

RESPONSIBLE AND SUSTAINABLE DEVELOPMENT

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The world is undergoing a signification social, environmental and economic transformation. Many practices that we know and are familiar with are no longer applicable and capable of fulfilling our needs under the current conditions. In the past decade, we have witnessed a radical change in the expectations of communities from businesses. In the next decade, we will be seeing much more demanding societies that are more aware of their power given these revamped expectations. In the light of these, Garanti BBVA puts responsible and sustainable development in its focus and develops innovative practices to respond to its stakeholders' expectations.

In a bid to support responsible and sustainable development, one of its strategic goals, the Bank mobilizes its human and intellectual capitals along with financial capital. The Bank understands the conditions surrounding its customers and other stakeholders, and develops solutions that cater to their needs. Taking into consideration the 2030 Agenda¹ that ranks high among material issues, the Bank develops innovative financial instruments and solutions such as the green loan and gender loan, and promotes them in the sector through cooperation platforms.

The Bank collaborates with its peers and the business world at a global level to identify new opportunities, to determine

emerging best practices and products, and to remain a leader in sustainable finance and development in Turkey. To this end, Garanti BBVA actively supports or chairs 27 initiatives in total including a number of intermediary platforms including the United Nations Environment Program Finance Initiative (UNEP FI), Principles for Responsible Banking, Global Compact Turkey, and the Turkish Business Council for Sustainable Development (BCSD Turkey).

In 2019, Garanti BBVA, along with 6 other banks from Turkey, committed to adhere to the Principles for Responsible Banking as a global guide in projects they finance. The Bank will be evaluating the products in its loan book against non-financial criteria that make an environmental and social risk or impact, as well as financial parameters in the light of these Principles. Guided by the Principles, the Bank will target to set new targets and further improve its performance every time, rather than keeping the decisions fixed.

As a constituent of 9 sustainability indices in total including the Dow Jones Sustainability Emerging Markets Index, Garanti BBVA analyzes the sector's leading practices in environmental and social areas and originates new areas for continuous improvement. Garanti shows the way for sustainable pathways through being involved in the development of collective

policies and position papers of the private sector, which numbered 13 in 2019.

Garanti BBVA diversifies financial instruments provided for low-carbon and inclusive growth, and cooperates with international financial institutions for low-cost funding. Drawing on its intellectual capital, the Bank introduces innovative financial resources that incorporate sustainability criteria, as exemplified in the first social bond issue ever carried out by a private bank in an emerging country, and the gender loan, which is a loan structure implemented for the first time in Turkey and in the world.

The green project finance loan and the green corporate loan Garanti BBVA launched in 2018 drive borrowers to improve their sustainability performances throughout the term of the loan. Both representing the first examples of their kind in Turkey, green loan agreements harbor advantages in terms of loan interest or commission rates for borrowers, which are made available depending on the achievement of improved performance in environmental, social and corporate governance areas that satisfy the predefined criteria during the term of the loan.

The Gender Loan, which made its debut in Turkey and in the world, was introduced in 2019 under an agreement signed with Polat

Energy. Under the Gender Loan, Garanti BBVA will grant discount both on cash loan interest and non-cash loan commission for improvements Polat Energy will secure in gender equality.

As climate change continues to be one of the most significant global crises in the 21st century, responsible finance approach is molded to address climate change issues in addition to societal challenges such as fostering employment through supporting SMEs in growing their business. Having allocated 100% of its project finance support for greenfield energy investments to renewables in recent years, thus increasing the total lending to this area to date to USD 5.2 billion, Garanti BBVA's support to green and environmentally-sensitive energy continues with the use of 100% renewable energy for electricity in all of its locations.

Garanti BBVA believes that a strong economy and business model are attainable only through strong communities, a sustainable environment and empowered individuals. To this end, the Bank creates shared value through its strategic community investment programs focusing on material issues such as quality education, culture and arts, entrepreneurship, and environment.

Launched in 2017 with the collaboration of the Teachers Academy Foundation (ÖRAV), the 5 Pebbles: Social and Financial Leadership Program aims to instill an awareness of financial literacy in future generations. In addition, Code the Future Project was launched in 2016 by Garanti BBVA and Bahçeşehir University. It intends to improve 8-10 aged children's skills, and competencies in problem solving, analytical thinking and teamwork through entertaining content including coding and robotics workshops so that they get

better equipped for the requirements of the digital age. The project's scope expanded in 2018, with the inclusion of school teachers. With the aim of adding to society's active participation in culture and arts, SALT continues to operate as a not-for-profit autonomous institution out of three locations, namely SALT Beyoğlu, SALT Galata and SALT Ankara.

By focusing on responsible and sustainable development, the Bank actively contributes to Sustainable Development Goal 4: Quality Education, Goal 5: Gender Equality, Goal 6: Clean Water and Sanitation, Goal 7: Affordable and Clean Energy, Goal 8: Decent Work and Economic Growth, Goal 11: Sustainable Cities and Communities, Goal 12: Responsible Consumption and Production, Goal 13: Climate Action, Goal 14: Life Below Water, Goal 15: Life on Land, Goal 17: Partnerships to Achieve the Goal.

VALUE DRIVER	INDICATOR	PERFORMANCE	
		2018	2019
DRIVE POSITIVE CHANGE THROUGH STRATEGIC PARTNERSHIPS	Participation in sustainability related initiatives and memberships	24	27
	Engagement Platforms	44	44
	Sustainability indices in which Garanti BBVA is included	7	9
	Policies/position papers Garanti BBVA contributed	14	13
CREATE SHARED VALUE THROUGH LENDING BASED ON IMPACT INVESTMENT PRINCIPLES	Total Sustainability Funds utilized from IFIs (TL million)	396	1,087
	Sustainable products/credit lines	34	42
	Amount of Impact Investment (TL billion)	35.2	38.4
	Market share in WPPs	28%	27.5%
	SDGs contributed via E&S risk management of loans	10	11
	Avoided GHGs through renewable portfolio* (million tons of CO ₂ e)	5,4	5,9
FOCUS ON COMMUNITY INVESTMENT PROGRAMS WHICH DELIVER IMPACTFUL OUTCOMES ON MATERIAL ISSUES	Scope 3 footprint of greenfield energy production portfolio) (in new PF commitments)	0	0
	Issues addressed by community programs	3	3
	Amount of investment in community investment programs (TL million)	20.2	22.3
SROI (SOCIAL RETURN ON INVESTMENT) OF COMMUNITY INVESTMENT PROGRAMS	% of renewables in greenfield energy production portfolio (in new PF commitments)	100%	100%
	Community Investment Programs (SROI Value)	Quality Education Projects: 3.63 Entrepreneurship Projects: 2.27 Culture and Arts Projects: 1.45	-** - -

* Based on the total operational installed capacities of HEPP, SPP and WPP projects in the financing of which Garanti has participated.

** Not calculated for 2019.

INTRODUCE NEW SUSTAINABLE PRACTICES THROUGH PARTNERSHIPS

The Sustainable Development Goals emphasize the importance of cooperation among all stakeholders from governments to individuals in reaching the 2030 targets. Garanti BBVA combines its understanding of leadership with empathy skills, and is transforming the sector through engaging and building partnerships with key stakeholders to implement sustainable finance and development initiatives.

For many years, Garanti BBVA has been participating in local and international organizations, which allowed for widespread, high-leverage engagement of the business community, governments and policymakers with numerous national and international organizations.

Garanti BBVA chairs, or participates in, the working group meetings of the UNEP FI Principles for Responsible Banking, and the working group meetings of the Global Compact Turkey, the Turkish Business Council for Sustainable Development (BCSD Turkey), the Banks Association of Turkey Role of the Financial Sector in Sustainable Growth Workgroup and the Turkish Industry and Business Association (TUSIAD) Environment and Climate Change Working Group meetings.

WHAT WE DID IN 2019

In 2018, Ebru Dildar Edin, Garanti BBVA Executive Vice President responsible for Corporate and Investment Banking became the Chair of the Turkish Business Council for Sustainable Development (BCSD Turkey). With a total of 63 members from 18 sectors representing 15% of Turkey's gross

domestic product, BCSD Turkey has been working for 16 years to make sustainability one of the key strategies of the business community.

Garanti BBVA has been the only bank from Turkey among the 30 founding members of the UNEP FI Principles for Responsible Banking launched in Paris in September 2019 with total assets representing more than USD 18 trillion. The Principles, which are expected to significantly contribute to UN Sustainable Development Goals and Paris Climate Agreement objectives, focus on six main pillars: Alignment, Impact, Clients and Customers, Stakeholders, Governance and Target Setting, Transparency and Accountability.

With the innovative steps it has taken to drive the private sector to integrate the 2030 Agenda into their business models, Garanti BBVA was granted the Energy Efficiency award within the scope of TuREEFF², with its Green Mortgage product for its contribution to energy-efficient housing sector and sustainable development in 2019. The same year, the Bank was the recipient of the Best Syndicated Loan House and Best Social Bond awards in CEE at the EMEA Finance Awards 2019.

Garanti BBVA is the only company operating in Turkey to have qualified for the fifth consecutive time in the Dow Jones Sustainability Emerging Markets Index, one of the leading sustainability indices in the world, and also remained as a constituent of BIST Sustainability and Corporate Governance Indices. The only company to be included in Bloomberg Gender-Equality Index for the fourth consecutive year since 2017, Garanti BBVA also continues to take place in the FTSE4Good Emerging Markets Index.

OUTLOOK

Garanti BBVA is aware of the need to collaborate and engage with its peers and suppliers on a global level to identify new opportunities, capture emerging best practices and products, and remain as a leader in sustainable finance and development in Turkey. To this end, the Bank will continue to engage with different stakeholders at the national and international levels to follow the latest developments and include their views in decision-making processes. The Bank will mainly focus on enhancing non-financial risk management approaches within the Turkish banking sector. Additionally, it will support activities to boost public-private sector partnerships. As part of the BBVA Group, the Bank will continue to contribute to BBVA Group's Sustainable Finance Pledge released in 2018 with the aim of supporting the fight against climate change and financing sustainable development.

CREATING SHARED VALUE FOR ALL THROUGH IMPACT INVESTMENT

Garanti BBVA diversifies financial instruments it offers for low-carbon and inclusive growth, and establishes cooperation with international finance institutions focusing on sustainable development. By developing products and services for diverse needs, the Bank pays attention to providing financial solutions facilitating transition to a sustainable economy. Total investments based on impact investment concept amounted to TL 38.4 billion in 2019.

BORROWINGS AND SECURITY PRODUCTS ENTAILING ESG CRITERIA

BOND ISSUANCE

During 2019, Garanti BBVA secured funds worth USD 182,75 million in this scope from international finance institutions. This amount accounts for **8.3%** of the total financing the Bank secured in 2019.

SECURITY PRODUCTS

Garanti BBVA Pension's sustainability stock pension investment fund was worth TL 94.5 million as at end-2019 and makes up **16.1%** of Garanti BBVA Pension Investment Funds.

WHAT WE DID IN 2019

FINANCING THE TRANSITION TO A LOW-CARBON ECONOMY

It is a primary objective for Garanti BBVA to provide the necessary financing for renewable energy, which is making exponential progress through global technological developments, and to contribute to utilization of renewable energy potential of our country.

Garanti BBVA published its Climate Change Action Plan in October 2015, which focuses on carbon pricing, reducing deforestation, managing climate-related water risks and implementing green office standards. Garanti BBVA has been the first bank in Turkey to commit to UN Global Compact's Business Leadership Criteria on Carbon Pricing. The Emissions Trading System is still not being actively used in our country. In order to reflect global developments in this respect in its business model, the Bank keeps applying shadow carbon pricing to 100% of greenfield electricity generation projects in its project finance deals.

As of 31 December 2019, Garanti BBVA has allocated:

USD 2.53 billion to Wind Power Projects (WPP), for 2,421 MW current installed capacity, which will reach a total installed capacity of 2,469 MW once fully operational,

USD 2.42 billion to Hydropower Projects (HEPP), for 1,819 MW current installed capacity, which will reach a total installed capacity of 3,615 MW once fully operational,

USD 263 million to Geothermal Power Plant Projects (GTPP), which will have a total installed capacity of 337 MW once fully operational,

USD 237 million to Solar Energy Projects (SPP), which will have a total installed capacity of 309 MW once fully operational,

USD 22 million to Biomass to Energy Projects, which will have a total installed capacity of 34 MW once fully operational.

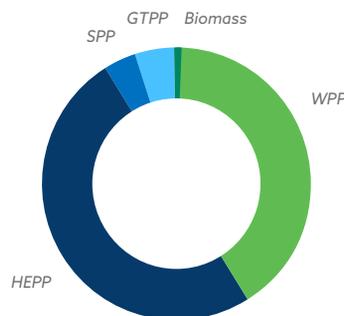
In 2019, all of the project finance loans Garanti BBVA provided for greenfield power plants have been allocated to renewable energy projects. The Bank consolidated its support to renewable energy with solar energy investments launched at three different service locations to supply its own electricity need.

With this Action Plan, Garanti BBVA also pledged that a minimum of 60% of the total funds allocated to greenfield energy production facilities will be allocated to renewable investments. In 2016, Garanti BBVA took its pledge one step further and committed to a renewable energy share at a minimum of 70% of the greenfield power sector financing to be provided by 2020 in new project finance transactions. In 2019, this ratio was far exceeded as it reached 100% similarly to previous years.

To date, Garanti BBVA maintained a 27.5% share in Turkey's operating installed wind power capacity. The amount of cumulative financing provided to renewable energy investments exceeded USD 5.2 billion.

Also, in 2019, the total avoided emissions of operational solar power plant, wind power plant and hydro power plant projects, in the financing of which Garanti BBVA was involved, was 5.9 million tCO₂e based on the current average grid emission factor for Turkey.

Garanti BBVA also launched its Environmentally-Friendly Auto Loan in May 2017 for the financing of hybrid and electric automobiles that provide fuel efficiency and stand out with their environmental features. Total lending reached TL 8.9 million at the end of 2019. The Bank believes there is strong potential moving forward given the international



pledges and developments in this area. The Environmentally-Friendly Auto Loan will offer advantages to consumers with more attractive interest rates from 2020.

Through the green project finance loan and green corporate loan introduced last year, Garanti BBVA encourages borrowing companies to improve their sustainability performance throughout the term of the loan. Following the USD 10 million-loan extended to Zorlu Energy in 2018, the project finance deal in the amount of USD 260 million signed between Akfen Renewable Energy and four domestic and two international banks, in which Garanti BBVA participated as the green loan agent, was converted to a green loan. Under the green loan agreements, each one a first in Turkey in their respective avenues, borrower companies may access advantages in terms of loan interest or commission rates provided that they achieve improved performance in ESG³ areas as benchmarked against preset criteria throughout the term of the loan.

ENVIRONMENTAL IMPACT OF OUR OPERATIONS

Offering innovative solutions in environmental issues to its stakeholders as part of its indirect impact, Garanti BBVA continues to take environmentally-friendly steps for its direct impact, as well. In 2019, Zincirlikuyu Head Office building earned Platinum certificate in LEED, one of the green building rating systems developed by the American Council of Green Buildings (USGBC), thus becoming the first bank to have received such recognition in Turkey. Besides Zincirlikuyu Head Office building, Garanti BBVA Kızılay Branch is the only bank building holding Platinum certificate in New Buildings category. In addition, Garanti

BBVA Pendik Technology Campus, Sivas Customer Contact Center and Karşıyaka İzmir Building all have LEED Gold certifications.

Besides its environmentally-friendly buildings, Garanti BBVA took some actions related to plastic use within the Bank in 2019. In this context, the Bank has become a signatory of the Business Initiative for Plastic led by BCSD Turkey, Global Compact Turkey and Turkish Industry and Business Association (TÜSİAD). As part of this initiative, along with 26 companies, the Bank has pledged to declare its plastic commitment by 2021 and based on this commitment to end the consumption of single-use plastics within the Bank. The efforts in this vein will continue in 2020 within the scope of a detailed action plan to be developed to prevent use of plastic within the Bank that creates waste and hinders saving.

Financing 100% renewable energy in the greenfield projects since 2014, the Bank took its efforts in this department one step further and launched an initiative that will be marked in the history. With Zorlu Energy and Bereket Energy, 100% Renewable Energy Agreements were executed for the electricity consumed by the Bank. In 2020 covering the first phase of the initiative, 91 million kWh of electricity need of 852 Garanti BBVA branches and 55 buildings will be totally provided from renewable energy. Thus, 46,100 tons of CO₂-equivalent emissions will be avoided.

Additionally, at Garanti BBVA branches and buildings that are technically fit, energy is supplied from natural and renewable resources. Currently, Garanti BBVA Bodrum Branch, Sivas Customer Contact Center and Antalya Akdeniz Branch procure

their electricity needs through rooftop photovoltaic panels.

The Head Office building, on the other hand, secures saving from electric energy consumption with the trigeneration system that has been in operation since 2018.

The Bank has secured significant reduction in carbon intensity over the years as a result of the long-standing efforts in relation to carbon footprint. Since the introduction of ISO 14001 Environmental Management System in 2012, the Bank's carbon intensity lessened by 67%. Resource consumption and carbon emissions of Garanti BBVA by years are presented in detail in App.A3.

Garanti BBVA will carry on and further expand its environmentally-sensitive and pioneering initiatives in the years ahead, thus continuing to contribute to social and environmental benefits.

SUPPORTING WOMEN ENTREPRENEURS

Garanti BBVA supports active participation of women in employment and economic life, with the understanding that an inclusive economy where all individuals make use of opportunities equally will be more efficient and can grow faster. Commitment to gender equality means ensuring development within the Bank and in our country in a way that it is beneficial for everyone.

The loan amount provided to women entrepreneur customers, whom the Bank categorizes as a special customer group within SME Banking, reached TL 7 billion by the end of 2019.

Besides financing, the Bank provides entrepreneurship training for women through Women Entrepreneurs Executive

School and supports women entrepreneurs in developing their businesses by creating ecosystems that enable knowledge and experience sharing.

FOSTERING EMPLOYMENT THROUGH SUPPORTING SMES AND ENTREPRENEURSHIP

Making up 74% of the total employment in Turkey, SMEs are important contributors to the economy, domestic development, and inclusive and value-added growth. Garanti BBVA supports SMEs in increasing their financial resilience and making value-added production that will benefit the economy.

In 2019, the amount of commercial loans extended by Garanti BBVA SME Banking⁴ to small and medium sized enterprises reached TL 64.2 billion.

PARTNERING WITH FINANCIAL INSTITUTIONS

Leading the sector to transform the real sector's way of doing business, Garanti BBVA signed a 5-year agreement for USD 150 million equivalent TL 540 million with the IFC, a member of the World Bank Group, within the scope of the Mortgage Backed Securities Issuance program. The issuance is the first green bond issued by Garanti BBVA and is also the first Mortgage Backed Securities issuance that the IFC invested in in Turkey.

Garanti BBVA makes available this fund, which is also its first deal in local currency with the IFC, mainly to finance "Green Mortgage" extended to environmentally-friendly projects covering high energy-efficient buildings.

In addition, a Green Mortgage agreement for EUR 75 million equivalent TL 313 million was

executed with the EBRD in July 2017, under which total on-lending to date amounted to TL 100 million. These funds falling under the scope of Green Mortgage constitute 46% of the funding Garanti BBVA has secured from the Mortgage Backed Securities market.

In a bid to create equal opportunity in business life, Garanti BBVA has been extending support to women entrepreneurs since 2006. Within the scope of this support, The Bank, in cooperation with the IFC, issued Turkey's first social bond, Gender Bond, for the amount of USD 75 million with a maturity of 6 years to be used for financing women entrepreneurs. Under the facility, the Bank provides working capital up to TL 400,000 and up to maturities of 36 months exclusively to women entrepreneurs. Additionally, the Bank signed the Women Entrepreneurs Export Support protocol with Turk Eximbank in 2019.

Garanti BBVA carried on with its pioneering stance with the new products launched in 2019. In this context, Garanti BBVA provided financing support worth USD 133 million to energy efficiency and renewable energy projects across 22 provinces, to SMEs and women entrepreneurs within the scope of the protocols executed with the IFC, Development Bank of Austria (OeEB) and the Green for Growth Fund (GGF). Under the protocol signed with Garanti BBVA and IFC, a financing package of USD 90.75 million was made available to Garanti BBVA to be on-lent to small enterprises mostly in provinces in South and Southeastern Anatolia, where majority of the population provided with temporary protection in Turkey lives. In addition to this support package, Garanti BBVA obtained access to financing in the amount of USD 22 million from the Development Bank of Austria (OeEB) to be

used for supporting women entrepreneurs. Last but not least, Garanti BBVA signed a financing agreement for USD 20 million with the GGF to be extended to energy efficiency and renewable energy projects.

Having developed innovative products that serve sustainable development over the last 15 years, Garanti BBVA issued 5-year maturity green bond for USD 50 million abroad in December under the GMTN (Global Medium Term Notes) program. This is the Bank's first green bond issuance in line with Green Bond Principles. With the fund generated on this issuance, the Bank will extend support to renewable energy and resource efficiency projects that produce solutions for climate change within the scope of the BBVA SDGs Bond Framework⁵.

OUTLOOK

Garanti BBVA will carry on with financing activities that create positive impact. The Bank will expand its green products and services to support Turkey's transition to a low-carbon economy and to contribute to the global goal of 1.5-degree warming. In that respect, Garanti BBVA will continue to prioritize renewable investments and take more ambitious actions regarding carbon-intensive sectors in its portfolio.

Garanti BBVA will continue to support the empowerment of women entrepreneurs through various programs and initiatives, which eventually will contribute to creating employment opportunities and providing the sustainable development of the Turkish economy. In tandem, the Bank will sustain its support to help render SMEs sustainable businesses with the contribution of the entrepreneurs, as well.

⁴ Calculated according to the official Small and Medium Sized Enterprises (SME) definition (enterprises employing less than 250 people annually and not exceeding TL 125 million either in annual net sales proceeds or financial balance sheet). Unless otherwise specified, the numbers cited are based on the SME definition of Garanti BBVA.

⁵ https://shareholdersandinvestors.bbva.com/wp-content/uploads/2018/04/BBVA-SDGs-Bond-Framework_23042018_Eng.pdf

Garanti BBVA pursues a prudent external funding strategy, which is an important pillar underpinning a sustainable and well-diversified funding base. The Bank targets to expand its correspondent network in different geographies and meet the client needs for international transactions. Garanti BBVA aims to provide customized trade finance solutions for its clients and enter into new cooperation in this area with correspondent banks and export credit agencies.

COMMUNITY INVESTMENT PROGRAMS

QUALITY EDUCATION

The fact that sufficient progress is not made worldwide with respect to "Quality Education", which is Goal 4 under the Sustainable Development Goals espoused by the United Nations, exhibits the utmost importance of expanding educational opportunities in our day. The shared value to be created in this respect is attainable through fulfillment of the world's and present day's requirements that are rapidly evolving as a result of the current technology and digitalization, and through closing the skills gap for better preparing the young generations for the future.

The Teachers Academy Foundation (ÖRAV), established by Garanti BBVA in 2008, continues its activities as the first and the most effective non-governmental organization focusing on the personal and professional development of teachers in Turkey.

Launched in 2017 as a collaborative initiative by Garanti BBVA and Teachers Academy Foundation, the "5 Pebbles: Social and Financial Leadership Program" aims to instill an awareness of financial literacy

in future generations. Comprised of five modules, the project also entails various activities provides training to children with their active participation in the areas of "Self-Exploration and Understanding", "Rights and Responsibilities", "Saving and Spending", "Planning and Budgeting" and "Social and Financial Entrepreneurship".

"Code the Future" project, which aims to better prepare children aged 8-10 for the requirements of the digital age, was launched under the cooperation of Garanti BBVA and Bahçeşehir University in 2016. The aim is to equip children with skills and competencies required by the present day such as problem solving, analytical thinking and teamwork through entertaining content including coding and robotics in technology workshops. The coverage of the project was further expanded in 2018 to include teachers training. The teachers participating in the project acquired the knowledge to implement practices that are similar to those covered in the project in their own classrooms.

Carrying out its activities with the support of Garanti BBVA, Tohum Autism Foundation's Continuing Education Unit has been providing theoretical and practical education about autism to special education teachers, parents with autistic children, related experts and university students.

Sports and physical education can motivate children and youth to attend and engage in formal and informal education, as well as improve their academic performance and learning success. Sports can teach transferable life skills and key values such as tolerance, inclusion and lead towards learning opportunities beyond school. Sports can advocate for gender equality, address constricting gender norms, and

provide inclusive safe environment.

With this perspective, Garanti BBVA has been the main sponsor of 12 Giant Men (National Men's Basketball Team) since 2001, Pixies of the Court (National Women's Basketball Team) since 2005, 12 Brave Hearts (National Men's Wheelchair Basketball Team) and 12 Magical Wrists (National Women's Wheelchair Basketball Team) since 2013. With the inspiration drawn from the 12 Giant Men, the 12 Giant Men Basketball Academies project finds and trains the 12 Giant Men and Pixies of the Court of the future.

ENTREPRENEURSHIP

As explained in the Customer Experience Section, Garanti BBVA also conducts educational and skills development programs such as Women Entrepreneurs Executive School and Women Entrepreneur Meetings in order to support its customers in the SME segment. These programs create positive impact on social dilemmas such as gender equality.

Furthermore, Garanti BBVA started its Garanti BBVA Partners Accelerator Program in 2015 in order to meet entrepreneurs' needs in all aspects of their new ventures. Under the program, the Bank hosted 15 entrepreneurs and provided assistance in various departments such as office space, mentorship, networking, marketing and training. Total investments received by the entrepreneurs exceeded TL 20 million.

In addition to those, Garanti BBVA Momentum Social Entrepreneurship Support Program, which is intended to support entrepreneurship seeking to create a high social impact through a sustainable business model, has been ongoing since 2017. The program is intended to contribute

to social entrepreneurs attempting to realize their businesses in a sustainable model and to create a high social impact. Co-conducted with Impact Hub İstanbul, the program also makes available online training, classroom activities, mentorship and expert support within the scope of IE Business School to qualifying entrepreneurs.

CULTURE AND ARTS

Cultural aspects, including active participation in cultural life, the development of individual and collective cultural liberties, the safeguarding of tangible and intangible cultural heritages, and the protection and promotion of diverse cultural expression are core components of personal and also sustainable development.

In 2011, Garanti BBVA unified Platform Garanti Contemporary Art Center, Ottoman Bank Museum and Garanti Gallery that had been operating under its organization to make culture and arts accessible to all parts of the society, under one roof; namely SALT. Being a not-for-profit and autonomous entity, SALT contributes to the society in three locations: SALT Beyoğlu, SALT Galata and SALT Ankara.

Garanti BBVA also aims to make cultural activities that are usually addressing certain communities become widespread. As the main sponsor of Istanbul Jazz Festival for 22 years, Garanti BBVA has been supporting the leading music venues in Istanbul under the name of "Garanti BBVA Concerts" series.

ENVIRONMENT

Garanti BBVA has been the main sponsor of WWF-Turkey for 27 years. Contributing to the sustainability of the planet through its efforts and initiatives worldwide, WWF

is one of the largest wildlife protection associations in the world, with 6,200 employees in more than 100 countries. WWF-Turkey conducts projects in the areas of seas, freshwater, wildlife, climate-energy, forests and food.

Garanti BBVA supports the Earth Hour movement organized by the WWF every year in order to highlight the world's environmental problems. Garanti BBVA is also part of WWF-Turkey's Green Offices network, and contributes to the Foundation's nature protection initiatives with its employee volunteerism.

In addition, Garanti BBVA is the main sponsor of CDP Turkey, the Turkey office of the world's most powerful green non-governmental organization which is engaged in the fight against climate change and conservation of natural resources.

SOCIAL IMPACT ANALYSIS

Garanti BBVA conducts Social Impact Analysis using the Social Return on Investment (SROI)⁶ method in order to assess the value and the social impact of its ongoing programs among the target audiences.

WHAT WE DID IN 2019

While ÖRAV reached 11,039 teachers in 81 cities, the number of active users of its online platform (eKampüs) reached 7,915 users in 2019. The 5 Pebbles: Social and Financial Leadership Program reached 314 teachers and 6,800 students in 9 cities in 2019. 35 teachers and 175 students attended the workshops "Code the Future" organized in state schools in 7 cities in 2019; namely, İstanbul, Amasya, Isparta, Niğde, Mersin, Mardin, and Erzurum. 7,330 people were reached through Tohum

Autism Foundation with the support of Garanti BBVA in 2019. 12 Giant Men Basketball Schools (12 DABO) Project reached 867 students in 26 cities in the reporting period. SALT Beyoğlu, SALT Galata and SALT Ankara hosted a number of exhibitions and public programs. 17,280 participants attended these events. In the same timeframe, the three SALT locations welcomed a total of 508,397 visitors free of charge.

2019 proved to be a proud year for the Turkish basketball. All national teams, which have Garanti BBVA as their main sponsor, competed in championships and qualification rounds. While Pixies of the Court competed in the FIBA European Women's Basketball Championship, 12 Giant Men represented our country in the World Championship held in China. While 12 Magical Wrists played in the Women's European Wheelchair Basketball Championship in the Netherlands, 12 Brave Hearts earned the bronze medal at the European Wheelchair Basketball Championships held in Poland, and qualified to represent our country at the 2020 Paralympic Games in Tokyo.

All in all, Garanti BBVA invested TL 22.3 million* for community investment programs in 2019.

OUTLOOK

Garanti BBVA aims to develop its community investments so as to produce shared value be in alignment with the Bank's strategic priorities and Turkey's social sensitivities. In 2020, the Bank will continue to make investments focused on creating high social impact in the fields of quality education, entrepreneurship, and culture & arts.

⁶ Social Return on Investment (SROI): SROI is an approach created to measure social impact of projects. According to technical literature, projects with an SROI value higher than 1:1 are considered as successful projects in terms of social return, whereas projects within financial sector with an SROI value higher than 2:1 are accepted as very successful.
* Garanti jazz and basketball sponsorships are not included.