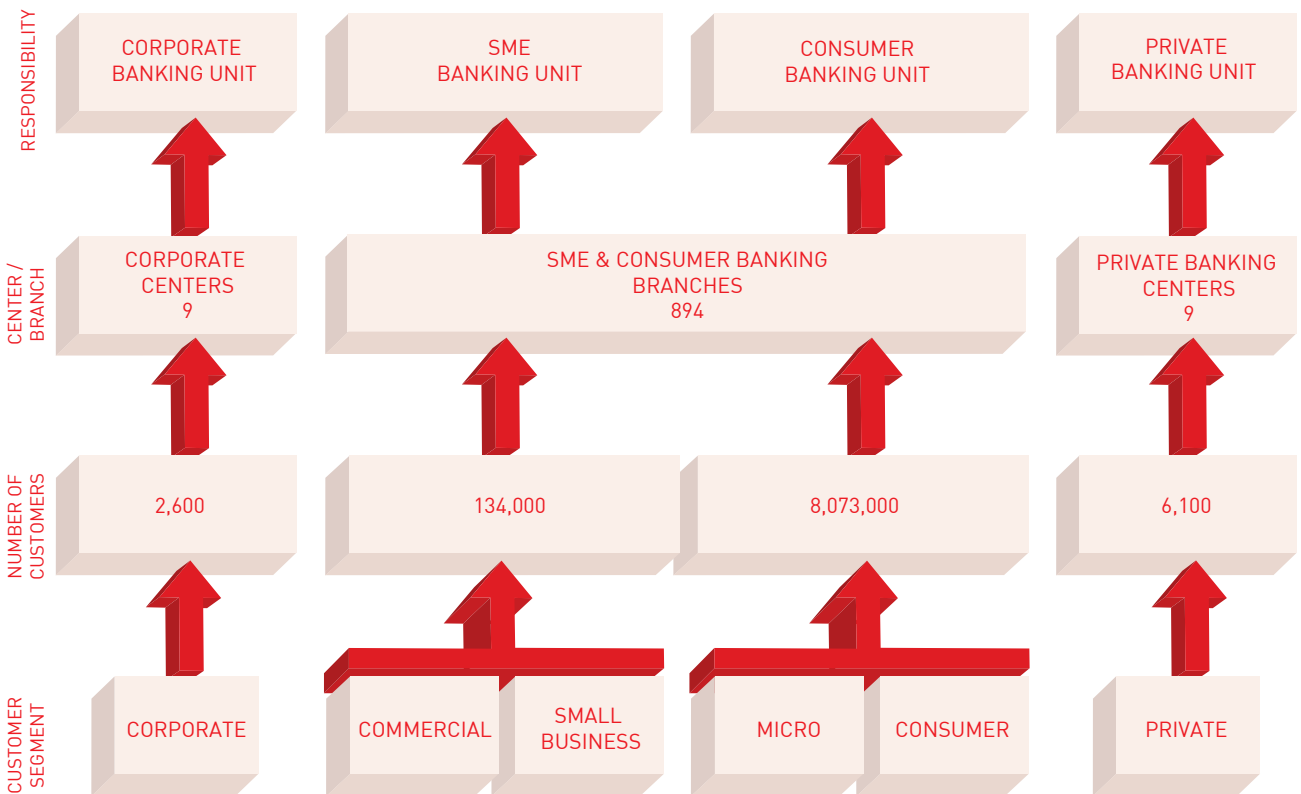


01

ABOUT AKBANK

Our Customers

Our Bank's segment-based structure of four core units consists of corporate banking, SME banking, consumer banking, and private banking business units. Number of our customers increased in 2010 compared to the previous year.



01

ABOUT AKBANK

► Our Financial Performance

Key Financial Indicators

Key consolidated financial indicators of Akbank are presented in the table below, covering data from the last three years.

Key Consolidated Financial Indicators (TL millions)	2010	2009	2008
Total Assets	120,070	102,833	93,093
Loans	57,733	44,604	49,054
Deposits	71,708	60,954	57,575
Loans Borrowed	11,497	9,209	12,311
Shareholders Equity	17,948	14,447	11,331
Net Profit	3,010	2,723	1,783
Return on Equity (ROE)	%18.90	%21.50	%16.40
Capital Adequacy Ratio (BIS)	%19.90	%21.00	%17.00
Market Capitalization (USD millions)	22,320	19,061	9,423

Loans

The sum of loans provided by Akbank to its customers is listed in the table below

Loans (TL millions / USD millions)	2010	2009
TL Corporate	3,619	2,881
FX Corporate (USD millions)	11,189	9,169
TL SME	7,953	5,676
FX SME (USD millions)	5,711	4,759
Consumer	13,130	9,245
Credit Cards	6,784	5,832

International Ratings

Thanks to our efficient risk management policies and successful performance, we, as Akbank, have been awarded the highest financial strength and baseline credit assessments in the Turkish Banking sector by international rating agency Moody's and the highest national and individual ratings of the sector by Fitch Ratings. Detailed information on our ratings can be seen at <http://www.akbank.com/ratings-1528.aspx>

Economic Value Generated and Distributed

We, as Akbank, generate economic value for our stakeholders of all segments while offering banking services. Annual economic value that we generate and distribute is given in detail in the table below.

Economic Value Generated and Distributed (TL millions)	December'10	December'09	December'08
Direct Economic Value Generated	10,995	11,349	12,167
a) Revenues	10,995	11,349	12,167
Economic Value Distributed	8,465	8,292	10,152
b) Operating costs	1,451	1,337	1,265
c) Employee wages and other benefits	917	857	878
d) Payments to providers of capital	5,318	5,393	7,451
e) Payments to the government	769	696	546
f) Community investment	11	9	13
Economic Value Retained	2,529	3,056	2,015

a) Gross revenue in the Bank's income statement is taken into consideration. (Interest income, received fees and commissions, dividend income, commercial profit-loss and other income)

b) Covers all operating costs of the Bank, excluding employee expenses.

c) Covers employee wages, bonuses, and all withholding tax paid to the government on behalf of employees.

d) Covers dividends distributed to investors and all interest expenses of the Bank in the given year.

e) Covers all taxes paid to the government.

f) Covers donations to charities and expenses for various culture-arts events.

Provisions for non-performing loans are not included in the calculations of the Economic Value Retained.

Note: This table is based upon Akbank's consolidated financial statements. Therefore, these figures cover subsidiaries within the framework of consolidation. Total consolidated number of employees is 15,500.

Contributing to our country's development through the loans we get from International Financial Institutions is one of our most important goals. The sum of sustainability-focused multilateral loans from International Financial Institutions is approximately EUR 422 million and USD 1 billion (this figure covers the loans that we have used so far and that are currently shown in our Bank's balance sheet).

01

ABOUT AKBANK

► Organization and Management of the Bank

Akbank was established as a commercial bank to perform all kinds of bank transactions and to undertake enterprises and operations in all kinds of economic, financial, and commercial areas that are not prohibited by the Turkish laws; our Bank started operations on January 30th, 1948. The Bank's status has not changed since its establishment.

Capital and Shareholder Structure

Our issued capital was increased from TL 3,000,000,000 to TL 4,000,000,000 on April 16th, 2010. Our shareholder structure as of December 31st, 2010 is presented below.

Shareholders	Share
Hacı Ömer Sabancı Holding A.Ş. and Affiliates	44.45%
Citibank Overseas Investment Corporation	20.00%
Sabancı Family	6.71%
Free Float	28.84%

Detailed financial information on our operations, products, and services can be obtained in our 2010 Annual Report at <http://www.akbank.com/annual-report-1522.aspx>

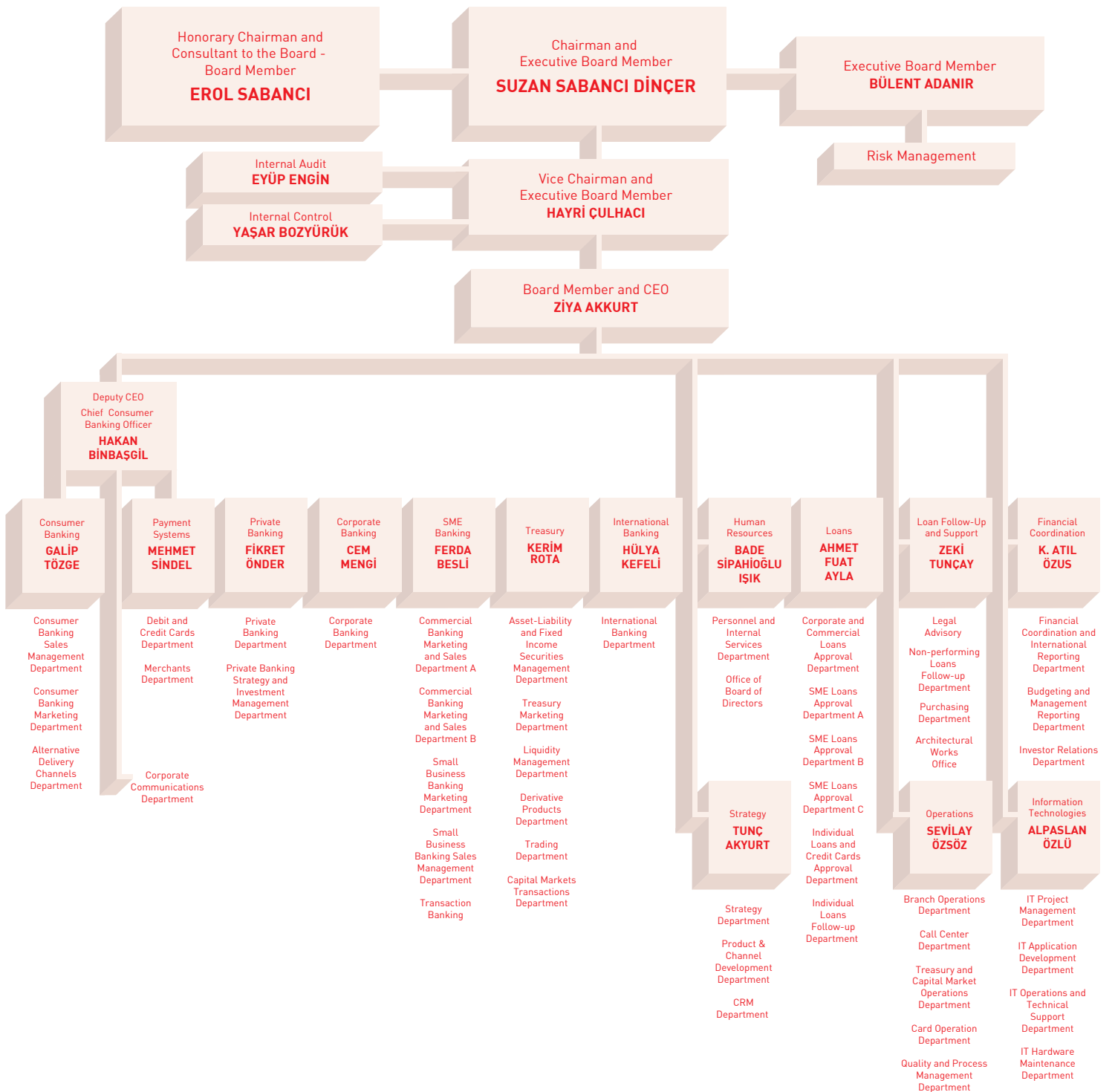
Our Subsidiaries

Our direct and indirect subsidiaries and our shares as of December 31st, 2010 are presented below.

Our Direct and Indirect Subsidiaries	Area of Operations	Share (%)	Country of Operations
Akbank N.V.	Banking	100.00	The Netherlands
Akbank AG	Banking	100.00	Germany
Akbank (Dubai) Limited	Banking	100.00	UAE
AkLease	Financial Leasing	99.99	Turkey
AkSecurities	Stock Exchange Brokerage Services	99.80	Turkey
AkAsset Management	Portfolio Management	99.99	Turkey
Ak B-Type Investment Trust (Former AkInvestment)	Investment Partnership	70.04	Turkey
Ak Global Funding B.V.	Fund Management	100.00	The Netherlands

Our Organization Chart

Organization chart of our Bank as of December 31st, 2010 is presented below. Within our organization, fifteen Executive Vice Presidents report to our CEO. Board of Internal Auditors, Internal Control Center, Risk Management Department, and Compliance Unit directly report to the Board of Directors.



► Awards and Achievements

A number of strategies and practices that we devised to add value to our Bank and to parties including our stakeholders received more than 40 awards in Turkey and abroad in 2010. Some of our awards and achievements are presented below.

Global Finance

Akbank was once again selected the "Best Bank in Turkey" in globally prestigious finance magazine Global Finance's "The World's Best Emerging Market Banks in Central and Eastern Europe 2010" questionnaire held in 22 countries. Akbank was recognized as "Turkey's Best Bank" in Global Finance's evaluation for six years in succession.

As a result of the evaluation by Global Finance editors with contribution from sector analysts, consultants, and corporate executives, Akbank was deemed worthy of award in this 17th year of the evaluation with its successful performance in the given criteria.

In addition to this award, Akbank also received "The Best Trade Finance Provider in Turkey", "The Best Online Deposits Acquisition in Turkey" and "The Best Foreign Exchange Provider in Turkey" awards of the Global Finance.

At "The World's Best Foreign Exchange Providers 2010" questionnaire held in 86 countries, Akbank was selected "Turkey's Best Foreign Exchange Transactions Bank" for the seventh time in a row. Criteria for this survey of the Global Finance Magazine included success in transaction volumes, market shares, competitive pricing, scope of operational coverage, innovative technologies, and customer services.

In Global Finance's contest to find the banks that offer Europe's best Internet banking services, similar to the contest in 2009, Akbank was once again given "The Best Online Deposits Acquisition" award in 2010 with its online deposit account practice that is a channel-specific advantageous product.

EUROMONEY

In its annual private banking survey, UK-based international finance magazine Euromoney selected

Akbank Private Banking as "Overall Best Private Bank of Turkey" for the fourth time. Akbank was deemed worthy of this award thanks to its managed assets, profitability, number of branches, extensive product portfolio for customer investments, and service quality.

In the global, regional, and national categories of the survey, around 400 banks were evaluated globally. With this survey, Euromoney aims to indicate the best services in private banking to guide world-famous investors. Turkey is included in the survey for the last 6 years and Akbank has won this award for the 4th time.

EMEA Finance

In 2010, EMEA Finance Magazine, considered as a significant source of information for Europe, Middle East and Africa (EMEA) which is the world's most dynamic and developing region, selected Akbank for "The Best Bank in Turkey" award given to institutions distinguished from competitors and leading local markets. Reporting financial activities either initiated or influenced by international finance sector, the magazine also deemed Akbank worthy of "The Best Loan Transaction" and "The Best Privatization Loan" awards in EMEA.

Financial World Innovation Awards

Established in 1879 and considered as a prestigious institution of the finance world, UK-based "ifs School of Finance" has been giving "Financial World Innovation Awards" since 1998; these awards are accepted as one of the most reputable organizations in the global finance sector.

In 2010, our "Immediate Limit Increase at the Point of Sale" practice via 444 25 25 Akbank Telephone Branch was awarded in the "Banking Services: Innovation in Financial Product Offerings" category. In addition, our Bank was a finalist in five different categories to become one of the institutions with the greatest number of nominations. Some of our projects that took us to the finals are: "Power of Thinking Project" in "Social Responsibility and Social Banking" category; "The Ideas Paving the Way to Business Project" in "Entrepreneurship and Innovation" category; "Sustainable Environmental Projects" in "Innovations That Contribute to Development of Environment-Friendly Policies and Actions" category.

IMI Conferences – İstanbul Call Center Awards 2010

In "İstanbul Call Center Awards 2010" organized by IMI Conferences, Akbank Call Center received awards in two categories. At the 5th year of the contest 22 Call Centers from different sectors were evaluated in 11 categories and Akbank Call Center was awarded as "The Best Call Center with More Than 200 Seats" and "The Best Customer Representative of the Year".

Superbrands 2010

At the questionnaire held by international market research institution Nielsen with 1635 consumers and with contribution from the jury of Superbrands that operates in 85 countries, Akbank has become one of the 117 "Superbrands" in Turkey. Brands that consumers either consciously or subconsciously desire, recognize and wish to own by paying the price and those that offer considerably more emotional or physical advantages than other brands are selected as "Superbrands".

Large Taxpayers Office

Akbank received recognition from the Large Taxpayers Office as the second largest taxpayer in Turkey in the 2009 corporate tax return. The mentioned recognition should be considered as a consequence of our contribution to the national economy and our transparent operation principles.

STEVIE Awards

Akbank was deemed worthy of jury's special awards in five categories of the 2010 Stevie Awards which is considered as one of the most prestigious award organizations in the world. Akbank achieved jury's special awards in The Best Ad/Marketing Campaign category with its Run to the Red, Wings Card, Axess Card New Year Campaign and 29th International İstanbul Film Festival works and in The Best Online Annual Report category with its 2009 Annual Report. Held since 2002, this international organization rewards excellence in numerous categories from websites to annual reports, corporate communications, investor relations, customer services, and product management.

Carbon Disclosure Project (CDP) Reporting

Akbank succeeded in entering the CDP 2010 Global 500 report prepared within the scope of Carbon Disclosure Project implemented in more than 60 countries. Although evaluated for the first time in 2010, Akbank received a score of 81 points after detailed evaluations to outdistance many prestigious institutions.

Genesys Customer Innovation Awards

2010 Genesys Customer Innovation Awards organized by Genesys that offers software and consultancy services for customer services solutions via Call Centers gave Akbank Call Center 4 stars -the highest score- among over 200 applicants throughout the world. Akbank's customer-oriented approach and sector-leader innovative practices played an important role in winning this award.



► Our Approach to Reporting

Our first sustainability report, published in 2010 and containing data and information of the year 2009, has been the first example of its kind among deposit banks in Turkey. Following our first report which we prepared absolutely voluntarily in accordance with the Sustainability Reporting Principles of the Global Reporting Initiative (GRI) and in line with our stakeholders' expectations regarding our social, environmental, and widespread economic responsibilities, we have completed our second sustainability report covering the year 2010.

Our Bank's vision, belief, and efforts regarding sustainability are some of the most concrete examples of our notion of transparent banking. We believe that this informative material contributes to the development of sustainability and corporate responsibility management initiatives of the private sector in our country.

This second sustainability report that we prepared using this approach contains the active role we play in the economic growth of our country, the value we add to our customers with our products and services, the benefits we provide for our employees, our cooperation with stakeholders to improve social welfare, and our activities to protect the natural environment. We are committed to continuously improving our performance and reporting processes in these areas.

We would like to take the opportunity to summarize the basic steps we took in our second report with the aim of improving the quality and contents of our Sustainability Report. We made some significant changes in the structure, content and design of our report. In order to improve the quality and readability of our report, we performed some improvements in the light of guidelines and principles of GRI, concerning contents and quality of report. Throughout the report we paid attention to bringing related themes and elements together under the same title so that readers may easily find what they are looking for. In addition, we showed ultimate care in explaining the information and data collected on the basis of GRI Indicators in a comprehensive way that meets our stakeholders' expectations.

Although the main sections of this year's report are the same as our first report, subtitles and therefore issues handled under each section have partly changed. In Our Approach to Sustainability section we provided more details on the sustainability management in our Bank and we also spared a special part for our Climate Change strategy due to the materiality of the issue to our Bank. We enhanced the contents of Corporate Governance and Risk Management section in a way that covers "corporate profile" indicators more comprehensively in line with GRI's expectations. Most of the information under the "Our Product Responsibility" section of the last year's report is now placed under the title "Value Added to Customers". This section was redeveloped and restructured with a focus on sustainability, instead of using last year's texts containing practices of our Bank's Business Units. In the section about Our Employees, related issues were gathered under the same subtitles; information and data in line with the GRI Indicators were presented in a more comprehensive way. In Our Operations and the Environment section, we focused on environmental impacts of our Bank's own activities and operations. Last but not least, we reorganized Our Community Investment section in accordance with our fundamental policy of community investment.

The Scope and Framework of the Report

Covering our social, environmental and economic performance and practices between January 1st, 2010 and December 31st, 2010, this report has been written with the aim of informing our stakeholders and is based upon GRI G3 Guidelines for Sustainability Reporting, which is a globally recognized international reporting standard. The content of the report has been developed in a way that meets the requirements of GRI Application Level C and a GRI Index has been placed at the end of the report in order to ensure easy access to the information declared accordingly. The statement from GRI about Akbank's fulfillment of the requirement of Application Level C is presented at the page 104 of this report.

GRI Guidelines not only allow comparing our sustainability performance to that of local and international peers but also create a reference guide for our stakeholders and guide continuous development of

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Akbank's sustainability initiatives. Turkish translation of GRI Guidelines for Sustainability Reporting can be found at <http://www.globalreporting.org>

While determining the scope of our report, in addition to the GRI Guidelines, requirements of the United Nations Global Compact (UNGC) of which we are a signatory have also been taken into consideration. Our Bank continued to support this global voluntary corporate initiative in the reporting period of 2010. Four areas of UNGC (labor, human rights, environment, and anti-corruption) and the related ten principles have been implemented with various policies within the framework of our operations. Our sustainability report is a Global Compact Communication on Progress report that also includes the activities and practices we performed within the scope of our commitment to UNGC.

Boundary of the Report

Unless mentioned otherwise, all data and information in our report covers the banking activities and operation areas of Akbank T.A.Ş. in Turkey. Impacts of our activities, our joint ventures or our suppliers in other countries are not within the scope of this report. In the "Our Employees" part of our report, employees of Malta branch are also included in the total number of employees. Financial statements and distributed economic value tables reflect consolidated figures. Data in "Our Operations and The Environment" section cover activities of Akbank T.A.Ş. in Turkey.

In this report, the words "Akbank T.A.Ş.", "our Bank", "the Bank", "We/Us" all mean Akbank T.A.Ş. unless mentioned otherwise.

► Setting out the Content of the Report

Sustainability Reporting Process

The content of this report has been created based upon the "AA1000 Stakeholder Engagement Standard" devised by AccountAbility which is a UK-based independent institution globally recognized in developing, managing and implementing stakeholder engagement strategies. During the preparation process, in order to identify significant and material issues for our major stakeholders and corporate strategies, a number of expectations and needs of stakeholders were collected via various channels and

our Sustainability Task Force and expert consultants evaluated these expectations and needs.

For the data in 2010, data and information collection methods used during the development of 2009 report were employed. Methods different from those used in 2009 are explained in related sections of the report.

Prepared with contribution from almost all units of our Bank, this Report was published after being approved by the Corporate Governance and Social Responsibility Committee and Board of Directors.

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Our Material Issues

In accordance with the AA1000 standard and GRI G3 Guidelines, this report includes our significant and material issues in sustainability. These issues have been identified by considering the expectations and opinions of stakeholders and in relation to the Bank’s policies and practices.

Significant and material issues in our report are listed below. In order to facilitate tracking these issues, they have been demonstrated in the table in a way that corresponds to the main section titles of the report.

Financial Performance	Corporate Governance - Risk Management	Value Added to Customers	Our Employees	Our Operations and the Environment	Our Community investment
Sustainable profitability and growth	Transparent corporate governance	Customer satisfaction	Employee satisfaction	Carbon emissions	Culture and arts
Productive business processes	Ethical banking	Environment-focused product and services	Career development and training	Technologic wastes	Youth
	Efficient risk management and internal control	Financial literacy	Equal career opportunities		Education
	Legal compliance	Access to financial services		Entrepreneurship	
	Climate change	Secure banking			
		Innovativeness, new product development			

Our Stakeholders and Stakeholder Engagement

All institutions and corporations that are affected by our Bank's activities or that directly or indirectly affect our Bank's performance are our "key" stakeholders. In full awareness of the fact that stakeholder engagement is the basic principle in corporate responsibility, we consider expectations and opinions of our key stakeholders while developing and implementing our sustainability policy and we pay ultimate attention to creating a regular, continuous, and trust-based communication with them. One of the main reasons for us in developing and publishing this Sustainability Report is to create a dialogue platform to share our practices that are in line with our stakeholders' expectations and opinions.

Our key stakeholders and examples of our dialogue and cooperation with them are presented below.

Stakeholder Group-based Engagement and Dialogue Platforms	General Practices and Examples
Shareholders, Investors, Analysts	
Public Disclosure Platform Akbank Website Annual Reports Capital Markets Board of Turkey (CMB) Corporate Governance Principles Compliance Report General Assembly Meetings and Minutes Press Releases Investor Relations Department Meetings and Teleconferences National and International Conferences E-Mail Presentations and Briefings	As Akbank, we aim to establish a transparent and close communication with our shareholders, as well as with our existing and potential investors. Therefore it is our principle to implement strategic plans and to share the results within the framework of generally accepted accounting principles and related legislation provisions, in a complete, fair, accurate, timely and comprehensible manner with all shareholders, investors, and capital market experts alike. Taking the principle of equality into consideration, we answer all questions that are not related to commercial secrets and we ensure that the management and shareholders are in continuous communication. Our dialogues with this group of stakeholders are based upon transparency, accountability, and regular briefings. Through the Corporate Social Responsibility Sub-group within the Investor Relations Department, we inform investors on sustainability issues of environmental, social and economic dimensions.
Employees	
Employee Satisfaction Survey Corporate Portal Suggestion System Ethics Line Corporate Performance System Regional Directorates Briefings Regional Performance Meetings Annual Managers Meeting BANKSİS (Union of Bank and Insurance Employees) Akbank Retirement Fund Various Activities and Training Programs for Our Employees E-Bulletins	We are aware that high motivation and satisfaction levels among our employees are determinant in ensuring long-standing business performance in the long-term. We support that our employees proceed towards the same goals by adopting our common strategies rather than adapting to a centralized management and by using effective communication tools. We regularly collect our employees' opinions and expectations via various platforms and we try to bring those to life. In addition, we organize trainings and briefings to increase awareness of our employees on various sustainability issues. For instance, e-training for our Ethical Principles has been offered to use by all employees with the aim of ensuring that our employees internalize and adopt Akbank Ethical Principles which are updated with social and environmental factors.

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Stakeholder Group-based Engagement and Dialogue Platforms	General Practices and Examples
Customers	
<ul style="list-style-type: none"> Customer Satisfaction Surveys Akbank Branches Akbank Call Center Akbank Website Business Development Meetings for Customers E-mail Briefings Media Activities We Organize and Participate Local Projects Akbank Art Center Activities Advertising and Promotion Campaigns 	<p>Customer satisfaction is the most material issue to us. Opinions and expectations of our customers inspire us in developing products and services. In order to ensure and retain customer satisfaction, we implement numerous practices, from information security to responsible marketing communication, innovative and environment-friendly products, and supporting customers in business development. For instance, at the end of trainings given to SME customers to help them with business development, we hold surveys to learn about our customers' degree of satisfaction and to get their opinion on other issues they request or need to be handled in future events.</p>
International Financial Institutions	
<ul style="list-style-type: none"> 1-to-1 Meetings Joint Meetings Teleconferences Reports Negotiations 	<p>Advantageous loans that we obtain from international financial institutions such as IFC, EBRD, and EIB are mostly climate-friendly loans that support development. With the aim of building management systems to monitor environmental and social performances of our customers in accordance with the loans obtained, we establish dialogues with these institutions on various platforms.</p>
Legislators and Regulatory Bodies	
<ul style="list-style-type: none"> Meetings Forums and Conferences Various Task Forces Oral and Written Notifications Declarations Press News Akbank Website Reports 	<p>We thoroughly comply with all related laws and regulations to ensure the safety of our customers' investments. With the aim of closely following the agenda, identifying trends, timely developing and adapting our products and services in line with expectations of customers and legislators, we follow forums, conferences, task forces, and press news carefully and we organize meetings. We present our opinions on legislation amendments influencing the banking sector to related authorities. For instance, we work in intense communication with the Financial Crimes Investigation Board (MASAK) which operates to prevent laundering proceeds of crime and financing of terrorism with the aim of ensuring compliance with legal liabilities as well as with other public institutions.</p>

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Stakeholder Group-based Engagement and Dialogue Platforms	General Practices and Examples
Local Community	
Activities We Organize and Participate Our Arts and Culture Activities Sponsorships Our Widespread Branch, ATM and POS Network Akbank Website Press News Akbank Call Center Local Meetings	We operate in full awareness of the importance of the finance sector in sustainable development and we contribute to the development of local economy with our widespread branch, ATM and POS network throughout Turkey. By supporting culture & arts and other activities that offer benefits to the society, we aim to reach local communities.
Business Partners	
Meetings Akbank Ethical Principles Press News Akbank Website	Our business partners are the bests of their own sectors and are among the most important factors in keeping our business sustainable. We operate responsibly together with our business partners and create added value based upon a mutually satisfactory relation. Among our business partners are other banks we cooperate with in syndication loans and our service-providing suppliers (printing houses, agencies, transport and organization companies).
Suppliers	
Akbank Ethical Principles Akbank Website Meetings	We expect our cooperating suppliers to act in accordance with Akbank's principles and values; we also support their development through continuous information transfer.
University Students	
Youth Banking Brochures and Promotion Campaigns Briefings Akbank Website Campus Branches Cultural Activities We Organize and Support (Jazz at Campus, Short Film Festival)	We consider university students to be our strategic stakeholders and pay attention to their requests, opinions, and expectations. We continuously improve our educational and developmental investments related to the youth as our customers and business partners. For instance, with the Akbank Thinking Club that we created to establish a long-term relationship with the youth, we aim to connect successful university students –future leaders of the country- under the umbrella of a club, with a high level of loyalty and value-creation.

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Stakeholder Group-based Engagement and Dialogue Platforms	General Practices and Examples
Media	
<ul style="list-style-type: none"> Press Conferences Press Releases Akbank Website Daily Economic Bulletins 	<p>The process of providing our stakeholders with accurate information on our Bank is realized via the media, which is the most important actor in our communication cycle. Therefore, we believe in the significance of continuous dialogue with national and international media and we aim to inform the media timely and accurately with our press releases and share opinions with opinion leaders at press conferences.</p>
Non-Governmental Organizations	
<ul style="list-style-type: none"> Cooperation in Social Engagement Practices Sponsorships Meetings Akbank Website Conferences 	<p>Improving cooperation with non-governmental organizations within the scope of our environmental, social, economic, and ethical responsibilities that are also important to key stakeholders; being continuous communication with NGOs; paying attention to their opinions and expectations are material issues to us.</p>



► Our Approach to Sustainability

The concept of sustainability forms a fundamental part of Akbank's business practices. We aim to establish dialogues with a greater number of stakeholders by enhancing the influence area of our social responsibility performance. With our reports, we intend to communicate the results of this dialogue to our stakeholders. Through the dialogues established with stakeholders via various platforms, we receive feedback on issues that are important to them and continuously improve our business processes and performance accordingly.

We implement our Bank's sustainability policies and processes both in our operations and customer relations, while monitoring our own performance. With our Sustainability Report published every year, we communicate our practices and performance regarding our social, environmental and widespread economic responsibilities in parallel with the expectations of our stakeholders from Akbank.

► Our Sustainability Vision, Strategy, Policy and Commitments

Our Sustainability Vision

Our sustainability vision below guides Akbank in all sustainability strategies.

Strong Financial Performance: A strong long-term financial performance that creates benefits for all our stakeholders and lays the foundations of sustainability is our indispensable target.

Dialogue with Stakeholders: Our stakeholders' priorities are our priorities. This perspective is the foundation of Akbank's success and a constant principle of our sustainability vision.

Compliance with Laws & Regulations and Transparency: Compliance with the laws and regulations governing our sector is a major component of Akbank's culture and values.

Ethical and Reliable Banking: As Akbank, we target the best performance, relying upon our high ethical values and approach focused on our stakeholders' trust.

Our Sustainability Strategy

In modern economy, the concept of sustainability has gained considerably more importance than financial profitability. Corporate sustainability means a continuous development process to Akbank. This process covers our entire social and physical environment. Our targets, as Akbank, have been set in order to achieve a better understanding and management of our influence areas form the foundations of our sustainability strategy.

Working to improve environmental, social and economic welfare of not only today's people, but also of future generations, Akbank also has corporate values and a vision that supports its sustainability strategy.

Our strategies regarding Climate Change, which we see as a material issue in sustainability, are mentioned in a separate section below.

Our Sustainability Policy

Akbank supports Sustainable Development by;

- Pioneering environmental awareness and accountability,
- Supporting policies based upon dialogue with stakeholders and transparency,
- Meeting competitive expectations with advanced technology products and services,
- Following international customer safety standards and performing better than expectations,
- Encouraging educational, artistic, and cultural initiatives aimed at social welfare and development,
- Based upon sound financial grounds in terms of sustainable banking, continuously improving the target of being a pioneer and a role model in Turkey.

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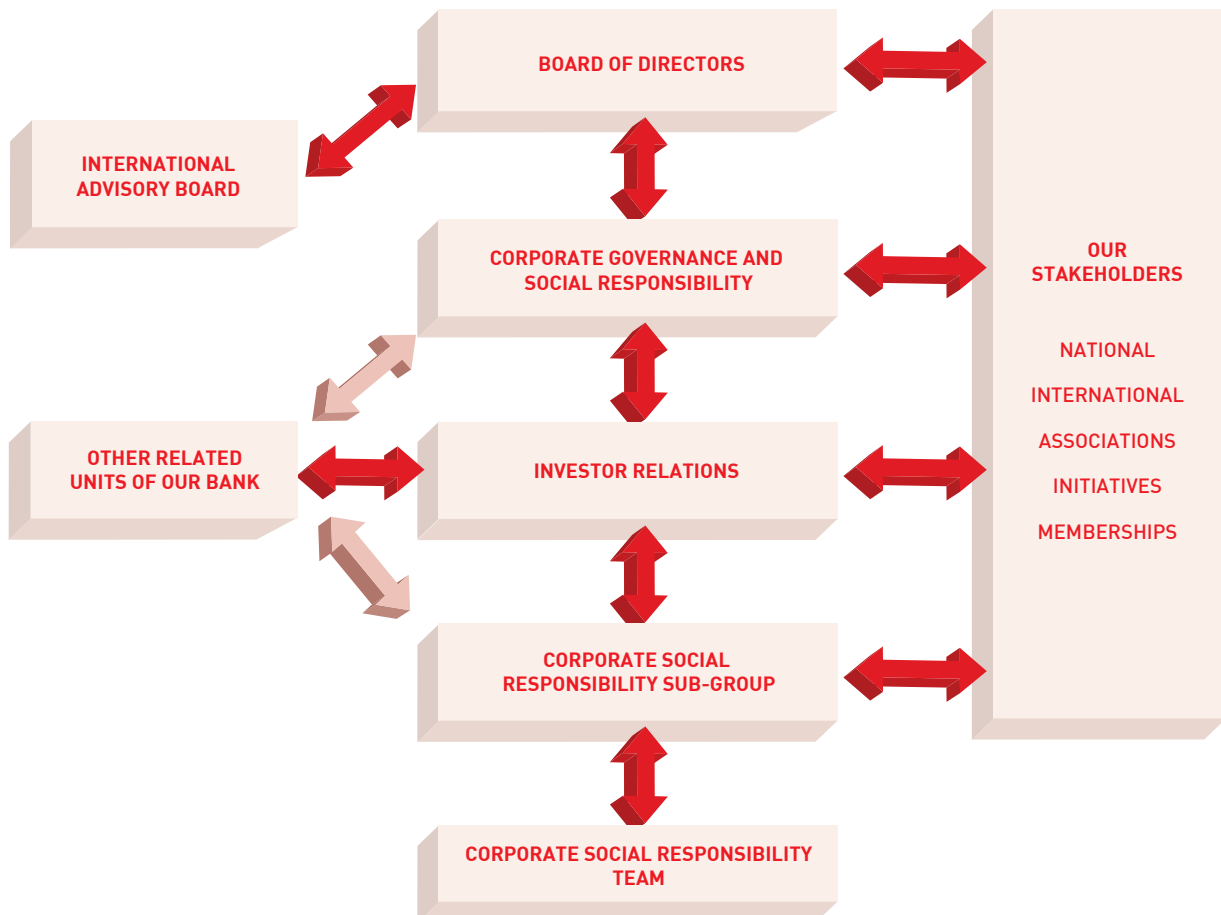
OUR APPROACH TO SUSTAINABILITY

Our Sustainability Commitments

One indicator of the importance we, as Akbank, attach to sustainability is our short-, medium- and long-term commitments. These include:

- To continue to put satisfaction-enhancing practices into effect by regularly measuring customer satisfaction level via questionnaires
- To increase “energy conservation and renewable energy” loans offered to customers in the short and medium-term
- To apply Akbank’s Environmental and Social Policies on project financing loans with sums exceeding USD 50 million and those with terms of over five years
- To continue to support internationally prestigious environmental initiatives such as the Carbon Disclosure Project (CDP)
- To put the sustainability criteria included in our purchasing processes into effect, starting with prominent suppliers in the short term
- To continue to closely follow innovations and developments in information security and to make the maximum endeavor to take necessary measures
- To measure employee satisfaction via annual questionnaires with the aim of improving our institution continuously and to set targets that at least maintain previous year’s satisfaction measurement results
- To focus on training and development programs that support employee satisfaction
- To continue to sponsor events that reinforce cultural and artistic insights of our society.

► Sustainability Management at Akbank



In order to handle sustainability issues in a holistic manner at the senior management level, a Corporate Governance and Social Responsibility Committee (CGSRC) that directly reports to the Board of Directors was established at Akbank in 2009. Three members of the eight-member Committee are also members of the Board. CGSRC meets at least twice a year; however, if needed, meetings may be held more frequently.

In addition to the CGSR Committee, Akbank International Advisory Board also adds value to our Bank's sustainability vision. Mr. Kemal Derviş, former Vice President of the World Bank (1996-2001) and President of the United Nations Development Programme (UNDP) in 2005-2009, is the Chairman of the Advisory Board. Among the Advisory Board members is Lord Nicholas Stern, acknowledged for his global climate change report entitled "Stern Review on the Economics of Climate Change". Since April 2008 Lord Stern is also the President of Grantham Research Institute that does researches on climate change and the environment. Members of the International Advisory Board are listed in part 4 of this report.

In our Bank, Investor Relations Department (IRD) is in charge of managing sustainability issues in coordination with internal and external stakeholders. In line with this purpose, a Corporate Social Responsibility Sub-group was established within the Department in 2010 and a manager was assigned. In addition, a Sustainability Task Force of all business units contributing to sustainability reporting operates under the leadership of the Corporate Social Responsibility (CSR) Manager.

Sustainability is handled both in a holistic and an issue-based (theme, subject) manner at our Bank. Holistic management is implemented by IRD and supervised by CGSRC. The holistic management covers issues such as integrating environmental, social and ethical sustainability issues into our products and services with a strategic view and developing sustainability policies. An example is that our banking and purchasing units internalize sustainability by integrating environmental and social elements that are defined as material issues by the Bank into their own processes and products. Environmental loans for corporate and SME customers and environmental and social criteria applied to our suppliers are the results of our policies within this category.

In addition, there are various social elements handled by related units within the scope of our general business management. These cover issues such as employee performance management, employee satisfaction, customer satisfaction, and information security. Although these elements are managed on the basis of related units, they are included in the sustainability report due to their influence on our sustainability performance.

By including environmental and social factors into its "Occupational and Ethical Principles", Akbank ensured that sustainability management becomes a procedure. Thus, all of our employees are expected to comply with and adopt the mentioned principles.

Our Bank continues its communication and operations with external stakeholders at various levels via the management organs mentioned above. Within the scope of this approach, our Bank plays an active role in numerous national and international associations and initiatives.

Akbank Corporate Governance and Social Responsibility Committee

"Corporate Governance and Social Responsibility Committee" (CGSRC) that reports to the Akbank Board of Directors was established in 2009 to improve our corporate performance in corporate social responsibility and sustainability, to integrate our areas of responsibility into our decision-making mechanisms, to increase awareness of sustainability issues among our employees, and to be able to implement reporting that is identical to our transparency principle and in line with the international standards. CGSRC is responsible for compliance with Akbank's corporate management principles as well as for monitoring and managing operations, risks and opportunities related to our social, environmental and economic responsibilities.

Among the items in 2010 agenda were assessment of steps on sustainability to be taken by our Bank in the future, climate change strategies and action plan, and social responsibility projects that contribute to the society.

Organization and members of the Committee are stated below.

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OUR APPROACH TO SUSTAINABILITY

Members of the Corporate Governance and Social Responsibility Committee as of December 31st, 2010

Hayri Çulhacı

Chairman (Vice Chairman and Executive Board Member)

Suzan Sabancı Dinçer

Member (Chairman and Executive Board Member)

Ziya Akkurt

Member (Board Member and CEO)

Hakan Binbaşgil

Member (Deputy CEO – Private Banking)

Atıl Özus

Member (Executive Vice President – Financial Coordination)

Bade Sipahioğlu Işık

Member (Executive Vice President – Human Resources)

Cenk Göksan

Member (Department Head – Investor Relations Department)

Derya Bigalı

Member (Director - Akbank Art Center)

CGSRC has guided us in implementing and auditing our sustainability perspective throughout the Bank. It has ensured that our "Ethical and Occupational Principles" which aim to regulate attitudes of all Bank employees at every level and their relations with individuals and institutions either inside or outside the Bank are updated with environmental and social elements and are applied within the Bank. In addition, Ethics Line to be used if any violation of these principles is observed is among procedures to support sustainability management within the Bank.

Akbank and United Nations Global Compact

The biggest evidence of Akbank's commitment to universal principles regarding human rights, working conditions, environment, and a cleaner society is its signature under the United Nations Global Compact – one of the important worldwide corporate social responsibility initiatives. With this signature, we, as Akbank take responsibilities such as respect for human rights, providing a safe and healthy work environment, protecting the nature, offering sustainable values and benefits to employees and the society by means of

policies and practices that cover transparent corporate management. We pledge to fulfill our duties in creating a more humanistic globalization.

Internal Communication and Awareness

A CSR portal was opened in our intranet system with the purpose of increasing awareness and information on sustainability among Akbank employees; presentations containing related supporting publications, various information and sample studies started to be published on this portal at the end of 2009.

Akbank's Memberships in Associations and Unions; Signed Initiatives

As Akbank, we are members to various associations and unions in order to closely follow developments in sustainability and contribute to such developments within the limits of our interests and authority. In addition, by participating in globally influential international initiatives as a signatory, we aim to declare our commitment to sustainability to all of our stakeholders in a transparent way.

Our memberships in associations and unions, as well as the initiatives we signed within the framework of sustainability are as follows:

- The Banks Association of Turkey
- İstanbul Chamber of Industry (ISO)
- Foreign Economic Relations Board (DEİK)
- Turkish Industrialists' and Businessmen's Association (TÜSİAD)
- Turkish Enterprise and Business Confederation (TÜRKONFED)
- Interbank Card Center (BKM)
- Corporate Governance Association of Turkey (TKYD)
- Ethics and Reputation Society
- İstanbul Stock Exchange Sustainability Index (ISESI) Project
- Turkish Industrialists' and Businessmen's Association (TÜSİAD) Sustainable Development Task Force
- United Nations Global Compact Initiative (UNGC)
- Carbon Disclosure Project (CDP)
- The Banks Association of Turkey (Project Team for Creating Environmental Awareness)

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OUR APPROACH TO SUSTAINABILITY

- Cancun Communiqué drawn prior to United Nations COP 16 2010 Climate Change Summit
- The Prince of Wales's Corporate Leaders Group on Climate Change (CLG)
- Visa Colourful Horizons
- Association of Corporate Communicators
- Association of Advertisers
- İstanbul Foundation for Culture and Arts

► Our Climate Change Strategy

Increase in greenhouse emissions and resulting Climate Change issues which have become an important item in the agendas of numerous private companies, financial institutions, governments and non-governmental organizations are also among priority issues for us at Akbank. Especially since 2009, our Bank has been putting various activities and practices into effect.

Among the first important initiatives are our sponsorship for application of the Carbon Disclosure Project (CDP) in Turkey and the steps our Bank took within the framework of CDP. As a pioneering private sector corporation that is committed to reporting greenhouse gas emissions in accordance with the international standards, Akbank aims to ensure that awareness of other institutions and corporations in our country on climate change increases and positive changes are made to reduce emissions while public awareness is improved.

Climate Change Management

Climate Change issue is handled in the Bank within the scope of sustainability. Therefore, our sustainability management approach described above is implemented in the same direction while also developing climate change strategies, policies and actions.

Risk and Opportunity Management

Human-induced greenhouse gas emissions and risks caused by Climate Change (which is the result of such emissions) are discussed at various platforms. Our Bank is taking all necessary actions to manage these risks that it foresaw on time in the best way and to transform them from threats to opportunities. We are doing the necessary groundwork in order to follow recently updated legal regulations on energy

efficiency and renewable energy and to comply with these regulations. In addition, we have started to offer products and services on relatively favourable terms in order to encourage our corporate customers to benefit from opportunities in energy efficiency and renewable energy. On the other hand, certain measures have started to be taken within the Bank to measure and reduce carbon emissions resulting from our operations and business travels.

Carbon Management in Our Operations

Following our Bank's participation in Carbon Disclosure Project in 2009, the importance of measuring greenhouse gas emissions of our operations and mitigation activities has increased. With the aim of measuring, calculating, reducing, and monitoring greenhouse gas emissions resulting from electricity and fuel use in our buildings and from fuels used in our employees' business and training travels, our Bank has initiated certain internal practices. Data of greenhouse gas emissions measured and calculated accordingly are given in detail in "Our Operations and the Environment" section of this Report.

Our Carbon-Focused Products and Services

In addition to efforts to reduce greenhouse gas emissions resulting from our Bank's operations, we offer various products and services with the aim of encouraging the customers that we provide loans to make energy savings and thus to reduce their greenhouse gas emissions. Despite the fact that such products and services of our Bank are given in detail in section "Value We Add to Our Customers" of this Report, we can also give as examples here the Akbank Energy-Friendly Loans and the "Carbon Footprint Project" that was put into effect in early 2011 to raise awareness of our customers.

In 2010, we, as Akbank, put Akbank Energy-Friendly Loans in order to provide financing for construction efforts of our customers to save energy. Companies may use this loan for renewal of their heating, cooling, electric engines, and lighting systems of commercial real estates such as their workplaces and factories; for exterior insulation; and for transition to environment-friendly energy resources, all with the aim of increasing energy efficiency and reducing energy costs.

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OUR APPROACH TO SUSTAINABILITY

Our 2010 Initiatives

Our 2010 Carbon Disclosure Project (CDP) Report

Akbank's first CDP report presented to the CDP Global Secretariat in the United Kingdom in 2010 received a score of 81 in the 2010 Global 500 report that assesses reports of 500 companies worldwide. In the "Global Leaders of the Finance Sector Index" by CDP that considers companies with more than 80 points as leading institutions in carbon disclosure rating, the highest scores in the finance sector varied between 86 and 93.

Carbon Disclosure Project (CDP)

Carbon Disclosure Project is a global initiative that was started in the year 2000 with the purpose of gathering and sharing information to allow companies, investors, and governments to take measures against the threat of climate change. Within the scope of CDP, which aims to create transparency in greenhouse gas emissions and to increase public awareness and consciousness, every year institutions and corporations report the strategies and policies they applied in their struggle against climate change, amount of greenhouse gases they emitted, their targets to reduce these emissions to the public and investors. These data and information are shared with a large audience, including corporate investors, companies, public policy leaders, public institutions, and academicians. As the only independent international institution to globally report the way climate change-induced risks are managed by companies, CDP operates on behalf of 534 corporate investors that manage global assets of USD 64 trillion.

Signatory to Cancun Communiqué

The Cancun Communiqué, drawn prior to the United Nations Climate Change Summit held towards the end of 2010 in Cancun, Mexico makes a call to governments for global cooperation and urgent actions against Climate Change. While a total of 384 companies from 35 countries and different industries signed

the Communiqué that was presented to government representatives in Cancun, Akbank has been the only Turkish bank to sign the Cancun Communiqué.

► Sustainability in the Supply Chain

In order to ensure that suppliers of the products and services we purchase take various environmental and social standards into consideration, we, as Akbank, started to work on revising our "Supplier Management" policies in 2010. In the light of works done within this scope, the following elements have been added to our "Ethical Principles" and "Purchasing Regulations".

Akbank;

- Pays necessary attention to ensuring that its suppliers implement all aspects of the United Nations Global Compact principles that the Bank has internalized and that it creates required internal systems to achieve this goal.
- Considers the supplier processes that monitor their social and environmental risks.
- Provides opportunities to suppliers that operate using systems which are more sensitive to the society and the environment during procurement of services and products.

With the aim of putting these into effect, we shall inform our entire supplier portfolio –starting with the largest ones- on Akbank's Ethical Principles and Corporate Social Responsibility Policies. We plan to obtain declarations of commitment from suppliers, stating that they shall comply with Akbank's principles and policies.

In our current Purchasing Regulations there are criteria for issues including corporate organizational structures of suppliers, their fulfillment of public liabilities such as taxes and social payments. In addition, companies are asked to confirm that they do not employ child labor and perform such practices.

04

CORPORATE GOVERNANCE AND RISK MANAGEMENT AT AKBANK

AKBANK SUSTAINABILITY REPORT 2010

► Corporate Governance at Akbank

Transparent corporate governance and adherence to ethical values have always been a priority for Akbank. Akbank management aims to have a transparent and close communication with its shareholders. The main goal is to make Akbank shares attractive to existing shareholders and potential investors as well as to ensure that these shares are predictable investment tools. Akbank management team's principle is to implement strategic plans to reach this goal and to disclose the results equally with shareholders, investors, capital market experts, and participants in a complete, fair, accurate, timely and understandable manner within the framework of generally accepted accounting principles and legislation provisions. In terms of informing the public, Akbank complies with the regulations of the Capital Markets Board (CMB) and İstanbul Stock Exchange (ISE); it pays ultimate attention to realizing principles stated in CMB Corporate Governance Principles.

Akbank,

- is the first bank to publicly announce its dividend policy in Turkey (2003)
- is the first bank to announce its Corporate Governance Principles in its annual report (2003)
- is the first bank to announce its Corporate Governance Principles in its website (2004)
- is the first bank to repurchase its founders' shares (2005)
- is the first Turkish bank to sign the United Nations Global Compact (2007)
- is the first bank to publish its Global Compact Communication on Progress (2010)
- is the first deposit bank to publish a sustainability report that is based upon GRI Guidelines (2010)

Akbank Board of Directors

Structure of the Board

As of 2010 there are five executive and four non-executive members in the Board of Directors. Chairman of the Board is also an Executive Member with responsibility in all issues. Pursuant to the Capital Market Board Corporate Governance Principles, there is one independent member in the Board of Akbank.

In selection of members to the Board, minimum qualifications are in line with those stated in articles 3.1.1, 3.1.2 and 3.1.5 of Section IV in CMB Corporate Governance Principles and related principles are included in the Bank's Articles of Association. Board of Directors is composed of members with the competence and expertise to steer Akbank's economic, environmental, and social strategies; these members are selected by taking both their experiences and educational backgrounds into consideration.

There is a secretariat for informing and communicating with the Members of the Board of Akbank. The Board meets at least twelve times a year. The agenda is defined based upon the Board's evaluation of the proposals made by the CEO and the Bank's results. The agenda is communicated to the Members of the Board prior to the meeting. Attendance in person by the Board Members is required for the Board meetings on the issues stated in Article 2.17.4 of Section IV in CMB Corporate Governance Principles.

In order for the Board of Directors to make a resolution, one more than half of its members must attend the meeting. Resolutions are made with the majority of members attending the meeting. Negotiations of the Board are routinely recorded by a secretary selected amongst the members or by someone hired outside the Bank. Minutes must be signed by attendees and if there are opponent members, the reason of opposition to the resolution must be stated in the minutes which must be signed by the voter. Validity of resolutions is based upon having them written and signed. Board Members are not entitled to have weighted votes and/or to veto resolutions.

Roles and Responsibilities of the Board

Roles, authorities and responsibilities of the Board are subject to principles identified in related provisions of the Turkish Commercial Code and the Banking Code as well as to the provisions of the Articles of Association. The Board is granted the authority to take decisions on issues that are not to be resolved by the General Assembly; to make absolute use of its conciliation, release of debt, arbitration, and disclaimer powers; to make resolutions on issues that are not included in or expressly excluded from the authority of the Credit Committee and CEO or person performing such duties.

The Board may either perform these tasks itself or assign the Credit Committee, the board executive member, or assign committees or commissions that are authorized to be established within the scope of the Articles of Association, or the CEO to perform all or some parts of such tasks based on their feasibility and suitability.

The Board of Directors is responsible for identifying the basic approach to risks, risk policies and principles, strategies and risk-taking levels as well as for regularly assessing these to perform necessary modifications. Executive Risk Committee established as a committee of the Board identifies policies and procedures regarding identification, measurement, monitoring, reporting, and control of risks. The CEO is responsible for ensuring that Bank units operate in line with the identified policies and strategies. At the meetings of the Asset-Liability Committee, latest developments in the economy and markets are evaluated and required actions are identified. Internal control practices and regular audits provide the control process required for ensuring compliance with policies and strategies.

Akbank's annual budget and strategic plan are subject to the approval of the Board. The Board of Directors closely monitors actual comparisons with the budget, receives information on deviations, and reviews the resolutions made. If there are any significant deviations in macroeconomic conditions compared to the budget estimates, the budget is revised and resubmitted to the Board of Directors for approval. The Board monitors strategic goals, budget targets and actual figures on a daily, weekly or monthly basis, depending on the nature of the issue.

In addition to using the printed reports, the Board of Directors also has access to Akbank's financial statements and various financial and non-financial indicators on a customer, branch, business unit, and Bank basis via the Management Information System. Dashboard screens developed for the Board of Directors and the Reports Library containing all management reports produced in our Bank are other information management systems that the Board Members benefit from.

Committees within the Board of Directors

Akbank's Executive Management Committee

evaluates required modifications related to the Bank's financial data, profitability of business units, position in the sector, new business developments, and risk parameters. Frequency and contents of committee meetings are determined annually.

There is also an ***Audit Committee*** formed by two Board members; this committee acts in accordance with the related legislations. Responsible for the performance of supervision and surveillance activities of the Board, the Committee is in charge of monitoring the operation and competence of internal systems as well as accounting and reporting systems.

Corporate Governance and Social Responsibility Committee (CGSRC)

was established in 2009 with the aim of monitoring compliance with corporate governance principles and observing the implementation of corporate social responsibility activities. The Committee meets at least twice a year. Detailed information on the Committee is provided in the previous section entitled "Our Approach to Sustainability".

In line with legal practices, Akbank's lending process includes a ***Credit Committee*** consisting of three Board Members and the CEO. The Credit Committee is a loan assignment resolution center that examines loan offers which have passed loan processes of the General Directorate in terms of compliance with legal regulations, banking principles, the Bank's goals and loan policies.

Executive Risk Committee (ERC) is responsible for creating risk policies, identifying methods to measure and manage risks, setting and monitoring suitable risk limits. All risk policies are put down in writing and integrated into the long-term overall strategy of the Bank.

There is also an ***Asset-Liability Committee (ALC)*** at Akbank. Responsible for the daily liquidity and cash management, ALC meets everyday to discuss the latest developments in the economy and the markets. Devising investment, pricing, and funding strategies are also among the responsibilities of ALC.

In addition to these committees, Board of Internal Auditors, Internal Control Center, Risk Management Department and the Compliance Unit which operates to prevent laundering proceeds of crimes directly report to the Board of Directors.

Rights of the Board Members

According to Article 37 of the Akbank Articles of Association, "A monthly fee or remuneration is fixed for the Members of the Board of Directors by the General Assembly, subject to the provisions of these articles of incorporation." In addition, the portion of the Bank's cash dividend to be paid to the Chairman and Board Members within the scope of the Ordinary General Assembly Meeting resolutions is stated. Executive members are also paid 12 salaries and four bonuses annually. These payments are determined annually by the Board of Directors. Article 50 of the Banking Law limits loans to be granted by Akbank to the Board Members. Board Members are not granted any loans against this mandate.

Pursuant to Article 32 of the Articles of Association of Akbank, members of the Board of Directors cannot undertake commercial transactions that are within the area of operation of our Bank either on their own or on others' behalf and in person or by proxy. The provisions of Article 335 of the Turkish Commercial Code pertaining to non-competition and the provisions of the Banking Law are reserved. Akbank Board Members did not engage in any business transactions with the Bank in 2010.

Relations with Our Shareholders and Investors

In order to manage and improve relations with both existing and potential shareholders, an Investor Relations Group was established within Akbank in 1996. The "Shareholder Transactions Sub-group" and "Investor Relations Department" within the "Financial Coordination Business Unit" are responsible for using shareholder decrees or other mechanisms, answering investor queries in the most efficient manner and performing works aimed at increasing the company value. All questions that are not related to commercial secrets are answered, taking the principle of equality into consideration, and it is ensured that the management and shareholders are in continuous communication.

The Investor Relations Department creates presentations that promote the Bank with the aim of increasing the recognition and preferability of Akbank in the field of international investment; highlighting the Bank's advantages compared to its peers; and ensuring that Akbank is preferable to other companies in view of corporations investing in developing markets. The department publishes these presentations and other developments and news regarding the Bank on its website and participates in national or international investor meetings and conferences to give information on the Bank. In addition, the "Corporate Social Responsibility Sub-Group" within the Investor Relations Department informs investors on environmental, social, and economic dimensions of sustainability. Ensuring communication between the Board of Directors and shareholders is another responsibility of the Investor Relations Department; the Department uses various means including teleconference, web-cast, e-mails, fax, announcements/declarations to communicate with investors. All requests for meetings from corporate investors are accepted and meetings at the most senior level possible are arranged.

In 2010, the Investor Relations Department attended a total of 20 domestic and foreign investor meetings together with executive management of the Bank and had meetings with approximately 350 international investment funds and 3 rating institutions. Also, hundreds of questions posed by investors and analysts via telephone and e-mails were answered via phone calls and e-mails.

Shareholders can also use their query rights at the Akbank General Assembly and all questions are answered. Prior to General Assembly Meetings, the meeting date, venue and agenda are announced in the Turkish Trade Registry Gazette, in national newspapers, on our Bank's website and at the Public Disclosure Platform (www.kap.gov.tr). Two weeks before the General Assembly, the Annual Report is submitted to the shareholders through our Bank's website, at the Shareholder Transactions Subdivision, as well as at the Ankara, Adana and İzmir Commercial Branches. According to Article 64 (a) of the Akbank Articles of Association, shareholders may exercise their right to vote either in person as well as through another shareholder at General Assemblies. General Assembly Meeting resolutions are kept available to

shareholders at the Public Disclosure Platform and on the Akbank Website.

Our Public Disclosure Policy

Akbank abides by the regulations of the Capital Market Board (CMB) and Istanbul Stock Exchange (ISE) in terms of public disclosure. The Bank pays ultimate attention to fulfillment of principles stated in the CMB Corporate Governance Principles.

CMB Corporate Governance Principles that consist of four core sections are implemented in general terms within Akbank and non-implemented elements are disclosed in detail and together with their justifications within the framework of ongoing articles. Our Corporate Governance Compliance Report is published at our website. For a detailed review of our report, please visit <http://www.akbank.com/corporate-governance-compliance-report.aspx>.

Akbank's Disclosure Policy has been formed by the Akbank Board of Directors within the framework of the CMB Corporate Governance Principles, and then approved and announced to the public on Akbank's Website. The Board of Directors is authorized and responsible for informing the public, as well as for monitoring, supervising, and improving the public disclosure policy.

The Shareholder Transactions Sub-group and Investor Relations Department within the Financial Coordination Business Unit and the Corporate Communications Department within the Consumer Banking and Corporate Communication Business Unit are both assigned to supervise and monitor all issues regarding public disclosures.

Akbank's Disclosure Policy is available at <http://www.akbank.com/2481.aspx>.

Akbank International Advisory Board

The "Akbank International Advisory Board" was established with the aim of discussing and evaluating global and local economic developments and their strategic inferences for Akbank. Mr. Kemal Derviş, former President of the United Nations Development Programme (UNDP) and former Minister for Economic Affairs in Turkey, and currently Vice President for

global economy in the Brookings Institute and Member of the International Board of Overseers of Sabancı University, is the Chairman of the Akbank International Advisory Board.

Other Advisory Board members are Lord Nicholas Stern, author of the famous global climate change report entitled "Stern Review on the Economics of Climate Change", former Vice President and Chief Economist of the World Bank, and currently professor of economy at London School of Economics; Sir Win Bischoff, former Chairman and Member of the Board of Directors of Citigroup; Lubna Olayan, CEO of the Olayan Financing Company; Rodrigo de Hato, former IMF President and currently Chairman of the Board at Caja Madrid; Jean Pisani-Ferry, Director at Brussels European and Global Economic Laboratory (BRUEGEL) and professor of economy at Paris Dauphine University; Bülent Eczacıbaşı, Chairman of the Board of Directors of the Eczacıbaşı Holding; Suzan Sabancı Dinçer, Chairman of the Board of Directors and Executive Member of the Akbank Board of Directors; Erol Sabancı, Member and Consultant to the Board of Directors and Honorary Chairman of Akbank; Hayri Çulhacı, Vice-Chairman and Executive Member of the Akbank Board of Directors; Bülent Adanır, Akbank Executive Member of the Board; and Ziya Akkurt, Akbank CEO and Member of the Board of Directors. The Board has met twice in 2010.

We, as Akbank, believe that the profound knowledge and experience of the International Advisory Board contributes significantly to achieving our goals.

Our Values

Integrity: In all operations, activities and relationships with customers, employees, shareholders, legal authorities, and other institutions and organizations, we remain committed to the principle of integrity.

Reliability: In full awareness of the fact that confidence lies at the heart of banking, we provide customers, shareholders, employees, and legal authorities with clear, comprehensible and accurate information and offer timely and excellent services in line with our commitments.

Non-Discrimination: We refrain from prejudices against customers, suppliers, employees, and shareholders based on gender, behavior, opinion or ethnic origin and we do not discriminate against anyone under any condition or circumstance.

Compliance: We abide by all laws, regulations and standards.

Confidentiality: We do not share any information or details of transactions concerning shareholders, employees, suppliers and business partners, and above all personal information regarding customers with any person or institution, except with those authorities with which the sharing of such information is permitted by law.

Transparency: Except for information that is deemed a commercial secret and not yet disclosed to the public, we disclose financial and non-financial information on our Bank to the public in a timely, accurate, complete, comprehensible, interpretable, and accessible manner.

Sustainability: Our Bank aims to contribute to the economic, social, and environmental development of the society. In all efforts, practices and investments of Akbank, we consider not only our Bank's image, benefits, and profitability, but also social benefits, development of the banking sector, and continuance of the trust in the sector; we abide by regulations related to the environment, consumer and public health.

► Risk Management, Internal Control and Audit Systems

Risk Management

Basic Responsibilities

In order to be able to manage risk management processes in an effective and efficient way, it is essential that risks are defined and delegations and responsibilities regarding the formation, implementation and monitoring processes of policies and strategies are drawn. In this sense, the Board of Directors is primarily responsible for the establishment and operation of an efficient risk management system throughout Akbank. The Board

performs necessary actions to ensure that the Bank's basic approach to risks, risk policies, risk-taking levels are decided and updated, as well as to make sure that risk measurement, monitoring and reporting systems are created.

Audit Committee and Executive Risk Committee established within the Board of Directors assist in fulfilling and monitoring responsibilities.

Risk Management, Internal Control and Internal Audit units that report directly to the Board are responsible for coordination and assessment in achieving the expected efficiency.

Besides, all units of the Bank are responsible for compliance with policies and strategies drawn by the Board, identification of risks related to their own areas of operation, management of such risks, and taking necessary actions to keep the risks at the minimum level.

Basic Approach

Foreseeing risks and managing them with a professional proficiency have been one of the most prominent superiorities in Akbank's corporate culture since the establishment of the bank. This prudent and visionary approach towards risk-taking also complies with our long-term banking strategies.

The Bank's overall risk strategy is to efficiently manage all risks within the bank's risk profile by prioritizing them from the viewpoint of materiality. Risk is one of the material issues to be considered in decisions regarding capital allocation, portfolio/investment preferences, positioning, performance rating, and new product and activity decisions.

Risk Policies and Practices

The Bank's risk policies are identified in relation to our long-term strategies and targets as well as to the quality and volume of activities. Risk policies aim to analyze and monitor the risk within appropriate limits and thus include efforts to identify, measure, consolidate, and manage the risk.

Risk Categories

Major risk categories that Akbank might be exposed to while performing its activities and definitions of these

categories are prepared under the coordination of the Risk Management unit and approved by the Board of Directors. Risk categories and definitions are regularly evaluated in terms of competence and updated if deemed necessary.

Based upon these major risk categories, all Bank employees also evaluate the risks they may be exposed to during their own activities and take all required actions or ensure that such actions are taken based upon the results of these evaluations.

Risk Measurement and Reporting

Executive Risk Committee identifies models to be used in measuring risks that can be expressed in figures (e.g. loans, interests, market, and liquidity) and methods to be employed in evaluating risks that cannot be expressed in this way (e.g. reputation and strategy risks). In particular, "Expected loss", "Unexpected loss" and "Expected loss under stress" data related to risks that can be expressed in figures are calculated by the Risk Management department.

These activities continued in 2010 and current practices were improved by monitoring financial and economic developments in world markets as well as developments in Basel III principles, other international regulations in the field of risk management. In addition, analyses, simulations, scenarios, stress tests, and other activities play a role in strategic decisions of the Board of Directors and senior management and support the decision-making mechanism.

With its qualified and well-equipped staff, the Risk Management department follows internationally accepted practices, regulations, and changes in models to contribute to developing the system.

Risk Limitations and Management

In order for risks to be managed efficiently, limitation is used as a risk and control tool. Risk limitations are identified depending on the type and scope of risks and based upon employee, unit, bank or group and they are approved by the Board of Directors. Actuality of risk limitations are examined in line with scenario analyses, stress tests, and evaluations of related units; updates are performed when deemed necessary.

Limitation method is used especially in the management of **market, interest rate, and liquidity** risks; on condition that the risk limitations approved by the Board are abided, risks are taken under control by the Executive Risk, Asset and Liability committees; and bank's positions are determined accordingly. In addition, hedging strategies are devised against negative changes.

In credit risks, such risks related to the Bank's products –from placements and commitments to customers to letters of credit- are managed with assistance from cautious loan policies and procedures at Akbank. In all transactions, loan quality (credit worthiness) of the other party is assessed via an internal rating system; sector, customer, loan type, provider segment-based limits are identified; and compliance with these limits are monitored.

In the management of **operational risks**, methods such as control mechanisms, emergency planning, and insurance are employed in addition to the limitation mechanism. Risk Management department, Head of Internal Control, and Board of Internal Auditors cooperate for risk management.

Reputation risk is handled as a significant risk in terms of sustainability and all Bank employees, notably the Board of Directors are held responsible for the management of this risk. Within the scope of the management of this risk, policies and practices to be applied throughout the Bank were identified (including areas such as full compliance with legal regulations, establishing and exercising a relationship of confidence with stakeholders, efficient and fast solutions to customer complaints) and these have been put down in writing. Our Bank's "Ethical and Professional Principles" is used as a reference. Strategy and business risks are managed by the Board and Asset-Liability Committee.

In addition to risks identified for existing products and activities, risks that may arise from development of **new products and services** and that may affect the Bank's overall processes are also evaluated. Probable risks of newly-developed products or services (loans, operational, legal, reputation, etc.), methods to be used in measuring and managing these risks, control mechanisms to be established are determined with

contribution from related departments and these evaluations are documented. After new developments are submitted together with a comprehensive risk assessment and approved by the Board of Directors, necessary actions are taken for risk management.

Monitoring and Reporting Risks

Reporting is made to the Board of Directors and Committees within the framework of methods identified by the Risk Management department and other related units on the basis of risk category.

Internal Control System

Main objective of Akbank's internal control system is to ensure that the Bank's assets are protected, the Bank's operations are performed effectively and in compliance with legal regulations, and a reliable and integrated accounting and financial reporting system is established.

All Bank employees, notably the Board of Directors are held responsible for the establishment and execution of an efficient internal control system in the Bank. The Audit Committee assists the Board of Directors in such activities.

Control environment within the Bank, which is one of the most important components of an efficient internal control system is maintained by well-disciplined, positive and supportive manners. To achieve this goal, arrangements on major elements such as organization chart, Ethical Principles, distribution of authority and responsibility are also performed. All employees are encouraged to identify and evaluate risks that may prevent the Bank from possible risks and the importance of control activities in managing such risks are continuously emphasized. To achieve this goal, efficiency of the internal control system is continuously improved via following some mechanisms, including

- Identification of functional differences, separation of the functions of marketing and operations
- Documentation of job definitions and specific responsibilities in the control system of each employee of every level
- Documentation of all workflows and checkpoints throughout the Bank
- Establishing information systems that are in

compliance with the volume and quality of the Bank's activities

- Establishing efficient and comprehensive communication channels, hearing suggestions of employees on process and activity issues, and implementing such suggestions
- Opening an Ethics Line for notification of suspicious transactions.

In addition, the Head of Internal Control that reports directly to the Board of Directors cooperates with units in performing the required renewals and revisions in control systems and designing new control mechanisms; the Head also coordinates and performs such efforts. The Head of Internal Control plays an active role especially in redesigning business processes and identifying checkpoints to be added to the processes. By means of controls it performs, it also evaluates efficient performance of checkpoints within the processes and closely monitors actions taken regarding findings of controls.

The Head of Internal Control operates together with competent employees that have their own expertise in related areas and experience in banking; it also provides trainings to support professional and personal development of its employees.

Internal Audit System

The Board of Internal Auditors performs audits and evaluations in order to ensure that the Bank's activities are in accordance with legal regulations and strategies and policies identified by the Board of Directors; productivity is improved; service quality is enhanced; efficiency and competency of the Bank's internal control and risk management systems as well as corporate governance processes are retained.

The Board of Internal Auditors plans and conducts its operations with a risk-oriented point of view. Thus, it evaluates possible risks in the branches, affiliates, subsidiaries, Head Office units and all bank processes. It also reviews mechanisms and risk systems designed to manage such risks. In addition, it investigates the reliability and integrity of the Bank's information systems and checks whether information is accessed on time; it performs information security audits based upon international standards.

There are also efforts to identify errors and irregularities within the Bank and to mitigate existing or probable risks. Both outcomes of special software used by the Board of Internal Auditors to identify the irregularities and notifications by legal authorities, other units of the Bank and customers are examined in detail and solutions are sought.

As a result of audits, not only findings are identified, but also suggestions to develop the processes, increase efficiency and strengthen internal systems are made. Furthermore, actions taken accordingly are actively monitored.

Operating with a risk-oriented approach, qualified and experienced staff and intense use of technology, the Board of Internal Auditors also provides certification and training opportunities for professional development of its employees.

Business Continuity Management

A "Disaster Recovery Committee" (DRC) has been established within our Bank for ensuring Business Continuity in case of Disasters.

Disaster is defined as a situation with a known (fire, natural disaster, collective poisoning, virus, terrorist action, etc.) or unknown reason, in which branches that perform Akbank's banking activities, as well as the Head Office and units that perform operational, control, execution, and support activities face intolerably long-term problems which hinder operations of more than one branch or unit in terms of one or more of the technical, personnel, and location aspects.

DRC is chaired by the Executive Vice President of Operations and consists of the Executive Vice Presidents of Information Technologies, Human Resources, Loan Follow-up and Support, as well as the Executive Vice President of Consumer Banking Business Unit that also includes Corporate Communications Department and the Head of Internal Audit as members.

The committee meets quarterly. The teams listed below directly report to committee members and work

to improve Business Continuity Management in line with their own areas of expertise. All teams review their plans in applied drills held annually.

Roles and responsibilities of the Disaster Recovery Committee may be summarized as follows:

Operation Team: There are Business Continuity plans to ensure that all Operational departments continue to perform their activities.

Purchasing Team: Responsible for performing purchasing activities.

Architectural Works Team: Responsible for taking required actions in case buildings are damaged.

Personnel Team: Responsible for Personnel Backup and management of alternative locations.

Corporate Communications Team: Responsible for internal and external communications.

IT Team: Responsible for ensuring continuity of systems operations in a backup location in case of disasters.

Audit Team: Responsible for auditing.

IT Measures for Disaster Recovery

Our Bank has designed variety of procedures and established a Center to ensure continuation of banking services via the IT Center in case of any disasters (natural disasters such as earthquake, flood, etc. and terrorist actions). The Disaster Recovery Center of Akbank was moved from İstanbul to İzmir in 2010 and checkouts were completed successfully.

Akbank's Disaster Recovery strategy for IT aims to ensure that mainframe computers, open systems, and networks services are restarted within a predetermined period of time and with acceptable risks so that security and efficiency are maintained at the maximum and losses are at the minimum levels in case of a disaster that may cause the IT Center to become completely inoperable.

In accordance with this aim, organization chart of a disaster, information on personnel to take part in such efforts, methods and principles for emergency interventions, repair, and return activities, and technical action plans have been made.

► Ethical Banking

To be able to continue our operations and to maintain our high ethical standards we, as Akbank, have expectations from our employees and our stakeholders with whom we cooperate. It is a priority for us to announce these expectations to every related person and to monitor compliance.

Ethical and Professional Principles

The “Ethical and Professional Principles” regulating the attitude and conduct of Bank employees of all levels, as well as their relations with persons and institutions within or outside the Bank are important tools in ensuring management and operations of our Bank in conformity with high ethical standards. Ethics Line is a channel established in 2008 with the same scope and employees may apply to this line if they witness an unethical case.

Put into effect in 2003 upon the resolution of the Board of Directors, “Ethical and Professional Principles” were updated in 2009 based upon current conditions of business world, and social trends. In parallel with this update, e-learning training for Ethical Principles was also updated and all employees of the Bank received this revised training. This e-learning is obligatory for each employee starting work at Akbank. Detailed information on Ethical Principles Training is given in “Our Employees” section of this report. Completion level of the mentioned training is closely monitored via controls performed by our Internal Control Unit. Pursuant to our disciplinary regulations, employees who do not comply with Ethical Principles may face disciplinary cases varying from official warnings to discharge.

Our “Ethical and Professional Principles” are grouped under four major sections and examples to each section are presented below.

1. Our social and environmental responsibilities (Human Rights, Working Conditions, Environment, Decent Society)
2. Our relations with customers and related responsibilities (Confidentiality of Customer Data, Customer Complaints, etc.)
3. Our internal relations and mutual responsibilities (Workplace Safety, Working Area and Environment, Discrimination and Harassment, etc.)

4. Our responsibilities towards our Bank (Ethics Line, Use and Protection of Bank Resources, Confidentiality, Rules for Gifts and Hospitality, Political Activities and Financial Contributions, Conflicts of Interests Among Employees, etc.)

Ethical Principles may be accessed at
<http://www.akbank.com/ethical-principles.aspx>

Ethics Line

The Ethics Line is a channel provided for Bank employees as a supportive mechanism to apply when they believe there are practices that contradict to the “Ethical and Professional Principles” in their departments, but they refrain from taking actions in the same department to solve the problem. The existence of the Ethics Line, areas of application, means to reach the line are announced to all employees via regular e-mails.

Employees may have access to the Ethics Line any time of the day via telephone and e-mail. Notifications are evaluated by the auditor in charge of the line and transferred to the Board of Internal Auditors if necessary. Only the Executive Vice President (EVP) of the related business unit is informed to take necessary actions. In either case, identity of the notifying person is kept confidential (it is not required to declare identity during notifications).

► Compliance with the Laws and Public Policies

It is Akbank’s priority to work in full compliance with legal regulations. A variety of units of our Bank is responsible for following legal regulations on banking and ensuring compliance. Specifically, laws and regulations on laundering proceeds of crime and financing of terrorism are managed by the Compliance Unit of our Bank. In addition, every unit and department that has connections to customers, including the Corporate Communications Department, is responsible for operations that comply with laws and regulations on marketing communication. Marketing communication is handled in detail in the “Value Added to Customers” section of this report.

Compliance with Regulations

With the aim of ensuring that legal regulations regarding banking activities are followed daily and

legal liabilities are fulfilled completely and timely, Regulations & Implementation and Loan Deposits units operate under the Operations Business Unit. In addition to providing assistance to internal and external customers in legal issues, these units play an active role in ensuring compliance of our Bank's systemic infrastructure, business processes, and internal rules and limitations to legal regulations. Regulations units attend in-house trainings for this purpose and work to keep legal risks of our Bank under control. Regulations units also contribute to the development of the sector by cooperating with representatives of other banks.

Prevention of Laundering Proceeds of Crime and Financing of Terrorism

Our Bank's compliance with national and international regulations regarding prevention of laundering proceeds of crime and financing of terrorism are ensured by the Compliance Unit that directly reports to the Board of Directors. Our Bank evaluates its customers, customer transactions, products, and services with a risk-based approach within the scope of the Law on the Prevention of Laundering Proceeds of Crime no. 5549 and the related regulations.

Pursuant to the Regulations on Compliance Program for Liabilities Regarding Prevention of Laundering Proceeds of Crime, risk is defined as "using services provided by our Bank with the aim of laundering proceeds of crime or financing of terrorism; failing to achieve full compliance with our Bank's liabilities pursuant to the Law on the Prevention of Laundering Proceeds of Crime no. 5549 and the related regulations; or probability of financial or reputational damage that our Bank and employees might be exposed to". In this context, implementation details of precautions and principles aimed to identify, rate, monitor, evaluate, and prevent probable risks against our Bank is fulfilled by taking liabilities of knowing the customer into consideration.

Contribution to Development of Public Policy

Our Bank's contacts with local and foreign public institutions for development of public policies are within certain limits. For instance, Akbank senior management may hold negotiations on issues such as economy and finance at the level of Presidency and Prime Ministry within the scope of leader

communications. Ms. Suzan Sabancı Dinçer, Chairman of the Board of our Bank, is a member of the Chatham House Board of Trustees within "Chatham House Independent Thinking on International Affairs", which is one of the world's leading think-tanks. Ms. Dinçer shares her personal experiences and opinions on issues such as Turkey's economic and strategic role, economy and globalization with other members of the Board of Trustees.

In addition, our Bank closely follows forums, conferences, work groups, and press news in order to be able to meet our stakeholders (especially customers, legislators, investors, etc.), to follow the agenda, to identify trends, to timely develop and adapt our products and services in line with stakeholders' expectations. Our Bank also supports a variety of meetings held with this purpose. Examples of such events that we supported and attended in 2010 are presented below.

- Euromoney Turkey Conference (Sponsorship)
- Forum İstanbul (Sponsorship and speaker)
- Support for İstanbul Chamber of Industry (ICI) Congress and ICI Environment Awards (preparations for the 2011 event) (Sponsorship)
- DEİK "Opportunities of Exports Seminars" (Sponsorship)
- A variety of meetings held in cooperation with our Endeavor Project
- Trade and Export Finance Conference (Sponsorship)
- Chatham House Independent Thinking on International Affairs İstanbul meeting
- Marketing Seminars in İstanbul and Anatolia in cooperation with the Sabancı University

On the other hand, participants to some conferences that we sponsor in Turkey include representatives of certain local and foreign institutions such as the Government, the Central Bank of Turkey, United Nations Development Programme (UNDP), and International Monetary Fund (IMF). Such events that we support are focused on finance and banking or on economic and social development issues such as education, youth, and entrepreneurship.



► Value Added to Customers

It is among Akbank's priorities to understand and look after our customers' needs and to develop banking products and services that directly influence their life qualities. With this purpose in mind, in 2010 we initiated the "For You" campaign which expresses all of our customer-oriented activities. First and foremost, "For You" means listening to our customers and comprehending their needs and expectations correctly.

The "For You" campaign is considered as a critical step in the process of improving communication channels to understand our customers better and creating a new product development system. In an era where banking has become a service to improve users' life qualities, we are aware that we should not only understand our customers correctly, but also offer a variety of products and services to meet their diversified expectations.

This approach covers not only banking products that contribute to individuals' lives but also large-scale activities that invest in the future - from culture and arts activities which contribute to social development (such as jazz, theater, modern arts, etc.) to projects that aim to reduce the impact on the environment (such as the Carbon Disclosure Project).

From the smallest branch to the Head Office, Akbank shall continue to consider the lifestyles of its customers and the future of the country and to employ its know-how for the aim of supporting a better life quality.

While developing and offering services that add value to our customers in every segment, we, as Akbank, also take sustainability issues into consideration. Among current examples of such services and approaches are environment-focused project finance and loans offered to our customers; advantageous SME loans provided to facilitate access to financial services; "Freedom Banking" services that we offer via our widespread network of branches and ATMs; business development meetings for SMEs; consumer banking practices to improve financial literacy; and Akbank Environmental and Social Policies applied to project finance loans.

Ever-changing and diversifying needs and expectations of our customers cause a continuous demand for "new

products". With the newly-established "New Product Development Group", our Bank aims to offer innovative solutions that meets ever-changing product and service needs of customers from every segment and thus, to increase customer satisfaction and loyalty to our Bank.

In addition, for developing and offering products and services, requirements of a responsible marketing communication are paid regard to; and issues such as information security and confidentiality of customers' personal information are taken into consideration. It is, again, our priority to achieve customer satisfaction.

► Core Banking Services Offered to Customers

Among Akbank's core banking services are Consumer Banking, SME Banking, Corporate Banking, International Banking, and Private Banking. Credit cards that we offer to customers for every segment are also an important part of our services. In addition to these, as expressed in our motto "Freedom Banking", we attach importance to offering our customers numerous new technologies that facilitate access to banking services any time, anywhere. Financial services that are out of the scope of banking -such as insurance- and capital markets, leasing, and investment services are provided by Akbank's affiliates.

Consumer Banking

Extending its customer base every year, Akbank has 8,800 well-trained and experienced branch personnel serving more than 8 million customers. Akbank's consumer-oriented products and services include not only banking services such as deposits and payments, but also consumer loans and credit cards. In addition, investment, insurance and private pension services and products are offered to customers via Akbank's joint ventures.

Akbank knows its customers intimately through continuous monitoring and observation, and develops its products in accordance with their needs. The management of our relations with our customers, based on loyalty and trust, is entrusted to our Consumer Banking Customer Relations Managers (CRM). In this service model, sales and marketing needs -including deposits, loans, investment, payment systems, insurance products- of all individuals whose

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financial relations with Akbank are up to a certain amount, are addressed through solutions offered by our CRM staff in our branches.

Our Counter Services Employees working in our branches carry out the transactions that our customers choose to perform at branches (drawing or depositing money, etc.). While completing transactions of each customer in less than 8 minutes, which is our target, we also ensure that they easily obtain various financial products and services that they may need at the counters of our Bank.

With the aim of offering more efficient services to micro-scale companies that form an important part of the SMEs in Turkey, micro-customers started to receive customized services at Akbank Consumer Banking Business Unit in 2010. Our Bank's service model was changed to offer faster and better services to our micro-customers and a more comprehensive model was designed.

Corporate Banking

Akbank Corporate Banking Department serves our corporate customers, the number of which exceeds 2,600 as of year-end 2010. Akbank continues its activities with the aim of being the "bank of choice" of its customers, benefiting from its customer-oriented, innovative and value-creating approach. Carrying out customer relations in line with its vision to build solution partnerships while maintaining and enhancing its position as the customers' main bank, Akbank aims to meet mainly all banking, as well as strategic and financial needs of its customers with a proactive approach and to achieve in-depth penetration into all of their operations.

Providing structured products and financial solutions tailored to the specific qualities of each sector and customer through its growing corporate branch network, Akbank Corporate Banking team plays a significant role in the financing of long-term investment projects and acts as a major financier of headline-grabbing projects in Turkey. It also offers financing and risk management services to companies in the corporate segment with a variety of products such as export and import loans for foreign trade financing, working capital loans, investment loans,

letters of guarantee, letters of credit, financing for domestic receivables, supplier financing, forward and swap transactions.

The Corporate Banking Department generates synergies within the Bank as well as with other Sabancı Group companies. Always approaching its customers as a "business partner", it pioneers developing solutions to their needs by referring their cash management matters or process improvement requests to related departments. Thus, while improving customer satisfaction, it also benefits from the opportunity to offer products of other Bank units to customers. Furthermore, the Corporate Banking Department offers asset management services to its customers via AKAssetManagement. With products such as repos, mutual funds, bills, bonds and Eurobonds offered in collaboration with the Treasury Marketing Group, the Corporate Banking team supports its customers in utilizing their idle funds more effectively.

Corporate Loans and Project Finance Loans

Thanks to the prudent loan policies it implemented, Akbank has one of the lowest non-performing loan ratios in the sector. Establishing long-lasting business relations based upon its customer-oriented services and sustainable growth approach, Akbank achieves an efficient credit-risk balance thanks to constant risk monitoring and correct collateralization practices.

In parallel with recent increase in "green-field" investments, privatizations and acquisitions, project finance loans market has grown significantly. Increasing its market share and the number of active customers for project finance loans every year, Akbank Corporate Banking Department continued its market-maker role in this segment in 2010 without abandoning its effective risk management and prudent lending policies.

Financing of numerous headline-grabbing privatizations, acquisitions, and investments in Turkey has been performed by our Corporate Banking Department. Rather than concentrating its project finance loans in a particular sector, Akbank balances its lending among different sectors such as energy, real estate, telecommunications, infrastructure, transport and petrochemicals. In addition, our Bank

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has become a leading bank in the sector by achieving full integration with its financial advisory and investment banking services.

Akbank is an active part of syndicated loans that have become increasingly prevalent since 2006; our Bank extended loans to many finance institutions in Turkey. In addition to providing commercial investment loans, Akbank Corporate Banking Department also provides intermediation services for the provision of investment loans under the guarantee/insurance schemes of international export credit agencies or insurance companies.

Closely monitoring privatization programs, our Corporate Banking Department provides financing for large-scale projects such as direct asset sales, transfer of companies' rights of superficies, share transfers, airport operation rights and hydroelectric power generation (HEPP) projects.

SME Banking

Akbank offers services to SMEs with its Small Business Banking and Commercial Banking departments. While Small Business Banking focuses on offering products, services, and solutions to small-scale business, Commercial Banking does the same for medium-scale businesses. As of year-end 2010, number of our SME customers is approximately 134 thousand.

Akbank undertook a restructuring initiative at the beginning of 2010 and consolidated the Commercial Banking and Small Business Banking Departments under a single roof, entitled the "SME Banking". Under the new organization, Akbank continues to serve via 22 Commercial Branches while commercial banking services were expanded countrywide by appointing Commercial Customer Relationship Managers (CRM) to 143 Retail Branches by the end of 2010. CRMs analyze the needs of their customers and provide them with the most appropriate products and services. In other words, SME customers of Akbank benefit from products and services designed by expert teams that are experienced in their areas and know their customers and their needs well.

Our "Small Business Banking" department within the SME Banking Business Unit continued to support SMEs with a comprehensive solution portfolio for small-scale business, from innovative products developed in 2010

to information services, campaigns, and cooperation activities. In addition to a number of products offered within the year and special packages designed for various segments and sectors, our Small Business Banking also launched new and innovative products and services to meet the constantly changing and evolving needs of SMEs.

Our Commercial Banking Department contributes to the development and growth of its customers by offering products that meet the needs of medium-scale businesses with a high-quality service approach and by establishing cooperation. Assessing loan applications with customer-specific and multi-dimensional analyses, the Commercial Banking Department has a healthy and high-quality loan customer portfolio. In its lending decisions, the Department considers macroeconomic and sector studies as well as each company's business volume, financial performance and existing relations with our Bank.

Private Banking

Akbank Private Banking has been offering banking and advisory services with a specialized and experienced team since 2001 at nine private branches, namely Etiler, Nişantaşı, Suadiye, Western Istanbul, and Kozyatağı in the city of Istanbul, as well as in Ankara, Izmir, Bursa, and Adana.

Offering exclusive services to individuals with assets exceeding TL 500,000, assisting them with their investment decisions, and providing tailor-made solutions when necessary, Akbank Private Banking also serves its customers' pension, insurance and leasing demands with a single-station and specialized service in cooperation with the Group companies. Providing its services in specially-designed, luxury branches, customer relationship managers at Akbank Private Banking constantly monitor their customers' investment strategies and provide them with exclusive solutions, with support from experts at AKSecurities and AKAssetManagement. Guided by principles of mutual trust and confidentiality in their dealings, customer relationship managers also submit periodic reports to their customers on national and international markets as well as sector and product surveys. Customers can also execute their Istanbul Stock Exchange and TURKDEX transactions through resident dealers in the branches.

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► Responsible Practices in Corporate and SME Loans

Loans that we, as Akbank, provide are allocated for the financing of projects by our corporate or SME (commercial or small business) customers. Since 2010, Akbank Environmental and Social Policies are implemented for project finance loans exceeding USD 50 million and with a term of over five years. In addition to these Policies, compliance with a variety of social and environmental performance criteria are sought for finance obtained from international financial institutions, depending on the source of the loan.

Akbank's Environmental and Social Policies, Processes and Risk Management Applied to Loans

Akbank's Environmental and Social Policies

For managing probable environmental and social risks and opportunities that can be experienced in projects of our customers which exceed USD 50 million and with a term of over five years, "Akbank Environmental and Social Policies" were developed and put into effect in 2010. Despite the fact that project finance loans are provided for financing projects of customers in the corporate and SME segment in principle, most loans are provided for customers in the corporate and commercial segments since these projects are generally large-scale and have a long term.

The mentioned policies and practices can be summarized as below.

Pursuant to Akbank's Environmental and Social Policies, we pay due attention that all elements stated in the United Nations Global Compact are implemented by the customers that we grant loans. For instance, businesses that are proved to employ child labor are not granted any loans. In accordance with our Policies, considering that a project may cause severe and important impacts on the environment, we request submission of Environmental Impact Assessment (EIA) reports or proof of exemption from EIA in financing projects in sectors within the scope of the Environmental Impact Assessment Regulations.

Pursuant to our policies, loans are not granted for projects that are proven to have severe and negative impacts. For instance, EIA approval certificate is a prerequisite for granting loans for long-term

infrastructure projects that have a high level of impact on the environment, such as hydroelectric power plants (HEPPs).

If EIA reports and approval mechanisms are implemented on all HEPP projects by the state, independent of the project's capacity or installed capacity, our Bank can use this report as a prerequisite for loans. During project examinations performed by the engineers' team of our Loans Business Unit, HEPP projects that are exempt from EIA pursuant to the former regulations, but are strongly opposed by local communities due to probable threat to the nature are evaluated taking these factors into account and finance requests of some projects are rejected.

On the other hand, if any risks become clear in projects where negative environmental impacts cannot be foreseen, our Bank can provide support for our loan customer in making improvements.

Also in some project finance loans, in-situ checks are conducted in the construction phase and compliance with occupational health and safety standards are monitored via accident and death statistics. In addition, "Construction All Risks Insurance" is requested as a prerequisite for loans in all HEPP projects and it is mandatory that accident and death compensations are paid with this insurance.

Our policies have been developed in a manner that not only prevents social and environmental risks, but also covers environmental opportunities. Our Bank gives priority to providing loans for projects that improve environmental conditions, such as renewable energy investments, waste recycling investments or those which reduce carbon emissions or improve energy efficiency.

Environmental and Social Risk Management of Loans

Our Bank's Environmental and Social Policies applied to project finance loans are adopted by all employees of the department who play a role in loan decisions. Our Branches and Pre-Credit Committee of the General Directorate are responsible for evaluating compliance with the policies and developing required action plans.

When our Branches make offerings for projects exceeding USD 50 million and with a term of over five

years, we define environmental and social risks of the project -if any- and confirm compliance of the project to our policies. While evaluating the loan offer and the project, the Pre-Credit Committee of the General Directorate examines the issues stated in the offer. If actions to prevent the defined risks are not to be taken by the customer, the Committee rejects the loan offer. If a current loan in our portfolio is against our Policies, Pre-Credit Committee informs the Credits Committee, which is the supreme committee, and necessary evaluations are made.

Environmental and Social Risk Management Processes

- The company applying to our branch for project finance loan is requested to submit an EIA approval or exemption certificate.
- If EIA documents are not submitted to our branch during application, submittal of the related documents are included in the loan contract as a prerequisite for providing loans.
- After the loan application file is approved by the branch and related Business Unit, the EIA report is examined in detail by the Technical Team of the Loans Business Unit.
- While visiting the field, the Loans Business Unit team also inspects issues related to the EIA report and unless there are discrepancies, the loan is approved on condition that other aspects are also suitable for loans.
- Projects that are exempt from EIA are also examined by the engineers team of the Loans Business Unit. Before approval of such projects, location of the project, the project's impact on local communities, and opinions of not only the central administration, but also local administration and courts of law are inspected.

Criteria Applied to Loans Pursuant to International Financial Institutions

Depending on the source of the loan, our customers are expected to abide by various social and environmental performance criteria for financing provided by international financial institutions. For instance, our customers that we provide loans via International Finance Corporation (IFC) should comply with "Akbank Social & Environmental

Management System" (SEMS). This System is developed for identifying, evaluating, and managing social and environmental risks of transactions in SME and corporate segments and is based upon IFC's internationally recognized performance standards.

Within the framework of such operations, there are plans to assign a coordinator and a committee to manage the SEMS in our Bank. The SEMS coordinator and committee members will be selected among representatives of various business units (loans, marketing and sales management, international banking, corporate social responsibility business unit). As job definitions of committee members and the SEMS process vary depending on the funding International Financial Institution, criteria will be defined and implemented according to the related institution.

In addition to IFC, for loans that we obtain from European Investment Bank (EIB) and European Bank for Reconstruction and Development (EBRD), compliance with a variety of social and environmental factors are expected from both our Bank and our customers using the loans. Our customers undertake to perform and manage projects financed via EIB in accordance with the Turkish Environmental Regulations. In case the Turkish Environmental Regulations do not meet the EU Law thoroughly or the Court of Justice of the European Communities reaches such a resolution, our customer undertakes to comply with the EU Environmental Law that covers measures to be taken for protection of the vegetation, air, soil structure, soil, water, cultural heritage, and physical environment. Similarly, in projects that we finance via loans from EBRD, compliance with criteria brought together under 10 main titles including Environmental and Social Evaluation and Management, Labor Force and Working Conditions, Prevention and Mitigation of Pollution, Public Health, Safety and Security is sought. While fulfilling these criteria, methods such as field visits, communication with local communities regarding projects, examining the EIA report are employed.

Environment-Focused Project Finance Loans

In terms of environment-focused project financing, our Bank attaches priority to providing loans for

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projects that improve environmental conditions, such as renewable energy investments, waste recycling investments or those which reduce carbon emissions or improve efficiency.

Energy-Friendly Loans

Developing financial products and services that support initiatives to reduce the pressure of production and consumption on the natural environment is an issue that our Bank attaches importance to. Akbank obtains loans from both its own resources and international financial institutions for the financing of energy efficiency and renewable energy and offers a variety of loan opportunities for its customers.

Akbank Energy-Friendly Loan is used generally as an investment and operation capital loan for the financing of heating, cooling, renewal of lighting systems, insulation of facades and conversion to environment-friendly energy sources of commercial real estates such as factories. Available especially for shopping malls, hospitals, hotels, cold storage houses, laundries, restaurants, and bakeries, this type of loan is a significant support in ensuring businesses to achieve progress in protecting and recovering the environment, using non-fossil renewable energy sources, and improving energy efficiency.

As Akbank, we continued to contribute to the development of the energy sector in Turkey; to encourage businesses to consider environmental protection during activities; and to finance especially renewable energy generation projects in 2010. In this context, Wind Energy Power Plant (WEPP) and Hydroelectric Power Plant (HEPP) projects constitute an important part of our loan portfolio. In 2010, USD 2.3 billion financing was provided for such projects of our customers.

An Example of Energy-Friendly Loans

Investment of **Şah Wind Energy Power Plant** by Ağaoğlu Energy Group was financed within the scope of our Energy-Friendly Loans. Financed with a loan amounting to EUR 62.7 million and having a total term of 8 years, this project will contribute approximately 10% to the nationwide installed wind energy power of around 1,000 MW at 33 existing projects.

Within the framework of the same goals, our Bank obtained loans amounting to USD 135 million from IFC and EBRD in 2010. Loans obtained from IFC are planned to be employed in supporting energy efficiency and renewable energy financing for SMEs.

Sustainable Energy Finance Loan (Sustainable Energy Financing Facility -TurSEFF- Program) obtained from EBRD aims to support businesses in reducing energy costs, use of fossil fuels, and greenhouse gas emissions. Within the scope of the TurSEFF Program, loans with a maximum term of seven years are provided for the financing of industrial energy efficiency, thermal rehabilitation of buildings, and renewable energy investments, including geothermal, solar, biomass, and biogas. As a requirement of this program, companies that would like to invest in energy efficiency or renewable energy projects are expected to meet certain performance criteria such as over 20% energy savings in projects regarding energy efficiency in industrial and commercial operations or over 30% savings in projects regarding energy efficiency in the construction sector.

► Our Products and Services to Support SMEs

Importance of SMEs is evident in the economic indicators of Turkey. Currently, over 99% of businesses are SMEs. A significant portion of total employment and exports is created by SMEs. Therefore, we consider SMEs to be vital for the economy and act accordingly. As Akbank, our aim is to create value for our SMEs by developing innovative products and services, holding briefings, and establishing cooperation. With all relevant activities that we perform, we make a call to SMEs: "All SMEs That Seek Growth! Akbank's Expertise Is There For You..."

Special Funds for SMEs

With the aim of meeting financing needs of SMEs, cooperation was made with a variety of institutions and funds were obtained from low-cost sources; thus, new, affordable and long-term funds were developed. Examples of such funds (KOSGEB, Undersecretariat of Treasury, European Investment Bank) provided in 2010 are given below.

Cooperation with KOSGEB

In an effort to support the investments of SMEs, increase their exports and help them grow, "Scale Indexed Growth Support Credit Program" and "Export Support Credit Program" were provided for SMEs. "Scale Indexed Growth Support Credit Program" prepared as a six-month non-refundable commercial loan with the remnant to be paid in equal installments or as a periodic payment with a 18-month term and the "Export Support Credit Program" prepared as a six-month-term spot exports loan provided a significant interest advantage for SMEs. In these loan programs 75% of the interest sum is paid by KOSGEB (Small and Medium Industry Development Organization) and the remaining 25% is paid by the companies.

Cooperation with the Turkish Prime Ministry Undersecretariat of Treasury for Provinces with Priority in Development

Akbank offers Loans with Interest Support from the Treasury to SMEs for their investments within the priority development in provinces III and IV and also for their R&D and environmental investments. SMEs can reduce their loan finance costs by using interest support from the Treasury for such investments. The Undersecretariat of Treasury pays 3% of TL loans and 1% of foreign currency loans in province III; 5% of TL loans and 2% of foreign currency loans for investments in province IV and for all R&D and environmental investments regardless of the province.

Development Loan for SMEs with Support from EIB and EU Commission

In 2010, Akbank was the only privately owned bank to be accepted into the SME Development Credit program prepared by the European Investment Bank (EIB) and the EU Commission. The SME Development Credit, which provided an important advantage to our customers in issues such as loan terms, interest rates, and repayments, is available to SMEs for a wide variety of activities including raw material purchases, machinery purchases, energy efficiency, production efficiency, modernization or expansion of existing facilities. With a minimum 4-year term, the loan is offered with a 0% interest rate for its 20% part and low-interest rate for the 80%. Thanks to this loan with a long term and affordable price, SMEs achieved a

significant competitive advantage by reducing their investment costs. With the campaign initiated in October 2010 within the scope of this program, 25 SMEs were supported until December 31st, 2010.

Easy Loans for the Growing Anatolia

Within the scope of the **Easy Loans for the Growing Anatolia** project by the European Investment Bank and European Investment Fund and with the aim of reducing regional differences in development levels, special loans are provided to micro-businesses and SMEs in underdeveloped regions for helping them in reaching the financing they need. The EUR 50 million-value project will be implemented in 43 cities (e.g. Malatya, Tunceli, Şırnak, Yozgat, Rize) that are located in regions with 75% less income per person than the average rate in Turkey. In addition, SMEs in these cities amount to 25 percent of all SMEs nationwide. However, only 10 percent of SME loans provided in Turkey are granted to the SMEs in these cities. With this program, our SMEs in these cities will have easier access to financing sources and thus their growth will be supported.

New Solutions for SMEs

We, as Akbank, support our SME customers with new and innovative products and services that meet their ever-changing and developing needs. Some of the new solutions we created for SMEs in 2010 are listed below.

"What's New" for SMEs

In an attempt to help SMEs penetrate into international markets or support the development of their exports activities, we provided **Export Document Delivery** convenience. As part of the practice, between October 15th and December 31st of 2010, companies performed advantageous Export Document delivery with the payment to be made by Akbank. Thus, companies conducting business in international markets achieved cost savings and increased their competitive powers.

In 2010, Akbank launched **Axess Business**, which combines the features of a credit card, a supply card and a debit card. With this card, a variety of opportunities are provided for SMEs. These opportunities spread out from installments to free chip-money from purchases, cash advance and installment cash advance, automatic bill

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payment, account access at ATMs, supply card feature, and fraud insurance. SMEs can use Akses Business to meet all other needs including fuel purchases, business trips, accommodation, office supplies and wholesale product purchases.

The **Welcome Package** that offers many advantages and discounts was rolled out for new clients. The package contains financial solutions such as loans and cash management as well as non-financial solutions for new customers.

New Campaigns

Upon fulfilling certain conditions, SMEs benefited from commercial installment loans with maturities of up to 36 months and 0.75% monthly interest rate and 1% commission. In addition, some advantages were also offered to companies that could not benefit from this campaign due to their involvement with KOSGEB Scale Indexed Growth Support Credit Program. Upon meeting certain requirements, such SMEs benefited from commercial installment loans of up to 18 months with non-refundable 6 months. In practices until the year-end, SMEs were provided with affordable financing opportunities including discounts in interest rates, non-refundable terms and maturity advantages.

Support for Entrepreneurs

In an effort to raise awareness on entrepreneurialism within the society, to remove the barriers against entrepreneurs and to create resources and opportunities with the aim of producing innovations that will bring added value to our country and contributing to an increase in employment rates, two significant cooperation projects were realized. One is the **"Special Loans for Endeavor Entrepreneurs"**, held in cooperation with Endeavor Turkey and the other is the **"Ideas Paving the Way to Business"** with the Sabancı University.

Special Loans for Endeavor Entrepreneurs

Akbank and Endeavor Turkey launched an unprecedented project, in which Akbank initially provides entrepreneurs selected by Endeavor with a TL 20 million loan pool. Only entrepreneurs selected by Endeavor benefit from this loan pool containing advantages such as more favorable collateral requirements, longer terms and lower interest

rates. Supporting Endeavor Turkey since the day it was established, Akbank thus provided significant resources for entrepreneurs that create innovation and make a difference.

An Example to the Endeavor Project: AirTies

Established in 2004, AirTies is a technology company and one of the corporations that benefited from the "Special Loans for Endeavor Entrepreneurs" product. The company operates in the area of developing and marketing products that wirelessly connect electronic devices to each other, to the internet and to the people. Among AirTies products are fast internet access/ADSL/FTTx, wireless LAN, IP telephony/VoIP and television/IPTV.

"The financing we obtained by using the special loan packages offered by the cooperation of Akbank and Endeavor added value to us in a variety of ways. AirTies is a company that presents an R&D-focused approach while growing in steady steps. Using the financing we obtained, we accelerated our R&D investments. We also established another call center in Erzincan during the financing period and thus had the opportunity to make a new investment in customer relations. In this way, we contributed both to the growth of AirTies and to the employment in the region."
Bülent Çelebi – CEO, AirTies

Akbank's "Ideas Paving the Way to Business" Program

Entrepreneurs were given training on business design, practice and management at the Akbank's "Ideas Paving the Way to Business" program that was created within the framework of the Entrepreneur Development Programme (EDP) performed by the Sabancı University for many years. Endeavor, Inovent and Women Entrepreneurs Association of Turkey (KAGIDER) supported the program, the second term of which was realized with the aim of helping entrepreneurial individuals and companies through counseling, project development and training.

Using the motto "If you have an idea, come and realize it", the program trains entrepreneurs who have a new

idea, who want to convert that idea into business and grow their business; it also guides entrepreneurs in designing, implementing, and managing the business they wish to establish. In the first part of the two-part program, courses on subjects such as entrepreneurship, leadership, marketing, cost accounting, finance, law and taxation were taught, and applied group works were organized. In the second part, the most successful participants chosen from among the project groups were provided with counseling services.

Business Development in SMEs

In addition to offering banking services to SMEs, via a variety of programs, Akbank Small Business Banking also aims to support them in creating a new vision, finding new markets for their products and services, and creating demands. Business development programs specially devised for SMEs, examples of which are presented below, help SMEs draw their own roadmaps by providing them with information.

Marketing Strategies that Grow Companies and Their Profitability

The meetings organized jointly with the TÜSİAD (Turkish Industrialists' and Businessmen's Association)-Sabancı University Competition Forum under the theme of "Marketing Strategies that Grow Companies and Their Profitability" were held in İstanbul, Ankara, İzmir, Bursa, Adana, Gaziantep, Kayseri, Eskişehir, Konya, Balıkesir, Çorlu, Antalya, Denizli, Adapazarı, İzmit, and Samsun. Participants were informed on the following issues: How companies that know their customers the best and devise marketing strategies to create value for customers succeed; how a value created for customers can be independent from the product's price; effects of marketing strategies on profitability; market segmentation; selection and positioning of target audience.

SME Export School - First Step in Exports

Exports play a very important role in the development and sustainable growth of our national economy. With this knowledge in mind, the "SME Export School - First Step in Exports" project was launched jointly with the Foreign Economic Relations Board (DEİK) for SMEs that want to expand into overseas markets. This project

succeeded in reaching SMEs that do not make or have just started making exports and in informing managers of these SMEs on new markets, business opportunities, government incentives for exports, facilitators for practical exports practices. Within the scope of the program, "Export Opportunities: New Sectors, Markets, Business Models and Incentives" meetings were held in Bursa, İzmir, Eskişehir, Kahramanmaraş, Gaziantep, and Trabzon.

SME Web Portal

www.kobilersizinicin.com

www.kobilersizinicin.com portal, preparations of which started in 2010 with the aim of creating a solution partner platform that improves competitive powers of SMEs, was launched in early 2011. Offering numerous opportunities such as information on economic, up-to-date and sector issues; e-trainings on specific areas; developing business relations between SMEs; helping employees reach experts in issues they would like to ask, the portal is aimed to become a new communication channel for all SMEs in our country. (The website is available only in Turkish.)

"Macroeconomic Outlook and Expectations" and "Carry Your Power to the New Generation" Meetings

Believing that our responsibilities are not limited to providing classic banking services, we, as Akbank, take part in various events and programs to inform and train our customers. In this scope, in 2010 the Bank organized the "Macroeconomic Outlook and Expectations" for companies and the "Carry Your Power to the New Generation" programs in which Deloitte Turkey shared its research and recommendations with regard to ensuring the continuation of businesses.

Tourism Report for the Tourism Sector

Another example of such programs is the quarterly "Tourism Report" on developments in the tourism sector, published by the Turkish Hotels Federation (Türofed) with contribution from Akbank. The Report presents the latest data and sector-specific studies, providing guidance to companies in terms of making future plans and projections.

Events Organized in Cooperation with Türkonfed and İstanbul Chamber of Industry (ICI)

In meetings organized in 2010 with the cooperation of Akbank and the Turkish Enterprise and Business Confederation (Türkonfed) -one of the largest non-governmental organizations in Turkey's business community that work to develop economic policies to achieve national development- customers were informed about various subjects such as economic developments, sources of financing and development policies. In addition, Akbank sponsored the 9th Industry Congress and Innovation Exhibition organized by the İstanbul Chamber of Industry to enhance and sustain the competitiveness of Turkish industry.

Akbank Supports and Promotes Foreign Trade

2010 was a year in which Akbank further improved its current relationships with international financial institutions. The Bank's International Banking Department has long-standing relationships based on mutual trust with its correspondent banks in 116 countries. We offer meticulous and quick support to customers with their foreign trade, payment transactions, and investment projects via various financial tools, both locally and internationally. As in previous years, in 2010 we provided low-cost, long-term financing through the export credit agencies of various countries. In addition, we pioneered the Turkish banking industry in syndication, bond, and securitization markets via a variety of loan tools and achieved a reputation as the bank that defines foreign borrowing terms of the market.

In an effort to support the success of firms that conduct business in international markets, we contribute to improving their competitive powers by developing customized financial products. Companies are provided with numerous solutions such as Country-Specific Loans, GSM Loans, Cash for Goods Export Credit, Installment Export Credit, Eximbank Loans, Export Credit Against Letter of Credit, Discounted Export Letters of Credit and Export Factoring, advance payments against L/C, derivatives that protect companies from foreign exchange, interest rate and commodity price fluctuation risks.

On the other hand, companies can easily access information on their import, export, invisible items,

transit trade and other transactions via the Akbank Corporate Internet Branch. In addition, our customers can reach general information on foreign trade transactions, alternative financing techniques and foreign trade regulations, as well as answers to other frequently asked questions about foreign trade transactions via the www.akbankmevzuat.com (This website is available only in Turkish).

Our Bank also rewards successful exports companies to encourage them for further success. In 2010, our Commercial Banking business unit once again assumed the main sponsorship for the "Stars of Export – Export Incentive Awards", which was organized for the first time in 2002. Companies rewarded in this competition, organized to increase Turkey's exports and expand the share of exports in the Turkish economy, gain the opportunity to perform their export transactions at Akbank with advantageous terms for one year.

Cooperation with Chambers of Industry and Commerce

Another service we promote especially for regional development is enabling SMEs to benefit from our loans and other banking services with advantageous terms, in periodical cooperation with chambers of industry and commerce in a variety of provinces and regions. Within the scope of such contracts, we provide chamber members with services such as Machinery/ Equipment Loans, Raw Material Purchase Loans, Automotive Loans, Commercial Loans in Installments, Workplace Loans and Workplace Renovation Loans with affordable terms and payment conditions for investments and raw material finance. Here, the goal is to support chamber members and local economies via our products and services.

Example: ICI “Environment-Friendly Products and Practices Awards”

Akbank supported the “Environment-Friendly Products and Practices Awards” program organized by İstanbul Chamber of Industry (ICI) in January 2011. In this program, efficient use of raw materials and energy by ICI members, environmental management, waste reduction, waste recycling and reuse, improving environmental awareness and environmental trainings, efforts that set examples for other companies and institutions are awarded. Our Bank offers the awarded companies advantageous interest rates, expenses and commissions if they choose to benefit from our products such as commercial cash loans of Turkish Lira and Foreign Currency, bank transfer-EFT-check and bill collection and foreign trade transactions, check books, Axess Business Cards.

► Responsible Practices in Consumer Banking

General banking services are developed based upon the requirements of the age and our social responsibilities. Our product and service portfolio is enhanced with practices such as deposit products that aim to encourage customers to make savings, price packages that allow customers to easily track commissions for payments. In addition, special services we offer in parallel with our consumer banking practices to micro-companies that have a significant role in the Turkish economy, our responsible practices in consumer loans, and insurance and investment services provided via affiliates to add value to our customers are examples of our responsible approach to consumer banking.

Widespread Deposit Services

Akbank maintains its pioneering role in deposits with both its pricing policy and advantages offered to small savers. With approximately 70% of deposits originating from savings deposits, Akbank continues to offer campaigns and pricings to encourage small savers to contribute to the economy.

While offering attractive deposit rates with deposit campaigns tailored for a variety of occupational groups, Akbank works incessantly to enable use of foreign-origin savings within our country with advantages offered to Turkish workers in foreign countries.

By gaining access through every channel, Akbank continues to provide customers from every corner of Turkey with the opportunity to use their savings for good.

Promoting Saving through Deposit Accounts

With the Accumulated Fund Account renewed in 2010 and the Deposits Savings Account offered in the last quarter of 2010, Akbank put products that promote savings into use. In countries like Turkey, where the majority of investments are met by foreign loans, products designed to create awareness on investments, encourage investors to make savings via flexible products, intersect long-term savings and future plans are important in terms of penetration into capital and money markets such as investment funds and deposits.

Our products enable customers to save even in small amounts like TL 50; consequently, 50 thousand Akbank customers continue to save money every month, regardless of the amount. We expect this figure to increase to 200 thousand by the end of 2011.

Transparent Banking Services: aRife taRife

With “aRife taRife”, a revolution in the banking services, Akbank initiated a groundbreaking practice in the banking industry of Turkey.

Offering a transparent and unrivaled service model in which customers can perform banking transactions at considerably lower costs and encouraging customers to make well-informed choices with its slogans “So that everyone knows what to pay” and “The choice of the wise”, “aRife taRife” started a brand new period in the Turkish Banking sector.

Bundling the most frequently performed customer transactions such as money transfers, check collections, account statement and pass book printouts under various packages, aRife taRife offers customers the opportunity to make as any transactions as they

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need in return for a single monthly payment. Thus, Akbank customers can make as many transactions as they need for a fixed, much lower monthly fee by subscribing to a bundle instead of paying separately for each transaction within the bundle.

aRife taRife is designed uniquely for every customer profile with a total of six different tariffs for individuals and companies. Customers in these segments are given the opportunity to choose a package based on their frequency of branch transactions; Internet banking customers are also provided with special tariffs from which to choose.

Banking Services for the Youth: exi26

Youth banking transactions conducted under the "exi26" brand since 2005 constitute one of the basic pillars for building long-term banking relationships for Akbank. Aiming to provide solutions for financial and non-financial needs of the youth, Akbank offers dedicated services to young people between the ages of 16 and 26. Main products are youth portals, Axess exi26, Neo exi26, general-purpose loans and car loans, as well as insurance products and services geared uniquely toward youth. exi26 credit card practices provide young people with credit cards that have relatively smaller limits and thus help them in earning a discipline in savings and expenses. Striving to be a part of young peoples' daily life, exi26 actively participates in campus life with specially designed campus branches and by organizing and supporting cultural activities on campus. With the goal of taking its place by the youth in all large organizations in our culture life, exi26 sponsored the Sonisphere Festival in 2010 that featured the world's most renowned rock bands.

Creating Awareness Among Individual Investors via One-to-One Banking

One-to-One Banking is a service model that is based upon providing privileged services and one-to-one solutions for a limited number of customers. For high net-worth customers who expect specialized service for investment products, One-to-One Banking CRMs provide a platform that they can easily reach while offering them the most suitable products and providing financial information support.

Under the One-to-One Banking service, 221 One-to-One Banking CRMs at 186 branches provided priority service to 160,000 customers in 2010. This direct and privileged service model is complemented by a diversified product portfolio, special pricing, daily notifications of financial position and social activities.

Finding quick solutions to their financial needs at the One-to-One Banking platform, customers gain access to the most accurate information on their investments through a dedicated Customer Relationship Manager as well as special informatory e-mail notifications for "Ideas for Investment". Ideas for Investment contribute considerably to informing customers on investment products with varying risks and revenues and training them on long-term investments.

In addition, One-to-One Banking continued to organize **Investor Seminars** in various cities where customers got together with prominent market commentators, world renowned fund managers and economists. The aim of this event is to have deeper relations with customers and create the basis for a long-term cooperation, as well as to help customers benefit from expert views and have better perspectives in making their investment decisions.

Structuring of Credit Debts

Akbank provided a certain level of facility for customers who had trouble in paying back personal loans and credit card debts due to the influence of the economic fluctuation in 2009, by taking into consideration the limitations imposed by legal authorities. Requests of customers who demanded changes in payment plans or who are believed to recover defaults and make regular payments with a new payment plan were evaluated. Some of such cardholders and loan users were offered the opportunity to pay their debt before legal proceedings are initiated.

Micro-Businesses: Dynamos of the Economy

As the residents of the first layer of the commercial cycle, micro-businesses are dynamos of growth. With correct choices of investments, today's micro-businesses will evolve into SMEs and those SMEs that grow with correct policies will become commercial and corporate businesses of the future. The cycle always works in the same way in global markets; in Turkey,

the majority of existing businesses are in micro scale and these form the basis of economy and employment. Our Bank plays a role in every stage of this cycle and serves corporate, commercial, SME and micro banking customers. Our micro-segment customers benefit from all products and services that our Bank offers to SMEs.

Services by Affiliates

Insurance Is a Necessity, Not a Luxury

In line with the growth of the bancassurance sector in 2010, Akbank continued to grow its insurance business in 2010. Most notable accomplishments of 2010 include the total value of assets reached by AvivaSA Pension and Life thanks to Akbank's potential particularly in the private pension system, Ak Insurance registering the largest rate of growth in its sector in terms of sales through the bank channel, and the expansion in the customer base of insurance products offered via Akbank.

Akbank's major principle in bancassurance is convincing large masses that being insured is a necessity rather than a luxury and thus offering products with affordable prices and coverage for all segments, considering lifetime risks of customers. In line with this principle, Akbank branches began selling Life Continues Insurance, which makes payments to policyholders in case of critical illnesses and Emergency Health Coverage that covers treatment expenses in health emergencies.

In addition, Akbank also began covering credit-related risks of the customers by launching the Credit Card Unemployment Insurance, which provides payment guarantee for credit card debt and the Credit Life Maximum Protection product that covers mortgage and general purpose loan repayments. POS Insurance that was launched for the small business and micro segment customers protects merchant POS devices against all kinds of breakdown or malfunction while the liability insurance packages offered to protect business owners against risk that can arise from their responsibilities to employees or the environment provide coverage against customer risks.

In an effort to provide market insurance products for customers through every delivery channel,

Akbank launched insurance policy sales at its ATMs and products customized for customer needs were developed in accordance with the profile of the delivery channels.

Akbank continued to provide Emergency Health Coverage, Life Continues Insurance, Plan B Life and Unemployment Insurance, Body Card Protection Insurance, Credit Card Unemployment Insurance and Personal Accident Insurance products via its 24/7 Call Center.

Practices to Improve Financial Literacy of Individual Investors

It has become more critical for investors to direct their savings to correct tools especially when interest rates fall. Limits of investments are removed and even the most conservative investors started to turn to different instruments. With its diversified investment fund portfolio and commercial intermediary services via various channels, Akbank continues to meet all needs of investors.

With a 12% market share, all of which is composed of funds founded by Akbank itself, the Bank introduced new products to investors with the new funds it floated to public in 2010 and encouraged investors seeking new alternatives to invest in these new products.

With the aim of reaching the ideal of "minimum two Capital Protection funds every month", Akbank exported 18 funds in 2010. Thanks to the diversity created in funds, the Bank offered all varieties of underlying assets –from the stock market to foreign exchange, from gold to silver, from bank interests to commodities- to customers in a comprehensible and simple manner; thus, 20 thousand people joined the world of investment for the first time in their lives.

In addition, Akbank ventured into emerging markets jointly with Templeton Asset Management Ltd., a leading global asset management company and launched the Franklin Templeton BRIC Countries Foreign Securities Mutual Fund in 2010. With the motto "Invest in the world's fastest developing markets with only 10 Turkish Liras", even the smallest investor earned the opportunity to invest in countries on the other side of the world.

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Example: For a Well-Informed TURKDEX (Turkish Derivatives Exchange) Investor...

With the "Akbank TURKDEX School" platform it established for investors who would like to divert their investments from classical tools towards different alternatives, Akbank enables investors to reach accurate information on the derivative products exchange and to find answer to their questions immediately. TURKDEX is the only stock market where futures and option contracts are purchased and sold. Futures contracts are contracts for purchasing or selling a certain amount of commodities or financial tools in a future tie and with a certain price. With training modules at 5 different levels (from basic to advanced), participants to TURKDEX School get basic information before performing any transactions and learn about the risks in this ever-developing market. In order to help investors in developing their practical abilities, a "Virtual Portfolio Competition" was held. The competition offered an opportunity for investors to test their trading skills without incurring any financial risks. In addition, professional teams established in the "Akbank Investor Center" started tailor-made, fast, and quality services to investors performing a high level of TURKDEX transactions.

Responsible Practices in Consumer Loans

Akbank's consumer loans are composed of three core groups; namely, General-Purpose, Car, and Mortgage. In addition, loans provided via credit cards are also

among services offered to consumers. Sums of consumer loans since 2008 are expressed in the table below. While these figures did not change significantly in 2008 and 2009, consumer loans revealed a considerable increase in 2010.

General-Purpose Loans

General-purpose loans are provided directly with terms up to 60 months for all kinds of needs of consumers, from education to health, vacation, and home furniture. Unsecured loan applications are assessed based upon the customer's credibility. These loans offer a convenient solution to all cash needs of customers.

As one of the leading banks in the consumer loans market, Akbank focused on the objectives of new customer acquisitions, profitable and healthy growth by broadening its customer base, further diversifying its client portfolio and increasing customer loyalty in 2010; the Bank shaped its policies in accordance with these goals.

In addition to offering consumers a rich product portfolio of consumer loans, Akbank focused on effective campaign management throughout the year and supported all sorts of financial needs via competitive campaigns with price and term advantages.

Energy-Friendly Loan from Akbank

Similar to the recent global trend, public awareness on energy savings and energy efficiency has started to increase in our country as well. Using energy efficiently by reducing fuel and electricity costs has become an important issue for residents, housing estate and

Sum of Consumer Loans (TL Million)	2010	2009	2008
Mortgage Loans	6,166	4,592	4,601
Car Loans	804	555	1,086
General-Purpose Loans	6,160	4,098	3,923
TOTAL (Consumer Loans)	13,130	9,245	9,610
Credit Cards	6,619	5,754	4,769
TOTAL (Consumer Loans and Credit Cards)	19,749	14,999	14,379

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apartment building superintendents. In line with this trend, Akbank Energy-Friendly Loan launched in 2010 provides loans with affordable financing conditions for expenses of individuals and apartment building/housing estate superintendents aimed to save heat and fuel, such as insulation, jacketing, transition to solar energy, conversion to natural gas, etc. Thus, a financing option that both reduces individuals' energy expenses and contributes to the environmental health has been offered for use. (The same loan is also offered to SMEs.)

Loans of "From the Kitchen to Life"

In 2010, upon initiative of Endeavor Turkey, Akbank cooperated with the Culinary Arts Academy (MSA), a professional cooking and pastry-bread-making academy which is the first and only private vocational institution in its area that gives international diplomas to graduates with approval from the Ministry of National Education, with the aim of launching a brand new project to contribute significantly to vocational education. Thanks to the cooperation with MSA, which aims to reach a greater number of people with their professional trainings and enable everyone to benefit from this internationally-acknowledged education, students who would like to be educated at MSA will not have to consider school fees and focus solely on the training with the loans of "From the Kitchen to Life" package. This cooperation with Endeavor Turkey and MSA supports future chefs.

Mortgage Loans

Customers who would like to own a house are provided mortgage loans with up to 120-month terms and exemption from Banking and Insurance Transaction Tax and Resource Utilization Support Fund. Loans up to 75% of the house value are provided, with the house to be purchased considered as the guarantee. Customers are supported in purchasing houses by offering high amount of loans with longer duration.

Akbank has not refrained from using its leading role in mortgage loans for the benefit of its customers and by paying attention to always being one of the prominent banks to offer the most advantageous interest rates, it helped over 200 thousand customers purchase their own houses since 2005 when the mortgage market gained huge momentum.

Focusing on continuously developing new products or services in mortgage in 2010, Akbank created a variety of mortgage options based upon customers' incomes or expectations.

In full awareness of the fact that the developments in alternative delivery channels save time and money for both the Bank and its customers, Akbank established a special call center for mortgage in 2010. With this service, Akbank customers can obtain all kinds of legal and technical assistance from mortgage consultants and apply for mortgage.

In addition to cooperating with large-scale construction companies, Akbank also increases the number of cooperation with the Housing Development Administration of Turkey (TOKİ) and Emlak Real Estate Investment Trust, which are recognized as the biggest actors in the public sector; our Bank focuses not only on the housing projects in metropolitan cities, but also those in Anatolia. Thus, our Bank supports urban transformation activities in our country through earthquake-resistant, exclusive architectural projects with strong infrastructures.

In addition to our cooperation with large-scale project companies, we also pay attention to contributing to extending well-trained labor force and professional approaches throughout the sector in cooperation with real estate chains and chambers of real estate which play an important role in second-hand houses.

Car Loans

In 2010, our Bank provided affordable financing to consumers in car loans thanks to special cooperation and financial partnerships with car dealers and distributors, joint loan campaigns, and loan express online car loan applications system; we also offered services that facilitate application when customers are in need of financing.

Extra Money

Overdraft Account, which we call Extra Money, is a limit that is defined in our customers' drawing accounts and that can be used immediately. Once approved, it can be used continuously within the limit similar to an active loan. Customers can track their limits anytime via channels such as ATM/BTM, internet branch, call

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center, or our branches and can learn their running debts at our call center and branches. With the advantage of ease of use, emergency cash needs of customers are met.

► Responsible Practices in Debit and Credit Cards

Akbank's credit card portfolio of approximately 5 million cards used by customers in every segment consists of the Axess, Axess Business, Wings, Wings Business, Fish, Carrefour Axess, and Axess exi26 brands. We offer innovative services to meet our customers' needs and expectations with a portfolio of 4.9 million credit cards (consisting our 3 strong credit card brands – Axess, Wings and Fish) and 5.2 million debit cards, a credit card lending of TL 6.8 billion, and a network of 218 thousand member merchants (businesses that use our POS devices).

Axess is the flagship credit card of our Bank for the last 10 years. It is a product that meets the needs of credit cardholders, that offers a variety of benefits, and that we continuously develop in terms of new product qualities and financial solutions.

Wings is a credit card for the high-income group of customers who are active and frequent flyers. Since 2007 Wings has been the choice of customers with an active social life, a need for business or vacation travels, and priorities identified accordingly.

Fish joined our credit card portfolio in 2008 and has been creating closer bonds between our Bank and the retail market, while bringing attractive rewards to cardholders.

The youngest member of our credit card portfolio, CarrefourSA Axess was launched in 2009. CarrefourSA Axess provides not only the benefits of Axess, but also special offers at CarrefourSA supermarkets.

Axess Business and Wings Business are our card solutions for small, medium and large-scale businesses. Both cards offer users the opportunity to regularly track payments and to earn financial advantages such as mile points and chip-money to their cardholders.

Axess exi26 is for university students and young professionals at the beginning of their business careers. Axess exi26 has a communication style tailored to a young and dynamic target group and offers year-long installment and discount campaigns.

Neo; More Than A Debit Card! Today, the share and importance of debit cards in payment systems grow noticeably. With the aim of encouraging cash-users to shop with Neo, Akbank conducted communication initiatives and shopping campaigns geared toward target groups. Customers earn chip-money if they shop with Neo at Axess member merchants. In addition, use of Neo for shopping has dramatically increased and a growth performance of 46% was achieved in 2010.

Insurance Services in Credit Cards

Credit cardholders can experience loss, theft cases. Within the scope of our responsible and safe banking principles, we offer our customers a variety of insurance products so as to protect them from such risks.

For instance, Life Insurance service is offered to customers so that in case of death or disability, card debt can be collected and heirs do not face any financial liabilities. Ak Insurance has developed a Credit Card Unemployment Insurance in case the cardholder loses his/her job. When the wallet of a customer or a family member is lost or stolen, if they are using the Bodycard Protection Insurance, all of their credit and debit cards at all banks are cancelled within a very short time upon their call to the Akbank Telephone Banking branch. This product also includes a number of guarantees, transportation, communication, and cash support services to avoid suffering of our customer.

Contribution to the Development of Trade in Anatolia via Member Merchant Campaigns

All business that have POS devices required to perform credit card transactions are called "member merchants". Akbank is among the four largest banks in the market in terms of member merchants and it increased its market share in 2010. With the "City-based member merchant campaigns" specially designed for Anatolia since 2008, our Bank aims both to contribute to the improvement of trade in Anatolian

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cities and to create a more lively and motivated social life in these cities during campaigns. Thanks to such campaigns, our Bank earns a significant number of credit card customers and member merchants.

Wings Carbon Footprint Information Initiative

With the aim of creating awareness in our customers on carbon emissions, preparations for a special website started in 2010 and the site became online in early 2011. Among the new initiatives are carbon footprint page on the Wings website. With titles such as "What is carbon footprint? How to calculate carbon footprint? Carbon footprint calculator, Ways to shrink our carbon footprint, Greenhouse gases, global warming and consequences", we aim to create awareness in our customers.

In addition, there is a "calculator that measures carbon footprint" on this website. Communication works for the carbon emission calculator initiated in January 2011 with simple games on Facebook and some announcements and the calculator was put into use in early February. In order to promote the project efficiently via Facebook and to encourage our customers to use the interactive test and the calculator, special gift campaigns are executed.

► Contribution to the Economy and Environment with Widespread Branches and ATMs

A Widespread Network of Branches and ATMs

With new branches opened in three cities in 2010, Akbank has one of the most widespread ATM networks in the country with 912 branches, 3,127 ATMs and BTMs that make instant money depositing possible in 79 cities where 99.9% of the Turkish population lives.

Akbank moved up from fourth to second place in terms of ATM market share thanks to its fast-paced ATM installations undertaken as a result of its ATM network expansion policy that it focused on in 2010. A total of 89% of all cash withdrawals and 61% of all cash deposit transactions at Akbank are performed using ATMs and BTMs. In addition, Akbank ATMs and BTMs are part of Turkey's ATM sharing platform, so they provide services to all credit or debit cardholders in Turkey.

By creating employment in cities and districts where a branch is opened for the first time, Akbank indirectly

contributes to reviving the economy through its operations and services. An example to this can be reintegrating the "under-the-mattress" savings into the economy and taking the grey economy under control.

Branching and ATM Strategy

While assessing service points in branch and ATM structuring, main arteries with mass transport options and/or locations with heavy traffic are given priority in terms of visibility and accessibility. By providing easy access to branches and ATMs for our customers, we contribute to preventing fuel consumption and carbon emissions resulting from transportation.

► "Freedom Banking" for Easy Access to Services

"Freedom Banking" services or "Alternative Delivery Channels" (ADC) as we call it within the Bank, which aim to meet the financial needs of our customers from every segment quickly and which are continuously renovated in parallel with technological developments, also develop and diversify. Widespread channel portfolio and diverse functions of Akbank ensure that more than five million customers receive banking services from ADCs annually.

In addition to branches, which are traditional delivery channels, Akbank offers banking services to its customers via consumer and corporate internet branches, Mobile Branch for mobile banking services and 4425 SMS branches, Telephone Branch, over 3,000 ATMs, more than 267,000 POS terminals, and other advanced-technology channels.

Akbank offers ADC users various advantages both in pricing and in purchase. With this approach, the Bank launched alternative loan channels such as MobileLoan, WebLoan, smsLoan and ATMLoan and groundbreaking, pioneering practices in the sector such as time deposit with special pricing and loans with advantageous interest rates.

In 2010, Akbank was a finalist in the Best Use of Mobile Marketing – Direct Response category at the Mobile Marketing Awards, a worldwide award organization, with its "Big Red Line Win Big" application, which is a good example of product sales and marketing

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initiatives conducted via ADCs. Within the scope of this marketing campaign, our Bank cooperated with a GSM operator. In this application, those who call subscribers of this GSM operator are channeled towards purchasing the product with ads they listen to on the phone. We won the mentioned award with mortgage channeling for the "Big Red House". Thanks to the advantages they offer, many customers today use the ADCs and two out of every three transactions at the Bank, are performed through Alternative Delivery Channels.

Akbank successfully completed its ADC positioning initiative in accordance with its ADC strategies that was one of the areas the Bank focused on in 2010 with "Run to Red" integrated digital marketing communication. The "Run to Red" integrated digital marketing campaigns carried out throughout the year won numerous awards in Turkey.

Internet Banking

Akbank Internet Banking serves 11% of active Internet banking users in Turkey. Handling 11% of the money transfers in the sector, Akbank Internet Banking also has a 1% market share for stock trading on the Istanbul Stock Exchange.

Call Center and Telephone Banking

While banking services are provided for both consumers and corporate customers via the Telephone Branches at 444 25 25, Fish Call Center at 444 29 29 serves Fish cardholders.

As a communication center that offers maximum benefits to customers with its efforts regarding continuity of product usage, new customer gains, customer satisfaction, sales and collection-focused practices and as one of the biggest call centers in the banking sector, Akbank Call Center served approximately 5 million people in 2010 with its over 1,000 employees.

Akbank Call Center answered more than 39 million calls, made over 15 million outbound calls and performed 117 million transactions in 2010. 11.5% of answered calls were converted into sales. By increasing the variety of insurance products in 2010, premium generation was increased 1.4 times

compared to the previous year; 40% of the Bank's overall insurance policy sales and 31% of its credit card sales were made via Call Center.

Video Phone Branch Services

Turkcell 3G subscribers who make video calls to the Akbank Call Center can conduct their banking transactions through the Akbank Video Phone Branch both aurally and visually, in a faster and easier manner. The Akbank Call Center started another pioneering service by initiating both the video IVR (IVVR) and the video agent services simultaneously with Turkey's GSM operators' 3G launches.

Mobile Banking: Banking Services for Everyone with a Mobile Phone

Widespread use of mobile phones in every region of Turkey enables us to perform some banking services via mobile phones. Akbank's mobile banking, in which we render services through the smsBranch, MobileBranch, and wap.akbank.com platforms, is one of the fastest growing alternative delivery channels. The SMS Branch that serves over 1 million customers enables our customers to obtain information and balance data regarding their accounts and credit cards and to conduct other banking transactions in a fast and easy way, and therefore releases the operational burden that these transactions put on our conventional channels.

With the MobileBranch that started operations in late 2008, our Bank aims to transfer the rich variety of its services on the internet platform to the mobile platform. All Consumer Internet Branch users can also benefit from Akbank MobileBranch. Akbank makes continuous investments to enrich the functionality of the MobilePhone Branch, which provides most frequently performed services by customers such as money transfers, information and balance inquiry, foreign exchange transactions, payment transactions and investment transactions.

One of the channels Akbank adapted to the 3G infrastructure launched in 2009 is wap.akbank.com which features Turkey's first avatar application for finance and the first location service with a map in the mobile environment. With "The Closest Akbank" application, visitors can see Akbank ATM/BTMs and branches on a map on their mobile.

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► Innovative Practices at Akbank

Our Bank performs a variety of innovative activities to meet customers' expectations and to increase their level of satisfaction.

Product Development

Akbank Product Development Group was established in 2010 within the Product and Channel Development Department, with the purpose of creating opportunities for development and innovations and thus played an important role in Akbank's investments aimed for the future. While new global trends in banking are monitored, initiatives and practices to manage environmental and social impacts of banking products are also identified and products in line with these trends are developed.

Innovative Ideas of Our Employees

Innovation Envoys

There are efforts throughout our Bank to develop innovative ideas and to evaluate and design these ideas. There is a team of "Innovation Envoys", made up of 127 employees from the Head Office, Regional Directorates and Branch employees. Innovation Envoys create new ideas identified in accordance with our Bank's strategy and needs of Business Departments at the workshops they periodically hold, using their trainings on creative and innovative thinking techniques and internal innovation leadership.

In an effort to create awareness in our employees on innovation, "1,001 News", a monthly bulletin, is issued. 1,001 News gives examples of innovative practices in both the banking and other sectors, while also containing articles on the issue and success stories from all around the world.

Suggestion System

Another system that we established with the aim of continuously improving our services and business processes is the "1,001 Good Ideas" platform. All of our employees can make suggestions to the related Business Departments via the "1,001 Ideas and Suggestions Evaluation System" application. After a pre-evaluation, ideas that are considered to be applicable are selected, action plans are made, and the originator of the suggestion is informed. Every

month 'the suggestion of the month' is chosen and the suggestion and its originator are recognized in a general announcement made throughout our Bank. Customer suggestions via Akbank Call Center and the social media are also regularly added to our Suggestion System and evaluated in the same way.

In January - December 2010, a total of 11,104 suggestions, 9,504 of which originated from employees and 1,600 from customers, entered into our Suggestion System. Examples of realized suggestions are given below.

- Opportunity to increase credit card limits via the Interactive Voice Response System at the Akbank Call Center
- "Energy-Friendly Loans" to support investments for energy savings and efficiency
- Opportunity to pay invoices any time of the day via internet banking

New Practices in Alternative Delivery Channels

In parallel with the technological developments, Akbank started to employ new mobile banking channels in 2010. With this approach, the Bank initiated pioneering practices in the sector for iPad and iPhone users, whether or not they are Akbank customers, via such applications as iPad Branch, Wings Traveler, iPad Investor, No Panic, Credit, iPhone Investor and Akbank Art Center. Akbank was deemed worthy of the first-place award in Mobile Marketing Campaign category at the Direct Marketing Awards, organized annually by the Direct Marketing Communicators Association, with its iPhone-iPad Investor applications.

Aiming to offer innovative and distinguished applications to its customers, in 2010 Akbank Call Center initiated specialized mortgage services at a separate phone number and with customer representatives experienced in mortgage experts.

Technological Developments, New Media: Twitter, Facebook

In today's world where the internet and therefore communication methods are rapidly developing, we continue to stand by our customers all the time.

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With this purpose in mind, we created pages for our brands on Facebook, which has 23 million users in Turkey (facebook.com/akbank). In addition we opened accounts for a variety of our products and brands on Twitter and thus, our customers can follow us on any channel they wish (twitter.com/akbank).

In the Social Media Akbank and its brands have separate pages and we share campaigns and opportunities with our followers. We continue to meet our customers on Akbank, Axess, Wings, Fish, exi26, Akbank Investor and Akbank Art pages. With games and contests aimed to build closer relations with our users, our pages get huge numbers of hits.

► Secure Banking

Security in banking products and services means “confidentiality and safety of customer information and forwarding problems experienced with regard to the use of the products to the concerned departments in the most sound, most risk-free and quickest manner possible, and solving them”. Akbank’s responsibility in this regard begins as soon as the product is sold and continues for the entire life cycle of the product or service. Any trouble experienced in any phase could result in customer loss and affect the reputation of our Bank adversely. Therefore, it is our duty to ensure customer satisfaction on “secure use” at all phases.

Information Security

The principle of secure banking is a cornerstone especially in our credit card services as well as internet and telephone banking. To ensure maximum monetary security of our customers, these systems are protected with high-level security measures. Regarding actions to be taken by our customers with the purpose of providing the required level of security, we strive to increase awareness of our customers and announce things to consider on our website.

<http://www.akbank.com/guvenlik-uyarilari-2392.aspx>
(This website is available only in Turkish.)

In addition to these measures, our Bank established security committees in order to develop suggestions and to make strategic decisions to the end of continuously monitoring technology-based threats in services offered to our customers through branches and alternative delivery channels and to prevent,

minimize and stop internal and external technology-based threats targeting our Bank.

The Security Committee offers various solutions to foresee potential fraud threats and to remove current risks. Meeting at least once a month with a certain agenda and chaired by the Executive Vice President – Information Technologies, this Committee offers solutions and draws informative or approval reports for the supreme Committee when necessary. Supreme Committee of Security monthly monitors suggestions of the Security Committee to prevent potential fraud and if necessary, meets to discuss and resolve the issues on the agenda. Supreme Committee of Security directly reports to the CEO. Committee members are Executive Vice Presidents.

Security Measures for Alternative Delivery Channels

All Alternative Delivery Channels of Akbank are systemically protected with high-level security measures to provide maximum financial security for customers. In order to ensure that these security measures are taken at the required level, information to be paid attention to by our customers is published on the internet and a careful read is recommended.

Mobile Password: A number of transactions including money transfers such as bank transfers and EFTs, Credit Card Transactions and Donations performed via Consumer and Corporate Internet Branches and Consumer Telephone Branch is carried out via a Mobile Password sent to the customer’s mobile phone through a Mobile Short Message.

Mobile Signature: Many transactions such as Money Transfers, Credit Card Transactions and Donations carried out through the Akbank Consumer Internet Branch and MobileBranch can be conducted through a Mobile Signature.

IP / ISP Restriction: Access to our Internet Branch can be limited to IP addresses specified by our customer or via certain Internet Service Providers (ISPs) by using the ISP restriction function.

Date / Time Restriction: Our customers can limit their log-on to the Internet Branch only to dates and times specified by them.

MobileBranch Security Measures: Our customers can log on to the MobileBranch only via mobile phones registered with our Bank and with a mobile signature, wap otp/sms link. The last date on which the customer logged-on to the MobileBranch is shown on the main page.

smsBranch Security Measures: In order to be able to transfer money over the 4425 smsWallet application, which is a part of the 4425 smsBranch service, customers should have identified their secure telephones.

Security Practices in the Call Center: At Akbank Call Center, in order to ensure the security of our Bank and of our customers, there are various authorization levels and security measures in all applications in which the customer is contacted. All calls to our Customer Representatives are recorded and when the call is terminated, customer information becomes only partially visible in order to avoid any transactions beyond the demand of the customer. Parameters used in identity confirmation vary depending on the risk level of transactions. Confidential information such as password etc. used in identity confirmation is never received orally by the customer representative and customers are transferred to the "Voice Response System" to enter their passwords. In addition, with the purpose of minimizing risks in monetary transactions, extra measures such as "transaction-based limits to sums" or "maximum number of transactions" are applied.

Measures are implemented against fraud; such attempts are shared with the security units and all issues are monitored through call listening and evaluation methods. While all transactions are recorded and reported, duplicating any information belonging to the customer is controlled and third parties are not provided with any information in any way.

Security Measures for Credit Cards

Our Bank employs a variety of control and security applications aimed at well-informed use of credit cards. These are summarized below.

Sector-based Expenditure in Business Cards:

Business cards can be closed to expenditures in certain sectors by the user business.

Encrypted Shopping (Chip&PIN): Through Chip&PIN, we, as Akbank encourage our customers to use PINs while shopping and especially emphasize this in our communication channels. 92% of our credit card transactions are carried out with PINs and our customers are sent a warning SMS after each transaction carried out without the use of a PIN. Through these measures, a significant decrease was achieved in credit card fraud rates.

Shopping with VirtualCard: In order to ensure that online shopping is more secure, we offer our customers the opportunity to have a credit card with zero (0) limit. Thanks to this practice, our customers can create a limit in accordance with the expenditure just before the transaction is made. Thus, card limit will again be zero after the shopping. In addition, since the card is not physically issued and card information is different from that of physical credit card, shopping becomes more secure.

Informing cardholders of suspicious transactions: Our cardholders' transactions are tracked on-line through special software and in cases considered suspicious, our customers are called and informed and, if necessary, their credit cards are blocked.

Confidentiality of Customer Information

Pursuant to our Ethical Principles, customer information that we have due to our position is strictly not used for other purposes. In line with our responsibility in ensuring the confidentiality of customer information, we keep such information secure and share it only with legal authorities. If any employee resigns from the Bank for any reason, he/she cannot take personal and financial information out of the Bank.

► Marketing Communication and Legal Compliance

During our advertising, marketing communication, and sponsorship activities we show ultimate care to legal compliance so as not to cause any problems to our customers. Regarding commercials and ads, we abide by the following regulations:

- Turkish Commercial Code (Provisions on Unfair Competition)
- Consumer Protection Law
- Regulations on Principles and Practices of Commercials and Ads (The Ministry of Industry and Trade)

- Statutory Decree on Protection of Brands
- Law of Intellectual Property Rights
- General Directorate of National Lottery, Regulations on Non-Cash Lotteries and Draws (The Ministry of Finance)
- Regulations on Advertising on Commercial Vehicles (The Ministry of Internal Affairs)
- General Directorate of Youth and Sports, Regulations on Sponsorship (The Ministry of State and Vice Prime Ministry)
- Radio and Television Supreme Council, Regulations on Principles of Copyright Payments and Methods and Principles for Protecting the Rights of Producers (Radio and Television Supreme Council)
- Regulations on Methods and Principles of Campaign Sales (The Ministry of Industry and Trade)
- Communiqué on Principles of Recording in the Council and Sale of Debt Instruments (Serial: II, No: 22) (Capital Market Board)
- Communiqué on Principles of Recording in the Council and Exports of Debt Instruments and on Qualities of Debt Instruments
- Principles and Conditions Required from Member Banks of the Banks Association of Turkey while Preparing Ads and Commercials (The Banks Association of Turkey)

Responsible Marketing Communication in Consumer Banking

All kinds of advertising and promotions towards our customers in the Consumer Banking segment are in compliance with the related laws and regulations, as well as with the requirements of the Association of Advertisers. We as Akbank pay ultimate attention to communicate with complete, accurate and comprehensible information while preparing promotional materials.

Communication with Credit Cardholders

All of our credit cards and related processes are in compliance with the laws, legislations, and regulations applied in Turkey. In addition, we thoroughly abide by all rules of institutions that we are a member of, such as Interbank Card Center (ICC), The Banks Association of Turkey, Visa and MasterCard. Accordingly, we provide clear information and messages to our customers regarding all conditions and sanctions of credit cards.

Within the framework of our transparent pricing policy, we do not use figures that mislead the customers. For

instance, card fees or changes in prices or interest rates to be applied to services are announced in bank statements in 12-font size one month in advance. In addition, such information is also announced on our website and all customers are provided with some time before the price is reflected. Explanatory footnotes are given in our TV commercials and the size of letters as well as the subtitle speed is considered to achieve readability.

Detailed information and practices on credit cards can be obtained from

<http://www.axess.com.tr/faiz-ve-ucretler-.aspx>

<http://www.wingscard.com.tr/wings-dunyasi/faiz-ve-ucretler.html>

http://www.fishcard.com.tr/faiz_ve_ucretler.htm

(These websites are available only in Turkish.)

In addition to our pricing policy, we are also sensitive about our communication with Akbank Credit Cardholders. For customers who would like to get information on our campaigns and innovations in other means than the website, customers are notified with maximum three e-mails weekly and two SMSs. Messages are sent in rest periods and non-working hours to prevent communication pollution.

► Customer Satisfaction

In all of our services and in each moment of contact with our customers, we aim to provide a maximum level of customer satisfaction. Our intense efforts to achieve this important goal can be summarized as follows:

- Training and awareness of employees,
- Monitoring service quality levels offered by our branches and other delivery channels,
- Ensuring satisfaction after customer's contact with our Bank and use of reporting systems,
- Taking actions to improve and develop areas that are suitable.

With the purpose of ensuring a perfect banking experience to our customers with our understanding of customer-oriented service, we, as Akbank employ advanced measuring and evaluation systems.

Business Process Management

In order to achieve efficiency in delivery channels that are in contact with our customers and to increase productivity in related operational processes, these

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VALUE ADDED TO CUSTOMERS

processes should be examined in detail. With this purpose, Akbank adopted the Business Process Management (BPM) approach as a business process management methodology. With this approach, thanks to all elements evaluated in a holistic manner (especially information technologies, data, organization and product), customers' needs are met more efficiently and fast. On the other hand, with the Process Restructuring Project implemented as an extension to this approach, required system development and infrastructure improvement works are performed.

Customer Satisfaction Survey

Our customers can inform us on their expectations from our services by calling Akbank Call Center or via email or fax. In addition to these, our regular customer satisfaction surveys also form an efficient customer feedback platform. Monthly and annual customer satisfaction surveys are performed both to measure the expectations of customers of various segments and to identify our strengths and areas to be improved.

Results of the Customer Satisfaction Survey

In 2010, we held our Customer Satisfaction Surveys with the participation of approximately 6,000 people selected in accordance with our active customer distribution in a variety of cities and regions in Turkey. When compared to 2009, we see that satisfaction levels in Consumer, Credit Card and Corporate segments are retained and a significant increase is witnessed in Corporate and Commercial segments. We believe that the performance increase results from the customer satisfaction-based approach of our Bank, importance attached to service quality, and active steps in these areas.

Customer Satisfaction Rates		
Customer Segment	2009	2010
Consumer	80	82
Credit Card	72	71
SME	70	84
Commercial	79	88
Corporate	80	82
Akbank (Overall)	76	82

*Top score is 100.

In addition to having fast-operating and easy-to-use programs employed in delivery channels that our Customers make direct transactions, aspects including the comprehensible nature of forms and reports have significant influence on customer satisfaction. In order to provide ease of use during development of the mentioned services, needs of our customers and employees are identified via surveys.

Complaint Management

We always pay ultimate attention to satisfying our customers by offering perfect banking services; however, despite this effort, if a complaint is made, our Bank tries to offer fast solutions within the methods of our Bank and we take necessary actions to avoid repetition of similar problems.

Our customers can inform our Bank on their complaints, demands, thanks, and suggestions via our branches, telephone, our website, e-mail, fax, or mail. All notifications of customers are managed through a central platform integrated into our Bank's system. We aim to solve customer notifications at the first point of contact and to get back to the customer over the appropriate channel, in the soonest time possible. Evaluated notifications are analyzed efficiently and used to improve and develop the quality of our products and services. Our approach to Customer Complaint Management is not limited to solving the problem of each customer, but includes examining the real reason of the complaint and suggesting long-standing solutions when necessary.

Our Bank's Customer Complaints Management practices and processes are in compliance with Complaints Management ISO 10002 Quality Standards with the certificate obtained from the British Standards Institution (BSI) in September 2007.



► Our Human Resources Policy

Our fundamental human resources policy consists of establishing human resources strategies compatible with our Bank's mission and goals, adopting business units as our strategic business partners, and steering corporate structure, mechanisms and human resources.

Our human resources policies focus on

- recruiting the best candidates for our Bank,
- continuously developing the corporate culture and the business conduct,
- making active and correct investments in human resources in parallel with our targets and strategies,
- participatory career planning,
- transparent and fair performance management based on targets and capability and a reward system that encourages and supports high performance.

Our Recruitment Policy: Achieving Sustainable Success and Working with the Best

With our human resources practices, we aim to be the leader among the most preferred employers where qualified and confident people who can create value choose to work and to become a company which employees are proud to be a part of.

Akbank's approach to employment is to have qualified and well-educated people among its staff, without any discrimination, including their race, language, religious belief, gender, and age. Within this approach, our employment policy is to recruit candidates who are the most appropriate for open positions, using fair, objective, internationally accepted measurement and evaluation methods. Our policy is mainly focused on employing newly graduate candidates who do not have professional experience. Here, the aim is to train the leaders of the future with our dynamic and innovative perspective and to offer them career opportunities within the banking sector.

Our Bank aims to ensure that customers have the best experiences in our service locations and thus invests in its human resources in line with this goal. All of our service points are equally important; therefore,

neither the services we offer to our customers nor our practices and approaches vary depending on the location. However, we prefer to recruit candidates in regions close to our branches and to create employment in such locations. Outside Turkey, we have a branch in Malta where we prefer local employment except for the senior management level.

Minimum Period of Notice for Significant Operational Changes

Periods of notice for significant operational changes vary depending on the employees' seniority. Our Bank implements the periods of notice as stated in the Labor Code and Collective Bargaining Contract. For employees with over three years of service, this period is eleven months for those within the scope of the collective bargaining contract and eight weeks for others. In case of transfers, employees are given three days for the new posts in the same city and fifteen days for posts in other cities.

Job Posting

In line with our business performance and productivity, vacant positions within our organization are first announced to our employees on a page specially developed on purpose at our corporate portal.

Upon seeing these announcements including the qualities required for the vacant position, our employees may apply via the portal and be evaluated for eligibility to the job. If the applicant is found appropriate for the position as a result of the interviews held by the Human Resources Business Unit, he/she starts working in the new post in the soonest possible time.

Our Salary Policy

Our salary policy for the beginner level does not vary between branches, where most of our employees work, or in diversified locations. Salary policy at Akbank is based on the minimum wage identified by the government and a fair and performance-based system is implemented. Recruitment of employees with no previous work experience is performed in three different titles: Private Security Staff, Assistant and Management Trainee. The beginner's salary is equal to the minimum wage for Private Security Staff, 48% higher for Assistants, and 100% higher for Management Trainees.

In addition, based upon our belief in the importance and improvement of individual skill sets and competence, additional payment is made for those speaking foreign languages and those who do not are encouraged to learn or improve their skills of a foreign language at a variety of educational institutions with special offers.

► Our Employee Profile

Our Bank's most important service locations is our branches, which are points of one-to-one contact with our customers and our colleagues in branches account for the largest number of employees.

Number of Employees

As of 31.12.2010, total number of our employees is 15,339 with nine Board Members and 15,330 other employees at different functions.

There are no part-time employees in Akbank, with the exception of a consultant. Including 1 to 3 months internship period of university students who are among our most important stakeholders, all our employees are permanent and "full-time". Benefits provided for full-time employees may only vary depending on the person's performance.

In addition to our permanent employees, we also benefit from the workforce outside the Bank in case

of necessity. Especially our Operations-Call Center, Consumer Banking, and Information Technologies Business Units apply for outsource services. 1,575 and 3,882 people worked for our Bank within the outsourcing system in 2010 and 2009 respectively.

Distribution of employees at Akbank in terms of location is presented in the table below. Our norm and actual staff was planned and enhanced depending on our needs since 2009.

Number of Employees	2009	2010
Head Office*	2,269	2,249
Akbank Banking Center	2,584	2,971
Regional Directorates	398	434
Branches**	9,463	9,676
Overall	14,714	15,330

*Excluding the Board of Directors.

** Including employees at Malta branch.

Gender Distribution

Our Bank adopted a balanced and equal-opportunity distribution of staff, without any discrimination based upon gender or age. Percentage of women among our senior and mid-level management staff is higher than that in a number of companies and banks outside Turkey.

Gender Distribution (%)	2009		2010		2010 Total Number of Employees	
	Male	Female	Male	Female	Male	Female
Board of Directors	88.9	11.1	87.5	12.5	8	1
Senior Management	68.1	31.9	66.0	34.0	731	377
Mid-level Management	43.5	56.5	43.3	56.7	609	797
Auditors	70.9	29.1	72.1	27.9	191	74
Assistant Managers	42.1	57.9	42.3	57.7	4,764	6,504
Other*	73.1	26.9	73.4	26.6	130	47
Security	99.8	0.2	99.6	0.4	1,102	4
Overall	48.9	51.1	49.1	50.9	7,535	7,804

*Includes non-banking posts such as lawyers, architects, engineers, support teams, and technicians.

Age Distribution

The average age of our employees is 32 and 92% of employees, excluding security personnel, are university graduates.

Age Distribution (%)	2009			2010		
	Under 30	Between 30-50	Over 50	Under 30	Between 30-50	Over 50
Board of Directors	-	11.1	88.9	-	25.0	75.0
Senior Management	0.1	91.9	8.0	0.1	92.6	7.3
Mid-level Management	5.2	93.4	1.4	4.6	93.7	1.7
Auditors	69.1	30.9	0.0	65.7	34.3	0.0
Assistant Managers	56.2	43.6	0.2	51.3	48.5	0.2
Other*	28.0	68.7	3.3	23.7	72.9	3.4
Security	48.9	50.1	1.0	47.0	52.9	0.1
Overall	47.0	52.0	0.9	42.9	56.2	0.9

*Includes non-banking posts such as lawyers, architects, engineers, support teams, and technicians.

There are no employees under the categories of child labor (employees under 15 years of age, at which compulsory education ends) or young labor (over the minimum age for employment and under 18) categories in Akbank. In accordance with our recruitment policy, only those of full legal age can work at our Bank. It is inherent in our Human Resources policy to support students and young workers with internship at Akbank. 4th grade high-school students and university students in their 2nd or 3rd years can work as interns at our Bank. Since participation of interns in our staff is periodical, there are no interns recruited as of 2010 year-end.

We have no minority grouping policy in order not to let any kind of discrimination.

Employee Turnover Rates & Numbers

The total number of people who left (retired, resigned, dismissed, etc.) from our company in 2009 is 860 and 1,096 in 2010. Workforce turnover rates depending on the locations, age groups and genders of those who resigned are presented below.

Employee turnover rates depending on location are given in the table below. Employee turnover rate at Akbank presented some changes compared to the previous year, as a direct consequence of the positive developments in workforce markets after the economic crisis. Current rates are still successful compared to sector averages.

Employee Turnover	2009		2010	
	Rate (%)	Number	Rate (%)	Number
Head Office	6.04	136	8.46	191
Akbank Banking Center	6.08	157	9.58	266
Regional Directorates	2.61	11	4.33	18
Branches	5.75	556	6.49	621
Overall	5.74	860	7.31	1,096

Employee turnover rates depending on the **age group** are given in the table below. As expected, majority of those who resigned from our Bank, including those who got retired, are over the age of 50.

Employee Turnover Depending on the Age Group	Under 30				Between 30-50				Over 50			
	2009		2010		2009		2010		2009		2010	
	Rate (%)	Number	Rate (%)	Number	Rate (%)	Number	Rate (%)	Number	Rate (%)	Number	Rate (%)	Number
Head Office	8.81	73	11.4	90	4.38	61	6.5	93	6.25	2	22.9	8
Akbank Banking Center	7.27	117	13.2	203	4.07	39	4.8	59	7.14	1	20.0	4
Regional Directorates	1.54	3	4.5	7	3.64	8	3.6	9	0.00	0	28.6	2
Branches	5.98	296	6.4	274	4.90	228	6.0	312	46.04	32	55.6	35
Overall	5.94	489	7.7	574	4.65	336	5.8	473	28.69	35	39.2	49

Employee turnover rates depending on the **gender** are given in the table below. As seen in the table, percentages of male and female workers who resigned are similar.

Employee Turnover Depending on the Gender	Male				Female			
	2009		2010		2009		2010	
	Rate (%)	Number	Rate (%)	Number	Rate (%)	Number	Rate (%)	Number
Head Office	5.60	80	7.94	114	6.79	56	9.34	77
Akbank Banking Center	4.91	40	7.03	65	6.62	117	10.85	201
Regional Directorates	3.33	10	4.89	14	0.83	1	3.09	4
Branches	6.13	290	6.20	292	5.40	266	6.77	329
Overall	5.77	420	6.59	485	5.76	440	7.97	611

According to Akbank's code of conduct, forced labor is out of its principles. In other words, employees are free to resign in conformity with the terms on their work contract.

► Performance Management System (PMS)

Akbank uses a transparent and flexible performance system that keeps fair evaluation factors in the foreground, responding to changing needs and remaining receptive to developments.

Adopting a performance-based management approach, Akbank shapes its organizational

development accordingly. For the sake of continuation of our success and development, all our employees go through performance evaluation once a year.

As a result of this performance evaluation, areas of development are identified for our employees and various trainings are organized in these areas to support their career development. These evaluations and trainings allow us to determine employees' competence in a variety of roles and responsibilities. Our employees can also be recruited in business units other than their current functions in order to create business diversity.

The targets of the PMS we have developed within our management approach that supports and encourages high-level performance are:

- To enable our employees realize their targets, to increase corporate performance
- To guide and develop our employees in order to meet their changing and developing needs better
- To align our Bank's goals with personal goals of our employees
- To ensure that our employees know what is expected of them, they are involved with their jobs and they are motivated to attain their targets
- To encourage continuous development via open communication and regular feedback and to improve motivation
- To evaluate contributions and performances of employees in a fair and objective manner and to shape their competence in line with the needs of Akbank
- To make correct decisions on subjects regarding our employees, such as career planning, training and other Human Resources processes to ensure their personal development.

The criteria of the Akbank Performance Management System are 'goals and competences'. The types of goals and competences in the performance forms, their weights and numbers are determined through projects conducted jointly by Akbank Business Units and Human Resources Business Unit. The performance period covers a term of one year. The Operations and Digital Scorecard measurements as part of PMS are conducted twice a year at 6 month intervals.

Performance ratings of our Bank's Senior Management is made by considering both our Bank's year-end performance and success criteria that support long-term sustainable performance. With this purpose, Balanced Scorecard is used in our Bank. Performance of Senior Management is measured with Financial, Customer, Internal Processes, and Human Resources perspectives. Therefore, in the goals and success indicators of our Senior Management, social performance criteria such as customer satisfaction, employee satisfaction rates, employee turnover rates are also used in addition to the financial criteria.

► Benefits to Employees

Akbank Staff Retirement Fund Trust

All of our working and retired personnel and their dependents are registered at the Akbank Staff Retirement Fund Trust, independent of Turkey's Social Security Agency. Their pension funds are paid by this Fund and health needs of both our working and retired personnel and their dependents are met in better conditions than those offered by the Social Security Agency.

Retirement

The Trust is a social security institution as a legal person that provides social insurance support to members using the insurance premiums collected from employees and employer, with the provided rights not being inferior to those provided by the Social Security Agency.

Conditions for earning the right to benefit from insurance support are in parallel with legal regulations; however, with additional rights inherent in the Trust's status, this support is improved.

Premium revenues of the Trust are 33.5% of the employee salary, on condition that it is within the maximum monthly revenue identified by the law annually for insurance premiums (TL 4,943.40 for the second half of 2010). 14% of this is deducted from the employee's salary and 19.5% is the contribution of employer. In addition, premiums amounting to 2% of total revenues of employees in a year are deposited by the employer to the Trust's account, again on condition that these are within the stated limits.

The right to benefit from retirement is earned by employees, depending on a certain period of insurance, number of days that premium is paid, and the age of the employee - all initiating on the first day of employment. Employees who fulfill these three conditions are provided with pension by the Trust upon their demand.

In calculating the pension, basic parameters are the working period of the employee, revenues within this period and age, as well as consumer price index change rates and development rates in our country.

Due to such variable parameters, monthly pensions may differ for each employee.

Health Care Services

Since the day of establishment, our Bank offers its employees a safe working environment and a variety of opportunities to meet health care needs.

Members of Retirement Fund Trust who reside in cities where we have health centers can apply to the physicians in these centers to be treated. Members in other cities can get services from the physicians we employ; if specialized treatment or operation is needed, they can receive these services at the public or private health institutions that have an agreement with our Trust.

Akbank Private Pension System with Corporate Contribution

Akbank employees are also offered Private Pension System (PPS) Services with some corporate contribution. Senior and mid-level managers and auditors are also included in this PPS plan with corporate contribution. Our Bank contributes to savings of employees by making additional payments to the PPS contracts of the above-mentioned employees in a certain ratio of their monthly gross salary. It is assumed that this contribution helps to improve motivation and loyalty of our employees.

Participation in the plan is voluntary. The aim of the plan is to ensure that employees continue with the same life quality as today when they are retired.

Employee loyalty and motivation is very important to Akbank. Therefore, we attach a special importance to the PPS with corporate contribution. PPS programs are carefully monitored by our Human Resources Business Unit and there are efforts to increase the number of employees participating in this plan.

Collective Bargaining Agreement

In our Bank, all employees can become members of BANKSİS (Union of Bank and Insurance Employees) on their own preferences and exercise their rights of collective bargaining agreement.

54% of our employees (8,209 people) are within the scope of collective bargaining agreement. The collective

bargaining agreement covers some rights such as death benefits, natural disaster benefits, disability compensation, death and injury compensation, and emigration compensation for personnel moving to another city. In addition, employees expecting babies are allowed sixteen weeks of paid leave – eight weeks before and eight weeks after the delivery. Fathers are also given three-day paid leave. Akbank Pension Fund Trust meets child delivery costs of employees and provides a variety of support.

► Employee Health and Safety

With regards to our area of operations, occupational diseases or workplace accidents are not experienced in our Bank. Yet, the total absenteeism (lost days) of 4,855 employees who got sick leaves with official health reports in 2010 amount to 40,092 days (calendar day). Average sick leave per person, calculated by finding the ratio of this figure to average number of employees, is 2.61. In 2009, this ratio was recorded as 2.72 days.

Information on epidemics or other important diseases is regularly given at the "Health Column" published on the Akbank Staff Pension Fund Trust (AKSandik) webpage. In cases of emergency, information is spread via e-mail. (www.akteksan.net) First aid training is given for the health and safety of Akbank employees. In-class training on this subject is given to the number of employees stipulated by law, and other employees are trained through e-learning.

The ventilation systems in our branches are installed to provide 100% fresh air and heat recovery. With these systems that undergo regular maintenance, our employees are protected against diseases arising from allergic reactions. In this way not only our offices' air quality meets the stipulated values of respective standards but also energy is saved by preventing uncontrolled air flow.

► The Bank of Learners and Teachers: Career Development and Trainings at Akbank

Supporting the development of Akbank employees and creating motivation and job satisfaction are two of the main goals of our Bank. Through its well-developed human resources applications, Akbank creates an environment in which employees can develop in

line with their potentials and preferences; the Bank also plans different duties and responsibilities that employees may undertake within the organization. In Akbank, where career paths are clearly defined, employees are offered flexible and diversified opportunities.

Supporting the development of all employees and increasing motivation and work satisfaction is targeted through the training system, which has a strategic importance in the Akbank Human Resources policy.

Akbank's Training System

With full awareness of the fact that knowledge is an important asset for our employees and well-equipped human resource is a strong competitive advantage, Akbank performs trainings that contribute to employees' personal and professional development. Trainings vary every year depending on Akbank's strategies, sector needs, and development areas of employees.

The training requirements of Akbank Branch and Head Office employees are determined in conformity with the related Business Units. During these consultations, not only overall goals and strategies of our Bank, but also goals and strategies of Business Units are discussed and budgets are made. The annual training plan and budget are forwarded to the Akbank executive management for opinion and approval; the plan and budget can be updated within the year, in accordance with emerging needs.

The training requests brought directly by Akbank employees and executives before our Training Department in connection with their fields of development are also examined and answered.

The goal of the Akbank training system is to enable Akbank employees to perform their current jobs successfully and to prepare them for the responsibilities required by more senior positions before they get there. Employees participate in career and certification trainings for their current duties, and are admitted to the specially designed 'Candidate Pool' for the duties for which they are candidate for.

Additionally, Management Trainees, branch and Head

Office employees at the 'assistant' status who have just started work and will be having their first experience in the banking sector attend the "Management Trainee" and "Basic Banking" programs. The aim of these applied and practice-oriented trainings is to build corporate culture and loyalty among our employees from the first day. At the "Management Trainee" program that lasts six months, in-class trainings are supported by e-learning and the program is also supported with branch and Head Office internships. In addition, Management Trainees follow a 1-year mentorship program and both mentors and mentees are trained so as to get ready for this process.

Akbank employees may transmit their opinions, ideas and suggestions concerning the training they have received, primarily through the online questionnaires filled in at the end of the training. Our employees, who can also send their questions, requests, suggestions and opinions with regard to all trainings through the e-mail address egitim@akbank.com, can share their thoughts on e-learning programs using the send 'message' function on the training portal. All questionnaire results are carefully evaluated by the Training Department and necessary actions are taken.

Our Training Programs

Akbank's training programs include starting work, candidate pool, career, certificate programs, restructuring trainings, project-based trainings and management skills development trainings. The competence levels of employees are developed through remote learning (e-learning and video conferencing) that supports personal and professional development and on-the-job training methods as well as in-class lectures.

A total training of 993,004 hours was completed as of December 31st, 2010 and average training per employee was 9.46 work days. Total training time increased 7% compared to 2009.

Annual Average Training Time per Employee

The total of trainings given to Akbank employees in 2009 and 2010 and annual average training time per employee are given below on an hour and day basis.

Total training (hour and day)		
Function	2009	2010
Manager and higher levels	132,815 hours / 18,974 days	90,733 hours / 12,962 days
Manager*	81,202 hours / 11,600 days	70,365 hours / 10,052 days
Sub-Manager*	714,655 hours / 102,094 days	831,906 hours / 118,844 days
Total	928,672 hours / 132,667.4 days	993,004 hours / 141,858 days

Training per person (hour and day)		
Function	2009	2010
Manager and higher levels	133.08 hours / 19.01 days	81.74 hours / 11.68 days
Manager*	59.62 hours / 8.52 days	50.05 hours / 7.15 days
Sub-Manager*	57.85 hours / 8.26 days	66.64 hours / 9.52 days
Total	63.11 hours / 9.02 days	66.20 hours / 9.46 days

(* Employees at the Manager and IT Manager functions are evaluated as "Managers", all other functions are "Sub-Managers" (including supporting staff).

Anti-Corruption Trainings

The banking sector is among the largest with its number of employees, customer potential, and business volume. The scale of the sector and intensity of monetary transactions causes a number of risks. "Corruption" is the most important of these risks. In line with the fact that corruption can be prevented by control systems and training to a great extent, we hold a variety of trainings in which we train our employees on technical issues, create awareness on things to do and not to do, by using in-class trainings and e-learning. These include the following:

Management for Cash in Hand – Fraud and Pick Pocketing Training

Management for Cash in Hand is an in-class training for Assistant, Officer 4 and Cash Officer functions given

using visual images and videos to distinguish between original and counterfeit money and to learn about clues of pick pocketing. The training is provided for new assistants within the Basic Banking Training Program and for new Cash Officers within their Career Training, both for a full day.

Document Protection and Forgery Trainings

With this mixed training, Assistant, Officer 4 and Cash Officer functions are trained about things to control on documents, clues about recognizing a forged document, social and economic dimensions of forgery and fraud. The training is provided for new assistants within the Basic Banking Training Program for a full day and for new Cash Officers within their Career Training again for a full day.

Trainings for Detecting and Preventing Fraud

In this training designed as e-learning for all branch employees, information on ID theft (ID card, passport, etc.), online fraud, credit card fraud, ATM fraud are given and things to consider and measures to take as bank employees are emphasized.

Ethical Principles e-learning

It is the training in which Akbank's Ethical Principles governing relationships of bank employees with customers and each other are taught. This training used to be given in-class for two hours in 2007-2008 as a part of the Basic Banking and Management Trainee programs. Converted into e-learning in September 2008, the training was made available for all bank employees and became obligatory. In parallel with the updates made in the Ethical Principles in 2009, e-learning was also updated and all bank employees were required to retake the training. Each new employee at Akbank is automatically assigned this e-learning.

Disciplinary Regulations e-learning

It is obligatory for each employee to take the "Disciplinary Regulations e-learning Module" prepared by the Board of Internal Auditors and assigned to all employees. Employees who do not complete this training are reported to their directors and to the executive management to have them complete it. In this training, ways of compliance of Akbank employees with work discipline and workplace order in relationships with colleagues and customers, attitudes to be avoided as disciplinary actions, and disciplinary cases are taught.

Information Security e-learning

"Information Security e-learning Module" that explains information and information security in banking, risks about information security, things to do and not to do regarding information security are in details is a training for teaching the rules, procedures, measures and prohibitions in this area.

Operational Risk Trainings

In the training given within Career Trainings for Operation Managers / Officers and Pay Desk

Officers, risks that can occur in account openings, joint accounts, check transactions, transfer/EFT transactions, powers of attorney, specimens of signature are explained using sample cases and case analyses in-class.

Trainings for Fighting Proceeds of Crime

"Training for Fighting Proceeds of Crime", which is held obligatory by MASAK (Financial Crimes Investigation Board) for all banks, is given as e-learning to all employees of our bank in different versions for branches and the Head Office. Completion of the training and the success achieved in the exam held after the training are monitored and reported. In line with new regulations and rules issued by MASAK, this e-learning module is updated annually and the updated version is reopened for all employees regardless of previous completion of the training. On the other hand, for new employees in various positions, three hours-one full day in-class training is given.

Anti-Corruption Trainings

Name/Content of the Training	Target Audience	2009		2010		Percentage of Coverage (%)
		Type of Training	Number of Participants	Type of Training	Number of Participants	
Management for Cash in Hand – Fraud and Pick Pocketing Training	Cash Officers and newly employed Assistants-Officers 4	In-class	1,268	In-class	787	100
Document Protection and Forgery Trainings	Cash Officers and newly employed Assistants-Officers 4	In-class	1,251	In-class	1,015	100
Trainings for Detecting and Preventing Fraud	All branch employees	e-learning	7,983	e-learning	24	83*
Ethical Principles	All employees	e-learning	10,957	e-learning	7,352	100
Disciplinary Regulations	All employees	e-learning	13,832	e-learning	1,090	97*
Information Security	All employees	e-learning	13,497	e-learning	2,105	100
				In-class**	794	70*
Operational Risk	Operation Officers, Pay Desk Officers	In-class	183	In-class	810	48*
	All branch employees	e-learning	9,448	e-learning	1,695	100
Fighting Proceeds of Crime	Newly employed Assistants- Officers 4, Call Center officers, Assistant Inspectors, Management Trainees	In-class	991	In-class	1,740	100
	All employees	e-learning	1,241	e-learning	11,762	85*
Total:		In-class	3,693	In-class	5,146	
		e-learning	56,958	e-learning	24,028	

* All members of the target group is planned to be covered.

** In-class information security courses are developed in 2010 and the target group is newly employed Assistants- Officers 4, Call Center officers, Management Trainees

Certification System (Lifelong Learning)

In the Certification System employees attend specified training programs and take exams before and after the program. In addition to these programs and exams, our employees prepare papers for certain certificate programs. Participants succeeding in the certificate programs receive the "Certificate of Success", an important indicator in their professional and personal developments which they can use in any field.

This system aims to

- Assure that the success of the employees in the programs is certified, ensuring that they have a proactive say in their personal career managements,
- Form a culture that "creates its own leaders" by empowering employees who are professionally and managerially well-equipped, competent and innovative leaders in their work.

Success of our employees in the trainings is literally reflected on their quality of work as the certification programs and the assignments they complete at the end of these programs are directly related to their jobs.

As in previous years, e-learning was also widely used in Akbank in 2010. Part of the trainings given as e-learning consisted of in-class trainings that support career trainings. Some of these trainings include: Loan legislations, foreign trade, consumer and commercial loans, basic knowledge of law, basic knowledge of accounting, debit and credit cards, etc.

e-learning conducted in order to accelerate the employees' adaptation to the newly launched products and processes in 2010 include: CRM Screen Trainings, Akrobat Screen Trainings, Business Objects Reporting Tool, Member Merchant Screens, Written Communication with Public Institutions, Effective e-mail Use, Operational Risk Notification System (Risk Management).

Trainings targeting personal development were mainly about meeting management, time planning, customer-oriented relationship management, communication on phone, presentation techniques, techniques of writing reports, project management, stress management, management capabilities, etc.

Akbank Development Center

All employees can have access to the e-learning assigned to them or in the form of free activities at the Akbank Development Center and the employees in each task group have access to the "Training Catalogue that shows the trainings they will receive during the year as well as the contents of those trainings. There are also about 100 e-learning documents of Technical Trainings on subjects such as Debit and Credit Cards, Basic Law, Foreign Trade Legislation on the training portal, which are freely accessible to all.

Up-to-date articles and publications on finance, banking, management and personal development can be obtained periodically from the articles section. Our employees have access to the contact information of Intra-Bank Trainers specialized in their areas.

In short, Akbank Development Center continuously supports our employees' development in a regenerating way.

Support for Proficiency Exams

Akbank supports employees in obtaining internationally valid certificates in their areas of specialization, although these are not offered as rewards. Fees for exams and preparatory trainings are covered by Akbank pursuant to certain criteria.

Some of the widely supported exams are listed below:

- Chartered Financial Analyst (CFA) held by the **CFA** Institute: Exam concerning treasury transactions
- The **CIA** (Certified Internal Auditor) exam held by the CIA Institute and **CMA** (Certified Management Accountants) held by ICMA: Exam concerning internal audit
- The Project Management Professional - **PMP** exam held by the Project Management Institute (PMI), which awards the most widely accepted certificate on Project Management
- The **CDCS** (Certified Documentary Credit Specialist) exam held by the ICC National Committee of Turkey, which offers the opportunity of earning the internationally accepted title of Certified Letter of Credit Specialist

- **CISM** (Certified Information Security Manager) Information technologies security management exam held by ISACA.

Half of the exam fee for participants who do not succeed in the examination and the whole fee for the successful ones are reimbursed by Akbank. As of December 2010, 23 employees took the related exams.

Opportunity of Master's Degree for Employees

With the cooperation established with the Sabancı University, every year a certain number of Akbank employees are provided the opportunity to attend the Executive MBA program, the tuition fee for which is paid by Akbank. Especially candidates for the senior management and those with a high-level performance are admitted to the program. In 2009 and 2010, 5 and 3 employees benefited from this program respectively.

Internal Trainer and Retired Trainer Practice

Successful Akbank retirees who possess training skills are hired as "trainers" to put their business experience and banking knowledge to use. These former colleagues are paid a trainer's fee in return for their services and almost all of the basic banking training for new recruits is given by retired trainers. New employees' sense of loyalty and motivation are enhanced through the knowledge and experience imparted by the retired trainers.

Similarly, employees who are specialists in their fields and who possess the skill to train are chosen based upon certain criteria to take the trainer training program; successful employees become internal trainers. Also continuing to perform their present duties, internal trainers are paid a certain fee for each hour of training they give.

► Internal Communication and Activities at Akbank

Akbank attaches importance to internal communication and activities that serve purposes such as facilitating communication with and between employees through establishment of communication channels, improving employee motivation, and increasing loyalty. Thanks to such activities, our employees are updated on developments in the Bank and they participate in joint activities with all Bank employees to improve team spirit.

Internal Communication

The most frequently used internal communication activities are the corporate portal, corporate TV, e-mailing and periodical directors meetings. With the corporate TV that we also use to reach our customers, our employees are targeted outside the working hours. Special offers for Akbank employees can also be announced via e-mails.

Corporate Portal

A Corporate Portal was established in order to facilitate access to information and increase internal communication for all employees, including over 900 branch employees all around Turkey. With this portal, all announcements and information were brought from printed media to the intranet system. Our employees have access to the information they seek, from different locations, immediately and with the use of keywords. Thus, not only employee satisfaction increases, but also time and labor losses are prevented. The Corporate Portal aims to provide cost efficiency and fast communication, as well as emphasizing our joint corporate culture.

Via the Corporate Portal, contact information of our employees, organization chart and changes in this chart can be followed on a daily basis. In addition, job definitions and business processes of employees are also given in the portal. Documents, announcements and e-learning modules that support business processes and inform employees; our Ethical Principles; related legal regulations; forms and templates used inside the Bank; the Suggestion System are also accessible via the Corporate Portal. The Portal provides access to a variety of computer applications used in the Bank as well. In the "Guest of the Month" section of the Corporate Portal, messages of the senior management and Vice Presidents are shared every month.

Being a Part of the Akbank Family

The "Being a Part of the Akbank Family" communication platform on our corporate portal is one of the most important tools we use to reinforce communication with our employees. This platform was launched in April 2009 in order to offer employees exclusivities of being part of the Akbank family. Being

a part of the Akbank family is something that brings the pleasure of achieving goals together, the positive reflection of having fun, and the joy of being together to the quality of our work. Under titles such as special company campaigns for Akbank members and privileges, campaigns specially designed for Akbank employees are announced and the privilege of being a part of Akbank is emphasized.

Some titles from Being Part of the Akbank Family:

- **Awards received by our Bank:** Important awards are shared with our employees on the page "Being a Part of the Akbank Family".
- **Feedback from Customers:** Positive feedback on our employees is shared under this title.
- **Social Activities:** Activities that Akbank employees participate can be followed on this page.
- **Board of Pride and Joy:** Successful employees are introduced under this title.
- **Special for the Akbank Family:** Special advantages for Akbank members are shared with our employees under this title.
- **Akbank in the Press:** Press news about our Bank is shared with employees.

Mechanisms for Employee Opinions and Suggestions

Feedback from employees to senior management is encouraged via meetings and several internal communication channels. For instance, employee suggestions collected through the Suggestion System on the Corporate Portal are meticulously evaluated and concluded. In addition, an "Ethics Line" has been established to enable employees to express issues they believe they cannot solve within their departments or they somehow refrain from sharing with their colleagues and managers in the department; to support employees in such cases; and to provide consultancy when necessary. Our Employee Satisfaction Survey is another active feedback mechanism. With this survey, our employees enjoy the opportunity to share their expectations, opinions and suggestions with the Bank's management.

Internal Activities

Activities and sports events are organized to bring employees together out of the office with the aim of reinforcing team spirit. By ensuring participation of our employees to activities that our Bank sponsors, we hope to serve the sense of loyalty. Our objective in such activities is to establish efficient and productive relations among our employees.

Some of the internal activities we held in 2010 are listed below.

- January 2010: At the 1. Akbank Children Festival, employees came together with their families.
- March 2010: Akbank members received Basic Art Training in Photography.
- April 2010: Akbank sailing team was established to teach sailing to employees from various departments and then to support participation in races.
- May-June 2010: A Streetball Tournament was organized for Akbank employees.
- June 2010: With a draw, 25 fortunate Akbank employees won the opportunity to see the Sonisphere Festival that we sponsored.
- July 2010: Akbank employees donated blood within the scope of the Red Crescent's Blood Donation campaign.
- Summer of 2010: TEAMNETA sailing team which was first established in 2007 within the Information Technologies Business Unit today attends races with its nine permanent and four substitute members. Sponsored by Akbank in its first years, TEAMNETA sail team won three trophies in 2010.
- September 2010: With a draw, 15 fortunate Akbank employees won the opportunity to go to the U2 concert.
- December 2010: With a draw, 10 fortunate Akbank employees won invitations to the Cirque du Soleil show.
- December 2010: 40 Akbank employees won the right to attend Akbank Art's Modern Dance Workshop.
- December 2010: LÖSEV (Foundation for Children with Leukemia) and UNICEF opened a stand at Akbank. Our employees supported these institutions by purchasing their products.

► Employee Satisfaction

Our employees' happiness, their loyalty to our Bank, and maintaining a strong team spirit are important factors supporting us in achieving goals and maintaining permanent success. Our human resources policy based upon equal career opportunities, our fair and performance-based salary policy, our training system that attaches importance to employees' career development and training, and our practices focused on an active internal communication and activities are all aimed to improve employee satisfaction. Measuring, monitoring, and improving the level of employee satisfaction are also material issues for Akbank. With this in mind, Akbank used to conduct Employee Satisfaction Survey for all employees once every two years, and as of 2010, this survey is held annually.

In 2010, using the analyses made on the results of the Employee Satisfaction Survey which was performed by a completely independent company on a confidentiality basis and applied via a certain infrastructure, each Business Unit received the required feedback. Based upon the analyses of these feedbacks, action plans were made to retain successful elements and improve those that need to be developed.

For instance, feedbacks regarding reinforcement of internal communication and increasing the number of social activities were received; "Being a Part of the Akbank Family" concept was created based upon such feedbacks. A number of social activities are performed within this concept and announced to employees via the "Being a Part of the Akbank Family" sub-portal on the Corporate Portal.

In addition to Akbank Employee Satisfaction Survey, regular regional visits are conducted and our communication channels are kept open through collective and one-to-one interviews between Business Units, management teams and human resources specialists and employees.

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OUR OPERATIONS AND THE ENVIRONMENT

AKBANK SUSTAINABILITY REPORT 2010

► Our Operations and the Environment

As a company operating in the service sector, Akbank's impact on the environment is significantly limited compared to that of the production sector. Yet there are certain environmental impacts resulting from activities of Akbank's employees, the Bank's branches and operations. Among the environmental elements that Akbank pays attention to are energy consumption and the related greenhouse gas emissions. Paper use and technological wastes are also important issues for our Bank and therefore they are monitored among environmental indicators. Each environmental aspect is monitored by using appropriate quantitative indicators and a variety of practices are performed within the Bank to reduce these negative impacts.

► Our Environmental Policy

Akbank is pioneering the Turkish banking sector by making a commitment to carry out projects to minimize the negative impact that its activities have on the physical environment. Our bank has adopted the following methods as its environmental principles in carrying out this policy:

- Working to achieve efficient use of natural resources and to minimize waste caused by our processes
- Establishing international cooperation to support transparency policies that will reduce the emission of greenhouse gases
- Supporting recycling and reuse activities for our employees and all of our key stakeholders and making efforts to increase awareness on this subject
- Initiating awareness activities in order to reduce the environmental impacts of our activities
- Ensuring full compliance with environmental laws and regulations; encouraging awareness on this subject among our stakeholders by following developments in this field closely.

► Energy Consumption and Saving

The "Carbon Disclosure Project", conducted by the Sabancı University Corporate Management Forum with support from Akbank, is an indicator of the importance Akbank attaches to greenhouse gas emissions and so to the Climate Change issue. Within the scope of this project, Akbank became one of the first companies in Turkey committed to reporting greenhouse gas emissions in line with international standards.

Energy Consumption

Direct and Indirect Energy Consumption

A wide-scope study was conducted in 2010 with the aim of calculating the amount of electricity and natural gas consumed for heating purposes and of establishing an energy management system. Within the scope of this study, consumption data from all buildings, including branches, were gathered to create a basis. Consumption data in this year's report are based upon these data and were calculated using heating, electricity, and water costs. In 2010, Akbank Banking Center (ABC) in Gebze was put into effect and thus, some of the buildings in İstanbul were moved to Gebze. This moving period lasted for a certain time within the year and consumption data of both ABC and the buildings that moved to ABC were counted in calculations and therefore some consumption figures seem to have increased.

The "Natural Gas Consumption" table, including our direct energy consumption data and the "Electricity Consumption" table, including our indirect energy consumption data are presented below. Natural gas is used for heating purposes in our buildings.

Natural Gas Consumption (Gigajoule/year)	2008	2009	2010
Akbank Sabancı Center	8,588	9,359	7,137
ABC and Other Centers*	-	13,217	16,936
Branches	-	47,274	48,652
TOTAL	8,588	69,850	72,725

* Other Centers: Maslak Operations Center and Zincirlikuyu, Gümüşsuyu, Ümraniye, and Silivri Service Buildings.

Note: Data control processes were continuing during the reporting.

A total of 4% increase is observed in the natural gas consumption of our Bank. It is believed that the increase in the number of branches have a role in this increase. In addition, during the moving process from some buildings to the ABC, which started to operate this year, services were provided concurrently, leading to an increase in consumption.

For heating purposes, fuels other than natural gas, such as diesel fuel, butane (LPG), coking coal, and fuel oil were also used in branches nationwide. It is calculated that 32.926 GJ energy was consumed using these fuels in 2010.

Electricity Consumption

Electricity consumption resulting from services offered to customers are presented below.

Total electricity consumption throughout our Bank shows an increase compared to 2009. One of the major reasons of this increase is moving to the Akbank Banking Center in 2010 that has a capacity of 5,000 people. During the preparation of ABC for operations, electricity was consumed in both the existing buildings and in the ABC and electricity was also used in efforts to complete preparations for the operation of the Center. Throughout this large-scale operation, consumption of natural resources such as natural gas and water as well as electricity, increased due to the process of moving.

On the other hand, with the aim of maintaining and improving the services offered to customers at our Head Office in the Sabancı Center, new servers were added to the existing main servers. Both these servers

and the cooling systems for healthy operations of servers increase electricity consumption. Measures taken to reduce electricity consumption are explained in the next part, under the title "Energy Savings at the Data Center".

Another issue is that the number of branches increased as a result of the growth experienced in our Bank. Despite this fact, increase in branch-originating electricity consumption is considerably lower compared to the increase in the number of our branches. In addition, 2010 electricity consumption values include ATM/BTM consumptions and the number of our Bank's ATM/BTMs increased 24% this year. Therefore, this growth has triggered the need for electric power.

Energy Saving Practices

Energy Savings in Buildings

Mechanical automation of the Heating, Ventilating and Air Conditioning (HVAC) system in all branches was revised in a way to operate based on internal air quality and this system was installed in 26 new branches opened in the last quarter of 2010. With this system, approximately 30% and 14% annual savings will be achieved in electricity and natural gas respectively. This new system will continue to be installed in new branches in 2011. In addition, there are plans to revise the systems in 400 branches.

Operating since May 2010, the ABC in Gebze, construction of which started in April 2009 and completed in April 2010, uses heat recovery drum to collect the air within the building and transfer it to the

Electricity Consumption (Gigajoule /year)	2008	2009	2010
Akbank Sabancı Center	45,493	47,214	49,327
ABC and Other Centers*	-	47,236	75,855
Branches and ATM/BTMs**	-	221,156	224,362
TOTAL	45,493	315,606	349,544

* Other Centers: Maslak Operations Center and Zincirlikuyu, Gümüşsuyu, Ümraniye, and Silivri Service Buildings.

** In 2010 report, electricity consumed at ATM/BTMs is also included whereas such consumption was not included under the Branches item in the 2009 report.

Note: Data control processes were continuing during the reporting.

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air conditioning system; thermal charge of this air is used in maximum efficiency to reduce natural gas and electric consumption. This also leads to a reduction in carbon emissions.

Hood fumes in the cafeteria’s kitchen of Gebze ABC have the quality of heat recovery. With these devices, approximately 8,611 m³ of natural gas savings was achieved in 2010. This figure is calculated based upon the technical productivity value of the device.

Energy Savings at the Data Center

Number of servers used in Akbank’s Data Center increases to meet the increasing demand. With the aim of reducing energy consumption at the Data Center, virtualization technology started to be used as of early 2007. With a principle adopted in 2007, each new server is created in the virtual environment if there are no technical drawbacks. Today, the ratio of virtual server use approached 60% at Akbank. Existing physical machines continue to be transferred to virtual environments with new investments.

Number of servers at Akbank increased approximately 50% in 2010. In parallel with this increase, amount of energy needed to operate these servers and to cool the system rooms of these servers is expected to increase by 50% in minimum; however, thanks to the virtualization technology, energy need increased by 40%.

Comparison of the energy consumption in virtual environments and the expected consumption without virtualization (physical machines) is demonstrated in the table below. As can be seen in the figures, transition to virtual environments had considerable positive influence on Akbank’s cooling and electricity consumption. The table includes the GJ used by virtual and physical servers in 2009 and 2010.

Energy-Saving Devices

Our Bank employees have an intense use of computer screens. In order to reduce the amount of electricity consumed by this item, LCD screens are purchased instead of CRT.

► Carbon Emissions and Reductions

Carbon Emissions

Akbank calculates its carbon footprint and takes necessary actions to perform a carbon management program. With this aim, our Bank continues to sponsor the Carbon Disclosure Project in our country and to continue its pioneering efforts. In 2010 Akbank produced a report at the CDP Global 500 level and received a score similar to those of world leaders of its sector.

Total annual electricity consumption (GJ/year)	Virtual servers used		Use of physical servers corresponding to virtual servers		Amount saved	
	December 2009	December 2010	December 2009	December 2010	December 2009	December 2010
TOTAL (Cooling+Electricity)	2,152	3,042	6,793	10,297	4,641	7,255

Carbon Emissions Generated by Natural Gas Consumption

Natural gas, a primary energy source, is the basic fuel used for heating in our Bank and carbon emissions generated by natural gas consumption are presented in the table below.

Carbon Emissions Generated by Natural Gas Consumption (tonCO ₂ -e)	2008	2009	2010
Akbank Sabancı Center	558	608	464
ABC and Other Centers*	-	859	1,101
Branches	-	3,073	3,162
TOTAL	558	4,540	4,727

* Other Centers: Maslak Operations Center and Zincirlikuyu, Gümüşsuyu, Ümraniye, and Silivri Service Buildings.

Note: Data control processes were continuing during the reporting.

Carbon emissions generated by use of other fuels such as diesel fuel, butane (LPG), coking coal, and fuel oil in 2010 are around 2,966 ton CO₂-e. Therefore, the carbon emission resulting from our Bank's fuel consumption for heating purposes are approximately 7,693 ton CO₂-e.

Carbon Emissions Generated by Electricity Consumption

Carbon emissions generated by electricity consumption at our Bank are presented in the table below.

The 6% increase observed in the total carbon emissions of our Bank is mostly related to the increase in electricity consumption resulting from moving to the ABC. However, despite the 4% increase in the number of branches and 24% increase in the number of ATM/BTMs, emissions generated by "Branches and ATM/BTMs" remained almost stable. This is partly a result of the measures taken at our Bank as well as our decision to receive energy from a private autoproducer that generate energy with lower emissions with the aim of reducing carbon footprint.

Carbon Emissions Generated by Electricity (ton CO ₂ -e /year)	2008	2009	2010
Akbank Sabancı Center	5,534	5,743	6,000
ABC and Other Centers*	-	6,563	9,227
Branches and ATM/BTMs**	-	37,796	37,880
TOTAL	5,534	50,102	53,107

*Other Centers: Maslak Operations Center and Zincirlikuyu, Gümüşsuyu, Ümraniye, and Silivri Service Buildings.

** In 2010 report, electricity consumed at ATM/BTMs is also included whereas such consumption was not included under the Branches item in the 2009 report.

Note: Data control processes were continuing during the reporting.

Practices to Reduce Carbon Emissions

Emissions Generated by Business and Training Travels

In 2010 a total distance of 8,269,344 km was travelled by the personnel transport buses used by two venues of the Head Office and Operation units (Sabancı Center and Gebze ABC), personnel service buses used for mass transportation, and the vehicles appointed to senior management. Use of the mentioned vehicles generated a carbon emission equivalent to 3,307,738 kgCO₂.

Number of employees using service buses is given below. Hence, as these figures also include outsource employees, number of people using service buses at the ABC exceeds the actual number of our employees at ABC.

From Sabancı Center: 1,150
From ABC: 3,500

3,307,738 kg CO₂-equivalent carbon emissions resulting from commuting by around 4,650 employees in our Bank would be much higher if service buses were not used and employees used their own vehicles. Therefore, with the service buses provided for our employees, we believe that our Bank achieved a significant saving in carbon emissions.

Videoconferences

With the introduction of standard and advanced Videoconference devices to meeting rooms, business travels between the Sabancı Center in Levent, İstanbul and the Akbank Banking Center in Gebze have been limited. Thus, both greenhouse gas emissions and loss of working hours due to commuting have been reduced. There are plans to increase the number of such devices in 2011.

Other Sources of Greenhouse Gas Emissions

Protection of IT System Rooms

Against the risk of a fire in system rooms full of IT hardware, these rooms are taken under protection. The new system room established in 2010 is equipped with the Novac1232 system instead of the one that contains gases causing climate change.

Use of Alternative Delivery Channels (ADC)

Number of customers using our alternative channels such as internet banking and mobile banking increases regularly. This increase not only reduces the number of customers directly visiting our branches for banking transactions, but also contributes to our efforts to reduce our carbon emissions.

► Paper Use and Savings

Paper Use

Amount of paper used by Akbank was 1,320 tons in 2009 and this figure fell to 1,150 tons in 2010. Total amount of paper includes the paper used in the Head Office, Regional Directorates, and Akbank Banking Center; A4 photocopy papers used in branches are not included in this calculation. Materials purchased by the Corporate Communications Department, such as invitations, brochures, banners, flyers, envelopes, and posters, are also excluded in the 2009 data. Reports and other print materials printed by suppliers are not included in this number either.

As one of the most widely used paper types, amount of A4 photocopy papers consumed at Akbank fell 7% in 2010 compared to the previous year. As a result of a variety of savings practices in the Bank, amount of paper consumed per person fell from 90 kg to 75 kg in 2010, which indicates a major reduction. Increase in the number of employees in 2010 may also have a partial effect in this reduction.

Paper use (kg)	2009	2010
Purchasing Department	1,320,099	1,143,647
Corporate Communications Department	(0)*	6,479
TOTAL	1,320,099	1,150,126

*It is not possible to get retrospective data for 2009.

Paper Savings

Branch Without Paper

The "Branch Without Paper" project -started in 2008- is a collection of practices that enables transfer of paper-

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based transactions to the electronic environment and management of such electronic environment. The aim of this project is to reduce the traffic of physical documents, the use of photocopiers and fax machines between Akbank Head Office and the branches. Through this project, approximately 10% efficiency was achieved in operational transactions. In 2010, within the scope of Branch Without Paper project, 4,350,000 transactions were performed via confirmation/control of documents stored in the electronic system, where paper waste caused by copying documents was avoided.

“End of Day Reports” without Paper

The first phase of the project to transfer end of day reports, which had to be printed to perform end of day transactions, to electronic media was realized in October 2008 and the second phase was completed in February 2009. This project has enabled to reduce the number of paper consumed from 2 million sheets monthly in 2008 to 980,000 sheets monthly in 2009. This provided a saving of TL 310 thousand in 2009. In 2010, monthly average paper consumption was 515 thousand sheets, which means a saving of TL 400-420 thousand annually.

Transition to e-extracts – The Give Life to Trees Campaign

Since August 2008 extracts indicating credit card use are produced in the electronic media, via e-mails or SMSs. To encourage our customers to accept and use this extract which we call “e-extract”, we have been performing communication activities and guidance with the motto “Give Life to Trees” since 2008. The

fact that our customers would contribute to paper savings and thus to the protection of the environment by abandoning printed extracts is emphasized in the communication works. Our campaign is occasionally supported with chip-money rewards as an incentive. Number of e-extract users among our customers increased to 1,211,167 in 2010 from 254,704 in 2008 year-end.

New Technologies

In 2010, our Private Banking Business Unit initiated iPad use in customer visits and promotion activities. During the visits to customers, all details can be seen on iPads instead of printed promotion materials, printed extracts and bank statements. This project achieved a significant reduction in paper use.

► Water Use and Savings

Water Use

Total water use at Akbank includes water used by the employees and water used for cleaning purposes. Compared to a production facility, Akbank’s total water withdrawal is limited and municipal water is used. Therefore, Akbank’s water use does not have significant negative impact on a specific water source.

With the effect of our ABC building, which was put into use in 2010, and a wide scope moving operation from a number of buildings to this Center, water consumption has increased. It is believed that water consumption increased during the operations to prepare ABC for operations and concurrent services given both at ABC and buildings to be moved out of.

Water Consumption (m ³ /year)	2008	2009	2010
Akbank Sabancı Center	44,537	40,374	34,591
ABC and Other Centers*	-	39,654	54,176
Branches	-	290,196	284,012
TOTAL	44,537	370,224	372,779

* Other Centers: Maslak Operations Center and Zincirlikuyu, Gümüşsuyu, Ümraniye, and Silivri Service Buildings.

Note: Data control processes were continuing during the reporting.

07

OUR OPERATIONS AND THE ENVIRONMENT

Water Savings Practices

With the aim of achieving water savings, depressurizing systems and aerators that mix water with air are used in the taps in the Akbank Head Office and the Akbank Banking Center. In addition, photocell taps are used in WCs where water is used in great amounts, in order to achieve water savings.

Wastewater Management

An oil retainer is placed between the wastewater line of the kitchen in the Akbank Banking Center in Gebze and the city sewer line. Thanks to this system, within 2010, when the building started to be used, 1,250 kg of oil was sent to recycling stations. As the oil was separated for wastewater, it was easier for the treatment plant to purify the wastewater.

► Environment-Friendly Technologies

Environment-Friendly Maintenance of Electronic Devices

Maintenance of some devices (POS devices, laptops, computer screens, PCs, printers, scanners, etc.) is conducted at the IT Hardware Department. The solder used during maintenance works contain lead, which may be harmful for the environment and human health. Since 2008, the IT Hardware Department purchases lead-free (PB free) solders. Electronic components used in maintenance operations are also chosen among the lead-free ones. In addition, fronting companies that produce these components (Intel, Infineon, National Semiconductor, Maxim, etc.) also avoid using lead in their products.

► Waste Management

Akbank uses a great number and variety of electric and electronic devices due to its large scale and banking operations. Therefore, our Bank performs activities to ensure recovery of devices that have gone out of use within the economy or to reduce probable negative impacts on the environment.

Recycling of Toner Cartridges

Project preparations within the IT Business Unit to recycle the toner cartridges of the Bank's printers were completed in August 2010. Since then, empty cartridges in the Head Office buildings and branches

are sent to an electronic waste recovery institution for recycling. The recovery company uses the recycled cartridges as fuel for energy generation. Within the 5 months time between August and December 2010 a total of 783 cartridges -490 from the Head Office and 293 from the Branches- were sent to the recovery company. This project achieved its goal to establish a continuous recovery system, therefore it will be ongoing during 2011.

Recovery of Technological Wastes

Of the electronic devices that are no longer appropriate for use according to our Bank's standards, some are given out as scrap, while some are sold to Turkish companies for second-hand use. Companies either utilize these devices as scrap or repair the problematic parts and sell as second-hand products. In addition, some of general-purpose devices such as computers, screens, laser printers are donated upon requests made to the Bank. Schools account for the 90% of such donations.

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OUR OPERATIONS AND THE ENVIRONMENT

Type of Technological Wastes	2007			2008			2009			2010		
	Sold as Scrap	Sold as Second-hand	Donation	Sold as Scrap	Sold as Second-hand	Donation	Sold as Scrap	Sold as Second-hand	Donation	Sold as Scrap	Sold as Second-hand	Donation
Computer	1,692	-	153	3,666	-	177	5,962	-	197	964	-	433
Screen	1,401	-	153	2,079	-	177	3,471	-	188	2,195	-	436
Passbook Printer	710	-	-	465	-	-	445	-	-	676	-	-
Dot Matrix Printer	91	-	-	50	-	-	23	-	1	130	-	-
Laser Printer	349	-	3	413	-	7	342	-	13	404	-	24
POS Device	-	20,642	-	50,030	2,628	-	50,490	-	2	6,592	-	-
ATM Device	544	-	-	65	-	-	164	-	-	273	-	-



► Our Community Investment

Pursuant to the understanding of sustainability embedded in its genes, Akbank not only operates to improve the life quality of individuals in the society it operates, but also aims to create a better future for next generations.

In today's world, it is very important for institutions and corporations to create dialogue platforms in every area via community investment and to ensure finding solutions to current problems with a common sense and common benefits. In full awareness of the fact that the path to sustainable development intersects with the principle of community investment, modern societies prefer the progress route based upon democracy and human rights. With our belief in change, we, as Akbank, perform community investment practices in line with the needs and demands of our physical and social environment. We establish transparent, open, and participatory relations with our stakeholders.

In terms of our community investment, our priorities can be summarized under the titles Culture and Arts, Akbank Art Center, Education and Youth, and Entrepreneurship. In addition, our social awareness campaigns on environmental issues and our donations –both by Akbank and our customers- to a variety of foundations and associations are stated in this section of the report as indicators of our community investment.

► Culture and Arts

International İstanbul Film Festival (Permanent)

Since 2004, Akbank has been the major supporter of the International İstanbul Film Festival, which brings the most exclusive and original films of the cinema world to cinemagoers and contributes to the formation of cinema culture through special activities held with the participation of movie stars and master directors. The festival attracts a wide audience of mostly young people and opens up new horizons to viewers with a variety of lives, different perspectives and its rich content. Akbank aims to maintain its support to this festival organized by İKSV (İstanbul Foundation for Culture and Arts) for many further years.

Contemporary İstanbul (Permanent)

Contemporary İstanbul, the “modern and contemporary art” event with the widest scope

in Turkey, introduces the country's cultural and artistic life to the world. Akbank, as the sponsor of Contemporary İstanbul since 2007, is recognized by the international art community with its contribution to one of the most important modern art events in Turkey. Contemporary İstanbul presents many side events and art projects throughout the year, from discussion panels to exhibitions.

Sonisphere Festival

exi26, Akbank's banking segment that offers special opportunities for young people aged 16-26, enabled holding the Sonisphere Festival –performed in 11 countries- in the İstanbul İnönü Stadium on 25-27 June 2010. World's most renowned rock and metal bands addressing a variety of age groups, but mainly the youngsters aged 16-26 came to Turkey for this festival. In this event, “The Big Four” (Metallica, Slayer, Megadeth, Anthrax) shared the same stage for the first time. exi26 users had the opportunity to buy discount tickets to the festival and 200 people among the ones who liked the application in Facebook and answered some questions correctly won free tickets. Those who applied prior to the event had the opportunity to work at the festival as well as to enjoy a meet and greet activity. An open stage was established to encourage the young people to express themselves freely. With a 3-day unique atmosphere and participation by 105,000 people, the Sonisphere Festival became one of the most popular events in the summer of 2010.

► Akbank Art Center

Hosting culture and art, Akbank Art Center has been reaching art lovers since 1993 through a wide variety of activities from concerts to movies, exhibitions, workshops, dance, and theatre. The Center has introduced not only leading Turkish artists, but also globally renowned foreign artists to the Turkish audience. Today, Akbank Art Center has become a reference venue that artists coming from abroad proudly add to their resumes.

Akbank Art Center went through a restructuring in 2003, focusing on modern art. Today, it organizes culture and art activities in various areas in accordance with its objective to be among the major supporters of modern art in Turkey and present visionary works from every art form. Its exhibitions created momentum

by focusing on local and international qualities of a globalizing art concept. With this breakthrough towards transferring the progress in art to all other areas, Akbank Art Center continues its operations in full awareness of the fact that supporting arts and artists is a social responsibility.

Distinguished examples of contemporary art were presented to art lovers with personal and group exhibitions of world famous artists at Akbank Art Gallery. Works of Turkish and foreign artists were exhibited to viewers. Six exhibitions organized in 2010 played an important role in lending impetus to the modern art in Turkey. Interactive participation was offered to art lovers via conferences, movies, workshops accompanying exhibitions.

Supporting theoretical and practical aspects of contemporary art and creating an intellectual platform to debate modern art, the Contemporary Art Studio has hosted workshops on cinema, photography, philosophy, art history, literature and contemporary art. In addition, design, music and painting workshops were organized for children.

Continuously performing in Beyoğlu, a location with special importance in the culture and art life of İstanbul, Akbank Art Center organizes over 800 events throughout the year, including exhibitions, interviews, conferences, movie screenings, and concerts. In addition, artists are provided to print works of art in lithography and serigraphy ateliers.

Akbank Art Center holds activities such as Akbank Children's Theatre, Contemporary Art Map, Zeynep Tanbay Dance Project, Akbank Jazz Festival, Akbank Short Film Festival, Akbank Chamber Orchestra, New Generation Theatre, and Akbank Puppet and Traditional Shadow Theatre.

www.akbanksanat.com/en

Akbank Children's Theatre (Permanent)

Founded in 1972, Akbank Children's Theatre has shared the excitement and joy of theatre with thousands of children in İstanbul and other cities with tours in Anatolia. The Theatre has paved a way on stage many times. The first children's theatre to go on tours in Anatolia and Europe, the Akbank Children's Theatre

is also one of the first representatives in interactive plays, in which audience becomes a part of the play. Putting on shows for third generation audiences today, the Akbank Children's Theatre is opening its curtains for the children of the audience of 1972.

Akbank Children's Theatre is on Hürriyet's Human Rights Train (2008-2009)

Akbank Children's Theatre once again got on the "Human Rights Train" of Hürriyet newspaper in the summer of 2008, to bring the excitement and beauty of theatre to 45 cities in Turkey. As the longest-lasting children's theatre in Turkey, Akbank Children's Theatre completed its 35-city tour to celebrate its 35th year and then immediately set off again to meet ten thousands of children from Kars to Edirne, Gaziantep, and Erzurum as a part of Hürriyet newspaper's social responsibility project with the motto "Freedom is Our Right". Akbank Children's Theatre performed the play "Fairytale within Fairytale", written and directed by Işıl Kasapoğlu, on its specially designed "wagon stage" for two months. In the play that builds connections with fairytales, themes such as "Living Free from Violence", "Putting an End to Discrimination", "Right to Education" were covered. In some cities the play made second performances in the evenings upon high demand from the public, with grown-ups as excited as the children.

Akbank Children's Theatre ended its long journey on the Hürriyet Train on the Republic Day, October 29th, 2009, at the Haydarpaşa Train Station. Reaching ten thousands of children throughout the tour, the theatre covered a distance of 11,000 kilometers in 51 days and stopped at 42 train stations.

Akbank Jazz Festival (Permanent)

Akbank Jazz Festival, which is one of the longest-standing festivals in Turkey, bringing the world's most renowned jazz performers, legendary names, and Turkish jazz performers to large audiences as well as providing young and successful jazz performers opportunities to exhibit their talents, celebrated its 20th anniversary with a 20-day program. Offering a rich program including a wide portfolio from Avant-garde Jazz to Fusion-Jazz, ethnic jazz, classic jazz, and Nu-Jazz preferred especially by the young people, Akbank Jazz Festival is the first of its kind in Turkey.

Presenting the world's most renowned jazz artists to the music enthusiasts, the Festival also brings jazz to university youth with its Jazz on Campus series. Not only jazz lovers, but also all music enthusiasts look forward to the festival to see the rich portfolio of concerts, movie screenings, workshops, and conferences.

Akbank Chamber Orchestra (Permanent)

One of the first examples of the private sector's support of music, the Akbank Chamber Orchestra was founded in 1991. The orchestra works with the most talented young professionals in our country to create a consistent program content and concert quality. The Akbank Chamber Orchestra has always attached special importance to program consistency while planning its concerts. Thus, it has been an educating orchestra that opens new windows to its audience while hosting world famous soloists. Conducted by Cem Mansur, the Orchestra regularly gives concerts in both sides of İstanbul and also participated in tours in Anatolia and "Youth Concerts" at universities with the aim of offering new horizons to listeners with the richness of polyphonic universal music as well as ensuring enjoyment, training, and making people think.

Akbank Short Film Festival (Permanent)

Akbank Short Film Festival was established in 2004 to encourage short film production, to deliver such films to audiences, to support new generation filmmakers that may contribute to the cinema sector in our country, to promote amateur and professional film makers from various cultures and countries, to provide a platform where short films will be discussed, and to create a festival for cinema-lovers. Ever-expanding festival that fills the gap in this area creates a "festival tradition" that cinema lovers will enjoy. The Festival includes workshops besides movie screenings, which give audiences a chance to benefit from the experience and knowledge of cinema experts and professionals. Award winning films are screened to the students of various universities in Anatolia with the "Akbank Short Film Festival in Universities" organization.

Zeynep Tanbay Dance Project (Permanent)

Reaching a large number of modern dance audiences, the Zeynep Tanbay Dance Project (ZTDP) performs

not only in tours in Turkey, but also on important stages such as those in Tel-Aviv, Stuttgart, Sofia, and Shanghai. Performing under the roof of the Akbank Art Centre with support from Akbank, ZTDP filled an important gap in the field of modern dance in Turkey with its tours, performances and dance trainings. Described as "a group worthy of coming into light in the international dance arena" by Renata Klett, one of Germany's leading dance critics, in the *Süddeutsche Zeitung*, ZTDP continues its local and international performances in its 11th year.

Akbank Puppet and Traditional Shadow Theatre (Permanent)

Since the day it was established in 1974, the Akbank Puppet and Traditional Shadow Theatre has been introducing a number of adventures of Karagöz to audiences in many Turkish cities. Performing not only in Turkey, but also in long-lasting Europe tours, the Akbank Puppet and Traditional Shadow Theatre has brought brand new interpretations to the adventures of Karagöz and Hacivat, enriching their lives with new stories in the last 37 years. Directed by the master shadow play artist Tacettin Diker since the day of establishment, the theatre has received numerous awards and played a major part in developing and continuation of the Traditional Shadow Theatre in Turkey.

New Generation Theatre (Permanent)

Staging recently-written plays that challenge theatre both stylistically and contextually, the New Generation Theatre was founded in 2004 by the director Mehmet Ergen and in the same year, opened the curtain with Sam Shepard's play "Fool for Love". Bringing in young performers that proved themselves to its changing team, the New Generation Theatre also aims to bring in new playwrights and players to the Turkish theatre through the platform it built with young performers.

Akbank Map of Contemporary Art (Permanent)

The Akbank Art Center initiated the "Akbank Map of Contemporary Art" in September 2009 in order to form an up-to-date and fluent network by reinforcing the bonds between works carried out in the field of art and contemporary art institutions, and to ensure that art institutions are known better among art lovers. The Akbank Art Center became the first to issue print

and internet versions of an exhibition calendar of all galleries and art centers with modern and contemporary exhibitions in İstanbul. Aiming to reflect İstanbul's ever-developing artistic environment in the best way, this map is updated five times a year, distributed free of charge at various city centers, and offered to Turkish and foreign art lovers on the internet.

The Akbank Map of Contemporary Art plays an important role in setting the culture and arts agenda of the city with an approach that covers the first digital implementations among art websites and innovations such as Google Maps. Enabling users to all institutions in İstanbul exhibiting modern art, from the biennial to galleries, museums, art institutions, and initiatives, the Map continues to illuminate the social life of busy city dwellers.

www.akbanksanatharitasi.com

► Education and Youth

The importance we attach to the youth and education are evident in a number of programs we implement.

“The Power of Thinking” - Akbank Supports the Educational System (2008-2010)

In its 60th anniversary celebrated in 2008, Akbank initiated a social responsibility project that aimed to provide an innovative route for the education system, with the target to reach hundreds of thousands of students via thousands of teachers with its “Power of Thinking” project. In the first term of the project, using the motto “Supporting Teacher Training for an Asking and Questioning Youth”, 4,250 teachers were trained in eight cities to reach 141,270 students.

“The Power of Thinking” project was initiated in the second term of the 2008-2009 academic year, in cooperation with the Ministry of National Education and Educational Reform Initiative (ERI). The skill of critical thinking was selected as a “common basic skill” to be given to students in accordance with the modification in the teaching program carried out by the Ministry of National Education in primary schools in 2004. In the first phase of the project İstanbul, Ankara, İzmir, Kahramanmaraş, Adana, Samsun, Kayseri, and Van were chosen as pilot cities where teachers would be trained in “critical thinking”.

Thus, the final aim is to train students so that they will internalize the ability to question what they hear and to form their own opinions. The training given to the teachers consists of 6 subjects: qualities of active learning and the asking-questioning student, teaching methods and techniques, course planning and evaluation, methods for teaching in different disciplines and multidisciplinary teaching, and active self-learning.

In the second phase of the project, the aim was to contribute to teachers' using the model effectively and to students' reinforcing their thinking skills in class. Within the scope of the measuring and evaluating process of the project, schools were visited on 16-25 March 2010.

www.dusunmegucu.org (This website is available only in Turkish)

The Akbank Thinking Club (2009-continuing)

Akbank founded the “Akbank Thinking Club” in 2008 in order to think together with youth, who are among the most important representatives of continuous development and innovation, in order to create a joint value for Turkey's future. The Akbank Thinking Club has opened the gates of a new formation where youth, as tomorrow's innovative force, will have a say in Turkey's future, feel privileged and be able to develop themselves.

The purpose of the Akbank Thinking Club is

- To academically and socially unite successful young people under the Akbank brand
- To create a platform for the exchange of opinions between Akbank Senior Management and young people,
- To create a source of value and prestige for Turkey's future by ensuring the continuity of this platform,
- To ensure that Club members deeply interested in their country and their environment walk side by side with the Akbank brand throughout their lives,
- To support the development of youth, creating a sense of loyalty and belonging,
- To contribute to the development of Turkey's innovative and creative potential.

Universities in which club activities are conducted: Sabancı University, Middle East Technical University,

Bilkent University, Boğaziçi University, Istanbul Technical University, Koç University, Bilgi University, Çukurova University, 9 Eylül University, and Galatasaray University. In the third year of the platform (2010-2011 academic year), Eskişehir Anadolu University and Marmara University were also included in the system, increasing the number of universities performing Club activities to 12.

Every year, the Club selects maximum 30 students with academic Grade Point Averages of 3 and above (out of 4) who are innovative, extrovert, analytical-minded, communicative, result-oriented, inclined to teamwork and capable of multi-perspective thought. In the first year 22 students were accepted to the Club, with 28 more in the second year, and 19 new members in the third year; thus, total number of members reached 69.

The Akbank Thinking Club is not designed as a one-time study where only workshops are held, but as a club that organizes activities targeting the development of its members, such as trainings, seminars, brainstorming with Akbank executives, workshops with academicians as well as social activities strengthening the club structure and supporting loyalty and friendship are organized within the body of the club.

The Club also has a yearly competition involving intellectual study on a theme set by Akbank Management. In the second year (2009-2010 academic year) Club members worked on the theme "Trends That Affect Lives and Probable Financial Environments Based upon Such Trends" in groups and they were evaluated by a special jury consisting of academicians and press members. The student group to prepare the work earning the highest acclaim at the evaluation was rewarded with a Summer School Scholarship at Harvard University.

In our third year that encompasses the 2010-2011 academic year, the theme chosen is "Akbank in the Digital World; Existence, Winning, and Communication". In this new academic year, works will again be evaluated by a jury of academicians, press members, specialists and Akbank executives and www.akbankdusuncekulubu.com (This website is available only in Turkish)

Make-A-Wish® Turkey (Permanent)

The "Make a Wish Foundation" is a voluntary organization to fulfill the wishes of children between the ages of 3 and 18, who are fighting life-threatening diseases and the Foundation has been operating in Turkey since 2000. The goal of International Make-A-Wish® Foundation, which is active in more than 36 countries throughout the world and which has fulfilled the wishes of more than 1,600 children since the day it was founded, is to reach more children from all over Turkey. Akbank has been one of the major supporters of the project, seeking to make these children's wishes come true, with approval from their physicians. With this project, Akbank helps to make wishes of children who try to hold on to life come true. Our Bank tries to reinforce the feelings of hope, endurance and joy, which it believes to play an important role in the development of society. Akbank employees play an active role in fulfilling these children's wishes.

Book Campaign (2010)

With the campaign we organized in 2010, we collected read or unused books of our employees and sent them to a number of Anatolian schools that are in need of books. Approximately 3,000 books were donated to schools in Ordu, Van, Konya, Kars, and Eskişehir. Employees of our branches in these cities visited schools and helped with the distribution and placement.

Beijing-Paris Rally and Contribution to Education (2010)

Akbank supported the first Turkish Team competing in the "Beijing-Paris 2010" with an Anadol brand car. The "Beijing-Paris 2010" international classic car endurance race, which started in Beijing and ended in Paris, was organized by the Community Volunteers between 10 September and 16 October 2010. The revenues earned from financial supporters were used to provide scholarships for Community Volunteer university students.

► Entrepreneurship and Innovativeness

“Ideas Paving the Way to Business” for SMEs and Endeavor Programs (Permanent)

Our SME Banking Unit attaches importance to efforts aimed at removing the barriers against entrepreneurs and raising awareness on entrepreneurialism within the society, as well as drawing the attention of SMEs towards innovation and creativity issues that will shape the future economy. Two examples to our 2010 project serving these purposes are our cooperation with Endeavor, a New York-based non-governmental organization founded to contribute to economic development in developing countries by supporting active entrepreneurs, and “Ideas Paving the Way to Business” project we realize with the Sabanci University. Detailed information on the importance we attach to entrepreneurship and innovation as well as on our various efforts can be seen in the Value Added to Customers section of this report.

KAGIDER (2009-2010)

The Development Centre for Women “BIZ”, founded by KAGIDER and aiming at bringing women together in order to increase their individual productivity, was opened under Akbank’s sponsorship on 26 May 2009. Through the BIZ project, which was formed in order to increase the participation of women in economic life, important opportunities for thinking and producing professional women, academicians, non-governmental organizations for women and all individuals and corporations wishing to take advantage of the BIZ infrastructure, are offered.

BIZ also aims to support the activities of non-governmental organizations focused on women studies. The “Strengthening Women” workshops, “Leadership of Women” seminars and tailored mentoring and counseling services as well as the “I Am Establishing My Business” and “I Am Developing My Business” seminars shall be provided by successful and specialized members of KAGIDER at BIZ, for which Akbank will provide periodical financial counseling, planning, seminars in which the latest economic developments are evaluated, and investment counseling services.

► Environment

REC’s “Before They Disappear” (New)

In 2010, “Before They Disappear” Project was initiated in Turkey in coordination with the Regional Environment Center (REC) with the aim of drawing attention to regions at risk due to climate change. REC continues taking photographs and making interviews in 15 regions found to be in danger due to Climate Change. The project reveals the rapid change in the worlds of farmers in the Gediz Delta, glaciers in Aladağ, fishermen in Akyatağan and impacts of Climate Change, including food safety, water scarcity, and loss of natural assets, are investigated. The aim of the “Before They Disappear” project is to reveal our opportunities and emergencies in order to be able to fight the burden of such impacts. Within the scope of this project, volunteering Akbank members in İstanbul and Anatolia will be trained on the environment and climate change and they will meet elementary school students to transfer our hopes for the future to new generations.

► Donations

Corporate Donations

As Akbank, we make several donations in addition to our corporate social responsibility projects in education, youth, environment, culture, and arts. Two of the most prominent are the support we provide for the “Make a Wish Foundation” aimed to fulfill the wishes of children between the ages of 3 and 18 who are fighting life-threatening diseases, in addition to the sponsorship we provide and the support we give to Turmepa (DenizTemiz Foundation) with the purpose of making the protection of our coasts and seas a national priority and leaving a habitable country embraced by clean seas to the future generations.

Platform for Donations with Credit Cards

Seeking to promote the public welfare with the aim of facilitating philanthropic aids via our banking services, we, as Akbank, formed a bridge for donations to ten Associations and Foundations that are active in Turkey. Akbank Credit Cardholders are able to donate at the amounts they choose from their accumulated chip-money or from their credit card accounts by one-time or automatic payment orders. For placing an

automatic donation order for a credit card or making one-time donation, customers simply click on the related link on the Individual Internet Branch or call the Telephone Branch.

The platform was initiated after necessary permissions were obtained in accordance with the Turkish Law of Associations. The 10 Associations and Foundations to be included into this platform were carefully investigated by our Bank to make sure that they pursue public interest. Between September 2009 and September 2010, customers' donations amounting to TL 53,000 were forwarded to the following Associations and Foundations.

- Make a Wish
- Directorate of Darülaceze Institution
- The Darüşşafaka Association
- Lösev
- The Tohum Autism Foundation
- Community Volunteers Foundation
- The Turkish Education Foundation
- The Turkish Heart Foundation,
- The Turkish Foundation for Supporting Modern Life
- The Turkish Foundation for Spastic Children

Platform for Donations from Deposit Accounts

In addition, our customers can donate the amount they desire either by one-time or automatic payment orders (from their deposit accounts and/or in cash) to 18 Associations and Foundations. Automatic donation or one-time payment orders can be placed at our Branches, Consumer Internet Branch or Telephone Branch. In 2010, customers' donations amounting to TL 4,363,107 were forwarded to the following Associations and Foundations.

- Make a Wish
- Kidney Foundation for Children
- Directorate of Darülaceze Institution
- The Darüşşafaka Association
- Women Entrepreneurs Association of Turkey (KAGIDER)
- Kimse Yok Mu Association
- Lösev
- The Foundation for the Disabled
- The Turkish Foundation for Combating Soil Erosion, for Reforestation and the Protection of Natural Habitats (TEMA)

- The Tohum Autism Foundation
- The Foundation to Support The Turkish Armed Forces
- The Mehmetçik Foundation of The Turkish Armed Forces
- The Turkish Red Crescent Society
- The Turkish Association for Children in Need of Protection
- The Multiple Sclerosis Association of Turkey
- The Turkish Paraplegia Association
- The Turkish Aeronautical Association
- The Turkish Association for Cancer Research and Control



► GRI Index – Sustainability Reporting Guidelines

This report, in which we announce our social, environmental, and economic performance for the period between January 1st 2010 and December 31st 2010, is based upon the G3 Sustainability Reporting Guidelines of the Global Reporting Initiative (GRI), an internationally recognized reporting standard. The report is qualified for GRI Application Level C with the statement presented at the page 104 of this report and the chart below has been prepared with the aim of facilitating access to information given within the framework of GRI Application Level C.

STANDARD DISCLOSURES PART I: Profile Disclosures				
1. STRATEGY AND ANALYSIS				
Profile Disclosure	Description	Reported in	Scope of reporting	Reference pages/ Explanations
1.1	Statement from the most senior decision-maker of the organization, regarding the relevance of sustainability to the organization and the strategy of the organization	Message from the Chairman Message from the CEO	Full	5-8
1.2	Description of key impacts, risks, and opportunities	About the Report Our Approach to Sustainability	Partial	24 29-31, 33-34
2. ORGANIZATIONAL PROFILE				
2.1	Name of the organization	About Akbank	Full	Akbank T.A.Ş.
2.2	Primary brands, products, and/or services	About Akbank	Full	12-13
2.3	Operational structure of the organization	About Akbank	Full	15-18
2.4	Location of organization's headquarters	About Akbank	Full	Sabancı Center, 4. Levent 34330 Istanbul TURKEY
2.5	Countries where the organization operates	About Akbank	Full	Turkey, Germany, the Netherlands, Dubai, and Malta
2.6	Nature of ownership and legal form	About Akbank	Full	18
2.7	Markets served	About Akbank	Full	Turkey, Germany, the Netherlands, Dubai, and Malta. See page 15 for Segmentation of Clients. Akbank provides banking services in compliance with local laws and UN Security Council Regulations.
2.8	Scale of the reporting organization	About Akbank	Full	12, 15-16
2.9	Significant changes during the reporting period regarding size, structure, or ownership	About Akbank	Full	18 Total number of branches in Turkey increased from 877 to 912. Gebze Akbank Banking Center opened in 2010.
2.10	Awards received in the reporting	About the Report	Full	20-21

Profile Disclosure	Description	Reported in	Scope of reporting	Reference pages/ Explanations
3. REPORT PARAMETERS				
3.1	Reporting period	About the Report	Full	1 January 2010 - 31 December 2010
3.2	Date of most recent previous report (if any)	About the Report	Full	First report was published in 2010.
3.3	Reporting cycle	About the Report	Full	Sustainability Report is issued annually. Some data are updated on our website during the year.
3.4	Contact point for questions regarding the report or its contents	Credits and Contacts	Full	On the last page of the report. Cenk Türker, PhD, Akbank Corporate Social Responsibility Manager, cenk.turker@akbank.com
SCOPE AND BOUNDARY OF THE REPORT				
3.5	Process for defining report content	About the Report	Full	22-25
3.6	Boundary of the report	About the Report	Full	Banking services of Akbank T.A.Ş. in Turkey
3.7	Specific limitations on the scope or boundary of the report	About the Report	Full	23
3.8	Basis for reporting on joint ventures and other related organizations	About the Report	Full	23
3.9	Data measurement techniques and the bases of calculations	About the Report	Full	23
3.10	Explanation of the effect and reasons of any re-statements of information provided in earlier reports	About the Report	Full	23
3.11	Significant changes in the scope, boundary, or measurement methods applied in the report	About the Report	Full	22-23
3.12	GRI Indicators table	GRI Index	Full	The mentioned table is this table given between pages 97 and 103.
3.13	External assurance		Full	External assurance was not obtained.
4. GOVERNANCE, COMMITMENTS, AND ENGAGEMENT				
GOVERNANCE				
4.1	Governance structure of the organization	Corporate Governance and Risk Management at Akbank	Full	35-36
4.2	Whether the Chair of the highest governance body is also an executive officer	Corporate Governance and Risk Management at Akbank	Full	35
4.3	Number of independent members of the highest governance body	Corporate Governance and Risk Management at Akbank	Full	35
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body	Corporate Governance and Risk Management at Akbank Our Employees	Full	37-38 73, 80
4.5	Linkage between compensation for members of the highest governance body and the organization's performance	Corporate Governance and Risk Management at Akbank Our Employees	Full	37 72
4.6	Processes in place for the highest governance body to ensure conflicts of interest are avoided	Corporate Governance and Risk Management at Akbank	Full	37

Profile Disclosure	Description	Reported in	Scope of reporting	Reference pages/ Explanations
4.7	Process for determining the qualifications and expertise of the members of the highest governance body for guiding the organization's strategy on economic, environmental, and social topics	Corporate Governance and Risk Management at Akbank	Partial	35
4.8	Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation	Our Approach to Sustainability Corporate Governance and Risk Management at Akbank	Full	29, 31-32 38-39, 42-43
4.9	Procedures of the highest governance body for overseeing the organization's identification and management of economic, environmental, and social performance	Our Approach to Sustainability Corporate Governance and Risk Management at Akbank	Full	31-32 35-36
4.10	Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance	Corporate Governance and Risk Management at Akbank Our Employees	Partial	37 72
EXTERNAL COMMITMENTS				
4.11	The precautionary approach or principle	Corporate Governance and Risk Management at Akbank	Full	39-40
4.12	Externally developed sustainability initiatives to which the organization subscribes or endorses	Our Approach to Sustainability	Full	32-33
4.13	Memberships in associations	Our Approach to Sustainability	Full	32-33
STAKEHOLDER PARTICIPATION				
4.14	List of stakeholder groups engaged by the organization	About the Report	Full	25-28
4.15	Identification and selection of stakeholders with whom to engage	About the Report	Full	25
4.16	Approaches to stakeholder engagement	About the Report	Full	25-28
4.17	Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to them	About the Report	Full	24-28
STANDARD DISCLOSURES: PART III Performance Indicators				
Profile Disclosure	Description	Reported in	Scope of reporting	Reference pages/ Explanations
ECONOMIC				
ASPECT: ECONOMIC PERFORMANCE				
EC1	Direct economic value generated and distributed	About Akbank	Full	17
EC2	Financial implications and other risks and opportunities for the organization due to climate change	Our Approach to Sustainability	Full	33
EC3	The organization's defined benefit plan obligations	Our Employees	Partial	72-73
EC4	Significant financial assistance received from government.		Full	No significant financial assistance was received from the government in 2010.

Profile Disclosure	Description	Reported in	Scope of reporting	Reference pages/ Explanations
ASPECT: MARKET PRESENCE				
EC5	Range of ratios of standard entry level wage compared to local minimum wage	Our Employees	Full	68
EC7	Procedures for local hiring and proportion of senior management hired from the local community	Our Employees	Partial	68
ASPECT: INDIRECT ECONOMIC IMPACTS				
EC8	Infrastructure investments and services provided for public benefit through commercial, in-kind, or pro bono engagement	Our Operations and the Environment Our Community Investment	Partial	88 90-96
EC9	Indirect economic impacts	Value Added to Customers	Partial	61
ENVIRONMENTAL				
ASPECT: MATERIALS				
EN1	Materials used by weight or volume	Our Operations and the Environment	Partial	86
ASPECT: ENERGY				
EN3	Direct energy consumption by primary energy source	Our Operations and the Environment	Full	82-83
EN4	Indirect energy consumption by primary source	Our Operations and the Environment	Full	83. The official carbon emission coefficient for Turkey (2010) does not exist.
EN5	Energy saved due to conservation and efficiency improvements	Our Operations and the Environment	Partial	83-84
EN6	Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives	Value Added to Customers	Partial	50, 59
EN7	Initiatives to reduce indirect energy consumption and reductions achieved	Our Operations and the Environment	Partial	86
ASPECT: WATER				
EN8	Total water withdrawal by source	Our Operations and the Environment	Full	
ASPECT: BIODIVERSITY				
EN11	Protected areas and areas of high biodiversity value		Full	Akbank does not have operations on such areas. Since the Bank's branches are located in settlements, their impact on biodiversity is almost zero.
EN12	Significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value	Value Added to Customers	Partial	48-49
ASPECT: EMISSIONS, EFFLUENTS, AND WASTES				
EN16	Total direct and indirect greenhouse gas emissions by weight	Our Operations and the Environment	Full	85
EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved	Our Operations and the Environment	Partial	86
EN22	Total weight of waste by type and disposal method	Our Operations and the Environment	Partial	88-89

Profile Disclosure	Description	Reported in	Scope of reporting	Reference pages/ Explanations
ASPECT: PRODUCTS AND SERVICES				
EN26	Initiatives to mitigate environmental impacts of products and services	Value Added to Customers	Partial	48-50
ASPECT: COMPLIANCE				
EN28	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations		Full	There are not any significant fines or sanctions for non-compliance with environmental laws and regulations in 2010.
ASPECT: TRANSPORT				
EN29	Environmental impacts of transporting products and members of the workforce	Our Operations and the Environment	Partial	86
SOCIAL: LABOR PRACTICES AND DECENT WORK				
ASPECT: EMPLOYMENT				
LA1	Total workforce by employment type, employment contract, and region	Our Employees	Full	69
LA2	Rate of employee turnover by age group, gender, and region	Our Employees	Full	70-71
LA3	Benefits provided to full-time employees	Our Employees	Full	69, 72-73
ASPECT: LABOR/MANAGEMENT RELATIONS				
LA4	Percentage of employees covered by collective bargaining agreements	Our Employees	Full	73
LA5	Minimum notice period(s) regarding significant operational changes	Our Employees	Full	68
ASPECT: OCCUPATIONAL HEALTH AND SAFETY				
LA7	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	Our Employees	Partial	73
LA9	Health and safety topics covered in formal agreements with trade unions	Our Employees	Partial	73
ASPECT: TRAINING AND EDUCATION				
LA10	Average hours of training per year per employee by employee category	Our Employees	Full	74-75
LA11	Programs for skills management and lifelong learning that support the continued employability of employees	Our Employees	Full	74-75
LA12	Percentage of employees receiving regular performance and career development reviews	Our Employees	Full	71-72
ASPECT: DIVERSITY AND EQUAL OPPORTUNITY				
LA13	Composition of governance bodies and breakdown of employees according to gender, age group, minority group membership	Our Employees	Full	69-70

Profile Disclosure	Description	Reported in	Scope of reporting	Reference pages/ Explanations
SOCIAL: HUMAN RIGHTS				
ASPECT: INVESTMENT AND PROCUREMENT PRACTICES				
HR1	Percentage and total number of significant investment agreements that include human rights clauses or that have undergone human rights screening	Value Added to Customers	Partial	48
HR2	Percentage of significant suppliers and contractors that have undergone screening on human rights and actions taken	Our Approach to Sustainability	Partial	34
ASPECT: NON-DISCRIMINATION				
HR4	Total number of incidents of discrimination and actions taken	Our Employees	Partial	68
ASPECT: FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING				
HR5	The right to exercise freedom of association and collective bargaining	Our Employees	Full	73
ASPECT: CHILD LABOR				
HR6	Incidents of child labor, and measures taken to contribute to the elimination of child labor	Our Employees	Full	70
ASPECT: FORCED AND COMPULSORY LABOR				
HR7	Forced or compulsory labor	Our Employees	Full	71
ASPECT: INDIGENOUS RIGHTS				
HR9	Incidents of violations involving rights of indigenous people and actions taken		Full	There are not any incidents of violations involving the rights of indigenous people in 2010.
SOCIAL: SOCIETY				
ASPECT: COMMUNITY				
S01	Programs and practices that assess and manage the impacts of operations on communities	Value Added to Customers	Partial	61
ASPECT: CORRUPTION				
S02	Percentage and total number of business units analyzed for risks related to corruption	Corporate Governance and Risk Management at Akbank	Partial	40-41
S03	Percentage of employees trained in organization's anti-corruption policies and procedures	Corporate Governance and Risk Management at Akbank Our Employees	Full	77, 75-76
S04	Actions taken in response to incidents of corruption	Corporate Governance and Risk Management at Akbank	Full	42-44
ASPECT: PUBLIC POLICY				
S05	Public policy positions and participation in public policy development and lobbying	Our Approach to Sustainability	Partial	44
S06	Financial and in-kind contributions to political parties, politicians, and related institutions		Full	There are no financial and in-kind contributions to political parties, politicians, and related institutions in 2010.

Profile Disclosure	Description	Reported in	Scope of reporting	Reference pages/ Explanations
ASPECT: COMPLIANCE				
S08	Significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations		Full	There are no significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations in 2010.
SOCIAL: PRODUCT RESPONSIBILITY				
ASPECT: PRODUCT AND SERVICE LABELING				
PR3	Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements		Full	We provide information on all of our banking services and products and these are subject to a variety of laws and regulations. On our website we provide easy to access information on our products including fees, interest rates, taxes, terms.
PR5	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction	Value Added to Customers	Full	67
ASPECT: MARKETING COMMUNICATION				
PR6	Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship	Value Added to Customers	Partial	66-67
ASPECT: COMPLIANCE				
PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services		Full	There are no significant fines for non-compliance with laws and regulations concerning the provision and use of products and services in 2010.

**GRI APPLICATION
LEVEL STATEMENT**

AKBANK SUSTAINABILITY
REPORT 2010



Statement GRI Application Level Check

GRI hereby states that **AKBANK** has presented its report "AKBANK SUSTAINABILITY REPORT 2010" to GRI's Report Services which have concluded that the report fulfills the requirement of Application Level C.

GRI Application Levels communicate the extent to which the content of the G3.1 Guidelines has been used in the submitted sustainability reporting. The Check confirms that the required set and number of disclosures for that Application Level have been addressed in the reporting and that the GRI Content Index demonstrates a valid representation of the required disclosures, as described in the GRI G3.1 Guidelines.

Application Levels do not provide an opinion on the sustainability performance of the reporter nor the quality of the information in the report.

Amsterdam, 29 August 2011

A handwritten signature in blue ink, appearing to read "Nelmara Arbex".

Nelmara Arbex
Deputy Chief Executive
Global Reporting Initiative



The Global Reporting Initiative (GRI) is a network-based organization that has pioneered the development of the world's most widely used sustainability reporting framework and is committed to its continuous improvement and application worldwide. The GRI Guidelines set out the principles and indicators that organizations can use to measure and report their economic, environmental, and social performance. www.globalreporting.org

Disclaimer: Where the relevant sustainability reporting includes external links, including to audio visual material, this statement only concerns material submitted to GRI at the time of the Check on 2 August 2011. GRI explicitly excludes the statement being applied to any later changes to such material.



► UN Global Compact Index

In 2007, Akbank became the first Turkish Bank to sign the United Nations Global Compact (UNGC). Pursuant to requirements of being a signatory to UNGC, we included actions we take regarding these UNGC principles, our current implementations, and performance information in our sustainability report. Information declared in the report on each aspect can be found using the table below.

UN Global Compact Principles	Page of the Performance Information
Human Rights	
Principle 1 Businesses should support and respect the protection of internationally proclaimed human rights.	34, 44, 48, 68, 70-73
Principle 2 Businesses should make sure that they are not complicit in human rights abuses.	34, 44, 48, 68, 70-71, 73
Labor	
Principle 3 Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;	34, 44, 48, 68, 73
Principle 4 The elimination of all forms of forced and compulsory labour;	34, 44, 48, 71
Principle 5 The effective abolition of child labour;	34, 44, 48, 70
Principle 6 The elimination of discrimination in respect of employment and occupation.	34, 44, 48, 68, 69-71
Environment	
Principle 7 Businesses should support a precautionary approach to environmental challenges;	33, 44, 48, 50, 86
Principle 8 Undertake initiatives to promote greater environmental responsibility;	48-50, 82-89
Principle 9 Encourage the development and diffusion of environmentally friendly technologies.	44, 50, 59, 83-84, 86
Anti-Corruption	
Principle 10 Businesses should work against corruption in all its forms, including extortion and bribery.	40-44, 75-77



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