



2010 SUSTAINABILITY REVIEW



# CONTENTS

<b>Introduction</b>	<b>02-03</b>
<b>Letter from the CEO</b>	<b>04-05</b>
<b>Section 1: About Garanti</b>	<b>06-19</b>
Corporate Profile & Shareholding Structure	08
Mission/Vision/Strategy	09
Our Core Values	10-11
Milestones in Garanti's History	12-13
Financial Indicators	14
Garanti in 2010	16
Garanti's Competitive Advantages and Market Share	17
Garanti: The Leading Bank in Turkey	18
Credit Ratings	19
<b>Section 2: Organizing for Sustainable Performance</b>	<b>20-23</b>
<b>Section 3: Management Approach and Performance Indicators</b>	<b>24-31</b>
Carbon Emissions	26
Environmental Management	30
Indirect Impacts from Lending Programs	31
<b>Section 4: Garanti Bank and the Community</b>	<b>32-36</b>
<b>Appendix: CSR Projects</b>	<b>37-41</b>

# INTRODUCTION

**In order to demonstrate our ongoing commitment to the environment and the development of corporate responsibility across all our business activities we are presenting a Sustainability Review as a supporting document to our Annual Report.**

In order to demonstrate our ongoing commitment to the environment and the development of corporate responsibility across all our business activities - for our staff, customers, social stakeholders and our own environmental performance, we are presenting a Sustainability Review as a supporting document to our Annual Report. For 2011 we anticipate producing a more comprehensive Sustainability Report which will include more detailed data on the efforts of the Bank.

Garanti Bank has long been a supporter of sustainable development for our world. We have been a sponsor of World Wildlife Fund Turkey (WWF Turkey) for over 18 years and we have been actively involved in

implementing projects in conservation and protection of our national natural resources including biodiversity, marine environments (including sea turtle protection), wetlands, forestry and water management.

Raising Public awareness for sustainability issues; Garanti supported the first Turkish screening of the movie 'An Inconvenient Truth', former US Vice President Al Gore's production on global climate change.

Garanti is now preparing for its second year of participation in the Carbon Disclosure Project (CDP). As part of this effort, the Bank is developing programs to improve the performance of the branches and facilities to increase

energy efficiency and lower the carbon footprint.

This Review sets out our key programs, actions and results to date in the area as we strive to build sustainable performance throughout our business culture. In 2011 we are intending to strengthen our management and performance in sustainability with the establishment of a focused team which will have a remit to monitor and improve our practices and technology.

As Garanti, we have always taken pride in our approach to process excellence and continuous innovation. Our new Leadership in Energy and Environmental Design (LEED) gold aimed Data Centre is due to come on board in 2013 and

our leadership in Alternative Delivery Channels (ADC) for banking services in Turkey aligns effectively with our sustainable goals.

We will be extending our 'green branch' program throughout 2011 and increasing the ability of our employees to further engage with issues of environmental and sustainable responsibility for the benefit of our organization and customers. Overall we see this Review as one of our first public steps in communicating our goals in becoming a model for Turkish business society with our sustainable growth strategy.

## LETTER FROM THE CEO

**We believe that this long-term organizational strategy and all of these activities will contribute to building a more sustainable future, further establishing Garanti Bank as a leader in the financial sector.**



The concerns about the potential consequences of constituting a lacking effort for a sustainable future are increasing rapidly. At Garanti, we endeavor to lead by example and commit to addressing the challenges of climate change both in our own operations and in our larger circle of influence. Not only a handful of entities but all individuals and financial and non-financial institutions should start taking corrective actions.

Particular challenges we see ahead for Turkey and our key markets concerning sustainability include the need to reduce energy usage, minimization of waste and reduction in water consumption. Assessing the impact of both our direct and indirect activities is a key tenet of Garanti's commitment to a sustainable future.

We are continuing to be at the fore-front of providing financing for energy and resource efficiency projects across a wide array of market segments. In this context, we have been able to obtain a USD 60 Million financing facility from the European Bank for Reconstruction and Development (EBRD) and the Clean Technology Fund in 2010 to grant favored lending for energy efficiency improvements in residences, small and medium enterprises, industry /

manufacturing, commercial buildings and renewable energy projects. The take up of this program has been encouraging.

In the coming years we are expecting to see new technological developments and new regulations in parallel to growing customer and stakeholder concern. We will be committed to ensuring that any key projects that we are financing will conform to the new accepted standards in sustainability and environmental impact. To support this, we have recently formed a special committee focused on assessing and managing environmental risk and impact for projects above certain threshold.

We also intend to remain a leader in the financing of energy and efficiency projects including renewable energy projects and to date have funded more than USD 2.2 billion in this area. We have solely financed approximately half of the wind power projects installed in Turkey which significantly contribute to reducing the carbon emissions. In addition, Garanti confirmed its participation as a Signatory to Investor CDP in 2010.

Recognizing that our Indirect Impacts are of more significance than the direct, we are nevertheless committed to reducing our direct carbon footprint

by putting in place the expertise and governance needed for the long term. As we expand our geographic presence we will ensure that implementing our sustainable policies to all new branches and other properties will be a key part of our long term growth plans.

At Garanti, we pay utmost attention to making corporate social responsibility an integral part of our mission. Our human resources will be a key focus of our development in the coming year. By developing the right tools, engaging in implementing better practices and driving sustainability as an essential element of its corporate culture, Garanti reflects its employees' and customers' perception of a dynamic and responsible bank for the 21st century. Improvements in engaging our workforce and integrating sustainability in our corporate culture through educating and motivating our colleagues will be our key responsibility in the long term.

We will also maintain our commitment to supporting the communities we serve with particular environmental, educational and cultural projects and initiatives.

There is always more that can be done and we are putting plans in place to further improve our sustainability

performance. Among our priorities looking forward is: strengthening our measurement and reporting of environmental and social goals and setting out a plan to achieve long-term carbon reduction and efficiency targets.

We firmly believe that this long-term organizational strategy and all its related activities will contribute to building a more sustainable future for our customers, employees and the community, further establishing Garanti Bank as a leader in the financial sector.

Sincerely,

A handwritten signature in black ink, appearing to read 'Ergun Özen'.

**Ergun Özen**  
President and CEO



Corporate Profile & Shareholding structure  
Mission/Vision/Strategy  
Our Core Values  
Milestones in Garanti's History  
Financial Indicators  
Garanti's Competitive Advantages and Market Share  
Garanti: The Leading Bank in Turkey  
Credit Ratings

## CORPORATE PROFILE

Garanti provides a wide range of financial services to its 10 million customers through an extensive distribution network of 853 domestic branches; 6 foreign branches; 4 international representative offices; over 3,000 ATMs; an award-winning Call Center; and state-of-the-art internet and mobile banking platforms.

Garanti Bank, with an established history of 64 years, is today **Turkey's second largest private bank** having total consolidated assets reaching USD 90 billion.

Garanti provides a wide range of financial services to its 10 million customers through an extensive distribution network of 853 domestic branches; 6 foreign branches in Cyprus, Luxembourg and Malta; 4 international representative offices in Moscow, London, Düsseldorf and Shanghai; over 3,000 ATMs; an award-winning Call Center; and state-of-the-art internet and mobile banking platforms built on cutting-edge technological infrastructure. Garanti operates in every segment of the banking sector including corporate, commercial, SME, retail, private and investment banking. Along with its nine expert subsidiaries providing services in payment systems, pension,

leasing, factoring, securities, and portfolio management, Garanti is an **integrated financial services group**. Moscow-based GarantiBank Moscow (GBM), Amsterdam-based GarantiBank International (GBI), and Romania-based Garanti Bank SA with its 65 branches are also included among these subsidiaries.

Garanti commands a pioneering position in all lines of business through the **profitable and sustainable growth strategy** it has pursued since the day of its inception. Its competent and dynamic human resources capable of making a difference, unique technological infrastructure, customer-centric service approach, innovative products and services offered with strict adherence to quality carry Garanti to a leading position in the Turkish banking sector.

Following the best practices in corporate governance, Garanti is co-managed by two powerful companies, Doğu Holding and GE Capital from 2005 to March 2011, under the principle of equal partnership. Garanti stands out as a **strong and prestigious brand** with an effective management style and prudent risk management approach.

Developing new and innovative products and services, Garanti accomplished many firsts not only in Turkey, but in the global banking arena as well. With its dynamic business model and importance placed on technological innovation, Garanti continues to differentiate itself and to facilitate the lives of its customers as it unconditionally stands by them.

Its custom-tailored solutions and the wide product variety play a key role in Garanti's positioning as **the largest lender in Turkey** with its contribution to the economy of more than US\$ 57 billion cash and non-cash loans\*. The **high asset quality** attained through advanced risk management systems and established risk culture differentiates Garanti from its peers.

Refraining from limiting its contribution to the financial sector and the national economy via banking services alone, Garanti is dedicated to **creating added value for our society**. Within this context, Garanti's long-term support in the areas of culture, arts, environment, education, and sports reflects its commitment to this mission, as well as its keen sensitivity to sustainability.

### SHAREHOLDING STRUCTURE OF T. GARANTİ BANKASI A.Ş.

as of December 31, 2010

	Share (%)
DOĞUŞ HOLDİNG A.Ş.	26.7025
DOĞUŞ ARAŞTIRMA GELİŞTİRME VE MÜŞAVİRLİK HİZ. A.Ş.	3.7989
DOĞUŞ NAKLİYAT VE TİC. A.Ş.	0.0144
GE ARAŞTIRMA ve MÜŞAVİRLİK LİMİTED ŞİRKETİ	1.0000
GEEC (GE CAPITAL CORPORATION)	19.8503
OTHER SHAREHOLDERS	48.6339

## VISION/MISSION/STRATEGY

### OUR VISION

is to be the best Bank in Europe.

### OUR MISSION

is to continuously and noticeably increase the value we create for our customers, shareholders, employees, the society and the environment by utilizing our influence, agility and organizational efficiency.

### OUR STRATEGY

is to maintain long-term sustainable growth by continuously creating value.

## OUR CORE VALUES

Setting strategies to be adopted for the execution of its vision and mission, Garanti also defined binding corporate values that all employees shall abide by. These core values, indispensable for Garanti employees at all levels, have become a way of life and way of doing business for all employees of the Bank.

### “Our customers...”

...are the focus of all our operations and efforts.

- We always strive to satisfy our customers above and beyond their expectations.
- We are honest, courteous, helpful, solution-oriented and always pleasant.

### “Garanti and its employees have high moral values”

- We conscientiously obey rules and regulations without exception.
- Having a good conscience is very important for both the organization and the individuals within it.

### “The most important element for us is the human factor”

- We value individuals and invest continuously in human resources.
  - Our quality is driven and ensured by our employees.
  - Every team member is driven primarily by a quest for quality.
- We understand the importance of delegating responsibilities.
  - We encourage our employees to use initiative.
- We believe in the creative and productive powers of motivation and strive to generate such an environment.
  - We believe that each member of our team is a leader in his/her field and the best at what he/she does.

### Team work

- We believe in effective team work and open lines of communication. We do not compromise these principles.
- We are opposed to strict layers of hierarchy.
- Garanti team members from the CEO to the lowest ranking personnel and all institutions we work with as one unit to realize the vision.
- The effective team work of the Bank is strengthened by collaboration, mutual trust and respect.

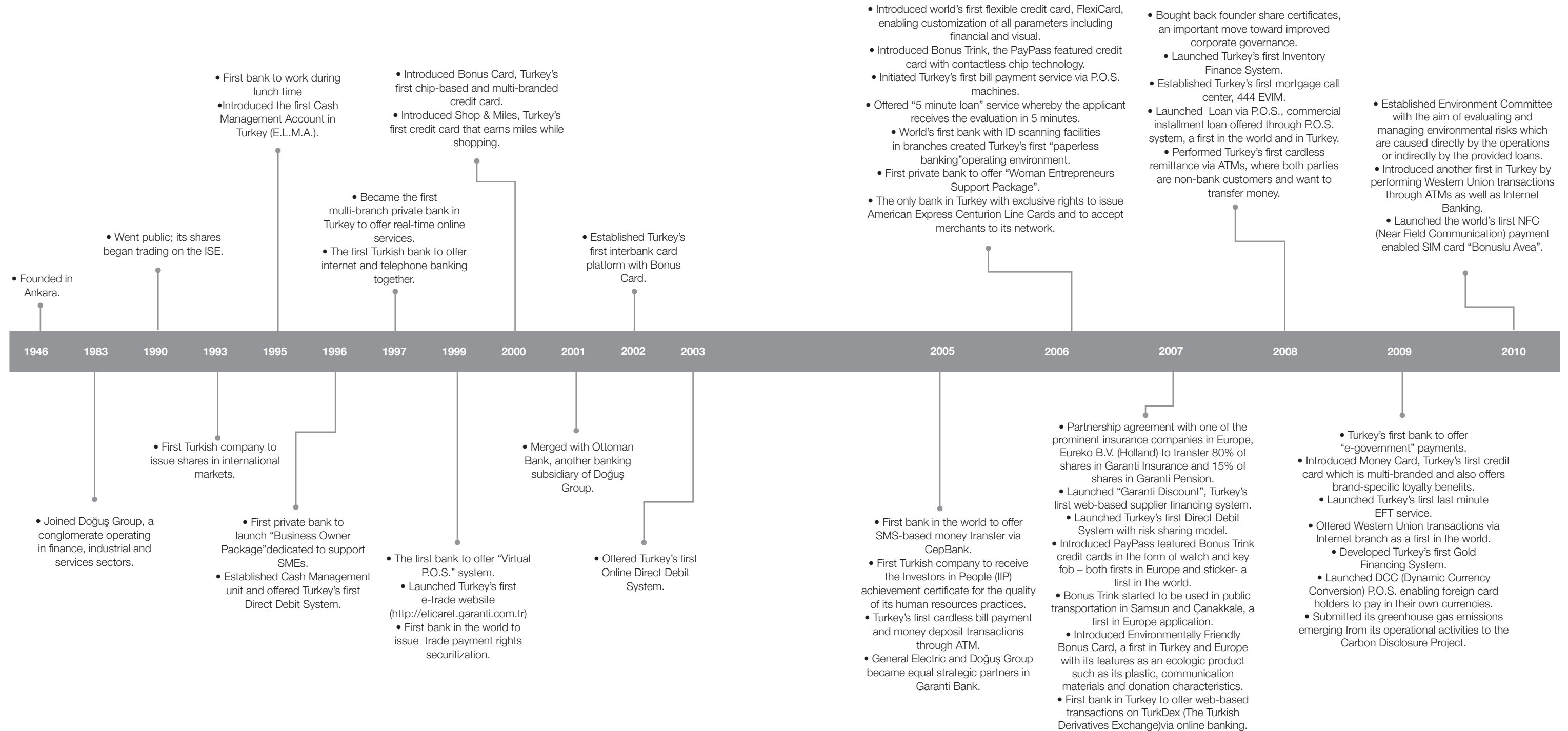
### Continuous progress

- We maintain the quality of our services by constantly improving ourselves rather than maintaining the status quo.
- Investing in our people and technology to achieve continuous progress is an inseparable element of our policy.
- Our primary duty is to sustain a high level of quality while constantly improving the quality of our products and services.
- Our approach to improving quality is proactive; we strive to identify the needs and expectations of our customers and address them even before they are voiced by the customers.

### Social responsibilities

- We exert every effort to be beneficial to society, the environment and humanity.
- We are confident that our exemplary work will promote good will within the banking sector and the entire country.

# MILESTONES IN GARANTI'S HISTORY







KEY FINANCIAL INDICATORS\*

TL **137** Billion

2009: TL 116 Billion

18% GROWTH IN ASSETS

TL **70** Billion

2009: TL 53 Billion

31% GROWTH IN LOANS

TL **41** Billion

2009: TL 38 Billion

8% GROWTH IN SECURITIES

TL **79** Billion

2009: TL 69 Billion

15% GROWTH IN DEPOSITS

TL **17** Billion

2009: TL 14 Billion

22% GROWTH IN SHAREHOLDERS' EQUITY

TL **2** Billion

2009: TL 1.8 Billion

3% GROWTH IN NET FEES AND COMMISSIONS

TL **7** Billion

2009: TL 7 Billion

STRONG ORDINARY BANKING INCOME

TL **3.4** Billion

2009: TL 3.1 Billion

10% GROWTH IN NET INCOME

KEY FINANCIAL RATIOS\*

**2.8%**

Return on Average Assets

**22%**

Return on Average Equity

**18.1%**

Capital Adequacy Ratio

**3.1%**

Non-performing Loans Ratio

\*Based on BRSB Consolidated Financials

Garanti's commitment to sustainability was demonstrated in over 20% ROAEs the Bank delivered in the last five consecutive years. Garanti further reinforced its solid stance with the remarkable performance achieved in 2010.

Garanti Bank has leading position in many of the segments it operates in. With its customer oriented approach; Garanti provides services to approximately **10 million customers** through an extensive distribution network that includes **863 branches, over 3 thousand ATMs**, Turkey's largest financial Call Center, and the state-of-the-art internet and mobile banking platforms. With its massive payment systems infrastructure consisting of more than **14 million debit and credit cards** and **over 405 thousand POS terminals**, Garanti today manages Turkey's largest merchant network via its innovative products and services.

Garanti, with its 70 branch openings in 2010 aiming to provide greater access to and convenience for its customers, continued to be the driver of the economy by its uninterrupted support. Garanti's **assets** reached **TL 136 billion 784 million 224 thousand**; while the support provided to the economy through **cash and non-cash lending** reached **TL 86 billion 622 million 946 thousand**.\*

Garanti stands out with its **well-diversified** and **solid funding structure**. In 2010, customer deposits increased by 16% as compared to 2009 and rapid expansion of the customer base continued. As a natural consequence of Garanti's successful business model, which has been solidified through the Bank's effective strategy to capture wider customer base, high demand deposit levels were maintained. In 2010, the **share of demand deposits in total deposits** has been realized as **19%**.

In 2010, Garanti further **strengthened** its **capital base** and reached a lower financial leverage in its operations. As of year-end 2010, the Bank's **consolidated capital adequacy ratio** stood at **18%**. Garanti's **free equity** grew by **25%** on an annual basis.

In a year when Garanti focused on **core banking activities**, the Bank delivered 10% increase in net income despite the narrowing margins and continued to be the most profitable private bank in Turkey with the importance it places in **operational effectiveness**.

• **Dynamic** human resources capable of **making a difference**

• **State-of-the-art technology**

• **Innovative customer-oriented** products and services

• **Best customer relationship management solutions**

• **Strong** brand and reputation

• **Exceptional** data warehousing and management reporting

• **Centralized** operations

• **Integrated** financial services

• **Extensive** branch network

• **Use of alternative delivery channels**

Turkey's 2<sup>nd</sup> Largest Private Bank

**13.3%**

TOTAL ASSETS MARKET SHARE

Turkey's Largest Lender

**13.4%**

TOTAL LOANS MARKET SHARE

Undisputable Leader

**20.4%**

FOREIGN CURRENCY LOANS MARKET SHARE

#1 with its customer-centric growth strategy

**12.8%**

CONSUMER LOANS MARKET SHARE

#2\* with its focus on Relationship Banking

**12.0%**

CUSTOMER DEPOSITS MARKET SHARE

#2\* with its solid customer base

**13.0%**

DEMAND DEPOSITS MARKET SHARE

Note: Calculations were based on unconsolidated financials for fair comparison. Sector data represent commercial banks only. Consumer loans include consumer credit cards, housing loans, general purpose loans, and other consumer loans. \*Rankings are among private banks.

## GARANTI: THE LEADING BANK IN TURKEY

### EXTENSIVE DISTRIBUTION NETWORK

- **863** branches  
Covering **96%** of Turkey
- > **3,000** ATM facilitating  
> 140 transactions
- Turkey's Largest Financial Call Center  
with > **51 million** customer contacts  
per year
- Leader in **internet** and **mobile**  
banking
- **Leader** in assets, loans and deposits  
per branch

### MASSIVE PAYMENT SYSTEMS INFRASTRUCTURE

- Leader in number of cards  
with > **14 million** debit and credit cards
- Largest merchant network  
with > **405k** POS terminals
- > **20%** market share  
in issuing and acquiring volume  
**Pioneer** in payment systems
- Leader in spending per debit card:  
**2.5 times** the sector
- **Bonus:** The largest card platform in Turkey  
with > **12 million** credit cards

### PRE-EMINENT BUSINESS MODEL WITH ITS SPECIALIZED SUBSIDIARIES

- **Leader** in bancassurance
- **#2** in equity turnover in the **ISE**
- **Leading** position with **TL 7.4 billion** assets  
under management
- **1 out of 5** entrants to the pension system  
choose Garanti
- **Leader** with **~2,000** leasing contracts

### DYNAMIC AND COMPETENT HUMAN RESOURCE

- Effective team work of **~17k** employees
- **~90%** of employees  
are university graduates
- **~9 days** training/year/employee
- **~5,000** innovative ideas  
collected from employees
- The first Turkish company  
to hold **IIP** silver certificate

## GARANTI'S CREDIT RATINGS

Ratings of Garanti Bank represent the highest ratings assessed for Turkish Banks. The Long Term TL and FC ratings assessed by Fitch Ratings, the Long Term TL Deposit rating by Moody's and The Long Term TL and FC ratings by JCR Eurasia Ratings represent investment grade.

### FITCH RATINGS

Long Term FC	<b>BBB-</b>
Long Term TL	<b>BBB-</b>
Outlook: Positive	

### MOODY'S

Long Term FC	<b>Ba3</b>
Long Term TL	<b>Baa1</b>
Outlook: Positive	

### STANDARD & POOR'S

Long Term FC Obligations	<b>BB</b>
Long Term TL Deposit	<b>BB</b>
Outlook: Positive	

### CAPITAL INTELLIGENCE

Long Term FC Obligations	<b>B</b>
Long Term TL Obligations	<b>BB</b>
Outlook: Stable	

### JCR EURASIA RATINGS

Long Term International FC	<b>BBB-</b>
Long Term International TL	<b>BBB</b>
Outlook: Stable	

You may find detailed information about Garanti's credit ratings in the Garanti 2010 Annual Report or you may follow Garanti Investor Relations website for any developments.  
<http://www.garanti.com.tr/investorrelations>



# ORGANIZING FOR SUSTAINABLE PERFORMANCE

Garanti's environmental and corporate sustainability efforts are coordinated by the Environment Committee which is chaired at the Board level and includes three senior executives of Support Services, Loans and Project and Acquisition Finance and four department heads of Commercial and Corporate Loans, Project and Acquisition Finance, Investor Relations, Financial Institutions, Internal Control and Compliance Department.

The Committee is deliberately structured in this way to integrate sustainable and environmental concerns and opportunities into all operations and products and to ensure that they are consistent with internal policies and related regulations. It also coordinates activities of building up new processes, getting new tools and developing new policies that may be needed during environmental assessments within the Bank.

The Committee oversees activities with regard to assessing and mitigating risks derived from both direct and indirect impacts of the Bank with the help of its Sustainability Team and the Environmental Impact Assessment Team. The Sustainability Team is led by the Executive Vice President of Support Services and is composed of participants from Construction, Corporate Communications and Brand Management, Purchasing, Training, Human Resources, Internal Control and Compliance, and Investor Relations departments. The Sustainability Team conducts weekly meetings to monitor performance in regards to previously determined goals and collects

inputs from all related departments of the Bank to be utilized in sustainability efforts.

The Environmental Impact Assessment (EIA) Team which is working on mitigating environmental risks occurring through financed projects and other credit granting activities. The EIA team is led by the Executive Vice President of Loans and composed of participants from Corporate and Commercial Loans, Project and Acquisition Finance, Financial Institutions, Corporate Banking Coordination, Commercial Marketing and Internal Control departments.

The Environment Committee is organized to meet minimum four times a year in order to monitor the progress on and to provide input to sustainability efforts.

The Environment Committee is responsible for ensuring that the policies and programs needed in sustainability efforts are designed, implemented and delivered across the operations of the Bank.

The Committee also advises on strategy for climate change and the regulatory environment.

The Sustainability Team is responsible for designing, developing and implementing an Environmental Management System (EMS) in 2011 and for steering this towards achieving external ISO 14001 accreditation latest by 2012. Particular attention is to be paid to arising international commitments and best practices and to advice on how the Bank can build appropriate responses and measures into its sustainability program.

The EIA Team focuses on Bank's actual lending programs and project investments. The EIA team is actively working on building a formal assessment and reporting process to evaluate environmental risks and ensure that good practice for environmental protection, risk mitigation and stakeholder concerns are an integral part of the Bank's project development process. In the current situation, many projects of the Bank already require environmental and social impact assessments to be carried out.

The Team is tasked to strengthen the Bank's approach to these issues and to ensure that they are fully internalized into the credit granting processes. The Team is also responsible for liaison with the sustainable and environmental programs of the Bank's international co-financing partners to ensure that it can deliver effective investment and development programs.

For the purpose of building new processes in which environmental protection, risk mitigation, and stakeholder concerns are taken into consideration, a separate project has already been launched in 2011. According to the work program of the project, an environmental impact assessment system is to be built and questionnaires that will be utilized in lending processes are to be prepared as well.

Launch of new environmental and social policies and procedures that will come into effect in lending processes is the expected core outcome of the project.



**M. Cüneyt Sezgin, PhD**  
Member of the Board of Directors  
*M. Cüneyt Sezgin received his undergraduate degree from Middle East Technical University Department of Business Administration, his MBA from Western Michigan University and his PhD from Istanbul University Faculty of Economics. He served in executive positions at several private banks. Sezgin is the Country Director of the Global Association of Risk Professionals. He is a Board Member at Garanti Bank SA (Romania), Garanti Pension and Life, Garanti Factoring, Garanti Leasing, Eureko Insurance, Garanti Bank Pension Fund Foundation and World Wildlife Fund-Turkey.*



**Adnan Memiş**  
Executive Vice President – Support Services  
*Adnan Memiş earned his undergraduate degree from Istanbul University Faculty of Economics and his graduate degree from the Managerial Economics Institute of the same university. He joined Garanti Audit Board as an Assistant Inspector in 1978, served as the Manager of Loans Department and then was appointed to his current position in 1991. Memiş is currently the President of the Financial Restructuring Working Group of the Banks Association of Turkey and a Board Member of Garanti Bank Pension Fund Foundation and Darüşşafaka Society. He is also the Group Leader of Starfish (Denizyıldızlar) Project.*



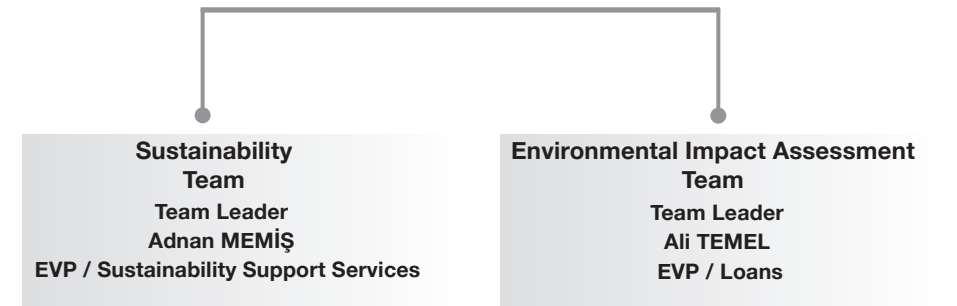
**Ali Temel**  
Executive Vice President -Loans  
*Ali Temel graduated from Boğaziçi University Department of Electrical-Electronic Engineering. He worked in various departments in Interbank between 1990 and 1997. He joined Garanti as the head of Cash Management department in 1997, after that, he worked as the department manager in Commercial Banking. He was appointed to his current position in 1999. Temel is a Board Member of Garanti Leasing and Garanti Factoring.*

# COMMITTEE STRUCTURE

## Environment Committee

**Committee Head**  
**M. Cüneyt SEZGİN, PhD**  
Member of the Board of Directors

- Ebru DİLDAR EDİN  
(EVP / Project and Acquisition Finance)
- Adnan MEMİŞ  
Sustainability Team Leader-  
(EVP / Sustainability Support Services)
- Ali TEMEL  
Environmental Impact Assessment Team  
Leader- (EVP / Loans)
- Ufuk TANDOĞAN  
(Coordinator / Com. / Corp. Loans)
- Handan SAYGIN  
(SVP / Investor Relations)
- Nihan TURGAY  
(SVP / Financial Institutions)
- Mustafa TİFTİKÇİOĞLU  
(SVP / Project and Acquisition Finance)
- Emre ÖZBEK  
(SVP / Internal Control)
- Barış GÜLCAN  
Secretary (Compliance Officer)





Carbon Emissions  
Environmental Management  
Indirect Impacts from Lending Programs

# MANAGEMENT APPROACH AND PERFORMANCE INDICATORS

## Garanti Bank intends to reduce its direct carbon emissions by focusing on energy efficient operations

We will be working to put into place an appropriate range of data collection, reporting and monitoring parameters with the eventual goal of producing reporting material which will meet the requirements of a recognized process such as GRI. This will enable stakeholders and ourselves to benchmark our actions against accepted good international practice and give us a framework for improvement.

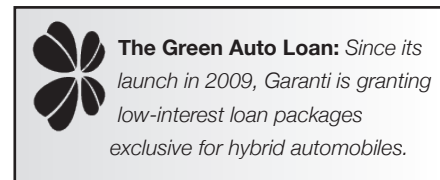
We have however, been gathering key data sets on our performance in a number of areas which set out where we are in terms of increasing our sustainability and efficiency measures as well as demonstrating how we are implementing a number of key corporate goals. In addition, we have been progressing a number of projects and initiatives which on their own merits are important milestones in our sustainable journey.

Our chief focus to date has been in the performance of our emissions such as GHG (Greenhouse Gases) management, energy usage, branch and headquarters environmental management, and ways to limit resource usage during our day-to-day transactions and customer services. Garanti provides a wide range of financial services to its 10 million customers through an extensive distribution network of 853 domestic branches; 6 foreign branches and 4 international representative offices; over 3,000 ATMs; and close to 17,000 employees and business travel is another major element in our corporate footprint and we have significantly reduced travel for training and management meetings by using webinars and web enabled training programs. Data

and communications are an essential part of our business service and another major immediate focus is in improving the efficiencies of our data infrastructure, which is a significant user of energy. Through Garanti Technology we are making significant reductions in the base energy load of our IT equipment, we are also working to minimize energy use from equipment left in 'stand-by' mode.

### CARBON EMISSIONS

The Sustainability Committee will be looking at the steps needed to progress towards a carbon balance for our emissions portfolio. As a financial services provider, our own carbon emissions are



relatively low in comparison with many other industries. With around 17,000 employees across Turkey however, the Bank's total emissions are still significant. The emissions come primarily from energy consumption in offices and data centers and transportation.

### CDP Submission

In 2010, Garanti calculated its first greenhouse gas inventory (or "carbon footprint") for 2009 and reported these emissions to the Carbon Disclosure Project (CDP). We are now in the process of calculating emissions for 2010.

Our 2009 Carbon Footprint has been calculated following the industry standard Greenhouse Gas Protocol from The World Resources Institute and the

World Business Council for Sustainable Development. For this inventory, we used the services of an independent consultant to apply a rigorous methodology for data collection and quality assurance. We recognize that consistency and data accuracy is critical for credibly reporting any progress to reduce emissions. As such we remain committed to continuously improving data collection to support our climate change management activities.

Garanti Bank intends to reduce its direct carbon emissions by focusing on energy efficient operations. We will achieve this through an optimization of energy consumption in buildings, the purchase of energy efficient IT and office equipment, and improved energy efficiency from behavioral change and a reduction in business travel.

### 2009 Emissions

Emissions have been calculated for all Garanti owned and/or operated facilities, ATM machines, vehicles and business travel. Facilities data were calculated based on activity data from the facilities where possible; estimations based on cost were used for facilities where activity was not available. Activity data were supplied in the form of monthly or annual invoices for electricity, diesel and gasoline purchases and we were able to track fuel consumption for the majority of our vehicles. Refrigerant data was estimated using the Climate Savers Screening Methodology for refrigerants and global warming potentials were used to convert N<sub>2</sub>O, CH<sub>4</sub> and HFC emissions into CO<sub>2</sub> equivalent. For 2009, emissions from on-site use of fuels (which include natural gas, diesel, fuel oil and a relatively small

amount of coal) were omitted due to challenges with data quality. We expect on-site fuel emissions would increase our total calculated inventory by roughly 10% based on observation of other financial institutions and companies with a similar geographic footprint. We will include on-site fuel emissions with our 2010 inventory to be submitted to the CDP in May 2011.

No PFCs or SF<sub>6</sub> were emitted by Garanti and therefore are not included in our analysis.

Estimation of CO<sub>2</sub> equivalents from refrigerants was limited to our corporate headquarters and data centers due to the difficulty in obtaining such data, the limited reliability of the estimation technique and the fact that these facilities have a much higher cooling need relative to other properties.

Reducing emissions is not only an environmental issue. In many cases there is also a financial benefit from reducing energy consumption, paper consumption and travel.

Total CO<sub>2</sub> emissions for 2009 (calculated as described above) were 47,781 tons (in CO<sub>2</sub>e). A breakdown of these emissions by source is shown below.

When it is cost competitive we intend to purchase electricity from renewable energy sources.

Based on the information we have collected for 2010 we expect this data to show

- A roughly 30 to 40% increase in absolute emissions due to:

# MANAGEMENT APPROACH AND PERFORMANCE INDICATORS

**For 2010, we expect a slight absolute decrease in CO<sub>2</sub> emissions.**



### Green Branch/ Office

Garanti has been very active to ensure that our branches are installing and using efficient energy management technology. We have installed low energy lighting in all our branches, all facade lighting and lighting for ATMs is controlled by light sensors. We are also investigating alternative very low energy lighting units. In our head office we have utilized motion detector sensing on our lighting in lower utilization areas.

- Inclusion of on-site fuels, which were omitted in the 2009 inventory, likely to increase the footprint by 10% or more
- Inability to find competitively priced wind energy (purchase of which allowed for a reduction of more than 20% in our 2009 inventory)
- 9% growth in total number of branches in 2010, from 792 to 863
- A slight decrease in per facility emissions due to deployment of energy-efficient technologies and behaviors

It is clear that the major contribution to our carbon footprint is from our electricity consumption, the major element of that consumption is in the cooling, lighting and IT systems in our branches.

We are also in the process of establishing our emissions responsibilities using the recognized Scopes of CO<sub>2</sub> Emissions breakdown. Scope 1 emissions comprise emissions from electricity, heat and steam generated by the organization (within

the organizational boundaries). Scope 2 emissions comprise emissions from electricity, heat or steam consumed by the organization (energy supplied from outside the organizational boundaries). Scope 3 emissions include purchased goods and services, paper and business travel by air, car and train.

Typical to emissions reporting, our scope 3 emissions have been limited to personnel air travel. We expect to collect data for additional scope 3 emissions as our program to measure and address environmental impacts develops.

As we have indicated, Garanti Bank's largest CO<sub>2</sub> emissions and direct environmental impact comes from the energy consumption of our buildings. As part of our sustainability commitment we have a maintained refurbishment program for our branches which aims at giving them a 'greener' profile: replacing air-conditioning units with systems

that are up to 40% more efficient and reducing the overall electricity consumption of a typical branch by 10%. This is a key role for our Construction Department, working closely with Garanti Technology and with our Procurement staff. The energy profile of a branch is a critical element in determining its priority for refurbishment.

Our attention to energy consumption extends to those areas where our branches are in leased buildings: we have still undertaken an assessment of our emissions and seek continual improvement in energy usage. We continue to be active in pursuing future opportunities to build LEED or similar standard buildings for all new building assets.

For 2010, we expect a slight absolute decrease in CO<sub>2</sub> emissions from air travel, even with a significant increase in international travel reflecting the increasingly global nature of our business.

This decrease comes from measures to cut domestic travel through increased use of internet-based training and teleconferencing.

### Key Projects

Over the last 2 years Garanti has significantly increased the level of training and information sharing carried out remotely using Webinars, interactive remote learning and teleconferencing. Looking at our other environmental impacts, Garanti has, wherever applicable, moved to consolidate printing operations – either at the print centre or with the use of local networked units. A new program to increase the use of double sided printing wherever this is permitted under banking regulations is currently in preparation.

Electronic waste is handled to maximize recycling opportunities. 105,000 kg of electronic waste was disposed between the years 2009 and 2010. For more



### Creating the LEED certified Data centre in Turkey

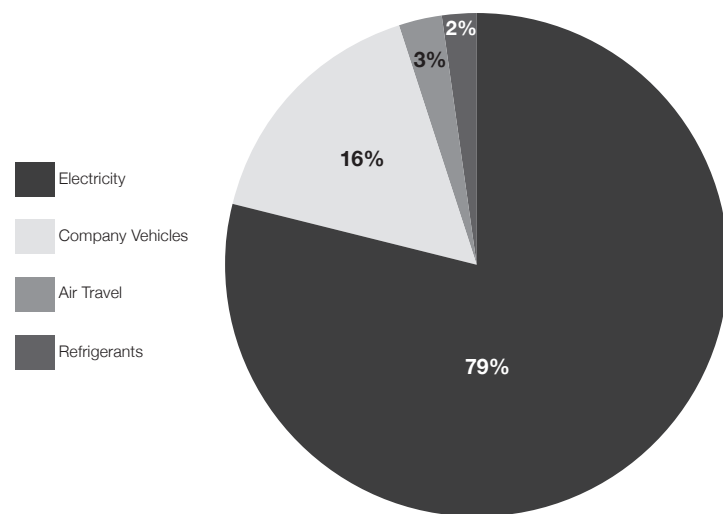
Banks have to process and store huge amounts of data and the facilities that are necessary to handle this data with the required back up, security and storage functions need large amounts of energy to provide the cooling, processors and back up needed. Resilience and mission critical issues are increasing the use of data centers for Banks.

Consequently any efficiency that can be designed into the data centers building fabric will have immediate consequences for our emissions profile. LEED is an internationally recognized certification standard that is applied to buildings and facilities that meet certain sustainable criteria.

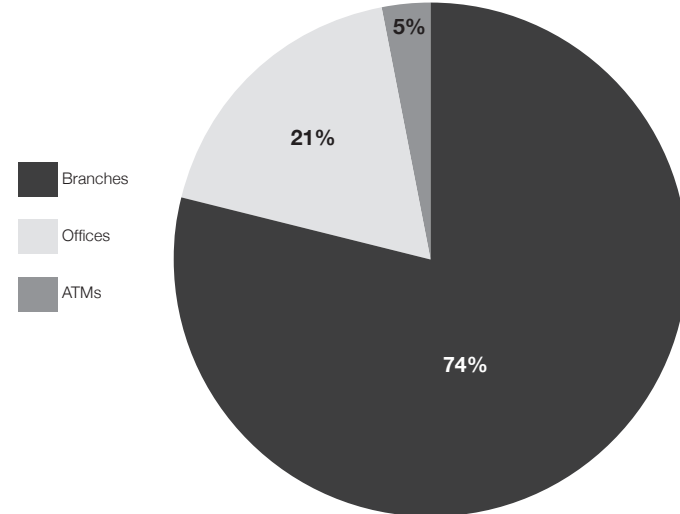
We have taken LEED GOLD standard as our goal when designing our new data center in Pendik/Istanbul which will be the most advanced and sustainable such facility in Turkey when it is opened in 2013.

The heating energy will be acquired from the sunlight; the usage of activated slab are only a few key features of the new data center in addition to the projected 16% decrease in energy usage; 10% decrease in carbon emissions. 'The facility is on schedule and will make a great contribution to our sustainability profile as well as assuring customers of more secure and efficient servicing'. Adnan Memiş, Executive Vice President - Support Services.

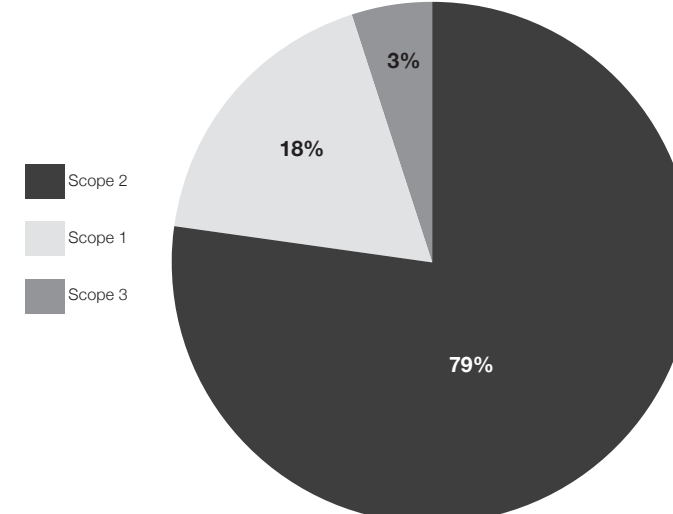
Distribution of Emission



Major Contributors of our Carbon Footprint



Scopes of CO<sub>2</sub> Emissions Breakdown






# MANAGEMENT APPROACH AND PERFORMANCE INDICATORS

**By the end of the third quarter of 2011, Garanti is aiming to revise corporate lending policies in the light of the findings of this initiative.**

general waste Garanti established a waste segregation initiative. In recent years, Garanti bank has worked to digitalize a number of processes in order to optimize customer service and minimize costs and paper consumption. For example we have worked to increase the number of customers who receive account and statements as digital documents instead of paper documents. Today, more than 60.000 daily customer request pages that previously were sent by ordinary mail are digitalized giving considerable savings and reducing transportation emissions.

In 2010, Garanti began piloting use of ATMs that allow for “real-time” cash deposits. In essence, this equips machines with the ability to “recycle” money, dramatically reducing the need to service machines. While this meaningfully enhances customer convenience, it also reduces the greenhouse gas emissions associated with service calls by allowing real-time account updating and thus allowing the reuse of money for cash withdrawals at the machine. By the end of 2011, we plan to have 308 machines in operation.

In 2007, we began to consolidate and “virtualize” servers in our data centers. This effort elevates real time computing



**Electronic Credit Card Statement**  
*The percentage of cardholders who prefer to receive their credit card statements in electronic format has reached 42%.*

power per server, reducing total server need (and associated electricity use) as well as the tremendous cooling demand that servers require. Per square meter of property, data centers emit the greatest total amount of carbon emissions across all our properties. Constituting to 71%, 559 of 756 servers are virtualized in data center.

## ENVIRONMENTAL MANAGEMENT

In order to manage Garanti Bank’s environmental impact systematically and efficiently, we have decided to implement an Environmental Management System (EMS). It is intended that the system will ensure that Garanti continually improves its environmental behavior and regularly reports on our environmental conditions internally as well as externally.

The EMS will be based on our Environmental Policy and will set forth procedures, responsibilities and controls for individual areas. The system will be reviewed on an ongoing basis by the Environment Committee and will ensure that adjustments are implemented, for example as the result of new statutory provisions. We will be designing the system in 2011 which will adhere to the requirements of ISO 14001. We are intending to achieve accreditation for all our operations as soon as possible.

We have recently begun this process and have undertaken an initial Gap analysis to drive the work program. A number of additional opportunities have been discussed and more formalized objectives and targets are currently in preparation to maximize performance

and reduce consumption and emissions. Reduction targets and objectives will mean actively implementing initiatives to introduce new behaviors and technologies. Given our growth objectives even maintaining energy consumption at a current baseline value will actually mean an overall reduction in consumption. Our efforts to reduce our energy consumption will not be confined to CO<sub>2</sub> emissions. We are looking at the issue of SO<sub>2</sub> and NOX emissions as well, which have an acidifying effect on soil and lakes amongst other things.

Following this we will be looking at supply chains and supplier behavior, and will be setting goals that all new suppliers of selected product groups must have a minimal environmental management system or a certified environmental management system.

All of these endeavors will be fully reported to our senior management as well as to our stakeholders and client groups. We intend to report on our progress and sustainability results via our website as they become available, which will allow for faster dissemination of our achievements as well as discussion of any areas where work has not proceeded as fast as we would have liked.

## INDIRECT IMPACTS FROM LENDING PROGRAMMES

Garanti aims to reduce potential environmental and social impacts that might be generated by the projects financed by Garanti in addition to its direct impacts derived from internal operations.

For this purpose, it was decided in the beginning of 2011 to establish Garanti’s own corporate policies, procedures and industry specific guidelines and a rating system in relation to the assessment of environmental and social impacts of the projects (a threshold will be introduced) to be financed. The main purpose of these studies is to be able to take certain business decisions in lending processes (to finance a project or not or to introduce certain conditions to the financing) in accordance with such policies, procedures, guidelines and rating system through a standardized, objective and scientific approach. We are confident that Garanti’s current reputation in the market will be sustained and further improved.

Hence, a project of Establishment of Policies, Procedures and Industry Specific Guidelines for Environmental and Social Project Assessment in Lending Processes has already been launched in the first period of 2011.

The Project encompasses all industry sectors and projects for which generic and industry specific evaluation criteria will be established. These criteria will be employed in the project evaluation process that will be designed for the purpose of identifying possible environmental impacts of the lending activities.

Within this process, a quantitative risk level of a subject project will be determined for “go” or “no go” decision. If “go” decision is given, depending on the rating, certain environmental actions for the financing will also be addressed if needed. The required actions might include additional investigations and studies such as site



## 101 steps

*101 steps leaflet is our own initiative created to provide employees with a list of things they could do to address climate change and environmental impact. With suggestions for all aspects of daily life that include activities and actions that every individual could apply, thus helping to raise awareness and engagement with these issues. The leaflet was distributed to all employees, branches, and to the media. It was published on the Garanti website. If and when requested by the employees, extra copies are also provided in order to be distributed to their circles of network.*

investigations, measurements, analysis and assessment, environmental and social management plans, and periodic monitoring and reporting.

By the end of 2011, Garanti is aiming to revise corporate environmental lending policies in the light of the findings of this initiative. Sector-based standards will be identified and projects that do not meet these standards will be excluded from financing.



# GARANTI BANK AND THE COMMUNITY

**Garanti has an active and extensive Corporate Social Responsibility program which we use to interact with our wider community and improve our society's well-being.**

 **Environmentalist SME Support Package**  
 In 2009, Garanti launched "Environmentalist SME Support Package". Typical investments under this package include insulation, rehabilitation of heating/power systems, and use of efficient materials. [www.cevrecikobi.com](http://www.cevrecikobi.com)

 **Supporting Women Entrepreneurs**  
 Garanti encourages entrepreneurial women by providing them with training and funds. To this end, the Bank organized the 4th "Turkey's Women Entrepreneur Competition" in cooperation with the Economist magazine in 2010. Garanti has become the main sponsor for the second time of the International Women Entrepreneurship & Leadership Summit organized by the Women Entrepreneurs Association of Turkey (KAGIDER) in 2010. In addition, Garanti has continued to organize "Women Entrepreneurs Gatherings" in 9 cities in cooperation with KAGIDER and has reached more than 2,000 women.

Developing banking services that contribute added value to the economy and the society on the back of a productive, profitable and sustainable growth strategy, Garanti reflects the same approach in the corporate social responsibility projects it supports.

Not restricting its mission to banking services only, Garanti remains strictly committed to its objective of constantly building on the values it creates for the society in its activities. To enhance and sustain the society's quality of life along these lines, the Bank extends long-lived support to projects in education, culture, arts, sports and environment that represent the corporate culture and broaden the vision of individuals and the community.

We value our communities and our environment. Our programs and support in this area are designed to encourage development of skills, education, development and quality of life.

Garanti has an active and extensive Corporate Social Responsibility program which we use to interact with our wider community and improve our society's wellbeing. We commit to continuously and significantly increase the value we add to society and our environment through this program. We invest up to 15% of the corporate communications budget annually in these programs with the intention of sponsoring sustainable projects that represent the corporate culture and broaden the vision of individuals and society focusing on the fields of education, culture, arts, environment and sports. Further details of our activities in these areas can be found in our report in the appendix section which is also available on

the web and details many of our outreach and development initiatives.

Through our Corporate Social Responsibility Projects, we commit to continuously and significantly increasing the value we add to society and our environment. Garanti creates and sponsors long-term sustainable projects that represent our corporate culture to broaden the vision of individuals and society.

Education is one of our key areas of focus. We believe education is a cornerstone for ensuring that a society can develop sustainably and we have set up programs for a range of ages and groups which we hope will benefit the communities involved and to improve their opportunities in life. The Teachers Academy Foundation, founded by Garanti is charged with the aim of eventually supporting 100,000 teachers and officials in primary education across Turkey within the first five years of its establishment. We believe this will provide a significant boost in the quality of education and are working with the education authorities to improve standards and capabilities.

We have an Educational Scholarship program for female students "Baba Beni Okula Gönder" (Dad, Send Me to School) Project which educates up to 100 female students each year who otherwise would have had limited access to continue their education. Improving access for female education has been recognized as a foundation of sustainable development in many societies and we are proud to play our part in driving progress in this area.



 **International WWF Awards**  
 For its long-term support of WWF Turkey's nature-conservation projects Garanti Bank was honored with the Gold Panda Award for the second time by WWF. The award is presented to the institutions that contribute in the protection of nature. Garanti is the first and the only Turkish company to receive this award.



 **Our Footprints in Nature**  
 With Garanti's support, WWF published the book entitled "Our Footprints in Nature" which argues that all segments of society play a role in the pollution and destruction of nature. It reminds readers that the protection of nature in order to achieve a better world is a joint responsibility and was published as a lifestyle guide aiming to encourage correct consumption habits and add value to society.

**Awards**  
 We received the first prize in the "Corporate Social Responsibility Program" category at the European Excellence Awards 2010 for our activities directed towards women entrepreneurs. We have been honored with the first prize in the "Corporate Social Responsibility" category for our programs aimed at women entrepreneurs, and we took the second spot in the "Corporate Social Responsibility Program of the Year in Europe" category for the Teachers Academy Foundation's "Öğretmenin Sınırı Yok" (No Limits in Teaching) Project at The Stevies International Business Awards. For students who wish to increase their chances to study we have set up the Garanti Bank Bonus Academy which

provides access to studies in areas with limited facilities using web and webinar studying and culminates in offering the best student with a three month scholarship at Bahçeşehir University.

Garanti Bank supports community development beyond formal education however. We have extensive programs for the Arts and Sports focusing on events that bring communities of all ages together. We provide national sponsorship and development for basketball, equestrianism, football, sailing and winter sports and are a long term principal supported of performance events such as the Garanti Jazz Festival which has become a renowned event in the Turkish arts calendar.

It is important to acknowledge that Garanti's commitment is recognized by external agencies and has, for the second time, resulted in an award from WWF. We are concerned that development is not just confined to the key cities and economic zones of our country as we believe that sustainable development means balanced development for all communities and to have healthy economic development in rural as well as urban areas.

To this end we have instituted our 'Anatolian SME' program which brings together SME's with local governments to generate regional and local solutions to remove barriers to economic development. We have focused on the Anatolian region particularly because outside the chief city it is one of the lesser developed areas of Turkey and programs to improve local business and skills are sorely needed. A major part of our CSR programs can be summed up by the philosophy of community development and we provide

seed programs and funding with the aim of helping communities to sustainably help them. Since 2003, among all the parties we have sponsored, we are focused on increasing the vibrancy and skills needed to support our society to become a regional leader and example in instituting a sustainable economy. For instance, the parties may vary from our Volunteer Clovers to cross-generationally-structured Community Volunteers Foundation for

 **Garanti Anatolian Meetings**  
 Garanti launched a series of conferences known as Garanti Anatolian Meetings with the aim of bringing together representatives from SMEs and local governments from all around Turkey in 2002. Paving the way for professionals and experts to discuss changing economic and market conditions, assess regional and international opportunities, explore potential areas of business and find regional solutions in cooperation with local businesses and officials, these meetings have brought together more than 23,000 SMEs in 62 provinces to date.

 **Recycling Campaign**  
 "To support the campaign initiated for disabled people, we have gathered plastic caps of 67 kg in the last quarter of 2010, and delivered them to Environment Protection Department of Municipality of Ataşehir. The outcomes are; 85 tons of plastic caps were gathered, 300 wheelchairs were purchased for disabled people, and 85 tons of plastic caps were recycled. Today, Ege University still carries on the campaign."

# GARANTI BANK AND THE COMMUNITY



## Environmentally Friendly Bonus

The green credit card of Garanti for those who care about their planet. The number of cards as of 2010 yearend reached 37,902. Selected features and benefits:

- The Environmentally Friendly Bonus enables its user to donate a portion of his bonus earned to WWF Turkey to be utilized in their nature conservation projects.
- The card delivery letters, envelopes and all printed communication materials are printed using recycled paper.
- A minimum amount of PVC, which is relatively more resistant to environmental conditions compared to other types of plastic, is used in the making of the card. Therefore it dissolves in nature more quickly than other plastic cards.
- The monthly invoice statements are delivered via e-mail in order to save paper and thus make additional donations to WWF Turkey.

whom we provide Leadership and Guidance programs for key community figures.

"Elim Sende" corporate social responsibility project's objective is to support preschool education and to provide proper physical environment and ideal kindergarten conditions for children who attend kindergarten classes at elementary schools.

With "Elim Sende", it is planned to renovate 30 kindergarten between the years 2010 - 2012 with the cooperation of Garanti Bank HR Internal Communications unit, "Gönüllü Yoncalar" (Volunteer Clovers Corporate Social Responsibility Club) and the Ministry of National Education; and with the scientific support of Boğaziçi University.

In the first phase of the project, 11 kindergartens in İstanbul, Bursa, Konya, Mersin, Adana, Hatay and Antalya got renovated by 200 Garanti Bank employees. In 2011, 10 more kindergartens in İstanbul, Ankara, İzmir, Trabzon, Sivas, Kocaeli, Muğla and Eskişehir will be renovated.



Employees at Garanti Bank can volunteer for the "Elim Sende" in various ways. They can assist in renovating the classrooms in the selected kindergartens and/or donate toys, games and educational tools which are in good condition. "Elim Sende" project which aims to support children's physical and psychological development, is the very first large-scale corporate social responsibility project that is run for the employees.



## "Gönüllü Yoncalar"

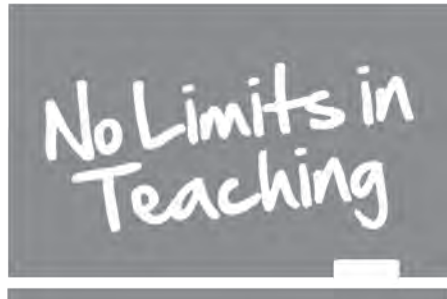
Established under Garanti with a mere 70 members in August 2008 on the basis of employee volunteerism, "Gönüllü Yoncalar"

(Volunteer Clovers) is a social responsibility club that has reached more than 900 members in of the end of 2010, receiving outstanding interest and support from the Bank employees. In the meantime, the Club has successfully carried out numerous projects with the support of the entire Garanti family. The first project undertaken by the club, known as the "One Book from Each Clover to Shed Light on Darkness" campaign, was supported by all Garanti employees. In this project 35,000 books were delivered to designated schools and provincial public libraries in 16 cities. Nearly 1,000 executives of Garanti Bank, including the President, Executive Vice Presidents, and Unit, Region and Branch Managers got involved on a personal level in the renovation work of the Aşağı Kocayatak, Burmahancı, Eskiörük, Kozacı and Kuşlar primary schools in Antalya. This effort was organized under the joint coordination of GEA - Mother Earth (an NGO active in search and rescue, ecology and relief campaigns) and Volunteer Clovers. Volunteer Clovers supports the "Elim Sende" (My Hand on Yours) Project undertaken by Garanti. The Club participates actively in the scholarship project carried out by the TOG by designating students eligible for scholarships and conducting interviews with them. Furthermore, Volunteer Clovers supports the Audiobook Reading for the Blind Project, which is carried out under the leadership of the Boğaziçi University Technology Center for the Blind. It does this by helping in the creation of audio books.



## APPENDIX

### CSR Projects



## CSR Projects

Garanti Bank has a large number of CSR programs and we have selected only a few key flagship ones for our Sustainability Review which are focused on some key indicators of social progress for sustainability reporting. Our activities are wide ranging however and in this Appendix we highlight some other areas where Garanti is contributing to our Society in the form of support for the Arts, Sports and Recreation activities.

## Supporting Education

### “Öğretmen Akademisi Vakfı” (Teachers Academy Foundation)

Garanti, recognizing the role education plays in upgrading the overall well-being of the society, set up a foundation in 2008, an initiative exhibiting its sensitivity in this aspect and its long-term commitment. The objectives of the Teachers Academy Foundation include, among others, supporting the personal and professional development of teachers who educate the future generations. In this frame, a five-year protocol has been signed with the Ministry of National Education in relation to the Foundation's first project, “Öğretmenin Sınırı Yok” (No Limits in Teaching) which seeks to contribute to the current education model, supporting analytical thinking and research. Within the scope of the project formulated to provide teachers with training activities on personal and professional development, 100,000 elementary school teachers, directors and inspectors will receive face-to-face training. The project started in April 2009 with pilot runs in five cities, and reached

more than 20.483 teachers in 58 cities by the end of 2010. The aim is to spread the project across the country.

### “Toplum Gönüllüleri Vakfı” - TOG (Community Volunteers Foundation)

Since 2003, Garanti has been the main corporate sponsor of TOG, a foundation that acts on the vision of achieving social peace, solidarity and change through the involvement and leadership of the youth.

### “Denizyıldızları” (Starfish) Project

The Denizyıldızları (Starfish) Project has been supported by the donations of Garanti employees, customers, and friends since 1998. Within the frame of the project, every year, 2,500 students receive education on the campus, comprising one primary school and four vocational and technical high schools. With their construction completed in 2010, the theater and conference hall seating 320, the semi-Olympic size indoor swimming pool, and the indoor sports facility with a spectator capacity for 600 opened their doors for the students.

### “Baba Beni Okula Gönder” (Dad, Send Me to School) Project

Since 2006, Garanti has annually been providing scholarships for the education of 100 female students through its support to the Dad, Send Me to School project, a joint effort of Milliyet newspaper and the Association in Support of Contemporary Life.



## Supporting Art & Culture

### Garanti Kültür A.Ş.

Garanti, via its own cultural and artistic institutions, provides solid support to culture and the arts in Turkey, and takes on “sustainable” initiatives in these areas. Platform Garanti Contemporary Art Center signifies the first example of these initiatives, which was decided to continue with its activities after it has been taken over from the Ottoman Bank in 2001. Platform had been regarded as one of the world's top few institutions in contemporary arts, its main focus, from 2001 until 2010 during which time it was active. On another wing, the Ottoman Bank Museum and the Ottoman Bank Archives and Research Center established in 2002 to perpetuate the invaluable legacy of the Ottoman Bank not only narrated the story of an establishment and of a period, but also contributed to collective memory with endeavors in social and economic areas, as well as a comprehensive activity program. Transformed from Garanti Art Gallery, Garanti Gallery was established in 2003 and hosted projects that combined all disciplines concerned with architecture and design.

Each one producing major projects in its own field, these three entities were brought together under Garanti Kültür A.Ş. in 2009, and the new structure will actively commence operations in 2011 with exhibition, research, archive and education functions, and will be engaged in activities in the national and international arena. İstanbul will be presented with a new epicenter of culture and the arts covering an area of 15,000 m2 when the

historical buildings in Galata (former OBM building) and Beyoğlu (former Platform Garanti building) reopen their doors upon completion of the renovation that will vest them in a contemporary setting.

### Garanti Jazz Green

Garanti, aiming to broaden and spice up music lovers' horizons in the genre of jazz, is among the leading sponsors of jazz music in Turkey, extending long-term support with the slogan “Garanti Jazz Green”. Garanti has, for the past 13 years, been undertaking the main sponsorship of the International İstanbul Jazz Festival, organized by the İstanbul Foundation for Culture and Arts (İKSV). Supporting İstanbul Jazz Center, Tamirane and Salon İKSV concerts and sponsoring one of the top music venues in İstanbul, Babylon, for ten years, Garanti has been creating opportunity to listen to worldwide famous jazz artists, engaged predominantly in jazz.

### Istanbul Museum of Modern Art

Garanti Bank sponsors the education program of İstanbul Modern, Turkey's first and only modern and contemporary art museum. The program aims to play a central role in raising creative and inquisitive individuals who are literate, and also actively involved, in the arts, while supplementing classroom education. Through the ongoing Garanti-sponsored İstanbul Modern training programs, over 300,000 children and teenagers received training to date. In 2010, Garanti also sponsored “The Enemy Inside Me”, the first ever retrospective exhibition in Turkey of the internationally acclaimed artist Kutluğ Ataman.





### Mini Bank International Children's Film Festival

Since 2004, Garanti has been co-organizing the first children's film festival in Turkey, "Mini Bank International Children's Film Festival", with TURSAK (Turkish Foundation of Cinema and Audio-Visual Culture). The Festival brought some of the world's select children films to almost 52,000 children so far. Having expanded its reach beyond İstanbul, Ankara and İzmir in 2009, the festival reached children in Urfa and Mardin in 2009 and in Diyarbakır and Adıyaman in 2010.

### The Lycian Way

Garanti sponsored putting in place a way-marking system at international standards along the Lycian Way, a 500 km long-distance trail stretching from Fethiye to Antalya, and further contributed to tourism in the region by publishing a guidebook for the Lycian Way in 2006.

### Supporting Sports

#### Basketball

A long-time supporter of basketball that reflects Garanti's values of teamwork, dedication, confidence and discipline, the Bank has been the main sponsor of the 12 Giant Men (Turkish National Men's Basketball Team) since 2001 and of the Turkish National Women's Basketball Team since 2005. Garanti was also a main sponsor of 2010 FIBA World Championship that took place Turkey.

#### 12 Giant Men Basketball Schools Project

Since 2002, Garanti has been supporting the 12 Giant Men Basketball Schools (12

DABO) which were initiated in cooperation with the Turkish Basketball Federation in an effort to inculcate basketball culture in young children, and help basketball become a commonly played game and reach a broad base in Anatolia. At 12 DABO schools, 33,000 youngsters received basketball training in 55 centers to date.

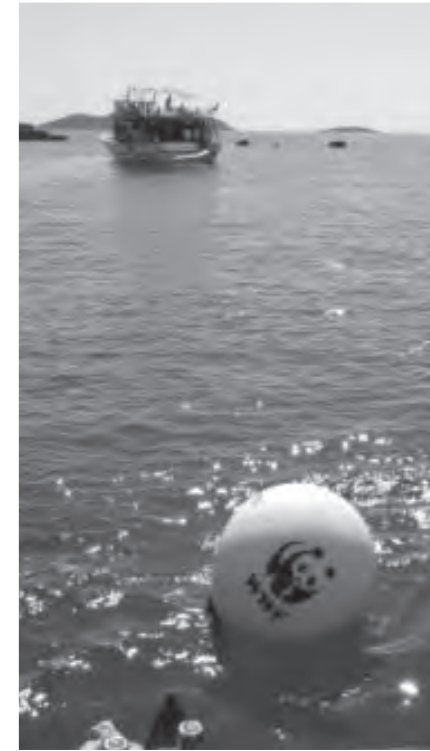
#### NBA Skills Challenge

To bring the American National Basketball Association (NBA) closer to Turkish basketball fans, Garanti has been the main sponsor of the events held by NBA in Turkey in 2008, 2009 and 2010. Young players aged 13-18 uploaded short videos displaying their basketball skills on www.nba-garanti.com, for a chance to attend the NBA camp in the USA. Winners of the contest were sent to the 5-day instructional camp in Orlando as a prize.



#### Equestrian Sports

With the belief that the discipline and aesthetics inherent in equestrian sports coincide perfectly with its service notion, Garanti Masters Private Banking has been undertaking sponsorships of various equestrian competitions and events since 2005. Additionally, the business line is the official sponsor of the Turkish Equestrian Federation since 2008.



#### Football

With the objective of contributing to improvement of football and broadening the scope of its commitment to support sports, Garanti has become one of the main sponsors of the Turkish National Men's Football Team in 2008. Garanti extended the range of its support to football and became a prime sponsor of the Garanti Beach Football League that has been organized by the Turkish Football Federation (TFF) since 2006.

### Supporting Environment

#### World Wildlife Fund Turkey (WWF Turkey)

Garanti Bank has been the main sponsor of the Foundation for Protecting Wildlife (WWF- Turkey) since 1992, thereby helping the conservation of natural resources and creating enhanced awareness of environmental issues among the public.

One of the many projects jointly conducted by Garanti and WWF-Turkey and introduced in 2007, the Environmentally Friendly Bonus Card enables its users to donate a portion of their bonus points earned to WWF-Turkey (World Wildlife Fund) to be utilized in the nature conservation projects. Another one is the "Environmentalist SME" package devised in 2009, the Bank supports businesses to operate in a rich environment with sustainable resources.





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