

OUR VALUES

**CUSTOMER
COMES FIRST**

WE ARE EMPATHETIC
WE HAVE INTEGRITY
WE MEET THEIR NEEDS

WE THINK BIG

WE ARE AMBITIOUS
WE BREAK THE MOLD
WE AMAZE OUR CUSTOMERS

**WE ARE
ONE TEAM**

WE ARE COMMITTED
WE COLLABORATE
THIS IS OUR BANK

OUR PURPOSE

To bring the age
of opportunity to
everyone

OUR BUSINESS MODEL

 485  2.2 min  1  business

We are molding our business model around our purpose spelled out as “to bring the age of opportunity to everyone”.

Garanti BBVA focuses on making banking services available to its customers at any time through any channel they choose, and on delivering them a seamless and uninterrupted experience on each channel.

Blending technology and humanistic elements, the Bank aims to make life easier for its customers, pursue their financial health, help them make the right financial decisions, support them grow their businesses sustainably, and bring its financial services to everyone.

Always imagining and designing the future and striving to be unprecedented in what it offers, Garanti BBVA considers raising competent, well educated, responsible, and ethical banking professionals who think big and are respectful of the society and the environment as an indispensable part of the sustainability of its business model.

Putting digitalization at the heart of its business model, Garanti BBVA targets to lead the transformation of the sector, to command state-of-the-art IT infrastructure, and to be efficient and productive in all of its service channels. To this end, the Bank continues to revamp and simplify its business processes, enhance customer

experience and automatize its processes, while securing operational efficiency in keeping with its principle of continuous improvement.

Integrating the opportunities presented by advancing technology and data resources in its business model, Garanti BBVA interprets big data groups and adopts a more analytical approach to customer management. The Bank also uses these outputs in its organizational model, and thus achieves more analytical business results.

Adopting lean method approaches to execute its projects in order to quickly cater to evolving customer expectations and to accommodate advancing technology in its business model, combining the means technological infrastructure has to offer with its vast experience, and aiming to address everybody, Garanti BBVA now defines productivity as the main pillar of its business model. For this purpose, Garanti integrates all the means offered by technological advancements and by the digital world into the ecosystem it has created, and addresses innovative solutions using agile methods, ultimately pioneering the industry in transformation projects.

The employee teams working to achieve the objectives accompanying Garanti BBVA’s transition to agile business take full

responsibility for their efforts, and they are constructing the products and services according to customer feedback. This allows Garanti BBVA to focus on offering solutions that optimally fulfill current and future customer needs. In this new business model, employees are inspired and motivated by a single target.

Having espoused the principle of gaining insight into customers and taking each and every step with the perspective of “our priority is our customers”, Garanti BBVA promotes collaboration with the “one team” point of view. The Bank supports fulfillment of customer demands in the fastest manner possible through consolidated teams that can take action, drawing on its business model driven by an inspiring and innovative mindset that also exceeds expectations.

COMPETITIVE ADVANTAGES

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TALENT AND CULTURE MANAGEMENT

- Practices focusing on employee happiness and work-life balance
- Awarded talent programs
- Platforms for employees to share their suggestions and innovative ideas
- New development model aligned with changing dynamics, where employees take responsibility for their own development in line with their career goals and shape their developments
- Management approach that supports diversity - the only company from Turkey to be included in the Bloomberg Gender Equality Index for four consecutive years
- 40 hours/employee training on average per annum

STATE-OF-THE-ART TECHNOLOGY AND DATA SCIENCE

- Business-integrated and agile project management
- In-house developed, custom-fit IT solutions and applications
- Uninterrupted transaction capability and infrastructure security
- Data-driven and agile decision-making processes
- Managing data as a corporate asset with governance models
- Creating intelligence for smart decision making at every level of business by

advanced data analytics

- Continuous investment in people and technology to improve big data engineering and analytics

SEAMLESS CUSTOMER EXPERIENCE MANAGEMENT

- Lean and clear processes/customer journeys designed through customers' eyes
- Products and services blending customer needs and tendencies with emerging trends
- Smart business processes offering fast and flexible solutions
- Multi-channel customer relationship management tools delivering solutions to customers at the time and place of their choice
- Suggestion systems that help the customers make the best financial decisions

STRONG BRAND AND REPUTATION

- Holistic reputation management approach and strong reputation index
- Garanti BBVA described by consumers as a bank that is "the leader in technology, reliable, strong, and constantly enhances its service quality"
- Holistic communication and Community Investment Programs focused on

social impact contributing to corporate reputation and brand equity

- The only company from Turkey listed for the fifth consecutive time after qualifying also in the reporting period in the Dow Jones Sustainability™ Sustainability Index, one of the most prestigious platforms evaluating global sustainability performances of institutional companies

SEAMLESS EXPERIENCE ACROSS ALL CHANNELS

- Service model at branches capturing the benefits of digital world for better customer experience
- Presence in 81 cities with widespread branch network
- Leading position in mobile & internet banking; 8 million digital active customer base
- BonusFlaş: Enabling completion of all card activities in a single platform and offering analytics-based smart solutions
- Rapid and secure e-commerce payment in more than 1,900 entities via GarantiPay
- >5,200 ATMs, also serving non-bank customers through cardless transactions
- Leading financial Customer Contact Center with more than 70 million customer contacts per year

STRATEGIC PRIORITIES

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Throughout 2019, Garanti BBVA continued to work in light of its strategic priorities; Customer Experience, Digitalization, Employee Happiness, Optimal Capital Utilization, Efficiency, and Responsible and Sustainable Development, and to create value for all of its stakeholders. The Bank registered significant improvements in numerous key performance indicators related with these areas with the steps taken in line with these priorities. Garanti BBVA kept reviewing its customer-focused and innovative business model, and to enhance its efficiency and productivity on all of its service delivery channels. Accordingly, the Bank continued to revamp and simplify its work processes, and to increase automation. The Bank significantly expanded its customer portfolio and created a more loyal customer base by focusing on customer experience. On the digitalization front, it continued to offer solutions that make customers' lives easier, and remarkably increased the share of sales made through digital channels. The Bank preserved its healthy financial structure with its solid capitalization, its focus on productivity, and proactive balance sheet management. It kept investing in its people, one of the building stones of its strategy, and has taken numerous steps for enhancing their development and satisfaction. As a result of these comprehensive initiatives, the Bank kept producing value for all of its stakeholders.

REVISIONS IN OUR STRATEGIC PRIORITIES

With the aim of 'bringing the age of opportunity to everyone', Garanti BBVA reviewed its strategic priorities in line with the BBVA Group and in the light of main trends reshaping the world and the financial services sector.

EVOLVED CUSTOMER EXPECTATIONS

- Solutions and suggestions that are simpler, faster and cater to needs
- Advisory and support for making the best decisions

CHANGES IN COMPETITIVE DYNAMICS

- Expansion of the ecosystem the banks are operating in with non-bank players such as fin-techs; opportunities and challenges arose
- Comparison of this experience by customers within this large ecosystem

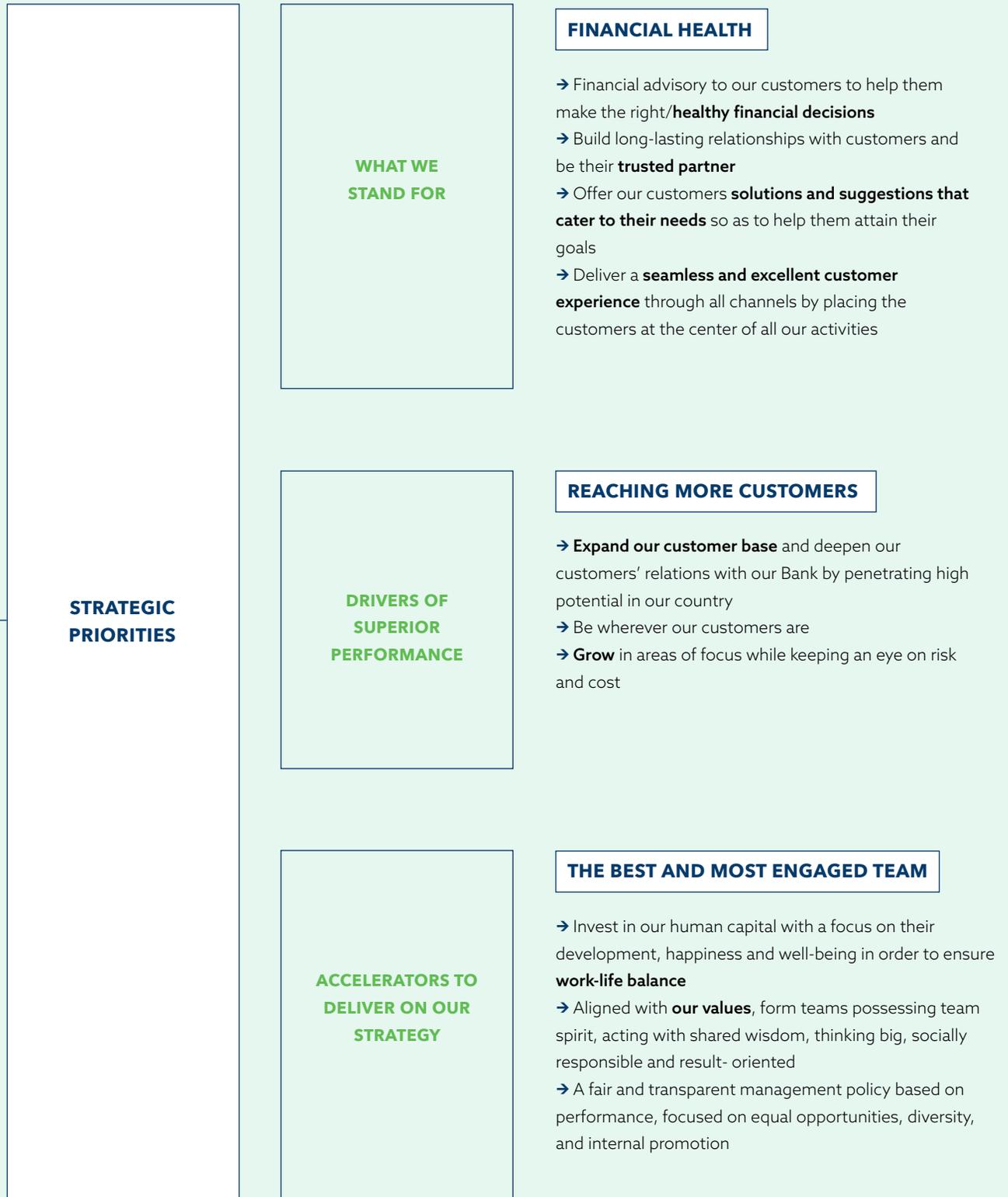
INCREASED AWARENESS AND CONCERN IN THE COMMUNITY REGARDING SUSTAINABILITY

- The critical role of the finance sector with respect to the necessary actions for a more sustainable world

DATA THAT IS BECOMING A CRITICAL ASSET / ITS ROLE IN ENSURING COMPETITIVE SUPERIORITY

- Foresight and guidance in a number of areas from risk management to HR, marketing to process optimization
- Enabling better insight into customers, instant provision of customized products and solutions that respond to their needs and demands, value creation for customers and deepening relations with them

IN THIS FRAMEWORK, GARANTI BBVA RESHAPED ITS STRATEGIC PRIORITIES UNDER THREE MAIN BLOCKS IN VIEW OF THE MAIN TRENDS:



SUSTAINABILITY

- Positively influence customers, decision-makers and other players in the sector being the **leading bank** in sustainability; continue to make effective use of our social role to raise increased awareness of this matter
- Observe **climate change**-related risks and opportunities; integrate them into our business processes
- Increase our **sustainable products diversity** offered to customers, which are inspired by 'UN Sustainable Development Goals'¹
- Act with the principles of trust, integrity, accountability and transparency against all stakeholders while implementing our advanced corporate governance model that promotes our core values
- Focus on **community investment programs** which deliver impactful outcomes on material issues and observe impact investment principles

OPERATIONAL EXCELLENCE

- Continue to **automatize processes**; deliver transaction convenience and innovative solutions
- Increase **end-to-end digital** solutions; deliver an excellent customer experience with our investments in digital platforms
- **Use capital effectively** and maximize our value creation while focusing on disciplined and sustainable growth
- Constantly improve our business model and processes with operational and environmental **efficiency** point of view while pursuing cost and revenue synergies
- Ensure effective risk management through world-class integrated management of **financial and non-financial risks**

DATA AND TECHNOLOGY

- Increase the **agility and strength** of our technological infrastructure and platforms
- Speed up our solution processes with minimum errors through artificial intelligence, machine learning and big data interpretation, which is important in the day-to-day operations of the Bank
- Focus on **data analytics** to offer the right product to our customers

¹ <https://www.tr.undp.org/content/turkey/tr/home/sustainable-development-goals.html>