



INVESTOR RELATIONS

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EVP,

**PROJECT FINANCE &
SUSTAINABILITY**

Hello everyone,

I am delighted to take you through our sustainability journey at Garanti Bank with this short video.

As Garanti, we define sustainability as a commitment to build a strong and successful business for the future, while minimizing negative environmental and social impacts.

Garanti's leading role as sustainable development champion has been reflected by actions and recognition well beyond the business as usual in the market.

We are the first deposit bank with 1,000 branches committed to implement a comprehensive Environmental and Social Assessment System in line with international best practices and standards within the country. With this approach, we were granted the 'Environmental and Social Performance' award by EBRD in 2014.

Garanti plays an active and leading role in wind market and maintains its leading position with 35% share in Turkey's total installed wind capacity.

In 2014, we developed a new financing product for the unlicensed solar market that will be the key tool to develop Garanti's foothold in the renewable energy market further.

We have been involved in many landmark deals such as Turkey's largest wind farm and largest solar powered efficient irrigation system.

Garanti has also been the first Turkish bank to adopt the UN Global Compact's Business Leadership Criteria on Carbon Pricing.

As a pioneer in financing renewable energy projects, setting a carbon pricing scheme will allow us to further prioritize renewable investments. As we stated in our Climate Change Action Plan, we expect that a minimum of 60% of the total funds allocated to greenfield energy production facilities will be directed to renewable investments. This means an increase of at least 10% compared to business-as-usual.

Garanti's ISO 14001 Environmental Management System covers 100% of the Bank's 20.000 employees; and in 2014 we reduced our Scope 1 & 2 emissions per employee by 16%.

We are also the only Turkish company to be a member of Dow Jones Sustainability Index and again the only Turkish company to qualify for CDP Climate Change A List in 2015.

Apart from these, Garanti contributes to society through numerous initiatives.

In 2014, Garanti has become the first Turkish bank to sign the United Nations Women's Empowerment Principles. One of the clearest indicators of diversity at Garanti is the comparatively higher ratio of female decision-makers with 40%.

As a strong supporter of women entrepreneurs in Turkey, we have provided a total of 2.8 billion TL in funds to women entrepreneurs since 2006.

In Garanti's robust sustainability governance structure, the Sustainability Committee is the highest level that formally reviews and approves the Bank's activities related to sustainability and is chaired by a Board member.

Reporting regularly to the Sustainability Committee, our Sustainability Team works to embed sustainability into every aspect of our business including our products, services, human resources and our relationship with our stakeholders.

Coordinated by the Team, more than 1,000 Sustainability Representatives from every single branch of the Bank, are in charge of gathering data and facilitating their units' implementation of decisions taken by the Sustainability Committee.

Additionally, we set up 7 working groups based on our Sustainability Policy.

In 2014, Garanti Bank's new Sustainability Policy and Strategy have been approved by the Board of Directors.

Garanti conducts a detailed stakeholder engagement process and a materiality analysis each year. We use our stakeholders' feedback to determine the strategically important issues for the Bank and our stakeholders.

Moreover, our Environmental and Social Impact Assessment Process enables us to identify the current and future risks associated with the environmental and social impacts of the projects we finance, thus take all necessary actions to avoid and mitigate negative impacts.

For instance, in projects where deforestation cannot be avoided, we ask the borrowers to plant 4 to 5 trees per each tree to be cut down.

Up to now, Garanti's customers have committed to plant 35 million trees by 2025.

We also provide customized trainings to our customers to help them better manage their own environmental and social impacts.

Garanti strongly believes that operating sustainably is a key driver to the long-term success of the Bank, and we aim to be the leader in introducing and implementing sustainable banking in Turkey.

As a leading financier of our country's infrastructure and energy projects with a market share of 20%, we are proud to be the driving force behind Turkey's sustainable development goals through our responsible banking practices.

We believe that the environmental and social values set out by Garanti will be taken as a model not only in the banking sector but also in the entire national economy while providing significant contributions to Turkey's development.

MOTTO

SUSTAINABLE, EMPOWERING, RESPONSIBLE, READY FOR THE FUTURE