



SUSTAINABILITY
REPORT **2011**



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MESSAGE FROM THE CHAIRMAN

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Dear Stakeholders,

We, as Akbank, are proud to issue our third Sustainability Report in accordance with Global Reporting Initiative (GRI) guidelines, initially presented in 2010 as the first of its kind among deposit banks in Turkey. Similar to the previous years Sustainability Report in Global Reporting Initiative (GRI) Standards, this year's Report also covers our achievements realized within the framework of our environmental, social and economic performance and sustainability vision.

As Akbank, we consider sustainability as an integral part of our fundamental business strategies. Our sustainability strategy is based on a number of pillars: producing long-term, stable, and forward-looking solutions and long-lasting values for all of our stakeholders and -founded on our principle of ethical and reliable banking- to be a bank with strong financial foundations, showing respect for the environment, investing in local communities and attaching importance to stakeholder relations and transparency.

With such awareness, we aim to create sustainable values through all of our activities and operations - from our community investment to our environmental efforts, from product responsibility in developing financial products to our human resources policy. We follow the latest trends in the world and in Turkey with the aim of continuing to make the best use of opportunities and challenges in terms of sustainability.

Thanks to outstanding efforts of all employees in 2011, Akbank continued to create sustainable values for the Turkish economy.

Akbank is an important actor in the banking sector, which is one of the driving forces behind economic and social development. Being aware of this role, while the global financial turmoil persisted in 2011, our Bank continued to follow a clear and consistent strategy, focusing on creating values for the Turkish economy by preserving sustainable profitability, without sacrificing asset quality and financial performance.

Within the scope of this focus, Akbank closed the year 2011 in a position better than the sectoral average in terms of all core indicators, including return on assets, capital adequacy ratio, leverage ratio, return on equity, operational income/expense ratio, and ratio of non-performing loans to total loans and continued to support our real economy with its strength.

We have reflected our sustainability vision on our banking products and services and adopted it in all areas -mainly in our loan policies- that we devised by considering Turkey's needs, and turned its implementation into a corporate reflex by internalizing it successfully in all business procedures.

We also continue to support entrepreneurs that play an important role in sustainable growth and SMEs that are vital to the economy through our various products and services as well as to provide them with resources that help them realize their innovative ideas. Within the framework of these efforts, we signed a cooperation agreement with Endeavour - a non-profit organization operating in 12 countries with a focus on supporting entrepreneurs.

Another continuing effort of our Bank is the support provided to global activities aimed at protecting the environment.

As one of the leading corporations of the Turkish economy, Akbank continues to support global initiatives. We know that it is very important for both our country and the world to take an active role in supporting the increase in environmental awareness, reducing environmental effects resulting from our operations, and minimizing effects caused by climate change.

We believe that individual efforts are very important for the environment but we think it is the corporate activities that are needed to create a significant difference. Corporate initiatives play an important role in getting faster results and contribute to encouraging and mobilizing individual efforts. Starting out with this awareness and understanding, we, as the Akbank family, chose environmental issues as one of our corporate social responsibility priorities and became one of the first corporations in Turkey to act in this area.

With such responsibility, we pioneered the Turkish business community by participating in the Carbon Disclosure Project (CDP), which is the world's most prestigious and extensive environmental initiative.

In addition, with the purpose of laying strong foundations for ensuring awareness of our employees in sustainability and climate change, we support the internalization of these issues throughout the Bank, including branches, via specially designed trainings.

We continue our commitment to the United Nations Global Compact (UNGC) that we signed in 2007. During the 2011 reporting period of the UNGC, we continued to base our policies and operations on 10 principles in labor, human rights, environment, and anti-corruption areas and we will continue to do so in the coming period as well.

We are also implementing the "No Time to Waste" Project in cooperation with the Regional Environment Center (REC) in order to draw attention to environmental and climate change issues. Within the scope of the Project, Akbank volunteers visited 93 elementary schools in 11 cities and made presentations about the environment and climate change to approximately 7,500 students. "No Time to Waste" Project was selected the "Best Corporate Social Responsibility Project" at the Best Business Awards event – a prestigious award organization in the UK and thus drew attention in the international arena.

In addition, this year we were the only Turkish bank to sign the Durban Communiqué, building on the Bali, Poznan, Copenhagen and Cancun Communiqués initiated by The Prince of Wales's Corporate Leaders Group on Climate Change (CLG).

Akbank attaches great importance to sustainable competitive capacity in its permanent leadership objective.

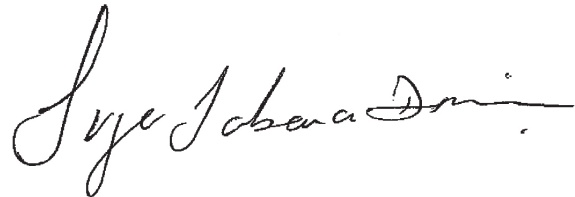
As emphasized in the Vision 2050 activities of the Turkish Industry and Business Association (TÜSİAD), of which we are also a member, sustainable development is a holistic approach that aims to achieve a planning process in line with the vision of future in economic, environmental and social dimensions by creating a balance between human needs and sustainability of natural resources.

We, as Akbank, will continue to support TÜSİAD's vision by participating in the activities that act as a roadmap showing us how to attain the Turkey we would like to live in 2050, because we do know that sustainable development process not only offers numerous opportunities to the businesses, but also contains a number of risks that may interrupt the process. What is important to us is to be aware of these issues and to develop and implement business processes to improve our sustainable competitive advantage with the aim of achieving our permanent leadership objective.

In the coming period, Akbank will continue to contribute to creating a sustainable future for our country, to pioneer changes in the industry and in our country, and to build collaborations with the aim of creating common benefits.

Suzan Sabancı Dinçer

Chairman, Board of Directors





MESSAGE FROM THE CEO

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Dear Stakeholders,

Today, Akbank is one of the most valuable companies in Turkey. According to the "Top 500 Global Banking Brands 2012" by Brand Finance, an international brand valuation consultancy, we are Turkey's most valuable banking brand with a brand value of approximately USD 1.6 billion. While this strength and such resources make us proud, they also assign us responsibility to do more for our society and for the world. With this strength, we continue to implement projects that create a difference for our country.

This year we share with you our third Sustainability Report -to which we attach great importance- prepared in accordance with the Global Reporting Initiative (GRI) Principles.

In our 2011 Sustainability Report, we aimed at communicating our approaches to issues that are material to our bank and to our stakeholders as well as communicating the performance we achieved as a result. This Report covers seven main subject areas; namely, Our Approach to Sustainability, Corporate Governance, Risk Management and Compliance, Value Added to Our Customers, Our Employees, Our Operations and the Environment, and Our Community Investment.

In 2010, we had combined all efforts aimed at both customer and employee satisfaction under a single umbrella philosophy called "For You". In 2011 we improved our relations with customers even better,

continuing to follow their needs, expectations, and problems more closely than before. With our innovative products and services, various practices and projects, we focused on offering our customers not only financial services, but also solutions that improve their quality of life and create value.

"Pay Mobile" -the first of its kind in Europe- and "Send Money" operations and functions were enriched. Our Internet branch was renewed for ease of use in order to facilitate our customers' access to financial services. With our innovative operations in Alternative Delivery Channels, we ensure that customers benefit from our services in a fast and reliable way.

In 2011 we also created the "For Us" philosophy for our employees so as to contribute to our objective of improving employee satisfaction. In line with this philosophy, we performed important activities for our employees' personal development. Through a unique and long-lasting training campaign that covers all our branches and includes sustainability training as well, we took a giant step in ensuring that all employees internalize sustainability and integrate it into business processes. In addition, we initiated Sustainability Approach trainings via in-class trainings and e-learning. The reason we encourage our employees at all levels -from branch managers to security staff- to follow these trainings is that we believe sustainability requires a collective effort.

We continue to successfully implement the Environmental and Social Management System that we had created in 2010 for loans within the scope of International Finance Corporation (IFC). This year we increased the number of colleagues in our branches who are experienced in loans and risk analysis, including environmental risks.

Climate change is at the top of our list of material environmental issues. The efforts that we initiated in 2009 to reduce our carbon emissions continue to increase. Just like in the year 2010, in 2011 we were again committed to measuring and reducing our carbon footprint in accordance with the Carbon Disclosure Project (CDP). We attach even greater importance to the environmental impact of our activities, our energy efficiency, saving paper, and recycling of electronic wastes.

Another effort that generated great excitement in our Bank in 2011 was the implementation of Akbank Volunteers system. With a feeling of social responsibility, Akbank Volunteers share their time and sympathy with people and institutions that are in need. The mission of the Akbank Volunteers system is to be a part of the solutions to societal problems. On the other hand, just as we did every year, in 2011 we again continued to contribute to our society via pioneering projects we implement in various areas, including culture and arts, education, youth, entrepreneurship, and environment.

I would like to emphasize that, as the first Bank in Turkey to sign the UN Global Compact, our commitment to these principles will continue and these principles will shape our activities. With its deep-rooted belief in sustainability, our Bank will proceed with creating lasting values together with its stakeholders, while continuing its activities with a focus on customer satisfaction and support for the national economy.

Hakan Binbaşgil





AKBANK AND SUSTAINABILITY - A TIMELINE

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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** Ak Type B Investment Trust established.
- 1999** Akbank Internet Banking started.
- 2000** Ak-Portfolio Management and Private Banking Business Units established.
- 2000** Akbank Malta branch opened.
- 2001** Akbank N.V. established in the Netherlands.
- 2001** Akbank Call Center started operations.
- 2005** Akbank became the first bank to repurchase its founders shares.
- 2005** AkLease incorporated.
- 2009** Akbank International Advisory Board established.
- 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.
- 2011** Send Money and Pay Mobile –the first of its kind in Europe- operations facilitated customers' access to financial services.

AKBANK AND SUSTAINABILITY - A TIMELINE

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Akbank and Sustainability

- 2000** Akbank Information Technologies obtained ISO 9001 Quality Certificate.
- 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 the "Make a Wish" foundation, established to fulfill the wishes of children aged 2-18, fighting against 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** 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** 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) 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 with favorable terms launched for entrepreneurs selected by Endeavor Turkey.
- 2010 and 2011** Signed the Cancun and Durban Communiqués prepared prior to the United Nations 2010 and 2011 Climate Change Summits.
- 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.
- 2011** Akbank Volunteers System put into effect.
- 2011** Akbank supported Global Student Entrepreneurs Awards.
- 2011** Akbank employees started to attend Sustainability training.

AKBANK AND SUSTAINABILITY - A TIMELINE

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Akbank and Arts

- 1972** Akbank Children's Theatre started performances.
- 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.
- 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** Became the sponsor of Rock'n Coke Festival where world-famous rock stars meet 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. 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 the Wings.
- 2010** Around 75,000 people participated in the Sonisphere Festival that brought world-famous heavy metal bands with the sponsorship of our brand exi26.
- 2011** Akbank became the prominent supporter of Turkish National Youth Philharmonic Orchestra.
- 2011** Akbank sponsored the "Cirque Du Soleil – Saltimbanco" show.



ABOUT AKBANK

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AKBANK IN BRIEF

Akbank has succeeded in being one of the most notable, reliable and valuable brands of Turkey since 1948. Our Bank's corporate culture includes finding fast and long-lasting solutions to ever-changing needs, continuously renewing itself, creating sustainable values for employees, customers, country and itself.

Our Bank offers consumer banking, commercial and SME banking, corporate banking, private banking, foreign exchange, money markets and securities transactions (treasury transactions), and international banking services. Non-bank financial services as well as capital markets and investment services are provided by Akbank's subsidiaries.

Our Bank preserved its leading position in the Turkish banking sector with its robust capital, consistent deposit structure, ability to acquire cost-efficient foreign exchange funding, and strong asset structure.

Through a strong and widespread domestic delivery network with a total of 926 branches, over 15,000 employees and more than 3,600 ATMs, Akbank operates via its Head Office in İstanbul and 20 regional directorates throughout Turkey. Our Bank offers banking services to over 8 million consumer, more than 490,000 commercial and SME, and approximately 4,500 corporate customers via the Internet branch and call center in addition to its branches.

As of the end of 2011, our Bank's consolidated net profit is TL 2,535 billion (approximately USD 1,342 billion) and total consolidated current assets are TL 140 billion (approximately USD 74 billion). The Bank's consolidated capital adequacy ratio is 16.8% - one of the highest in the Turkish banking sector.

NUMBER OF EMPLOYEES*

15,339

NUMBER OF BRANCHES*

926

NUMBER OF ATMS

3,695

NUMBER OF CREDIT CARDS

5.4 million

NUMBER OF DEBIT CARDS

5.9 million

NUMBER OF POS

288,000

* Excluding the Malta branch.

ABOUT AKBANK

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Main Brands



Our Bank's Vision, Mission and Values

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

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

Values: Integrity, Credibility, Non-Discrimination, Compliance, Confidentiality, Transparency, and Sustainability.

Our Strategic Goals and Strong Foundations

Strategic Goals

- To achieve a long-term sustainable return on equity of at least 16-18%
- 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

Strong Foundations

- Turkey's most valuable Banking Brand
- One of Turkey's most valuable companies
- The highest individual and financial strength ratings to be assigned in Turkey¹
- 926 branches and high-tech delivery channels throughout Turkey
- Turkey's innovative force with countless "firsts" in the sector
- Sustainable profitability as well as high return on equity and assets
- A robust capital structure with 16.8% capital adequacy ratio
- A superior asset quality with a low non-performing loans ratio of 1.7%
- High level of efficiency with an operational expense/assets ratio of 2.0%

¹For detailed information on our ratings by independent international rating agencies, please visit:

➔ <http://www.akbank.com/1317.aspx>

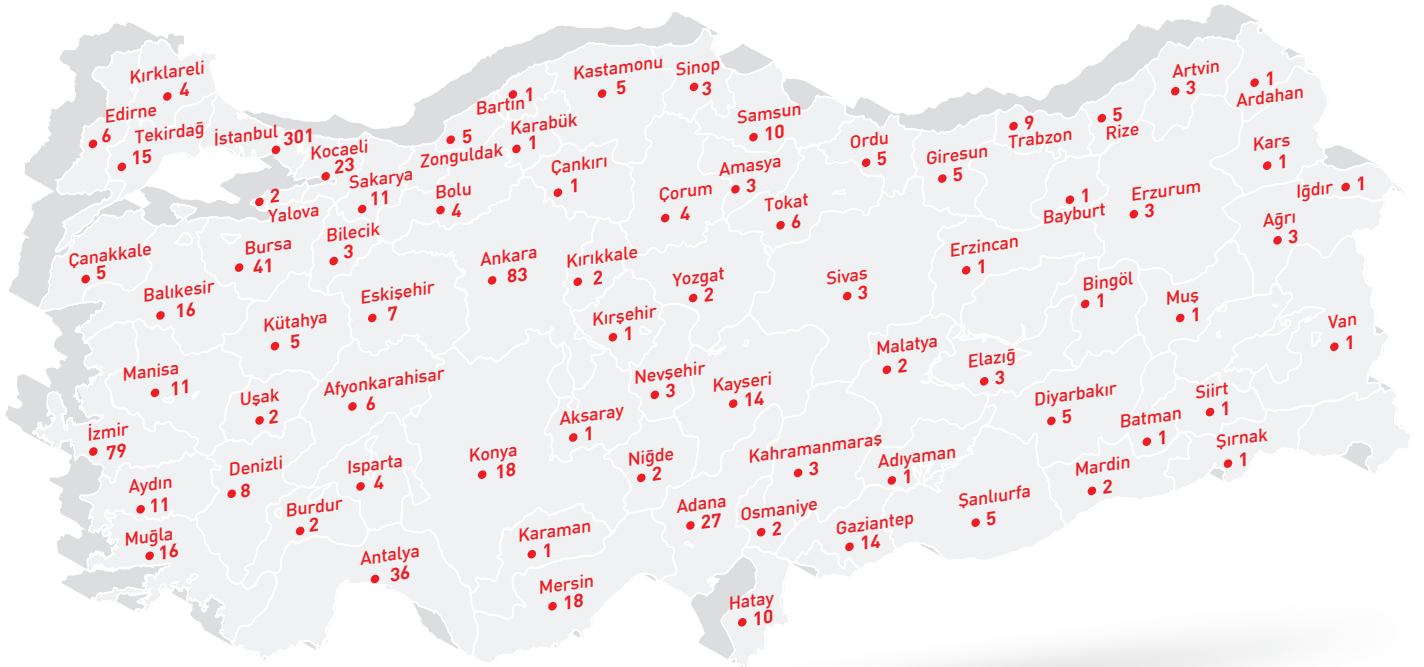
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Akbank in Figures

Our Extensive Network of Branches

Our Bank increased the number of domestic branches from 912 as of the end of 2010 to 926 in 2011 and thus improved its service network even more.



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Our Customers

In accordance with our understanding of providing services tailored to target customer segments, our Bank continues operations in four core business units: corporate banking, commercial and SME banking, consumer banking, and private banking. Our investments and policies in 2011 enabled us to increase the number of our customers in target segments compared to the previous year.

BUSINESS UNITS	CORPORATE BANKING	COMMERCIAL & SME BANKING	CONSUMER BANKING	PRIVATE BANKING
BRANCHES	CORPORATE BANKING BRANCHES 8	COMMERCIAL, SME, AND CONSUMER BANKING BRANCHES 909		PRIVATE BANKING BRANCHES 9
NUMBER OF CUSTOMERS	4,450	490,300	8,050,000	5,800
CUSTOMER SEGMENT	CORPORATE	COMMERCIAL, SMALL & MEDIUM SIZED ENTERPRISES, MICRO	CONSUMER	PRIVATE

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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 million)	2011	2010	2009
Total Assets	139,908	120,070	102,833
Loans	74,356	57,733	44,604
Deposits	80,771	71,708	60,954
Funds Borrowed	18,045	11,497	9,209
Shareholders' Equity	18,131	17,948	14,447
Net Profit	2,535	3,010	2,723
Return on Equity (ROE)	14.3%	18.90%	21.50%
Capital Adequacy Ratio (BIS)	16.8%	19.90%	21.00%
Market Capitalization (USD million)	12,748	22,320	19,061

Loans

The distribution of loans we provided to our customers is listed in the table below, based upon customer segment and currency.

Loans (TL million / USD million)	2011	2010
Corporate (TL million)	4,400	3,676
Corporate (USD million)	12,714	12,294
SME (TL million)	10,790	7,906
SME (USD million)	4,928	4,613
Consumer (TL million)	15,516	13,047
Credit Cards (TL million)	9,505	6,576

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Economic Value Generated for Stakeholders

We generate economic value for our stakeholders via our operations in banking services. Annual economic value that we generated as of the end of 2011 is approximately TL 11.7 billion. Distribution of the economic value among various stakeholders, from employees to community investment, government, investors, and suppliers is given in the table below.

Economic Value Generated and Distributed (TL million)	December'11	December'10	December'09
Direct Economic Value Generated	11,696	10,995	11,349
a) Revenues	11,696	10,995	11,349
Economic Value Distributed	9,234	8,465	8,292
b) Operating costs	1,375	1,451	1,337
c) Employee wages and other benefits	1,002	917	857
d) Payments to providers of capital	6,167	5,318	5,393
e) Payments to the government	773	769	696
f) Community investment	8	11	9
Economic Value Retained	2,372	2,529	3,056

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 15,548 while the number of Bank employees is 15,339.

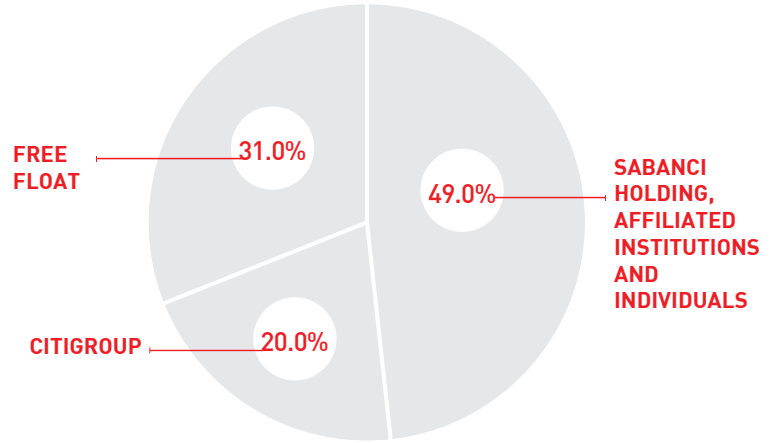
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Organization of the Bank

Akbank was established on January 30th, 1948 as a private-capital commercial bank and today it continues to operate in the same area.

Akbank stocks are traded at İstanbul Stock Exchange Market (ISE) with a free float rate of 31.0%. Akbank's Level 1 American Depository Receipts are traded at the OTC market in the USA. Our shareholder structure as of December 31st, 2011 is shown in the pie chart.



Our 2011 activities and detailed financial information can be obtained in our 2011 Annual Report at:

➔ <http://www.akbank.com/1312.aspx>

Our Subsidiaries

Our direct and indirect subsidiaries and our shares as of December 31st, 2011 are presented below.

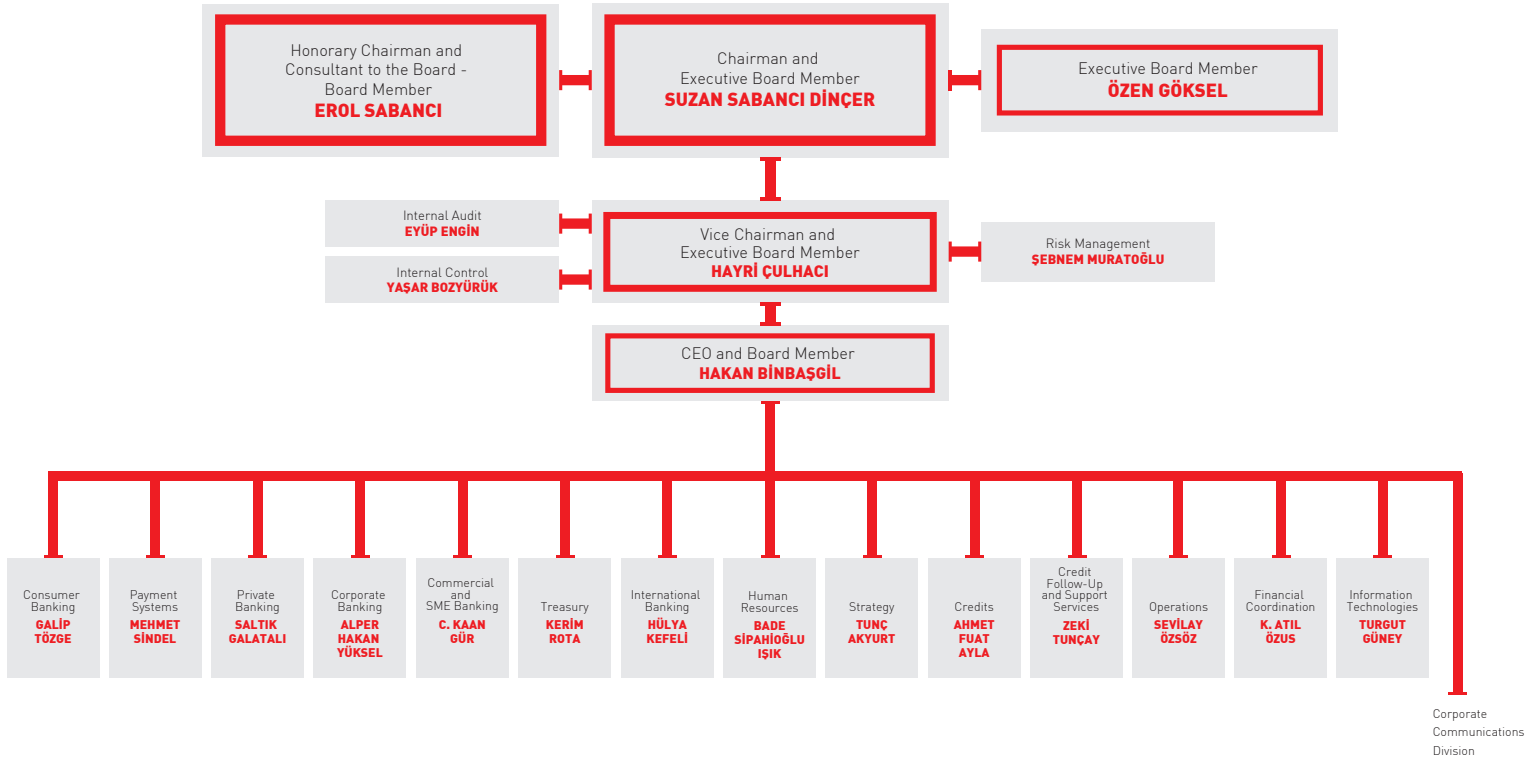
Our Direct and Indirect Subsidiaries	Area of Operations	Share (%)	Country of Operations
Akbank N.V.	Banking	100.00	The Netherlands
Akbank AG	Banking	100.00	Germany
Akbank (Dubai) Limited	Banking	100.00	UAE
AkLease	Financial Leasing	99.99	Turkey
AkSecurities	Stock Exchange Brokerage Services	99.80	Turkey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

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Our Organization Chart

Organization chart of our Bank is presented below. As of December 31st, 2011, one Deputy CEO and 14 Executive Vice Presidents report to our CEO. Board of Internal Auditors, Internal Control, Risk Management Division, and Compliance Unit directly report to the Board of Directors. In early 2012, the CEO of our Bank changed and our organization was restructured with 14 Executive Vice Presidents and one Division Head. The name of the Investor Relations Division, which operates under the Financial Coordination Business Unit and which is responsible for Corporate Social Responsibility activities, was changed to "Investor Relations and Sustainability Division".



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Awards and Achievements

Evaluations of our Bank, services and products by independent experts guide us in increasing satisfaction of all stakeholders -mainly customers- and in reaching our targets.

As a result of evaluations performed by several national and international institutions and corporations in 2011, our Bank received approximately 60 awards. Some of these awards are presented below.

Awarding – Researching Institution	Award Success Category	Award About the Success
Brand Finance	“Global Banking 500” Survey	Akbank was selected Turkey’s “Most Valuable Banking Brand” with a brand value of USD 1,582 million in the “Global Banking 500 - 2012” list by Brand Finance, an international brand valuation consultancy. Akbank ranked 96 th in the “Top 500 Global Banking Brands” list.
Global Finance	1. World’s Best Foreign Exchange Providers 2. The Best Bank in Social Media in Europe	1. Akbank was selected “Turkey’s Best Foreign Exchange Transactions Bank” for the 8 th time in a row, in a survey held in 97 countries. 2. Akbank received “The Best Bank in Social Media” award in a survey evaluating the banks with the best internet services in Europe.
EUROMONEY	Best Private Banking Services Overall in Turkey	Our Bank was recognized as the “Best Private Banking Services Overall in Turkey” for the 5 th time in 7 years in a survey evaluating around 400 banks globally.
Global Banking and Finance Review	Banking Awards	In an evaluation with extensive criteria, our Bank received “Turkey’s Best Bank” award.
EMEA Finance	1. “The Best Financial Institution Borrower” in Europe, Middle East and Africa (EMEA) 2. “The Best Financial Institution Loan” in Europe, Middle East and Africa (EMEA)	1. EMEA Finance selected Akbank the “The Best Financial Institution Borrower” for the second time in a row in Europe, Middle East and Africa (EMEA). 2. Akbank received the “The Best Financial Institution Loan” in Europe, Middle East and Africa (EMEA) award with its approximately USD 1.5 billion worth syndication loan in August 2011.
ifs School of Finance - Financial World Innovation Awards	Excellence in SME Customer Service award of the Financial World Innovation Awards	Our “SMS Loan for Small Businesses” offer received an award at the Financial World Innovation Awards, which is one of the most prestigious awards in the finance industry. In addition, our Bank made it to the finals in eight different categories and thus became one of the institutions with the greatest number of nominations.
IMI Conferences	İstanbul Call Centers Awards	At the contest in which 33 Call Centers from different sectors were evaluated in 14 categories, Akbank Call Center received “The Most Commendable Customer Experience”, “The Most Commendable Team Leader” and “The Most Commendable Call Center Agent Outbound” awards.

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Awarding – Researching Institution	Award Success Category	Award About the Success
STEVIE Awards	Bank Communications Campaigns	At the contest evaluating over 3,000 contestants from more than 50 countries, 1. Akbank received the first prize with its “Akbank Children’s Theater” communications campaign. 2. “Akbank 2010 For You” communications campaign received the Jury’s Distinguished Honoree Award. 3. Akbank’s 2010 Annual Report was awarded with the Jury’s Distinguished Honoree Award in “The Best Annual Report” category.
Palladium Group	Hall of Fame	In the awards that evaluate companies which successfully implement “Strategy-Focused Organization Model” and combine such implementations with performances creating a difference in competition, Akbank was selected “The Most Successful Corporation” in Europe, Middle East and Africa (EMEA). Akbank is the first Turkish bank to receive this award.
Gartner	CRM Excellence (Excellence in Customer Relationship Management) Awards	“Atom” -the customer relationship management system that our Bank put into effect in 2010- received an award in the “Integrated Marketing” category. Akbank is the first Turkish bank to receive this award.
LACP (League of American Communications Professionals)	2010 Vision Awards Annual Reports – Banks 2011 Spotlight Awards - Global Communication Awards	In the contest that evaluates annual reports of more than 800 institutions and corporations in over 24 countries, Akbank’s Sustainability-focused 2010 Annual Report was selected “The Best Annual Report in North America, South America, Europe, Middle East, and Africa”. In the contest that evaluates more than 1,500 communications projects from 12 countries, various activities of Akbank received the “Platinum Award”: <ul style="list-style-type: none"> • Akbank 2010 Interactive Annual Report in “The Best Online Annual Report” category, • Akbank Build and Manage Game in “The Best Digital Product and Service” category • Akbank 2010 Sustainability Report in “The Best Sustainability Report” category
MerComm	MerComm Galaxy Awards	At the 22 nd MerComm Galaxy Awards, Akbank received awards in five categories with its “Social Media Training Applications”, “2010 Sustainability Report” and “2010 Annual Report”.
Public Relations Society of Turkey (TÜHİD)	Golden Compass Public Relations Awards 1. Marketing Communications and Integrated Marketing Projects 2. Culture and Arts	Our Bank received Jury’s Distinguished Honoree Awards with 1. “Run to the Red” communications campaign and 2. “Akbank 20 th Jazz Festival”.
Best Business Award	Financial Services – The Best Corporate Social Responsibility	“No Time to Waste” Project focusing on climate change and realized in cooperation with the Regional Environment Center (REC), with participation from our employees was awarded.



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Our Approach to Reporting

Following our reports in 2009 and 2010, we have completed our third Sustainability Report which we prepared voluntarily, in line with our stakeholders' expectations regarding our social, environmental, and economic responsibilities and in compliance with our approach to lead the Turkish banking industry.

We have prepared the Report in accordance with the GRI Sustainability Reporting Principles G3 version of the Global Reporting Initiative (GRI), which is a worldwide recognized reporting institution. Our Report includes the steps we took in sustainability, the results we achieved and our commitment in full transparency. Similar to last year, as of 2011 year-end we are still the first and only bank to issue a sustainability report prepared in accordance with the GRI Guidelines among deposit banks in Turkey.

Our Report contains the active role we play in the growth of the Turkish economy, our Bank's approach to sustainability management, the value we add to our customers with our products and services, the benefits we provide for our employees, our efforts to reduce environmental impact of our activities, and our cooperation with stakeholders to improve social welfare.

Compared to the previous one, we have improved the content of this year's Report in the light of the feedback received from stakeholders. In this Report, Risk Management and Compliance are covered in a separate section. We reduced the number of pages and simplified the content to offer convenient reading. We followed the same data collection methods as the years before and explained them in relevant sections. We provided further explanations when other methods were used.

The Scope and Framework of the Report

Our Report covers the steps we took in social, environmental and economic issues and our related performance between January 1st, 2011 and December 31st, 2011. Based upon the GRI G3 Guidelines for Sustainability Reporting, this Report meets the requirements of GRI Application Level C. At the end of the Report a GRI Index has been placed in order to ensure easy access to the information within the scope of GRI indicators.

The 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. These guidelines also lead us in continuous development of Akbank's sustainability initiatives. The GRI Guidelines for Sustainability Reporting and their Turkish translation can be found at <http://www.globalreporting.org>

We have also included information on the progress we achieved in line with the commitment that we made to the United Nations Global Compact (UNGC) of which we are a signatory. UNGC Index that allows easy tracking of our activities within the scope of four areas of UNGC (labor, human rights, environment, and anti-corruption) and the related 10 principles is available at the end of the Report.

Boundary of the Report

Unless mentioned otherwise, all data and information in our Report covers the banking activities and locations 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. "Our Employees" part of the Report includes employees of our Malta branch. Generated and distributed economic value tables that include financial statements reflect consolidated figures.

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

Setting out the Content of the Report

While preparing the content of the Report, we used two international standards as our bases. The first one is the "AA1000 Stakeholder Engagement Standard" devised by AccountAbility, a UK-based organization. AA1000 is a standard that is globally recognized in developing, managing and implementing stakeholder engagement strategies. The second one is the "GRI Guidelines for Sustainability Reporting" of the Global Reporting Initiative.

We also took into consideration material issues for our corporate strategies and the information we collected via various channels to meet the expectations of our stakeholders. Therefore, this Report includes our practices and performance related to issues considered

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to be material by both our Bank and our stakeholders. Detailed information on selection of material issues and stakeholder dialogue is available in "Our Approach to Sustainability" section of the Report.

Prepared with contribution from almost all units of our Bank, the final version of this Report has been approved by the Corporate Governance, Remuneration and Social Responsibility Committee and Board of Directors.



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The concept of sustainability takes deeper roots in the procedures, services, and products of our Bank every passing day. Thanks to the dialogue platforms established between our stakeholders and our Bank, we receive feedback on issues material to our stakeholders. In the light of such feedback we aim to continuously improve our business processes and sustainability performance. We monitor our Bank's performance by implementing our sustainability strategy and commitments both in our operations and products. With our annual Sustainability Report, we communicate our practices and performance regarding our social, environmental, ethical, and economic responsibilities in parallel with the expectations of our stakeholders from Akbank.

Our Sustainability Vision, Strategy, and Commitments

Our Sustainability Vision

Our sustainability vision is to become the leader in Turkey and one of the leading institutions in the world.

Our Sustainability Strategy

The key to achieving our sustainability vision depends on our Bank's capability to manage environmental, social, ethical, and economic, in short sustainability risks and opportunities that we see in our products, services and operations. We made a list of these risks and opportunities by performing a materiality analysis. Thanks to this effort, we identified material issues that our stakeholders expect good performance from our Bank and that are required for our Bank to succeed. In other words, we developed our strategy by focusing on issues that are material to both our stakeholders and our Bank.

As a bank standing upon strong financial foundations and attaching importance to stakeholder relations and transparency, our strategy is to support economic growth of our country and our customers, to offer products and services that improve social welfare without sacrificing our ethical and secure banking principle, and to reduce environmental impact of our activities.

While implementing our strategy, our aim is to improve our performance day by day, following roadmaps we devise for each and every significant and material issue and making commitments.

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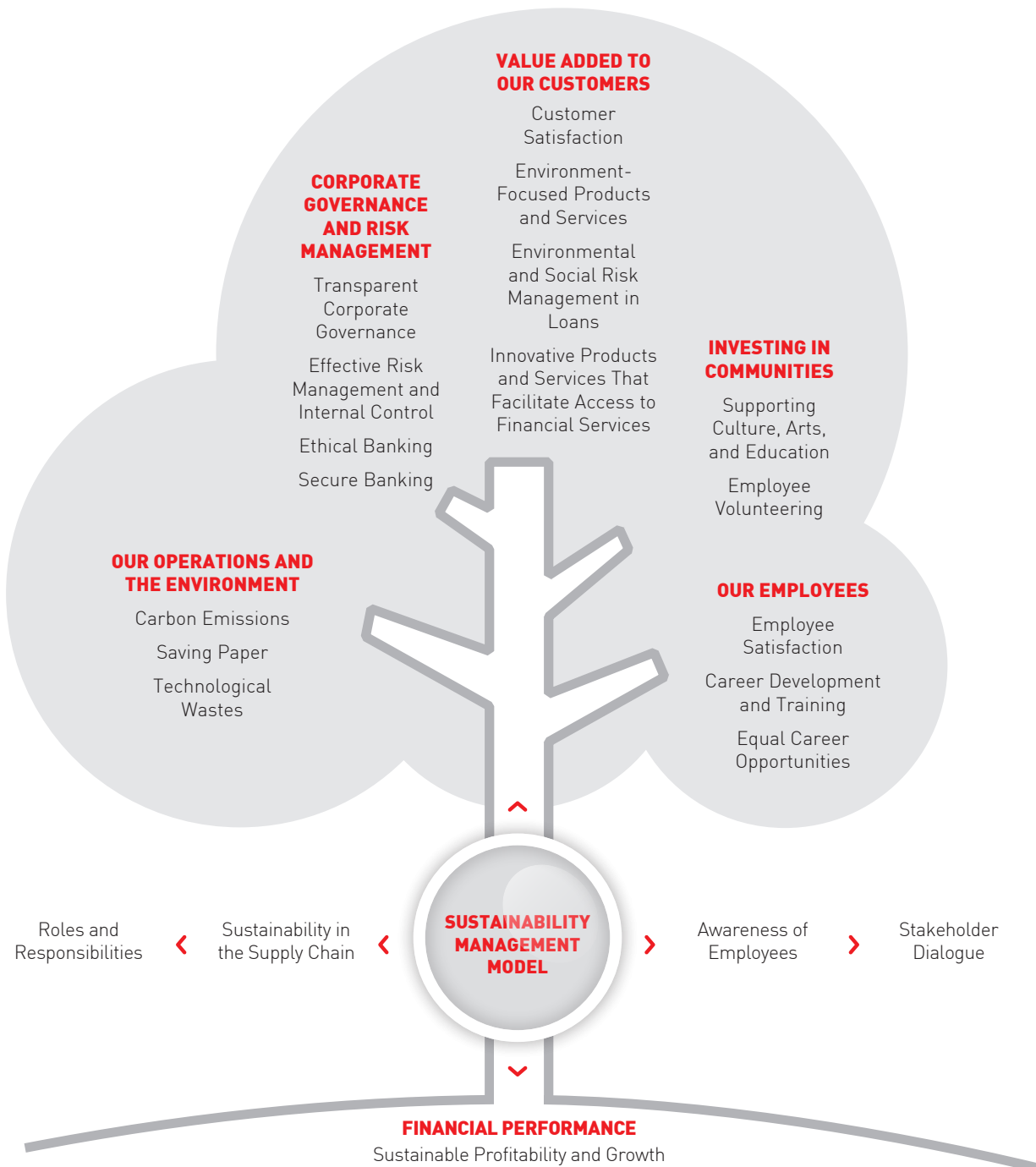
Our Sustainability Approach and Material Issues

If we are to compare our sustainability approach to a tree, roots reflect our financial performance. Sustainability and existence of our Bank is first and foremost dependent on the Bank's financial success. Our financial performance is what keeps us alive.

The tree trunk represents our Sustainability Management Model. It is the mechanism that enables the transition and communication from roots to branches. The trunk makes the tree more robust.

The element that makes Akbank more durable is its sustainability management.

The tree branches represent the material issues that we consider within the scope of our sustainability management: Our Employees, Corporate Governance and Risk Management, Our Operations and the Environment, Our Community Investment, and the Value Added to Our Customers. Below each area are the material issues that we selected. For example, employee satisfaction under "Our Employees" title is one of such issues.



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Our Sustainability Commitment

Long-term and strong financial performance that offers benefits for all of our stakeholders and forms the basis of our sustainability is our indispensable objective. Our environmental, social and ethical performance also plays an important role in achieving this objective. Therefore, we have set commitments for sustainability areas that are material.

Subject of Commitment	2011 Evaluation	Our Commitments
Financial Performance		
Sustainable profitability and growth	Without sacrificing our financial performance and asset quality, we achieved successful results in 2011 with strong earnings and balance sheet growth by focusing on sustainable profitability and adding value to our country's economy.	In the next period, our objective is to improve our sustainable performance by increasing our efficiency in all customer segments, boosting volumes in our material products, and strengthening relations with customers through all channels.
Sustainability Management		
Roles and responsibilities	We took steps to change the name of Investor Relations Division to "Investor Relations and Sustainability Division" as of 2012. We completed preparations to add sustainability to the job definitions and performance criteria of Sustainability (CSR) Team in 2012.	With our Investor Relations and Sustainability Division, we will continue to devise action plans to guide our sustainability strategy. We will include sustainability in the job definitions and performances of Sustainability Team leader and its members who are sustainability ambassadors in our business units.
Sustainability in the supply chain	We received statements from approximately 40% of suppliers, declaring that they will comply with Akbank's Guidelines and Policies.	We will continue to get statements from our suppliers declaring that they will comply with Akbank's Ethical Principles and Sustainability Policies.
Increasing awareness	We helped increase awareness of approximately 2,000 employees who participated in extensive sustainability training tailor-made for our Bank.	We will continue with sustainability trainings to ensure that all employees comprehend our sustainability approach better and integrate it into their business processes.
Stakeholder dialogue	We took steps to make improvements by receiving opinions and suggestions from our employees and customers -our most significant stakeholders- via various channels.	We will continue to support mutual dialogue and transparency policies with our stakeholders.
Corporate Governance, Risk Management and Compliance		
Transparent corporate management	We implemented new online dialogue platforms such as "webcast" to establish more active communication among the Bank's management team and shareholders.	We will continue to have transparent and close relations with our current and potential investors, and shareholders.
Ethical banking	We updated Akbank's Ethical Principles.	It will continue to be a priority for us to ensure compliance of our employees and cooperating stakeholders with our Ethical Principles so that our Bank's success and reputation are preserved.
Information security	We prepared surveys to set the steps to increase our employees' awareness in information security.	We will continue our efforts to take necessary precautions by monitoring innovations and developments in information security.
Our Customers		
Customer satisfaction	We integrated complaint management and the social media by creating an infrastructure to instantly reply to customers' questions and problems through whichever social media channel they use. In our branches, the waiting time at the pay desks remained below 8 minutes, just as we had targeted.	We will continue extensive efforts to reach the aim of ensuring the best customer satisfaction at every point of contact with them. We will continue our efforts to keep the waiting time in our branches below reasonable limits.

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Subject of Commitment	2011 Evaluation	Our Commitments
Our Customers		
Our environment-focused products and services	We started to offer our customers a financial resource of USD 100 million within the scope of 400-million-Euro worth MidSEFF that European Bank for Reconstruction and Development (EBRD) put together to finance medium-scale renewable energy projects in Turkey via Turkish banks.	We will increase the amount of short and medium-term "energy saving and renewable energy" loans provided to customers.
Environmental and social risk management in loans	Our Bank recruited "Loan Analysis Supervisors" in 2011 to evaluate all risks, including environmental risks, and to improve the process of application for those loans that require approval at the Credit Committee and the Board of Directors.	We will continue to apply various environmental and social criteria on loans given to customers in Corporate, Commercial and SME Banking segments.
Innovative products and services to facilitate access to financial services	We implemented a number of innovations that add value to our customers' lives and facilitate their access to financial services.	With our high-tech products and services, we will continue to meet the expectations created through competition.
Our Employees		
Employee satisfaction	With the aim of evaluating survey results, we performed focus and suggestion group activities together with mixed groups of employees that represent all units of our Bank.	To achieve constant development, we will continue to hold employee satisfaction surveys and perform remedial activities in the light of feedback we receive.
Career development and training	Akbank employees received 1,019,816 hours and 9.5 work days/person training in total.	We will continue our efforts to support personal development and increase motivation and professional satisfaction of all employees via our training system.
Equal career opportunities	We completed the preliminary preparations of the "Equal Career Opportunities Model Project" in 2011 and the project will be put into effect in 2012.	We will take necessary steps based upon the results of process and implementation monitoring performed within the scope of our voluntary "Equal Career Opportunities Model Project".
Our Operations and the Environment		
Our environmental impact	We started to improve our systems in order to better monitor environmental impacts resulting from our operations, including our approximately 1,000 branches.	We will continue our efforts to minimize environmental impact of our operations as much as possible and use natural resources more economically.
Carbon emissions	Believing in the importance of environmental awareness and accountability, we continued our efforts to measure and reduce carbon emissions resulting from our activities.	We will continue to support the internationally recognized Carbon Disclosure Project (CDP).
Our Community Investment		
Community investment through sponsorships	We tried to contribute to social well-being and development by supporting education, youth, arts, culture and environmental initiatives.	We will continue to support community investment projects for education, youth, arts, culture and environment.
Community investment through employee volunteering	In the first year of Akbank Volunteers system, 1,489 employees participated in various projects of non-governmental organizations and reached around 11,250 children and youngsters.	We aim to spread our volunteering system, increase the number of projects, and enhance participation of stakeholders in our projects.

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Stakeholder Engagement

All institutions and corporations that are affected by our Bank's activities, products and services 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 strategies and we pay ultimate attention to creating a regular, continuous, and trust-based communication with them.

Akbank website that was updated in 2011 and our regularly issued Annual Reports and Sustainability Reports are the most important platforms we use to inform our stakeholders. In addition, we also benefit from our bilateral dialogue programs specially designed for each stakeholder group in order to receive feedback from and establish dialogue with them.

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

Stakeholder Group-based Engagement and Dialogue Platforms	General Practice	Example
Shareholders, Investors, Analysts		
General Assembly Meetings and Minutes Face-to-face and e-dialogue (meetings, conferences in Turkey and abroad, teleconferences and meetings, presentations and briefings via e-mail and webcast) Public Disclosure Platform Annual Reports Capital Markets Board of Turkey (CMB) Corporate Governance Principles Compliance Report Press Releases	The dialogue mechanism that we developed to ensure that the continuous communication among the Bank management and shareholders is based upon "transparency, accountability, and regular briefings".	Our Corporate Social Responsibility Sub-Group within the Investor Relations and Sustainability Division informs investors on our environmental, social and economic sustainability performance both in writing and verbally.
Employees		
Employee Satisfaction Survey Corporate Performance System Meetings (e.g. Regional Directorates and Customer Relationship Management Performance Reviews, Annual Management Meetings, Brainstorming Sessions) Coaching system Corporate Portal "For Us" Suggestion System BANKSiS (Union of Bank and Insurance Employees) Akbank Retirement Fund Training Programs for Our Employees Ethics Line E-Bulletins	We are aware that high motivation and satisfaction levels among our employees are determinant in ensuring long-standing business performance. We regularly collect our employees' opinions and expectations and we try to bring related practices to life. We put platforms that ensure an effective internal communication into use.	In the light of the feedback we received from our Employee Satisfaction Survey, we selected "Talent Management" as a material issue in terms of identification and effective management of our employees' talents.

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Stakeholder Group-based Engagement and Dialogue Platforms	General Practice	Example
Customers		
Customer Satisfaction Surveys Akbank Branches Akbank Call Center Akbank Website Social Media (800 thousand followers) E-mail Briefings Business Development Meetings for Customers www.kobilersizincin.com website Akbank Art Center Activities Media Advertising and Promotion Campaigns	Customer satisfaction is our first and foremost priority. 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 communications innovative and environmentally friendly products, and supporting customers in business development.	In order to share the innovations brought by the new Turkish Commercial Code with our SME customers and to help them prepare for this new era, we organized "Are you ready for the future?" meetings that aim to understand our customers' related expectations and problems better and to offer solutions accordingly.
International Financial Institutions		
One-to-One and Joint Meetings Audits Negotiations Reports	Loans that we obtain from international financial institutions such as IFC, EBRD, and EIB for our customers mostly require climate-friendly uses and support for 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.	Within the scope of the loan contract we signed with the International Finance Corporation (IFC) for helping corporations grow, improving entrepreneurship, and meeting financing needs of SMEs, we launched the "Akbank Social & Environmental Management System – SEMS" in 2011. Within the framework of the system, we held an informative workshop. Thus we exchanged opinions on how to strengthen the synergy that supports sustainable development.
Legislators and Regulatory Bodies		
Meetings Forums and Conferences Various Task Forces Verbal and Written Notifications Declarations Press Releases Compliance Reports	We thoroughly comply with all related laws and regulations in all of our activities. 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 closely monitor developments related to the banking industry and present our opinions on legislation amendments to the authorities.	We continued to 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. We also continued to exchange opinions on structural elements to be demanded by creditor banks on various platforms for implementing investment projects awarded under the scope of public-private sector cooperation models (such as hospital investments).

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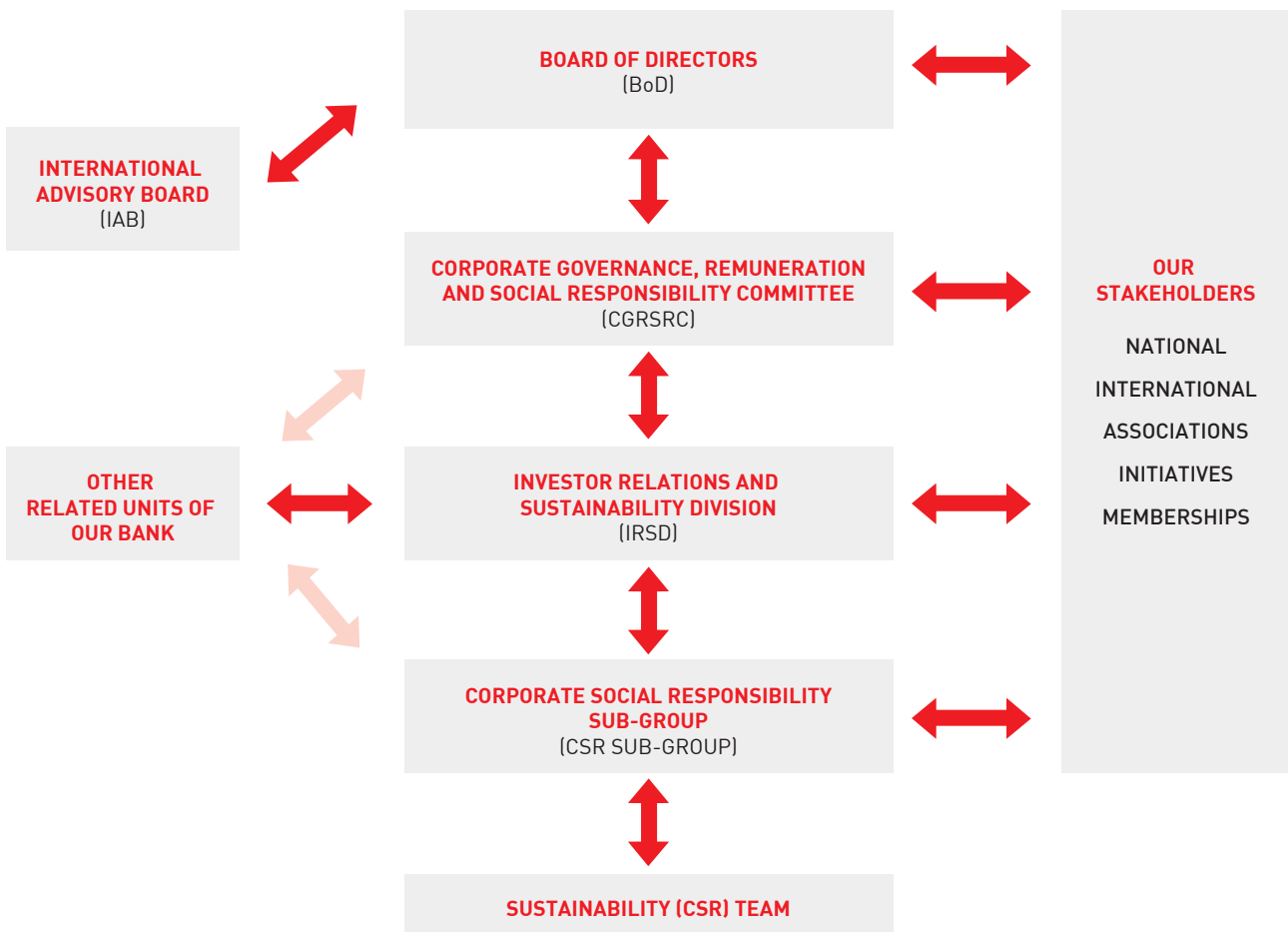
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Stakeholder Group-based Engagement and Dialogue Platforms	General Practice	Example
Suppliers		
Supplier Identification Forms Meetings Akbank Ethical Principles	We expect our cooperating suppliers to act in accordance with Akbank's principles and values. We also support their development through continuous information transfer.	As a result of informing the companies in our supplier portfolio on Akbank's Ethical Principles and Sustainability Policies, approximately 40% of them declared their commitment to comply with Akbank's Principles and Policies.
University Students		
Activities We Organize and Support Akbank Thinking Club Briefings Youth Banking Campus Branches Brochures and Promotion Campaigns	We care about university students' requests, opinions, and expectations. We continuously improve our investments in support of their education and development.	"Global University Student Entrepreneur Challenge" created by the Global Students Entrepreneur Awards (GSEA) in order to promote entrepreneurship among universities all around the world was held in Turkey for the first time in 2011. Our Bank co-sponsored the challenge to which 126 young entrepreneurs applied and we supported university students in their ambition to become future entrepreneurs.
Local Community		
Activities We Organize and Participate Our Arts and Culture Activities Press Releases	We aim to support numerous activities that offer social benefits and to reach local communities in areas we operate in.	In the first year of Akbank Volunteers system, 1,489 employees participated in various projects of non-governmental organizations and reached around 11,250 children and youngsters.
Non-Governmental Organizations		
Cooperation in Social Engagement Practices Sponsorships Meetings Conferences	We pay attention to improving cooperation with non-governmental organizations, being in continuous communication with them, taking their opinions and expectations about our activities into consideration.	While developing our Bank's volunteering system and other projects, we maintained close contact with non-governmental organizations throughout the year to receive their guidance, suggestions and support.
Media		
Press Conferences Press Releases Daily Economic Bulletins	Our stakeholders obtain accurate information and news on our Bank via the media, which is the most important actor in our communications cycle. Therefore, we aim to maintain continuous dialogue with national and international media, to inform them timely and accurately with our press releases. We also share opinions with opinion leaders at press conferences.	Our senior management and related managers regularly met with prominent figures of the media community at our press conferences and exchanged opinions.

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Sustainability Management in Akbank



The **Corporate Governance, Remuneration and Social Responsibility Committee (CGRSRC)** that directly reports to the Board of Directors is responsible for ensuring that sustainability issues are handled in a holistic manner at the senior management level. CGRSRC makes sure that our sustainability strategy is implemented and monitored throughout the Bank.

In addition to this 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) (2005-2009), is the Chairman of the Advisory Board. Details about the International Advisory Board are given in part 4 of this Report.

In our Bank, **Investor Relations Division (IRD)** is in charge of managing sustainability issues in coordination with internal and external stakeholders. In line with this purpose, a **Corporate Social Responsibility (CSR) Sub-Group** was established within the Division in 2010 and a manager was assigned. In addition, a **Sustainability (CSR) Team** composed of representatives from every business unit contributing to sustainability reporting operates under the leadership of the CSR Sub-Group Manager. With the restructuring performed at the end of 2011, the name of the Investor Relations Division was changed to **Investor Relations and Sustainability Division (IRSD)**. This Division is officially responsible for sustainability issues. Within the scope of this new system, required changes were completed to add sustainability into job descriptions of our Sustainability (CSR) Team leader and members.

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Corporate Governance, Remuneration and Social Responsibility Committee (CGRSRC)

A "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 sustainability, to integrate the areas of responsibility into our decision-making mechanisms, to increase awareness of sustainability issues among our employees, and to be able to carry out reporting in line with the international standards as per our transparency principle. 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. Then "remuneration" task was also given to the Committee and thus its name was changed to "Corporate Governance, Remuneration and Social Responsibility Committee" (CGRSRC).

The Committee that had eight members in 2011 includes the Chairman and Vice-Chairman of the Board and our CEO. CGRSRC meets at least twice a year. Among the items in 2011 agenda were the analysis of our Bank's current position in terms of sustainability, assessment of future steps, climate change strategies and action plan, and social responsibility projects.

Handling sustainability within our Bank in a holistic manner is the responsibility of IRSD under the supervision of CGRSRC. The holistic management covers issues such as integrating environmental, social and ethical aspects into our products and services with a strategic view and developing sustainability policies. An example is that our divisions performing core banking functions and our purchasing divisions internalize sustainability by integrating environmental and social elements 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 the policies that we implement within the framework of our holistic approach.

In addition, there are various material issues handled by related divisions of our Bank within the scope of our general business management. These are issues such as employee satisfaction, employee performance management, customer satisfaction, information security, and community investment. These issues are

managed by related divisions and have an important role in our Bank's sustainability strategy.

We continue our communication and operations with external stakeholders at various levels. Within the scope of stakeholder engagement, we play an active role in numerous national and international associations and initiatives. By exchanging opinions with key stakeholders on various platforms, we regularly review our sustainability approach in the light of expectations from us.

Our Internal Procedures

Covering a number of environmental, social and ethical elements in its structure, our Bank's "Ethical Principles" are our official declaration that we expect all employees and even stakeholders to comply with. Thanks to such compliance with the mentioned principles, we have made sustainability management a corporate procedure. Ethics Line to be used if any violation of these principles is observed is among procedures to support sustainability management within the Bank. Furthermore, the environmental and social criteria that we implement in providing loans for corporate, commercial and SME customers and in purchasing from suppliers are also within the scope of these procedures.

Internal Communication and Awareness

We use a number of channels to contribute to improving knowledge and awareness of our employees on "sustainability". The most important of these are in-class and e-learning programs. One of our most extensive in-class trainings is the sustainability training aimed at increasing branch employees' awareness on the issue. In 2011 more than 1,500 employees participated in a hands-on training based upon UNGC's 10 principles and learned especially about what sustainability management means in banking.

The Corporate Social Responsibility portal in our intranet system that is open to all employees includes publications and informative presentations on the issue. On the other hand, our sustainability efforts are broadcast on Corporate TVs in our branches. Important developments are communicated to the whole Bank via e-mails. We also use various communication channels to send reminders to our employees in order to encourage them save energy and reduce carbon emissions.

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Memberships in Associations and Unions, Signed Initiatives

Our Bank is a member of various associations and unions with the aim of closely following developments in sustainability and contributing to such developments within the limits of our interests and authority. Besides, by participating in globally recognized international initiatives as a signatory, we aim to take part in such global activities.

Our memberships in associations and unions, as well as the local and global initiatives we signed within the framework of sustainability are grouped below on the basis of relatedness:

- The Banks Association of Turkey
- Turkish Industry and Business Association (TÜSİAD)
- Corporate Governance Association of Turkey (TKYD)
- Turkish Ethics and Reputation Society (TEİD)
- European Union Green Banking in the Mediterranean Project
- United Nations Global Compact (UNGC)
- Turkish Industry and Business Association (TÜSİAD) Sustainable Development Task Force
- İstanbul Stock Exchange Sustainability Index (ISESI) Project
- The Banks Association of Turkey, Role of Financial Industry in Sustainable Growth Task Force
- Carbon Disclosure Project (CDP)
- Cancun and Durban Communiqués drawn prior to Conference of the Parties to the United Nations Framework Convention on Climate Change to make a call of action to governments from the private sector
- The Prince of Wales's Corporate Leaders Group on Climate Change (CLG)
- Climate Platform and Turkish Leaders Group on Climate Change established by REC and TÜSİAD
- Interbank Card Center (BKM)
- Visa Colourful Horizons
- Association of Corporate Communicators
- Association of Advertisers
- İstanbul Foundation for Culture and Arts
- Private Sector Volunteers Association

Contribution to Development of Public Policy

As we did in the previous years, we continued our efforts to develop public policies together with local and foreign public institutions in 2011.

Akbank senior management holds negotiations on issues such as economy and finance at the level of Presidency and Prime Ministry within the scope of leader communications. Mrs. Suzan Sabancı Dinçer, Chairman of the Board of our Bank, is a member of the Chatham House Board of Trustees within "Chatham House – the Royal Institute of International Affairs", which is one of the world's leading think-tanks. Mrs. 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.

Examples of Initiatives We Contributed in 2011

By playing active role in the projects of associations and unions that we are a member of or that we support, we contribute to the expansion of sustainable business models in our country. Two examples are provided below.

Within the scope of **The Banks Association of Turkey, Role of Financial Industry in Sustainable Growth Task Force**, we gave Sustainability Approach Training in October 2011. Representatives from all banks were invited to the training organized by our Bank's CSR Sub-Group with the aim of ensuring improvement and creating a common language in sustainability-related issues in the Turkish banking industry.

İstanbul Stock Exchange Sustainability Index (ISESI) Project is implemented by the İstanbul Stock Exchange (ISE) in cooperation with the Business Council for Sustainable Development Turkey (SKD). Akbank takes part in the ISESI Advisory Board. ISE Sustainability Index aims to provide a platform for Turkish companies that have the best practices in corporate sustainability.

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Other Activities We Support

We participate in and support forums, conferences and task forces to meet our stakeholders such as customers and legislators, to closely follow the agenda, to identify trends, and to improve and adapt our products and services in accordance with stakeholder expectations.

Our Bank supports various activities in finance and banking, focusing on economic and social development issues such as education, youth and entrepreneurship. Representatives of the Government, Legislators, Supranational and International institutions as well as local and international institutions are among the participants of the conferences that we sponsor.

Examples of activities we supported and participated in 2011 are given below.

Akbank and the United Nations Global Compact

The biggest evidence of Akbank's commitment to universal principles of human rights, labor conditions, environment, and a anti-corruption is its signature under the United Nations Global Compact (UNGC) – one of the important corporate social responsibility initiatives worldwide. With this signature, Akbank takes responsibilities such as respect for human rights, providing a safe and healthy work environment, protecting the environment, offering sustainable values and benefits to employees and the society by means of policies and practices that cover transparent corporate management. Thus our Bank pledges to fulfill its duties in creating more humanistic globalization.

Activity	Content
Forum İstanbul	Akbank is the strategic partner to Forum İstanbul Platform since 2009 and 2011's theme was "Towards 2023 With New Global Realities". With ever-increasing effectiveness, Forum İstanbul is an international platform that discusses political and economic trends. Participants are senior executives of national and international companies, academicians, politicians, senior executives of non-governmental organizations. Around 950 people participated in the 2011 activity. (Sponsorship and a speech)
Turkish-British Business Council London Conference "Grow with Turkey"	Turkish-British Business Council (TİİK) that aims to bolster economic ties between Turkey and Britain as a part of the Foreign Economic Relations Board (DEİK) and that operates under the chairmanship of Mrs. Suzan Sabancı Dinçer organized a "Grow with Turkey" conference in London on March 30-31, 2011. Akbank was one of the main sponsors of the event in which 350 people, mainly Turkish and British business people, politicians, academicians and media members participated. (Sponsorship)
Foreign Economic Relations Board (DEİK) "Istanbul Financial Centre: Perspectives and Creating Stimuli" Conference	The conference consisted of three panels, namely "International Financial Centers in the Post-Crisis Era", "Istanbul's Place among Financial Centers" and "What To Do To Make İstanbul a Financial Center". Mr. Ali Babacan, Minister of State and Deputy Prime Minister, and Mrs. Suzan Sabancı Dinçer delivered speeches. 350 people, especially representatives of the government, trade bodies, press members and members of İstanbul protocol attended the conference. (Speech)
Brand Finance Forum	Brand Finance makes annual brand valuations both globally and in Turkey. Its work is considered to be one of the most recognized brand valuations in the business world. Brand Finance's international valuation is published in The Banker as "The World's Most Valuable Banking Brands" and the one in Turkey is published in the Capital magazine. Around 150 participants mainly composed of senior executives of national and international companies, academicians, politicians and senior executives of non-governmental organizations attended the meeting. (Sponsorship)
İstanbul Chamber of Industry Congress and İSO 2011 Environment Awards	1,200 people from the business world and public sector participated in the event that we organized together with İstanbul Chamber of Industry (İSO) with the aim of continuing efficient cooperation, developing relations with potential customers, promoting our products at the booth built in the venue. (Sponsorship)

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Our Climate Change Strategy

Global climate change, which is one of the most important challenges that the Earth faces, is a material issue for our Bank. The fight against climate change resulting from greenhouse gas emissions has become an important item in the agendas of numerous corporations and institutions in recent years and we also took steps to assume responsibility in this area as of 2009. Our efforts continued with the same pace in 2011.

As a pioneering private sector corporation that is committed to reporting greenhouse gas (carbon dioxide) emissions in accordance with the international standards, our Bank aims to ensure that awareness of other institutions and corporations in our country on climate change increases, positive changes are made to reduce emissions, and public awareness is improved.

Among our important initiatives in terms of climate change is the support we have provided in the last two years for the implementation of the global Carbon Disclosure Project (CDP) in Turkey. In addition, as a participant to the project carried out by Sabanci University, the steps and the measures our Bank took are the major indicators of the importance we attach to the issue.

Carbon Disclosure Project (CDP)

Carbon Disclosure Project is a global initiative that was started in the year 2000 with the purpose of collecting 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 apply in their struggle against climate change, amount of greenhouse gases they emitted, and 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 how climate change-induced risks are managed by companies, CDP operates on behalf of 655 corporate investors that manage global assets of USD 78 trillion as of March 2012.

Climate Change Management

Our solution strategies for the global climate change as one of the most important problems the Earth faces are shaped by the Corporate Governance, Remuneration and Social Responsibility Committee that directly reports to our Board of Directors and by the International Advisory Board which includes Lord Stern, one of the world's leading experts in climate change. Investor Relations and Sustainability Division ensures coordination and management of the issue within our Bank. Other divisions such as Branch Operations, Architectural Works, and Personnel Management are responsible for collecting data, including energy consumption and implementing of energy saving practices.

Risk and Opportunity Management

Human-induced greenhouse gas emissions which are believed to cause climate change bring along some risks. These risks affect not only our Bank but also the whole society. For instance, heat waves of increasing frequency and density, floods, droughts, and extreme weather conditions are among the physical risks. This impact on the physical environment can have negative effects on industries such as forestry, fishery, agriculture, health, tourism, and construction. Climate change laws, legislation and regulations that have either been put into or will probably put into effect in our country and the world -including the European countries we do business with- have the risk of legal in-compliance and extra investment costs to fight climate change. It is believed that companies with high level of greenhouse gas emissions will be affected by the mentioned legal regulations. These may include energy companies, transportation and aviation industries.

Climate change-induced risks are handled at various platforms in our Bank. We are taking all necessary actions to manage these risks that we 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 in late 2010 and to comply with these regulations. In addition, we continue to offer products and services on relatively favorable 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 our Bank to measure and reduce carbon emissions resulting from our operations and business travels.

OUR APPROACH TO SUSTAINABILITY

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Carbon Management in Our Operations

Following our participation in Carbon Disclosure Project in 2009, the importance of measuring greenhouse gas emissions (in equivalent carbon dioxide terms) 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 the "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. Products including Akbank Energy-Friendly Loans are given in detail under the subtitle of "Climate-Friendly Loans" in the "Value Added to Our Customers" section of this Report. The "Carbon Footprint Project" is another example of our initiatives that was put into effect in early 2011 to raise awareness among our consumer banking customers.

Our 2011 Achievements

Our 2011 Carbon Disclosure Project (CDP) Report

In 2011 we prepared our second Carbon Disclosure Project (CDP) report and presented it to the CDP Secretariat. This report includes our Bank's climate change strategies and carbon emission data. Just like 2010, we took part in the 2011 Global 500 Report that assesses carbon reductions of the world's largest companies.

Signatory to Durban Communiqué

Akbank is the only Turkish bank to sign the Durban Communiqué, drawn prior to the Conference of the Parties to the United Nations Framework Convention on Climate Change in December 2011 in Durban, South Africa. More than 200 companies signed the Durban Communiqué, which makes a call to increase international cooperation to fight more actively against climate change. Our Bank had also signed and supported the Cancun Communiqué in late 2010.

Sustainability in the Supply Chain

In order to ensure that suppliers of the products and services our Bank purchases take various environmental and social standards into consideration, we renewed our "Supplier Management" policies in 2011. In the light of works done within this scope, the following aspects 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 creates required internal systems to achieve this goal.
- Considers the supplier processes that monitor social and environmental risks.
- Provides opportunities to suppliers that use 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 informed our entire supplier portfolio on Akbank's Ethical Principles and Corporate Social Responsibility Policies. We obtained declarations of commitment to comply with Akbank's Principles and Policies from approximately 40 percent of suppliers.

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, we ask companies to confirm that they do not employ child labor.



CORPORATE GOVERNANCE IN AKBANK

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CORPORATE GOVERNANCE IN AKBANK

Corporate governance in Akbank has been structured in accordance with national and international standards. Corporate governance in our Bank covers the following:

- Our relations with shareholders,
- Our public disclosure and transparency policy,
- Roles, responsibilities, and rights of the Board of Directors,
- Relations with beneficiaries.

While relations with beneficiaries (in other words, stakeholders) are covered in another section of the Report, the other three subjects has been detailed in this section.

In Turkey, Akbank

- is the first bank to publicly announce its dividend policy (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)

Relations with Our Shareholders and Investors

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. Thus, 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 order to manage and strengthen relations with both existing and potential shareholders, an "Investor Relations Group" was established within our Bank in 1996. The "Financial Accounting and Shareholder Transactions Sub-Division" and "Investor Relations and Sustainability Division" (the name of the "Investor

Relations Division" was changed as of the beginning of 2012) within the "Financial Coordination Business Unit" are responsible for the usage of shareholder rights or other mechanisms, answering investor queries in the most efficient manner and making efforts to increase the company value. This Division replies all questions that are not related to commercial secrets, taking the principle of equality into consideration and it is ensured that the Bank management and shareholders are in continuous communication.

The Investor Relations and Sustainability Division creates presentations that promote Akbank with the aim of increasing the recognition and preferability of the Bank 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 Division 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, through the "Corporate Social Responsibility Sub-Group", the Division informs investors on environmental, social, and economic dimensions of sustainability. The Division uses various electronic means to reach investors and ensures that all requests for meetings from corporate investors are replied by arranging a meeting with Akbank's most senior level executive possible.

In 2011, the Investor Relations and Sustainability Division attended a total of 20 domestic and foreign investor conferences together with executive management of our 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.

Our Bank's shareholders can also use their query rights at the Akbank General Assembly and our Bank answers all questions of shareholders. 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.

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According to Akbank Articles of Association, shareholders may exercise their right to vote either in person or 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

Our Bank abides by the regulations of the Capital Markets 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.

Our Bank's Public Disclosure Policy has been formed by the 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 Financial Accounting and Shareholder Transactions Sub-Division within the Financial Coordination Business Unit Investor Relations and Sustainability Division as well as the Corporate Communications Division are assigned to supervise and monitor all issues regarding public disclosures.

Our Corporate Governance Compliance Report can be found at:

➔ <http://www.akbank.com/2024.aspx>

Akbank Public Disclosure Policy can be found at:

➔ <http://www.akbank.com/en/corporate-governance/disclosure-policy.aspx>

Akbank Board of Directors

Structure of the Board

As of the end of 2011 there were five executive and four non-executive members in our Board of Directors. Chairman of the Board is also an Executive Member with responsibility in all issues. As of March 1st and April 3rd 2012 two independent members were assigned to the Board and thus the number of non-executive members increased to six.

Members to the Board are selected among professionals with the competence and expertise to steer Akbank's economic, environmental, and social strategies, by taking both their experiences and

educational backgrounds into consideration. Board Members possess the qualities stated in our Bank's Articles of Association and in Article 23 of the Banking Code.

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 basically defined by evaluation of the proposals made by the CEO and the Bank's results and it is communicated to the Members of the Board prior to the meeting.

In order for the Board of Directors to make a resolution, one more than half of its members must attend the meeting. Therefore all 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. 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 may either perform these tasks itself or assign the Bank's Credit Committee, a Board Executive Member, committees or commissions that it is authorized to establish 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 approves Akbank's annual budget and strategic plan, 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.

The Board of Directors is also 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.

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Committees within the Board of Directors

In Akbank's Board of Directors, there are various committees for different tasks. In addition to such committees, Board of Internal Auditors, Internal Control Center, Risk Management Divisions and the Compliance Unit which operates to prevent laundering proceeds of crimes directly report to the Board of Directors.

Akbank's Executive Management Committee

evaluates the Bank's financial data, position in the sector, profitability of business units, and new business developments.

In accordance with the legal regulations, the **Audit Committee** is formed by two Board members. The Audit Committee helps the Board in the performance of supervision and surveillance activities; it also monitors the operation and competence of internal systems as well as accounting and reporting systems.

Corporate Governance, Remuneration and Social Responsibility Committee (CGRSRC) was established in 2009 with the aim of monitoring compliance with corporate governance principles and supervising the implementation of corporate social responsibility activities. Last year it was decided that remuneration should also be in the responsibility of this Committee and thus its name was changed to Corporate Governance, Remuneration and Social Responsibility Committee (CGRSRC). The Committee meets at least twice a year. Detailed information on the Committee is provided in the "Our Approach to Sustainability" section.

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.

The **Asset-Liability Committee (ALC)** is responsible for the daily liquidity and cash management. ALC meets at least twice a week to discuss the latest developments in the economy and the markets. It is also responsible for devising investment, pricing, and funding strategies.

Updated information on committee members can be found at:

➔ <http://www.akbank.com/2034.aspx>

Rights of the Board Members

According to the Akbank Articles of Association, Members of the Board of Directors are paid a monthly fee or remuneration fixed by the General Assembly. In addition, the portion of the Bank's 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. The Banking Code limits loans to be granted by Akbank to the Board Members and they are not granted any loans against this mandate.

Pursuant to the Akbank Articles of Association, without the permission of the General Assembly 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. Akbank Board Members did not engage in any business transactions with the Bank in 2011.

Akbank International Advisory Board

The Akbank International Advisory Board was established with the aim of monitoring global and local economic developments and making strategic inferences for Akbank. The Board consists of a total of 10 Turkish and foreign members, each with profound knowledge and experience in their areas. Mr. Kemal Derviş, former President of the United Nations Development Programme (UNDP) and former Minister of 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. The Akbank International Advisory Board met twice in 2011. At these meetings, latest trends in the global economy, main trends in monetary and finance policies, and current opportunities for the Turkish economy were discussed with a global perspective.

Updated information on Board Members can be found at:

➔ <http://www.akbank.com/international-advisory-board.aspx>



RISK MANAGEMENT AND COMPLIANCE

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RISK MANAGEMENT AND COMPLIANCE IN AKBANK

Foreseeing risks, managing them with professional proficiency, and ensuring compliance have been among the most important building blocks and superiorities in Akbank's corporate culture since its foundation.

It is primarily the responsibility of the Board of Directors to establish and ensure operation of an effective risk management system throughout our Bank. In parallel to this responsibility, the Board performs necessary actions to identify our Bank's basic approach to risks and risk management policies.

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 of achieving the expected effectiveness.

All Akbank employees are responsible for compliance with policies and strategies drawn by the Board, effective management of risks related to their own areas of operation, and taking necessary actions to comply with the legislation.

Risk Management

Our risk policies are made in relation to our Bank's long-term strategies and targets as well as to the quality and quantity of activities. In all cases, including capital allocation, portfolio/investment preferences, new product and activity decisions, risk management, compliance with legislation, environmental and social impacts must be considered.

We continuously evaluate risks that we may face during our activities and update policies, procedures, and practices required to manage these risks effectively. Such updates are performed by closely following and implementing changes, innovations, arrangements and models in internationally-recognized risk management principles. All of the analyses calculations, simulations, scenarios, stress tests and other efforts play a

determinant role in the strategic decisions made by our Bank's Board of Directors and senior executive management.

The issues below come into fore when sustainability in risk management is considered.

Market Risks

Market risks emerging due to fluctuations in foreign exchange rates, interest rates, and market prices of stocks are measured by using internationally-recognized models. Limits are identified for a Unit, Bank or Group and compliance with these limits is continuously monitored.

Liquidity Risks

Our Bank has created a liquidity management framework for maintaining required liquidity resources to perform our legal liabilities in a timely manner to depositors, creditors and corporations that we made a commitment to. Akbank protects itself from any negative impacts to be caused by liquidity risks with its widespread deposit base, robust capital structure, and varied foreign borrowing sources. In addition, extra liquidity sources are available thanks to limits allocated by the Central Bank, ISE Repo Market and the Settlement and Custody Bank as well as the liquid securities portfolio in hand. By being cautious in foreign currency liquidity management, reserves sufficient to fulfill liquidity needs are maintained.

Management and monitoring of market and liquidity risks had an increasingly important role in the cautious and farsighted management of the probable negative impacts of the crises and challenges experienced recently in the global economy.

Credit Risks

All banking products with credit risks (such as credit placements and commitments to customers, letters of credit) are managed with assistance from cautious loan policies and procedures in our Bank. In all credit transactions, loan quality (credit worthiness), purpose, and environmental and social effects are assessed via an internal customer rating system. Sector, customer, loan type, customer segment limits are identified in order to monitor credit risks. As explained in the "Value Added to Our Customers" section of this Report, a risk analysis that also allows evaluation of environmental

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risks has been included in loan packages in 2011 for project financing, corporate and commercial customer segments.

Reputation Risks

Reputation risk is a significant risk in terms of sustainability. All Akbank 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 were identified (including areas such as full compliance with legislation, establishing and exercising trust-based relationships with stakeholders, efficient and fast solutions to customer complaints) and these have been put down in writing. Akbank Ethical Principles serve as an important guide in this sense.

New Products and Services Risks

In addition to risks identified for existing products and activities, risks that may arise from development of new products and services are also assessed. Potential financial, operational, legal and reputation risks of newly-developed products or services; methods to be used in measuring and managing these risks; and control mechanisms to be established are identified with contribution from related divisions of the Bank. Since 2011, "New Product and Service Evaluation Committee" comprising managers of all related divisions in product development decides on the suitability of each new product and service in terms of legislation and technical qualifications. When the Board of Directors approves the extensive risk assessment made by the Committee, necessary actions are taken for risk management.

Operational Risks

Operational risks are among the most important and extensive risks in banking. In general, operational risks result from overlooking errors and irregularities due to failures in the control of business processes, bank management's and employees' failure to act in accordance with the time and conditions, errors and irregularities in IT systems, or natural disasters. In our Bank, differentiated and diversified controls and mechanisms such as insurance and limits are used in the management of risks related to all risk categories, mainly legal and reputation risks.

Legal Risks

Operating flawlessly in terms of compliance with legislation is a priority for us. For following legislation related to the banking sector and for adaptation to developments and changes, various divisions work to

ensure compliance in our Bank's system infrastructure, business processes, rules, and limits.

Internal Control and Internal Audit System

Main objective of Akbank's internal control system is to ensure that the Bank's assets are protected, operations are performed effectively, efficiently, and in compliance with legislation 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 effective internal control system. The Audit Committee assists the Board of Directors' activities in this context.

The most important component of an effective internal control system is the control environment. In our Bank, the control environment is defined within certain rules and designed to contribute to all business processes. In addition, arrangements on issues such as organization structure, Ethical Principles, distribution of authority and responsibility are also performed. Our employees are encouraged to identify and assess risks that may prevent our Bank from reaching its targets and are continuously reminded of the importance of control activities in managing such risks.

In line with this understanding, effectiveness of the internal control system is ensured via following determined 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 at every level
- Documentation of all workflows and checkpoints throughout the Bank via the Business Process Management (BPM)
- Establishing information systems that are in compliance with the volume and quality of the Bank's activities
- Establishing effective and comprehensive communication channels, hearing suggestions of employees on processes and activities, and implementing them

Internal Control Center

The Internal Control Center performs periodical controls in branches and the Head Office Divisions to measure the effectiveness and adequacy of internal controls performed during the execution of the Bank's operations. The aim is to see whether the internal

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controls are in conformity with the laws and internal legislation and are performed effectively and efficiently. The Center also works to establish control systems in required areas. Internal control activities are executed by the control personnel working at 40 different points in our Bank. All branches of the Bank are checked via in-situ controls and a permanent internal control employee works at the Malta Branch.

The Bank's employees are informed on new legislation, compliance process is monitored, new products and services (prior to approval by the Board of Directors) and internal regulations (prior to issuing) are assessed and reported in terms of legislation and internal control systems. Also technical controls of the Bank's information security and IT infrastructure systems are performed, and an active role is played in redesigning of business processes and identifying additional checkpoints.

The Internal Control Center attaches importance to preventive approaches. In addition, results of the Center's activities are discussed not only at quarterly Control Committee meetings, but also at weekly meetings with the related Board Member; probable risks are taken under control while still at a "potential" level.

The Board of Internal Auditors

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

Internal audits are performed in a way that covers all of our units, processes and operations and with a risk-oriented point of view. Examples to the work done by the Board of Internal Auditors are evaluating the compliance of branch transactions with the provisions and liabilities stated in internal and external legislation investigating, analyzing, assessing existing or probable, actual or potential risks resulting from negligence, misconduct, fraud etc. in our branches, units and affiliates; and eliminating risks.

The Board of Internal Auditors examines 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. It also puts in effort to identify and solve probable irregularity notifications from legal bodies (including those via the Ethics Line), the Bank itself, and our customers. As a result of the operations of the Board of Internal Auditors, findings are identified through internal control and suggestions are made to develop the processes, increase efficiency, and strengthen internal systems. Furthermore, actions taken accordingly are actively monitored.

Results of the activities performed by the Board of Internal Auditors and Internal Control Center are regularly monitored and evaluated by the Control Committee and Board of Directors.

Compliance

Although a variety of units in our Bank is responsible for following related legislation on banking and ensuring compliance in a timely and holistic manner, each and every employee is responsible for compliance.

In terms of sustainability, two compliance areas should be especially emphasized for the banking industry.

Prevention of Laundering Proceeds of Crime

Our Bank's operations regarding "prevention of laundering proceeds of crime and financing of terrorism", which is important in ensuring national and international financial stability, are performed by the Compliance Unit that directly reports to the Board of Directors. Within the scope of such efforts, our customers, customer transactions, products, and services are evaluated with a risk-based approach in parallel with legislation. In this context, implementation details of precautions and principles aimed to identify, rate, monitor, evaluate, and prevent potential risks are fulfilled by considering the liabilities in relation to knowing the customer.

Our Bank operates within the framework of the "Know Your Customer Policy" prepared in accordance with both the national legislation and principles, regulations, and standards set by international authorities. Systemic controls are made to prevent mediating in banking transactions for laundering proceeds of crime, financing of terrorism, and illegal activities by taking standards issued by the United Nations Security Council and Financial Action Task Force into consideration.

Compliance in Product Promotions and Marketing Communication

As in all other industries, all kinds of communication operations performed with the aim of promotion and marketing of banking products and services are also subject to various laws and regulations. Every employee who communicates with customers, including the Corporate Communications Division, is responsible for the compliance of our communication activities with the laws and regulations.

In all activities regarding product promotions, sales and marketing communications (including advertisements and sponsorships), our priority is to abide by the generally accepted ethical rules, privacy of personal information, laws and regulations (Turkish Commercial Code, Consumer Protection Law, Directive for Commercial Advertisement and Announcement Principles and Codes of Practice by the Turkish Ministry of Industry and Commerce, regulations by the Banks Association of Turkey and Interbank Card Center), industry standards, all rules of institutions that we are a member of, such as Visa and MasterCard.

In promotion and marketing of our products and services, we especially pay maximum attention to avoid any loss of rights of our customers. For instance, in credit card commercials broadcast on TV, we make sure that informative subtitles are used and the size of letters as well as the flow rate of subtitles is appropriate and legible. We announce our campaigns and innovations about our products not only on our website, but also via e-mail and SMSs to customers who prefer such communication.

Informing customers on the terms and conditions of the products and services that they purchase is an important factor in achieving customer satisfaction. Within the framework of our clear pricing policy and by taking legal requirements into consideration, we announce terms and conditions of all of our banking products and services, information such as fees, commissions, and interest rates in various media, including our website.

For more information please visit:

➔ <http://www.akbank.com/faiz-oran/ucret-komisyon.aspx> (available only in Turkish)

Secure Banking

Security in banking products and services can be addressed under two main areas: confidentiality and

safety of customer information and information safety. Responsibility in providing secure banking services begins as soon as the product or service is sold and continues for the entire lifecycle of it. Any negative experience in any phase of this cycle could result in losing a customer and adversely affect our reputation and thus "secure banking" principle is fundamental to our Bank's services.

Ensuring confidentiality of customer information is a requirement by the law as well as by our Bank's rules and Ethical Principles. Therefore, only related and authorized employees can have access to customer information and transactions made using such information are regularly monitored. Outside the Bank, this information can only be shared with legally authorized people and institutions. Surveys are held to measure our employees' level of awareness in information security. In accordance with the results of these surveys, we plan information security awareness activities and train our employees to inform them on issues to be paid attention to.

As a part of secure banking, to ensure maximum financial security of our customers, our systems are protected with various information security measures and technology-based threats are regularly monitored. Additional measures such as sector, transaction, and total sum limits and multi-digit password use are employed especially in products including Internet, telephone, and credit card products. VirtualCard that we devised for customers who want to shop safely on the Internet is one of the safety measures we take on behalf of our customers.

Committees including the Security Committee and Information Security Committee monitor potential threats and test our systems, follow technological innovations, and evaluate all kinds of upgrading and development alternatives. In addition, to increase awareness, our customers are continuously informed on the measures they can take and points they can pay attention to via our website.

For instance, safety measures for the Internet banking can be found at:

➔ <http://www.akbank.com/consumer/freedom-banking/internet-banking-security.aspx>

For more information on the VirtualCard please visit:

➔ <http://www.axess.com.tr/kartlar/axess-sanalkart> (available only in Turkish)

Business Continuity Management

In order to ensure safety of our employees and customers and to guarantee continuity of key products and services, our Bank executes the Business Continuity Management Program that pledges continuity of banking activities. This Program is devised on the basis of business continuity and disaster management system defined in the British Standard Institute's internationally recognized BS 25999 Standard. The Program covers all processes that are critical in terms of business continuity, including all units of our Bank and outsourced services when relevant.

The management of the Business Continuity Management Program is coordinated by the Business Continuity Committee. The Committee develops business continuity plans, creates resources, and ensures compliance of disaster management and operations with legal and international standards (ITIL / ISO 20000 Information Technologies Service Management and ISO 9000 Quality Management).

Within the scope of this system, a disaster drill is performed throughout the Bank at least once a year. In accordance with the drill plan, critical operations are tested in simulations. On the other hand, through regular investigations and designing demands for preventive and regulatory activities, the system is maintained up-to-date and active. In addition, a Disaster Recovery Center was built in İzmir in order to continue services via the IT Center in case of a disaster.

Ethical Banking

To be able to continue our operations and to maintain our high stakeholder confidence, we expect our employees and our stakeholders with whom we cooperate to abide by our Bank's high ethical standards. It is a priority for us to announce these expectations to every related person and to monitor compliance.

Ethical Principles

The Ethical Principles regulating the attitude and conduct of Bank employees, as well as their relations with persons and institutions within or outside the Bank are announced after approval of the Board of Directors. Akbank's Ethical Principles are announced in our website and Corporate Portal; all of our employees also receive obligatory e-learning on these principles. Completion of the mentioned training by all employees is monitored by the Internal Control Center. The aim of these activities is to ensure that our Ethical Principles are internalized.

Recently updated in 2011, Akbank's Ethical Principles are composed of four main subjects. The first subject covers our responsibility towards the society and the environment in accordance with our commitment to the UN Global Compact.

Akbank's Ethical Principles can be found at:

➔ <http://www.akbank.com/2038.aspx>

Notifications of Suspected Violations of Ethical Principles

In case of suspected violations of Ethical Principles, our employees and stakeholders can notify Akbank's related units within the framework of the confidentiality principle via two main channels.

Our stakeholders can inform the Board of Internal Auditors of suspected violations directly at our Call Center - 444 25 25. Such notifications can also be made through e-mails to be sent to etik@akbank.com.

If our employees believe that there are practices contradicting to the Ethical Principles in their units, but refrain from taking actions as being part of the same unit, to solve the problem, they can use our Ethics Line. 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. Callers are not required to give their names and if they do, the information is kept confidential.

All notifications are evaluated by the Ethics Line Officer (an auditor assigned by the Board of Internal Auditors). The notification is transferred to the Board of Internal Auditors in cases that require examining or investigation, otherwise to the Executive Vice President (EVP) of the related business unit to take necessary actions. In accordance with the disciplinary regulations, any employee found to be failing to abide by our Ethical Principles despite all communication and training efforts, warnings and measures is subject to various disciplinary actions, including discharge.



VALUE ADDED TO OUR CUSTOMERS

VALUE ADDED TO OUR CUSTOMERS

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VALUE ADDED TO OUR CUSTOMERS

Our customers are among our most important stakeholders. It is a priority for us to understand and oversee our customers' needs, to develop banking products and services that directly influence the quality of their lives, and to offer them such products and services with the most advantageous conditions. In 2010 we had initiated the "For You" campaign to add value to our customers and to maintain our high customer satisfaction levels; in 2011 we continued and developed the campaign in many ways. We built our "For You" campaign upon listening to our customers and comprehending their needs and expectations correctly.

In an era where banking has become a service to facilitate users' lives and add value to them, we are aware that simply understanding the customer is not enough and that we have to offer a variety of products and services to meet their diversified expectations. Therefore we examine all technological innovations from the perspective of banking, evaluate them, develop and implement practices that add value to our customers.

We consider first of all environmental and then social and economic impacts of the products and services we offer to customers of every segment. In order to manage such impacts, we evaluate a variety of environmental and social criteria of the products and services we provide to our customers. We invest in delivery channels to contribute to local economies and organize business development meetings for SMEs which are the dynamos of the economy. We implement various innovations to ensure that each member of the society has easier access to financial services.

Core Banking Services

In addition to the Consumer Banking and Private Banking services we provide for our retail customers, Commercial and SME Banking as well as Corporate

Banking offered in line with the ever-changing needs of our corporate customers form our core banking services. Our International Banking unit operates to provide foreign financing to our customers. Credit cards we offer to customers of every segment are also an important part of our services. Financial services that are out of the scope of banking (such as insurance) and capital markets, leasing, and investment services are provided by our Bank's affiliates.

Consumer Banking

Our consumer banking services is in continuous development in line with the expectations of 8 million retail customers, requirements of the era, market conditions, and our social responsibility. With the "For You" concept that we put into effect based upon the principle of listening to our customers effectively and understanding their needs and expectations accurately, we offer a number of financial services and products to our consumer segment via different delivery channels. We also have a variety of pioneering practices to allow each member of the society to have easier access to financial services. Such practices are discussed in more detail in the next pages of the Report.

Corporate Banking

We offer core banking services as well as various other products and services to proactively meet strategic and financial needs of approximately 4,500 corporate customers as of year-end 2011. In addition to providing structured products and financial solutions tailored to the specific qualities of customers, we also play a significant role in the financing of long-term investment projects. For instance, at the planning phase of investments, we share our profound know-how in project financing with customers who plan to make investments and co-create a roadmap to structure investments in a financeable manner.

In 2011, we continued our role as the financial consultant to the Gebze-Izmir Build-Operate-Transfer Highway Project, which includes building one of the longest suspension bridges of the world and is Turkey's biggest greenfield infrastructure project starting from scratch. With the aim of commissioning in project structuring phase, we brought financial institutions such as IFC, EBRD, and Islamic Development Bank together with prominent national and international banks and played a critical role in the progress of the project.

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SME Banking

Our Small Business Banking Division within the SME Banking Segment offers special products, services and solutions to small and micro sized businesses, whereas our Commercial Banking Division offers the same to medium sized ones. (As of 2012, the segment's name was changed to "SME and Commercial Banking"). By 2011 year-end, number of customers in the SME segment reached approximately 490,000. Some of this increase results from the transfer of the micro businesses that we served in 2010 to SME Banking in 2011.

As the Small Business Banking Division, we continued to offer innovative financial products and services to small-scale businesses and to organize briefings and various campaigns in 2011. Our Commercial Banking Division also contributes to the increase in the performance of its customers by offering products that meet the needs of medium-scale businesses and by establishing cooperation. In our branches there are over 1,000 Customer Relationship Managers who are experienced in SME's operation areas and who know our customers and their needs well.

Private Banking

Since 2001, we have been offering Private Banking services at nine private branches – five in İstanbul, the rest in Ankara, Izmir, Bursa, and Adana.

Akbank Private Banking assists individuals with assets exceeding TL 500,000 with their investment decisions, provides tailor-made solutions when necessary, and serves its customers' pension, insurance and leasing demands with a single-station and specialized service in cooperation with the Akbank Group companies. With our Private Banking service, we continuously monitor our customers' investment strategies and offer special solutions with support of our Customer Relationship Managers and a total of 20 investment consultants.

We pay attention to supporting our Private Banking services with innovative solutions. For instance, the iPads used in customer visits give the chance to make the best use of time and opportunities by instantly imaging portfolio and market conditions. Another service we offer to our customers is art consultancy. Upon demand from our customers, we support their investments in art works as well as investments in financial instruments with the help of expert Akbank Art Center curators.

Responsible Practices and Risk Management in Loans

Loans that we provide for our Corporate, Commercial or SME Banking customers are evaluated in terms of various environmental and social criteria:

1. Project finance loans exceeding USD 50 million with a term of over five years are subject to Akbank Environmental and Social Policies. Project finance loans with smaller amounts are also evaluated in terms of environmental risks.
2. With the aim of evaluating all risks (including environmental ones) more efficiently and improving processes in loan applications that require approval of the Credit Committee and the Board of Directors, our Bank began to employ Loan Analysis Managers in 2011.
3. Regardless of the amount of the loan, customers benefitting from our loans financed by international financial institutions are expected to abide by the social and environmental performance criteria set as prerequisites by these institutions.

1. Implementation of Akbank's Environmental and Social Policies

Since 2010 we pioneer the industry by implementing Akbank Environmental and Social Policies on projects which exceed USD 50 million with a term of over five years. With this system, we aim to proactively and effectively manage potential environmental and social risks and opportunities during the project, including pre-project phase.

Pursuant to Akbank 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 to. 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 impact 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. Among projects that require EIA approval certificate are long-term infrastructure projects that have a high level of impact on the environment, such as hydroelectric power plants (HEPPs) and highways.

Our Branches, Pre-Credit Committee at the Head Office, and Credits Business Unit are responsible for

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the evaluation of loans in terms of compliance with the policies and preparation of the required action plans. Loans are approved by the Credit Committee within the Board of Directors.

Engineers in the Credits Business Unit make field controls both during the evaluation of loan applications and performance of projects requiring construction. In pre-project controls, issues such as project's compliance with EIA and local community's reactions to the suggested project are investigated. During the project, main focus shifts to issues such as compliance with occupational health and safety standards.

On the other hand, within the framework of Akbank Environmental and Social Policies, projects that allow transforming environmental risks into opportunities are given priority. Among these are renewable energy investments, waste recycling investments or those which reduce carbon emissions or improve energy efficiency.

2. Environmental Risk Analysis of Loans

With the system initiated in 2011, for evaluating all risks (including environmental ones) more efficiently and improving processes in loan applications that require approval of the Credit Committee and the Board of Directors, our Bank began to employ Loan Analysis Managers. Experienced in loan and risk analysis, these Loan Analysis Managers are responsible for investigating all risks to be evaluated at the loan application phase and for recording the results of the analyses in the application file. We aim to make sure that the team is better equipped in terms of environmental and social risks in 2012.

3. International Financial Resources That Support Sustainability

With the business partnerships that we establish with international financial institutions, we aim to contribute to the economic growth in our country by continuously offering new loan opportunities to our customers. In such loans we require our customers to abide by a variety of social and environmental performance criteria depending on the source of the loan. In addition, we provide our customers with financing from international sources for affordable loans to be used in energy efficiency and renewable energy projects. In 2012, we will continue to cooperate with international financial institutions in order to support projects that create sustainable value.

Akbank Social & Environmental Management System (SEMS)

Within the scope of the loan contract we signed with IFC in 2010, we established the Akbank Social & Environmental Management System (SEMS). This system is based upon IFC's social and environmental performance standards and is developed for identifying, evaluating, and managing social and environmental risks of the projects of the SME and Corporate customers that we finance with IFC loans. SEMS Social & Environmental Management System covers issues such as environmental and social assessment and management; labor force and working conditions; prevention and mitigation of pollution; public health, safety and security; protection of biological diversity; sustainable management of natural resources; and protection of cultural heritage.

Akbank Social & Environmental Management System is managed by a committee in the leadership of a coordinator. The SEMS coordinator and committee members are selected among representatives of Credits, Marketing and Sales Management, International Banking, and Corporate Social Responsibility divisions. In 2011, IFC gave environmental and social performance standards training to SEMS committee members and our teams that work in providing similar loans.

EBRD Criteria

Loans that we offer to our customers via the European Bank for Reconstruction and Development (EBRD) ensure sustainability of energy resources and prevent environmental pollution by financing renewable energy and energy saving projects. In addition, loan contracts include criteria that require identification and mitigation of environmental and social impacts that such projects may have in the related region. In projects that we offer loans from EBRD, compliance with the requirements of national environmental, health and safety legislation as well as with EBRD's environmental and social performance criteria is sought. EBRD offers independent project consultancy to our customers to enable compliance with these criteria. This contracted consultancy company also performs environmental and social compliance audits.

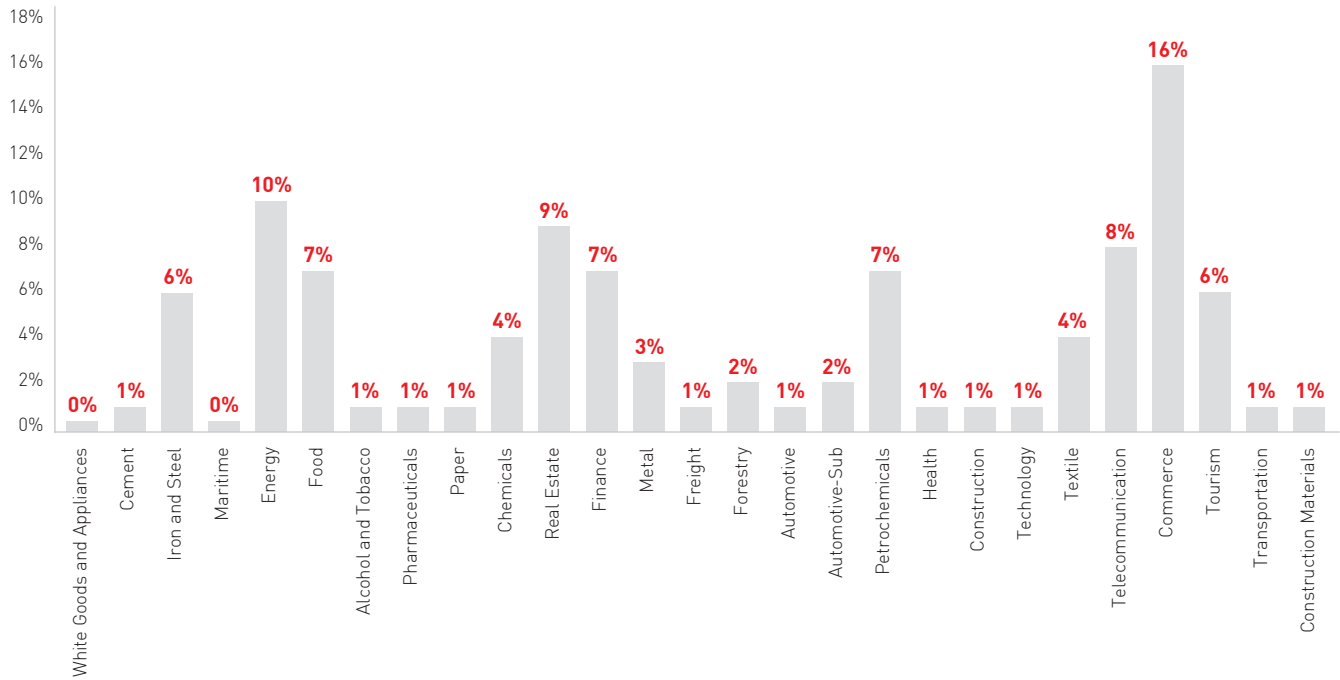
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Distribution of Loans Provided for Customers, by Sectors

We offer our customers a wide array of loans for purposes such as growing their businesses, increasing their sales volumes, doing business abroad, company acquisitions and mergers, and project financing.

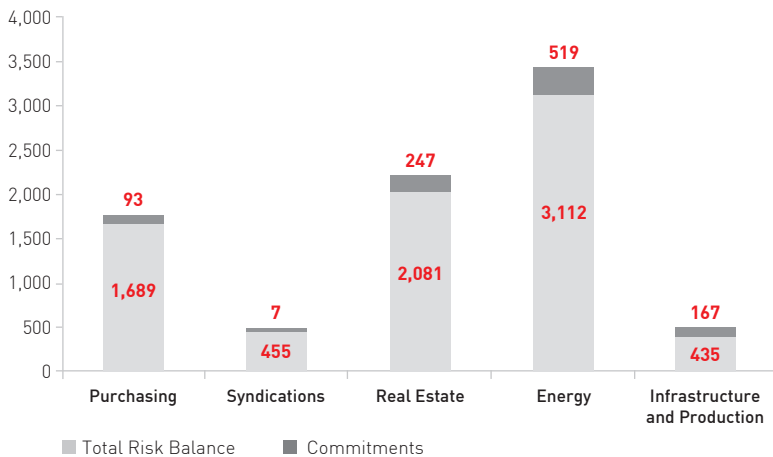
Distribution of consolidated cash loans by sectors in 2011 is given in the table below.



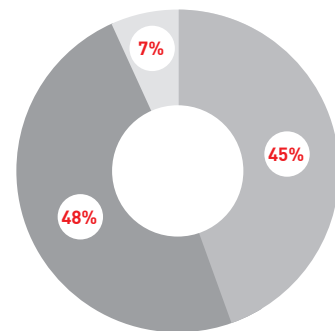
Project Financing

With our cautious policy applied so far, we, as Akbank, have one of the lowest non-performing loan ratios of the industry. Within the scope of this cautious approach, instead of concentrating project financing loans on a single sector, we distribute them among sectors such as energy, real estate, telecommunication, infrastructure, transportation, and petrochemicals in a balanced way. Ratios of project financing distribution by sectors are given in the charts below.

Size of the Project Financing Loan
USD million



Sector-based
Distribution



■ Energy ■ Real Estate ■ Infrastructure and Production

Note: Sector-Based Distribution excludes Purchasing and Syndication Loans.

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Climate-Friendly Loans

Our Bank offers a variety of loans to its customers both from its own resources and by borrowing from international financial institutions for the financing of energy efficiency and renewable energy projects.

Energy-Friendly Loans

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

As Akbank, while contributing to the development of the energy sector in Turkey, we also pay attention to the environmental impacts of energy generation projects. In line with this policy, we continued our contributions to financing renewable energy generation projects in 2011. Wind Energy Power Plant (WEPP) and Hydroelectric Power Plant (HEPP) projects constitute an important part of our loan portfolio. In 2011, financial support provided for such projects of our SME and Corporate customers had 70% share in our total energy project loan portfolio.

EBRD MidSEFF and TurSEFF Loans

In August 2011, we provided loans amounting to USD 100 million from the European Bank for Reconstruction and Development (EBRD) for transfer to financing of mid-size renewable energy and energy saving projects in Turkey. With this Mid-Size Sustainable Energy Financing Facility (MidSEFF) loan that has a maximum maturity of 12 years, SMEs are encouraged to make renewable energy investments.

The USD 60 million-worth Sustainable Energy Financing Loan (Sustainable Energy Financing Facility -TurSEFF-Program) -obtained from EBRD in 2010- aims to support businesses in increasing energy efficiency and spreading of renewable energy use and has a maximum maturity of seven years.

IFC Securitization Loan

IFC Securitization Loan is provided within the scope of the USD 75 million-worth agreement signed between IFC and Akbank in 2010. Our Corporate, Commercial

and SME customers can benefit from this loan for the financing of not only renewable energy generation projects, but also investments in equipment that provides energy efficiency and savings.

Our Products and Services for SMEs

Entrepreneurship culture is strong in our country and currently, over 99% of businesses are SMEs. Therefore, growth of SMEs is vital for the economic and social development of our country. Based upon this fact and by focusing on long-term targets, we offer SME Banking services with the aim of creating value and contributing to sustainable development.

In addition to providing basic financial services for SMEs, we also reach them through projects that create added value in line with our "For You" philosophy. For instance, we try to provide them with the information flow and consultancy support required for their access to financing resources. We see SMEs as our "Business Partners" and create solutions to their needs.

Special Packages and Funds for SMEs

In addition to our existing products, we offer approximately 20 product and service packages such as Wholesaler Support Package, Tourism Support Package, Manufacturing Support Package, and Logistics Sector Package to our customers of various segments, sectors and regions. We also cooperate with a variety of institutions to obtain funds from low-cost sources and develop affordable and long-term funds. Examples of such special funds provided in 2011 are given below.

Cooperation with KOSGEB – "Emergency Support Loan Protocol"

This year, with KOSGEB (Small and Medium Enterprises Development Organization) we signed an "Emergency Support Loan Protocol" for businesses that may be affected by cases such as natural disasters, wars, general strikes, fires, civil commotions, and terrorist actions; an "Emergency Support Loan Protocol for the City of Van"; and an "Operating Capital Support Loan Protocol for the City of Van" for the SMEs affected by the devastating earthquake in the city of Van and town of Erciş. With this cooperation, we offer loans with 0% interest rate to our SME customers, with all the interest rate of the loan to be paid by KOSGEB. With the Emergency Support Loan Protocol, we provide SMEs financing support with a six-month non-refundable commercial loan, the remnant to be paid in equal installments with a 24-month term. As a part of this protocol, we offer Emergency Support Loan for the

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City of Van and an Operating Capital Support Loan for the City of Van which allow SMEs in Van to obtain a 12-month non-refundable loan to be paid in equal quarterly installments with a 36-month term.

Loan Facilities for the Growing Anatolia

Loan Facilities for the Growing Anatolia is a program that covers 43 cities and increases the chance of micro, small and medium-scale businesses in underdeveloped regions to have access to financing, with the aim of reducing regional development differences. Created by the European Investment Bank and European Investment Fund, Easy Loans for the Growing Anatolia offers guarantee, capacity development and promotion opportunities for the loans. As one of the five banks to mediate for this program, Akbank provides support to targeted businesses seeking financial support in areas such as new investments, operating capital, exports, etc.

New Solutions for SMEs

As in the previous years, in 2011 we continued to offer new and innovative products and services that meet ever-changing and developing needs of our SME customers.

Expert Customer Relationship Managers ("I Know It")

Since the needs of SMEs vary according to the sector they operate in, we help our customers grow and develop their businesses in areas other than finance, by enabling our Customer Relationship Managers gain expertise in various sectors.

Renewed Wholesaler Support Package and Tourism Support Package

Our Bank offers advantageous support packages covering products and services that meet the needs of SMEs. These packages include mainly loans prepared in accordance with their cash flows as well as products and services such as cheque books, letters of guarantee, commercial extra money loan, company credit cards, POS machines, and insurance.

In 2011 we held an extensive sector survey with the parties in the tourism sector (such as hotels, cafes, restaurants, agencies, and shops) to identify the current situation and future expectations of the sector. Based upon the results of this survey, we improved our Tourism Support Package even more. Our SME customers operating in the tourism sector will use our Tourism Support Loan as operating capital for both their new investments and their needs in the new season. Taking into consideration the fact that financing needs of wholesalers of food products increase before the month

of Ramadan, we renewed our Wholesaler Support Package. Customers benefitting from this package are offered special interest rates and advantages.

Integration of LUCA Accounting Program into Bank Account Transactions

LUCA is an accounting IT system used widely among the Certified Public Accountants and Financial Advisors. In 2011 we signed the LUCA – Integration of Bank Account Transactions Protocol with the Union of Chambers of Certified Public Accountants and Sworn-in Certified Public Accountants of Turkey (TÜRMOB). The aim of this initiative is to ensure automatic transfer of banking transactions approved by our customers who are also LUCA-member financial advisors as well as by their customers to their accounting programs. Financial advisors who benefit from this service will perform their accounting transactions in a significantly faster, safer and flawless way and improve service quality offered to their customers.

Suppliers' Finance

Suppliers' Finance is a web-based financing model that does not contain any expenses, fees, or commissions and that is specially designed for our SME customers who are suppliers, dealers or distributors of corporate businesses. Suppliers' Finance is popular among SMEs that can collect their claims before due date from their corporate clients given they are customers of our Bank's as well.

Innovations in Insurance Services

Among the innovations we offered to our SME customers in 2011 were the new products we included in our insurance product range in cooperation with Aksigorta. POS Plus Insurance that puts specific risks of the member businesses (those using our POS machines) under guarantee is one of these innovations. We also started to offer a fixed-price Workplace Insurance product that puts basic risks under guarantee within a certain limit for other business owners who are our Bank's customers.

Web&Mobile Loans for Small Businesses

In order to make life easier for small businesses, we facilitated loan processes by opening a number of new channels. With our "Web Loans for Small Businesses" product, all private companies can easily apply for loans via the Internet. And with our "SMS Loans for Small Businesses" system, our customers can apply for loans by sending us an SMS and get a reply in one minute. Our "SMS Loans for Small Businesses" product received an award at the International Financial World Innovation Awards.

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“aRife taRife for Small Businesses” Helps Small Businesses Save Money

We launched “aRife taRife for Small Businesses” package so that small businesses will not pay individual fees for each transaction and thus perform their cash flows at considerably lower costs. With this package, small businesses receive banking services favorably at our branches, on our website or through our telephone banking in return for an annual fee.

Support for Entrepreneurship

In 2011 we continued to support efforts to raise awareness on entrepreneurship within the society, to increase the number of new entrepreneurs, and to enhance opportunities for entrepreneurs. An example was our cooperation with Endeavor Turkey in Special Loan for Endeavor Entrepreneurs, Best Investment and Best Enterprises Summits; the other one was the Global Student Entrepreneur Awards sponsored by Akbank.

Support for Entrepreneurs - Endeavor Program and Meetings

Endeavor is an international non-governmental organization established to support effective entrepreneurs in developing countries and to contribute to economic development. Within the scope of the cooperation with Endeavor, our Bank initially provided effective entrepreneurs selected by Endeavor Turkey with a TL 20 million loan pool. The entrepreneurs selected by Endeavor benefit from this loan pool with advantages such as more favorable collateral requirements, longer terms and lower interest rates.

In addition to our financial services specially-designed for entrepreneurs, we held two meetings with Endeavor to offer our support. At the Best Enterprises Summit organized in cooperation with TÜSİAD, prominent speakers (including representatives of the private sector, risk capital and investment companies; business leaders; and academicians) came together with entrepreneurs with huge growth potential to discuss issues such as leadership, management, entrepreneur financing and to work together in workshops. On the other hand, at the Best Investment Summit, participants were informed on the Angel Investor model that supports not only capital but also know-how, coaching and network support for entrepreneurs. Our aim is to continue such meetings on a more wide-scope basis.

An Example to the Endeavor Project: Vistek ISRA Vision

Vistek ISRA Vision is a technology company established in 2006 and it is also one of the businesses that benefited from Akbank’s Special Loans for Endeavor Entrepreneurs. Developing artificial vision-based automation systems, Vistek ISRA Vision produces machinery that separates foreign materials from food and glass products, using systems based upon optical principles.

“Using the special loan package offered by the cooperation between Akbank and Endeavor, we obtained financing for our business and thus gained a variety of added value. Vistek ISRA Vision grows by taking firm steps and adopting an R&D-oriented approach. With the financing we obtained, we increased the pace of our R&D investments. Thus, we received support in meeting the R&D costs of the process from project-based working principle to product development. We contributed to both Vistek ISRA Vision’s growth and high-tech-oriented employment for developing products with higher added value.”

Prof. Aytül Ercil, CEO - VISTEK ISRA VISION A.Ş.

Business Development in SMEs

We support our SME customers in finding new markets for their products and services and generating demand. Business development programs and information specially devised for SMEs, examples of which are below, help SMEs draw their own roadmaps.

SME Export School - First Step in Exports

With the “SME Export School - First Step in Exports” project launched jointly with the Foreign Economic Relations Board (DEİK), we continued our support for SMEs that want to expand into overseas markets. We informed SMEs that do not make or have just started making exports about 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 Denizli, Afyonkarahisar, Dudullu, Adana, and Mersin in 2011.

SME Web Portal

www.kobilersizinicin.com is an informative portal launched for SMEs in March 2011. The portal contains financial and sectoral analyses and news. Via the portal, SMEs can ask experts questions on foreign trade,

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entrepreneurship, trademarks, taxes, etc. Visitors can watch videos of experts outside our Bank via Akbank SME TV. In the Ads section of the portal, SMEs can share their questions regarding new customers, employees, raw materials, and machinery-equipment. www.kobilersizinicin.com received the Outstanding Achievement Award in the Financial Services category at the International Interactive Media Awards, which is one of the most prestigious contests of the interactive world.

Another practice that strengthened our relations with SMEs was "Establish and Manage – a Virtual Game of Establishing and Growing Businesses for SMEs" that could be reached at www.kobilersizinicin.com and Akbank's facebook page for four months. Establish and Manage is a game designed especially for SMEs. It provides not only information required to have access to financing, but also the chance to create models for establishing, managing and growing businesses using Akbank's products and services. Specially devised for Akbank, Establish and Manage received great attention from users and were found worthy of awards by the world's prestigious international web award organizations and platforms.

Portal for SMEs: ➔ www.kobilersizinicin.com
(available only in Turkish)

Cooperation for SMEs

With the aim of helping SMEs get prepared for the future, we mediate cooperation and organize meetings to aid our SME customers in following innovations.

Cooperation with Chambers of Industry and Commerce

Another service we promote especially for regional development of local economies is offering our loans and other banking services with favorable terms to SMEs by cooperating with chambers of industry and commerce in several cities and regions. Within the scope of such cooperation, we provide chamber members with services such as Machinery/Equipment Loans, Raw Material Purchase Loans, Vehicle and Fleet Loans, Commercial Loans in Installments, Workplace Loans and Workplace Renovation Loans with affordable terms and payment conditions for investments and raw material finance. An example of this cooperation is the Sustainable Environment-Friendly Products and Practice Awards program organized by the İstanbul Chamber of Industry (ICI). Supported by our Bank, this program aims to reward the best environmental performances of ICI members. Award-winning SMEs are offered various advantages.

New Opportunities for SMEs – SME Public Offerings Meetings

In 2011 we held New Opportunities for SMEs – SME Public Offerings meetings in cooperation with İstanbul Stock Exchange – Emerging Companies Market (ISE-ECM) and with participation from KOSGEB. At the meetings organized in Ankara and Kayseri, ISE-ECM aimed to provide information on subjects such as being traded at the stock exchange market and business flows, while also emphasizing advantages (including fund raising, sustainable growth, and recognition) that SMEs benefit from when they are listed on the stock exchange. In addition, information on KOSGEB's support for SMEs (such as Financing Support; Entrepreneurship Support Program; SME Project Support Program; R&D, Innovation and Industrial Practices Support Program) and support specially devised for ISE-ECM was given.

"Ready for the Future?" Meetings

In order to share the innovations brought by the new Turkish Commercial Code with our customers and to help them get prepared for this new era before the implementation starts, we started to inform our customers at "Ready for Future?" meetings, organized in cooperation with Deloitte Turkey. The new Turkish Commercial Code will radically change the business life and initiate important developments in terms of institutionalizing, sustainability, and competitive advantage of our customers. We held these meetings in İstanbul, Denizli, Antalya, Gaziantep, and Bursa in 2011; upon the attention we drew, we are planning to continue such meetings in 2012. Our primary aim is to support especially our SME customers in getting prepared for this new commercial environment.

Supporting and Promoting Foreign Trade

We offer elaborate and quick support to customers with their foreign trade activities, payment transactions, and investment projects via various financial tools. Our Bank provides affordable, long-term financing through the export credit agencies of various countries.

The "Foreign Trade Support Package" prepared to meet the exports and imports transaction and financing needs of SMEs that do business with foreign companies contain current and new loans, cash management and insurance products. We offer a number of opportunities to companies that benefit from our package. These include special discounts in SWIFT expenses, free foreign exchange transactions, free bank transfer and discount EFT transactions at our Corporate Internet Banking and Corporate Telephone Banking, discount in Freight Insurance. With the Foreign Trade Support Package, our Bank offers Foreign Exchange Loan with

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up to 24 months of maturity to meet SMEs' foreign trade financing needs and Exports Loans from Eximbank with advantageous interest rates and payment terms. We also started foreign exchange and deposits transactions in Yuan (Chinese currency) in 2011.

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;

➔ www.akbankmevzuat.com
(available only in Turkish)

Responsible Practices in Consumer Banking

Service expectations of each individual are different from others. Personal habits and banking needs may vary depending on different age and occupation groups. Based upon this fact, we offer different services for different needs of our customers.

Consumer Banking Services Adding Value to Our Customers

Widespread Deposit Services

By offering access to our deposit products, we provide customers from every corner of Turkey with the opportunity to use their savings for good. Approximately 70% of the total amount of deposits in our Bank originates from savings deposits. We maintain our pioneering role in deposits through the products that encourage small savers to join the economy and through our competitive pricing policy.

Increase in small savings deposits is important for both our country and our Bank. In 2011, with campaigns targeting depositors with TL 10-50 thousand deposits, we grew 2% in this area compared to 2010. We also provide services with Fund Savings and Deposit Savings accounts aimed to promote savings. In order to promote individual savings, which is not a very common practice in our country, we offer special campaigns for different occupational groups, for foreign countries where Turkish workers dwell, and for retirees.

Transparent Banking Services: aRife taRife

aRife taRife bundles the most frequently performed customer transactions such as money transfers, cheque collections, account statement and pass book printouts in a single package and offers customers the opportunity to make as many transactions as they need in return for a single monthly payment. With six different tariffs

designed for individuals and companies, our customers can perform these transactions with highly affordable conditions and via different channels, including the Internet. aRife taRife encourages our customers to make well-informed choices, with its slogans "So that everyone knows what to pay" and "The choice of the wise".

Banking Services for the Youth: exi26

We offer our products and services tailor-made for financial needs of the youth via our exi26 brand, designed for young people between the ages of 18 and 26. exi26 credit card provides young people with credit cards that have relatively smaller limits and thus helps them earn a discipline in savings and expenses. exi26 cardholders also benefit from installment and discount campaigns throughout the year.

Support Given to Customers in Case of Disasters

After the earthquake in Van in October 2011, our Bank immediately took steps to help the people in the region. Money transfers from and to Van will be free of commissions until the end of 2012. In addition, customers who have difficulty in paying back their consumer loan installments due to the devastating effects of the earthquake are provided the opportunity to delay their payments without any additional fee or interest rate.

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

One-to-One Banking is a service that our Customer Relationship Managers offer to customers who have assets amounting to TL 100,000 deposited in our Bank and who expect expert support in investment products. While 186 Akbank branches provided One-to-One Banking services in 2010, this figure increased to 200 in 2011 and the number of customers receiving this service increased from 160 thousand to 190 thousand.

Our customers gain access to the most accurate and up-to-date information and services on their investments through Akbank Investor Portal, One-to-One Expert Line or Akbank Investor Center. In addition, special informative e-mail notifications including "Ideas for Investment" prepared by AkPortfolio and portfolio suggestions of AkInvestment are sent. "Ideas for Investment" contribute considerably to informing customers on investment products with varying risks and returns. At the Investor Seminars that we organize to help customers benefit from expert views and have better perspectives in making their investment decisions, prominent market commentators, world-renowned fund managers and economists come together with our customers.

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Structuring of Personal Loan Debts

In recent years, with the increase in the debts of individuals, we tried to provide a certain level of convenience for customers who had trouble in paying back personal loan or credit card debts due to the influence of the economic fluctuation, 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 are evaluated by our Bank. We offered some of such cardholders and loan users the opportunity to pay their debt before legal proceedings are initiated.

Services offered by Affiliates

Insurance Is a Necessity, Not a Luxury

Our major principle in bancassurance is convincing large masses that being insured is a necessity rather than a luxury. Considering lifetime risks of customers, Akbank offers products with affordable prices and coverage for all customer segments.

Private pension system of AvivaSA Pension and Life and various insurance products of AkInsurance reach a wider customer base via Akbank. Our customers can have access to our individual and corporate insurance products through all delivery channels including Akbank ATMs and Call Center.

Easy to Understand Investment Products and Services

With its diversified investment fund portfolio and commercial intermediary services via various channels, Akbank continues to meet all needs of investors. Our Bank exported a total of 19 capital-protected funds in 2011 and offered customers a variety of fund investments from the stock market to foreign exchange, from gold to silver, from bank interests to commodities in a simple way that investors can easily understand. Number of customers investing in a capital-protected fund for the first time in their lives reached 20 thousand.

Responsible Practices in Consumer Loans

Akbank's consumer loans are composed of three core groups; namely, Mortgage, General-Purpose, and Car. In addition, loans provided via credit cards are also among services offered to consumers. Sums of consumer loans in the last three years are expressed in the table below.

Mortgage Loans

Our Bank offers mortgage loans for up to 75% of the house value with up to 120-month terms and exemption from Banking and Insurance Transaction Tax and Resource Utilization Support Fund on condition that the house to be purchased is given as guarantee. Over 200 thousand customers purchased their own houses since 2005 when the mortgage market gained huge momentum.

Customers applying to our special call center (Big Red Line – 44 44 253) can both obtain all kinds of legal and technical assistance from mortgage consultants and apply for mortgage. Knowing the importance of the financial sector in mortgage, our Bank cooperates with large-scale construction companies, the Housing Development Administration of Turkey (TOKI) and Emlak Real Estate Investment Trust and thus focuses not only on the housing projects in metropolitan cities, but also on those in Anatolia, supporting urban transformation activities through earthquake-resistant, exclusive architectural projects with strong infrastructures.

Health-Conscious Banking Operations

Our Bank, which is -in terms of cash volume- the 2nd among 22 banks depositing cash to the Central Bank of Turkey, sorts old and worn out banknotes before sending them to the Central Bank and thus contributes to preventing microbes that pose a serious threat to public health. In order to prevent the spread of microbes, we pay special attention to placing new or very clean banknotes in our ATMs (the rate is 80%). In addition, our ATMs are regularly disinfected by professional teams.

Sum of Consumer Loans (TL Million)	2011	2010	2009
Mortgage loans	7,471	6,166	4,592
Car loans	866	804	555
General-purpose loans	7,254	6,160	4,098
TOTAL (Consumer Loans)	15,591	13,130	9,245
Credit Cards	9,550	6,619	5,754
TOTAL (Consumer Loans and Credit Cards)	25,141	19,749	14,999

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Debit and Credit Cards Adding Value to Our Customers




Innovative Practices

Our credit card portfolio consists of the **Axess, Axess Business, Wings, Wings Business, Fish, Carrefour Axess**, and **Axess exi26** brands.

With a portfolio of 5.4 million credit cards (consisting our 3 leading credit card brands – Axess, Wings and Fish), 5.9 million debit cards (Neo), a credit card lending of TL 9.6 billion, and a network of 223 thousand member businesses (those using our POS machines), in 2011 we offered innovative services to meet the needs


and expectations of our customers, whose number increased since 2010.

Among our other credit cards, **Carrefour Axess** provides not only the benefits of Axess, but also special offers at CarrefourSA supermarkets. **Axess Business** and **Wings Business** are our commercial credit cards to be used by small, medium and large-scale businesses for meeting needs such as fuel oil and wholesale purchases, business travels, accommodation, and office equipment. With these commercial cards, companies can regularly track payments, earn financial advantages such as mile points and chip-money, and benefit from campaigns. **Axess exi26** is a credit card for university students and young professionals.

Our Brands	Examples of New Advantages	Qualities of the Card
	<p>By choosing Axess tariffs suitable for their needs in advance, our Axess customers benefit from free card, free Internet connection, chip-money collection, and interest rate discounts if they choose the spending plan suitable for their limits and spending habits.</p>	<p>Axess credit card meets the needs of credit cardholders by offering a variety of benefits and is continuously developed in terms of new product qualities and financial solutions. Its practical website and social media channels such as facebook and twitter allow active communication with cardholders.</p> <p>For more information please visit: ➔ http://www.axess.com.tr (available only in Turkish)</p>
	<p>All expenditures made by Wings brings Mile Points to the cardholders and these allow free plane tickets; in addition, with a new system, these points can be used to make payments at Wings Style-member restaurants, hotels, sports and spa centers.</p> <p>In order to reward our customers with strong relations with our Bank, Wings gives 25% more Mile Points to customers with TL 100,000 assets and/or mortgage sum in Akbank.</p> <p>In accordance with the cooperation between Citibank and Akbank, Wings cardholders can draw cash advance from Citibank ATMs abroad without paying any transaction fee, benefit from special discounts and opportunities at over 4,000 points abroad with Citi World Privileges, transfer Mile Points to contracted airline programs via the Citi Mile Transfer program.</p>	<p>Wings is a credit card for the high-income group of customers who have an active social life and who travel frequently for either business or vacation.</p> <p>For more information please visit: ➔ http://www.wingscard.com.tr (available only in Turkish)</p>
	<p>Making dreams come true with its monthly lottery, Fish increased the number of awards to 254 in 2011 (including house, car, etc). In November, a customer who entered the lottery with a shopping sum of TL 10 won a house.</p> <p>"Dream Contest" -the social media contest with the biggest award- was held at facebook/Fishcard page. More than 3,000 people participated and our present to the lucky winner was a world tour worth TL 100,000.</p>	<p>Fish is a credit card that creates closer bonds between our Bank and the retail market, while bringing attractive rewards to cardholders.</p> <p>For more information please visit: ➔ http://www.fishcard.com.tr Dream Shop website ➔ http://www.hayaldukkani.com (available only in Turkish)</p>

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Our Brands	Examples of New Advantages	Qualities of the Card
	<p>Neo debit card was improved in 2011 to gain "Internet Shopping" and "Automatic Bill Payment" qualities.</p> <p>New Gift brand meets pre-paid card needs of corporate businesses. With the Neo Gift cards that users can deposit money in, corporate businesses offer premiums and gifts of various formats to their employees, business partners, dealers, and customers.</p> <p>With the campaigns using the slogan "Thrifty Shopping Card", our customers normally using cash shifted to debit cards in 2011. In this year, number of Neo cards reached 5.9 million with an increase of 680 thousand and rate of use in shopping rose by 35%.</p>	<p>Maestro debit card that allows shopping and drawing money both in Turkey and abroad.</p> <p>For more information please visit: http://www.akbank.com/consumer/cards/neo.aspx</p>

Responsible Practices in Debit and Credit Cards

Insurance Services in Credit Cards

We offer our credit card customers a variety of insurance products so as to protect them in the event of accidents, loss, and theft. 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. If the cardholder loses his/her job, Credit Card Unemployment Insurance by AkInsurance can be used. With Bodycard Protection Insurance, in case of loss or theft, all credit and debit cards of our customers at all banks are cancelled within a very short time upon calling 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 Business (*) Campaigns

Akbank is among the four largest banks in the market in terms of member businesses. With the "city-based member business campaigns" specially designed for Anatolia, our Bank increased its member businesses with 92% since 2008. With such campaigns organized in 20 cities in 2011 we aim both to contribute to the improvement of trade in cities and to create a more lively social life.

Carbon Footprint Information Initiative

With the aim of creating awareness in our customers on carbon emissions, we launched a special website called "carbon footprint" in 2011. "Carbon footprint" page is open to everyone and can be accessed at our Wings website, which targets customers travelling

frequently for business or vacation. With an average of 1,000 monthly unique visitors, the page includes detailed information on "What is carbon footprint? How to calculate carbon footprint? Carbon footprint calculator. Ways to shrink our carbon footprint."

For more information please visit:

<http://www.wingscard.com.tr/wings-dunyasi/karbon-salimi/karbon-ayak-izi-nedir>

(available only in Turkish)

Innovative Practices in Akbank

With the aim of meeting ever-changing and diversifying customer demands and offering better services to customers, we continue to renew and diversify our product delivery and communication channels as well as our products and services. In line with this aim we pay attention mainly to the feedback from our customers and also to creative ideas and suggestions of our employees.

Akbank Product and Channel Development Group was established in 2010 within our Strategy Business Unit, in order to identify and realize opportunities for development and innovations. New global trends in banking, including initiatives and practices to manage environmental and social impacts of banking products, are monitored and products in line with these trends are developed. "Parent Banking" is a product created by such efforts.

In 2011, our innovative approach especially focused on practices that facilitate access to our financial services. Examples of this approach are given in the following pages of the Report.

*All businesses that have POS machines required to perform credit card transactions are called "member businesses".

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Parent Banking is a banking approach in which we offer services to meet the needs of parents in difficult living conditions. Our aim is to support parents in realizing their dreams for a "better future" for their children. One of the basic products of this approach is "Neo Super" – Neo supplementary card for children between the ages 6 and 16. The package also includes Deposit Savings Account and Back To Life Insurance and Emergency Health Package products. Neo Super card may help children gain the spending discipline by presetting daily limits and regular pocket money order.

For more information on this product package, please visit:

➔ <http://www.akbank.com/anne-baba-bankacilik.aspx>

(available only in Turkish)

Innovative Ideas of Our Customers and Employees

Innovation Envoys

There are efforts throughout our Bank to develop innovative ideas and to objectively evaluate and design these ideas. There is a team of Innovation Envoys, made up of 139 employees from the Head Office, Regional Directorates and Branch employees. Innovation Envoys attend periodical workshops to create new ideas identified in accordance with our Bank's strategy and needs of our business units, using their learning 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 to continuously improve our services and business processes is the "1,001 Good Ideas" platform, which systematically collects and assesses suggestions of our employees and customers.

All of our employees can make suggestions to the related business units via the "1,001 Ideas and Suggestions System". After a pre-evaluation, ideas

that are considered to be applicable are selected and action plans are made. Every month "suggestion of the month" is chosen and the suggestion and its originator are announced to all of our employees. In addition, customer suggestions received via Akbank Call Center and the social media are also regularly added to our Suggestion System and evaluated in the same way.

In 2011, a total of 11,971 suggestions -10,240 from employees and 1,631 from customers- reached into our Suggestion System. Compared to the previous year, the total number of suggestions increased around 8%.

Examples of received and realized suggestions are:

- Automatic credit card payment for social security premiums
- Allowing corporate customers to make transactions by e-mail orders in addition to fax orders
- Asking employees working overtime to inform services buses beforehand to plan the most efficient commuting.

Banking Approach to Facilitate Access to Services

In 2011, we put into effect a number of innovations to facilitate access of all members of the society, including our customers, to banking services and we continued to spread our branch and ATM network.

A Widespread Network of Branches and ATMs

With new branches opened in 2011, Akbank has one of the most widespread ATM networks in the country with 926 branches, 3,695 ATMs and BTMs that make instant money depositing possible in 79 cities where 99.9% of the Turkish population lives.

Thanks to the fast-paced ATM installations undertaken as a result of its ATM network expansion policy that Akbank focused on in 2010, we are the second in the list of private banks in terms of ATM market share. A total of 88% of all cash withdrawals and 65% of all cash deposit transactions in Akbank are performed using ATMs. In addition, Akbank ATMs and BTMs which are part of Turkey's ATM sharing platform provide services to all credit or debit cardholders in Turkey. ATMs perform not only core banking transactions, but also term deposit account and investment fund transactions as well as money transfers such as bank transfers and EFTs.

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

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terms of visibility and accessibility. Thus we make sure that citizens have easier access to financial services. While facilitating access to financial services in crowded regions, we also create employment in cities and towns where our branch is opened for the first time. This way we indirectly contribute to reviving the economy through our operations and services.

Innovations at ATMs

“Transfer from ATM to Mobile” is a practice in which anyone -Akbank customer or not- can transfer money by simply entering their ID and mobile phone numbers.

“EFT via ATMs” is a practice in which Akbank customers can transfer money at ATMs by entering the recipient’s ID and IBAN/account numbers. While other banks allow only pre-defined EFTs to be made at ATMs, Akbank became the first bank in Turkey to allow EFTs at ATMs without any need for pre-definitions.

“I Want an ATM” allows all users -Akbank customer or not- to make demands for placement of an ATM, using an online map. As a “first” in the sector, this system helped us install 200 ATMs on locations demanded by users, once again proving our claim that we are wherever our users are.

Innovations in Internet Banking

Akbank Internet Banking serves more than 1 million customers. Renewed in 2011, Akbank Internet Banking allows customers to make core banking transactions such as money transfers, account and credit card transactions, foreign exchange and investment transactions, invoice payments easily, quickly, and without going to the branch with its easy and functional menu and high quality service.

Budget Management in Internet and Mobile Banking

is the Internet version of the Budget Planning system that allows our customers to plan their personal budgets track their expenditures and cash flows in graphics, and monitor their progress towards their pre-defined targets. Similarly, My Mobile Budget system addresses customers who prefer to use mobile phones for this purpose.

Innovations in Mobile Banking

With our pioneering practices, we continued to lead the sector in mobile banking in 2011 and developed projects that make life easier for our customers by being wherever they are. We achieved a success by integrating “Send Money” system that allows mobile money transfer and NFC (Near Field Communication) technology into our customers’ lives.

“Send Money” System in Mobile Banking is a system in which our customers can transfer money in 20 seconds thanks to an application installed in their mobile phones. “Send Money” application changes the methods of money transfers and brings an important innovation to mobile banking.

Mobile Payment

With our Micro SD-based NFC system, which is the first of its kind in Europe, credit cardholders get the opportunity to make payments via mobile phones, independent of the operator companies.

We offered a similar service to our customers with the Pocket-T Wallet applied in cooperation with Turkcell. This product allowed Axxess MasterCard holders to make payments with their mobile phones, without using cards, thanks to a system integrated in NFC phones. This innovative application is expected to spread in 2012 and we aim to include Wings MasterCard in the system as well.

With our “mobile payment” solutions using various technologies, our customers can make payments fast and contactless, simply by their mobile phones (on condition that the store at which payment will be made has a contactless card reader).

Telephone Banking (Call Center)

Our consumer and corporate customers can perform a number of core banking transactions quickly and easily, using Akbank Telephone Branch and Voice Response System at 444 25 25. As one of the biggest call centers in the banking sector, Akbank Call Center served nearly 5 million individual customers in 2011 with over 1,000 employees.

Customer Satisfaction

To be able offer the best services to our customers, we attach great importance to achieving customer satisfaction. This is our primary target in line with our aim of reaching a better position together with our customers. To ensure “maximum customer satisfaction in each moment of contact with our customers”, we employ a variety of measures, evaluation and improvement systems. For instance, in 2011 more than 1,500 employees took “Customer Satisfaction”-oriented trainings. Details on these trainings are available in the “Our Employees” section of this Report.

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Complaint Management

We obtain feedback from our customers about our services and take such feedback as opportunities to improve their satisfaction level. In order to meet customers' ever-changing and diversifying needs and expectations, we monitor all the feedback on a single platform, assess them extensively and then reply our customers with result-oriented solutions.

We receive our customers' feedback via our Call Center, branches, the Contact Us Form in our website, e-mail, fax, or mail. All notifications of customers are managed through a central platform integrated into our Bank's system. In addition, adjusting to changing conditions and aiming customer satisfaction in all channels, we proactively handle customer expectations and demands stated in social media such as facebook and twitter or in complaint websites.

Dialogue with Customers in the Social Media

Being followed by more than 800 thousand people in the fast-growing social media channels, we make sure that we are wherever our customers are and we help them receive the products, services and information they need in the fastest way possible. In 2011 we created the infrastructure to answer our customers' questions and solve problems about our products and services instantly via the social media channel they use and achieved complaint management and social media integration.

In 2007 we created a technical infrastructure that can make notifications on a single platform, that can be queried, and that offers the opportunity to work in a paperless environment. This infrastructure project was published in March 2009 bulletin of SAP as a success story setting an example for other financial institutions in the world and as a Best Practice in Banking.

Following the establishment of the infrastructure that allows handling the processes as a whole from the beginning to the end, tracking notifications, and monitoring customer briefing process at every phase, our Customer Complaint Management practices and processes received the ISO 10002 Quality Standard certificate from the British Standards Institution (BSI) in September 2007. Audited twice a year internally by our Bank's quality envoys and once a year by an independent auditing company, the Customer Complaint Management implemented lasting solutions via the Customer Satisfaction Committee including some senior executives of our Bank.

Within the scope of the Customer Complaints Management, we make self-assessments based upon criteria such as average problem solving time, suitability of service level after we provide service to our customer, rate of solutions offered at the initial contact point of the customer complaint, ratio of notifications solved in over five days to other solutions, etc. In addition, we hold surveys on the telephone with owners of notifications. In this survey, our customers assess criteria such as duration of transaction, accessibility, care and behaviors, ability to solve problems, etc. Customer satisfaction performance results received from these surveys are assessed monthly with Channel Report Card and announced throughout the Bank in six-month performance periods.

Allowing us to collect and evaluate complaints in electronic media, this Customer Complaint Management System creates high operational efficiency by using labor effectively. In addition to manual segmentation and notification prioritization, such prioritization can also be made by the system infrastructure, depending on the importance of the issue. We offer our customers the opportunity to share their opinions and questions through every channel they can contact our Bank. Related person is informed when a notification reaches our Bank, the solution phase starts and a conclusion is reached.

We treat customer feedback as an opportunity to realize improvements and enhance customer satisfaction.

Assessment, Evaluation, and Improving Service Quality

In order to make sure that our customers have perfect banking experiences with our customer-oriented services, we use advanced assessment and evaluation systems. We periodically measure the quality level of the service provided in Branches and Alternative Delivery Channels to identify our strong points and those that need to be improved. Measuring customer satisfaction after their contact with our Bank is also included in these efforts. We share results of assessments with all employees transparently, devise action plans with related teams, and make improvements and continuous development based upon the feedback from branches.

In addition to Branches and Alternative Delivery Channels, quality levels of support services such as system infrastructure of these channels and transaction approvals are also put under the guarantee of Service Level Agreements (SLA). The situation in SLAs is

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regularly reported, actions for improvement are adopted in areas where the target is not met and targets are increased in areas where SLAs perform better than the target.

customer satisfaction surveys are performed both to measure the expectations and satisfaction levels of customers of various segments and to identify our strengths and areas to be improved.

Process Management and Business Development

In order to meet customer needs more efficiently, we need to be able to look at the business and processes from other perspectives. This requires -first of all- defining the current system in the organization. With this purpose, Akbank adopted the Business Process Management (BPM) approach as a methodology. With this approach all elements are evaluated in a holistic manner (especially information technologies, data, organization and product) and customers' needs are met more efficiently and quickly.

After the current system is defined, ways of doing business should be reviewed not only from the perspective of the Bank, but also from that of customers and these should be improved. To be able to do that, firstly the way customers perceive products and services should be identified. Business development in Akbank uses Simple Six Sigma techniques. Simple Six Sigma is the methodology to review and improve ways of doing business from the perspective of customers based upon the results of customer satisfaction surveys and to improve current processes, products and services so as to meet customer expectations in the most efficient way.

With the aim of establishing long-lasting relations with its customers, Akbank focuses on improving customer experiences and their quality. We adopt customer experience perspective as a business strategy to manage the Bank from the viewpoint of customers and we shape our company's customer strategy and process improvement/development efforts in an integrated way.

As an example to process improvement activities at contact points with customers (most of all, those about the loans), we can mention Alternative Delivery Channels access processes, salary customer processes, internal operational processes at contact points with customers, and branch improvement activities performed in accordance with feedback.

Customer Satisfaction Survey

Our customers can inform us on their expectations via different channels. In addition to these, our regular customer satisfaction surveys also form an effective customer feedback platform. Monthly and annual



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Our objective is to offer our employees the resources they need, to develop their talents, to ensure a communication environment in which they can share their ideas, and to create a workplace that supports excellence, creativity and quality. Our human resources management aims to support the Akbank employee profile which is hardworking, dynamic, creative, initiative-taking, legally compliant, and ethical.

Our Human Resources Policy

Our fundamental human resources policy is to be the strategic partner of our business units while establishing human resources strategies compatible with our Bank's vision and goals and steering corporate structure, mechanisms and human resources.

While serving our Bank's vision, we focus on the following for "continuous corporate success":

- Recruiting success-oriented, the best candidates who are open to improvement
- Identifying employee potentials and creating opportunities for them to continuously develop their competence
- Continuously developing the corporate culture and the business conduct
- Making active and appropriate investments in human resources in line with our targets and strategies
- Making career planning a participatory process
- Using a transparent and fair performance management based on targets and competence to reward encouraging and high performance.

While developing and implementing the human resources policy, our Bank prioritizes equal opportunity and it takes measures to prevent any acts that could be interpreted as discrimination. Since our human resources policy adopts a unifying attitude, not a discriminating one, we do not have any minority grouping policy.

In developing human resources systems and practices, our starting point is the satisfaction and motivation of our employees. Therefore, feedback from the employees steer the processes at every phase. As a result of this

understanding, we restructured our bonus system as well as career and talent management practices in 2011.

Our Recruitment Policy: Working with the "Best"

In full awareness that human resources management is the path to sustainable success, Akbank walks the path side by side with the "best" to achieve the best results. With our human resources practices, we aim to be the leader among the most preferred employers where qualified and confident people who can create values choose to work and to become a company which employees are proud to be a part of.

Our approach to employment is to hire qualified, well-educated, innovative people who are open to learning and development and who are eager to add value to Akbank, without any discrimination, including their race, language, religious belief, gender, and age. We target a fair approach with equal opportunities for every candidate and use well-defined recruitment criteria. Using fair, objective, internationally accepted measurement and evaluation methods, the most appropriate candidates are recruited in units in need of labor force. It is among our priorities to employ new graduate candidates who do not have professional experience, to train future leaders, and to offer them career opportunities within the banking sector.

Our aim is to make sure that our customers have the best experiences in each and every one of our service locations. 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. In order to achieve uniformity in our services, we offer extensive trainings to our new employees.

While recruiting for our Head Office and branches, we prefer to employ candidates living in regions close to our locations. In our Malta branch outside Turkey, we also generate local employment.

In line with our business performance and productivity, vacant positions within our organization are first announced to our employees. Internal applications are evaluated by the Human Resources Business Unit and assignments are made in the soonest possible time.

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Our Salary Policy

In accordance with our Bank's salary policy, the lowest wage is cascaded, starting from the minimum wage identified by the government. We target a fair human resources management by using a performance-based system. Our salary policy is the same in all branches and service points for the beginner level. In recruitment of employees with no previous work experience, the average salary is equal to the minimum wage for Private Security Staff, 47% higher for Assistants, and twice the minimum wage for Management Trainees.

In addition, to drive further development of individual skill sets and competences, speaking foreign languages is compensated. Those who do not speak any foreign languages are encouraged to take courses at various educational institutions with special offers.

Minimum Period of Notice for Significant Operational Changes to Affect Employees

If significant operational changes occur in our Bank, periods of notice stated in the Labor Code and Collective Bargaining Contract are implemented. Periods of notice vary depending on the employees' seniority. 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 commencing their new posts in the same city and fifteen days in other cities.

Our Employee Profile

Approximately 2/3 of our Bank employees work at branches and they are our One-to-One contact point with customers. 92.7% of our employees (excluding security staff) are university graduates and this ratio is the highest among private and public-capital banks in Turkey. The average seniority of Akbank employees is 6.9 years within the Bank. This duration stands at 7.4 years in the Turkish banking community.

Our Employees in Figures

As of December 31st, 2011, total number of employees is 15,347 with eight Board Members -excluding the CEO- and 15,339 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, all our employees are permanent and "full-time". Benefits provided for full-time employees may only vary depending on the person's performance.

Distribution of employees in Akbank in terms of service locations is presented in the table below. As can be seen in the table, the number of our norm and actual staff has been increased in line with our needs since 2009.

Number of Employees	2009	2010	2011
Head Office*	2,269	2,249	2,297
Akbank Banking Center	2,584	2,971	2,810
Regional Directorates	398	434	431
Branches**	9,463	9,676	9,801
Overall	14,714	15,330	15,339

* Excluding the Board of Directors.

** Including employees at Malta branch.

In case of necessity, especially our Operations-Call Center, Consumer Banking, and Information Technologies Business Units apply for outsource services. Number of employees working for our Bank within the outsourcing system can be seen in the table below.

	2009	2010	2011
Number of Employees within the Outsourcing System	3,882	1,575	1,369

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Gender Distribution

Our Bank adopts a principle of distribution of staff based on the opportunity of equality, without any discrimination of gender or age. Within recent years, ratio of female and male employees has remained approximately the same. Percentage of women among our senior and mid-level management staff is higher than the percentage observed in the banks of many other countries.

Gender Distribution (%)	2009		2010		2011		2011 Total Number of Employees	
	Male	Female	Male	Female	Male	Female	Male	Female
Board of Directors	88.9	11.1	87.5	12.5	87.5	12.5	7	1
Senior Management	68.1	31.9	66.0	34.0	65.8	34.2	749	389
Mid-level Management	43.5	56.5	43.3	56.7	44.1	55.8	712	900
Auditors	70.9	29.1	72.1	27.9	72.9	27.1	183	68
Assistant Managers	42.1	57.9	42.3	57.7	41.7	58.3	4,587	6,401
Other*	73.1	26.9	73.4	26.6	72.8	27.2	126	47
Security	99.8	0.2	99.6	0.4	99.7	0.3	1,173	4
Overall	48.9	51.1	49.1	50.9	49.1	50.9	7,537	7,810

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

Age Distribution

The average age of our employees is 32.6 as of 2011 year-end. Almost in every staff category, the largest age group is 30-50.

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 in our Bank. Students and young workers applying for internship in Akbank should be 4th grade high-school students or university students in their 2nd or 3rd years. Number of interns in our staff changes periodically, there are no interns recruited as of 2011 year-end.

Age Distribution (%)	2009			2010			2011		
	Under 30	Between 30-50	Over 50	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	-	12.5	87.5
Senior Management	0.1	91.9	8.0	0.1	92.6	7.3	-	93.8	6.2
Mid-level Management	5.2	93.4	1.4	4.6	93.7	1.7	2.9	95.2	1.9
Auditors	69.1	30.9	0.0	65.7	34.3	0.0	53.4	46.6	-
Assistant Managers	56.2	43.6	0.2	51.3	48.5	0.2	44.8	54.9	0.2
Other*	28.0	68.7	3.3	23.7	72.9	3.4	20.2	76.3	3.5
Security	48.9	50.1	1.0	47.0	52.9	0.1	46.2	53.8	-
Overall	47.0	52.0	0.9	42.9	56.2	0.9	37.0	62.0	0.9

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

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Employee Turnover Rates

Employee turnover rates based on location are given in the table below. Our employee turnover rate was 8.76% in 2011. Although the rate increased compared to previous year due to positive developments in the markets, it is still below the 9.4% rate, which is the average of 7 banks participating in a survey of a reputable institution. We hold meetings with resigned personnel to discuss their reasons for resignation and evaluate the feedback received from them.

Employee Turnover Rate*	2009		2010		2011	
	Rate (%)	Number	Rate (%)	Number	Rate (%)	Number
Head Office	6.04	136	8.46	191	9.58	198
Akbank Banking Center	6.08	157	9.58	266	10.36	328
Regional Directorates	2.61	11	4.33	18	3.45	15
Branches	5.75	556	6.49	621	8.31	812
Banka Geneli (ortalama)	5.74	860	7.31	1,096	8.76	1,353

* Resigned employees (including retirees, resigned employees and those whose work contracts are cancelled)

Our employees are free to resign in conformity with the terms on their work contract. Forced labor is out of our Bank's working principles.

Employee turnover rates and numbers of resigned employees depending on the **age group** are given in the table below. Due to the high number of open business positions in the market, majority of those who resigned from our Bank are below the age of 30.

Employee Turnover Rate According to the Age Group	Under 30				Between 30-50				Over 50			
	2009	2010	2011		2009	2010	2011		2009	2010	2011	
	Rate (%)	Rate (%)	Rate (%)	Number	Rate (%)	Rate (%)	Rate (%)	Number	Rate (%)	Rate (%)	Rate (%)	Number
Head Office	8.81	11.4	13.2	97	4.38	6.5	7.5	97	6.25	22.9	12.1	4
Akbank Banking Center	7.27	13.2	15.0	222	4.07	4.8	6.0	100	7.14	20.0	20.0	6
Regional Directorates	1.54	4.5	3.0	4	3.64	3.6	3.4	10	-	28.6	14.3	1
Branches	5.98	6.4	9.8	375	4.90	6.0	6.9	406	46.04	55.6	48.4	31
Overall (average)	5.94	7.7	11.3	698	4.65	5.8	6.7	613	28.69	39.2	31.3	42

Note: In order to keep the table simple, number of resigned employees is not given for the years 2009 and 2010. These figures can be found in our 2010 Sustainability Report.

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Employee turnover rates and numbers depending on the **gender** are given in the table below. Percentages of male and female workers who resigned are similar. The reason for higher employee turnover in females compared to males at the Akbank Banking Center is that number of female employees is higher in the Center.

Employee Turnover According to the Gender	Male						Female					
	2009		2010		2011		2009		2010		2011	
	Rate (%)	Number	Rate (%)	Number	Rate (%)	Number	Rate (%)	Number	Rate (%)	Number	Rate (%)	Number
Head Office	5.60	80	7.94	114	9.26	112	6.79	56	9.34	77	10.02	86
Akbank Banking Center	4.91	40	7.03	65	9.74	124	6.62	117	10.85	201	10.78	204
Regional Directorates	3.33	10	4.89	14	4.07	12	0.83	1	3.09	4	2.14	3
Branches	6.13	290	6.20	292	8.61	414	5.40	266	6.77	329	8.01	398
Overall (average)	5.77	420	6.59	485	8.73	662	5.76	440	7.97	611	8.79	691

Performance Management System (PMS)

Our Bank implements a performance management system based upon the evaluation and management of the performances of our employees. This is a transparent and flexible performance system that keeps fair evaluation factors in the foreground, responds to changing needs, and remains receptive to developments. For the sake of continuation of our success and personal 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. Depending on the results, our employees can be recruited in business units other than their current functions.

The aims of the PMS system developed with a 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 understand what is expected of them better, get involved with their jobs and stay motivated to attain their targets
- To encourage continuous development via open communication and regular feedback and to increase 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 about career planning, training and other Human Resources processes of our employees and to ensure their personal development in line with such processes.

The criteria of the Akbank Performance Management System are based upon personal goals and competencies. The types of goals and competencies 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 that are integrated in PMS are conducted twice a year at 6 month intervals.

Performance ratings of our Bank's Senior Management are 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 based upon perspectives including those of Finance, Customer, Internal Processes, and Human Resources. Therefore, in the goal 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.

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Benefits to Employees

Akbank Staff Retirement Fund Trust (AKSandik)

All of our working and retired employees and their dependents are registered at the Akbank Staff Retirement Fund Trust, independent of Turkey's Social Security Agency. Pensions and healthcare services offered to the members of this Fund Trust are in better conditions than the basic services offered by the state (Social Security Agency).

Retirement

AKSandik 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 AKSandik's status, this support is improved.

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

In order to earn the right to benefit from retirement, employees should fulfill requirements such as completing a certain period of insurance, having fully paid premiums for the required number of days, and having reached a certain age. Employees who fulfill these conditions are provided with pension by AKSandik upon their demand. In calculating the pension, main parameters are the working period of the employee, total income 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.

Akbank Private Pension System with Corporate Contribution

In addition to AKSandik pension, Akbank employees are also offered Private Pension System (PPS) Services with some corporate contribution. Senior and mid-level managers and auditors are included in this PPS plan with

corporate contribution. Our Bank contributes to savings of such employees by making additional payments to the PPS contracts of the above-mentioned employees in a certain ratio of their monthly gross salary. Thus we help Akbank employees make savings and continue with the same living standards in their retirement.

Participation in PPS is optional. The purpose of the system is to ensure that our employees have the same living conditions as today when they are retired. In order to improve employee loyalty and motivation, we attach a special importance to the PPS with corporate contribution and try 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. As of the end of 2011, 51% of our employees (7,793 people) are within the scope of collective bargaining agreement. Financial rights and administrative relations of BANKSİS non-members are defined by our Bank, while those of members are defined by the Collective Bargaining Agreement.

Due to promotions from positions within the scope of collective bargaining to senior and mid-level management positions that are out of the scope, number of posts within the scope has not increased compared to 2010. Within the framework of the collective bargaining agreement, we provide our employees working at posts within the scope with rights such as death benefits, natural disaster benefits, disability compensation, death and injury compensation, and emigration compensation for personnel moving to another city.

Equal Opportunity Model (EOM) Project

We completed the preparations for the Equal Opportunity Model (EOM) project in cooperation with KAGİDER (Women Entrepreneurs Association of Turkey) in 2011 and the project was launched in 2012 with technical support from the World Bank. Akbank is one of the 11 corporations that agreed to take part in the first phase of the project. Within the scope of this project, Akbank will be audited by an independent institution. The audit will investigate whether our corporate policies and procedures, recruitment and selection processes, training, performance evaluation, promotion, career support practices, corporate communication activities,

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etc. support the concept of equal opportunity. In 2012 we will review the results of the Equal Opportunity Model project and take further steps accordingly.

Employee Health and Safety

Since the year it was founded, Akbank offers a variety of opportunities to employees in order to offer them a safe working environment and to meet their health needs.

AKSandik

Among healthcare services provided by AKSandik are the healthcare centers in some cities. Our employees can first of all be treated at these centers. Members in other cities can get services from the physicians employed by our Bank. 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.

Information and Trainings on Health

Information on epidemics or other important diseases is regularly given at the "Health Column" published on the AKSandik webpage. In cases of emergency, such information is spread via e-mail. First aid training is given for the health and safety of Akbank employees in the form of in-class or e-learning.

Health and Rest at Workplace

Back, waist, neck and wrist pains are among the most common health risks for people who work with computers or telephones most of the day, rarely changing their postures. To avoid such risks, our Treasury and Capital Markets Business Unit initiated the "Office Sports" practice in 2011. Almost every member of the staff joins this twice-a-day physical exercise lasting 7-8 minutes and thus get released from both stress and pains.

In our service building in Sabancı Center, our employees can use the fitness center belonging to the Sabancı Holding out of working hours and at lunch breaks.

In Akbank Banking Center a library was built in 2011 for employees to have quality time during the breaks. With approximately 2,400 books collected as a result of the efforts of Operations Business Unit, the library offers continuous service to around 3,500 employees. Another library is also available in our Sabancı Center building.

Parental Leave

Pregnant employees are allowed sixteen weeks of paid leave -eight weeks before and eight weeks after the delivery. Fathers are also given three-day paid leave. AKSandik meets child delivery costs of our employees and provides a variety of additional support.

Lost Workdays

With regards to our area of operations and careful practices, occupational diseases or workplace accidents are not experienced in our Bank. Yet, the total absenteeism (lost days) of 5,966 employees who got sick leaves with official health reports in 2011 amount to 48,282 days (calendar day). Average sick leave per person, calculated by finding the ratio of this figure to average number of employees, is 3.14 days per year. This ratio was recorded as 2.61 days in 2010 and 2.72 days in 2009.

The Bank of Learners and Teachers: Career Development and Trainings in Akbank

In our Bank, we support the development of all employees and aim to increase motivation and work satisfaction through our training system, which has a strategic importance in the Akbank Human Resources policy.

In full awareness of the fact that information is a significant value and well-equipped human resource is a real competitive advantage, we organize trainings to contribute to personal and occupational development of our employees. We develop trainings in accordance with the targets and strategies of our Bank, needs of the sector, and development areas that we identify based upon employee potentials and preferences.

Akbank's Training System

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.

Akbank employees participate in career and certification trainings for their current duties and also attend specially designed "Candidate Pool" trainings for the duties for which they are candidate. Additionally, Management Trainees as well as 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.

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Feedback from employees about the training they receive is very important for the efficiency and success of our trainings. Such feedback is sent to our Training Division via online questionnaires. In addition, questions, requests, suggestions and opinions with regard to all trainings can be sent to egitim@akbank.com. Our employees can share their opinions on e-learning programs using the "send message" function on our training portal. Once the training experts evaluate questionnaire results, we take necessary actions accordingly.

Our Training Programs

Akbank's training programs include trainings organized for newly-recruited people, candidate pool trainings, career trainings, certificate programs, restructuring trainings, project-based trainings and management skills development trainings. We support the competence levels of our employees 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 1,019,816 hours was completed in 2011 and average training per employee was 9.46 work days. Annual average training time per person in the last three years and total number of training days for our employees are given in the tables below.

We use e-learning widely in our Bank. E-learning trainings in areas such loan legislation, foreign trade, consumer and commercial loans, basic knowledge of law, basic knowledge of accounting, debit and credit cards, etc. support in-class career trainings. In addition, we organized other e-learning programs to help our employees adapt quickly to newly-launched products and processes: IFC Loans, Fee and Commission Revenues, commercial Credit Cards, New Budget Practices – Target Entry Screens, Legal Liabilities in Insurance Sale, Business Intelligence Reporting Tool.

In addition to banking trainings, we also organize personal development trainings such as customer-oriented relationship management, communication on phone, presentation techniques, writing reports techniques, project management, meeting management, time management, stress management, and management capabilities.

Total number of training days (1 day = 7 hours)			
Function	2009	2010	2011
Vice Presidents and Higher Levels	18,974	12,962	14,454
Managers*	11,600	10,052	10,839
Sub-Managers*	102,094	118,844	120,393
Total	132,667	141,858	145,688

(*) "VPs and Higher Levels": Head of Branches are also included into this category; "Managers": Employees at the Manager and IT Manager functions are evaluated in this category and all other functions (including support staff) are in "Sub-Managers".

Average number of training days per person (1 day = 7 hours)			
Function	2009	2010	2011
Vice Presidents and Higher Levels	19.0	11.7	12.4
Managers*	8.5	7.2	6.7
Sub-Managers*	8.3	9.5	9.6
Total	9.0	9.5	9.5

(*) "VPs and Higher Levels": Head of Branches are also included into this category; "Managers": Employees at the Manager and IT Manager functions are evaluated in this category and all other functions (including support staff) are in "Sub-Managers".

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Akbank Development Center

We continuously support the development of our employees via Akbank Development Center Portal. All employees can have access to the e-learning assigned to them or in the form of free activities at the Center. Our employees also 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 about 100 e-learning documents of technical trainings on subjects such as Debit and Credit Cards, Basic Law, Foreign Trade Legislation on the Portal. In addition, up-to-date articles and periodicals on finance, banking, management and personal development is also available at the same address.

Certification System (Lifelong Learning)

Some of the trainings provided for Akbank employees are subject to certification system. 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 strengthen the knowledge they gained during the trainings by preparing papers for certain certificate programs and attending online simulations after the training. Participants succeeding in the certification programs receive the "Certificate of Success", an important indicator in their professional and personal development which they can use in any field. As the certification programs, the papers and online simulations following the training are directly related to the employees' jobs, their success in training is literally reflected upon the quality of the work they do.

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,
- Establish a culture that "creates its own leaders" by empowering employees who are professionally and managerially well-equipped, competent and innovative leaders in their work.

Other Training Opportunities

Akbank supports employees in obtaining internationally valid certificates in their areas of specialization. Fees for exams and preparatory trainings are covered by Akbank pursuant to certain criteria. While the number of employees taking such exams in accordance with their expertise in 2010 was 23, in December 2011 this figure increased to 35.

Some of the exams we support are listed below:

- Chartered Financial Analyst (CFA) exam held by the **CFA** Institute: Exam on treasury transactions
- Certified Internal Auditor (CIA) exam held by the **CIA** Institute and CMA (Certified Management Accountants) held by **ICMA**: Exams on 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 Certified Documentary Credit Specialist (CDCS) 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
- Certified Information Security Manager (CISM) Information technologies security management exam held by **ISACA**
- Financial Risk Certificate (FRM) exam held by New York-based **GARP** (Global Association of Risk Professionals)
- Software Testing Expertise Certification exam coordinated by the Turkish Testing Board - representative of International Software Testing Qualifications Board (**ISTQB**) in Turkey
- Various technical trainings and certificates by Oracle and Microsoft

In addition to these, every year a certain number of Akbank employees get the opportunity to attend the Sabancı University 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 2010 and 2011, 3 and 4 employees benefited from this program respectively.

Bank of Trainers

Internal Trainer and Retired Trainer Practice

Know-how and experience of retired Akbank employees are highly valuable for our Bank. Successful Akbank retirees who possess training skills are hired as "trainers" in return for a trainer's fee. Especially almost all of the Core Banking trainings for new recruits are given by our retired trainers.

Similarly, current employees who are specialists in their fields and who possess the skill to train can be internal trainers. To become a trainer, one should comply with certain criteria and successfully complete the train-the-trainer program. While continuing to perform their present duties, internal trainers are paid a certain fee for each hour of training they give.

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Coaching System

We established a coaching system in our branches to closely monitor the professional needs of employees working in sales and operations and supporting them in a wide array of issues from their daily job to career development. In 2008 we built Operation Coaching teams of Akbank employees in order to support operation personnel in branches in practicing Akbank's processes and values in the best way. Operation Coaches visited branches 3,000 times in 2011 to build cooperation that enables the operation personnel in branches get the necessary trainings and develop knowledge of legislation, risk awareness, quality, target and customer-oriented approach.

For our employees working in sales functions in branches within Regional Directorates, we created a similar "marketing coaches" system to support their progress and career development. When necessary, marketing coaches make customer visits together with sales representatives to support their development.

Anti-Corruption Trainings

The banking sector faces some corruption risks due to its size and intensity of monetary transactions. In line with the fact that corruption can be prevented to a great extent by control systems and training, we hold in-class trainings and e-learning through which we train our employees on technical issues, create awareness on things to do and not to do.

Our aim is to design these trainings in accordance with the needs of the target audience and make sure that each employee in this audience receives the trainings. Majority of the anti-corruption trainings are for the employees working in branches and especially at counters, but we also hold mandatory trainings such as Ethical Principles and Information Security for all employees.

We review and reevaluate subjects and contents of anti-corruption trainings depending on developments and needs. New trainings offered to employees in 2011 are given below. Detailed information on other ongoing trainings can be obtained from our 2010 Sustainability Report.

New Trainings in 2011

Information Security Standards (e-learning)

All employees are obliged to complete the Information Security Standards e-learning program that aims to provide information and create awareness on conditions and processes of information security standards (PCI/DSS), protection of card information, and card information security policy.

Security Awareness (e-learning)

All branch employees are obliged to complete the Security Awareness e-learning program that aims to provide information and create awareness on security risks that may be faced in Akbank Branches, Akbank ATMs and small businesses that are Akbank customers.

Call Center Security Awareness (e-learning)

Call Center Security Awareness e-learning program is specially designed for customer representatives working at the Call Center. This training aims to create awareness for ensuring that all transactions are made in conformity with security workflows and that flows are implemented completely and correctly while taking security measures. All customer representatives are obliged to complete the program.

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Anti-Corruption Trainings							
Name/Content of the Training	Target Audience	2010		Percentage of Year-end Coverage %	2011		Percentage of Year-end 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	787	100	In-class	1,055	100
Document Protection and Forgery Trainings	Cash Officers and newly employed Assistants-Officers 4	In-class	1,015	100	In-class	1,201	100
Trainings for Detecting and Preventing Fraud	All branch employees	E-learning	24	83*	E- learning	2,957	99
Ethical Principles	All employees	E- learning	7,352	100	E- learning	3,405	85
Disciplinary Regulations	All employees	E- learning	1,090	97*	E- learning	3,940	100
Information Security	All employees	E- learning	2,105	100	E- learning	1,832	100
		In-class **	794	70*	In-class	1,113	100
Operational Risk	Operation Officers, Pay Desk Officers	In-class	810	48*	In-class	257	100
	All branch employees	E- learning	1,695	100	E- learning	4,401	40***
Fighting Proceeds of Crime	Newly employed Assistants- Officers 4, Call Center Officers, Assistant Inspectors, Management Trainees	In-class	1.740	100	In-class	1,672	100
	All employees	E- learning	11,762	85*	E- learning	11,834	85
Information Security Standards	All employees	-	-	-	E- learning	10,593	76
Security Awareness	All branch employees	-	-	-	E- learning	4,255	47***
Call Center Security Awareness	All customer representatives	-	-	-	E- learning	650	98
Total:		In-class	5,146		In-class	5,298	
		E- learning	24,028		E- learning	43,867	

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

** In-class Information Security trainings are developed in 2010 and the target group is newly employed Assistants- Officers 4, Call Center Officers, and Management Trainees in Akbank.

*** The training was opened to all Branch employees in late 2011 and all members in the target audience are planned to complete this training in 2012.

Note: "Percentage of Year-end Coverage" means the ratio of the target audience planned to be trained and the employees who already received the trainings.

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Sustainability Trainings

In order to support our branch employees in internalizing our "For You" approach and becoming our "voluntary brand ambassadors", we launched a wide-scope training program called "Boomerang" in October 2011. Covering all branch employees from branch managers to security staff, the program is based upon six qualities that define the ideal Akbank employee profile who can manage himself/herself, business, and customers well to create "customer loyalty".

An important section of the Boomerang Training Program is the Sustainability Module. This Module is developed to enhance the profile of an Akbank employee who cares about environmental and social challenges and who abides by ethical values. This module covers the concept of sustainability, examples in the Banking sector and our Bank, and ethics. In addition, with a desktop "sustainability game" that is adopted specially for our Bank on the basis of UN Global Compact (of

which we are a signatory) Dilemma Game, we offer a highly effective hands-on training to participants.

Aims of the sustainability training are

- To contribute to first comprehension, then adoption of the sustainability strategy of our Bank by all employees
- To create awareness for integrating the concept of sustainability to business processes
- To make sure that the concept of sustainability is rooted in corporate culture and create a common language

In 2011, we took important steps in integrating sustainability in our corporate culture and held a variety of sustainability trainings. We are planning to continue with these trainings in 2012.

The table below gives information on participation to the sustainability trainings given in 2011.

Name/Content of the Training	Target Audience	2011			
		Type of Training	Number of Participants	Total Hours of Training	Percentage of Year-end Coverage %
Sustainability	All branch employees	In-class	1,598	5,016	100
Sustainability Approach	All employees	E-learning	11,500	5,750	75
	Newly employed Assistants- Officers 4, Assistant Inspectors	In-class	274	307	100

Note: "Percentage of Year-end Coverage" means the ratio of the target audience planned to be trained and the employees who already received the trainings.

Internal Communication and Activities in Akbank

Akbank attaches importance to internal communication and activities that serve purposes such as facilitating communication with and between employees, developing team spirit and employee motivation, increasing loyalty, sharing messages of the Bank management and common targets.

Our 2012 targets for Internal Communication and Activities are

- To increase the number of internal communication channels that strengthen and improve communication

- To launch a digital magazine to reach all employees directly
- To increase the number of projects and social activities that allow employees to come together to have a good time, improve their motivation and loyalty, and maintain team spirit
- To keep internal synergy dynamic all the time and ensure continuity of the communication of employees both among themselves and with the management team at a certain level

Internal Communications

Internal communication activities help our employees gain accurate and consistent information about our

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Bank, understand the corporate culture, and follow up-to-date information on the developments in our Bank.

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 reach our customers, we can also reach employees outside the working hours. Besides, special offers for Akbank employees are announced via e-mails and can be available at the Corporate Portal.

In addition, mechanisms such as the Ethics Line that our employees can submit their opinions and suggestions and employee satisfaction surveys strengthen the internal communication.

Corporate Portal

We use the Corporate Portal to facilitate access to information and increase internal communication for all employees, including those in approximately 1,000 branches. With this portal, all announcements and information are brought from printed media to the intranet system and our employees can have immediate access from different locations to the information they seek.

At the Corporate Portal, information on contact details of our employees, organization chart and amendments in it are available. In addition, job definitions and business processes are also given in the Portal. Our employees can easily reach documents, announcements and e-learning modules that support business processes and inform employees; our Ethical Principles; related legislation; forms and templates used inside the Bank; and the Suggestion System via the Corporate Portal. In the "Executive Message" and "Guest of the Month" sections we share messages of the senior management every month. We will renew the technological infrastructure and scope of our Corporate Portal in 2012.

"For Us"

We believe that applying the "For You" approach, which aims to bring a new dimension to our relations with customers, to our employees could be beneficial. Therefore we changed the name of our internal communication platform called "Being a Part of the Akbank Family" into "For Us". This platform is one of the important channels that strengthen relations among our employees.

Examples of things shared at "For Us" Portal:

- Important awards given to our Bank
- Positive feedback from customers about our employees

- Social activities that our employees attend
- "Our Source of Pride" that introduces our successful employees
- Special advantages offered to Akbank employees by various companies
- Press news about our Bank

Mechanisms for Employee Opinions and Suggestions

We use a variety of mechanisms for giving opinions and suggestions to improve internal communications in our Bank. While our employees reveal their expectations, opinions and suggestions to the senior management through our Employee Satisfaction Survey, they can also share their suggestions about business processes through the Suggestion System on the Corporate Portal. In addition, "Ethics Line" is a service that we created to enable employees to express issues which they believe should be resolved within their divisions but they cannot share with their direct managers; to support employees in such cases; and to provide consultancy when necessary.

Internal Activities

We organize activities and sports events to establish effective and productive relations among our employees. Such activities reinforce team spirit and increase loyalty to the corporation. In addition, we ensure discount or free participation of our employees to activities that our Bank sponsors.

Some of the sport activities that our employees participated in 2011 are listed below.

- July 2011: Akbank tennis team made up of eight employees came in second at the 1st Tennis Tournament of The Banks Association of Turkey.
- September 2011: Akbank employees attended the 3x3 Intercompanies Basketball Tournament with three men and one women's team. Our women's team came in third.

Employee Satisfaction

As a corporation that considers treasuring its employees a basic principle, Akbank accepts permanent employee satisfaction as a prerequisite for success. In order to closely monitor satisfaction and loyalty of Akbank employees, receive healthy feedback from them, and draw roadmaps for areas that are open to development, we hold an "Employee Satisfaction Survey" every year.

Just as the previous years, in 2011 an online Employee Satisfaction Survey was performed again, by an

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independent company on a confidential basis. As a result of the survey that received a high level of participation, we identified our strengths and aspects that need to be developed. To evaluate the survey results, we held "focus and suggestion group works" with mixed groups of employees selected from all units of our Bank (branches, regions, and Head Office). Our aim is to focus more on areas that are open to improvement and development, to put forward suggestions for solutions from the perspective of employees, and to create awareness. Thus we offer employees a platform to openly express their opinions without being limited to the survey.

In our 2011 survey, two main areas to be developed seemed to be career management and rewarding the success. As a result of such feedback, we plan to concentrate on "Talent Management" and "Mentorship" practices to achieve effective career management and identification of personal talents. To reward success, we continue to work on the infrastructure to reshape our bonus system. We will share the system with our employees in early 2012 and implement performance evaluation and bonus payments in accordance with this system.



OUR OPERATIONS AND THE ENVIRONMENT

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Our Environmental Policy and Commitments

We, as Akbank, strive to minimize the environmental impacts resulting from our operations and to use natural resources more efficiently.

Akbank considers energy consumption and the related carbon emissions as the material environmental issues. Paper use and discharge of technological wastes are also among the environmental indicators we care about and monitor.

We implement various practices to measure environmental issues by using internationally recognized quantitative indicator criteria and to make improvements. As mentioned in "Our Employees" section of this report, we give sustainability trainings to employees at all levels -from branch managers to security staff- through e-learning and in-class education.

We adopt the following commitments in carrying out our environmental policy:

- We will continue to take necessary steps and measures for full compliance with environmental laws and regulations.
- We will contribute to protection of limited natural resources by making savings in energy, water and paper use.
- We will work to minimize the wastes resulting from our operations. If it is impossible to reduce wastes, we will ensure rational reuse and recycling of wastes.
- We will continue to include environmental sustainability issues in the training we offer to our employees to reduce the environmental impacts of our operations.
- We will support training and awareness projects aiming to increase awareness of environmental issues especially among the youth.
- Through international cooperation, we will support transparency policies that will contribute to reductions in the emission of greenhouse gases of our corporate stakeholders, including our Bank.

Energy Consumption and Saving

The "Carbon Disclosure Project", launched by the Sabancı University Corporate Management Forum with support from Akbank in 2009, is the best indicator of the importance Akbank attaches to energy consumption and related greenhouse gas emissions. Our Bank is one of the first companies in Turkey to make commitment to reporting climate change strategies and greenhouse gas emissions in line with international standards.

Energy Consumption

Direct and Indirect Energy Consumption

The energy data that we collect and report in accordance with various international standards are divided into two groups. The first one is the energy we derive from a variety of energy sources in our Bank - namely, the natural gas we use for heating purposes. There are also fuels such as diesel fuel, butane (LPG), coking coal, and fuel oil, used in our branches. Such energy sources are named "direct energy". The second group is the purchased electric energy, which is called "indirect energy".

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. In this study, we collected consumption data from all buildings, including branches, 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 our employees at the buildings in İstanbul moved to Gebze in 2010 and 2011. During the moving period, we included consumption data in the buildings that moved to ABC in calculations as long as these building were used. After moving the buildings, Maslak Operations Center, Gümüşsuyu and Ümraniye Service buildings were closed in 2011.

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Our direct and indirect energy consumption data are presented in the tables below.

Fuel consumption (Gigajoule/year)	2009	2010	2011
Akbank Sabancı Center	9,359	7,137	9,464
ABC and Other Centers*	13,217	16,936	16,536
Branches	47,274	48,652	63,734
Total Consumption of Natural Gas	69,850	72,725	89,734
Total Consumption of Other Fuels **		32,926	43,133
TOTAL		105,651	132,867

* Other Centers: Zincirlikuyu and Silivri Service Buildings.

** Other fuels: diesel, butane (LPG), coking coal, and fuel oil.

Note: Data control processes were continuing during the reporting.

As seen in the table above, fuel consumption of our Bank increased in 2011. Among the factors causing this are the increase in the number of branches compared to the previous year and harsher winter conditions in 2011.

Electricity Consumption (Gigajoule /year)	2009	2010	2011
Akbank Sabancı Center	47,214	49,327	56,864
ABC and Other Centers*	47,236	75,855	69,245
Branches and ATM/BTMs**	221,156	224,362	216,755
TOTAL	315,606	349,544	342,864

* Other Centers: Zincirlikuyu 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.

Although the need for electric energy increased with the growth of our Bank, thanks to a variety of energy efficiency and savings practices we used throughout our Bank, we achieved a reduction in our electricity consumption. In 2011 our Bank grew with 14 new branches and 568 additional ATM/BTMs.

On the other hand, while improving our IT infrastructure, we pay attention to choosing more energy-efficient devices in order to reduce our electricity consumption. With the aim of maintaining and improving the services offered to customers at our Head Office in the Sabancı Center, we added new servers to the existing main servers. Both these servers and the cooling systems

required for proper operations of servers increase electricity consumption. Although the number of servers increased about 40%, energy consumption of these servers rose only around 10%.

Energy Saving Practices

Energy Savings in Buildings

One of the measures we took for energy savings in buildings in 2011 was to open the environmentally friendly Akbank Banking Center (ABC) that was built by paying attention to energy efficiency. We believe that with the ABC, which has a capacity of approximately 5,000 people, we achieved savings in electricity consumption.

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As a bank with over 900 branches, we are aware that measuring and monitoring are important in managing our energy use. Therefore, we created the necessary infrastructure for remote measuring and monitoring of electricity used in our branches. This infrastructure includes a remote monitoring system and an emergency measures system to minimize systemic losses of electricity. Being put into use in approximately 300 branches in the first phase, the system will start working with full capacity by the end of 2012. We expect the system to contribute to reductions in both carbon emissions and operational expenses by ensuring more efficient use of electricity.

In addition, we continued our efforts to revise mechanical automation of the Heating, Ventilating and Air Conditioning (HVAC) system in branches in a way to operate based on internal air quality (first operations had started in the last quarter of 2010). This system was installed in 26 new branches in 2010 and 36 new branches in 2011 to reach a total of 62. We also renewed mechanical automation systems of 150 existing branches in 2011. We plan to renew these systems in 150 more branches and, if possible, build the same systems in 70 new branches in 2012. With this system, approximately 30% and 14% savings will be achieved in electricity and natural gas respectively.

Energy Savings in Information Technologies (IT)

Keeping pace with developing technologies, each and every year we attach more importance to use of information technologies (IT) in banking transactions. IT use is one of the most important energy-consuming activities in banking. Therefore, we seriously care about making savings in the energy we use especially in our Data Centers. One of the most significant steps we took in this direction was the use of virtualization technology that we started in 2007. Thanks to this technology, although the amount of energy needed to operate the servers in the Data Center and to cool the system rooms of these servers increased, we achieved a notable reduction in energy need.

With the virtualization technology, we saved 12,550 GJ of energy in 2011. Comparison of the energy consumption in virtual environments and the expected consumption without virtualization (physical machines) is demonstrated in the table below.

Another measure we take in our Data Centers is making sure that all of the new systems we purchase consume less energy so that energy consumption rate will not increase in parallel to the increase in need for new devices. In line with this principle, energy consumption of the new mainframe device we purchased in 2011 consumes 20% less energy than the previous device and similarly, energy consumption of our UNIX machines are 4 times less than their predecessors.

Total annual electricity savings (Gigajoules/year)	Virtual servers used			Use of physical servers corresponding to virtual servers			Amount saved		
	December 2009	December 2010	December 2011	December 2009	December 2010	December 2011	December 2009	December 2010	December 2011
TOTAL (Cooling+Electricity)	2,152	3,042	3,478	6,793	10,297	16,037	4,641	7,255	12,550

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Fuel Savings in Cash Operations

In our Cash Operations unit that offers cash and cash value transfer to more than 2,500 customers via five Banks all over Turkey, we started to benefit from the latest advances in geographical positioning technologies. Thanks to an efficient route planning, our teams covered 8.6 km per transaction in 2011 while the figure was 10 km per transaction in 2008. This created 18% increase in efficiency and 0.2 liters less fuel consumption per transaction. With this efficiency increase in our Cash Operations transactions, which is a major source of our carbon emissions, we saved 130 thousand liters of fuel in a year.

Definition	2008	2009	2010	2011
Kilometers Covered Per Transaction	10.00	9.8	10.2	8.6
Fuel Used Per Transaction	1.09	1.0	1.0	0.9

Fuel Savings via Video Conference and Telepresence

Use of the Virtual Meeting Table Telepresence System and videoconference devices for national and international calls are becoming a widespread practice in our Bank. Meetings held via these systems allow not only videoconference, but also mutual document and presentation sharing. With these systems, we achieved reductions in fuel consumption and resulting greenhouse gas emissions due to business travels; we also saved work time that otherwise would be lost in commuting. In 2011 we established eight videoconference systems and increased the number of devices used in our Regional Directorates, some Private Banking branches and Head Office. Overall, the amount of time spent at Virtual Meeting Table reached approximately 110 hours/month. We plan to establish the second Virtual Meeting Table and increase the number of videoconference devices in 2012.

Carbon Emissions and Reductions

Carbon Emissions

Fuels that our Bank uses during its operations and the electricity purchased from third parties cause carbon emissions that are believed to cause global climate change. In addition, fuels used in personnel service buses and company cars allocated to senior managers also cause greenhouse gas emissions.

We take a variety of measures to minimize the greenhouse gas emissions created during our operations. Every year we calculate our carbon footprint to monitor the results of these measures. Our aim is to reduce our carbon footprint (calculated based upon international standards and on the basis of energy resources consumed) every year.

Carbon Emissions by Primary Energy Source

CO₂-equivalent carbon emissions resulting from fuels used for heating in our Bank are presented in the table below.

Carbon Emissions by Primary Energy Source (tonCO ₂ -e)	2009	2010	2011
Akbank Sabancı Center	608	464	612
ABC and Other Centers*	859	1,101	1,075
Branches	3,073	3,162	4,142
TOTAL Carbon Emissions Generated by Natural Gas Consumption	4,540	4,727	5,829
TOTAL Carbon Emissions Generated by Other Fuels **		2,966	3,885
TOTAL		7,693	9,714

* Other Centers: Zincirlikuyu and Silivri Service Buildings.
Note: Data control processes were continuing during the reporting.

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We continue to work for emission reductions, energy efficiency and savings as well as creating awareness among our employees. Yet carbon emissions generated by primary energy sources seem to have increased compared to the previous year. We believe that the increase in the number of our branches and harsher winter conditions in 2011 boosted the need for primary energy sources and thus carbon emissions.

Carbon Emissions Generated by Electricity Consumption

CO₂-equivalent carbon emissions generated by electricity consumption in our Bank are presented in the table below.

Carbon Emissions Generated by Electricity Consumption (ton CO ₂ -e /year)	2009	2010	2011
Akbank Sabancı Center	5,743	6,000	6,916
ABC and Other Centers*	6,563	9,227	8,423
Branches and ATM/BTMs**	37,796	37,880	27,540
TOTAL	50,102	53,107	42,879

* Other Centers: Zincirlikuyu 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.

Compared to 2011, there is a 19% decrease in the total carbon emissions generated by electricity consumption in our Bank. It is a noteworthy improvement that despite the increase in the number of branches, carbon emissions resulting from our branches fell 28%. The main reasons behind the decrease in total carbon emissions are our energy efficiency and savings practices, efforts to create awareness as well as our decision to receive energy from a private autoproducer that generates energy with lower emissions with the aim of reducing carbon footprint in 2011.

Carbon Emissions Generated by Personnel Transportation

Personnel service buses are used for mass transportation of employees working at the Sabancı Center and Gebze ABC, where our Head Office units operate. In addition there are vehicles appointed to senior management. These vehicles generate carbon emission due to burning fuel. CO₂-equivalent carbon emissions generated by fuels used in transportation are given in the table below.

Carbon Emissions Generated by Personnel Transportation (ton CO ₂ -e /year)	2010	2011
Personnel using service buses	4,650	4,634
Covered distance (km)	8,269,344	9,100,410
Total ton CO₂-e	3,308	3,640

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Paper Use and Savings

Paper Use

We use a high volume of paper in our operations - from contracts of products and services we offer to our customers to correspondences and promotion materials.

Amount of paper used by our Bank has been falling since 2009. As a result of various saving measures, our paper use in 2011 was 2% less than that in 2010. The amount of paper consumed per person in 2011 fell to 73 kg from 90 kg in 2009, which indicates a major reduction.

In 2011, amount of materials purchased by the Corporate Communications Division, such as invitations, brochures, banners, flyers, envelopes, and posters fell significantly compared to 2010. This fall can be interpreted as an indicator of our sensitive approach to the issue.

Paper Savings

We have been taking a lot of measures in order to reduce the paper use in our Bank and we add new ones every year. The "Operactive System" that allows

customer faxes to travel electronically between our Branches and Operation Center without any need to take print-outs was launched in 2004. Post@, which provides the opportunity to make correspondences that require original signature between units of our Bank in the electronic environment, was initiated in 2008. 60,000 announcements and internal correspondences are made via these systems every year.

Another example comes from our Private Banking Business Unit: Instead of printing bank statements of our customers, we spread the use of technologies such as iPads. We also transferred our print material entitled "Private Letter" to electronic environment and saved approximately 22 thousand A4 paper sheets in 2011.

Total Paper Savings

With the paper saving measures we have been implementing in recent years, we prevented use of approximately 267 tons of paper in 2011.

In order to enhance our paper savings through projects and increase amount of paper saved we need to increase knowledge and awareness of our employees. In line with this commitment, we encourage employees to save paper via various briefings and announcements within the Bank.

Paper use (ton) *	2009	2010	2011
Purchasing Division **	1,321	1,144	1,118
Corporate Communications Division	(0)***	6.5	3.5
TOTAL	1,321	1,150.5	1,121.5
Paper use per employee (kg)	90	75	73

* Total amount of paper does not include A4 photocopy papers and print materials of suppliers (such as reports, etc.).

** The amount of paper sent from our warehouse to the Head Office, Regional Directorates and Akbank Banking Center.

*** 2009 data cannot be collected retrospectively.

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Amount of saved paper (ton)	Starting Date	Area of Practice	2010	2011
Branch without Paper	2009	Branches	21	26
End of Day Reports	2009	Branches	27	33
ATM Reports	2011	ATM machines	-	66
E-Inquiries	2009	Head Office	0.6	0.7
E-Statements*	2008	Head Office	114.9	141.2
Yearly total paper savings thanks to model practices (ton)			163.5	266.9

*Note: 1 extract is approximately 1.1 A4 pages and 1 envelope; 1 A4 paper is calculated as 5 g and 1 envelope is 6 g. Total savings are calculated by considering that some of the customers who order e-statements are not active card users.

Examples to Paper Saving Practices

The significant projects for paper saving that we put into practice in the last three years in our branches, ATMs, and Head Office are given below.

Branch without Paper

As a result of transferring customer documents to the system and making control and approval transactions on screen, we significantly reduced the amount of paper used for photocopying customer transactions. While 4,350,000 transactions were made in the electronic environment in 2010, this figure increased to 5,275,000 in 2011.

"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 environment was realized in October 2008 and the second phase was completed in February 2009. The implementation of this project enabled us to electronically control and archive end of day control reports that used to be printed out and archived daily at branches. Thus, paper consumption resulting from printing 2.25 million multi-paged reports reduced notably.

ATM Reports

Until March 2011, all transactions made by ATM users were recorded on paper rolls placed inside ATMs. Since then such information is kept in electronic environment resulting in paper savings.

E-Inquiry

In March 2009, the Revenue Administration Directorate launched the E-sequester (E-inquiry) project carried out within The Banks Association of Turkey. With this project, inquiries for the collection of debts of tax-payers started to be made in digital environment. This enabled us to both use human resources more efficiently and reduce the number of print documents sent to the related institution by our Bank, thus save paper.

E-Statement

Since August 2008, account statements indicating credit card bills have been produced in the electronic environment, via e-mails or SMSs. To encourage our customers to accept and use these "e-statement", we continue to perform communication activities with the motto "Give Life to Trees" and a chip-money reward campaign. Number of cards with statements sent electronically (e-statements) exceeded 1.62 million at the end of 2011, while it was approximately 1.18 million in December 2009. By sending credit card statements in the electronic environment to customers who ordered them, we saved an average of 1.1 A4 pages and 1 envelope per card monthly.

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Paper Recycling

In addition to saving paper, another method for us to reduce our environmental footprint is to recycle paper that is investable to use. At Kinalı Archives Center in which all Branch and Head Office archives are kept, 300 tons of paper are disposed every year and recycled when the legal preservation period ends.

All branch and Head Office documents are archived at the Kinalı Archives Center. Documents that have completed their legal preservation periods are sent to a contracted paper company for secure disposal. The company applies chemical processes on the slit and baled paper to make pulp and this pulp is used to reproduce paper. Our branches dispose of their own archived documents but when they are unable to do so, they send the documents to the Archives Center for disposal.

In our branches some precious papers are slit and regular paper is used in both sides when possible. Then, these are collected in recycling boxes provided by municipalities and non-governmental organizations such as TEMA (The Turkish Foundation for Combating Erosion Reforestation and the Protection of Natural Habitats) to be recycled later on.

Paper Savings

Given that 1 ton of saved paper and 1 ton of recycled paper save 17 and 8 trees respectively, with our savings and measured recycled papers in 2011, we saved 6,939 trees from being cut.

Water Use and Savings

Water Use

In our Bank water is used by the employees, for cleaning purposes, and for irrigating green areas. Compared to a production facility, Akbank's total water withdrawal is limited and municipal water is used. Our water use does not have significant negative impact on a specific water source.

Total water consumption of our Bank increased 4% compared to the previous year. Meanwhile the number of our branches increased 2%.

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 (HO) and the Akbank Banking Center (ABC). In addition, in the HO and ABC, photocell taps are used in WCs where water is used in great amounts, in order to achieve water savings.

Water Consumption (m ³ /year)	2009	2010	2011
Akbank Sabancı Center	40,374	34,591	30,664
ABC and Other Centers*	39,654	54,176	69,370
Branches	290,196	284,012	289,181
TOTAL	370,224	372,779	389,215

* Other Centers: Zincirlikuyu and Silivri Service Buildings.
Note: Data control processes were continuing during the reporting.

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Waste Management

Akbank uses a great number and variety of electric and electronic devices due to the nature of banking operations. These devices contain not only valuable metals that should be brought back to the economy, but also environmentally harmful materials. Therefore, we perform several activities to ensure recovery of devices that have gone out of use within the economy or to reduce potential negative impacts on the environment.

In our main buildings, we sort and collect wastes to deliver them to intermediary companies that perform recycling works. For instance, used paper, plastics, glass and metals are collected in separate boxes and sent to recycling. In addition, oil retainers placed between the wastewater line of the kitchens and the city sewer lines collect waste oils and these are sent to oil recovery stations to be recycled.

Recycling Toner Cartridges

Empty toner cartridges of printers have negative impacts on the environment if they are not disposed of accurately. To minimize this impact, we initiated a project to recycle the toner cartridges used in printers in August 2010. Since then, empty cartridges in the

Head Office buildings and all branches have been sent to an electronic waste recovery company for recycling. Employees who order new cartridges see a warning on their computer screens and then send the empty cartridges to the given address. The recovery company uses the recycled cartridges as fuel for energy generation.

Within the 5 months between August and December 2010 (the first year of the project) a total of 783 cartridges were sent to the recovery company. In 2011 we sent a total of 3,072 cartridges (1,102 from the Head Office and 1,970 from Branches) to recovery.

Recovery of Technological Wastes

Electronic devices that are no longer appropriate for use according to our Bank's standards are sold as scrap or second-hand products to Turkish companies for recovery of their metals and electronic parts. In addition, some of these devices are donated upon requests made to our Bank. In the last three years, the total number of donated equipment (including those donated to schools) amount to 401, 893, and 1,296 respectively. For instance, in 2011 we donated 980 used but working computers and equipment to 56 schools.

Type of Technological Wastes	2009		2010		2011	
	Sold as Scrap	Donation	Sold as Scrap	Donation	Sold as Scrap	Donation
Computer	5,962	197	964	433	31	636
Monitor	3.471	188	2.195	436	1.215	638
Passbook Printer	445	-	676	-	736	-
Dot Matrix Printer	23	1	130	-	42	-
Laser Printer	342	13	404	24	707	22
POS Machine	50.490	2	6.592	-	59.626	-
ATM Machine	164	-	273	-	414	-



OUR COMMUNITY INVESTMENT

OUR COMMUNITY INVESTMENT

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OUR COMMUNITY INVESTMENT Akbank stands by you for a modern society...

Creating permanent values that seek the well-being of both our current stakeholders and the future generations is an integral part of our corporate culture.

Our contribution to the community we live in is a priority for us. While working to manage the economic, social, and environmental impacts of our operations responsibly, we also show maximum effort to contribute to the development of our society.

Akbank and Arts

Since its establishment, in addition to its banking operations, our Bank has been supporting the efforts to help the social life prosper by means of culture and arts. Our approach to culture and arts is to support innovative and contemporary works of art as well as permanent activities and to contribute to the spread of arts to masses all over the country and provision of opportunities for young talents.

This year we continued to support very special cultural activities including the **International İstanbul Film Festival** and **Contemporary İstanbul**. Organized by İstanbul Foundation for Culture and Arts (IKSV), the International İstanbul Film Festival, which brings the most exclusive and original films to cinemagoers since 2004, contributes to the growth of a cinema culture in our country. On the other hand, Contemporary İstanbul -the international modern art fair with the widest scope in Turkey- was visited by 62,000 art-lovers and 2,100 collectors for 5 days in November 2011.

Akbank Art Center

The mission of Akbank Art Center is to be "the place where change never ceases", hosting events from exhibitions to modern dance, from films to theater shows, classical music recitals, jazz concerts, panels, and mastership classes.

Hosting culture and art since 1993, Akbank Art Center went through a restructuring in 2003, focusing on modern art and its exhibitions have been stimulating the dynamics of arts by concentrating 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 has become one of the most respected art venues of not only in Turkey but also in the Middle East and Europe, starting from the Balkans.

Continuously performing in Beyoğlu, a location with special importance in the culture and art life of İstanbul, Akbank Art Center organizes concerts and over 700 exhibitions, interviews, conferences, movie screenings throughout the year.

➔ <http://www.akbanksanat.com/en>

As one of the veteran activities of Akbank Art Center, **Akbank Children's Theatre** has been travelling all around Turkey -starting with İstanbul- to bring the excitement and joy of theatre to hundred thousands of children with tours in Anatolia since the day it was established in 1972. Repeating its tour in Anatolia on the "Human Rights Train" of Hürriyet newspaper in 2011, the group reached ten thousands of children, covered a distance of 11,000 kilometers in 51 days and stopped at 42 train stations to perform a play named "Who's the Happiest?"

Hosting the world's most renowned jazz performers as well as promising young jazz talents since 1991, **Akbank Jazz Festival** takes firm steps forward as a versatile organization that hold panels, workshops, film screenings, concerts, and social responsibility projects. Since 2006 the Festival has been offering innovations to its followers every year and reaching a number of cities in Turkey with its "Jazz on Campus" series. In 2011 "Jazz on Campus" concerts were organized in 10 cities.

Akbank Short Film Festival, established within Akbank Art Center, reached its audience for the 7th time in 2011. Approximately 6,000 people attended the festival. A total of 430 films applied, with 286 of them applying for the contest, and upon evaluation of these, 92 films from 21 countries were screened. On the other hand, as another activity of Akbank Art Center, the **Akbank Map of Contemporary Art** continues to reach Turkish and foreign art-lovers in print form and on the Internet with the aim of reflecting the artistic life in İstanbul in the best way possible. With the Map, which was printed 5 times in 2011 with a total volume of 180,000, we reached more people especially during exhibition and biennial periods.

➔ <http://www.akbanksanatharitasi.com>

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Turkish Youth Philharmonic Orchestra

We can summarize the new approach that we adopt in supporting culture and arts in line with contemporary needs as "bringing arts to the youth and university students and providing better opportunities for young artists".

With this approach in mind, we became the main sponsor of 2011 activities of the "Turkish National Youth Philharmonic Orchestra" in order to contribute to the development of young talents. The orchestra aims to contribute to the development of talented and successful young people screened from conservatories all around the country and to raising future artists. The Turkish National Youth Philharmonic Orchestra performs its summer activities in İstanbul under the leadership of Cem Mansur and gives concerts in Turkey and abroad.

Cirque Du Soleil "Saltimbanco" Sponsorship

Established in early 1980s as a street theatre group, Cirque Du Soleil has so far reached approximately 115 million people in more than 300 cities of the world. The group's Saltimbanco show that was watched by around 9.5 million people in 75 different cities of the world visited Turkey in February-March 2011 with the sponsorship of Akbank and met with 85 thousand people in 17 performances.

Education and Youth

For our Bank, helping the young people receive a better education and face the future in a better-equipped way is important.

Sakıp Sabancı Museum – Education Sponsorship

We added one more item to our list of educational initiatives and assumed the education sponsorship of Sakıp Sabancı Museum (SSM). Aiming to ensure that children and young people have a strong awareness of culture and arts and that they become acquainted with works of art from both the SSM collection and temporary exhibitions, the SSM organized a variety of education programs and activities throughout the year. In these activities held with support from Akbank, the purpose is to help young visitors become acquainted with works of art, learn to interpret them, visit museums, learn about the artists, and reinforce this knowledge with workshops. Approximately 9,500 students participated in free education workshops for the children and young people. Our objective is to reach 13,000 students by May 2012.

The Akbank Thinking Club

Akbank founded the "Akbank Thinking Club" in 2008 in order to offer the youth, who will create the innovative force of tomorrow and have a word in Turkey's future with today's experience, a new platform for self-development and to grow with them.

The purpose of the Akbank Thinking Club is

- To unite academically and socially successful young people under the Akbank brand
- To create a platform for the exchange of opinions between Akbank Senior Management and youth
- 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

Having started its 4th year activities in September 2011, the Club works with 12 universities: Sabancı University, Middle East Technical University, Bilkent University, Boğaziçi University, İstanbul Technical University, Koç University, Bilgi University, Çukurova University, 9 Eylül University, Galatasaray University, Eskişehir Anadolu University, and Marmara University.

Every year, Akbank Thinking Club selects maximum 30 students with academic Grade Point Averages of 3 and above (out of 4) who are innovative, analytical-minded, extrovert, communicative, and inclined to teamwork. As of the 4th period, total number of members reached 90 people. The Club organizes regular events and social activities for the development of members, including trainings, seminars, brainstorming with Akbank executives, and workshops with academicians.

The Club also has a yearly competition involving intellectual study on a theme set by Akbank Management. Club members work on the theme of the year in groups and their work is evaluated every spring after a workshop by a special jury consisting of academicians and press members. The theme of the new activity year was "winning the customers". The student group to prepare the work earning the highest acclaim at the evaluation is rewarded with a Summer School Scholarship at Harvard University.

➔ <http://www.akbankdusuncekulubu.com>

(available only in Turkish)

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Entrepreneurship

Supporting SMEs, which are recognized as dynamos of the economy, is one of our basic business areas. Our aim is to spread the spirit of entrepreneurship, support SMEs, and contribute to the increase in employment in developing and growing businesses.

Global University Student Entrepreneur Challenge

"Global University Student Entrepreneur Challenge" created by the Global Students Entrepreneur Awards (GSEA) in order to promote entrepreneurship among universities all around the world was held in Turkey for the first time in 2011. Putting the innovative ideas of young entrepreneurs into practice contributed to sustainable development. We co-sponsored the challenge to which 126 young entrepreneurs applied with this point of view. In the global finals in which young entrepreneurs from 44 countries competed, the entrepreneur representing Turkey with an Internet company had the opportunity to exchange experiences with other contestants. As Akbank, we rewarded successful participants with an advantage package that facilitates banking transactions.

KAGİDER

The Development Centre for Women "BIZ", founded by the Women Entrepreneurs Association of Turkey (KAGİDER) and aiming at bringing women together in order to increase their individual productivity, was opened under Akbank's main sponsorship in 2009. Through the BIZ project, which was formed in order to increase the participation of women in economic life, important opportunities are offered for professional women who think and produce, academicians, non-governmental organizations for women and all individuals and corporations wishing to take advantage of the BIZ infrastructure.

In addition to sponsorship to KAGİDER, we completed the preparations for a project that focuses on "equality of men and women" – an important issue for the Association. The name of the project implemented with technical support from the World Bank is Equal Opportunity Model (EOM). Within the scope of the project, corporations will be audited in terms of procedural suitability in 2012 and those that have completed the required process will earn the "Equal Opportunity" certificate. The model aims to spread equal opportunity concept and implementations in corporations all around Turkey, to increase employment of women, to give certificates to corporations that

are "sensitive to men-women equality" for creating awareness in the society. Akbank is one of the 11 corporations that agreed to take part in the first phase of this project.

Environment

As Akbank, we are aware of our environmental responsibility and therefore we support projects that create environmental awareness in the public.

REC's "No Time to Waste" Project

In 2010, we initiated the "No Time to Waste" project in coordination with the Regional Environment Center (REC) with the aim of drawing attention to environment and climate change problems. With this initiative we first of all aim to offer our society direct and practical information, then to create awareness on climate change with support from our employees.

In the Intergovernmental Panel on Climate Change (IPCC) report dated 2001, international authorities consider the region including Turkey among places to be immediately affected by global climate change. The great number of susceptible areas and insufficiency of measures speed this process up. "No Time to Waste" project is one of the first steps to be taken for protecting our natural habitats and offering a safer future to those living in these areas.

In the first phase of the project, scientists took photographs and made interviews in 15 regions of Turkey that were found to be in danger due to Climate Change. Within the scope of the project, Akbank volunteers visited 93 elementary schools in 11 cities and made one-hour presentations about the environment and climate change to approximately 7,500 students. Our employees spent a total of 1,369 hours on this project - 540 hours on Trainer's Training and 829 hours on presentations made at schools.

Nicholas Stern's "A Blueprint for a Safer Planet"

British bureaucrat and economist Lord Nicholas Stern is an important opinion leader with his recent works on climate change economy. Also an esteemed member of Akbank's International Advisory Board, Lord Stern invites the whole world to cooperate against negative impacts of global climate change with his new book, "A Blueprint for a Safer Planet". This year we shared Lord Nicholas Stern's book with approximately 1,200 opinion leaders and press members in Turkey. We are glad to have contributed to introducing this valuable book by Lord Stern to the Turkish readers.

OUR COMMUNITY INVESTMENT

SUSTAINABILITY REPORT 2011

Akbank Volunteers

One of the efforts that brought the greatest excitement to our Bank was the implementation of Akbank Volunteers system.

We believe that we can have a wide area of influence with our over 15 thousand employees, their families, our suppliers and business partners. Managing this potential in an appropriate and efficient manner within the framework of a well-structured volunteering system will create great positive changes with small steps. Therefore, following the preparation period we had with support from the Private Sector Volunteers Association in 2010, we established the Akbank Volunteers system in 2011. With a sense of social responsibility, Akbank Volunteers share their talents, time, and experiences with people and institutions that are in need.

The **mission** of the Akbank Volunteers system is to be a part of the solutions to social problems.

Stakeholder Participation: We planned the Akbank Volunteers system completely in line with the expectations and general trends of our employees, non-governmental organizations, and the society. We pay attention that our projects are designed to allow participation from all employees and we encourage them to take part in these projects. For instance, our employees can take aid packages to animal shelters together with their children. As in our book collection campaign, by placing boxes and posters in places that our customers can also see in our branches, we inform them on book donations to meet library demands in Anatolia. Our suppliers and business partners support us in meeting the logistics and transport needs of such projects.

Cooperated Institution	2011 Volunteering Projects	Number of Volunteers	Number of Children/ Young People Reached
Regional Environment Center (REC) Turkey	No Time to Waste Environment Project	60	7,500
Municipality of Fatih, Yedikule Animal Shelter	Visit to Yedikule Animal Shelter	57	-
Private Sector Volunteers Association	Campaign for Collecting Books	550	3,000
Technology and Education Laboratory for the Visually Impaired (GETEM)	GETEM Audio Book Project	425	-
The Red Crescent	Blood Donation Campaign for the Red Crescent	170	-
Adım Adım Initiative	Eurasia Marathon	17	-
Foundation for Children with Leukemia (LÖSEV)	Visit to LÖSEV children	20	125
Private Sector Volunteers Association – Elementary Schools	English Speaking Club	25	625
UNICEF (United Nations Children's Fund) and Foundation for Children with Leukemia (LÖSEV)	Shopping at UNICEF and LÖSEV Booth	165	-
	TOTAL	1,489	11,025

The first year evaluation of Akbank Volunteers System: 1,489 employees volunteered in 9 projects and reached around 11,250 children and young people in 2011. We tried to be a part of the solutions to social problems by sparing 1,504 hours of our working time.

OUR COMMUNITY INVESTMENT

SUSTAINABILITY REPORT 2011

Our Bank's CEO and Executive Vice Presidents are also among Akbank Volunteers. Heads of some Divisions participate in projects with their teams. Participation of the senior management in these projects increases corporate awareness and motivation of our employees.

Our Targets: We aim to spread our volunteering system. With this aim in mind, we will continue to increase the number of projects to be realized with all employees all over the country, to encourage stakeholder participation, and to include our employees in the decision-making processes more. Our target for 2012 is to have at least 2,000 employees actively taking part in Akbank Volunteers System.

Donations

Platform for Donations with Credit Cards and Deposit Accounts

Seeking to facilitate philanthropic aids via our banking services, we created various donation channels in our Bank. Our customers use their credit cards or deposit accounts to make donations to some associations and foundations that operate in Turkey and pursue public interest. Akbank Credit Card or deposit account holders can donate the amount of money they choose for one-time only or with automatic payment orders to an association or foundation they prefer. Credit Card holders can also use their accumulated chip-money for donations.

The Associations and Foundations to be included into this platform were carefully investigated by our Bank to make sure that they pursue public interest. In 2011, customers' donations amounting to approximately TL 13,000,000 were forwarded to the following Associations and Foundations.

Associations and Foundations That Received Donations from Akbank Customers in 2011

Make a Wish
Kidney Foundation for Children
Directorate of Darülaceze Institution
The Darüşşafaka Association
Women Entrepreneurs Association of Turkey (KAGİDER)
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 Aeronautical Association
The Turkish Association for Cancer Research and Control
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 Foundation for Spastic Children

GLOBAL REPORTING INITIATIVE (GRI) INDEX

SUSTAINABILITY
REPORT 2011

GRI Sustainability Reporting Guidelines Index

This report contains information on the actions we took to improve our social, environmental, and economic performance and the results we achieved during the period between 1 January 2011 and 31 December 2011. The contents of the report are developed in compliance with the C-application level of the G3 version of the GRI (Global Reporting Initiative) Sustainability Reporting Guidelines, which is an internationally recognized reporting standard. The table below has been prepared to facilitate access to information provided within the framework of GRI's C-level application.

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	3-6
1.2	Description of key impacts, risks, and opportunities	Our Approach to Sustainability	Full	26-29, 33-34, 37-38
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 number of customers for each segment. 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 912 to 926.
2.10	Awards received in the reporting period	About Akbank	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 2011 - 31 December 2011
3.2	Date of most recent previous report (if any)	About the Report	Full	Second report was published in 2011.
3.3	Reporting cycle	About the Report	Full	We publish our Sustainability Report annually. We update some data on our website throughout 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	23-24, 26-27, 30
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	23-24
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 in Akbank	Full	41-42
4.2	Whether the Chair of the highest governance body is also an executive officer	Corporate Governance in Akbank	Full	41
4.3	Number of independent members of the highest governance body	Corporate Governance in Akbank	Full	41
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body	Corporate Governance in Akbank Our Employees	Full	40-41 72, 79
4.5	Linkage between compensation for members of the highest governance body and the organization's performance	Corporate Governance in Akbank Our Employees	Full	42 71

Profile Disclosure	Description	Reported in	Scope of Reporting	Reference Pages/ Explanations
4.6	Processes in place for the highest governance body to ensure conflicts of interest are avoided	Corporate Governance in Akbank	Full	42
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 in Akbank	Partial	41
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 in Akbank Risk Management and Compliance	Full	26, 33-34 41 46-48
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 in Akbank Risk Management and Compliance	Full	33-34 41-42 44
4.10	Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance	Corporate Governance in Akbank Our Employees	Partial	42 71
EXTERNAL COMMITMENTS				
4.11	The precautionary approach or principle	Risk Management and Compliance	Full	44-45
4.12	Externally developed sustainability initiatives to which the organization subscribes or endorses	Our Approach to Sustainability	Full	35-36
4.13	Memberships in associations	Our Approach to Sustainability	Full	35-36
STAKEHOLDER PARTICIPATION				
4.14	List of stakeholder groups engaged by the organization	Our Approach to Sustainability	Full	30-32
4.15	Identification and selection of stakeholders with whom to engage	Our Approach to Sustainability	Full	30
4.16	Approaches to stakeholder engagement	Our Approach to Sustainability	Full	30-32
4.17	Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to them	Our Approach to Sustainability	Full	27, 30-32
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

Profile Disclosure	Description	Reported in	Scope of Reporting	Reference Pages/ Explanations
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
EC4	Significant financial assistance received from government.		Full	No significant financial assistance was received from the government in 2011.
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	67
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	89-90 92-96
EC9	Indirect economic impacts	Value Added to Our Customers	Partial	61-62
ENVIRONMENTAL				
ASPECT: MATERIALS				
EN1	Materials used by weight or volume	Our Operations and the Environment	Partial	87
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. There is no official carbon emission coefficient for electricity use in Turkey.
EN5	Energy saved due to conservation and efficiency improvements	Our Operations and the Environment	Partial	83-85
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 Our Customers	Partial	52, 54
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	89
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 Our Customers	Partial	51-52

Profile Disclosure	Description	Reported in	Scope of Reporting	Reference Pages/ Explanations
ASPECT: EMISSIONS, EFFLUENTS, AND WASTES				
EN16	Total direct and indirect greenhouse gas emissions by weight	Our Operations and the Environment	Full	85-86
EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved	Our Operations and the Environment	Partial	85-86
EN22	Total weight of waste by type and disposal method	Our Operations and the Environment	Partial	90
ASPECT: PRODUCTS AND SERVICES				
EN26	Initiatives to mitigate environmental impacts of products and services	Value Added to Our Customers	Partial	51-52, 53
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 were no significant fines or sanctions for non-compliance with environmental laws and regulations in 2011.
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	68
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	68, 72-73
ASPECT: LABOR/MANAGEMENT RELATIONS				
LA4	Percentage of employees covered by collective bargaining agreements	Our Employees	Full	72
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	72
ASPECT: TRAINING AND EDUCATION				
LA10	Average hours of training per year per employee by employee category	Our Employees	Full	74
LA11	Programs for skills management and lifelong learning that support the continued employability of employees	Our Employees	Full	73-74

Profile Disclosure	Description	Reported in	Scope of Reporting	Reference Pages/ Explanations
LA12	Percentage of employees receiving regular performance and career development reviews	Our Employees	Full	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
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 Our Customers	Partial	51
HR2	Percentage of significant suppliers and contractors that have undergone screening on human rights and actions taken	Our Approach to Sustainability	Partial	38
ASPECT: NON-DISCRIMINATION				
HR4	Total number of incidents of discrimination and actions taken	Our Employees	Partial	67
ASPECT: FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING				
HR5	The right to exercise freedom of association and collective bargaining	Our Employees	Full	72
ASPECT: CHILD LABOR				
HR6	Incidents of child labor, and measures taken to contribute to the elimination of child labor	Our Employees	Full	69
ASPECT: FORCED AND COMPULSORY LABOR				
HR7	Forced or compulsory labor	Our Employees	Full	70
ASPECT: INDIGENOUS RIGHTS				
HR9	Incidents of violations involving rights of indigenous people and actions taken		Full	There were no such incidents in 2011.
SOCIAL: SOCIETY				
ASPECT: COMMUNITY				
S01	Programs and practices that assess and manage the impacts of operations on communities	Value Added to Our Customers	Partial	72-73
ASPECT: CORRUPTION				
S02	Percentage and total number of business units analyzed for risks related to corruption	Risk Management and Compliance	Partial	45-46
S03	Percentage of employees trained in organization's anti-corruption policies and procedures	Our Employees	Full	76-77
S04	Actions taken in response to incidents of corruption	Risk Management and Compliance	Full	48

Profile Disclosure	Description	Reported in	Scope of Reporting	Reference Pages/ Explanations
ASPECT: PUBLIC POLICY				
S05	Public policy positions and participation in public policy development and lobbying	Our Approach to Sustainability	Partial	35-36
S06	Financial and in-kind contributions to political parties, politicians, and related institutions		Full	There were no financial and in-kind contributions to political parties, politicians, and related institutions in 2011.
ASPECT: COMPLIANCE				
S08	Significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations		Full	There were no significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations in 2011.
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 and terms.
PR5	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction	Value Added to Our Customers	Partial	64-65
ASPECT: MARKETING COMMUNICATION				
PR6	Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship	Risk Management and Compliance	Partial	47
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 were no significant fines for non-compliance with laws and regulations concerning the provision and use of products and services in 2011.

GRI APPLICATION LEVEL STATEMENT

SUSTAINABILITY
REPORT 2011



Statement GRI Application Level Check

GRI hereby states that **AKBANK** has presented its report "Akbank Sustainability Report 2011" 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 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 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, 13 September 2012

A handwritten signature in blue ink, appearing to read "Nelmara Arbex", is written over a large, faint watermark of the GRI logo in the background.

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 30 July 2012. GRI explicitly excludes the statement being applied to any later changes to such material.

UNITED NATIONS GLOBAL COMPACT (UNGC) INDEX

SUSTAINABILITY
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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 communicate our progress regarding putting the UNGC Principles into action. This Sustainability Report contains information on our current actions and performance we have achieved as a result. Information disclosed 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.	35, 36, 38, 51, 67, 68, 69, 70, 72, 73
Principle 2 Businesses should make sure that they are not complicit in human rights abuses.	38, 51, 67, 69, 70, 72
Labour	
Principle 3 Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;	35, 36, 51, 68, 72
Principle 4 The elimination of all forms of forced and compulsory labour;	35, 36, 38, 51, 70
Principle 5 The effective abolition of child labour;	35, 36, 38, 51, 69
Principle 6 The elimination of discrimination in respect of employment and occupation.	35, 36, 38, 51, 67, 68, 69, 70, 71
Environment	
Principle 7 Businesses should support a precautionary approach to environmental challenges;	35, 36, 37, 51, 52, 54, 8, 86
Principle 8 Undertake initiatives to promote greater environmental responsibility;	35, 36, 51, 52, 54, 82, 83, 84, 85, 86, 87, 90
Principle 9 Encourage the development and diffusion of environmentally friendly technologies.	35, 36, 51, 52, 54, 83, 84, 85, 86
Anti-Corruption	
Principle 10 Businesses should work against corruption in all its forms, including extortion and bribery.	35, 36, 45, 46, 47, 48, 76, 77

CONTACTS AND CREDITS

SUSTAINABILITY
REPORT 2011

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Akbank Sustainability Report ("the Report") was prepared solely for informative purposes and does not create a basis for any kind of investment decisions. This report has been originally prepared and published in Turkish. Even though its translation into English has been realized with utmost care and attention for precision, the Turkish version prevails as the original. All contents and information in this Report are prepared using the information and sources deemed to be accurate and reliable in the time the Report was written. None of the information and content in this Report can be interpreted as a statement, warranty and/or commitment; nor is it guaranteed that the information and content in this Report is complete and constant.

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