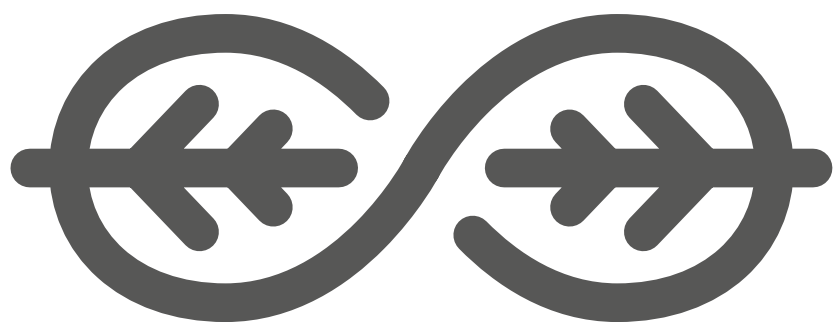




2013

SUSTAINABILITY REPORT



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MESSAGE FROM THE CHAIRMAN

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AKBANK EMBRACES A MANAGEMENT APPROACH THAT BLENDS FINANCIAL AND OPERATIONAL SUCCESS WITH ENVIRONMENTAL AND SOCIAL SENSITIVITY.

SUZAN SABANCI DİNÇER
CHAIRMAN OF THE BOARD OF DIRECTORS

ESTEEMED STAKEHOLDERS,

IT IS WITH GREAT PRIDE AND SATISFACTION THAT I SHARE WITH YOU THE FIFTH SUSTAINABILITY REPORT OF AKBANK, PREPARED IN ACCORDANCE WITH THE GLOBAL REPORTING INITIATIVE (GRI) SUSTAINABILITY REPORTING GUIDELINES AND THE UNITED NATIONS GLOBAL COMPACT (UNGC) PRINCIPLES AS WELL AS ITS MISSION OF CREATING VALUE IN EVERY AREA IT OPERATES. THIS REPORT PRESENTS ALL

AKBANK STAKEHOLDERS WITH THE ECONOMIC, SOCIAL AND ENVIRONMENTAL SUSTAINABILITY INITIATIVES UNDERTAKEN BY THE BANK IN ACCORDANCE WITH ITS RESPONSIBILITIES TO FUTURE GENERATIONS. WE HOPE THAT THE PROGRESS MADE BY AKBANK OVER THE FIVE-YEAR PERIOD THAT IT HAS BEEN REPORTING ON ITS SUSTAINABILITY INITIATIVES SERVES AS MOTIVATION FOR ALL ORGANIZATIONS THAT SUPPORT "SUSTAINABLE DEVELOPMENT" GOALS.

MESSAGE FROM THE CHAIRMAN

2013/SUSTAINABILITY REPORT

WE HOPE THAT THE PROGRESS MADE BY AKBANK OVER THE FIVE-YEAR PERIOD THAT IT HAS BEEN REPORTING ON ITS SUSTAINABILITY INITIATIVES SERVES AS MOTIVATION FOR ALL ORGANIZATIONS THAT SUPPORT “SUSTAINABLE DEVELOPMENT” GOALS.

Esteemed Stakeholders,

It is with great pride and satisfaction that I share with you the fifth Sustainability Report of Akbank, prepared in accordance with the Global Reporting Initiative (GRI) Sustainability Reporting Guidelines and the United Nations Global Compact (UNGC) principles as well as its mission of creating value in every area it operates. This report presents all Akbank stakeholders with the economic, social and environmental sustainability initiatives undertaken by the Bank in accordance with its responsibilities to future generations.

Growth and employment gains in the developed markets

The major development in the global economy in 2013 was the economic recovery and employment growth in the developed markets led by the United States. The announcement by the United States Federal Reserve (Fed), which had been signaling a transition to tighter monetary policy for a while, that it will taper its asset purchases by USD 10 billion per month as of December had major repercussions for all global markets. The capital flows out of developing markets into the developed economies that began in mid-2013 with this expectation are anticipated to continue in January 2014 as the Fed implements this decision. Following the decision by the United States to switch to a less accommodative monetary policy, the emerging markets that enjoyed stellar growth performances during the global crisis such as Brazil, Argentina and South Africa are expected to experience external finance problems as well as suffer the loss of value in their currencies against the US dollar. The stability programs put in place under the European Stability Mechanism eliminated the probability of default in countries like Spain and Greece while economic stagnation and high unemployment in the Euro Zone, particularly among youth, lingered in 2013.

Continued growth momentum in the Turkish economy

Turkey, considered to be among the rising economies of the global markets owing to its recent rapid growth, was upgraded to “investment grade” credit rating first by Fitch and then by Moody’s in 2013. However, the country was also negatively impacted by the capital outflows that ensued after the Fed’s decision. Despite the recent limited rise in inflation rate stemming from uncertainties in global capital markets as well as the loss of value of the Turkish lira against major currencies, Turkey maintained its economic growth momentum and sustained its reputation in the eyes of international finance authorities in 2013. Having been pursuing a savings-oriented macroeconomic programme geared toward shrinking the current account deficit since 2012, Turkey is forecast to have registered 4% growth as of year-end 2013.

Total assets of the Turkish banking industry, which displayed its sound capital structure with its strong performance during the global financial crisis, grew by 26.4% over the previous year to reach TL 1,732 billion in 2013. Despite uncertainties in the global economy that prevailed throughout the year, total loans of the banking sector rose by 31.8% compared to the previous year to TL 1,047 billion. Consisting of 49 banks as of year-end 2013, the sector maintained its leading position in Turkey’s employment with more than 210 thousand highly-qualified employees.

Akbank: Deep-rooted brand of the Turkish banking industry

Already a pioneer in the development of the Turkish banking industry since its establishment in 1948, Akbank registered successful financial and operational results during the 2013 fiscal year while continuing to carry out projects that will ensure the sustainability of its corporate structure. Leveraging its extensive service infrastructure and more than 16,000-strong human capital, the Bank



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recorded a 28% growth in loans and a 24% growth in deposits compared to the previous year and continued to support the Turkish economy. Akbank remained fully committed to its principle of sustainability and its objective of permanent leadership in its growth targets and initiatives.

A management approach oriented towards sustainability

Leveraging 65 years of institutional experience and specialization, Akbank continued to embrace a management approach that blends financial and operational success with environmental and social sensitivity in 2013. As a result, during a period of major fragility in the global markets, the Bank continued to undertake investment initiatives that will further enhance its service infrastructure and human resource competence while making qualified contributions to social development via its social responsibility projects spanning a wide variety of areas, from culture and the arts to education and youth.

With its extensive lineup of products and services, Akbank is focused on developing customized solutions for the needs and expectations of all customer segments and establishing permanent relationships with its stakeholders.

In addition, the Bank acts in accordance with the philosophy that "SMEs Power Turkey, Akbank Powers SMEs" in an attempt to bolster the proliferation of small and medium size enterprises that hold great potential in driving Turkey's growth. Akbank conducts its activities in accordance with long-term goals in order to create value for SMEs and contribute to their sustainable development. To this end, we continued to offer many innovative products and services to our customers in this segment and strengthen our relationships in 2013.

Savings campaign continued

The savings campaign launched by Akbank in 2012 under the name of "Heroes of the Economy" in order to increase savings awareness in the society, broaden the base of savings, and contribute to "Sustainable Development" in banking industry-related areas continued in 2013. With the support of nearly 200 Akbank volunteers, the Bank delivered savings training to 11,500 students in various provinces during 2013. We aim to reach another

18,000 students as part of this education initiative in 2014. Akbank will continue to encourage investors and customers to increase their savings.

"Best Performance" Award from CDP Turkey

Considering combating climate change as an integral element of its sustainability goals, Akbank continued to actively support Carbon Disclosure Project initiatives in 2013, which the Bank has been a supporter of since 2010. In addition to carrying out systematic efforts to minimize the environmental impacts resulting from its activities during the last three years, Akbank continued to support the generation of the Turkey Climate Change Report, developed under the coordination of Sabancı University in 2013.

Acknowledgement of our initiatives in this area by CDP Turkey with the "Best Performance" Award motivates us to carry out more comprehensive environmental sustainability projects in the future.

We hope that the progress made by Akbank over the five-year period that it has been reporting on its sustainability initiatives serves as motivation for all organizations that support "sustainable development" goals.

We believe that the 2013 Sustainability Report, which encompasses the social, economic and environmental initiatives carried out by Akbank in 2013 in light of the United Nations Global Compact (UNGC) and Global Reporting Initiative (GRI) principles, will set an important example for the sustainability-oriented initiatives of all our stakeholders. Akbank will continue to improve its successful operations via sustainability-oriented projects, pioneer change in its industry and in Turkey in accordance with its global sustainability goals, and carry out partnerships in pursuit of aiding the common good.

Yours sincerely,

SUZAN SABANCI DİNÇER
CHAIRMAN OF THE BOARD OF DIRECTORS

MESSAGE FROM THE CEO

2013/SUSTAINABILITY REPORT



AT AKBANK, WE RECOGNISE
OUR RESPONSIBILITY TOWARDS
SUSTAINABILITY AND ARE
COMMITTED TO TAKING OWNERSHIP
OF THIS ISSUE.

HAKAN BİNBAŞGİL
CEO

TODAY, AKBANK IS "TURKEY'S MOST VALUABLE BANKING BRAND", AS WELL AS ONE OF THE MOST VALUABLE ORGANIZATIONS IN TURKEY. WE LEVERAGE THIS POSITION AND THE RESOURCES AT OUR DISPOSAL TO CONTINUE INVESTING IN THE FUTURE OF OUR SOCIETY AND OUR PLANET. AS PART OF THIS EFFORT, WE CONSTANTLY REVIEW AND IMPROVE ALL OF OUR OPERATIONS, BUSINESS PROCESSES AND THE WAY WE ADD VALUE AS WE WORK TO MAKE AKBANK EVEN MORE SUSTAINABLE.

WE ARE SHARING WITH YOU THE INITIATIVES THAT WE CARRY OUT WITHIN THE SCOPE OF THIS RESPONSIBILITY WHICH ARE OUTLINED IN OUR FIFTH ANNUAL SUSTAINABILITY REPORT. AKBANK WILL CONTINUE ITS EFFORTS AROUND SUSTAINABILITY IN ORDER TO MAKE GREATER PROGRESS THROUGHOUT OUR SOCIETY AND THE ECONOMY IN WHICH WE LIVE.



2013/SUSTAINABILITY REPORT

TODAY, AKBANK IS “TURKEY’S MOST VALUABLE BANKING BRAND” AS WELL AS ONE OF THE MOST VALUABLE ORGANIZATIONS IN TURKEY. WE LEVERAGE THIS POSITION AND THE RESOURCES AT OUR DISPOSAL TO CONTINUE INVESTING IN THE FUTURE OF OUR SOCIETY AND OUR PLANET.

Esteemed Stakeholders,

We live in a much more complex world today than we ever did previously. More than ever, the welfare of different countries and economies is interdependent. While our quality of life is higher, correspondings with technological progress, the world faces major issues. Rapidly rising populations require higher levels of jobs creation while increasing demand for infrastructure and basic social services put greater pressure on natural resources.

We all know that there is a delicate balance between nature, the environment, society and the corporate world. Even though it may appear to us that the resources we consume today will never be depleted, there are major risks in the medium and long term concerning the environment we live in. The current approach, focusing only on the short term, may cause irreparable harm to the stability of the planet and our global economy. Therefore, the subject of sustainability is of critical significance for a cleaner and more prosperous world.

At Akbank, we recognise our responsibility towards sustainability and attach huge significance to this – just like in many areas that we pioneer - and are committed to taking ownership of this issue. Today, Akbank is “Turkey’s Most Valuable Banking Brand”, as well as one of the most valuable organizations in Turkey. We leverage this position and the resources at our disposal to continue investing in the future of our society and our planet. As part of this effort, we constantly review and improve all of our operations, business processes and the way we add value as we work to make Akbank even more sustainable.

We are sharing with you the initiatives that we carry out within the scope of this responsibility outlined in our fifth annual Sustainability Report which is aligned to the Global Reporting Initiative (GRI) Sustainability Reporting Guidelines.

Sustainability approach targeting “permanent leadership”

The report consists of seven main chapters: “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”. The purpose of this report which encompasses data and developments regarding Akbank’s 2013 activities is designed to give a detailed view of the sustainability-oriented projects undertaken during the year.

Constantly expanding portfolio of products and services

We continued to undertake efforts to improve the Bank’s service quality and customer satisfaction throughout 2013. Closely following the advances in technology and customer relationship management, we launched a large number of new products for the benefit of Akbank’s customers. Unveiling the “single password” application as a groundbreaking practice in Turkey in order to further simplify access to banking services, the Bank facilitated fast execution of a large number of transactions, from money transfers to stock trading, through Akbank Direct Mobile. In addition, Akbank launched Turkey’s first “i’m Watch” banking application that can be synchronized with mobile phones running on Android and iOS operating systems in 2013. We also continued to pioneer our industry in mobility by being the first bank to facilitate banking transactions on smart watches, enabling financial services to become increasingly integrated with daily life and more practical for users. Another innovation rolled out for our customers during 2013 is the Western Union Money Transfer Service. As a result of our cooperation with Western Union, Akbank customers can now send and receive money from more than half a million agency service points of Western Union across the globe.

Akbank also continued to undertake initiatives to further trade relations between Turkey and other countries. The Bank continued supporting foreign trade transactions of companies in Turkey through its collaboration with the world’s leading financial institutions. The memorandum of understanding we signed with the Export-Import Bank of Korea (KEXIM) added to the long list of foreign trade financing facilities Akbank offers to corporations.

“Lean approach”: A new era in branch banking

As part of the “Improvements for You” program, we examined more than 1,000 processes in detail and implemented over 350

MESSAGE FROM THE CEO

2013/SUSTAINABILITY REPORT

improvements. Additionally, we redesigned the service model at our branches in accordance with the "Lean approach". This new service model enhanced the customer focus of our branches, while recording a major increase in efficiency. As a result of these successful initiatives carried out during the last 1.5 years, we have created new career openings for our branch employees with 700 Akbank employees transferred from operational tasks to sales activities.

Efficient resource utilization through ADCs

Through the pursuit of a sustainable growth strategy, Akbank implemented projects to increase the effectiveness of alternative distribution channels such as ATMs, Mobile Banking and Call Center. As a result, the Bank attained major efficiency gains in business processes. Thanks to the process improvements carried out within the Akbank Call Center and systematic training programs completed by all employees, we made major progress in terms of resolving customer needs without requiring a second call. In accordance with the objective of achieving more effective utilization of existing service channels, Akbank ATMs were enriched with new services such as company payments, bill payments, and other banks' payments (Aktifbank, Odeabank), which in turn led to significant increases in customer numbers. Akbank's major investment in mobile banking technologies in light of innovation in this area enabled stock trading, mutual fund purchases and redemptions, virtual card transactions, and electricity, water and natural gas bill payments through the Akbank Direct Mobile application. Owing to the Bank's superior service quality, the Akbank Direct Mobile app achieved more than 1 million downloads in 2013.

Akbank's "Savings Campaign" reaches even more students

Akbank continued to contribute to increasing savings awareness and a rising savings rate in Turkey through our campaigns, educational efforts, and financial products rolled out in 2013. The "Children: Heroes of the Economy" Project, a savings campaign launched by Akbank in 2012 to raise savings awareness within society and to broaden the savings base continued, reached a total of 15,000 students. We aim to reach 18,000 more students in 2014 through training programs conducted by Akbank volunteers.

Akbank presents Anish Kapoor's works to art enthusiasts

Societies reach their goals not just through economic performance, but also through their strength in culture, art and sports. We are very aware that culture and art is the most valuable heritage a society will leave behind for future generations.

Art also questions, inspires different and creative perspectives, and paves the way for shaping the future. We are working to expand this initiative more broadly across the country and enable more Turkish people to experience contemporary art events around the world. We would like to see Turkey as a leading and pioneering force on the global art stage. We will attempt to realize this vision by supporting art and artists further, hosting the world's leading artists in Turkey, and extensively promoting Turkish art abroad.

For this reason, Akbank puts a lot of energy and resources into a broad range of cultural and art activities. Our priority in this effort is to ensure they are sustainable and comprehensive in scope. In 2013, Akbank once again organized an event that delighted art enthusiasts as we celebrated the Bank's 65th anniversary with an exhibition of Anish Kapoor, one of the most influential contemporary artists in the world. By sponsoring this great artist's exhibition, we believe we encouraged everyone to think outside the box and explore their own creativity. Akbank continues to support art and artists, as well as presenting globally significant events to the art community.

Akbank will continue to make its sustainability efforts a priority in order ensure our society and economy continue to evolve. I would like to extend my thanks to our employees, as well as all of our stakeholders, who stand behind our achievements in this area.

HAKAN BİNBAŞGİL

CEO





AKBANK AND SUSTAINABILITY- A TIMELINE

2013/SUSTAINABILITY REPORT

Continuous Development of Akbank

- January 1948-** Established in the city of Adana to finance cotton producers in the region.
- 1950-** First branch in Istanbul opened in Sirkeci.
- 1954-** Akbank Head Office moved to Istanbul.
- 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.
- 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 put into service 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.
- 2012-** "Akbank Direkt" brand that combines the Internet and Mobile Banking services launched.
- 2012-** Akbank N.V. in the Netherlands ceased operations and merged with our 100% subsidiary in Germany: Akbank AG.
- 2013-** Akbank joined the Corporate Governance Index.

AKBANK AND SUSTAINABILITY

2013/SUSTAINABILITY REPORT

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 3-18, 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 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 trainings.
- 2012-** Became one of first companies in the world to sign the "Carbon Price Communiqué" prepared by The Prince of Wales's Corporate Leaders Group on Climate Change (CLG) to draw attention to the need to develop a clear and transparent pricing policy for carbon emissions.
- 2012-** To struggle with savings deficit which is an important barrier against the development of Turkey, Akbank initiated a social responsibility program named "Savings Campaign" to complement its banking products and services.
- 2013-** Akbank consolidated its services for the artisans under the "Artisan Fraternity" concept. The "Pay When You Can Loan", the first product unveiled under this concept, provided artisans with the flexibility of making loan payments according to their income streams.



2013/SUSTAINABILITY REPORT

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 Istanbul 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 Istanbul", 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 Istanbul 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 exi26 brand.
- 2011-** Akbank became the prominent supporter of Turkish National Youth Philharmonic Orchestra.
- 2011-** Akbank sponsored the "Cirque Du Soleil-Saltimbanco" show.
- 2012-** Akbank Children's Theater celebrated its 40th anniversary by performing the first musical version of the Oscar-winning animation Shrek in Turkish.
- 2013-** As part of its 65th establishment anniversary festivities, Akbank sponsored the first comprehensive exhibition in Turkey of the leading international artist Anish Kapoor.

01. ABOUT AKBANK

2013/SUSTAINABILITY REPORT





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 (treasury transactions), and international banking services. Non-bank financial services as well as capital markets and investment services are provided by Akbank's subsidiaries.

Akbank 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 985 branches, over 16,000 employees and more than 4,000 ATMs, Akbank operates via its Head Office in Istanbul and 23 regional directorates throughout Turkey. The Bank offers banking services to more than 12 million consumers, more than 850,000 commercial and SME customers, and over 3,700 corporate customers via Alternative Delivery Channels such as internet and telephone banking.

As of the end of 2013, our Bank's consolidated net profit is TL 3,077 million (approximately USD 1,444 million). Our total consolidated current assets reached TL 195.5 billion (USD 92 billion) with an approximate growth of 20% compared to 2012 year-end. Akbank's consolidated capital adequacy ratio of 14.7% is one of the highest in the Turkish banking sector.

NUMBER OF EMPLOYEES*	16,249
NUMBER OF CUSTOMERS	13.2 MILLION
NUMBER OF BRANCHES *	986
NUMBER OF ATMS	4,121
NUMBER OF CREDIT CARDS	5.8 MILLION
NUMBER OF DEBIT CARDS	6.2 MILLION
NUMBER OF POS	347 THOUSAND

* Including the Malta branch.

ABOUT AKBANK

Main Brands

AKBANK

Akbank Direkt

20. YIL **AKBANK**
SANAT



axess
wings

free axess



neo

OUR BANK'S VISION, MISSION AND VALUES

Vision: To become a sustainable leader by rendering excellent banking experience and supporting the Turkey's growth.

Mission: To become the most admired Turkish company, by continuously delivering significant value to its stakeholders via its highly skilled human resources.

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.
- Long-term strategic management with successful implementations.
- 985 branches and high-tech delivery channels throughout Turkey.
- Turkey's innovative force with countless "firsts" in the sector.
- Permanent and extensive funding base.
- Sustainable profitability as well as high return on equity and assets.
- A robust capital structure with 14.7% capital adequacy ratio.
- A superior asset quality with a very low non-performing loans ratio of 1.4%.
- High level of efficiency with an operational expense/assets ratio of 2.0%.
- Stronger growth advantage in loans thanks to its low leverage rate.
- The highest individual and financial strength ratings to be assigned in Turkey.



AKBANK IN FIGURES

Our Extensive Branch Network

Growing its branch network steadily, Akbank raised its number of branches from 961 to 985 in 2013.



Our Customers

As a result of its approach of customizing its services to the target client segment, the Bank successfully operates in five major business lines: Corporate Banking, Commercial Banking, SME Banking, Consumer Banking and Private Banking. Thanks to its investments and policies in 2013, Akbank registered major gains in the number of clients served by its target segments compared to the previous year.

Segments	Corporate Banking	Commercial Banking	SME* Banking	Consumer Banking	Private Banking
Branches	Corporate Banking Branches 8	Commercial, SME and Consumer Banking Branches 967			Private Banking Branches 10
Number of Customers	3,700	49,200	805,500	12,400,000	7,300

* SME Banking serves customers that the Bank identified in accordance with its business model.

OUR FINANCIAL PERFORMANCE

Key Financial Indicators

Akbank's key consolidated financial indicators for the last three years are presented in the table below:

Key Consolidated Financial Indicators (TL million)	2013	2012	2011
Total Assets	195,482	163,478	139,907
Loans	118,010	92,360	74,356
Deposits	112,473	90,688	80,771
Funds Borrowed	19,899	15,598	18,045
Shareholders' Equity	22,315	22,476	18,131
Net Profit	3,077	3,005	2,535
Return on Equity (ROE)	14%	15.1%	14.3%
Capital Adequacy Ratio (BIS)	14.7%	17.9%	16.8%
Market Capitalization (USD million)	12,580	19,802	12,748

Loans

Breakdown of loans made by Akbank to clients by customer segment and currency denomination is presented in the table below:

Loans (*)	2013	2012
Corporate TL Loans (TL million)	6,532	5,933
Corporate Foreign Currency Loans (USD million)	14,176	13,667
Commercial TL Loans (TL million)	18,044	13,177
Commercial Foreign Currency Loans (USD million)	7,098	6,061
SME TL Loans (TL million)	6,237	3,951
Consumer (TL million)	27,591	20,740
Credit Cards (TL million)	13,504	12,792

* Non-rediscounted.



Economic Value Generated for Stakeholders

Akbank aims to create economic value for its stakeholders through banking services. Total economic value generated by the Banked reach TL 15.1 billion by year-end 2013, up by 4.8% from TL 14.4 billion as of year-end 2012.

Payments made by the Bank to the employees, community investments, the government, investors and suppliers as well as the distribution of the economic value generated by Akbank in cooperation with various stakeholder groups are presented in the table below:

Economic Value Generated and Distributed (TL million)	2013	2012	2011
Direct Economic Value Generated	15,100	14,410	11,696
a) Revenues	15,100	14,410	11,696
Economic Value Distributed	10,607	10,853	9,324
b) Operating costs	1,900	1,601	1,375
c) Employee wages and other benefits	1,423	1,205	1,002
d) Payments to providers of capital	6,371	7,027	6,167
e) Payments to the government	891	1,010	773
f) Community investments	22	9	8
Economic Value Retained	4,492	3,557	2,372

- a) Gross revenue in the Bank's income statement is taken into consideration (interest income, fees and commissions collected, 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 payments made 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.

Note 1: Provisions for non-performing loans are not included in the calculation of the Economic Value Retained.

Note 2: This table is based upon Akbank's consolidated financial statements. Therefore, these figures also include consolidated subsidiaries.

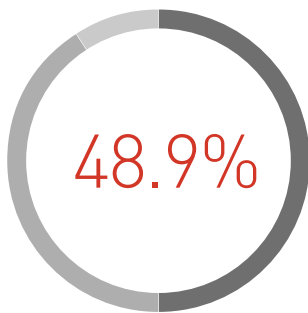
ABOUT AKBANK

AKBANK'S STRUCTURE

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. While Akbank stocks were traded at Istanbul Stock Exchange Market (ISE) with a free float rate of 31.0% in 2011, this rate increased to 41.2% in 2012 when Citigroup reduced its shares in Akbank to 9.9% in May 2013 as a preparation to Basel III.

Akbank's Level 1 American Depository Receipts are traded at the OTC market in the USA. Our shareholder structure as of December 31st, 2013 is shown in the pie chart.



H.Ö. SABANCI HOLDING A.Ş., AFFILIATED INSTITUTIONS AND INDIVIDUALS 48.9%

FREE FLOAT 41.2%

CITIBANK OVERSEAS INVESTMENT CORPORATION 9.9%

Detailed information on the Bank's operations and financial performance in 2013 is published in the Akbank 2013 Annual Report. Akbank 2013 Annual Report can be reached at the link below:

<http://www.akbank.com/yatirimci-iliskileri/yatirim-bilgileri/sayfalar/faaliyet-raporu.aspx>

Our Subsidiaries

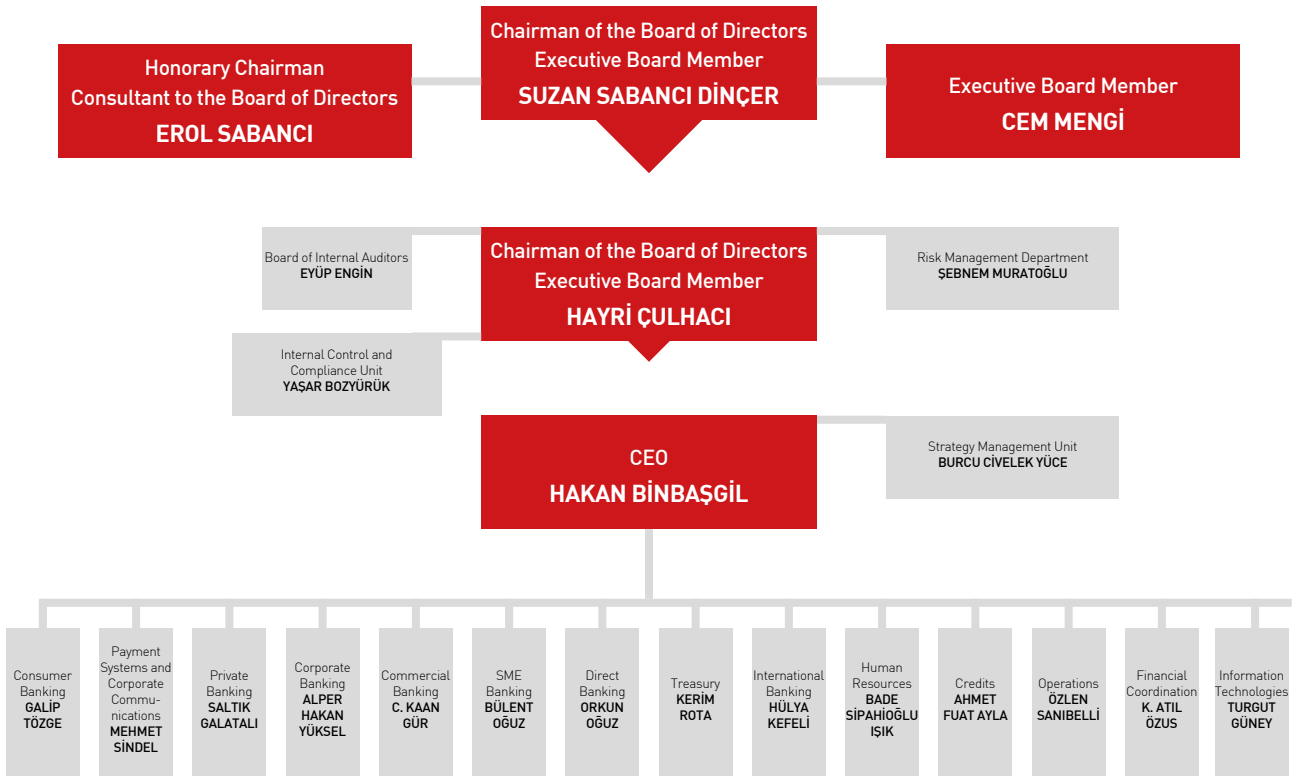
Akbank's direct and indirect subsidiaries and our shares as of December 31st, 2013 are presented below:

Direct and Indirect Subsidiaries	Area of Operations	Share (%)	Country of Operations
Akbank AG	Banking	100.00	Germany
Akbank (Dubai) Limited	Banking	100.00	UAE
AkLease	Financial Leasing	99.99	Turkey
AkSecurities	Stock Exchange Brokerage Services	100.00	Turkey
AkAsset Management	Portfolio Management	100.00	Turkey



Our Organization Chart

The Bank's latest organization chart is presented below. As of December 31, 2013, there are 14 Executive Vice Presidents reporting to the CEO. Board of Internal Auditors, Internal Control and Compliance Unit, and Risk Management Department report directly to the Bank's Board of Directors. Strategy Management Unit was established reporting directly to the CEO in 2013.



AWARDS AND ACCOMPLISHMENTS

Independent evaluation of Akbank’s services and products by outside experts increase the satisfaction of all stakeholders, of customers in particular, and provides guidance to the Bank in attaining its goals. Akbank received more than 22 awards from various companies and institutions in Turkey and abroad as a result of its performance in 2012 and 2013. Some of these awards are listed below.

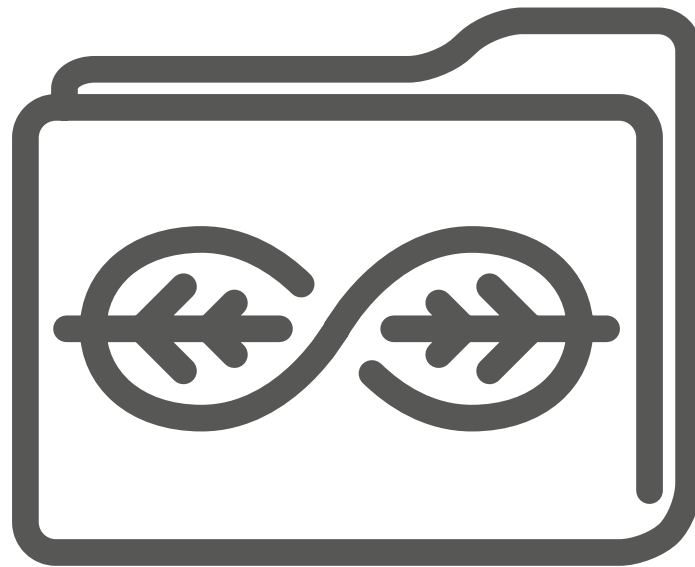
Institution Giving the Award/ Conducting the Survey	Category of Award or Accomplishment	About the Award or Accomplishment
Brand Finance	Global Banking 500 Survey	Akbank was deemed “Turkey’s Most Valuable Banking Brand” for the second straight year in the “Top 500 Banking Brands” survey conducted by Brand Finance.
The Banker	Best Bank in Turkey	Akbank was named the “Best Bank in Turkey” at The Bank of the Year Awards organized by The Banker.
Euromoney	Best Bank in Turkey	Akbank was named the “Best Bank in Turkey” at the “2013 Excellence Awards” organized by Euromoney.
World Finance	Best Bank in Turkey	Akbank was named the “Best Bank in Turkey” by the international finance publication, World Finance.
EMEA Finance	Best Financial Institution Borrower in EMEA Region	Akbank was the recipient of “Best Financial Institution Borrower in EMEA Region” and “Best Financial Institution Loan in EMEA Region” awards at the “European Banking Awards 2013” organized by EMEA Finance.
Global Banking and Finance Review	Best Bank in Turkey	In its “Banking Awards 2013”, Global Banking and Finance Review selected Akbank as the “Best Bank in Turkey” for the second consecutive time.
Euromoney	Best Private Banking Services Overall in Turkey	Akbank was named the “Best Private Banking Services Overall in Turkey” at the Euromoney Private Banking and Wealth Management Survey.
Global Finance	Best Foreign Exchange Provider in Turkey	In its “World’s Best Foreign Exchange Providers 2012” survey conducted in 97 countries, Global Finance magazine named Akbank as “Best Foreign Exchange Provider in Turkey” for the eighth time.
The Banker	Best Bank of the World in Technology & Innovation	Akbank was voted as the “Best Bank of the World” in the “Innovation in Customer Services” and “Innovation in Distribution Channel Integration” categories at the “Innovation in Technology Awards” survey conducted by The Banker.



Institution Giving the Award/ Conducting the Survey	Category of Award or Accomplishment	About the Award or Accomplishment
Gartner	Best Bank in CRM in EMEA/APAC Region	Akbank was chosen the "Best Bank in EMEA/APAC Region" encompassing Europe, Middle East, Africa, Asia-Pacific and China in the Customer Analytics category at the "CRM Excellence Awards" organized by Gartner.
Euroweek	Most Impressive Emerging Market Financial Institution Borrower	Akbank registered another major accomplishment by winning three first-place prizes at the Bond Awards organized by Euroweek. Akbank was recognized with the "Most Impressive Emerging Market Borrower", the "Most Impressive Emerging Market Financial Institution Borrower", and the "Most Impressive Funding Official in Eastern Europe, Middle East and Africa" Awards.
Stevie International Business Awards	1 Gold, 2 Silver and 3 Bronze Awards	At the 2013 "Stevie International Business Awards" where the world's best product, service and communication projects are assessed, Akbank won one gold, two silver and three bronze awards in different categories.
LACP (League of American Communications Professionals)	World's Best Annual Report	In LACP's "Vision Awards", Akbank's 2012 Annual Report was selected "World's Best Annual Report" in both Banking and Financial Institutions categories.
LACP (League of American Communications Professionals)	World's Best Sustainability Report	In LACP's "Vision Awards", Akbank's 2012 Sustainability Report was selected "World's Best Sustainability Report" in both Banking and Financial Institutions categories.
MerComm International ARC Awards	Best Annual Report of the Year	Akbank 2012 Annual Report was voted the "Best Annual Report of the Year" in the MerComm International ARC Awards survey.
Turkish Public Relations Association (TÜHİD) – 12th Golden Compass Awards	Best Project in Digital and Social Media Communication	Akbank Short Film Short Interpretation project won the "Best Project in Digital and Social Media Communication" award at Turkish Public Relations Association (TÜHİD)'s Golden Compass Public Relations Awards.
Turkey Call Center Awards	Best Use of Technology by a Call Center	Akbank won the "Best Use of Technology by a Call Center" and "Most Commendable Call Center Agent" Awards at the Turkey Call Center Awards organized by the IMI Conferences.
25th Crystal Apple Awards	Akbank Jazz Festival Campaign	Crystal Apple in the Tourism, Transportation and Entertainment category

02. ABOUT THE REPORT

2013/SUSTAINABILITY REPORT





WE ARE CREATING SAVINGS
AWARENESS FOR A BETTER FUTURE.
TURKEY IS NOT JUST A RISING STAR
IN ITS REGION, BUT ALSO IN EUROPE
AND EVEN IN THE WORLD ECONOMY.

AFTER STARTING 2013 CONCERNED DUE TO THE EURO
ZONE DEBT CRISIS AND THE GLOBAL SLOWDOWN,
THE YEAR ENDED WITH FEWER UNCERTAINTIES AND
HIGHER ASSET PRICES.

**THE RISE OF TURKEY THAT
MAKES ALL OF US PROUD
IS DUE IN GREAT PART TO
THE STABLE ENVIRONMENT
AND SOUND ECONOMY.**

OUR APPROACH TO REPORTING

Akbank hereby presents to its stakeholders its fifth Sustainability Report, which it has been publishing annually since 2009. The Bank prepares these reports voluntarily and in accordance with its approach of pioneering the sustainability initiatives in the Turkish banking industry by way of reference projects. To this end, 2013 Sustainability Report focuses on Akbank's social, environmental, ethical, and corporate governance initiatives as well as its corporate performance.

Akbank 2013 Sustainability Report was prepared in accordance with version G3 of the GRI Sustainability Reporting Guidelines of the Global Reporting Initiative (GRI), a worldwide-recognized reporting institution. Akbank, which formulates all of its business processes in light of the principles of transparency and accountability, presents its sustainability commitments, initiatives and target realization ratios that have been carried out in accordance with the same principles in this report. The first bank to publish a report within the framework of GRI Guidelines among the deposit banks in Turkey, Akbank continues to undertake reference initiatives in this area as it can be seen in the 2013 Sustainability Report. In an effort to make it easier and more convenient to access information, Akbank 2013 Sustainability Report was designed with a more reader-friendly layout. This report makes use of data compilation methods that were employed in previous years' reports. Further explanations are provided where new and different methods are used.

2013 Sustainability Report encompasses the active role the Bank plays in the growth of the Turkish economy and its approach to sustainability management, as well as the value Akbank creates for its customers by way of its products and services, benefits provided for the Bank's employees, efforts to reduce the environmental impact of its activities, and its cooperation with stakeholders to enhance social welfare.

ABOUT THE REPORT

SCOPE AND FRAMEWORK OF THE REPORT

Akbank 2013 Sustainability Report covers the Bank's social, environmental and economic initiatives and its related corporate performance between January 1, 2013 and December 31, 2013. The Report is based on version G3 of the GRI Sustainability Reporting Guidelines and meets the requirements of GRI Application Level B. A GRI Index is provided at the end of the Report in order to facilitate easy access to the information within the scope of the GRI indicators.

The GRI Guidelines allow the comparison of Akbank's sustainability performance to that of local and international peers while also serving as a reference for the Bank's stakeholders.

These guidelines also spearhead the continuous development of Akbank's sustainability initiatives. Version G3 of the GRI Sustainability Reporting Guidelines and the Turkish translation are available at the link below. <http://www.globalreporting.org>

This Report also includes the progress Akbank has made pursuant to its commitments within the scope of the United Nations Global Compact (UNGC). A UNGC Index that allows easy access to information regarding four elements of UNGC (labor, human rights, environment, and anti-corruption) and the related 10 principles is provided at the end of the Report.

BOUNDARY OF THE REPORT

Unless mentioned otherwise, all data and information in the 2013 Sustainability Report covers the banking activities and locations of Akbank T.A.Ş. in Turkey. Impacts of the Bank's activities, joint ventures or suppliers in other countries are not within the scope of this Report. "Our Employees" section of the Report includes employees of Akbank Malta branch. Generated and distributed economic value tables that include financial statements reflect consolidated figures.

The content of this report includes the activities of 985 Akbank branches, in addition to the General Headquarters in Istanbul, that illustrated in the map (p16). Despite to the geographical and operational differences, Akbank stably exercises the standard operation procedures for the all segments of its organization structure in Turkey due to its robust corporate structure.

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 performing the reporting process and preparing the content of the Report, we used two international standards as our bases.

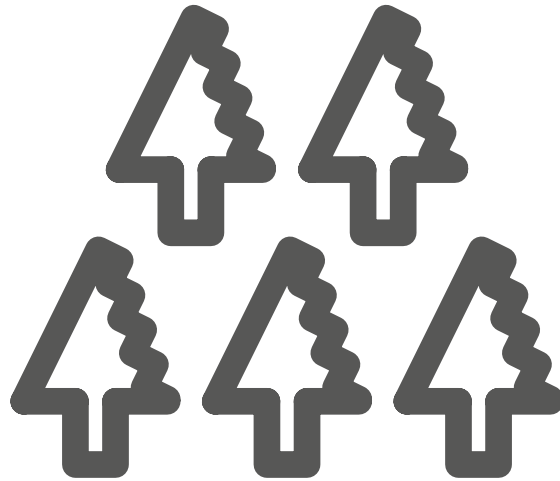
The first one is the “AA1000 Stakeholder Engagement Standard” devised by AccountAbility, a UK-based organization. AA1000 APS is a globally recognized standard that is based upon the principles of “Inclusiveness, Materiality and Accountability”. The second one is the “GRI Sustainability Reporting Guidelines” 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 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 the Bank, the final version of this Report has been approved by the Corporate Governance Committee and Board of Directors of Akbank.

03. OUR APPROACH TO SUSTAINABILITY

2013/SUSTAINABILITY REPORT





WE CREATED OUR SUSTAINABILITY STRATEGY IN CONFORMITY WITH THE ISSUES THAT ARE MATERIAL TO OUR STAKEHOLDERS AND THE BANK.

The concept of sustainability takes deeper roots in the procedures, services, and products of our Bank every other day. Thanks to the dialogue platforms established between our stakeholders and our Bank, we receive feedback on issues material to stakeholders. In the light of such feedback we aim to continuously improve our business processes and sustainability performance. We monitor Akbank's performance by implementing our sustainability strategy and commitments both in our operations and products. With the annual Sustainability Report that we issue every year since 2009, we communicate our practices and performance regarding our social, environmental, ethical, and economic responsibilities to our stakeholders.

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

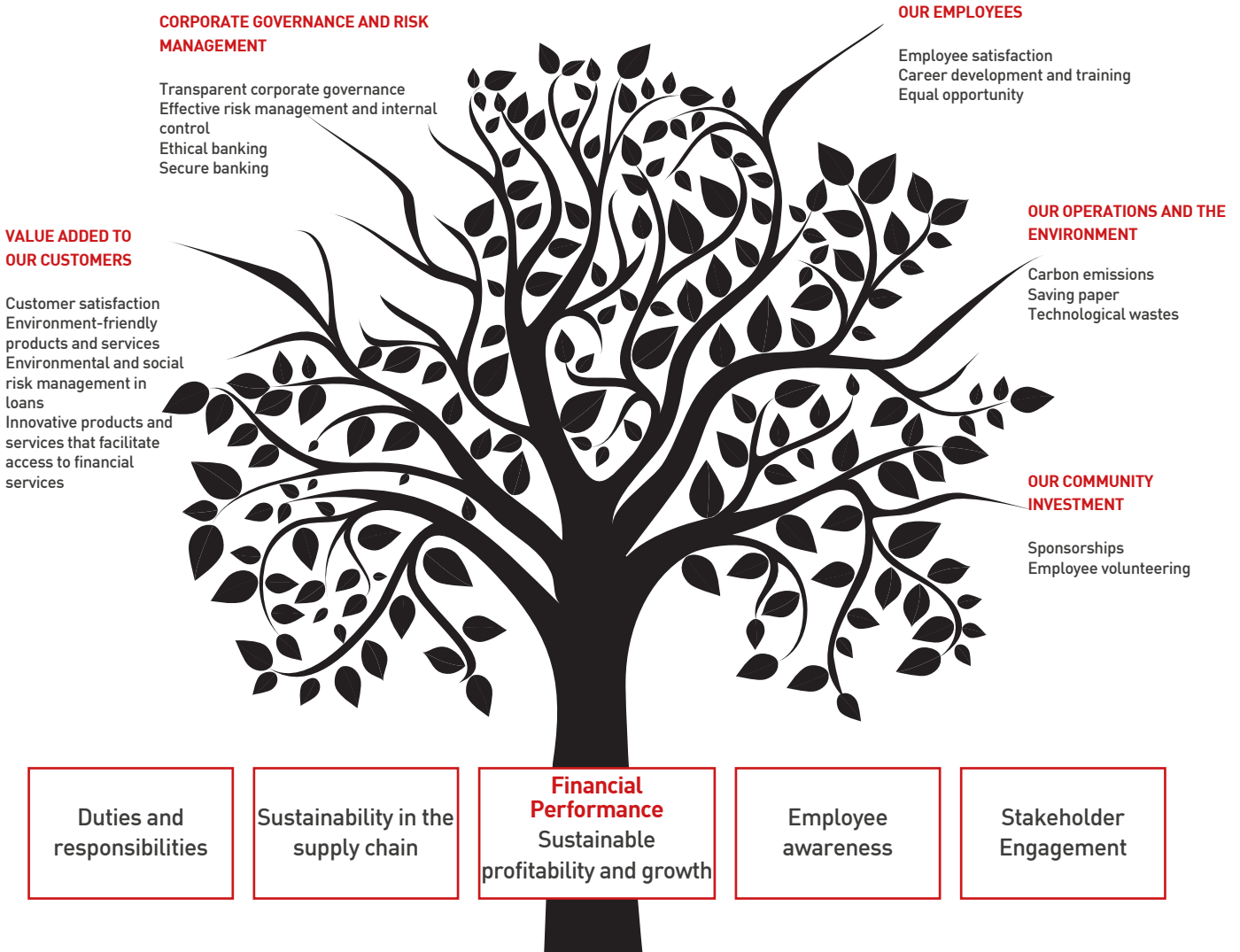
In order for Akbank to reach its sustainability vision, we aim to efficiently manage significant and material environmental, social, ethical, and economic risks and opportunities that arise in our products, services and operations. By performing a materiality analysis, we identified the material issues that our stakeholders expect good performance from the Bank and that are required for the Bank to succeed. We created a sustainability strategy by identifying related risks and opportunities and started to implement this strategy. 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 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 this 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.

OUR APPROACH TO SUSTAINABILITY

Our Sustainability Approach and Material Issues

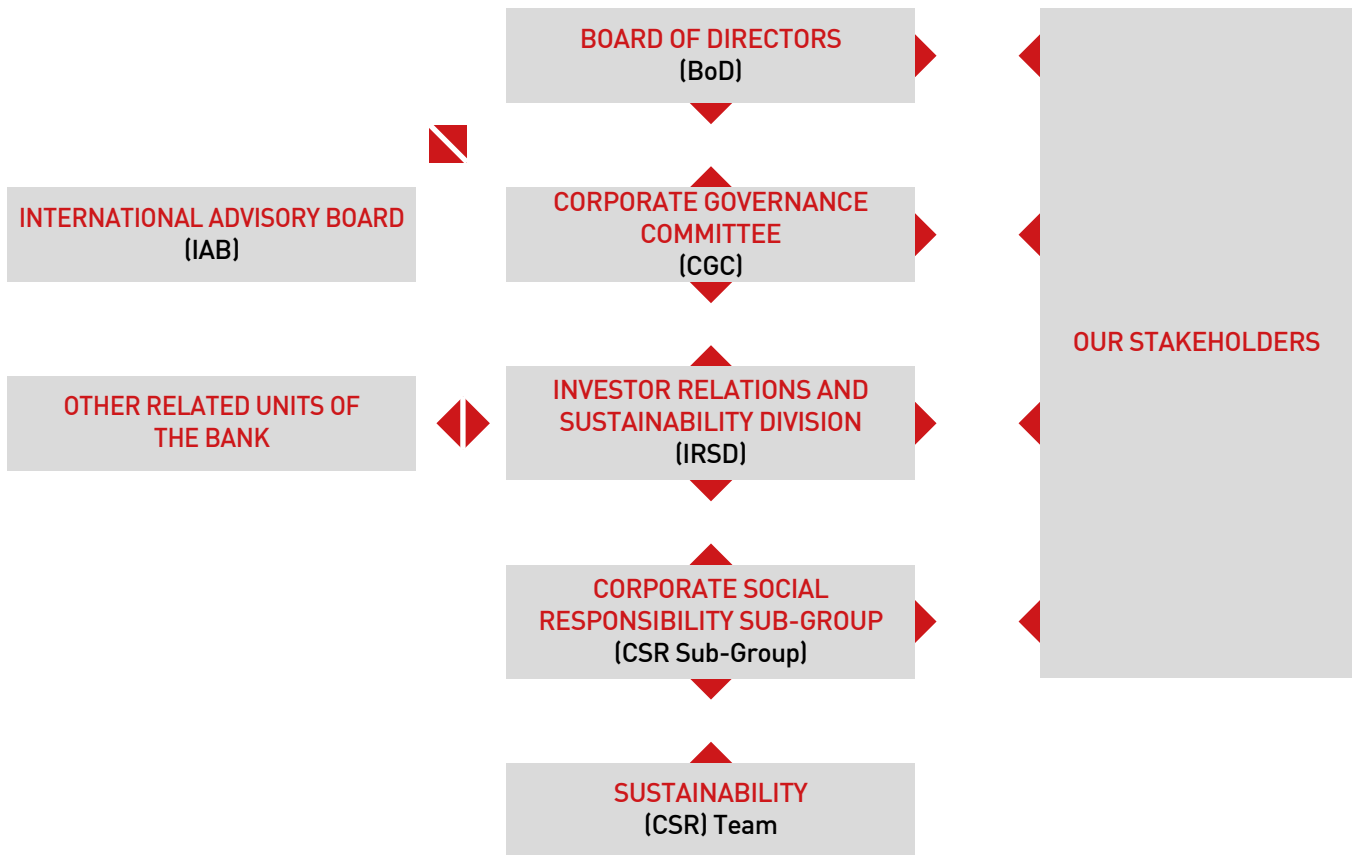
If we are to compare our sustainability approach to a tree, roots reflect our financial performance. Sustainability and existence of Akbank is first and foremost dependent on its financial success. Our financial performance is what keeps us alive. The tree trunk represents our Sustainability Management Model. It is the mechanism that enables the transition and communication from roots to branches. The trunk makes the tree more durable. The element that makes

Akbank more durable is its sustainability management. The tree branches represent the significant and material issues that we consider within the scope of our sustainability management: Our Employees, Corporate Governance and Risk Management, Our Operations and the Environment, Investing in Communities and the Value Added to Our Customers. Material issues that we selected for each area are handled here. For example, carbon emissions under "Our Operations and the Environment" title is one of such issues.





Sustainability Management Model at Akbank



The Corporate Governance Committee (CGC) 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. CGC makes sure that the sustainability strategy is implemented and monitored throughout the Bank. Akbank International Advisory Board also adds value to the Bank's sustainability vision. (International Advisory Board is given in more detail in the 4th section of this Report.)

OUR APPROACH TO SUSTAINABILITY

Akbank Corporate Governance Committee (CGC)

The Corporate Governance Committee assumed the responsibility to improve the Bank's corporate performance in sustainability, to integrate the areas of responsibility into our decision-making mechanisms, to increase awareness among employees, and to light the way to carry out reporting in line with the international standards as per our transparency principle.

The Committee is responsible for ensuring compliance with Akbank's Corporate Management Principles; monitoring the operations of the Investor Relations and Sustainability Department; determination, conformation of accordance and evaluation of ethical values; creating a transparent system to identify, evaluate and train suitable candidates for the Board of Directors; and working on related policies and strategies. The Chairman

and majority of the members of the Committee are independent Board Members.

The Committee was established in 2009 with the name "Corporate Governance and Social Responsibility Committee" (CGSRC). In early 2012, "remuneration" task was also given to the Committee and thus its name was changed to "Corporate Governance, Remuneration and Social Responsibility Committee" (CGRSRC). In early 2013 "nominating candidates" was included in the Committee's tasks and thus the name was updated as "Corporate Governance Committee" (CGC).

The Committee meets at least twice a year. Among the items in 2012 agenda were the analysis of the Bank's current position in terms of sustainability, assessment of future steps, climate change strategies and action plan, and social responsibility projects as community investments.

Handling sustainability issues within the Bank in a holistic manner and in coordination with of CGC. The holistic management covers issues such as internal and external stakeholders is the responsibility of Investor Relations and Sustainability Department (IRSD) under the supervision integrating environmental, social and ethical aspects into our products and services with a strategic view and developing sustainability policies. An example is that our departments performing core banking functions and our purchasing departments 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 significant and material issues handled by related departments of Akbank within the scope of our general business management. These cover issues such as employee satisfaction, ensuring equal opportunities for all employees, customer satisfaction, information security, and

employee volunteering. These issues are managed by related departments and have an important role in the Bank's sustainability strategy. Employee satisfaction and customer satisfaction are monitored and these are among the key success indicators for our executive management.

A Sustainability (CSR) Team composed of representatives from the majority of the business units in Akbank and operating under the leadership of the CSR Sub-Group Manager performs the year-long sustainability reporting process. This task was included in the job descriptions of our Sustainability (CSR) Team leader and members in 2012 and thus an important step was taken in sustainability performance management and reporting.

We continue our communication and operations with external stakeholders at various levels. Within the scope of such 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, Akbank's "Ethical Principles" are our official declaration that we expect all employees and even stakeholders to comply with. Thanks to 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.

Abiding by its corporate values in addition to laws and regulations in its anti-corruption initiatives, Akbank has established effective audit mechanisms in this area and administers awareness trainings for its employees.

Internal Communication and Awareness

Akbank has established effective channels communication in order to contribute to raising the knowledge level and awareness of its employees regarding "sustainability". The more prominent such channels include classroom training and e-learning programs as well as the corporate portal. Thanks to the classroom training sessions organized to increase the awareness of branch employees, the Bank administered sustainability training to its field employees serving in every corner of Turkey. As a result of these efforts, 2,985 employees in 2012 and 1,274 employees in 2013, for a total of 4,259 employees, received basic sustainability training. As part of this applied training effort based on the 10 principles of the United Nations Global Compact, participants were educated particularly in sustainability management initiatives in banking.

Another comprehensive classroom training instituted by Akbank in this subject is the Sustainability Approach training that is mandatory for all new employees of the Bank. This training aims to arm new employees with basic sustainability awareness through a training package the content of which is custom-designed by the Bank. As part of this effort, 2,357 new employees hired in various locations and functions attended sustainability training in 2012 and 2013.

The Sustainability Approach e-learning program has been completed by 15,115 employees since its launch in 2011. In an attempt to increase the awareness on Akbank's sustainability initiatives within the Bank, the Akbank Sustainability Report published in light of the GRI Guidelines is shared with all managers and senior vice presidents annually. The managers who have a leadership role within the Bank are encouraged to review the report, convey the importance the Bank gives to this subject in every environment they happen to be in, and share the content of the report with their employees and their networks.

The "Corporate Social Responsibility" section of the corporate portal, to which employees have full access, was overhauled in 2012. As part of this effort, the related section was enriched with a wide variety of contemporary information, from the Bank's sustainability approach to its corporate social responsibility projects. In addition, the Bank's sustainability initiatives are also shared with the employees via corporate TV screens located in Akbank branches as well as through e-mail messages.

Sustainability in the Supply Chain

As part of its Supplier Management Policy, Akbank expects suppliers to take heed of implementing all aspects of the United Nations Global Compact as well as social and environmental risks in their daily operations. In addition, Akbank gives preference to suppliers that employ systems which are more sensitive to the society and the environment while outsourcing services.

Within this scope, nearly 50% of the companies within the Bank's supplier portfolio signed declarations committing to complying with Akbank's principles and policies. The Bank continuously audits its supplier firms to ensure that they fulfill their public obligations such as paying taxes and social contributions and they do not employ child labor.

Our Sustainability Commitment

Long-term and strong financial performance that offers benefits for all of its stakeholders and forms the basis of its sustainable corporate structure is an indispensable objective for Akbank. While pursuing this goal, Akbank also takes heed of its approach to and initiatives in environmental, social and ethical matters. As part of this approach, Akbank has made the following commitments in its material areas of sustainability.

OUR APPROACH TO SUSTAINABILITY

Subject of Commitment	2013 Status Evaluation	Our Commitments
Financial Performance		
Sustainable profitability and growth	As a result of its steady investment and business development initiatives, Akbank registered growth rates above the corresponding sector averages in loans and deposits for various customer segments in 2013.	In addition to enriching its portfolio of products and services, Akbank aims to expand its distribution channels, continue growing its client base, and further improving its sustainable financial performance.
Sustainability Management		
Roles and Responsibilities	We officially included related responsibilities into the job definitions of Sustainability Team leader and its members. We took the necessary steps to include sustainability in the performance evaluation criteria of team members.	In coordination with the Investor Relations and Sustainability Department, the Bank aims to formulate action plans to guide the Akbank sustainability strategy and to implement them by way of the Sustainability Team.
Sustainability in the supply chain	Nearly 50% of the companies within the Bank's supplier portfolio signed declarations committing to complying with Akbank's principles and policies as well as with the UN Global Compact.	Akbank plans to extract declarations from all of its suppliers committing to comply with Akbank's Code of Ethics and sustainability policies.
Employee awareness	As of year-end 2013, the Bank delivered sustainability approach awareness training to nearly 6,000 employees via the custom-designed classroom sustainability training course.	In accordance with the goal of integrating sustainability into its corporate culture, Akbank intends to organize sustainability-oriented training programs for its employees.
Stakeholder engagement	Akbank took concrete steps geared toward reinforcing stakeholder engagement through various platforms such as the "For You" and "Why Not" meetings in 2013.	Akbank plans to enhance stakeholder engagement and improve its business processes in light of its open communication and transparency policies.
Corporate Governance, Risk Management and Compliance		
Transparent corporate management	The Investor Relations and Sustainability Division, in conjunction with the Bank's senior executives, participated in a total of 25 investor conferences in Turkey and abroad in 2013 and met with nearly 300 international investor funds and four rating agencies.	Akbank, which embraces the principle of developing mutual trust-based relations with its shareholders as well as existing and potential investors, aims to further reinforce its corporate governance on the basis of accountability.
Information security	Akbank conducted various surveys to measure the information security awareness of its employees and, in light of the results of these surveys, devised new actions regarding its business processes.	Closely monitoring the advances and developments in information security, Akbank plans to conduct special training programs to raise employee awareness on this subject.
Our Customers		
Customer satisfaction	As a result of the improvements in the Bank's customer complaint management system infrastructure, average time of resolution for the 1 million customer complaint submittals annually was reduced from three days to two days.	Akbank plans to develop effective solutions to customer needs and expectations in accordance with its objective of delivering superior customer satisfaction experience to its clients.
Environment-friendly products and services	Between 2011 and 2013 Akbank disbursed the entirety of the USD 100 million MidSeff credit facility, which was obtained from the EBRD in 2011 to finance medium-scale renewable energy and energy conservation projects in Turkey; nearly 83% of this resource was deployed to fund four energy efficiency projects.	Akbank aims to contribute to environmental sustainability by extending loans to energy conservation and renewable energy projects.



Subject of Commitment	2013 Status Evaluation	Our Commitments
Environmental and Social Risk Management in Loans	Akbank integrated "Loan Appraisal Supervisors", who were tasked with evaluating all risks, including environmental risks, and improving the processes, into the evaluation process of all corporate and commercial branch loans.	Akbank aims to enhance the capabilities of its loan appraisal supervisors in terms of environmental and social risks.
Innovative products and services to facilitate access to financial services	Direct Internet, which combined Akbank's internet and mobile banking services under a single roof, serves more than 1.5 million customers as of year-end 2013.	The Bank aims to maintain its competitive edge by launching high-tech services.
Our Employees		
Employee Engagement	Akbank intends to carry out initiatives in career opportunities, appreciation/rewarding and performance management geared toward increasing employee engagement in 2014 under the guidance of the results of the Employee Engagement Survey conducted within the Bank in 2013.	Akbank aims to properly identify employee expectations and elicit employee feedback through periodically conducted Employee Engagement Surveys.
Training	Akbank employees attended a total of 1,020,479 hours of training in 2013, corresponding to 8.91 business days of training per employee.	Supporting the personal and professional development of all employees is a priority for Akbank, which attaches great importance to internal training activities.
Equal opportunity	In the evaluation conducted based on 22 criteria within the scope of the "Equal Opportunity Model Project", Akbank received FEM certificate.	Akbank aims to continue equal opportunity initiatives with the same awareness.
Environmental Impacts of Our Operations		
Our environmental impact	Akbank continued to reinforce the system infrastructure in 2013 in order to manage the environmental impacts of its operations conducted through its Head Office and service buildings as well as nearly 1,000 branches.	Akbank embraces the principle of mitigating the environmental impacts of its operations to the maximum extent possible and striving to conserve natural resources.
Carbon emissions	Akbank continued to attain major reductions in carbon emissions from its operations in 2013 owing to the energy efficiency projects it has implemented.	Akbank intends to continue its multidimensional support for the Turkey-based initiative of the Carbon Disclosure Project (CDP), an international project, in the period ahead.
Investing in Communities		
Community investment through sponsorships	Akbank sponsored the first comprehensive exhibition of the internationally-acclaimed leading artist Anish Kapoor as part of its 65 th establishment anniversary celebrations in 2013. Akbank continued to carry out the "Children: Heroes of the Economy" Project in other provinces of Turkey in 2013.	Akbank, which positions itself as an exemplary corporate citizen, embraces the principle of lending sponsorship support to qualified projects in education, youth, entrepreneurialism, culture-art and environment.
Community investment through employee volunteering	Number of projects carried out within the scope of the Akbank Volunteers program and the number of Akbank employees supporting these projects increased once again in 2013.	Akbank embraces the principle of encouraging its employees to volunteer in community projects.

OUR APPROACH TO SUSTAINABILITY

STAKEHOLDER ENGAGEMENT

All companies and organizations that are affected by Akbank's activities, products and services or that directly or indirectly impact its performance are the Bank's "key" stakeholders. In full awareness of the fact that stakeholder engagement is the basic principle in corporate responsibility, the Bank considers expectations and opinions of its key stakeholders while developing and implementing its sustainability strategies and pays ultimate attention to creating a regular, continuous, and trust-based communication with them.

Platforms for Dialogue with Stakeholders

The Bank communicates with key stakeholders via various dialogue platforms. Akbank website (www.akbank.com) and the regularly issued Annual Report and Sustainability Report are the main platforms used to inform the stakeholders. In addition, Akbank also benefits from multi-faceted dialogue platforms specially designed for each stakeholder group in order to receive feedback from and establish dialogue with them.

Examples of the Bank's dialogues with key stakeholders are presented in the table below:

Stakeholder Groups and Dialogue Platforms	Our Approach	Examples
Shareholders, Investors, Analysts		
General Assembly Meetings and Minutes, Face-to-Face and E-Dialogue (Meetings and Conferences in Turkey and Abroad, Presentations and Briefings via Webcast and E-mail), Public Disclosure Platform, Annual Report, "e-Manage: Corporate Governance and Investor Relations Portal" of the Central Registry Agency, Capital Markets Board of Turkey (CMB) Corporate Governance Principles Compliance Report Press Releases, Investor Presentations	The dialogue mechanism that was developed to ensure continuous communication between the Bank management and shareholders is based upon the principles of "transparency, accountability, and regular information dissemination".	Akbank's Corporate Social Responsibility Sub-Group within the Investor Relations and Sustainability Department informs investors on the Bank's environmental, social and economic sustainability performance both in writing and verbally.
Employees		
Quarterly live TV broadcasts by the Bank's CEO, Akbank Volunteers Program, Employee Satisfaction Survey, Corporate Performance System, Meetings (e.g. Regional Directorates and Customer Relationship Management Performance Reviews, Leaders Summit, Brainstorming Sessions), Coaching system, Corporate Portal "For Us", Suggestion System, BANKSIS (Union of Bank and Insurance Employees), Akbank Retirement Fund, Ethics Line, E-Bulletins	Akbank is aware that high motivation and satisfaction levels among its employees are determinant in ensuring long-standing business performance. The Bank takes heed of regularly eliciting its employees' opinions and expectations and tries to bring related practices to life. Akbank established effective channels of communication to ensure effective internal communication.	Messages of the senior management and the Bank's quarterly performance results are communicated first-hand to employees via the quarterly-held live TV broadcast by the CEO, an initiative that started in 2012. This project aims to keep internal synergy dynamic, improve bilateral communication, and increase all employees' motivation to reach common goals. Within the framework of voluntary efforts that improve employee motivation and loyalty, Akbank created a Turkey-wide network volunteering ambassadors. In the light of the feedback received from the Employee Satisfaction Survey, Akbank focused more on the "Talent Management" initiatives aimed at identification and effective management of the employees' talents. Within this scope, 73 Talent Committee Meetings were held with management of various business units. In line with the feedback from employees, a variety of project teams were created in business units that require optimization of business processes.



Stakeholder Groups and Dialogue Platforms	Our Approach	Examples
Customers		
<p>"Akbank For You Meetings", Customer Satisfaction Surveys, Akbank Branches, Akbank Call Center, Akbank Website, Contact Us Website, Social Media (1.5 million total followers), E-mail Notifications, Business Development Meetings for Customers, Informative Meetings with SMEs, www.kobilersizinin.com website, Akbank Art Center Activities, Media, Advertising and Promotion Campaigns</p>	<p>Customer satisfaction is Akbank's first priority. Opinions and expectations of customers guide the Bank in developing products and services. In order to sustain customer satisfaction; Akbank implements numerous practices, from information security to responsible marketing communications, innovative and environmentally friendly products, and supporting customers in business development.</p>	<p>"Akbank for You Meetings" were held in 21 provinces with the purpose of meeting with customers and local authorities to exchange opinions in accordance with Akbank's "philosophy of being Turkey's bank"; hearing local problems and finding solutions; and sharing the economic developments in the world and in Turkey with customers. Akbank is in constant contact with customers via 19 different Akbank accounts in the social media. Our agents, specially trained for this media and offering services 24/7, respond to more than 20 thousand comments monthly, offer solutions to complaints, and record the suggestions.</p>
International Financial Institutions		
<p>One-to-One and Joint Meetings, Audits, Negotiations, Reports, Presentations</p>	<p>Loans that Akbank secures from international financial institutions such as IFC, EBRD, and EIB to be lent out to customers mostly carry the conditions of being environment-friendly and supporting development. Akbank establishes dialogues with these institutions with the aim of building management systems to monitor environmental and social performances of its customers pursuant to the conditions attached to these loans.</p>	<p>The Sustainable Energy Financing Fund (TurSEFF) of USD 60 million that Akbank had obtained from EBRD in 2010 was made completely available to customers in 2012 and a total of 50 customers benefited from this fund. As a result of this process, EBRD granted Akbank excellence awards in areas such as "the first bank to make the whole of TurSEFF available, the first bank to perform supplier financing, and the bank with the highest loan volume in renewable energy projects". In addition, Akbank continued to extend loans in 2013 from the second tranche of the TurSEFF loan worth USD 24 million that was obtained from EBRD in 2012.</p>
Legislators and Regulatory Bodies		
<p>Public-Private Sector Cooperation Workshop, Meetings, Forums and Conferences, Various Working Groups, Verbal and Written Notifications, Declarations, Press Releases, Compliance Reports</p>	<p>Akbank is committed to thoroughly complying with all related laws and regulations in all of its activities. Akbank participates in forums, conferences and working groups with the aim of closely following the agenda, identifying trends, and developing and adapting its products and services in line with expectations of customers and legislators in a timely manner. In addition, the Bank closely monitors developments related to the banking industry and presents its opinions on legislation amendments to related authorities.</p>	<p>At the "Public-Private Sector Workshop" more than 70 executives from the Council of State, Privatization Administration, various ministries, and a number of related public institutions came together with local and international financing institutions, academicians, and Akbank executives. The group exchanged opinions on the ways of further improving the investment climate.</p>
Suppliers		
<p>Supplier Identification Forms, Meetings, Akbank Code of Ethics</p>	<p>Akbank expects its cooperating suppliers to act in accordance with the Bank's principles and values. The Bank also supports their development through continuous information transfer.</p>	<p>As a result of informing the companies in its supplier portfolio on Akbank's Code of Ethics and sustainability policies, approximately 50% of them declared their commitment to comply with Akbank's principles and policies.</p>

OUR APPROACH TO SUSTAINABILITY

Stakeholder Groups and Dialogue Platforms	Our Approach	Examples
University Students		
Activities Organized and Supported Directly by Akbank (e.g. Global Student Entrepreneur Challenge), Akbank Thinking Club, Information Meetings, Youth Banking, Campus Branches, Brochures and Promotion Campaigns	Caring about university students' requests, opinions, and expectations, Akbank continuously improves its investments in support of their education and development. Akbank cooperates with student clubs to support university students in entering the business world and to further introduce Akbank to those who will graduate soon.	"Global University Student Entrepreneur Challenge" -created in order to promote entrepreneurship among universities all around the world and held in Turkey for the first time in 2011 with support from Akbank- was sponsored by Akbank once again in 2013. Akbank Thinking Club that aims to provide a platform for development of young people as future adults reached 121 members in 2013. Akbank held a "job interview simulation" at Boğazici University and had one-to-one interviews with students pretending that we were in a recruiting process. Participants were provided with feedback after the mock interviews.
Local Community		
Activities Akbank organizes and participates (e.g. "Akbank for You Meetings"), Arts and Culture Activities, Press Releases	Akbank strives to support numerous activities that offer social benefits and to reach local communities in areas it operates.	The Bank held "Akbank for You Meetings" in 21 cities and shared the economic developments in the world and in Turkey, met with local authorities to hear local problems and find solutions, and exchanged opinions.
Non-Governmental Organizations		
Cooperation in Social Engagement Practices, Sponsorships, Meetings, Conferences	Akbank pays attention to improving cooperation with non-governmental organizations, being in continuous communication with them, taking their opinions and expectations about its activities into consideration.	While developing its social investment projects, the Bank cooperates with non-governmental organizations. Akbank invites representatives of NGOs to its events and receives their opinions on related issues.
Media		
Press Conferences, Press Releases, Daily Economic Bulletins	Akbank aims to maintain continuous dialogue with national and international media, to inform them promptly and accurately through press releases, and to share opinions with opinion leaders at press conferences.	Akbank senior management and related managers regularly meet with prominent figures of the media community at the press conferences and exchange opinions.

Memberships in Associations and Unions, Signed Initiatives

Akbank is a corporate member of various associations and unions with the aim of closely following developments in sustainability and contributing to such efforts. In addition, the Bank establishes close relationships with its international stakeholders by also signing on to internationally-acclaimed initiatives.

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 (TBB)
- Turkish Industry and Business Association (TUSIAD)
- Corporate Governance Association of Turkey (TKYD)
- Turkish Ethics and Reputation Society (TEID)
- European Union Green Banking in the Mediterranean Project
- United Nations Global Compact (UNGC)
- Turkish Industry and Business Association (TUSIAD) Sustainable Development Task Force
- Istanbul 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 TUSIAD
- Interbank Card Center (BKM)
- Visa Colorful Horizons
- Credit Cards Registry Office
- Association of Corporate Communicators
- Association of Advertisers
- Istanbul Foundation for Culture and Arts
- Private Sector Volunteers Association

Akbank and the United Nations Global Compact

The biggest evidence of Akbank's commitment to universal principles of human rights, labor conditions, environment, and 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, Akbank pledges to fulfill its duties in creating a more humanistic globalization.

Contribution to Development of Public Policy

It is an utmost priority for Akbank to participate in forums, conferences and working groups as a speaker or an observer in order to meet its stakeholders, legislators and customers in particular, to closely follow the agenda, to identify trends, and to improve and adapt its products and services in accordance with stakeholder expectations. The Bank also sponsors events that are in conformity with its corporate policy.

Akbank Senior Management attends meetings regarding such issues as the economy and finance at the level of Presidency and Prime Ministry within the scope of leader communications. A good example of this is the position of Mrs. Suzan Sabancı Dinçer, Chairman of the Board of Directors of Akbank, as a Member of the Board of Trustees of Chatham House. As part of her role on the Chatham House Board of Trustees, a body of "Chatham House-The Royal Institute of International Affairs", one of the world's leading think-tanks, Mrs. Dinçer shares her personal experiences and opinions on such subjects as Turkey's economic and strategic positioning, the economy and globalization with her fellow Board members.

OUR APPROACH TO SUSTAINABILITY

Activities We Support

Our Bank supports various activities focusing on environmental impacts, economic and social development issues. 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 2013 are given below.

Activity	Content
Forum Istanbul	Akbank is the strategic partner to the Forum Istanbul Platform since 2009. Forum Istanbul, which is having a larger presence and influence with each passing year, is an international platform where political and economic trends are discussed. Participants of this event include senior executives of national and international brands, academicians, politicians, and senior executives of non-governmental organizations. Akbank lent sponsorship support and a speaker to this activity, which was attended by nearly 1,000 professionals in 2012.
Brand Finance Forum	Brand Finance conducts annual brand valuation studies both globally and in Turkey. These studies are considered to be one of the most legitimate 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. The event was attended by senior executives of national and international brands, academicians, politicians and senior executives of non-governmental organizations. Akbank provides sponsorship support to this initiative.
Microsoft at Work Cloud Summit	At the Microsoft at Work Cloud Summit that was sponsored by Akbank, SMEs, business partners, software developers and information technology experts got together and shared the cloud solutions that are shaping Turkey's digital future as well as their success stories.
"İyi Girişim (Good Venture) and İyi Yatırım (Good Investment)" Summits	The Bank was a sponsor of the "İyi Girişim (Good Venture) Summit" that was organized under the "Design Thinking" theme. The summit, where participants' ventures were assessed from different viewpoints, brought together the leading entrepreneurs, investors and corporate executives from Turkey and from across the world in Istanbul. İyi Yatırım (Good Investment) Summit" was a major platform where investors, entrepreneurs, academicians and senior executives came together to discuss the Angel Investor model.

CLIMATE CHANGE

Global climate change is another material issue for Akbank. Akbank has been undertaking intensive efforts since 2009 in combating climate change, which is one of the top agenda items of the global public opinion in recent years.

Akbank is among the pioneering private sector corporations in Turkey that are committed to reporting greenhouse gas emissions in accordance with the international standards. In addition, the Bank carries out

efforts to increase the awareness of other companies and organizations in Turkey on climate change, effect constructive initiatives for reducing emissions, and raise social awareness on this issue.

Among Akbank's important initiatives in terms of climate change is the corporate support it has provided since 2010 for the implementation of the global Carbon Disclosure Project (CDP) in Turkey. As a participant to the project carried out by Sabancı University, the steps and the measures Akbank took demonstrated to all of its stakeholders how seriously the Bank takes this issue.



The Carbon Disclosure Project Report, introduced with the participation of nearly 100 people consisting of academicians, representatives of non-governmental organization and officials from private corporations each year, encompasses the analysis of submissions of Turkish companies included in the Carbon Disclosure Project as well as major trends in climate change.

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. CDP is an initiative that aims to create transparency in greenhouse gas emissions and increase public awareness and consciousness on the issue in which voluntariness is essential. As the only independent international institution to globally report how climate change-induced risks are managed by companies, CDP operates on behalf of 722 corporate investors that manage global assets of USD 87 trillion.

Every year, member 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.

Climate Change Management

Akbank's solution strategies for the global climate change are shaped by the Corporate Governance Committee that directly reports to our Board of Directors. In addition, the International Advisory Board, which includes Lord Stern, one of the world's leading experts in climate change, also contributes to the Bank's vision. Investor Relations and Sustainability

Department ensures coordination and management of the issue within our Bank. Other departments such as Branch Operations, Architectural Works, and Personnel Management are responsible for collecting data, including energy consumption and implementation of energy saving practices.

Risks and Opportunities

Climate change, which is believed to be caused by human-induced greenhouse gas emissions, brings a number of risks with it. These risks are significant enough to endanger the entire social structure, which the Bank is a part of. For instance, heat waves of increasing frequency and intensity, floods, droughts, and extreme weather conditions are among the physical risks. This impact on the physical environment potentially has negative impacts on industries such as forestry, fishery, agriculture, health, tourism, and construction. Climate change laws, rules and regulations that have been enacted or are likely to be put into effect in Turkey and its trading partners pose the risk of legal non-compliance and extra investment costs to fight climate change. It is anticipated that companies with large amounts of greenhouse gas emissions such as the ones in transportation and aviation industries will be impacted by the aforementioned laws and regulations.

Akbank has created various internal platforms to manage climate change-related risks. The Bank is leveraging these platforms to carry out necessary initiatives in terms of managing the anticipated risks in the best possible way and turning threats into opportunities. In this regard, the Bank is undertaking conscientious efforts particularly in following the new laws and regulations in energy efficiency and renewable energy that became effective in 2010 as well as complying with this new legal framework. In addition, Akbank continues to offer products and services in energy efficiency and renewable energy to corporate clients on relatively favorable terms. Further, the Bank measures its carbon emissions resulting from its operations and business travel and implements various measures to reduce these emissions.

OUR APPROACH TO SUSTAINABILITY

Carbon Management in Our Operations

Following Akbank's participation in the Carbon Disclosure Project in 2009, it has become much more important to measure the greenhouse gas emissions (in equivalent carbon dioxide terms) resulting from the Bank's operations and to take measures to mitigate this level. A number of initiatives were launched geared toward measuring, tracking and reducing the greenhouse gas emissions resulting from electricity and fuel use in Akbank buildings and from fuels used in employees' business and training travels. Akbank launched a system to systematically monitor and report energy consumption and greenhouse gas data of its branches. Thanks to this system, the Bank began to track the data for business units. (Detailed information on energy and carbon management is presented in the "Our Operations and the Environment" section of this Report.)

Akbank shares its climate change strategies and greenhouse gas emissions data with stakeholders by way of the annually-published Sustainability Report as well as the CDP Report. The Bank submitted the fourth Report to the CDP Secretariat in 2012 and plans to release the fifth report in 2014.

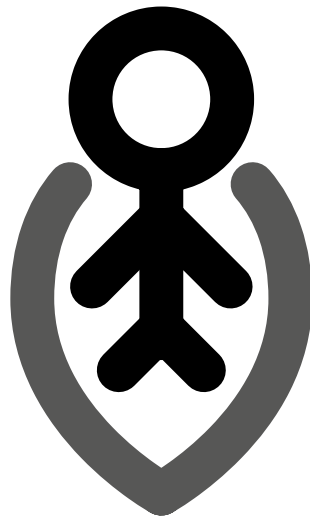
Our Carbon-Focused Products and Services

In addition to the efforts to reduce greenhouse gas emissions resulting from its own operations, the Bank offers various products and services with the aim of encouraging customers to which it makes loans to conserve energy and thus to reduce their greenhouse gas emissions. Detailed information on such products including Akbank Energy-Friendly Loans is provided under the sub-title of "Climate-Friendly Loans" within the "Value Added to Our Customers" section of this Report.

04. CORPORATE GOVERNANCE AT AKBANK



2013/SUSTAINABILITY REPORT



CORPORATE GOVERNANCE AT AKBANK

Corporate governance at Akbank has been structured in accordance with national and international standards.

Corporate governance at 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 have been detailed in this section.

In Turkey, Akbank is the first bank

- to publicly announce its dividend policy (2003).
- to announce its Corporate Governance Principles in its annual report (2003).
- to announce its Corporate Governance Principles in its website (2004).
- to repurchase its founders' shares (2005).

RELATIONS WITH SHAREHOLDERS AND INVESTORS

Akbank management aims to have a transparent and close communication with its shareholders; therefore, its principle is to be fair to all 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.

In order to manage and strengthen relations with both existing and potential shareholders, Akbank established an "Investor Relations Group" in 1996. The Investor Relations and Sustainability Department (IRSD) replies all questions that are not related to commercial secrets, taking the principle of equality into consideration and thus it is ensured that the Bank management and shareholders are in continuous communication.

In addition, there is a "Financial Accounting and Shareholders Transactions Directorate" in Akbank to facilitate monitoring the rights of shareholders.

The Investor Relations and Sustainability Department is responsible for presenting the Bank's performance and strategies accurately and transparently to existing and potential investors. IRSD also plays an active role in facilitating protection and use of shareholders' rights – especially the rights of getting information and examining the data. The Department informs investors on environmental, social and economic sustainability.

In 2012, the Investor Relations and Sustainability Department attended a total of 26 domestic and foreign investor conferences together with executive management of Akbank and had meetings with approximately 300 international investment funds and four rating institutions. Also, more than 500 questions posed by investors and analysts via telephone and e-mails were answered.

Information on the General Assembly meetings is announced in the Turkish Trade Registry Gazette, in a national newspaper, on the corporate website, at the Public Disclosure Platform www.kap.gov.tr, e-Governance Corporate Governance and Investor Relations Portal on the Central Registry Agency www.mkk.com.tr, and on the e-GEM Electronic General Assembly System at least three weeks before the event. 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 Izmir Commercial Branches three weeks before the General Assembly. In addition, matters stipulated in article numbered 1.3.1 of the Capital Markets Board Corporate Governance Principles are disclosed to the shareholders on the Bank's website correspondingly with the announcement for the General Assembly Meeting of Shareholders.

According to Akbank Articles of Association, shareholders may assign another shareholder as a representative with a right to vote. Shareholders may exercise their right to vote either in person or through another person or shareholder at General Assemblies.

General Assemblies are held in Akbank Head Office (Sabancı Center) in a way that increases participation of shareholders, avoids injustice, and allows for participation with a minimum cost for shareholders. Those who have the right to participate in the Bank's General Assembly meetings may also vote via the Electronic General Assembly System.



OUR PUBLIC DISCLOSURE POLICY

Akbank abides by the regulations of the Capital Markets Board (CMB) and Istanbul Stock Exchange (ISE) in terms of public disclosure.

The 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 and Investor Relations and Sustainability Department as well as the Corporate Communications Department are assigned to supervise and monitor all issues regarding public disclosures.

Akbank Website, material disclosures, Akbank branches, Call Center, social media (Twitter, Facebook), media, advertising and promotion campaigns, Annual Report and Sustainability Report are the most important platforms to inform the Bank's shareholders.

In addition, the "e-MANAGE: Corporate Governance and Investor Relations Portal" of the Central Registry Agency is also utilized in disseminating information to stakeholders.

The Bank's Corporate Governance Principles Compliance Report is available on Akbank's website and can be reached directly at the following link:
<http://www.akbank.com/yatirimci-iliskileri/kurumsal-yonetim/kurumsal-yonetim-ilkeleri-uyum-raporu.aspx>

Akbank Information Disclosure Policy is available at the following link:
<http://www.akbank.com/yatirimci-iliskileri/kurumsal-yonetim/bilgilendirme-politikasi.aspx>

AKBANK BOARD OF DIRECTORS

Structure of the Board of Directors

As of year-end 2013 there are three executive and seven non-executive members on Akbank's Board of Directors. The Chairman of the Board of Directors of the Bank is also an Executive Member with responsibility in all areas. There were three Independent Members on the Bank's Board of Directors in 2013. The Bank adopted, and began implementing, the amendments to the Articles of Association and board of directors organizations required to comply with the Corporate Governance Principles as set forth in the correspondence⁽¹⁾ sent by the Capital Markets Board to the Banks Association of Turkey on October 19, 2012 at the Ordinary General Assembly Meeting of Shareholders held on March 28, 2013. The Bank was in full compliance with the mandatory articles of the Corporate Governance Principles in 2013. In addition, efforts are under way to comply with the nonobligatory provisions of the Corporate Governance Principles.

According to the Capital Markets Board's corporate governance practices, audit committee members of banks are considered independent members of the board of directors. Hayri Çulhacı and Yaman Törüner, Members of the Audit Committee, are Independent Members. Akbank submitted its application for the candidate nominated as the other independent member. Following the approval of the Capital Markets Board, this candidate will be announced publicly as part of the agenda for the Ordinary General Assembly Meeting of Shareholders and will be voted on by the shareholders at the Ordinary General Assembly Meeting that will be held on March 27, 2014. The Bank's Board of Directors will have three independent members after this meeting.

There is a secretariat for informing and communicating with the Members of the Board of Akbank. The Board meets at least 12 times a year. Board Members pay attention to participating and contributing to every meeting. The Chairman consults to other Board Members and the CEO to define the agenda of the meeting. Information and documentation on the agenda are presented to the Members of the Board prior to the meeting.

⁽¹⁾Communiqué Series: IV, No: 56 on "Determination and Implementation of Corporate Governance Principles" that was published by the Capital Markets Board in the Official Gazette numbered 28158 dated December 30, 2011 and became effective on the same date.

CORPORATE GOVERNANCE AT AKBANK

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

Akbank Board of Directors manages and represents the Bank and makes strategic decisions considering its long-term benefits by implementing a rational and cautious risk management approach that balances the Bank's risks, growth and revenues.

The Board of Directors sets the Bank's strategic objectives, determines the human and financial resources Akbank will need, and supervises the performance of the management team. The Board of Directors oversees the compliance of the Bank's activities with the laws and regulations, the Articles of Association, internal regulations and policies.

The Board of Directors operates in a transparent, accountable, fair, and responsible manner. The Board plays an active role in maintaining an efficient communication between the Bank and shareholders as well as in resolving potential disputes.

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 Bank's administrative structure and organization is given in the third section of the Articles of Association. This section explains roles and capacities of the Board Members and other executives: Roles and responsibilities of the Board of Directors are subject to the provisions of the Turkish Commercial Code and Banking Law as well as to the provisions of the Articles of Association.

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 and Compliance Directorate, and Risk Management Department directly report to the Board of Directors.

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 Committee (CGC) was established in 2009 with the aim of monitoring compliance with corporate governance principles and supervising the implementation of corporate social responsibility activities, under the name of "Corporate Governance and Social Responsibility Committee" in 2009. In 2013, "nomination" task was also given to the Committee and its name was changed to "Corporate Governance Committee". The Committee is responsible for ensuring, monitoring and communicating compliance with Akbank's Corporate Management Principles; monitoring the operations of the Investor Relations and Sustainability Department; creating a transparent system to identify, evaluate and train suitable candidates for the Board of Directors; and working on related policies and strategies. Members of the Remuneration Committee are responsible for monitoring, auditing, and reporting remuneration operations on behalf of the Board of Directors. The Committee meets at least twice a year. The chairman and majority of the members of the Committee are independent Board Members.

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.

Up-to-date information on Committee members is available at the following link:
<http://www.akbank.com/yatirimci-iliskileri/kurumsal-yonetim/yonetim-kurulu-komiteleri.aspx>

The Asset-Liability Committee (ALC) is chaired by the CEO and 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.

Rights of the Board Members

Remuneration policy of the Bank is implemented in accordance with the regulations by the Banking Regulation and Supervision Agency (BRSA) and the CMB. Basis of remuneration for the Board Members and senior executives are communicated at the Bank's website.

According to the Akbank Articles of Association, Members of the Board of Directors are paid a monthly fee or remuneration is 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.

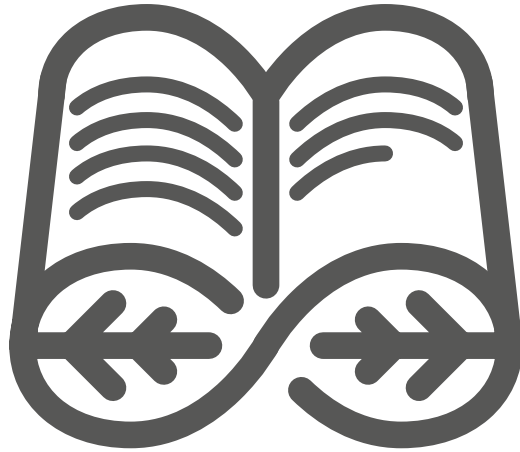
AKBANK INTERNATIONAL ADVISORY BOARD

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 12 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 2013. 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.

Up-to-date information on the Board members can be reached at the following link:
<http://www.akbank.com/yatirimci-iliskileri/kurumsal-yonetim/uluslararasi-danisma-kurulu.aspx>

05. RISK MANAGEMENT AND COMPLIANCE

2013/SUSTAINABILITY REPORT





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 Akbank. In parallel to this responsibility, the Board performs necessary actions to identify the Bank's basic approach to risks and risk management policies. Audit Committee and Executive Risk Committee established within the Board of Directors assist the Board 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 of Directors, for effective management of risks related to their own areas of operation, and for taking necessary actions to comply with the legislation.

RISK MANAGEMENT

Akbank's risk policies are made in relation to the 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 are taken into consideration.

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 to the 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 the Bank or Group and compliance with these limits is continuously monitored.

Liquidity Risks

Akbank has created a liquidity management framework for maintaining required liquidity resources to perform legal liabilities in a timely manner to depositors, creditors and corporations that it has made a commitment to. The Bank protects itself from any

RISK MANAGEMENT AND COMPLIANCE

negative impacts to be caused by liquidity risks thanks to its widespread deposit base, robust capital structure, and varied foreign borrowing sources. In addition, extra liquidity sources are made available with 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 Akbank. In all credit transactions, loan quality (credit worthiness), purpose of use, and environmental and social effects are assessed via an internal customer rating system. Sector, customer, loan type, customer segment-based 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 section that also allows evaluation of environmental 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 departments of the Bank. Since 2011, "New Product and Service Evaluation Committee" comprising managers of all departments involved in product development decides on the suitability of all 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 Akbank, mechanisms such as differentiated and diversified controls, insurance, and limits are used in the management of risks related to all risk categories, mainly legal and reputation risks. The Operational Risk Committee, which was established at the Senior Management level in 2011, discusses subjects that are of importance from operational risk perspective and actively monitors the actions taken at its regularly-held meetings.

Legal Risks

Operating flawlessly in terms of compliance with legislation is a fundamental priority for us. For following legislation related to the banking sector and adaptation to developments and changes, various departments work to ensure compliance in the 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. The control environment in Akbank 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 the 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 by using certain 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.

Directorate of Internal Control and Compliance

The Directorate performs periodical controls in branches and the Head Office Departments to measure the effectiveness and adequacy of internal controls performed during the execution of the Bank's operations and to see whether the internal controls are in conformity with the laws and internal legislation and are performed effectively and efficiently. The Directorate also works to establish control systems in required areas.

The Directorate of Internal Control and Compliance attaches importance to preventive approaches. In addition, results of the Directorate's operations 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.

As of year-end 2013, operations focused on four main areas: segment branch controls encompassing corporate-commercial-private branches and the overseas branch; business practice controls examining processes and transactions throughout the bank by business line; information system controls; and compliance controls. Findings from control activities are shared with the related branches and head office units, and mitigation status of the deficiencies is overseen.

Akbank 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; technical controls of the Bank's information security and IT infrastructure systems are also performed.

RISK MANAGEMENT AND COMPLIANCE

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 units, processes and operations and are planned 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 and 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. The Board of Internal Auditors also investigates and resolves all probable fraud notifications.

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 operations by the Board of Internal Auditors and the Directorate of Internal Control and Compliance are regularly monitored and evaluated by the Control Committee and Board of Directors.

COMPLIANCE

Although a variety of units in Akbank 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

Within the scope of "prevention of laundering proceeds of crime and financing of terrorism", Akbank's 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.

Akbank operates within the framework of the "Know Your Customer Policy" ("Know Your Customer Policy and Principles to Prevent Laundering of Proceeds of Crime and Financing of Terrorism") prepared in accordance with national legislation as well as principles, regulations, and standards set by international authorities. In line with the standards issued by the United Nations Security Council and Financial Action Task Force, systemic controls are made to prevent mediating in banking transactions for laundering proceeds of crime, financing of terrorism, and illegal activities.

The Directorate of Internal Control and Compliance is also responsible for conducting the controls regarding the transactions with high-risk countries in accordance with the regulations published by international regulatory authorities (OFAC, EU, UN, etc.). In addition, the policies and procedures formulated regarding this subject are announced to the entire Bank.



Compliance in Product Promotions and Marketing Communication

All kinds of communication operations performed with the aim of promotion and marketing of banking products and services are subject to various laws and regulations. Every employee who communicates with customers, including the Corporate Communications Department, 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, Banking Law, Capital Market Law, regulations of the Banking Regulation and Supervision Agency regarding our products, and 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.

Akbank pays maximum attention while promoting and marketing its products and services in order to avoid any loss of rights of its customers. For instance, in credit card commercials broadcast on TV, the Bank makes sure that informative subtitles are used and the size of letters as well as the flow rate of subtitles is appropriate and legible. Akbank announces the campaigns and innovations regarding its products on the Akbank corporate website as well as transmitting them via e-mail and SMS to customers who opt for such communication. Pursuant to its transparent pricing policy and taking legal obligations into consideration, Akbank announces to its customers the terms and conditions of all of its banking products and services, and information such as fees, commissions and interest rates, through various channels, including Akbank 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 Akbank'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 and recorded. Using customer information outside the Bank is limited only to legally authorized people and institutions.

Our new employees are trained in information security when they first start working and are regularly updated on the issue throughout their careers. 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 provide training and information to employees on issues to be paid attention to.

Operations held in cooperation with companies providing support services should be approved after security processes are applied and only those that meet the security standards of Akbank are approved.

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 the Internet,

RISK MANAGEMENT AND COMPLIANCE

telephone, and credit card products. VirtualCard, Mobil Signature, SMS Agent and the "Security Picture" proving that the website seen on the screen belongs to Akbank are among the safety measures we take for customers who want to shop safely on the Internet.

We cooperate with security companies to take measures against virtual attacks that may have adverse effects not only on Akbank, but also on the banking sector itself.

Committees including the Security Committee and Information Security Committee monitor such potential threats and test our systems, follow technological innovations, and evaluate all kinds of upgrading and development alternatives. In addition, to increase awareness, we continuously inform customers on measures they can take and make announcements in our website regarding the threats they must pay attention to.

Please visit the link below for more detailed information on security measures implemented for the Akbank Internet Branch:

<http://www.akbank.com/bireysel/ozgur-bankacilik/akbank-direkt-internet/guvenlik.aspx>

For more information on the VirtualCard please visit:

<http://www.axess.com.tr/kartlar/axess-sanalkart>

BUSINESS CONTINUITY MANAGEMENT

In order to ensure continuity of critical business processes as well as to ensure recovery of the system in case of failure, to prevent customer losses, and to maintain corporate reputation, Akbank executes the Business Continuity Management Program. 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 and was updated in 2012 following the release of ISO 22301:2012 Social Security Business Continuity Management System standard.

In Akbank, organization chart, roles and responsibilities for business continuity is defined clearly. The Business Continuity Committee that meets twice a year monitors the performance of the Business Continuity Management Program, checks and guides the operations, and provides the resources required for business continuity. Emergency plans are devised to handle actions to be taken in extraordinary cases in a detailed way. There is a Disaster Recovery Center in Izmir in order to continue critical services if the IT Center fails to operate.

Disaster drills are performed every year to measure the efficiency of business continuity plans, increase internal awareness on business continuity, and test the operability of critical operations via the Disaster Recovery Center.



ETHICAL BANKING

To be able to continue operations and to maintain high stakeholder confidence, Akbank, expects employees and stakeholders with whom the Bank cooperate to abide by the Bank's high ethical standards. It is a priority for Akbank 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. The aim of these activities is to ensure that the Ethical Principles are internalized.

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 Code of Ethics can be reached at the following link:

<http://www.akbank.com/yatirimci-iliskileri/kurumsal-yonetim/etik-ilkeler.aspx>

Notifications of Suspected Violations of Ethical Principles

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

The Bank's 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.

Akbank's 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 practice, means to reach the line are announced to all employees regularly via 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.

Bribery and Corruption

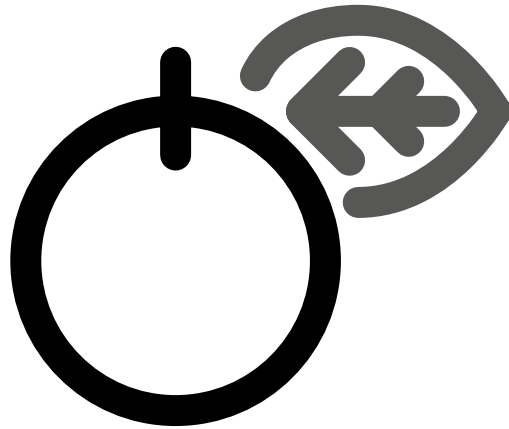
The Anti-Bribery & Anti-Corruption Policy, formulated to comply with the anti-bribery and anti-corruption laws and regulations in effect in all countries in which Akbank operates, with code of ethics and professional principles, and with universal rules, was approved by the Board of Directors and announced publicly.

Akbank's Anti-Bribery & Anti-Corruption Policy is available at the following link:

<http://www.akbank.com/doc/RusvetveYolsuzlukPolitikasi.pdf>

06. VALUE ADDED TO OUR CUSTOMERS

2013/SUSTAINABILITY REPORT





In an era where banking has become a service to make users' lives easier and to add value to them, it is a top priority for Akbank to understand customers correctly and to develop a wide array of products and services that address diversified needs. In addition, Akbank also takes into consideration the environmental, social and economic impacts of its products and services. In order to manage such impacts, the Bank evaluates its products and services in light of various environmental and social criteria. In this regard, Akbank invests in delivery channels that contribute to local economies and organizes informatory business development meetings for SMEs, which are the driving force of the economy. In addition, the Bank unveils a number of innovations to ensure that each member of the society has easier access to financial services.

CORE BANKING SERVICES

Akbank's core banking services consist of Consumer Banking and Private Banking services for retail customers as well as SME Banking, Commercial Banking and Corporate Banking offered in light of the differentiating needs of SMEs, commercial customers and corporate clients, respectively. In addition, Akbank's International Banking unit provides overseas-based financing to customers. Credit cards for customers in every segment are also an important part of Akbank's banking services. Non-banking financial services and capital markets investment services are provided by Akbank's subsidiaries.

Consumer Banking

Akbank continues to be the industry leader in consumer banking with its service approach based on customer characteristics, continuous innovation in technological infrastructure, and extensive domestic branch network. In consumer banking, the Bank embraces the principle that each and every product and service developed and offered is customer-oriented. The Bank's consumer banking services evolve constantly on the basis of customer satisfaction and in light of the expectations of more than 13 million retail customers, requirements of the day, market conditions, and its social responsibilities.

Corporate Banking

Serving nearly 3,700 corporate clients as of year-end 2013, Akbank strives to be the main solution partner of its customers. To this end, the Bank offers long-term investment financing as well as financial advisory services in treasury, foreign trade and cash management to clients, in addition to providing them with structured finance solution based on their needs. Thanks to the synergy created with AkInvestment, AkLease, AkInsurance, AvivaSA, Akbank AG (Germany) and Akbank (Dubai) Limited, Akbank's corporate banking customers have convenient access to a wide variety of financial products and services. As a result of Turkey's increasing attraction for foreign investors in recent years as well as rising numbers of multinational corporations doing business in Turkey, Akbank created a Multinational Segment Unit under Corporate Banking. The Bank aims to leverage this unit to become the local solution partner of multinational corporations operating in Turkey.

Commercial Banking

As part of its commercial banking operations, Akbank generates innovative solutions in such areas as cash management, foreign trade, treasury and project finance with its specialist staff and products tailored to customer needs with the aim of being the main bank and solution partner of medium-sized and large companies.

The Bank serves its commercial segment clients via Commercial Customer Relationship Managers while also offering access to a large number of financial products and services thanks to its synergy with AkInvestment, AkLease, AkInsurance, AvivaSA, Akbank AG (Germany) and Akbank (Dubai) Limited.

SME Banking

Akbank's SME Banking Department offers products, services and solutions tailored to the needs of small businesses and micro enterprises. SME Banking Department continued to offer innovative financial products and services to SMEs and organize informational meetings and various campaigns. Customer Relationship Managers within the Akbank branches serve clients in this segment.

VALUE ADDED TO OUR CUSTOMERS

Private Banking

Offering Private Banking service since 2001, Akbank renders its services in this segment to clients at 10 private branches –six in Istanbul and one each in Ankara, Izmir, Bursa and Adana. In addition, the Bank has a representative in the Dubai and Zorlu Center branches which also operate in this segment. Akbank Private Banking team assists individuals who have assets exceeding TL 500,000 with their investment decisions, provides tailor-made solutions as needed, and serves its customers' such financial requirements as pension, insurance and leasing as a one-stop-shop with specialized solutions in cooperation with the Akbank Group companies. The team consisting of 10 investment advisors in addition to Customer Relationship Managers continuously monitors customers' investment decisions.

Akbank expends painstaking effort to supporting its private banking services with innovative solutions. For instance, the iPad app used in customer visits allows us to make the best use of time and opportunities by instantly displaying portfolio and market conditions. As part of its art consultancy service developed by the Private Banking Unit, the Bank supports its clients' art investments through internationally-acclaimed auction houses.

Telephone Banking (Call Center)

The 444 25 25 Akbank Telephone Branch and Voice Response System, which allows customers to perform a wide variety of core banking transactions quickly and easily, continued to be used by many clients in 2013. As one of the biggest call centers in the banking sector, Akbank Call Center handled more than 85 million customer contacts in 2013 with over 1,000 employees.

RESPONSIBLE PRACTICES AND RISK MANAGEMENT IN LOANS

Loans extended by Akbank to Corporate, Commercial and SME Banking segment customers are subject to an environmental and social risk assessment based on such factors as the source of funding. In addition, pursuant to its policies, Akbank gives priority to projects that turn environmental risks into opportunities.

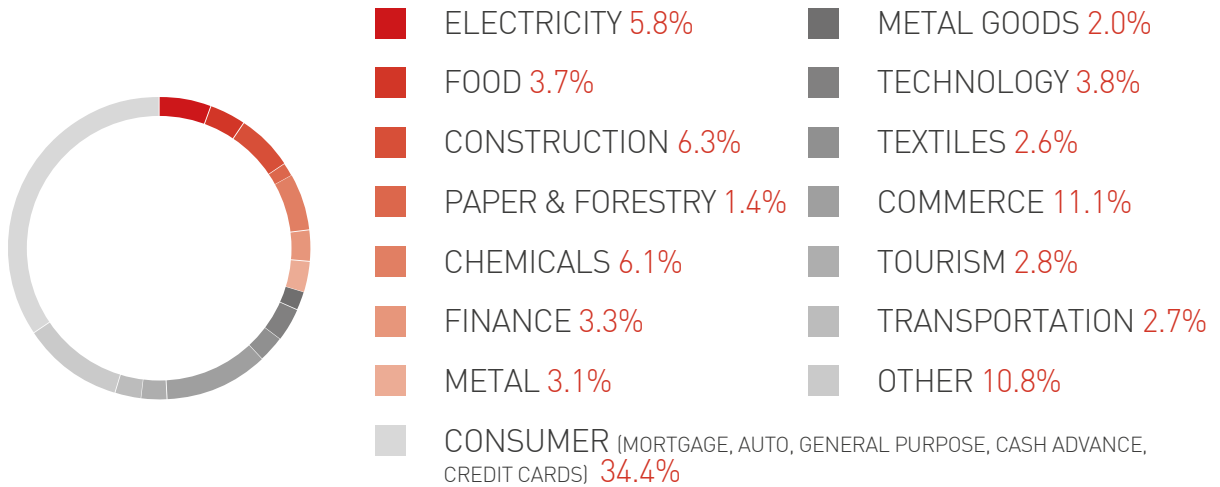
Breakdown of Akbank's Loan to Customers by Industry

Akbank offers its customers operating in various industries a wide array of loans, from boosting sales volume to expanding a business into overseas markets.



Breakdown of Akbank’s consolidated cash loans by industry as of year-end 2013 is as follows.

Breakdown by Industry



Implementation of Akbank’s Environmental and Social Policies

Since 2010, projects with a loan sum exceeding USD 50 million and with a term of over five years are subject to “Akbank Environmental and Social Policies”. Project financing loans with a sum less than USD 50 million are also evaluated in terms of environmental risks. 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’s Environmental and Social Policies, we pay due attention that all elements stated in the United Nations Global Compact are implemented by the customers that we grant loans to. For instance, in line with our social criteria, 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 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 during execution of projects – especially those 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.

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 efficiency.

VALUE ADDED TO OUR CUSTOMERS

Environmental Risk Analysis of Corporate and Commercial Loans

In 2011 Akbank initiated a new system to evaluate all risks (including environmental ones) more efficiently and improve processes in loan applications that require approval of the Credit Committee and the Board of Directors. With this system, we began to employ Loan Analysis Managers and the number of these managers was increased in 2012. In addition, their area of responsibility was enlarged to cover not only the loans that require senior level approval, but also all loan applications received by the corporate and commercial branches. 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 2013.

International Financial Resources That Support Sustainability

With the business partnerships that we establish with international financial institutions, we aim to continuously offer new loan opportunities to our customers and contribute to the economic growth in Turkey. Loans obtained from international financial institutions such as IFC, EBRD, and EIB are of environment-friendly nature and generally support sustainable development. 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.

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), which is based upon IFC's social and environmental performance standards. 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. Through SEMS, we evaluate and manage the social and environmental risks of the projects of the SME and Corporate customers that we finance with IFC loans. Akbank SEMS is managed by a committee composed of representatives of Credits, Marketing and Sales Management, International Banking, and Corporate Social Responsibility Departments, in the leadership of a coordinator. In 2011 IFC administered a training course to SEMS Committee members and the Bank's staff who are in charge of disbursing similar loans on environmental and social performance standards. As part of the Akbank Social and Environmental Management System (SEMS), the Bank continued to monitor the compliance of IFC loans that were disbursed during 2013 with environmental and social criteria.

EBRD Loans

Loans that we offer to our customers via the European Bank for Reconstruction and Development (EBRD) finance 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 and environmental and social compliance audits are performed as well.

European Investment Bank Loans

European Investment Bank (EIB) is an international financial institution that aims to provide financing for sustainable investments in EU member and candidate countries. As an important business partner of EIB in Turkey, Akbank obtained loans amounting to EUR 150 million to meet project financing needs of commercial and corporate customers. Loans to be offered to customers within the framework of this loan will also be evaluated according to environmental sustainability criteria of EIB.



CLIMATE-FRIENDLY LOANS

Akbank 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 and Project Financing

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 estates, such as factories. This loan is typically offered in the form of an investment and operating capital loan. Available especially for businesses such as shopping malls, hospitals, hotels, cold storage houses, laundries, restaurants, and bakeries, this loan supports 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 2012. Wind Energy Power Plant (WEPP) and Hydroelectric Power Plant (HEPP) projects constitute an important part of our loan portfolio. In 2012, financial support provided for such projects of our SME and Corporate customers had 65% share in our total energy project loan portfolio.

1) Akbank provided financing for the energy efficiency project consisting of nine improvements at the Izmir facilities of Petkim Petrokimya Holding. After its completion, the investment will conserve 27 GWh of electricity annually and is expected to reduce carbon emissions by 65,400 tons per year. The project will yield annual cost savings of EUR 9 million.

2) The energy efficiency project consisting of electricity generation from waste heat and equipment replacement at the manufacturing plant of Batı Söke Anadolu Çimento was financed by the Bank. The investment is expected to achieve costs savings of EUR 4.5 million per year and conserve 62.8 GWh of electricity annually. The project is anticipated to reduce carbon emissions by 31,131 tons.

Examples of Energy Efficiency Projects

In project financing loans, Akbank continuously increases support for environment-friendly projects that also contribute to the Turkish economy. In addition to the Bank's own resources, we support renewable energy and energy efficiency projects with MidSEff-TurSEff funds obtained from EBRD. Here are three examples of energy efficiency projects financed by Akbank via TurSEff Fund of EBRD in 2012:

In Tarfaş farm belonging to the Süttaş Group, biogas obtained from the fermentation of animal wastes in anaerobic environments is used to generate electricity. This project also allows for producing organic manure from animal wastes. As a result of these investments, the facility which has a total installed capacity of 2.4 MW is expected to generate 16 GWh electricity annually and to reduce its annual carbon emission by 8,992 tons.

At The Zorlu Center Shopping Mall belonging to the Zorlu Holding, electricity will be saved by using lighting systems with higher energy efficiency. With this project, 10 GWh electricity will be saved in one year and thus annual carbon emission will be reduced by 5,620 tons.

In two production facilities of Konya Şeker Sanayi ve Ticaret A.Ş. (a sugar production company) four energy efficiency projects will be implemented. In both facilities, bioethanol to be derived from fermentation of sugarcane wastes will be used to generate energy. With these projects, annual electricity saving of 62 GWh is expected. A new investment will be made for condensing the carbon dioxide released during fermentation and thus emission of 30,187 tons of carbon dioxide will be prevented.

As a result of these three projects, our customers will prevent 44,779 tons of carbon from being released to the atmosphere in a year. Our support for energy projects that reduce Turkey's dependence on foreign countries and use local resources will increase.

VALUE ADDED TO OUR CUSTOMERS

Between 2011 and 2013 Akbank disbursed the entirety of the USD 100 million MidSEff credit facility, which was obtained from the EBRD in 2011 to finance medium-scale renewable energy and energy conservation projects in Turkey; nearly 83% of this resource was deployed to fund four energy efficiency projects. 161 GWh of electricity, which is equivalent to the annual output of a mid-size hydroelectric power plant, will be conserved and emission of an annual total of 132,338 tons of carbon dioxide will be avoided after the completion of these projects.

EBRD MidSEFF and TurSEFF Loans

Extension of the USD 60 million-worth Sustainable Energy Financing Loan (Sustainable Energy Financing Facility -TurSEFF-Program) obtained from EBRD in 2010 to 38 customers was completed in April 2012. As a result of the evaluation it made, EBRD gave Akbank excellence awards in areas such as being the first bank to completely extend the TurSEFF fund and perform supplier financing and as the bank to reach the highest level of loan volume in renewable energy projects. In addition, Akbank disbursed the entirety of the USD 100 million credit facility, which was obtained from the EBRD in 2011 to finance medium-scale renewable energy and energy conservation projects in Turkey.

Akbank continued to extend loans in 2013 from the second tranche of the TurSEFF loan worth USD 24 million that was obtained from EBRD in 2012, and from the USD 12 million facility secured from EBRD to finance agribusiness firms in the third and fourth tier of the priority regions for development.

IFC Securitization Loan

Entirety of the USD 75 million IFC Securitization loan provided to Akbank by IFC in 2010 was disbursed to the customers as of 2012. This facility was used to extend renewable energy generation project financing to corporate, commercial and SME clients, regardless of their business segments, as well as for funding energy efficiency investments and investments in equipment that conserve energy. The Bank continued to monitor the compliance of projects that were financed by the IFC Securitization Loan during previous years that are part of the Akbank Social and Environmental Management System (SEMS) with the SEMS criteria in 2013.

PROJECT FINANCING

In 2013, Akbank continued efforts to structure financing of many different “greenfield” projects in energy and real estate sectors, including Turkey’s leading infrastructure projects such as public-private partnership hospitals or Gebze-Izmir Highway Project.

We share our extensive information on project financing with customers at the project planning stage and draw roadmaps together in order to structure the investments in a way that can be financed properly.

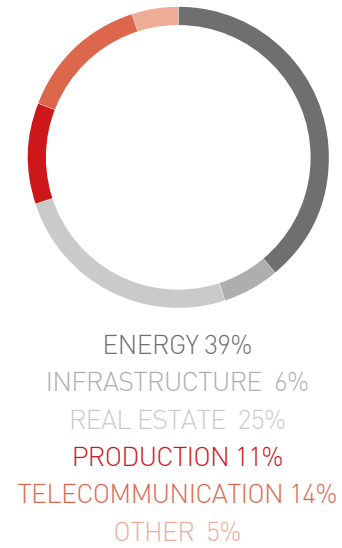
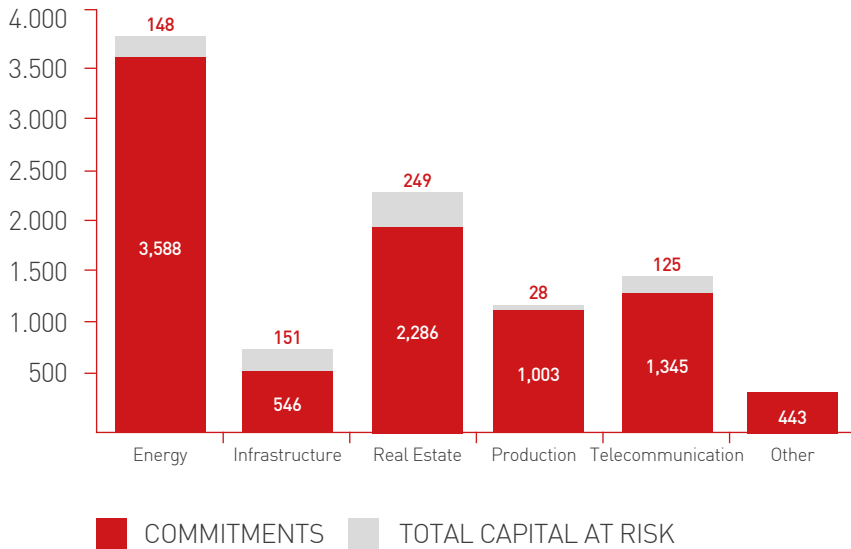
At this stage, by cooperating with local and international banks as well as financial institutions such as IFC, EBRD, and EIB, we pay attention to creating a financing structure that offers the greatest added value to all parties, especially our customers.

With our cautious loan policies applied so far, we, as Akbank, have one of the lowest non-performing loan ratios of the industry. Instead of concentrating project financing loans on a single sector, we distribute them among sectors such as energy, infrastructure, real estate, telecommunication, transportation, and petrochemicals in a balanced way.

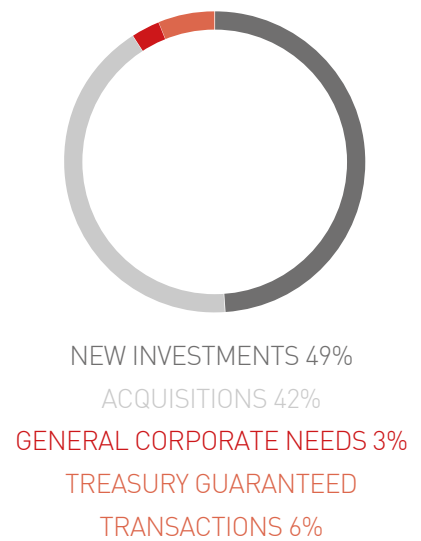
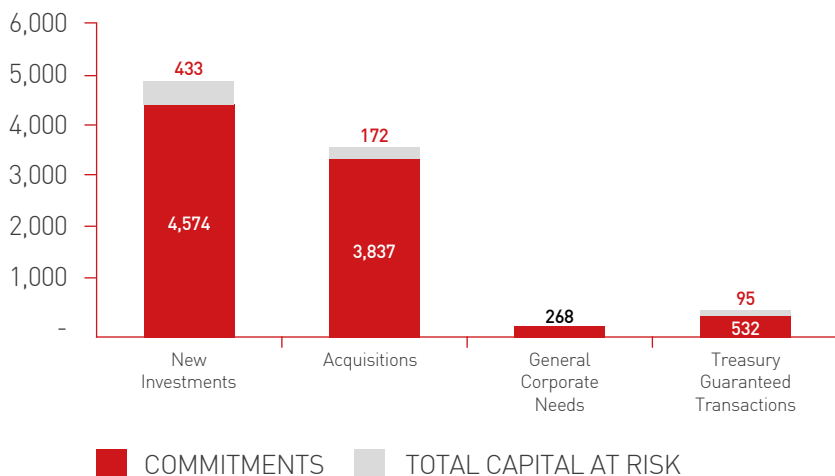


Breakdown of project financing loans by industry share is presented below:

Project Financing Loans (By Industry) (US Dollar million)



Project Financing Loans – by Type of Transaction



EXCLUSIVE SERVICES FOR CORPORATE AND COMMERCIAL CLIENTS

Multinational Corporations Segment Unit

Correspondingly with the growing foreign direct investment, which makes a major contribution to the development of the Turkish economy, in recent years, number of foreign corporations operating in Turkey soared.

Accordingly, in an effort to meet the needs of foreign corporations that have different priorities and demands in banking products and services, Akbank initiated a single point of management service model and created a Multinational Corporations Segment Unit under the Corporate Banking Department.

As part of this new organization, Akbank will be focusing on becoming the main local bank of multinational corporations and providing advisory service and "customized" solutions to meet their needs. The Unit aims to combine the Bank's local client experience, extensive branch network and world-class technology infrastructure with the experience of Corporate Banking customer relationship managers to create value for foreign corporations and to help them grow their businesses in Turkey.

PRODUCTS AND SERVICES FOR SMES

SMEs amount to 99% of the businesses, create 76% of employment, produce 62% of exports and 53% of added value in Turkey and therefore they have an important role in economic development. They need not only financing support but also information and guidance in marketing, strategy, and innovation. We, as Akbank SME Banking, create solutions to facilitate our SME customers' banking transactions and to support them with innovative operations that contribute to their growth.

Below are some of the new products, services, and solutions that we offer with the motto "SMEs for Turkey and Akbank for SMEs".

Special Packages, Funds, and Products for SMEs

In addition to our existing products, we offer approximately 20 product and service packages such as SME, Merchants, Entrepreneur, Tourism, and Jeweler Support Packages to our customers of various segments, sectors and regions. In these packages we offer not only advantages in banking transactions, but also loans that suit the company's cash flow and products and services that focus on sectorial needs. Almost in all packages an extra value is offered to customers with 3-month advantages in banking transactions including transfer/EFT, check collection.

Dealer Support Package

The "Dealer Support Package" was developed to meet working capital loan needs of dealers operating in such industries as appliances, fuel, food and garment and to help them grow. The Dealer Support Loan that is part of the package allows dealers to purchase goods, services, equipment and software with a grace period of up to three months and a term of up to 36 months. The package also includes Commercial "Artı Para" Loan, Direct Debit System, Axess Business, Member Merchant Service, Revolving Credit, Letter of Guarantee, Commercial Vehicle Loan, POS Plus Insurance, and Workplace Plus Insurance products and services.



Instantaneous Loan Package

Akbank launched a groundbreaking practice in its industry in SME Banking. SMEs can now apply for Installment Commercial Loan, Commercial "Artı Para", Akses Business and Check Book at the same time by sending a single SMS without the need for leaving their offices amid their busy schedules. To apply for the Instantaneous Loan Package available for a total credit line of up to TL 50,000, all SMEs need to do is to text "Anında" and their national identification numbers to 4425 on Turkcell mobile phones and to 0532 444 44 25 on other carriers. This service sends the initial screening result of their application to SMEs instantaneously. In addition, SMEs that use the Instantaneous Loan Package can also conduct their banking transactions under more advantageous terms.

SME Tariffs (KOTA)

Based on the most frequently performed banking transactions by the SMEs, Akbank offers four distinct choices: KOTA Annual, KOTA 10, KOTA 20 and KOTA 30. "SME Tariffs (KOTA)" allow a given number of banking transactions included in the tariff such as money transfers, EFT, check collection, checkbook and running account book/activity for a fixed monthly or annual fee. Thanks to SME Tariffs, SMEs avoid paying separate fees for banking transactions and know how much they will pay for their banking transactions before the fact. This permits them to budget accordingly. They also save money by choosing the most cost-effective tariff based on the transactions they will be performing the most. For instance, KOTA Annual allows SMEs to perform many banking transactions throughout the entire year without incurring any additional cost for just TL 1 per day.

EkoPOS

Under the "POS for Every SME" slogan, EkoPOS allows SMEs to have access to a POS terminal for a fixed monthly fee. EkoPOS, which holds the distinction of being the first POS tariff in the industry that allows installment transactions, is of great convenience particularly for artisan with low POS turnover thanks to its cost advantage. POS, which until today has been an expensive product due to various add-on costs such as low turnover, POS fee, POS service fee and per-transaction commission, has just gotten within reach for all customers. Businesses that want to use EkoPOS choose the tariff corresponding to their monthly

turnover for a single fixed fee and pay nothing else for the transactions carried out during the month. All SMEs can now afford a POS with EkoPOS, which offers a plan for a fixed monthly fee of TL 19 for turnover up to TL 1,000; fixed monthly fee of TL 24 for turnover up to TL 2,000; fixed monthly fee of TL 29 for turnover up to TL 3,000; and fixed monthly fee of TL 50 for turnover up to TL 5,000.

Cash Register POS

Akbank offers convenient purchase and usage support for Cash Register POS, now a legal requirement, to all businesses engaged in retail sales, particularly small tradesmen and artisans. To this end, Akbank has two campaigns geared toward different needs of customers. One of the campaigns gives the cash register POS device free of charge to the customers that meet the predetermined Akbank POS turnover amount within the pledged time frame. Akbank deposits the price of the device into the customer's credit card account as chip money each month. The other campaign offers interest-free 36-month payment plan as well as TL 50 chip-money right after their first transaction for customers that purchase their cash register POS terminals with their Akbank credit cards until the end of the year. As part of the campaign, customers were also given KOTA 10, which provides free money transfers/EFTs and check collections as well as waiver of monthly account fees.

Artisan Fraternity from Akbank

In Turkey artisanship is not just a profession but also a "culture". Being an artisan is synonymous with integrity, sincerity and hard work. Artisans expect the same sincerity and sense of trust from their banks. Armed with this awareness, Akbank works hard to create value for its artisan customers. The Bank designs its products not just for meeting the needs of artisans, but also for speaking the same language and being part of the same culture with them.

Pay When You Can Loan

The "Pay When You Can Loan" is the first product Akbank rolled out under the "Artisan Fraternity from Akbank" concept. Artisans' payment and collection periods, i.e. their cash flows, are not as predictable as those of commercial and corporate firms. Therefore, credit needs of artisans should be served while giving them the flexibility to pay their loans back based on their income streams.

VALUE ADDED TO OUR CUSTOMERS

Aware of this need and informed about the artisan tradition in Turkey, Akbank developed the "Pay When You Can Loan" for artisans. Artisans who take out the Pay When You Can Loan can make principal payments at the time and in the amount of their choice within the life of the loan. Saying "get your loan today, pay it back when you have the money" to the artisans, the Bank permits "more or less" repayment amounts based on their cash flows.

444 23 23 Akbank SME Line

Akbank makes available a service point exclusively for the needs of SMEs that they can access from any location they want at any time they choose in order to provide a more privileged service to them. "Akbank SME Line" offers 24/7 support exclusively for SMEs through the 444 23 23 hotline.

SMEs can obtain information from trained specialists regarding many banking products, apply for products that they need instantly, and start benefiting from these products. In addition, they can conduct their banking transactions with a single phone call and gather information on a wide variety of other subjects unrelated to banking products. All SMEs, whether customers of Akbank or not, can dial this line any time and take advantage of its services free of charge.

Cooperation with Microsoft Turkey – "Office 365" Cloud Solution

As part of its cooperation with Microsoft Turkey under the slogan "Office is everywhere for SMEs on the Cloud", the Bank introduced SMEs to one of the latest wonders of technology and helped them manage their businesses online. Acquainting the SMEs with the "Office 365" product that offers the Microsoft Office experience on the Cloud, Akbank also raised their awareness on technological facilities. In today's world, SMEs want to use the latest technologies under predictable costs without incurring large setup costs or dealing with maintenance, repair or personnel expenses. Within this scope, large amount of information is stored on employees' computers in the offices; investment in a server is required to make sure that all this information is safely maintained. This project developed by the Bank where files are kept in cloud solutions obviates any server costs while also eliminating any possibility of such information getting erased, destroyed or lost. In addition, this solution also eliminates these risks in

the event of such disasters as flood or fire at the SMEs' workplaces; therefore, this solution functions as an insurance policy for the documents. Further, thanks to this solution, SMEs can have online access to programs such as Word, Excel and Powerpoint that they use in their day-to-day lives.

Owing to this solution, employees can safely access their documents from any location with an internet connection at any time while they are on the road or out of the office. They can also share documents by making the necessary arrangements. Nobody, including Microsoft, can reach this information other than the employees, which ensures the confidentiality of the data and documents of the company. In light of the legal obligation on SMEs to design a website and get a domain name, this platform allows them to create a website very easily in 15 minutes. In summary, Akbank enabled SMEs to take advantage of a large number of solutions such as Office applications, corporate website design, domain name, intra-company communication and co-working with a cost advantage. This initiative carried out by Akbank in partnership with Microsoft was completed in June 2013.

Cooperation with KOSGEB – "Co-financing Loan"

Akbank extends loans under attractive terms and conditions to SMEs whose project support applications for KOSGEB-sponsored SME Project Support, Thematic Project Support, Cooperating-Leaguings Support, R&D, Innovation and Industrial Application Support, and Entrepreneur Support Programmes are approved by KOSGEB (Small and Medium Enterprises Development Organization) in order to execute and complete their projects. The Bank finances these KOSGEB-supported projects with commercial loans featuring equal installments and loan terms of up to 36 months.

Agriculture Support

Agriculture sector is among the most significant components of the Turkish economy. In addition to providing employment for 3 million farmers, the sector also plays a key role in Turkey's development by meeting the need for food, providing input into the industrial sector, creating demand for manufacturing products, and contributing to exports. In addition, the sector is expanding and gaining prominence with each passing day as modern irrigation, organic agriculture and modern agriculture techniques are deployed in the agriculture industry. At this juncture, the Bank began



meeting the needs of the agriculture sector with banking products and insurance services with an eye toward the seasonal nature of the cash flows of this industry.

Support for Entrepreneurship

Akbank continued to support efforts to develop entrepreneurship into a healthier structure and to enhance opportunities for entrepreneurs in 2013. The Bank only provided financing support, but also continued to offer a number of solutions adding value to the ecosystem for entrepreneurship. The projects within this scope are taken in detail in "Our Community Investment" section of this Report.

Support for Entrepreneurs - Endeavor Program

Within the scope of the cooperation with Endeavor, Akbank continued to offer loans with advantages such as more favorable collateral requirements, longer terms and lower interest rates to effective entrepreneurs in 2013.

Entrepreneur Support Package

The Entrepreneur Support Package aims to support new entrepreneurs that have a high potential for creating employment. Within the package, entrepreneurs are provided with Plus Money Loan to meet short-term cash needs immediately, check book for purchasing goods and making payments, and "Axess Business Entrepreneur" card, which is the first of its kind in Turkey. Campaigns organized for the Entrepreneur Support Package offer various opportunities for customers. Among these are 10,000 free SMSs for product promotion to the target audience, chip-money of TL 200 worth after the first payment made by using Axess Business Entrepreneur card, 10 free bank transfers /EFT/check collection transactions monthly for a period of 3 months, unlimited free bank transfer and EFT transactions in the Akbank Internet Branch.

Business Development in SMEs

We implement our motto "SMEs for Turkey and Akbank for SMEs" through business development programs, informative meetings, and cooperation specially designed for SMEs.

Web Portal for SMEs

www.kobilersizinin.com, an exclusive web portal for SMEs, has a lot of useful information on foreign trade, entrepreneurialism, new Turkish Commercial Code, and tax. The website designed by the Bank for SMEs contains financial and industry analyses and news as

well as the opportunity for customers to pose questions to experts regarding SMEs, entrepreneurialism, agriculture and economic developments. Akbank SME TV, broadcasting on the website, shows videos on various topics that will be useful for SME customers in their businesses.

Cooperation with Chambers

In order to support local economies and regional development, we offer loans and other banking services with favorable terms to SMEs by cooperating with chambers of industry and commerce and craftsmen in several cities and regions. We provide chamber members with services such as Fee Collection System, Merchants Support Package, SME Support Package, Commercial Loans in Installments, Workplace Loans, Investment Loans, Non-Cash Loans, and Foreign Trade Financing with affordable terms and payment conditions. So far, we signed cooperation contracts with more than 150 chambers of commerce and/or industry and unions of chambers of merchants and craftsmen all around Turkey.

Supporting and Promoting Foreign Trade

We, as Akbank, continue to offer elaborate and quick support to customers with their foreign trade activities, payment transactions, and investment projects via various financial tools. We provide affordable, long-term financing through our contracts with 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 and offer a number of opportunities. We also started foreign exchange and deposits transactions in Chinese currency, Yuan.

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).

In 2013, Akbank was the main sponsor of "Stars of Export – Encouraging Exports Awards" that has been organized since 2002 to encourage exporting companies. At this platform organized by Dunya newspaper and DHL, awarded companies perform their exports transactions free of charge for a whole year.

RESPONSIBLE PRACTICES IN CONSUMER BANKING

Financial habits and service expectations of individuals may vary depending on age, education, and occupation. Based upon this fact, Akbank addresses different financial needs of customers with its wide variety of personal loan and deposit products.

Encouraging Deposits and Facilitating Investments Savings Campaign

The biggest challenge in the Turkish economy which has become highly stable in recent years is the current account deficit resulting from the low levels of domestic savings. In order for Turkey to attain its goal of rapid economic growth, current account deficit must be reduced and thus personal savings must increase.

To support this important national objective, Akbank launched a "Savings Campaign" in April 2012. As part of this campaign, Akbank offers advantageous products and services to encourage savings while also carrying out corporate social responsibility projects to raise awareness on savings. Akbank Volunteers also support the broad-based financial training projects. Detailed information on these projects is presented in "Our Community Investment" section of this Report.

"Akbank Deposit Savings Account" – a product unveiled as part of the Savings Campaign – was met with heavy interest by Akbank customers thanks to its innovative approach. Akbank Deposit Savings Account has a 5-year maturity and enables individuals to gain the habit and discipline of saving money. The Account allows monthly transfer of a pre-determined amount of money from a regular deposit account to the savings account. As a result, savings holders can earn interest even on very small term deposits. Every month, approximately 220,000 Akbank customers save money with this approach.

Another product to encourage savings is the "Akbank Flexible Savings Account", which allows savings in gold and foreign currencies (US Dollars, Euro, Japanese Yen, British Pound, Russian Ruble) without any term limits simply by giving orders for transfer from credit cards or deposit accounts. With the Flexible Savings Account, customers wishing to save money even in very small sums can open savings accounts and save in various currencies.

Gold Deposit

The value of the gold held by households in Turkey is estimated to be around USD 100-300 billion. The fact that a great portion of this stock is kept under the mattress means the contribution of such savings to the economy is very little. On the other hand, savings injected into the banking system are transferred by banks to those in need of resources and thus support the Turkish economy.

Akbank developed a product to encourage contribution of idle under-the-mattress savings to the economy. With the "Gold Deposit Account" launched in 2012, Akbank customers can buy gold even with a savings of TL 2. In addition, with the "Invitation for Gold" service, scrap gold and jewelry are converted into equivalent grams of gold by special experts at the Bank's branches and then these can be deposited to Gold Deposit Accounts in Turkish liras. The amount deposited into the savings account fluctuates in parallel with gold prices while Akbank customers can invest their gold without the risk of theft or loss under the Bank's guarantee.

NAR Account

The "Nar Account" is a new product that rolled out in 2012 with the aim of offering accretion even for small savings and thus bringing these savings into the financial system. As a product that offers solutions for all cash management needs of customers, the most important feature of the Nar Account is that it offers daily interest for even small sums.

Raising Investor Awareness via One-to-One Banking

Within the scope of One-to-One Banking, Akbank's Customer Relationship Managers offer financial support to customers who have TL 100,000 in assets and who



expect specialized service in investment products. As of year-end 2013, 340 One-to-One Customer Relationship Managers located in more than 250 Akbank branches render "One-to-One Banking" service to more than 300 thousand clients.

In addition, Akbank One-to-One Expert Line provides qualified investment service to customers in every corner of Turkey via telephone. This innovative system has become an important channel that serves 80,000 customers by 80 specialists, regardless of province and region. In an attempt to endow One-to-One Banking Customer Relationship Managers and One-to-One Specialist Line Representatives with the most accurate information on economic developments in Turkey and in the world, market movements and the status of investment products, Investor TV produced by AkPortfolio experts is broadcast each morning. In addition, they receive reports generated by experts from AkPortfolio and from the Bank's Economic Research Department. In addition to being able to obtain accurate and up-to-date information from One-to-One Banking Customer Relationship Managers and Specialist Line Representatives, the Bank's customers also have access to the reports by Akbank Investor Portal, Akbank Investor Center, and AkPortfolio.

Convenient Products

exi26: Banking Services for the Youth

A significant majority of the people in Turkey who have not yet been introduced to banking services is the young people. Akbank has developed products to serve the banking needs of these students and to support them. An example of the products and applications offered to students between the ages of 16 and 26 who are part of the customer segment Akbank refers to as Exi26 is the "Student Account". Young account holders can withdraw money free of charge at any ATM abroad with their neoexi26 debit card, withdraw money at other banks' ATMs free of charge twice a month to facilitate fast money transfer with their families, and shop on the Internet. Access exi26 credit card is yet another product Akbank offers students. Access exi26 credit card holders benefit from special campaigns for education, school expenses, and stationary expenses as well as all Access campaigns free of charge.

Structuring of Personal Loan Debts

In recent years, with the increase in the debts of individuals and the effect of economic fluctuations, we try to provide a certain level of convenience for customers who had trouble in paying back personal loan or credit card debts, by taking into consideration the limitations imposed by legal authorities. We evaluate the requests of customers who demand changes in payment plans or who are believed to recover defaults and make regular payments with a new payment plan. We offer some of such cardholders and loan users the opportunity to pay their debt before legal proceedings are initiated.

Responsible Loans and Insurance Products

Contribution to Professional Development: "From Kitchen to Life" Loan

"From Kitchen to Life" is a special loan package that we created for the Culinary Arts Academy of Istanbul (MSA) students in cooperation with Endeavor Turkey. Approved by the Turkish Ministry of National Education, MSA is the first and only private vocational education institution to give internationally accepted diplomas in the area of professional cookery, pastry and bakery. With this loan, MSA students only pay the interest rates during their education and make the principal repayments in installments when they start working. With the "From Kitchen to Life" loan, we aim to support future chefs in their professional lives.

Mortgage Loans

Over 300,000 Akbank customers purchased houses since 2005 when the mortgage market gained huge momentum. We offer 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. By cooperating with construction companies such as the Housing Development Administration of Turkey (TOKI) and Emlak Real Estate Investment Trust, we support urban transformation activities through earthquake-resistant, exclusive architectural projects with strong infrastructures not only in metropolitan cities, but also in Anatolia.

VALUE ADDED TO OUR CUSTOMERS

Customers applying to the Bank's 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.

Hybrid Car Campaigns

Hybrid-engine vehicles use electric engines in addition to gasoline engines and thus reduce carbon dioxide emissions while also offering a solution to air pollution resulting from heavy traffic. In order to encourage and facilitate purchasing of hybrid cars, we designed hybrid vehicle loan campaigns including car promotions, advantageous interest rates, and flexible payment terms in cooperation with Toyota and Honda. Akbank will continue creating similar campaigns to increase the number of environment-friendly vehicles in traffic.

Services Offered via Affiliated Institutions






Our major principle in bank assurance is allowing customers to reach insurance and pension products in the easiest and fastest way thanks to our widespread delivery channels. Considering lifetime risks of customers, Akbank offers products with affordable prices and coverage for all customer segments. Private pension and corporate insurance products of AvivaSA Pension and Life and AkInsurance can be reached through all delivery channels including Akbank ATMs and Call Center.

DEBIT AND CREDIT CARDS

We, as Akbank, offer **Axess, Axess Business, Axess exi26, Wings, Wings Business, Free, and Fish credit cards and Neo debit card** to meet various demands and needs of customers.

- A portfolio of approximately 5.8 million credit cards with our four leading credit card brands – Axess, Wings, Free, and Fish.
- A portfolio of 6.2 million debit cards (Neo).
- Credit card lending of TL 13.5 billion.
- "Member Business Network" of 347,000 members (those using our POS machines).



Our Credit Card Brands	Examples of New Benefits Launched in 2013	Card Features
Axess 	Breaking new ground in the sector by rolling out the Credit Card World of Tariffs in 2011, in addition to tariffs that offer Chip-money, interest discount, card fee, discounts and installments in fuel and grocery store, Akbank enriched this world in 2013 by adding the Free Installment Cash Advance to Your Word tariff, thus allowing the customers to pick the best tariff for themselves. In addition to "Installment Request" where installment opportunity is granted after the purchases are made and "Deferral Request" where payment for purchases is deferred to future months, "Skip a Statement" service that allows statement balances to be postponed was reintroduced in 2013 for the Bank's customers. Axess organized a rewards campaign on the social media (Twitter, Facebook) for the first time in 2013.	Axess credit card offers customers benefits such as shopping anywhere in the world, earning chip-money, installments, special advantages for exclusive brands. Akbank actively communicates with Axess cardholders through its updated website and social media channels such as Facebook and Twitter. The Bank also has the Axess exi26 credit card for university students and young professionals. For more information please visit: http://www.axess.com.tr/
Wings 	Cardholders can use their Wings Miles to buy plane tickets, accommodation, insurance for travels abroad, and tours via www.GezinlerAlemi.com sponsored by Wings. They can easily plan their trips thanks to special installment options and promotions for Wings. With the "Miles on Land" system, cardholders can use their Wings Miles to make payments at around 150 Wings Style-member restaurants, hotels, sports and spa centers.	Wings is a credit card for Akbank's high-income customer segment who have an active social life and who travel frequently for either business or pleasure. For more information please visit: http://www.wingscard.com.tr/
Free 	Free cardholders can benefit from the following services offered by Axess: standard chip-money rates and installments at member companies; cash solutions, tariffs and orders designed exclusively for Axess; supplementary card; insurance. The Free Budget service allows cardholders to manage their budgets by sending an SMS notification stating that they reached the pre-determined expense level. They can also learn about their available limit, current debt balance, and payment due date via SMS.	In addition to not paying an annual card fee, Free cardholders have the option to enroll in periodic campaigns such as extra installments, payment deferrals, and chip-money. They can benefit from these campaigns in return for a certain fee. For more information please visit: https://www.kartfree.com/
Fish 	Monthly rewards lotteries of Fish continued in 2013. Even users who spent merely TL 10 could participate in the lottery. Fish cardholders won 1,264 awards, including cars and motorcycles, within one year.	Fish is a credit card that creates closer bonds between the Bank and the retail market, while offering attractive rewards to cardholders. For more information please visit: http://www.fishcard.com.tr/
Neo 	A shopping card that gives chip-money in shopping and allows for free shopping with this chip-money, Neo continued to encourage customers to use debit cards with several campaigns. Widespread use of debit cards also contributed to preventing off-the-books transactions.	Neo is a Maestro-brand debit card that allows shopping and cash withdrawal both in Turkey and abroad. For more information please visit: http://www.akbank.com/consumer/cards/neo.aspx

Innovative Applications in Debit Cards and Credit Cards

Akbank continued to render innovative services in 2013 in line with the expectations of its credit card and debit card customers whose numbers soared compared to the previous year. These innovations include:

Debit Cards and Prepaid Cards

Breaking another new ground in Turkey, Akbank enhanced the Neo debit card with "discount feature" in 2013. Discounts earned by limit-conscious Bank customers who shop with the limit-conscious debit card Neo is deposited into their demand deposits within two business days. In addition, customers continue to earn chip-money from their purchases.

Re-launched in 2013 with its overhauled dynamic and contemporary design as well as the discount feature,

Neo began adding Visa branded debit cards to its portfolio.

<http://www.akbank.com/bireysel/kartlar/neo.aspx>

Business Credit Card Practices

Showing a 53% increase in volume in 2013, Axess Business and Wings Business cards are used by 100 thousand small, medium and large-scale companies for to meet their needs such as fuel oil and wholesale purchase, business travels, accommodation, and office supplies. Companies can monitor their business card payments regularly, earn mile points and chip-money, and benefit from a variety of campaigns.

Two new commercial card products, "Axess SME" and "Agriculture Card", that were being developed throughout 2013 are planned to be added to the Akbank Commercial Cards portfolio.

VALUE ADDED TO OUR CUSTOMERS

The difference of Axess SME from other commercial cards is that it is designed for artisans and comes ready with an Installment Commercial Loan credit line in addition to the credit card limit. Akbank Agriculture Card was designed to allow farmers to pay for their agricultural purchases such as gasoline, fertilizer, pesticides, seedling and seed from member businesses when they get paid for their produce after the harvest.

In 2013, Axess Business Entrepreneur card was offered to new entrepreneurs as one of the most innovative products of the sector. The card is within the scope of the "Entrepreneur Package" that can only be used by companies operating for less than 2 years and it provides an important financing support for entrepreneur SMEs. Another practice launched in 2012 was "Ask for Installments/Ask for Delay". With this practice, card-holders can make payments in installments and delay the payments and can make automatic payment orders for Social Security Institution fees either at our branches or via our Internet branch.

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. If the cardholder loses his/her job, AKSigorta Credit Card Unemployment Insurance insures all credit card debts of the card-holder. With Bodycard Protection Insurance, in case of loss or theft of personal goods such as cards of all banks, keys, mobile phones, wallet, and luggage, professional support is provided.

INNOVATIVE BANKING APPROACH TO FACILITATE ACCESS TO SERVICES

Akbank continued to roll out many new customer-oriented products to facilitate access of all members of the society, including our customers, to banking services and to expand its branch and ATM network in 2013.

Extensive Service Network

Inaugurating new branches throughout the year, Akbank continued to broaden the geographic scope of its banking services with 985 branches in 79 provinces, covering all but two provinces in Turkey. Akbank has one of the most extensive ATM networks in Turkey with 4,121 ATMs as of year-end 2013. Following a major increase in the number of Akbank ATMs as a result of focusing on its policy of expanding its ATM network during 2010, Akbank was in the second place among private sector banks in terms of number of ATMs since 2011. ATMs account for 90% of all cash withdrawals and 74% of all cash transactions at Akbank. Akbank ATMs, which are part of Turkey's ATM sharing platform, are open to all credit or debit cardholders in Turkey. In addition, Akbank ATMs accept a variety of transactions including making consumer loan payments, term deposit account, mutual fund transactions, money transfers such as bank transfers/EFT/Western Union, bill payments and foreign currency and gold trading. Akbank pays attention to accessibility and visibility of its branch and ATM network in order for customers who prefer to visit branches and ATMs for financial services to find and reach these service points easily.

For customers who prefer to perform banking transactions via internet or mobile banking, Akbank offers a large variety of innovative services while also serving them through Akbank Call Center. The Call Center helps nearly 6 million customers with their various banking transactions in a year with more than 1,000 employees. 68% of the transactions at the Bank are conducted through Direct Banking channels, making a major contribution to operational efficiency.

Innovations at the Call Center

Having completed its 13th year in the industry, Akbank Call Center continues to deliver an exceptional service experience to its customers thanks to its award-winning technology infrastructure and customer-oriented service strategy. Akbank Call Center proved its success in these areas once again by winning the best use of technology and customer representative awards at the 2013 Turkey IMI Call Center Awards. More than 85 million contacts with customers were made at the Akbank Call Center in 2013. In addition to the high standard attained in meeting customer needs, Akbank Call Center also reached major sales figures. Akbank Call Center accounted for a significant share of the Bank's sales in insurance, credit



card, revolving credit card loan products while making important contributions to the total sales of general-purpose loans and home mortgage loans. Akbank Call Center converted 12% of the inbound calls into sales in 2013. The most important factor in the success in sales is the design of the system and organization based on customer segment and product specialization. In addition, a specialist team was put together pursuant to customer needs in order to provide banking support to foreign nationals residing in Turkey and to render intermediation service for product sales.

Major gains in efficiency were attained as a result of process improvements, intensive efficiency training administered for employees, and efforts to meet the customer need without the need for a second call. The system recognizes the customers from their voices thanks to the voice signature application implemented recently. Placing great emphasis on the effective use of social channels, Akbank Call Center is establishing the infrastructure for initiating fast and appropriate communication with customers through the systems being put in place. The Call Center is among the Akbank Direct applications implemented at the Zorlu Center Branch and it is available for customers. The video chat service is also made available as part of the Consumer Internet Branch and inside the Kiosks for banking transactions and specialized products.

Innovations at ATMs

In an effort to transform the Bank's ATM network into a cash transaction center that is open to everybody, whether Akbank customer or not, Akbank unveiled a series of projects in 2013 including company payments, bill payments, other banks' payments (Aktifbank, Odeabank), and Western Union. ATMs were enhanced to accept cash deposits in multiple currencies and to open/close foreign currency and gold accounts as well as trading in these instruments. This represents a major stride toward the vision of serving all financial needs of Akbank customers through all self-serve channels.

Customer Experience Management

The Bank is undertaking systematic efforts to make interfaces, processes and flows at all Akbank direct banking contact points more customer friendly. To this end, feedback is elicited from customers for all contact points via surveys and tests and actions to be taken are identified. The end goal is to be the most preferred channels as well as to become the most popular Direct Banking brand.

Innovations in Internet Banking

In June 2012, Akbank launched the Akbank Direct brand that combines internet and mobile banking under one roof. Today Akbank Direct Internet serves more than 1.5 million customers. Akbank is positioning Internet Banking as an online service and sales platform where frequent contact with customers is being converted into product and service sales. Internet Banking is beginning to come to the fore as a lucrative channel for customers thanks to the special online deposit rates and cost advantages for online transactions.

Akbank Direct Internet was re-launched in November 2013 with a new customer experience and design. Major improvements were made in transaction flows for a more user-friendly customer experience; money transfers as well as many other transactions can now be performed with a single click. The "Where's My Application" app that was rolled out for Akbank customers in July 2012 allows the Bank's customers to track their applications for products and services in real time as well as enabling everybody, whether an Akbank customer or not, to follow their credit card, personal loan and micro loan applications. With its mobile and tablet-friendly design, Akbank Direct offers its users an integrated customer experience and thus pioneers the next-generation banking era in the sector. Investments and improvements in Akbank Direct will continue in 2014.

VALUE ADDED TO OUR CUSTOMERS

Innovations in Mobile Banking

In 2012 Akbank launched the Akbank Direct Mobile application, which allows customers to perform their banking transactions such as payments, investments, account and credit card information viewing securely, quickly and conveniently, as well as the Cep-T Neo (Pocket-T Neo) prepaid card in cooperation with Turkcell geared toward people who would like to make their day-to-day purchases and money transfers securely and expeditiously.

Customers began to be able to perform Stock Trading, Mutual Fund Trading, Virtual Card Transactions, Games of Chance, and Electricity, Water and Natural Gas Utility Bill Payments through the Akbank Direct Mobile application in 2013. In addition, customers were also enabled to pay their bills with credit card and make monthly loan payments using the Akbank Direct Mobile application. Credit Card Cash Advance and Installment Cash Advance Applications as well as Demand and Time Deposit Opening Functions were also added to the Akbank Direct Mobile application.

The Akbank Direct Mobile application, which can be installed on iPhones, iPads, Android-based mobile phones, tablets and Windows 8-based computers and phones, was downloaded more than 1 million times to date. Redesigned completely exclusively for iOS in 2013, the Akbank Direct Mobile application features flat design, the most characteristic property of iOS 7, highlighting simplicity and plainness in application. Akbank, which closely monitors global developments in technology and adopts them in banking services in the most expeditious fashion, broke another new ground in 2013 and expanded banking into watches. The first bank in Turkey to allow banking transactions on smart watches, Akbank rolled out Turkey's first "i'm Watch" banking application synchronized with mobile phones running on Android and iOS operating systems. The application allows users to calculate foreign exchange conversions, view precious metals prices in real time, follow the bid and ask prices of stocks in the BIST 100 index, and view their price charts on their smart watches.

CUSTOMER SATISFACTION

To be able offer the best services to its customers, Akbank identified customer satisfaction as its priority goal. In light of its objective of ensuring maximum customer satisfaction at every moment of contact with the customers, the Bank employs a variety of measurement, evaluation and improvement processes.

Measuring, Assessing and Improving Service Quality

The Bank employs advanced "customer experience-based measurement and evaluation" systems in accordance with its customer satisfaction-oriented service approach. Akbank assesses the quality level of the service provided at the Branches and through Alternative Delivery Channels to identify its strengths and areas of improvement.

In addition, the Bank reaches out to the customers who have contacted the Bank through the branches or Alternative Delivery Channels immediately after such contact and measures their level of satisfaction from the experience. In addition to these proactive assessments, customers can express their level of satisfaction with the services provided by the Bank to customer services department at the kiosks (interactive information terminals) located inside Akbank branches and via web applications. Measurement results are tracked by branch and by employee and they are shared daily and transparently within the Akbank organization. Strengths as well as areas for improvement are identified using the "Service Quality Scorecards" that are generated semiannually and action plans are devised in conjunction with the related staff. These closely monitored plans ensure improvements and continuous development.

In addition to daily measurements, Akbank periodically organizes focus groups that bring together customers from various segments to listen to their opinions on the Bank's services in person. Akbank conducts in-depth interviews at customer visits and elicits feedback on service quality. The feedback gathered from these interviews is used as input into customer satisfaction enhancement initiatives.



Practices Regarding Internal Processes

Within Akbank, quality levels of support services given to branches and Alternative Delivery Channels are put under the guarantee of Service Level Agreements (SLA). SLAs cover features such as quality, amount, frequency, delivery date, involvement and problem solving time expected from the units providing the support service. The situation in SLAs is 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.

In addition to SLAs, satisfaction level of Akbank's branches with internal teams is assessed via Internal Customer Satisfaction Survey. Results of the survey are shared transparently in the Bank and action plans are devised for continuous development.

Customer Satisfaction Survey

Our customers can inform us on their expectations via different channels but in addition to these, we also perform regular customer satisfaction surveys and researches to get feedback. For instance, we daily monitor customer satisfaction levels with feedback from the kiosks (interactive information terminals), web applications, and direct phone calls. Outputs of the surveys and areas to be improved are regularly shared with the channels and employees delivering the related services in a special area in the portal. Areas that are below the target scores are considered as areas for improvement and development and efforts are started. In addition, in order to assess expectations and satisfaction levels of our customers from various segments and to identify areas to be improved, we hold a Customer Satisfaction Survey every year.

Innovative Ideas of Our Customers and Employees

Akbank takes heed of customer feedback and creative ideas and suggestions from its employees in light of its target to fulfill the ever-changing and diversifying customer demands and to serve them better.

Initiatives are carried out throughout Akbank to develop innovative ideas and to objectively evaluate and implement these ideas. There is a team of Innovation Envoys, made up of 110 employees from the Head Office, Regional Directorates and branch employees. Innovation Envoys attend periodical workshops to create new ideas identified in accordance with the Bank's strategy and needs of its business units, using their learning on creative and innovative thinking techniques and internal innovation leadership.

In order to create awareness among the employees on innovation, 1001 Haber (news) -a monthly bulletin- is issued. 1001 Haber 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.

All of the employees can make suggestions via the 1001 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 the employees. In addition, customer suggestions received via Akbank Call Center and the social media are also regularly included in the Suggestion System and evaluated in the same way.

During the 2013 activity year, a total of 4,965 suggestions -3,954 from employees and 1,011 from customers- were submitted to the Suggestion System. Since the launch of the Suggestion System in 2008, a total of 4,085 suggestions were accepted and 32% of them were implemented. Examples of received and realized suggestions are:

- Placing the mobile password for Akbank Direct Internet login at the beginning of the SMS,
- Providing CRB risk report to customers through Akbank Direct Internet,
- E-mailing general purpose, vehicle and home mortgage loan payment plans to the customers.

VALUE ADDED TO OUR CUSTOMERS

COMPLAINT MANAGEMENT

Setting out from the fact that sustainable financial success is dependent on high customer loyalty in today's fiercely competitive environment, Akbank strives to address customer needs and expectations expeditiously. The Bank established the Akbank Customer Complaint Management Team in 2003 in order to address all complaints and expectations regarding all Akbank products and services. Positioned centrally at a single location and highly recognized within the entire organization, the team renders superior services to millions of Akbank customers.

Customer Complaint Management

The Bank's Customer Complaints Management offers result-oriented solutions to all complaints, demands, objections, suggestions and information-based submittals and responds to customers from multiple channels with a single click in a paperless environment with an ever-enriching preset reply application. In addition to resolving complaints, the Management performs root cause analyses, makes recommendations for improvement and thus becomes the voice of the customers. The first step in the development of Akbank's Customer Complaint Management was overhauling the system infrastructure and switching to the SAP CRM application in 2007. Integrated with 15 Bank systems, the SAP CRM application is a system that manages all customer submissions regardless of the channel, including the branches, on an end-to-end basis; monitors many details such as SLA/OLA compliance within that life cycle; operates in a paperless environment; possesses effective reporting functions; and, most importantly, can be developed according to needs.

As a result of this change in the structure of the Bank's customer complaint management system, average time of resolution for 1 million customer submissions annually was cut down from three days to two days, SLA compliance increased from 60% to 85%, and rate of resolution at first contact jumped from 65% to 93%. This infrastructure project was published as a success story in the Bank implementation category in 2009. In 2012, interface and upgrade to CRM version 7.0 projects were completed in order to enhance performance and to take advantage of SAP's technical and new functionalities. Correspondingly with the improvement in the infrastructure, Akbank was issued the ISO 10002-

2004 Complaint Management quality certification by BSI the same year (2007). The certification efforts further improved business conduct and processes in terms of quality and standardization. The Bank goes through the audit stages with the same enthusiasm and discipline each year for the certification, which was renewed for the seventh time in 2013. As part of Akbank's customer complaint management system, customers are informed while their submissions are being taken up and evaluated. 27 Service Level Agreements were signed with business units that are consulted for resolution. In addition, automatic notification and escalation processes for SLA/OLA tracking are functioning flawlessly within the system.

Customer Complaint Management is in close interaction with the entire organization due to the nature of its existence. In an effort to increase the complaint management processes and awareness and to integrate inputs and outputs into the corporate culture, awareness-oriented actions are implemented for the entire organization including e-learning training, animated brochures and handbooks. In addition to general training, the Complaint Management Staff is supported via technical, personal and innovative training applications as required by the job. The Bank performs monthly and annual customer surveys and Mystery Shopper Studies to measure the satisfaction levels at every channel that comes into contact with customers, including the complaint management function, and tracks this metric at the channel scorecard level. Customer calls made after the resolution of the complaint measure speed, engagement and conduct, likelihood of working with the Bank, satisfaction from the process and from the resolution, which are used as inputs to generate satisfaction indices, considered to be a key performance indicator. In addition, the Bank's Board of Directors and Senior Management receive regular monthly and quarterly reports on customer complaint trends, root causes, recommended solutions, efficiency and satisfaction measurements from the customer's perspective; opinions and support are sought in matters and projects that require implementation and system development. Increased level of awareness, extraordinary penetration of mobile and internet, rapid advances in technology all require the Bank to be by the customer 24 hours a day, seven days a week, and on a full-circle basis. Customers voice their problems and complaints through the social media, blogs, sharing websites, which allow the complaint to spread faster and further. Adapting to



change, Akbank Complaint Management also tracks all customer experiences on the platforms on a 24/7 basis and includes all negative experiences in the complaint process. In addition, the Bank provides specialist support via "Live Chat" through Direct Internet and Big Red House/Mortgage.

In an effort to achieve absolute customer satisfaction and to deliver the best banking experience, Akbank intends to maintain its leading and pioneering position in Complaint Management at the same frantic pace.

Digital (Social) Media and Community Management

Akbank Direct continues to have an active presence on the social media. Administering seven Facebook, eight Twitter, one Youtube, one Google+, one LinkedIn and one Pinterest accounts for a total of 19 social media accounts, Akbank has more than 2 million close followers in social media channels. Specially trained customer representatives serve 24/7 and reply to over 25 thousand customer comments each month, offer solutions to the complaints, and record suggestions.

The twitter.com/AkbankDestek application, which is a first among Turkish banks, allows customers to reach Akbank customer representatives via their Twitter accounts, simply as if calling the Call Center. With the infrastructure integrated into the Call Center systems, customers are served immediately.

Web loan application processes were overhauled and optimized to improve user experience in 2013. Akbank unveiled new processes where customers can apply by submitting only their Turkish identification numbers and mobile phone numbers.

Focusing on SMEs via Social SME, a real-time Facebook game, Akbank Direct allows SMEs to create growth models for their virtual startup businesses using Akbank products. Players develop growth strategies such as increasing capacity by purchasing new production machines in order to expand the factory; expanding the management team by establishing new departments; and reinforcing the logistics infrastructure by acquiring a warehouse and transportation fleet. These exercises allow them to practice real life strategies as well. The game has reached 85 thousand users to date and won more than 15 awards including a Crystal Apple.

PROCESS MANAGEMENT AND BUSINESS DEVELOPMENT

Akbank adopted the Business Process Management (BPM) approach as the methodology for business processes management. With this approach, all elements are evaluated in a holistic manner (especially information technologies, data, organization and product) and thus customers' needs are met more efficiently and quickly.

After the current system is defined, the way customers perceive our Bank's products and services is 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 customers, Akbank focuses on improving customer experiences and the quality of these experiences. We adopt customer-focused perspective as a business strategy to manage the Bank from the viewpoint of customers and we shape our customer's strategy and process improvement/development efforts in an integrated way.

As examples to process improvement activities at points of contact with customers we can mention loans, alternative delivery channels access processes, internal operational processes at contact points with customers, and branch improvement activities performed in accordance with feedback from the branches.

VALUE ADDED TO OUR CUSTOMERS

OPERATIONAL EFFICIENCY

In order to continuously improve operational efficiency, Akbank employs the “Lean Management” methodology that assesses processes from end to end. The Bank’s objective is to both improve customer satisfaction and make the lives of employees easier.

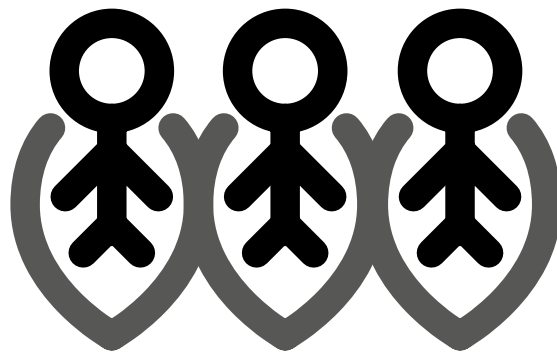
In efficiency efforts, feedback received from Bank employees and customers serves as the starting point. Beginning in 2012, these efforts have been focused on making branch processes more effective and they shared transparently within the Bank as part of the “Improvements For You” program. Within the scope of this program, more than 300 improvements were implemented to make the processes leaner, more effective and efficient. While contributing to increased sales results and volumes, these improvements also made it possible to achieve these results with the existing resources.

Efficiency gains attained in 2012 have become a source of motivation for other units to perform more comprehensive studies on growing efficiently in 2013. Consequently, the Bank planned and initiated a more extensive transformation program in 2013 that focuses on channels with one-to-one contact with customers (especially branches and Call Center) and processes directly influencing customers. The goal is to showcase Akbank as an example of efficiency and leanness.

07. OUR EMPLOYEES



2013/SUSTAINABILITY REPORT



OUR EMPLOYEES

OUR HUMAN RESOURCES VISION

Employing the most qualified human resources in the Turkish banking industry and investing in this resource to create value for all of our stakeholders.

OUR HUMAN RESOURCES MISSION

In an effort to support the Bank in its journey toward "Sustainable Leadership", retaining highly qualified human resources at Akbank and recruiting new ones, improving the existing human resources systems and practices as part of this process, designing new ones and carrying out effective communication regarding these.

PURPOSE OF OUR HUMAN RESOURCES MANAGEMENT

- Recruiting the best candidates for the Bank,
- Constantly developing the corporate culture and business conduct,
- Building the organizational structure in accordance with strategic objectives and ensuring its continuity in order to safeguard the Bank's effective and productive operation,
- Making effective investments in human resources in accordance with targets and strategies,
- Carrying out participatory career planning,
- Rewarding mechanism that encourages and supports superior performance of employees by way of a goal and competence-based, transparent performance management system,
- Undertaking system and process improvements for employee engagement.

During the course of carrying out these objectives, Akbank's Human Resources Department embraces the principle of being the "strategic business partner" of the business units.

HUMAN RESOURCES OPERATING PRINCIPLES

- Structuring and assessing all employees in accordance with the objectives and performance of the organization,
- Recruiting new employees who will fit in with the Bank's culture and values,
- Being internal and external customer-oriented, always prioritizing this focus in work relationships,
- Supporting all employees with the best human resources applications without discriminating on the basis of language, religion and sect, race, gender, age, political belief or faith,
- Ensuring the coherence between business objectives and HR practices by having a technical understanding of major business lines of banking and speaking the same language with other employees in the organization on a technical level,
- Continuously helping the Bank's employees with its expertise, know-how and experience in order for them to improve the performance of their units as well their own personal performance,
- Respecting open communication, confidentiality of personal information, sense of justice, and compliance with code of ethics,
- Planning and implementing proactive applications and activities with regard to the management of the organization and its human capital without waiting to be asked to do so,
- Establishing and implementing coherent, integrated and sustainable systems throughout the Bank, creating a harmonious synergy by ensuring the participation of all units in this effort,
- Developing practices to help individual business units attain their goals or making adjustments to existing Bank practices on an as-needed basis,
- Creating an environment where employees can improve themselves and support their development,
- Ensuring that everybody at the Bank acts with the awareness that human resource management is the core function of all managers,
- Taking heed of and solidifying the Bank's corporate culture in all decisions taken and all practices carried out.



Our Compass in Every Step: “Our Values”

In order to solidify its corporate culture and approach, Akbank initiated the “Revision of Corporate Values” project in 2012. Convinced that organizations that unite around corporate values become successful, the Bank formed a sample group of 120 people coming from various geographical locations and functions such as vice presidents, managers, directors, assistant directors, specialists, call center agents, and security officers and gathered 13 different focus groups in order to assess how the Bank’s existing values are brought to life and internalized throughout the organization.

As a result of this initiative, seven common values that define Akbank and being an employee of Akbank were identified:

1 We Are Bankers from the Heart

Energized by being an employee of Akbank, we work with enthusiasm and affection.

2 We Believe in Growing with Our Customers

We look at the past and the future together with our customers and we create value for them.

3 We Are Ready for the Future

We continuously improve ourselves and our business, we pioneer the industry with technology and innovation.

4 We Make Life Easier with Smart Solutions

We think analytically, approach issues systematically, and generate quick and cooperation-oriented solutions.

5 We Appreciate Trust

We create success by trusting each other and transparency, we instill the same trust in our customers.

6 We Support Open Communication

We communicate with each other and with customers in a clear, sincere, and timely manner.

7 We Invest in the Community

In full awareness of our social responsibilities, we work for a sustainable community.

In 2013 we focused on integrating these seven shared values of Akbank and its employees into our human resources system and on internal communication activities.

Towards Sustainable Success with the “Best Professionals”

The Bank believes that moving forward with the “best” professionals brings the best results. Therefore, Akbank’s human resources practices are aimed at making the Bank “the leader among the most preferred employers where creative, dynamic and confident people who create value choose to work and a company which employees are proud to be a part of.”

The Bank’s recruitment policy is to hire qualified, well-educated, innovative people who are open to learning and developing constantly and who are eager to create value for Akbank and its stakeholders, without discriminating on the basis of race, language, religious belief, gender and age. Akbank pursues a fair hiring policy focused on equal opportunity, based upon predefined recruitment criteria. As part of this effort, Akbank strives to hire the most appropriate candidates in the most suitable position by employing competence-based objective measurement and evaluation methods. To this end, it is among Akbank’s utmost priorities to recruit new graduates who do not have professional experience in order to develop future leaders and to offer them career opportunities within the banking sector.

Within the framework of business performance and productivity, vacant positions within the organization are first announced to Akbank employees. Applications of Akbank employees for new positions are evaluated quickly and appointments of worthy candidates are made in very short order. While recruiting for the Head Office and branches, Akbank prefers to recruit candidates living in regions close to its service locations. In our Malta branch, Akbank pursues a policy of employing local residents.

Our Compensation Policy

Compensation policies of companies are among the important factors in employee loyalty and performance improvement. Therefore, Akbank’s compensation policy is structured to attract the human capital required for continuous success and to reward, to motivate and to retain high-performing employees. Akbank’s compensation policy is formulated compatible with

OUR EMPLOYEES

the Bank's operations, long-term objectives, and risk management structure. In order to ensure fair compensation, employees with similar roles and responsibilities are paid similar salaries and those who perform better than their benchmarks based on the results of the Performance Evaluation System receive higher raises and bonuses.

In an effort to encourage the development of personal growth and competencies within Akbank, the Bank pays an additional salary to employees who speak a foreign language.

Akbank's entry level compensation policy is the same in all branches and service points. In recruitment of employees with no previous work experience, the average salary is equal to the minimum wage for Private Security Staff, 38% more than minimum wage for Assistants, and twice the minimum wage for Management Trainees.

Major Operational Changes to Affect Employees

If significant changes occur in the employment contracts of employees, notice and notification periods stipulated in the Labor Code and Collective Bargaining Contract are in effect. Periods of notice vary depending on the employees' seniority. For employees with more than three years of service, this period is 11 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 province and 15 days in another province. If an employee is transferred to a different unit, he/she can communicate with the Human Resources Unit to state opinions on the change.

EMPLOYEE PROFILE

94.4% of Akbank employees (excluding security staff) are university graduates. This is the highest ratio among private and public sector banks in Turkey. The average tenure is 7.3 years at Akbank while average years of service is 7.9 years in the banking industry. 68% of Akbank employees work at branches, which are one-to-one contact points with customers.

Our Employees in Figures

As of December 31, 2013, Akbank has a total of 16,258 employees, including the Members of the Board of Directors.

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

Breakdown of employees by service location is presented in the table below.

Number of Employees	2011	2012	2013
Head Office*	2,177	2,049	1,821
Akbank Banking Center	2,810	3,010	3,166
Regional Directorates**	551	652	777
Branches***	9,801	10,604	10,485
Overall	15,339	16,315	16,249

* Excluding the Board of Directors.

** As reported in previous years, employees at the Regional Credit Directorates are included in the Regional Directorates, not the Head Office, although they report to the Credits Business Unit located at the Head Office. The reason is that these employees are actually working in the field.

*** Including employees at Malta branch.



In case of necessity, Akbank generates employment through outsourcing. Number of employees working especially in Direct Banking, Consumer Banking, Information Technologies, and Operations Business Units are available in the table below.

	2011	2012	2013
Number of Employees within the Outsourcing System*	1,369	1,423	1,409

* As of November 2012, the Call Center is listed as part of the newly established Direct Banking Business Unit.

Gender Distribution

Akbank embraces the principle of equality of opportunity without any discrimination on the basis of gender or age. Ratio of female and male employees within the Bank have remained roughly the same over the years. After maintaining the same level in 2010 and 2011, share of female employees increased by 1.1 percentage points to 52% in 2012 and ticked down by 0.2 percentage points to 51.8% in 2013.

Breakdown by Gender (%)	2011		2012		2013		2013 Total Number of Employees	
	Male	Female	Male	Female	Male	Female	Male	Female
Staff								
Board of Directors	87.5	12.5	88.9	11.1	88.9	11.1	8	1
Senior Management	65.8	34.2	64.0	36.0	64.5	35.5	884	486
Mid-level Management	44.1	55.8	45.0	55.0	46.0	54.0	1,073	1,258
Auditors	72.9	27.1	68.5	31.5	70.1	29.9	162	69
Assistant Managers	41.7	58.3	40.3	59.7	39.7	60.3	4,305	6,552
Other*	72.8	27.2	74.7	25.3	73.5	26.5	122	44
Security	99.7	0.3	99.8	0.2	99.5	0.5	1,288	6
Overall	49.1	50.9	48.0	52.0	48.2	51.8	7,842	8,416

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

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Age Distribution

The average age of Akbank employees is 33.2 as of year-end 2013. In almost every staff category, the largest age group is 30-50. The largest groups in the “under 30” category are “assistant managers” and “auditors”.

Pursuant to the Bank’s recruitment policy, only those of full legal age can work at Akbank. 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 years of age) categories at Akbank. Students and young workers applying for an internship at Akbank must be seniors if they are high school students and sophomores or juniors if they are university students. 78 university students were employed as interns at the Head Office units between June 2013 and September 2013. Number of student interns at Akbank has a seasonal pattern; there are no interns on the Bank’s payroll as of year-end 2013.

Breakdown by Age (%)	2011			2012			2013		
	Under 30	Between 30 and 50	Over 50	Under 30	Between 30 and 50	Over 50	Under 30	Between 30 and 50	Over 50
Board of Directors	-	12.5	87.5	-	22.2	77.8	-	22.2	77.8
Senior Management	-	93.8	6.2	-	95.0	5.0	0.1	95.3	4.8
Mid-level Management	2.9	95.2	1.9	3.1	95.0	1.9	3.3	94.9	1.8
Auditors	53.4	46.6	-	50.2	49.8	-	51.9	48.1	0.2
Assistant Managers	44.9	54.9	0.2	43.7	56.1	0.2	40.0	59.8	0.2
Other*	20.2	76.3	3.5	18.2	77.1	4.7	19.9	75.9	4.2
Security	46.2	53.8	-	45.7	54.3	-	42.7	57.3	-
Overall	37.1	62	0.9	35.5	63.6	0.9	31.5	67.6	0.9

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

Employee Turnover Rate

Employee turnover rates and numbers based on location are presented in the table below. The Bank’s employee turnover rate was 10.45% in 2013 due to the increasing competition in the sector. Human Resources Department analyzes the feedback from employees who have left the Bank regarding their reasons for leaving and improvements are made in business processes according to these findings.

Employee Turnover Rate*	2011		2012		2013	
	Rate (%)	Number	Rate (%)	Number	Rate (%)	Number
Head Office	9.77	190	10.04	210	11.39	230
Akbank Banking Center	10.36	328	11.5	338	14.20	459
Regional Directorates**	4.13	23	3.95	24	7.22	53
Branches	8.31	812	8.74	904	9.33	970
Overall (average)	8.76	1,353	9.24	1,476	10.45	1,712

* Employees who have left the Bank (including those who retired, resigned, and those whose work contracts were terminated)

** As in the previous years, employees at the Regional Credit Directorates are included in the Regional Directorates category, rather than the Head Office category, even though they report to the Credits Business Unit located at the Head Office, since these employees are actually working in the field.



Employees are free to resign so long as they comply with the terms on their employment contracts. Forced labor is outside of Akbank's business principles.

Employee turnover rates depending on the age group are presented in the table below:

Employee Turnover Rate by Age Group	Under 30						Between 30 and 50						Over 50					
	2011		2012		2013		2011		2012		2013		2011		2012		2013	
	Rate (%)	Number	Rate (%)	Number	Rate (%)	Number	Rate (%)	Number	Rate (%)	Number	Rate (%)	Number	Rate (%)	Number	Rate (%)	Number	Rate (%)	Number
Head Office	13	95	15.1	88	14.27	78	7.7	91	8	118	6.09	145	12.1	4	9.5	4	12.90	6
Akbank Banking Center	15	222	17.6	174	22.38	218	6	100	8.1	155	18.22	231	20	6	39.1	9	29.40	11
Regional Directorates*	4.3	6	6.3	7	14.20	20	4	16	3.1	15	5.35	31	14.3	1	22.2	2	14.72	2
Branches	9.8	375	11.3	325	10.69	265	6.9	406	7.5	555	8.58	673	48.4	31	41.4	24	43.39	32
Overall (average)	11.3	698	13	594	14.03	581	6.7	613	7.5	843	8.85	1,080	31.3	42	29.5	39	29.78	51

* As in the previous years, employees at the Regional Credit Directorates are included in the Regional Directorates category, rather than the Head Office category. Even though they report to the Credits Business Unit located at the Head Office, these employees are actually working in the field.

Employee turnover rates depending on the gender is presented in the table below. Percentages of male and female workers who left their jobs are close to each other. The reason for higher employee turnover rate among females compared to males at the Akbank Banking Center is that number of female employees is higher at the center.

Employee Turnover Rate by Gender	Male						Female					
	2011		2012		2013		2011		2012		2013	
	Rate (%)	Number	Rate (%)	Number	Rate (%)	Number	Rate (%)	Number	Rate (%)	Number	Rate (%)	Number
Head Office	9.49	108	9.90	118	10.31	118	10.16	82	10.21	92	12.80	112
Akbank Banking Center	9.74	124	10.52	127	13.28	184	10.78	204	12.18	211	14.88	275
Regional Directorates*	4.37	16	3.90	15	6.59	30	3.66	7	4.05	9	8.26	23
Branches	8.61	414	9.03	447	8.93	438	8.01	398	8.48	457	9.69	532
Overall (average)	8.73	662	9.14	707	9.76	770	8.79	691	9.33	769	11.09	942

* As in the previous years, employees at the Regional Credit Directorates are included in the Regional Directorates category, rather than the Head Office category. Even though they report to the Credits Business Unit located at the Head Office, these employees are actually working in the field.

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PERFORMANCE MANAGEMENT SYSTEM

For the evaluation and management of the performances of employees, Akbank implements a transparent and flexible performance management system that is capable of responding to changing needs and conducive to improvement. In order to sustain the Bank's accomplishments and ensure personal development, Head Office employees are subject to performance evaluation once a year and field workers twice a year. As a result of this evaluation, areas of development are identified for employees and various training and development opportunities are organized in these areas to support their career development. Performance evaluation allow the Bank to determine employees' competence levels for a variety of roles and responsibilities. Accordingly, the Bank's employees get the opportunity to continue their Akbank careers in other business units based on organizational needs and their own preferences.

The aims of the Performance Management System developed with a management approach that supports and encourages high-level performance are:

- To enable employees realize their corporate targets and to increase corporate performance,
- To guide and develop employees in order to meet their changing and developing needs better,
- To align the Bank's goals with personal goals of employees,
- To ensure that 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 employees and to ensure their personal development in line with such processes.

Akbank carries out regular annual system development efforts to make the Performance Management System more practical, user-friendly and efficient.

Performance evaluation of Akbank's Senior Management is based on both the Bank's overall year-end performance and success criteria that support long-term sustainable performance. As part of this effort, Akbank employs the Balanced Scorecard application. Performance of the Senior Management is measured on the basis of such perspectives as finance, customer, internal processes, and human resources. Therefore, the Senior Management's indicators of goals and success also include performance criteria such as customer satisfaction, employee satisfaction, and employee turnover rate in addition to financial criteria.

The criteria of the Akbank Performance Management System are based upon personal goals and competencies. The types, weights and numbers of goals and competencies in the performance forms are determined by cooperation between the business units and the Human Resources Department. The performance period covers a term of one year. The Operations and Digital Scorecard measurements that are integrated in the Performance Management System are conducted twice a year at six month intervals.

Career Management Policy

The career management policy implemented in Akbank gives priority of promotion and transfer within the Bank. It is another priority of our Bank to ensure a fair and effective performance management; to detect, monitor, and develop talents; and to provide employees with career opportunities for self-improvement.

In all assignments and promotions provisions such as performance, tenor of employment, latest promotion date, education, experience, having the required competence is considered. In addition, branches and units are visited to make career interviews and this creates effective communication in terms of career management.



“Career maps” that encompass career steps are posted on the “corporate portal”. As a result, employees have access to detailed information on career maps and job families as well as the contact information of Human Resources team member assigned to support them and consult with them regarding their career development. Entirety of career principles are stipulated in detail in the Human Resources Implementation Principles document and shared with the employees.

Benefits to Employees

Akbank Staff Retirement Fund Trust (Akbank Tekaüt Sandığı)

All of our current and retired Akbank employees and their dependents are registered at the Akbank Staff Retirement Fund Trust (Akbank Tekaüt Sandığı), 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 owned Social Security Agency.

Retirement

Akbank Staff Retirement Fund Trust is a social security institution as a legal person that provides social insurance support to members using the insurance premiums collected from employees and employer, with the provided rights not being inferior to those provided by the Social Security Agency. Conditions for earning the right to benefit from insurance support are in parallel with legal regulations; however, with additional rights inherent in Akbank Staff Retirement Fund Trust’s status, this support is improved.

Premium revenues of Akbank Staff Retirement Fund Trust 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 annual revenues of employees 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 Akbank Staff Retirement Fund Trust 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 AKSandık 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. As a result of such efforts, number of employees participating in PPS with corporate contribution increased from 3,424 in 2012 year-end to 4,182 in 2013 year-end.

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 2013, 46% of our employees (7,499 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.

OUR EMPLOYEES

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 2012. 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. 11 corporations -including Akbank- that agreed to take part in the project were audited by an independent institution in line with 22 criteria.

These criteria are divided into two parts -namely main criteria and supporting criteria. The main criteria are as follows:

- The management's commitment to equal opportunity
- Equal opportunity in recruitment and selection
- Equal opportunity in access to trainings
- Equal opportunity in performance evaluation and promotions
- Career support practices
- Investigation of feedback and complaints
- Communication and corporate advertising

In the independent audit for the EOM project, it was examined whether Akbank's corporate policies and procedures, recruitment and selection processes, training, performance evaluation, promotion, career support practices, corporate communication activities, etc. support the concept of equal opportunity. As a result of the audit, Akbank earned the Equal Opportunity Certificate, which is valid for two years.

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.

Akbank Staff Retirement Fund Trust

Healthcare services provided by the Akbank Retirement Fund include access to healthcare centers in certain provinces. Akbank employees initially get treated in these centers. When they need to see a specialist or have an operation, they are referred to healthcare institutions affiliated with the Foundation. Employees who reside in the provinces where a Foundation Healthcare Center does not exist can get service from affiliated healthcare providers.

Information and Trainings on Health

Information on epidemics and other important diseases is provided regularly under the "Health Column" published on the Akbank Retirement Fund website. In cases of emergency, e-mail notifications are sent. In addition, the Bank conducts fire and earthquake drills and administers natural disaster trainings.

Parental Leave

Akbank's female employees are entitled to 16 weeks of paid maternal leave -eight weeks before and eight weeks after the birth. They can also take unpaid maternal leave for up to six months and 1.5 hours per day for breastfeeding until the child reaches the age of 1. Employees whose wives have given birth are also entitled to three days of paid leave. Akbank Retirement Fund meets child delivery costs Akbank our employees and provides a variety of additional benefits.

Lost Workdays

Due to the nature of its operations and prudent practices, occupational diseases or workplace accidents are not experienced at Akbank. Yet, the total absenteeism (lost days) of 6,177 employees who got sick leaves with official health reports amounted to 48,664 calendar days in 2013. Average sick leave per person, calculated by dividing this figure by the average number of employees, is 2.8 days per year. This ratio was 3.02 days in 2012 and 3.14 days in 2011.



CAREER DEVELOPMENT AND TRAINING AT AKBANK

Akbank's training system, which has a strategic significance for the Bank, supports the development of all employees and aims to increase motivation and work satisfaction. In full awareness of the fact that information is a significant asset and well-equipped human resource is a major competitive advantage, the Bank organizes training activities to contribute to the personal and professional development of its employees. Akbank designs its training courses in accordance with corporate goals and strategies, needs of the sector, and areas of development that were identified based upon employee potential and preferences.

A new academic organization was created that will reflect the core corporate competencies and strategies in learning mechanisms that will move Akbank forward into the future. To this end, the Bank's training building was renovated architecturally and functionally and began to serve the employees in a more modern and corporate setting under the "Akbank Academy" brand.

The importance Akbank gives to training and development management process was recognized at the awards in the category of "Human Management" given by the Turkish Association of Human Resources Management (PERYÖN). The Bank won the First Place Prize in the Training and Development category among applications from 29 leading companies in 42 categories.

Akbank Academy Organization

This academic organization created by Akbank helps employees successfully carry out their existing job functions while also preparing them for the position they are applying for. Akbankers are provided with career and certification training courses for their existing posts as well as custom designed Talent Pool training programs for the positions they are a candidate for. Management Trainees and Head Office and branch employees with "Assistant" designation in their job titles, who just joined the Bank without any prior experience in the banking industry, attend "Management Trainee" and "Core Banking" programmes.

Akbank managers, who are the leaders of today, are supported via classroom training, one-to-one consulting and online applications in executive development training programmes to groom the leaders of tomorrow.

Feedback from the programme participants is of critical importance for the effectiveness and success of the training efforts. All feedback is submitted to Akbank Academy by way of online surveys. Survey results are significant in terms of evaluating and improving the content of the training, instructors and training environment. All questions, requests, suggestions and opinions regarding the training courses can be e-mailed to Akbank Academy at akbank.akademi@akbank.com.

The Bank employs e-learning method in the areas of credit regulations, foreign trade, consumer and commercial loans, basic law, basic accounting, debit cards and credit card in order to complement classroom career training courses as well as in personal development topics such as stress management, meeting management, communication techniques and team building. In an attempt accelerate the adaptation of employees to new products and processes, the Bank developed e-learning programs in Agricultural Loans, Gram Gold, Premium Travel Insurance, SME Business Plus Insurance, Western Union, SME Health Support Insurance, and Agriculture Card.

In addition to these, Akbank Academy also offers personal development-oriented classroom training courses including customer-oriented service, telephone communication, presentation techniques, methods of negotiation, innovation, creative thinking techniques and management skills.

OUR EMPLOYEES

A total of 1,258,902 hours of training was completed in 2013, corresponding to average training per employee of 11.7 work days. Total number of training days for employees in the last three years and annual average training time per person are presented in the tables below.

Total number of training days (1 day = 7 hours)			
Function	2011	2012	2013
Vice Presidents and Higher	14,454	13,130	11,530
Managers*	10,839	13,471	15,909
Non-Managers*	120,393	153,243	118,344
Total	145,686	179,844	145,783

* Employees at the Manager and IT Manager functions are represented in the "Manager" category and all other functions (including support staff) are included in the "Non-Manager" category.

Average Number of Training Days per Person (1 day = 7 hours)			
Function	2011	2012	2013
Vice Presidents and Higher	12.4	10.1	8.96
Managers*	6.79	7.1	8.42
Non-Managers*	9.6	11.6	9.35
Total**	9.5	11.7	8.91

* Employees at the Manager and IT Manager functions are represented in the "Manager" category and all other functions (including support staff) are included in the "Non-Manager" category.

** Total average training hours is calculated on the basis of total training hours in one year/total number of employees in the job function during the previous year.

Track Your Development, Shape Your Future (Akbank Development Center)

The Akbank Development Center portal, restructured with the motto "Track your Development, Shape Your Future", is a platform within Akbank continuously supporting the development of the Bank's employees where they can manage their training planning in accordance with their career progression. Akbank employees can continue their development 24/7 at home or in the office via the "Akbank Development Center", which contains all employee e-training modules and can be reached online at any time from any location. Employees can see their individual training calendar, request training, and get information on questionnaires, exam results, e-learning and training organizations via the portal.

Certification System (Lifelong Learning)

Some of Akbank's training is subject to the certification system. In the certification system, employees attend specified training programs and take exams before and after the program. In some certification programs,

employees can strengthen the knowledge they gained during the training by preparing papers and attending online simulations after the training. As these tasks are directly related to the employees' jobs, their success in training is literally reflected upon the quality of the work they perform. Participants succeeding in the certification programs receive the "certificate of accomplishment", which is an important step in their career development. The certification system grooms well-equipped, competent, innovative, and leading employees in terms of professional and managerial skills, striving to build a corporate culture that "creates its own leaders".

Other Training Opportunities for Employees

Akbank supports its employees in obtaining especially internationally recognized certifications in their areas of specialization. Fees for such exams and preparatory trainings are covered by Akbank pursuant to certain criteria. While the number of employees taking such exams in accordance with their specialization in 2011 was 35, this figure increased to 48 in 2012 and to 94 in 2013.



Some of the exams the Bank supports are as follows:

- 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 (Information Systems Audit and Control Association)
- Financial Risk Manager (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 certain number of Akbank employees are selected as future leaders due to their high performance and potential get the opportunity to attend the Sabanci University Executive MBA program with full scholarship. Since 2001, 72 employees participated in this program. In 2010 and 2011, three and four employees benefited from the program respectively. The figure was eight in the academic year 2013-2014.

In line with their roles and responsibilities some employees attend summits, conferences and seminars both in Turkey and abroad. Number of Akbank employees participating in training programs abroad rose from 35 in 2012 to 114 in 2013.

Bank of Instructors Retired and Internal Instructor Practice

Know-how and experience of retired Akbank employees are highly valuable for the Bank. Successful Akbank retirees who possess the skills and interest in carrying out training are hired as "instructors" in return for a fee. In particular, almost all of the Core Banking training classes for new recruits are administered by retiree instructors.

Similarly, active employees who are specialists in their fields and who possess the skill to teach can become internal instructors. To become an instructor, one should comply with certain criteria and successfully complete the "Training of the Instructor Program". Internal instructors are paid an hourly fee for their teaching load in addition to the salaries they receive for their regular jobs.

On-the-job Trainings and Coaching System

Within the scope of efforts to become a learning organization, on-the-job trainings focusing on sharing experiences comes forward. Newly assigned Customer Relationship Managers are matched with high-performing and experienced Training Envoys to get on-the-job trainings structured in areas such as loan analysis, foreign trade, deposits and investment products. Experienced employees in branches also share their knowledge and analyze cases with their teams. On-the-job trainings are recorded and monitored in the training system and their results are measured by looking at the pre and post-tests.

There are training programs and professional coaching practices designed to help Head of Departments and Managers at Akbank General Directorate, regional directors and regional sales managers with expertise in Consumer, Commercial and SME Banking to improve competence in technical banking, sales and management. Through such trainings, managers can coach their teams in an effective and target-oriented way.

The Mentoring Program Akbank carries out for the management trainees is aimed at completing their orientation of new graduate employees to the organization as soon as possible and having them embrace the experience, know-how and corporate culture within the Bank.

OUR EMPLOYEES

Employees enlisted in the programme are supported by their mentors in a wide variety of ways, from personal development to career advancement, while the mentors hone their management and leadership skills.

Anti-Corruption Training

The banking sector faces corruption risks due to its size and the magnitude of monetary transactions. It has been determined that corruption can be prevented to a great extent by control systems and training. Armed with this awareness, Akbank organizes internal classroom training sessions and e-learning applications on technical issues as well as on actions to be taken and to be avoided.

Content of these training programmes is determined in accordance with the needs of the target audience. Majority of the anti-corruption trainings are for the employees working in Akbank branches and especially at counters, but all employees also attend training on Code of Ethics and Information Security.

Akbank continuously reviews and reevaluates the topics and contents of its anti-corruption training programmes based on developments and needs in this area. In 2013 the Bank updated the content of its e-learning training modules on Information Security, Security Awareness and Combating Proceeds of Crime, and shared these with all employees. Detailed information on other ongoing training initiatives is presented in the table below.

Name/Content of the Training	Target Audience	2012			2013		
		Type of Training	Number of Participants	Percentage of Coverage as of Year-end (%)	Type of Training	Number of Participants	Percentage of Coverage as of Year-end (%)
Management for Cash in Hand – Fraud and Pick Pocketing Training	Cash Officers and newly employed Assistants- Officers 4	Classroom	1,437	100	Classroom	592	100
Document Protection and Forgery Trainings	Cash Officers and newly employed Assistants- Officers 4	Classroom	1,678	100	Classroom	716	100
Trainings for Detecting and Preventing Fraud	All branch employees	E-learning	7,131	75	E-learning	1,313	100
Code of Ethics	All employees	E-learning	11,577	100	E-learning	2,508	100
	Newly employed Assistants- Officers 4, Call Center officers, assistant auditors, management trainees	Classroom	1,529	100	Classroom	888	100
Disciplinary Regulations	All Employees	E-learning	1,728	100	E-learning	2,721	100
Information Security	All Employees*	E-learning	1,682	100			
	Newly employed Assistants- Officers 4, Call Center officers, assistant auditors, management trainees	Classroom	1,731	100	Classroom	2,052	82
Operational Risk	Operation Officers, Pay Desk Officers	Classroom	1,389	90	Classroom	918	100
	All branch employees**	E-learning	3,418	100	Classroom	737	100
Fighting Proceeds of Crime	Branch managers and Newly employed Assistants- Officers 4, Call Center officers, assistant auditors, management trainees	Classroom	2,326	100	E-learning	611	88
	All Employees***	E-learning	14,465	100	Classroom	1,804	100
Information Security Standards	All employees	E-learning	10,494	75	E-learning	4,170	55
Security Awareness	All branch employees****	E-learning	4,626	56	E-learning	-	-
Call Center Security Awareness	All customer representatives	E-learning	704	100			
Total:		Classroom	10,090		Classroom	4,875	44
		E-learning	55,825		E-learning	670	100

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

* The training was redesigned in 2013 with a target audience of Operations Officers, Branch Transaction Officers, Cash and Transaction Officers, and Pay Desk Officers.

** The training was updated and re-opened for all employees who have not previously completed it.

*** The training was updated in June and was assigned for all employees who have not completed it during the previous cycle as well as all new employees of the Bank.

**** The training was updated in October and re-opened for all branch employees.



Sustainability Trainings

In order to support branch employees in internalizing Akbank's "For You" approach and thus contributing to the strategy of improving customer perception, a wide-scope training program called "Boomerang" was launched 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, the business, and customers well to create "customer loyalty".

An important part of the Boomerang Training Program is the Sustainability Module that was 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, practices in the Banking sector and at Akbank, and ethics. During the training participants gain a highly effective hands-on learning experience through a "sustainability board game" that is adopted specially for our Bank on the basis of UN Global Compact (of

which we are a signatory) Dilemma Game. Since the launch of this Program, approximately 4,600 employees attended these trainings.

The Sustainability Game was included in the orientation programme for the experienced new hires as of May 2013; 353 new employees participated in this programme between May 2013 and December 2013.

Objectives of the sustainability training are:

- Contributing first to the comprehension, and then to the internalization of Akbank's sustainability strategy by all employees,
- Creating awareness for integrating the concept of sustainability in business processes,
- Ensuring that the concept of sustainability is rooted in the corporate culture and creating a shared language in this area.

In 2013 the Bank made major strides in integrating sustainability into Akbank's corporate culture and continued to organize a variety of sustainability trainings. Akbank is planning to proceed with these trainings in 2014.

The table below provides information on participation in sustainability trainings in 2013:

Name/Content of the Training	Target Audience	Type of Training	2012			2013		
			Number of Participants	Total Hours of Training	Percentage of Coverage as of Year-end (%)	Number of Participants	Total Hours of Training	Percentage of Coverage as of Year-end (%)
Sustainability	All branch employees	Classroom	2,985	8,242	100	1,274	3,895	100
Sustainability Approach	All employees	E-learning	870	435	82	2,745	1,373	98
	Newly employed Assistants- Officers 4, Assistant Inspectors	Classroom	1,332	2,535	100	1,025	1,666	100

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

OUR EMPLOYEES

Internal Communication and Activities at Akbank

In order to facilitate communication among employees, develop team spirit, enhance employee motivation, increase loyalty, and share messages of the Bank management and common targets, Akbank carries out various internal communication efforts and activities on various platforms.

The Bank's internal communications and activities are guided by the following objectives:

- To create an effective communication strategy, to announce this strategy at the right time and through the right channels, and to encourage employees to use the right communication channel,
- To ensure that employees reflect and experience the Bank's brand spirit and to communicate the corporate culture with the right messages,
- To ensure the continuity of organizations and practices that support corporate loyalty policies for reinforcing the team spirit at Akbank.

Internal Communication

Akbank's internal communications are geared toward encouraging employees to work in a customer-oriented manner, focus on strategic priorities, and gain information about the developments related to the Bank. The most frequently used internal communication channels are the corporate portal, corporate TV, e-mailing, quarterly performance live meetings, breakfast meetings with the CEO, and directors meetings. With the interactive platforms on the corporate portal, infrastructure of which was changed in late 2012, and corporate TV that Akbank reaches its customers, the Bank can also reach employees outside the working hours. In addition, special offers for Akbank employees are announced via e-mails and are available at the Corporate Portal.

Breakfast with the CEO

Once every two months Akbank employees from various segments and units attend a breakfast meeting with Akbank's CEO. At the breakfast gathering attended by high-performing employees of the year, employees share their opinions and suggestions on the industry with the CEO and convey the topics on which they need more support.

Live Messages from Senior Management

Every three months, Akbank's CEO shares the quarterly performance evaluation messages live via computer screens with all employees. Before the broadcast, questions of employees are collected and the CEO answers these questions live in person. These live broadcasts are organized in order to establish a closer and more regular communication between the senior management and employees, either face-to-face or through other communication tools as well as to reach to the teams in branches. This common ground keeps the internal synergy dynamic and reinforces mutual communication and increases employee motivation to reach common targets.



Corporate Portal

Akbank uses the Corporate Portal system to ensure that its employees perform their duties more easily, have access to information effectively, and improve internal communication. The infrastructure of the corporate portal was renewed in 2012. The aim of the renewal was to allow internal and external information transfer, to increase operational efficiency in all processes thanks to state-of-the-art technologies, to create a common platform for information, and to ensure easy access to information and consolidation.

“For Us”

The “For Us” section of the corporate portal is an important channel used for strengthening internal communications by creating interactive areas through which the Bank can receive feedback from employees.

Examples from “For Us”:

- Social activities attended by employees,
- Albums from which employees can download photos from the social events they attended,
- Social responsibility projects that employees volunteer for,
- Special advantages offered to Akbank employees by various companies,
- Interactive pages of social clubs,
- Bulletin boards on which employees put various items and estates on sale.

Mechanisms for Employee Opinions and Suggestions

There are various mechanisms for employees to express their opinions and suggestions to the senior management. In addition to the “Why Not” and “Live Messages from Senior Management” practices launched in 2012, employees reveal their expectations, opinions and suggestions to the senior management through the annual 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 tool that enables employees to express issues which they believe should be resolved within their departments but they cannot share with their direct managers; and to provide support and advice to employees in such circumstances when necessary.

Company Events

Akbank organizes social events in order to improve motivation, reinforce team spirit, and to strengthen internal communications.

Some of the sport activities that Akbank employees participated in 2013 are as follows:

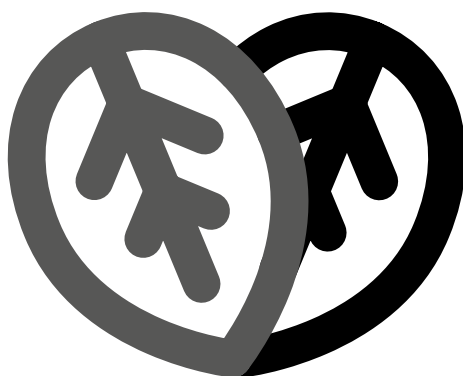
- April 2013: The 22-player Akbank soccer team participated in the Inter-Company Soccer Tournament for the second time.
- June 2013: The 8-player Akbank tennis team took fourth place at the 3rd The Banks Association of Turkey Tennis Tournament.
- September 2013: Akbank employees took part in the 3-on-3 Inter-Company Basketball Tournament with two men’s and one women’s team. Akbank women’s team took second place.
- October 2013: Akbank running team consisting of nine employees participated in the Vodafone-sponsored ICC Running Marathon that was held at the Belgrad Forest with the participation of employees from companies representing 32 distinct industries.

EMPLOYEE ENGAGEMENT

A key factor in maintaining the motivation and performance of employees at a high level, and reflecting these in business results, is the presence of a desirable work environment and corporate culture. Seeing effective communication as one of the most important tools for success, Akbank regularly conducts an “Employee Engagement Survey” at the business unit level in an attempt to make them feel valued and to constantly regenerate itself. The survey is performed by an independent research company on a confidential basis. Necessary improvement and development initiatives are carried out based on the results of the survey. According to the results of the 2013 survey, opportunities for improvement will be focused on performance management, processes and recognition. Armed with the awareness of the relationship between happy employees and high corporate performance, the Bank believes in the value created by employee engagement and the importance of increasing employee engagement and increases its investments by the day in pursuit of this vision.

08. OUR OPERATIONS AND ENVIRONMENT

2013/SUSTAINABILITY REPORT





AKBANK SHOWS UTMOST CARE TO MINIMIZE THE IMPACTS OF ITS ACTIVITIES ON THE ENVIRONMENT AND TO USE NATURAL RESOURCES MORE ECONOMICALLY.

OUR ENVIRONMENT POLICY AND OUR COMMITMENTS

Akbank considers the following environmental aspects as important and primary factors: energy consumption, greenhouse gas emission, paper use and removal and disposal of technological waste. Akbank actualizes various practices in order to show progress by means of measuring these aspects according to the internationally accepted quantitative indicators and criteria.

Within Akbank, a system was implemented to regularly and closely monitor the environmental aspects from all Akbank branches. Thus, in the upcoming years, measures that will enhance the environmental performance of our Bank will be specified and practiced and their results will be monitored more effectively.

With the aim of actualizing its environmental policy Akbank has adopted the following commitments:

- Taking necessary steps to fully comply with the environmental laws and regulations,
- Contributing to the protection of natural resources by using energy, water and paper economically,
- Carrying out tasks to reduce the amount of waste produced in business processes as much as possible, and to rationally recycle the wastes in incase waste reduction is not possible,
- Covering the environmental sustainability issues in the training programs provided for our employees in order to reduce the environmental impacts of activities of our Bank.
- Supporting education and awareness projects that will increase environmental awareness in society and among young persons in particular,
- With international collaborations, supporting transparency policies that will help reduce greenhouse gas emissions of our Bank and corporate shareholders.

In order to increase the awareness and enable the adoption of environmental sustainability, Akbank has been providing sustainability trainings covering environmental issues by means of e-training and classroom training programs for all its employees from the security staff to branch managers.

ENERGY CONSUMPTION AND CONSERVATION

Energy consumption and its outcome “greenhouse gases” that trigger global climate change are among the major environmental aspects deemed important by our Bank. The proof of the importance given by our Bank to this issue is the support we provided for the “Carbon Transparency Project” actualized in 2009 by the Sabancı University Corporate Governance Forum. Akbank is one of the first companies in Turkey that has committed to implement climate change strategies and greenhouse gas emission reporting in compliance with the international standards.

Energy Consumption

Direct and Indirect Energy Consumption

In 2010, a wide scale project was practiced to create an energy management system and to calculate fuel consumption made for electricity and heating purposes in the buildings where Akbank carries out its activities. Within the scope of this project, consumption figures of all buildings including branches were collected in a database. Same as the previous year, also in 2013, the

consumption figures given in the Akbank Sustainability Report were calculated based on heating, electricity and water costs.

Akbank Banking Center (ABC) located in Gebze was opened in 2010, and thus some of our Bank’s buildings located in Istanbul were moved to ABC in 2010 and 2011. Throughout this process, consumption figures of the buildings of the moving units (to ABC) were also included in the calculations covering the utilization period of the buildings during the year. In consequence, previously used Maslak Operation Center, Gümüşsuyu and Ümraniye Service buildings were closed in 2011.

Energy figures collected and reported in international standards within Akbank are divided into two main groups. The first is the direct consumption of energy obtained from different sources (of energy) in our Bank. In this group, the main component is the natural gas used for heating purposes. Natural gas is used as the main fuel at the Akbank Sabancı Center, ABC and in most of the other Akbank centers and branches.

In addition; diesel, butane (LPG), coke (coal) and fuel oil are also used in Akbank branches. The second is the electricity purchased by our Bank as an “indirect energy”.

Direct” and “indirect” energy consumption figures are as follows:

Fuel Consumption (Gigajoules/year)	2011	2012	2013
Akbank Sabancı Center	8,918	7,889	7,861
ABC and Other Centers*	16,536	16,371	15,242
Region Offices and Branches (All Fuels)	106,866	88,885	91,167
TOTAL	132,319	113,144	114,270

* Other centers: Zincirlikuyu and Silivri service buildings.



Electricity Consumption (Gigajoules/year)	2011	2012	2013
Akbank Sabancı Center	56,864	64,154	67,556
ABC and Other Centers*	69,245	72,383	67,509
Region Offices and Branches (All Fuels)	216,755	221,874	264,920
TOTAL	342,864	358,411	399,985

* Other centers: Zincirlikuyu and Silivri service buildings.

Our Bank continues to make technological infrastructure investments in order to carry on providing its modern banking services with the latest technology. For this reason, the demand for electrical energy is increasing. In 2013, 24 branches and 95 ATMs were added to our Bank's service points.

Energy Saving Practices

On one hand Akbank aims to use energy more economically and to make practices that enable energy efficiency in line with the target of reducing the amount of energy required in its operations while on the other hand it continues its activities for raising awareness among its employees.

Energy Saving in Buildings

Akbank is aware of the fact that measurement and monitoring are important factors for the management of energy used in its branches reaching 1,000. In line with this aim, in 2011, Akbank established a new infrastructure necessary for remote measurement and monitoring of the electrical energy used in its branches. This infrastructure contains a remote monitoring system that will minimize the loss of electrical energy in the system. The system launched in approximately 300 Akbank branches in the first phase, started working with full capacity as of 2013 year-end covering the other branches in need of the system. Enabling a more efficient use of electrical energy, the system will help reduce carbon emissions and operational costs.

Moreover, renovation, launched in 2010, of the mechanical automation of the heating/ventilating/air-conditioning (HVAC) system in the branches to ensure that the system runs with appropriate configuration according to indoor air quality, continued in 2013, as

well. This system was directly deployed in the new branches. With this system, approximately 30% and 14% savings will be achieved in electricity and natural gas consumption, respectively.

In 2013, within the scope of the energy efficiency activities carried out for the existing branches of Akbank, ventilation system of 140 branches were converted into automation system.

Energy Savings in Information Technologies

Utilization of information technologies in the banking sector, is a significant energy consuming factor. Thus, our Bank pays utmost attention to save energy used in data centers. The most important step taken in this direction is the process of transition to virtualization technology deployed in 2007. In spite of the rising demand, this technology helped reduce significantly the amount of energy required for running the servers in the data center and for cooling the system rooms they operate in.

Another measure taken in our Bank's "data centers", is to prefer products that consume less energy in all new systems purchased in order to make sure that the energy consumption does not increase in parallel to the increase in the demand for devices. In 2013, systems older than five years were discarded and new devices consuming less energy were purchased instead.

OUR OPERATIONS AND ENVIRONMENT

Fuel Saving with Videoconference and Telepresence

Videoconference and telepresence devices enable our staff to make meetings with their contacts in and outside the country without having to travel. In our Bank, such systems are increasingly being used and installed.

For example, the "telepresence system", a virtual meeting table, between our Headquarters in Istanbul 4. Levent and our Akbank Banking Center in Gebze, was used for approximately 2,265 hours in 2012 while this figure reached 4,277 hours in 2013. Moreover, in 2013, a video conference (desktop conferencing) system was launched that enables the General Managers to make video calls with each other.

In meetings held via these systems, not only visual communication but also mutual document and

presentation transfer is also possible. This allows reductions in fuel consumption and resulting greenhouse gas emissions due to business travels; we also save work time that otherwise would be spent in commuting. We plan to install new videoconference systems in 2013.

Fuel Savings in Cash Operations

In our Cash Operations unit that offers cash and cash value transfer to more than 2,100 customers and four 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 8.2 km per transaction in 2013, while the figure was 10 km per transaction in 2008. This created 18% increase in efficiency and 8.2% less fuel consumption per transaction.

Description	2009	2010	2011	2012	2013
Kilometers Consumed Per Unit Work	9.8	10.2	8.6	8.1	8.2
Fuel Consumed Per Unit Work	1.0	1.0	0.9	1.0	1.1

Carbon Emissions and Reduction

Carbon Emissions

The fuel and electricity (purchased from the third persons) used in our activities, cause greenhouse gas emission that triggers global climate change. Moreover, the fuel used in personnel shuttles and company cars allocated to senior managers, also lead to greenhouse gas emissions.

Various measures are taken within our Bank to minimize the greenhouse gas emission caused by the activities of Akbank. The carbon footprint our Bank is regularly calculated every year to monitor the outcomes of the measures taken. Akbank's target is to gradually reduce its carbon footprint calculated (based on the sources of the consumed energy) in international standards.



Carbon Emissions by Primary Energy Source

CO₂-equivalent carbon emissions caused by fuels used for heating purposes in our Bank are given in the table below:

Carbon Emission Caused by the Use of Primary Energy (tons CO ₂ -e/year)	2011	2012	2013
Akbank Sabancı Center	580	513	550
ABC and Other Centers*	1,075	1,064	1,067
Region Offices and Branches (All Fuels)	8,027	6,677	7,293
TOTAL	9,682	8,254	8,910

* Other Centers: Zincirlikuyu and Silivri service buildings.

Our Bank continues its activities for raising awareness among its employees with efforts for reducing emissions, and increasing energy efficiency and conservation.

Carbon Emission Caused by Electricity Consumption

CO₂-equivalent carbon emission caused by electricity consumption is given in the table below:

Carbon Emission Caused by Electricity Consumption (tons CO ₂ -e/year)	2011	2012	2013
Akbank Sabancı Center	6,916	7,804	8,215
ABC and Other Centers*	8,423	8,805	8,209
Region Offices, Branches and ATM/BTMs	27,540	28,550	32,707
TOTAL	42,879	45,159	49,131

* Other Centers: Zincirlikuyu and Silivri service buildings.

OUR OPERATIONS AND ENVIRONMENT

Carbon Emissions Generated by Personnel Transportation

Personnel service buses are used for mass transportation of employees working at the Sabancı Center and Gebze Akbank Banking Center, where our Head Office units operate. In addition the senior management commutes by private vehicles. CO₂-equivalent carbon emissions generated by fuels used in transportation are available in the table below.

Carbon Emission Caused by Personnel Transportation (tons CO ₂ -e/year)	2011	2012	2013
Number of personnel using shuttles	4,634	4,685	4,530
Distance (km)	9,100,410	9,153,220	8,011,500
Total tons of CO₂-e	3,640	3,661	3,204

An important part of our employees go to work by service buses. The resulting 3,204 tons of CO₂-equivalent carbon emission would increase significantly due to individual commute. Therefore, by providing employees with service buses, Akbank achieves an important level of savings in carbon emissions.

Paper Use and Savings

Paper Use

In Akbank, 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.

With the help of its various saving practices the paper consumption of our Bank only increased by a small percentage in spite of its increasing operations.

Paper Use (tons)*	2011	2012	2013
Purchasing Department**	1,118	1,107	1,167
Corporate Communication Department	3,5	3	6
TOTAL	1,121.5	1,110	1,173
Paper use per employee amount (kg.)	73	68	72

* Total amount of paper does not include A4 photocopy papers used in branches and materials printed by suppliers (such as reports, etc.).

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



Paper Savings

We continue to implement various measures to reduce the paper use in Akbank. While our previous practices to use paper more efficiently in branches and ATMs continue, we also realized various campaigns such as "Credit Card e-statement" and "Contracted Merchant e-statement" to continue to spread our e-statement for credit cards system which saves a notable amount of paper.

With the saving measures -examples of which are given below- we prevented use of approximately 362.7 tons of paper in 2013.

Employees' knowledge and awareness is key in order to increase the paper savings through projects and increase the figures. Therefore we make various internal announcements and notifications to encourage our employees to save paper.

Amount of Paper Saved (tons)	Beginning Date	Area of Implementation	2011	2012	2013
Contracted Merchants' Statements	2012	Headquarters	-	19.8	28
Contracted Merchants'	2012	Headquarters	-	0,6	2,3
E-Statements*	2012	Headquarters	-	0.6	2.3
Credit Card			141,2	214,4	362,7
E-Statements**	2008	Headquarters	141.2	194.0	332.4
Total amount of paper saving per year with the help of saving practices (tons)			141.2	214.4	362.7

* 1 member business bank statement is on average 1.19 A4 pages and 1 envelope.

** 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 taking into account the customers who order e-statements, but are not active card users.

Paper Saving Practices

Member Business E-statements

We focused on reaching more contracted merchants within the scope of e-statement application so that they can receive their monthly account statements by e-mail instead of mail. E-statement gives the opportunity to view the summary of the accounts and saves paper. "Environment Friendly E-statement" campaign encouraging the contracted merchants in 2012 continued in 2013, as well, to broaden the scope of this application. We worked on sending e-statements directly to the contracted merchants who have provided e-mail addresses. Consequently, in 2013 approximately 184 thousand contracted merchants started using e-statements.

Credit Card E-Statements

Since 2008, we have been able to send account statements indicating credit card bills via e-mail or SMS. To encourage our customers to use these "e-statements", we continue our communication activities with the motto "Give Life to Trees". We also held a campaign in 2012 to collect e-mails of customers. Thanks to such encouragement, number of cards with e-statements exceeded 2.01 million at the end of 2012, while it was 1.62 million at the end of 2011 and approximately 1.2 million in December 2010. By the end of 2013, this figure reached 2.43 million.

OUR OPERATIONS AND ENVIRONMENT

Intensive effort was made within Akbank to send account statements by e-mail instead of posting printed statements. The total amount of paper saved was 362.7 tons as a result of this and other similar efforts. Due to the decrease in printed "account statements", significant amount of energy was saved since the machines have been working less.

Paper Recycling

In addition to saving paper, we aim to reduce our environmental footprint by recycling paper wastes. At Kınalı Archives Center in which all branch and Head Office archives are kept, 500 tons of paper were disposed and recycled in 2013 after the legal preservation period ended.

Documents that have completed their legal preservation periods at the Archives Center are sent to a contracted paper company for secure disposal every year. 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 or send them to the Archives Center for disposal. In addition to the paper sent to recycle by the Archives Center, in 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.

Total Paper Saving

With 362.7 tons of paper saved and 500 tons (amount measured) of paper recycled in 2013 Akbank saved approximately 10,166 trees. (a ton of paper saved, saves 17 trees and a ton of recycled paper saves eight trees.)

Water Use and Conservation

Water Use

Water consumption in Our Bank can be summarized as; water used by the employees, water used in cleaning activities and irrigation used in the maintenance of landscapes., Akbank has a limited water consumption compared to manufacturing companies. Our water use does not have significant impact on a specific water source.

Water Consumption (m ³ /year)	2011	2012	2013
Akbank Sabancı Center	30,664	30,423	34,046
ABM and Other Centers*	69,370	77,764	87,060
Region Offices and Branches	289,181	290,218	266,019
TOTAL	389,215	398,405	387,125

* Other Centers: Zincirlikuyu and Silivri service buildings.



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 our branches, 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.

Waste Management

Akbank uses a great number and variety of electric and electronic devices due to the nature of banking operations, which require electronic means in a number of transactions. These devices contain not only valuable metals that should be brought back to the economy, but also environmentally harmful materials. Therefore, we have several measures to ensure recovery of devices that have gone out of use within the economy or to reduce potential environmental impact.

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

When floor coverings in buildings need to be replaced, we take the environmental performance of carpets and other floor coverings into consideration.

Recycling Toner Cartridges

Empty toner cartridges of printers have negative impacts on the environment if they are not disposed of properly. To minimize this impact, we initiated a project to recycle the toner cartridges used in printers in August 2010. Since then, empty cartridges in all of Akbank buildings, including branches have been sent to an electronic waste recovery company for recycling. Employees who order new cartridges see a warning on their computer screens to send the empty cartridges to a recovery company. This recovery company uses the recycled cartridges as fuel for energy generation.

We sent a total of 3,072 empty cartridges in 2011 and until September 2012, 2,328 cartridges were sent (865 from the Head Office and 1,463 from branches) to recovery.

Starting in October 2012 and continuing in 2013, recycling toner cartridges was taken up as a volunteer project. We started to send the empty cartridges to the Turkish Association for the Disabled. Employees supported the campaign by not only bringing in the cartridges used in the office, but also those at home. In three months more than 3,200 empty cartridges were sent to the Association. With the revenue generated from refilling these cartridges, disabled students received scholarships.

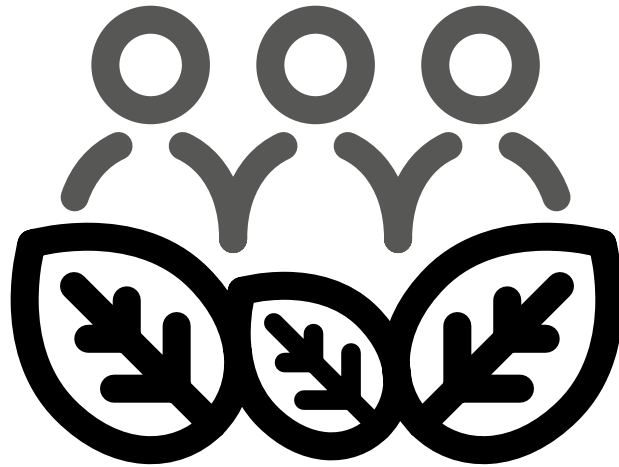
Recovery of Technological Waste

Electronic devices that are no longer appropriate for use according to Akbank's standards are sold to companies in Turkey, as scrap or second-hand products for recovery of the metals and electronic parts. In addition, some of these devices are donated as per the requests made to the Bank.

Type and Quantity of Technological Waste	2011		2012		2013	
	Salvage Auctions	Disposal	Salvage Auctions	Disposal	Salvage Auctions	Disposal
Computer	31	636	-	527	6,751	263
Screen	1,215	638	-	524	4,176	255
Passbook Printer	736	-	-	-	898	-
Dot Matrix Printer	42	-	-	-	43	-
Laser Printer	707	22	-	114	1,199	2
POS Device	59,626	-	58,792	-	19,539	-
ATM Device	414	-	312	-	143	-

09. OUR COMMUNITY INVESTMENT

2013/SUSTAINABILITY REPORT





WITH THE RESPONSIBILITY OF BEING THE “MOST VALUABLE BANKING BRAND IN TURKEY”, *WHILE WORKING TO MANAGE THE ECONOMIC, SOCIAL, AND ENVIRONMENTAL IMPACTS OF ITS OPERATIONS RESPONSIBLY, AKBANK ALSO CREATES VALUE FOR THE COMMUNITY BY CARRYING OUT ITS OWN PROJECTS AS WELL AS SUPPORTING A NUMBER OF SUCCESSFUL INITIATIVES.

CULTURE AND ART

Anish Kapoor in Istanbul

The works of Anish Kapoor, the leading international artist of contemporary art in the world, were displayed to the arts enthusiasts in Turkey with Akbank’s support in 2013. The stone works of Kapoor, made from marble and alabaster and mostly never exhibited before, were presented to the liking of arts enthusiasts as part of the exhibition that was sponsored by Akbank in the honor of its 65th establishment anniversary. Consisting of iconic works combining sculpture, architecture, engineering and technology such as Sky Mirror and Yellow, the exhibition was made available in the halls and garden of the Sabancı University Sakıp Sabancı Museum from September 10, 2013 until February 2, 2014.

www.anishkapooristanbulda.com

Akbank Art Center

Akbank Art Center was established in 1993 with the aim of creating a brand to represent the Bank’s innovative and visionary identity in support of arts. Pioneering the development of modern arts in Turkey and enabling art events to reach the greatest number of people from all layers of the society, Akbank Art Center continues its efforts as “the place where change never ceases”.

Akbank Art Center celebrated its 20th anniversary in 2013. Continuously performing in Beyoğlu, a location with special importance in the culture and art life of Istanbul, Akbank Art Center organizes concerts and over 700 exhibitions, interviews, conferences, movie screenings throughout the year.

<http://www.akbanksanat.com/en>

<http://www.akbanksanat.com/>

Akbank Children’s Theater

Performing since 1972, Akbank Children’s Theater celebrated its 41st anniversary in 2013. As the first Turkish children’s theater touring in Anatolia and Europe, Akbank Children’s Theater brought the excitement and joy of theatre to millions of children since the day it was established. Akbank Children’s Theater continued to perform at Akbank Art Center during the 2012-2013 culture & art season with the “Inside Out”.

* In the “World’s Most Valuable 500 Banking Brands” survey by Brand Finance, an international brand assessment institution, Akbank was selected Turkey’s “Most Valuable Banking Brand”.

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Akbank Jazz Festival

As one of the longest-lasting festivals that reach the greatest number of viewers in Turkey, Akbank Jazz Festival has been bringing together music fans and the most renowned jazz performers for 23 years. During the festival that was held from September 25 until October 12, 2013, 50 concerts as well as three panel discussions and six workshops representing the distinct colors of jazz were organized. Hosting a total of 280 musicians, the festival took the excitement of jazz to 19 universities in 11 provinces after Istanbul between November 4 and November 19. "JAmZZ Young Talents Contest" was held for the third time as part of the festival in order to support young musicians and to provide them with new opportunities. In addition, "Jazz Workshop at Senior High Schools" event aiming to introduce jazz to senior high school students was followed by a great number of students.

<http://www.akbankcaz.com/en/>

Akbank Short Film Festival

Organized by Akbank Art Center, the Akbank Short Film Festival reached its audience for the ninth time in 2013. Upon evaluation of 606 films applied, 15 fiction, 10 documentary and 10 animation films, for a total of 35 films, were accepted to compete in the National Contest. In addition to competing films, significant films screened in various world festivals were also shown. Cinema fans enjoyed the festival, where a total of 102 films from 29 countries were screened, for 10 days, attending several workshops and panels. With the "Akbank 9th Short Film Festival at Universities" event, award-winning films of the Festival were screened in 40 universities in the provinces of Istanbul, Ankara, Izmir, Mersin, Eskişehir, Kocaeli, Sakarya, Edirne, Tekirdağ, Bolu, Bursa, Kayseri, Adana, Gaziantep, Elazığ, Erzurum, Zonguldak, Çanakkale, and Kırklareli.

www.akbankkisafilm.com

Map of Contemporary Art

As another activity of Akbank Art Center, the Akbank Map of Contemporary Art continues to reach Turkish and foreign art-enthusiasts in print form and on the Internet with the aim of reflecting the artistic life in Istanbul in the best way possible in 2013. The Map was printed five times in 2013 with a total volume of 170,000 and reached more people especially during fair and biennial periods.

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

International Istanbul Film Festival

Organized by Istanbul Foundation for Culture and Arts (İKSV) since 1982, the International Istanbul Film Festival brings the most exclusive and original films to cinemagoers. Since 2004 Akbank has been supporting this Festival that hosts movie stars and master directors and contributes to the growth of a well-rooted cinema culture in Turkey. In 2013 the Festival lasted for two weeks and 150 thousand cinema fans watched more than 200 films in over 20 categories in six movie halls. In addition, talks with master movie producers as well as workshops and cinema lectures were organized as part of the festival.

Contemporary Istanbul

The 8th Contemporary Istanbul Modern Art Fair was held on November 7-10, 2013, at the Istanbul Lütfi Kırdar International Congress and Exhibition Center. Participated by 95 modern art galleries and 748 artists from Turkey and abroad, the Fair drew great interest from art collectors, art enthusiasts and the media and was visited by 67,000 people. Akbank Private Banking has been supporting Contemporary Istanbul since 2007, continuing to contribute to the development of contemporary art in Turkey.



Education and Youth

Akbank "Children: Heroes of the Economy" Project

Akbank launched the "Savings Campaign" in 2012 in order to create awareness about the importance of savings culture within the society. As part of this campaign, the Akbank "Children: Heroes of the Economy" Project was initiated in 2012 by Akbank volunteers in cooperation with Sabancı University, Söz Advisory and Private Sector Volunteers Association. The project was expanded to provinces outside of Istanbul in 2013.

As part of the 2013 activities of the campaign, specially-trained Akbank Volunteers gave a seminar on "savings" to 11,500 elementary and middle school students. The seminar taught the students about spending, charity and saving and emphasized the importance of setting targets for creating a nest egg and saving money with small sums.

Akbank's Savings Campaign events continued during the October 31st World Savings Day and the December 12-18 Thrift, Investment and Turkish Goods Week. In addition, as part of the campaign, Akbank's CEO Hakan Binbaşgil briefed elementary and middle school students on spending, charity, saving and investing.

Akbank aims to reach more students as part of the Akbank "Children: Heroes of the Economy" project in the year ahead.

Akbank Thinking Club

Akbank Thinking Club was founded in 2008 together with young people, who are important stakeholders in progress and innovation, in order to contribute to the development of creativity potential in Turkey. Open to applications from university juniors from across Turkey, the Club reached 121 members with the 2013-2014 academic year enrollments.

Club members work in teams on the themes assigned to them each year to generate creative ideas, scenarios and projects. These projects are assessed by a special jury comprised of academics, specialists and members of the press; the team that generates the most admired work wins a scholarship for Harvard University Summer School. Members of the Akbank Thinking Club are expected to generate innovative ideas on "how to increase access to financial services" as the theme of the 6th year in 2013.

Growing its membership steadily, Akbank Thinking Club provides young people, the innovative power of tomorrow and owners of Turkey's future, with an opportunity to expand and realize their potential.

www.akbankdusuncekulubu.com

Make a Wish

Make a Wish Foundation is an international non-governmental organization that was founded to make wishes of children between the age of 3 and 18 and suffering from a life-threatening illness come true. The Foundation helps children realize their dreams with approval from the doctors. Akbank develops collaborations with the Make a Wish Foundation as part of its volunteering activities.

Entrepreneurship

In 2013 Akbank continued to support the efforts to spread the spirit of entrepreneurship in Turkey, train a greater number of entrepreneurs, and increase opportunities for them. Examples of such efforts are provided below.

Endeavor Program and Meetings

Endeavor is an international non-governmental organization established to contribute to economic development by supporting active entrepreneurs in developing countries. In addition to offering special financial services to entrepreneurs, Akbank also organizes meetings in cooperation with Endeavor. With the "İyi Girişim (Good Venture) Summit" and "İyi Yatırım (Good Investment) Summit" - first organized in 2011 in Istanbul - entrepreneurs are educated on various topics including leadership, management, financing of entrepreneurs, and angel investors. The Bank continued to encourage entrepreneurship by way of this summit in 2013.

Global Student Entrepreneur Awards

"Global Student Entrepreneur Awards" (GSEA) created by Saint Louis University in 1998 aims to promote entrepreneurship among university students and to contribute to training future entrepreneurs. Akbank supports the organization of this prestigious challenge

OUR COMMUNITY INVESTMENT

of the global entrepreneurship circle in Turkey since 2011. University students who have their own businesses participate in the challenge. National winners have the opportunity to share their know-how and experiences with other entrepreneurs in Turkey and the USA as well as to enter international entrepreneurship networks. 130 young entrepreneurs applied to the 2013 Turkey auditions and Onur Candan, who took first place with his "Visioninteractive" project, earned the right to represent Turkey in the grand finals to be held in Washington.

<http://www.universiteligirisimci.com>

Akbank Entrepreneur Development Program

A joint venture of Sabancı University Entrepreneurship Committee (SUGK) and Akbank, the "Akbank Entrepreneur Development Program" was created to endow entrepreneurs with a sound intellectual infrastructure allowing them to establish successful and profitable businesses; to provide the necessary training; to carry out applied projects; and to create uninterrupted support mechanisms. Celebrating its 10th year in 2013, the program was designed based on the prevailing conditions in Turkey with an eye toward the outcomes and experiences of its peers in the world and it was improved during the process. As part of the program, applications for "Social Entrepreneur Development Program", which is open to participation by social entrepreneurs, were accepted in cooperation with the Sabancı Foundation in 2013. The "Social Entrepreneur Development Program" aims to provide know-how to social entrepreneurs who have established a foundation, association, cooperative or company and are having problems growing their organizations regarding institutionalization and to help them expand. 62 entrepreneurs, 17 of which were social entrepreneurs, were admitted to the program, which received applications from every corner of Turkey this year.

The Environment

Carbon Disclosure Project (CDP)

Carbon Disclosure Project (CDP) is a global initiative launched in 2000 with the purpose of collecting and sharing information to allow companies, investors, and governments to take measures against the threat of climate change. The Project has been implemented in Turkey by the Sabancı University Corporate Management Forum and with support from Akbank since 2010. In addition to supporting the implementation of the Project, Akbank has also been reporting to CDP on its climate change policy and greenhouse gas emissions since 2010.

Akbank Volunteers

In operation since 2011, Akbank Volunteers have been engaged in various areas such as the environment, the disabled, education, and youth. In addition, infrastructure of Akbank volunteers was reorganized in line with the opinions of non-governmental organizations with which the Bank cooperates. As part of this effort, "Volunteering Leaders" were selected on a voluntary basis from Istanbul and 14 other provinces with an Akbank Regional Directorate in an attempt to proliferate the number of projects carried out outside of Istanbul, to support the Akbank Volunteering system in project coordination, and to encourage participation in volunteering projects. "Volunteering Leaders" are expected provide guidance regarding the projects that may be undertaken in their respective responsibility areas and to support the implementation of these projects. As their initiation projects, Volunteering Leaders and their deputies participated in the "Children: Heroes of the Economy" Project on the October 31st World Savings Day.

The most comprehensive project carried out by Akbank Volunteers in 2013 was the Akbank "Children: Heroes of the Economy" Project put together as part of the "Savings Campaign". In addition to the October 31st World Savings Day and the December 12-18 Thrift, Investment and Turkish Goods Week activities, Akbank volunteers from across the country gave lectures on savings on December 5th International Volunteer Day, which presents an excellent opportunity to introduce the concept of volunteering to large segments of the society.



Other

“The Next Step” in Sustainability Reporting Arrives in Turkey under Akbank’s Support

The Turkish translation and promotion initiatives for the next generation Sustainability Reporting Guidelines G4 of the Global Reporting Initiative (GRI) were launched in 2013 under the main sponsorship of Akbank. The Turkey launching meeting, which was held on January 22, 2014 in Istanbul, allowed companies and organizations to benefit from the general description of G4 as well as the experiences of the experts on the panel. This event also served as a great opportunity for companies and organizations in Turkey to be informed on the new

features and developments of G4 as well as the changes brought about by G4 for those entities that will be complying with G4 in their reporting.

The GRI Guidelines, the world’s most widely used sustainability reporting framework, enables companies and organizations operating in all industries to report on their economic, environmental, social and management performances. G4 Guidelines, introduced globally at the Global Conference on Sustainability and Reporting held in Amsterdam in May 2013, makes sustainability reporting standards “more comprehensible and applicable”.

Donations

Demand deposit account holders at Akbank can donate money to a variety of associations and foundations that operate in Turkey in pursuit of public interest. Customers can donate money for one-time only or with automatic payment orders to an association or foundation of their choice. In 2013, customers’ donations amounting to approximately TL 6.6 million were transferred to the associations and foundations listed below. Akbank does not charge any bank transfer or EFT fees on the donations made by Akbank customers to the organizations listed below.

Associations and Foundations that Received Donations from Akbank Customers in 2013	
Açıkkapı Social Responsibility Foundation	Turkish Armed Forces Foundation
Mother Child Education Foundation	Turkish Armed Forces Mehmetcik Foundation
Make A Wish Association	Aeronautical Association
Association for the Support of Contemporary Living	Turkish Educational Foundation
Children’s Kidney Foundation	Turkish Heart Association
Darülaceze Directorate	Turkish Association for Cancer Research and Control
Darüşşafaka Society	Turkish Religious Foundation
Women Entrepreneurs Association	Turkish Educational Volunteers Foundation
Is Anybody There Association	Turkish Red Crescent Society
Foundation for Children with Leukemia	Turkish Foundation For Children in Need Of Protection
Autism Foundation	Turkish Multiple Sclerosis Association
Disabled People Foundation	Spinal Cord Paralytics Association of Turkey
TEMA Foundation	Spastic Children’s Foundation of Turkey
Tohum Autism Foundation	Foundation for the Training and Protection of Mentally Handicapped Children
Community Volunteers Foundation	



Statement GRI Application Level Check

GRI hereby states that **Akbank T.A.Ş.** has presented its report "2013 Sustainability Report" to GRI's Report Services which have concluded that the report fulfills the requirement of Application Level B.

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. For methodology, see www.globalreporting.org/SiteCollectionDocuments/ALC-Methodology.pdf

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

Amsterdam, 10 Jun 2014

A handwritten signature in black ink, appearing to read "Ásthildur Hjaltadóttir".

Ásthildur Hjaltadóttir
Director Services
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 3 June 2014. GRI explicitly excludes the statement being applied to any later changes to such material.*

GLOBAL REPORTING INITIATIVE (GRI) INDEX



GRI Sustainability Reporting Guidelines Index

This report contains information on the actions Akbank took to improve its social, environmental and economic performance and the results it achieved during the period between January 1, 2013 and December 31, 2013. The contents of the report are developed in compliance with the B-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 B-level application.

G3 CONTENT INDEX - FINANCIAL SERVICES SECTOR SUPPLEMENT - GRI APPLICATION LEVEL B					
Application Level B			Assured by		
STANDARD DISCLOSURES PART I: Profile Disclosures					
REPORT FULLY ON THE BELOW SELECTION OF PROFILE DISCLOSURES OR PROVIDE A REASON FOR OMISSION					
1. Strategy and Analysis					
Profile Disclosure	Disclosure	Level of Reporting	Location of disclosure	Reason for omission	Reason for omission
1.1	Statement from the most senior decision-maker of the organization.	Fully	p.3-8	3-8	
1.2	Description of key impacts, risks, and opportunities.	Fully	p:26-40	26-40	
2. Organizational Profile					
2.1	Name of the organization.	Fully	Akbank T.A.S.		
2.2	Primary brands, products, and/or services.	Fully	p.12-21		
2.3	Operational structure of the organization, including main divisions, operating companies, subsidiaries, and joint ventures.	Fully	p.12-21		
2.4	Location of organization's headquarters.	Fully	pp.12-21		
2.5	Number of countries where the organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.	Fully	Turkey, Germany, Dubai and Malta		
2.6	Nature of ownership and legal form.	Fully	p.12-21		
2.7	Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries).	Fully	p.12-21		
2.8	Scale of the reporting organization.	Fully	p.12-21		
2.9	Significant changes during the reporting period regarding size, structure, or ownership.	Fully	p.12-21		
2.10	Awards received in the reporting period.	Fully	p.12-21		

GLOBAL REPORTING INITIATIVE (GRI) INDEX

Profile Disclosure	Disclosure	Level of Reporting	Location of disclosure	Reason for omission	Reason for omission
3. Report Parameters					
3.1	Reporting period (e.g., fiscal/calendar year) for information provided.	Fully	1 January 2013-31 December 2013		
3.2	Date of most recent previous report (if any).	Fully	Fourth report was published in 2013.		
3.3	Reporting cycle (annual, biennial, etc.)	Fully	annually		
3.4	Contact point for questions regarding the report or its contents.	Fully	on the last page of report		
3.5	Process for defining report content.	Fully	p. 22-25		
3.6	Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers). See GRI Boundary Protocol for further guidance.	Fully	p. 22-25		
3.7	State any specific limitations on the scope or boundary of the report (see completeness principle for explanation of scope).	Fully	p. 22-25		
3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organizations.	Fully	p. 22-25		
3.9	Data measurement techniques and the bases of calculations, including assumptions and techniques underlying estimations applied to the compilation of the Indicators and other information in the report. Explain any decisions not to apply, or to substantially diverge from, the GRI Indicator Protocols.	Fully	p. 22-25		
3.10	Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement (e.g., mergers/acquisitions, change of base years/periods, nature of business, measurement methods).	Fully	p. 22-25		
3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report.	Fully	p. 22-25		
3.12	Table identifying the location of the Standard Disclosures in the report.	Fully	p.110-117		
3.13	Policy and current practice with regard to seeking external assurance for the report.	Fully	External assurance was not obtained.		
4. Governance, Commitments, and Engagement					
4.1	Governance structure of the organization, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organizational oversight.	Fully	p. 43-45		
4.2	Indicate whether the Chair of the highest governance body is also an executive officer.	Fully	p. 43		
4.3	For organizations that have a unitary board structure, state the number of members of the highest governance body that are independent and/or non-executive members.	Fully	p. 43		
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.	Fully	p. 42, 92-93		
4.5	Linkage between compensation for members of the highest governance body, senior managers, and executives (including departure arrangements), and the organization's performance (including social and environmental performance).	Fully	p. 45, p.84		



Profile Disclosure	Disclosure	Level of Reporting	Location of disclosure	Reason for omission	Reason for omission
4.6	Processes in place for the highest governance body to ensure conflicts of interest are avoided.	Fully	p. 43-45		
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.	Fully	p. 44-45		
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.	Fully	pp27-29 ,43, 47-50		
4.9	Procedures of the highest governance body for overseeing the organization's identification and management of economic, environmental, and social performance, including relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct, and principles.	Fully	26-43, 44, 50-58		
4.10	Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance.	Fully	pp3-8,44-45		
4.11	Explanation of whether and how the precautionary approach or principle is addressed by the organization.	Fully	46-53		
4.12	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses.	Fully	36-37		
4.13	Memberships in associations (such as industry associations) and/or national/international advocacy organizations in which the organization: * Has positions in governance bodies; * Participates in projects or committees; * Provides substantive funding beyond routine membership dues; or * Views membership as strategic.	Fully	36-37		
4.14	List of stakeholder groups engaged by the organization.	Fully	34-36		
4.15	Basis for identification and selection of stakeholders with whom to engage.	Fully	34-36		
4.16	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group.	Fully	34-35		
4.17	Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting.	Fully	25,34-36		

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STANDARD DISCLOSURES PART II: Disclosures on Management Approach (DMAs)				
REPORT ON THE DISCLOSURES ON MANAGEMENT APPROACH FOR EACH CATEGORY. YOU SHOULD BE ABLE TO DISCLOSE THIS INFORMATION ON THE ASPECT LEVEL FOR EACH PERFORMANCE INDICATOR THAT YOU HAVE REPORTED FULLY ON.				
FSSS DMAs	Disclosure	Level of Reporting	Location of disclosure	Further comments
DMA PS	Disclosure on Management Approach PS			
Aspects	Product Portfolio	Partially	p. 57, p. 61	
FS1	Policies with specific environmental and social components applied to business lines.	Fully	p. 28-29, p. 94-103, p. 104-109	
FS2	Procedures for assessing and screening environmental and social risks in business lines.	Fully	p. 28, p. 31-32, p. 56-58	
FS3	Processes for monitoring clients' implementation of and compliance with environmental and social requirements included in agreements or transactions.	Fully	p. 27-28, p. 34-35, p. 48, p. 58	
FS4	Process(es) for improving staff competency to implement the environmental and social policies and procedures as applied to business lines.	Fully	p. 28, p. 30-34, p. 49, p. 51, p. 53	
FS5	Interactions with clients/investees/business partners regarding environmental and social risks and opportunities.	Fully	p. 27, p. 39, p. 56-57	
	Audits	Fully	p. 47, p. 50, p. 56	
	Active Ownership	Not		
DMA EC	Disclosure on Management Approach EC			
Aspects	Economic Performance/COMM	Fully	p.12,21, p38-40, p.85-86	
	Market presence	Fully	p. 79-80	
	Indirect economic impacts	Fully	p.54-76, p.100-103, p.104-09	
DMA EN	Disclosure on Management Approach EN			
Aspects	Materials	Fully	p.101-103	
	Energy	Fully	p.96-97, 100	
	Water	Fully	p.102	
	Biodiversity	Fully	p.59-61	
	Emissions, effluents and waste	Fully	p.98-99	
	Products and services	Fully	p.58-59,100	
	Compliance	Fully	There were no significant fines or sanctions for non-compliance with environmental laws and regulations in 2013.	
	Transport	Fully	p.100	
	Overall	Fully	p.101-103, p96-97, p.59-61, p.100	



FSSS DMAs	Disclosure	Level of Reporting	Location of disclosure	Further comments
DMA LA	Disclosure on Management Approach LA			
Aspects	Employment	Fully	p.80-86	
	Labor/management relations	Fully	p.80, p.85*86	
	Occupational health and safety	Fully	p.85-86	
	Training and education	Fully	p.84-91	
	Diversity and equal opportunity	Fully	p.80-81	
DMA HR	Disclosure on Management Approach HR			
Aspects	Investment and procurement practices	Fully	p.32-35, p.57-58, p.88-91	
	Non-discrimination	Partially	p.78-79	
	Freedom of association and collective bargaining	Fully	p.85	
	Child labor	Fully	p.85	
	Forced and compulsory labor	Fully	p.83	
	Security practices	Not		
	Indigenous rights	Fully		There were no such an incident in 2013.
DMA SO	Disclosure on Management Approach SO			
Aspects	Community	Fully	p.70	
	Corruption	Fully	p.46-50, p.90	
	Public policy	Fully	p.37	
	Anti-competitive behavior	Fully	p.42-45, 53	
	Compliance	Fully		There were no significant fines for noncompliance with laws and regulations in 2013.
DMA PR	Disclosure on Management Approach PR			
Aspects	Customer health and safety	Not		
	Product and service labelling	Fully	p.70-75	
FS15	Policies for the fair design and sale of financial products and services.	Fully	p. 7, p. 32-33, p. 48, p. 51, p. 55	
	Marketing communications	Fully	p.51-52	
	Customer privacy	Not		
	Compliance	Fully		There were no significant fines for noncompliance with laws and regulations concerning the provision and use of products and services in 2013.

GLOBAL REPORTING INITIATIVE (GRI) INDEX

STANDARD DISCLOSURES PART III: Performance Indicators			
Product and Service Impact			
Indicator	Disclosure	Level of Reporting	Location of disclosure
Product portfolio			
FS6	Percentage of the portfolio for business lines by specific region, size (e.g. micro/SME/large) and by sector.	Partially	p. 57, p. 61
FS7	Monetary value of products and services designed to deliver a specific social benefit for each business line broken down by purpose.	Fully	P. 16, p. 17
FS8	Monetary value of products and services designed to deliver a specific environmental benefit for each business line broken down by purpose.	Fully	P. 16, p. 17, p. 56-60
Audit			
FS9	Coverage and frequency of audits to assess implementation of environmental and social policies and risk assessment procedures.	Fully	p. 47, p. 50, p. 56
Active ownership			
FS10	Percentage and number of companies held in the institution's portfolio with which the reporting organization has interacted on environmental or social issues.	Not	
FS11	Percentage of assets subject to positive and negative environmental or social screening.	Not	
FS12	Voting polic(ies) applied to environmental or social issues for shares over which the reporting organization holds the right to vote shares or advises on voting.	Not	
Economic			
Economic performance			
EC1COMM	Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments.	Fully	p12-21
EC2	Financial implications and other risks and opportunities for the organization's activities due to climate change.	Fully	p38-40
EC3	Coverage of the organization's defined benefit plan obligations.	Fully	p85-86
EC4	Significant financial assistance received from government.	Fully	No significant financial assistance was received from the government in 2013
Market presence			
EC5	Range of ratios of standard entry level wage compared to local minimum wage at significant locations of operation.	Fully	79-80
EC6	Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation.	Not	
EC7	Procedures for local hiring and proportion of senior management hired from the local community at significant locations of operation.	Partially	78-79
Indirect economic impacts			
EC8	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement.	Fully	54-76, 100-103, 104-109
EC9	Understanding and describing significant indirect economic impacts, including the extent of impacts.	Partially	70



Environmental			
Indicator	Disclosure	Level of Reporting	Location of disclosure
Materials			
EN1	Materials used by weight or volume.	Partially	101-103
EN2	Percentage of materials used that are recycled input materials.	Not	
Energy			
EN3	Direct energy consumption by primary energy source.	Fully	96-97
EN4	Indirect energy consumption by primary source.	Fully	96-97
EN5	Energy saved due to conservation and efficiency improvements.	Fully	97
EN6	Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives.	Fully	58
EN7	Initiatives to reduce indirect energy consumption and reductions achieved.	Partially	96-100
Water			
EN8	Total water withdrawal by source.	Fully	102
EN9	Water sources significantly affected by withdrawal of water.	Fully	There were no significant water sources near to Akbank business units.
EN10	Percentage and total volume of water recycled and reused.	Not	
Biodiversity			
EN11	Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.	Fully	Akbank doesnot have operations in such areas.
EN12	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas.	Fully	59-61
EN13	Habitats protected or restored.	Not	
EN14	Strategies, current actions, and future plans for managing impacts on biodiversity.	Fully	59-61
EN15	Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk.	Not	

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Indicator	Disclosure	Level of Reporting	Location of disclosure
Emissions, effluents and waste			
EN16COMM	Total direct and indirect greenhouse gas emissions by weight.	Fully	98-99
EN17	Other relevant indirect greenhouse gas emissions by weight.	Not	
EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved.	Fully	98-99
EN19	Emissions of ozone-depleting substances by weight.	Not	
EN20	NO _x , SO _x , and other significant air emissions by type and weight.	Not	
EN21	Total water discharge by quality and destination.	Not	
EN22COMM	Total weight of waste by type and disposal method.	Partially	103
EN23	Total number and volume of significant spills.	Fully	The activities of AkBANK didn't cause spill-based environment effect in 2013.
EN24	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally.	Not	
EN25	Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the reporting organization's discharges of water and runoff.	Fully	There wasnot any habitat that was affected from this charges of water and runoff, depending on the 2013 activities of Akbank
Products and services			
EN26	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.	Partially	58-59
EN27	Percentage of products sold and their packaging materials that are reclaimed by category.	Not	
Compliance			
EN28	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.	Fully	There were no significant fines or sanctions for non-compliance with environmental laws and regulations in 2013
Transport			
EN29	Significant environmental impacts of transporting products and other goods and materials used for the organization's operations, and transporting members of the workforce.	Partially	p100
Overall			
EN30	Total environmental protection expenditures and investments by type.	Not	



Social: Labor Practices and Decent Work

Indicator	Disclosure	Level of Reporting	Location of disclosure
Employment			
LA1	Total workforce by employment type, employment contract, and region.	Fully	p80
LA2	Total number and rate of employee turnover by age group, gender, and region.	Fully	p82-83
LA3	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations.	Fully	p84-86
Labor/management relations			
LA4	Percentage of employees covered by collective bargaining agreements.	Fully	p85-86
LA5	Minimum notice period(s) regarding significant operational changes, including whether it is specified in collective agreements.	Fully	p80
Occupational health and safety			
LA6	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs.	Not	
LA7	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region.	Partially	86
LA8	Education, training, counseling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases.	Not	
LA9	Health and safety topics covered in formal agreements with trade unions.	Partially	85-86
Training and education			
LA10	Average hours of training per year per employee by employee category.	Fully	88
LA11	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	Fully	88-91
LA12	Percentage of employees receiving regular performance and career development reviews.	Fully	84-85
Diversity and equal opportunity			
LA13	Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group membership, and other indicators of diversity.	Fully	80-81
LA14	Ratio of basic salary of men to women by employee category.	Not	

GLOBAL REPORTING INITIATIVE (GRI) INDEX

Social: Human Rights			
Indicator	Disclosure	Level of Reporting	Location of disclosure
Investment and procurement practices			
HR1COMM	Percentage and total number of significant investment agreements that include human rights clauses or that have undergone human rights screening.	Partially	57-58
HR2	Percentage of significant suppliers and contractors that have undergone screening on human rights and actions taken.	Fully	32.35
HR3	Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.	Partially	88-91
Non-discrimination			
HR4	Total number of incidents of discrimination and actions taken.	Partially	78-79
Freedom of association and collective bargaining			
HR5	Operations identified in which the right to exercise freedom of association and collective bargaining may be at significant risk, and actions taken to support these rights.	Fully	85
Child labor			
HR6	Operations identified as having significant risk for incidents of child labor, and measures taken to contribute to the elimination of child labor.	Fully	82
Forced and compulsory labor			
HR7	Operations identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of forced or compulsory labor.	Fully	83
Security practices			
HR8	Percentage of security personnel trained in the organization's policies or procedures concerning aspects of human rights that are relevant to operations.	Not	
Indigenous rights			
HR9	Total number of incidents of violations involving rights of indigenous people and actions taken.	Fully	There were no such incident in 2013.
Social: Society			
Community			
S01	Nature, scope, and effectiveness of any programs and practices that assess and manage the impacts of operations on communities, including entering, operating, and exiting.	Fully	70
FS13	Access points in low-populated or economically disadvantaged areas by type.	Partially	p. 65, p. 70
FS14	Initiatives to improve access to financial services for disadvantaged people.	Not	
Corruption			
S02	Percentage and total number of business units analyzed for risks related to corruption.	Partially	49-50
S03	Percentage of employees trained in organization's anti-corruption policies and procedures.	Fully	90
S04	Actions taken in response to incidents of corruption.	Fully	90, 46-54



Indicator	Disclosure	Level of Reporting	Location of disclosure
Public policy			
S05	Public policy positions and participation in public policy development and lobbying.	Partially	37
S06	Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country.	Fully	there were no financial and in-kind contributions to political parties and politicians and related institutions in 2013
Anti-competitive behavior			
S07	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes.	Fully	42-45, 53
Compliance			
S08	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.	Fully	There were no significant fines for noncompliance with laws and regulations in 2013.
Social: Product Responsibility			
Customer health and safety			
PR1	Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures.	Not	
PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life cycle, by type of outcomes.	Not	
Product and service labelling			
PR3	Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements.	Fully	Akbank provides information on all of our banking services and products and these are subject to a variety of laws and regulations. In its website, Akbank provides easy to access information on its products including fees, interest rates, taxes and terms
PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes.	Not	
PR5	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction.	Fully	70-75
FS16	Initiatives to enhance financial literacy by type of beneficiary.	Not	

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Indicator	Disclosure	Level of Reporting	Location of disclosure
Marketing communications			
PR6	Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship.	Fully	51-52
PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship by type of outcomes.	Fully	Akbank wasn't subject to any sanctions in 2013, concerning with the non-compliance of marketing communication regulations.
Customer privacy			
PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.	Not	
Compliance			
PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services.	Fully	There were no significant fines for noncompliance with laws and regulations concerning the provision and use of products and services in 2013.

UNITED NATIONS GLOBAL COMPACT (UNGC) INDEX



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, Akbank communicate its progress regarding putting the UNGC Principles into action. This Sustainability Report contains information on our current actions and performance it has 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.	27-29, 36-37, 55, 78-79, 82-83, 85-86
Principle 2. Businesses should make sure that they are not complicit in human rights abuses.	27-29, 36-37, 55, 78-79, 82-83, 85
Labour	
Principle 3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	27-29, 36-37, 78-79, 83, 85
Principle 4. The elimination of all forms of forced and compulsory labour.	27-29, 78-79, 82-83
Principle 5. The effective abolition of child labour.	27-29, 78-79, 82-83
Principle 6. The elimination of discrimination in respect of employment and occupation.	27-29, 78-79, 86
Environment	
Principle 7. Businesses should support a precautionary approach to environmental challenges.	36-37, 43-44, 59-61
Principle 8. Undertake initiatives to promote greater environmental responsibility.	36-37, 59-61, 94-104
Principle 9. Encourage the development and diffusion of environmentally friendly technologies.	36-37, 59-61, 96-99
Anti-Corruption	
Principle 10. Businesses should work against corruption in all its forms, including extortion and bribery.	36-37, 47-53, 90-91

IDENTITY

2013/SUSTAINABILITY REPORT

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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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