

2018
Corporate Governance Principles
Compliance Report

1- Statement of Compliance with Corporate Governance Principles

In spite of the fact that our bank's shares are not open to public, the provisions in the legislations have been complied with in maximum, being aware of the importance of corporate governance practices. In this respect, utmost attention has been paid to comply with nearly all of the principles specified in the legislation without giving rise to any conflict of interests.

SECTION I – SHAREHOLDERS

2- Shareholders Relations Department

Since our Bank's shares are not open to public, there is no "Shareholders Relations Department". The transactions about public offering of the bank bonds are carried out by Financial Institutions, Syndication and Debt Capital Markets Group. All kinds of information and explanation, except for the special requests for information by our investors, are given under the menus Relations with Investors and Corporate Governance on our Bank's web site.

3- Exercise of Shareholders' Right to Information

In case of emergence or getting informed of the developments influencing the decision of our investors, they are announced via Public Disclosure Platform. There are documents including various information disclosed to the public under Relations with Investors and Corporate Governance menus on our Bank's website.

During the activity period, a number of meetings were held and all the requests for information were responded. All information requests of our shareholders are provided that they are not commercial secrets or undisclosed information.

In the articles of association of our bank there is no regulation about the request of assigning a private auditor. No request has been received by our Bank about assigning a private auditor during the term.

4- Information on General Meetings of Shareholders

Shareholders of the Bank held an Ordinary General Assembly meeting on 19.03.2018, which was within the fiscal year of 2016. Within scope of Turkish Commercial Code Article 416, the General Assembly was attended by all the shareholders without being called. The notification about the meeting was made to the shareholders two weeks before the meeting in written form as is required by Articles of Association.

Since all the nominative shareholders of our Bank are registered in the Share Ledger, no duration was allotted for registration in the Share Ledger to ensure them to participate in the General Assembly Meeting.

In this General Assembly, the shareholders did not use their right to ask question.

There is no provision in the Articles of Association stipulating that important decisions should be taken by general assembly. In this respect, the legislation in force is implemented.

Minutes of General Assembly are announced in Turkish Trade Registry Gazette within scope of the legislations. Pursuant to the provisions of "Regulation on the Web Sites to Be Opened by Capital Companies" put in effect in May 2013, the minutes of General Assembly are being published on the website of the Bank following the General Assembly, which is open for review by all the shareholders, in the Head Office.

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5- Voting Rights and Minority Rights

There is no privilege applied on the voting right of our Bank's shareholders. The companies in reciprocal shareholding did not participate in the voting in general assembly. There's no minority share represented in management. The Bank does not implement cumulative voting.

6- Dividend Policy

There is no privilege granted in participation in the Bank's profit. Except for the arrangement made under Article 32 "Detection of Net Profit", Article 33 "Allocation and Distribution of Net Profit" and Article 34 "Capital Reserves" in Articles of Association of the Bank, there is no other profit distribution policy disclosed to the public. Within the scope of related legislations, decisions for profit distribution are taken and necessary actions are realized in parallel with this.

7. Transfer of Shares

For the transfer of shares, tenors of the Turkish Trade Code are implemented pursuant to the article 10 with the title "Transfer of Shares" of the Bank's Articles of Association.

SECTION II – PUBLIC DISCLOSURE AND TRANSPARENCY

8- Disclosure Policy

Disclosure Policy of our Bank is updated and published on the website of our Bank both in Turkish and English as is required by the legislations we are subjected to. Within the scope of disclosure policy, it is disclosed to the public by "Investor Relations and Corporate Governance" and "Statutory Reporting" departments within the knowledge and approval of our Bank's Board of Directors and Head Office. The disclosures are reported in Corporate Governance Committee.

The main purpose of the Disclosure Policy is to ensure that required information, other than confidential business information, is disclosed to the public, investors, employees, customers, creditors and other relevant parties in a timely, accurate, complete, understandable, convenient and affordable manner, on equal footing.

All kinds of financial information, explanations and disclosures required in line with the Banking Law and the relevant regulations, Capital Markets Board (CMB) Legislation, Turkish Commercial Code, Borsa Istanbul (BIST) Legislation and other relevant legislation, are provided by also taking into consideration the generally accepted accounting principles and the Corporate Governance Policies of the CMAb.

ING Bank A.Ş. ("Bank") Disclosure Policy has been created based on the "Communiqué, Serial: II, No: 15.2 on the Material Events Disclosure Regarding Non-publicly Traded Corporations" issued by the CMB.

The Disclosure Policy has been established by the Bank's Board of Directors. The Board of Directors has the right and the responsibility to disclose information to the public, and to monitor, supervise, and develop the disclosure policy. Coordination of the disclosure function is the responsibility of the Financial Control and Treasury Vice Presidency and Legal Department Vice Presidency. The officials of the aforesaid departments fulfill these responsibilities in close coordination with the Senior Management.

The financial statements prepared quarterly on solo and consolidated basis in accordance with the legislation issued by the Banking Regulation and Supervision Agency (BRSA), footnotes and remarks regarding the relevant financial statements, the independent audit report and the interim report are submitted to the BIST within the prescribed legal period and published on the Bank's website and the websites of the BRSA and the Banks Association of Turkey. At year-ends, the financial statements prepared on solo and consolidated basis in accordance with the legislation issued by the Banking Regulation and Supervision Agency (BRSA), footnotes and remarks regarding

the relevant financial statements, and the independent audit report are submitted to the BIST within the prescribed legal period and published on the Bank's website and the websites of the BRSA and the Banks Association of Turkey. The relevant financial statements are attested and signed by the Chairman of the Bank's Board of Directors, members of the Audit Committee, CEO, Executive Vice President in charge of financial reporting, and Director of the relevant unit. The interim reports prepared quarterly provide information on the Bank's market position, general financial performance and other important matters.

The annual report, prepared in accordance with the legislation issued by the BRSA, is submitted to the BIST within the prescribed legal period and published on the Bank's website. The relevant financial statements are attested and signed by the Chairman of the Bank's Board of Directors, members of the Audit Committee, CEO, Executive Vice President in charge of financial reporting, and the Director of the relevant unit.

The year-end activity report provides information on the Bank's market position, general financial performance and other important matters.

The Bank's Board of Directors has the right and the responsibility to develop and to follow up the implementation of the Disclosure Policy. The effectiveness and reliability of the public disclosure process within the scope of the Disclosure Policy are under the supervision and control of the Bank's Board of Directors. The Bank's Board of Directors has the right to amend the policy. The amendments are disclosed to the public and published on the internet website within one week following the amendment.

The implementation of the Disclosure Policy is under the responsibility of the Bank's Senior Management.

9- The Website and Its Content

There are disclosures for the public, especially for our investors under the menus "Relations with Investors" and "Corporate Governance" on the website of our Bank. Our disclosures are provided both in Turkish and English.

ING Bank A.Ş.'s Website (www.ingbank.com.tr) is frequently used for informing the public and for disclosure. The website of the Bank includes the information and data required by the legislations. It is paid attention to keep the website up-to-date.

10- Annual Reports

Annual Report include Corporate Governance Compliance Report, therefore Corporate Governance Principles are practiced in the report.

SECTION III - STAKEHOLDERS

11- Informing Stakeholders

Stakeholders are informed by our Bank on the issues relating to themselves via general assembly meeting minutes, material circumstances disclosures, press releases, meetings, electronic mail and website. There is a corporate intranet for informing the employees.

12- Participation of the Stakeholders in the Management

The employees are always encouraged to participate in the management and their suggestions for improving the business are taken in consideration and rewarded. Customers of the Bank communicate their requests and complaints via branches, website (www.ingbank.com.tr) and Customer Contact Center (0850 222 0 600). Procedures Conflict of Information and Interest in the Markets approved by our Bank's Board of Directors includes the definition of how the requests, recommendations and complaints of the employees and third parties should be assessed. It is

aimed to encourage the change and improvement as well as increasing motivation by assessing and rewarding them.

For all the recommendations found to be appropriate, a working plan is drawn by the relevant units and necessary system developments are carried out. The bank is regularly informed about the recommendations studied and put in effect.

13- Human Resources Policy

At ING Group, our primary purpose is to empower people to stay a step ahead in life and in business.

In Turkey, with our dynamic and agile structure, we are bringing an unconventional and out-of-the-box Banking approach, in line with our unique slogan "Unbanky Bank", and we aim to create the difference in terms of the working environment and our culture, and we strive for finding always the better by tirelessly questioning the traditions. The Human Resources Management of the Bank provides its staff members with a flexible working environment, where they would act comfortably, and local and global career opportunities, fair and transparent appointment, promotion and performance systems, thanks to such innovative Banking mentality.

Our Human Resources (HR) policy is based on raising our leaders within the organization of our Bank. We believe that provision of an effective and productive environment that would unveil the potentials of the ING staff members stands as the key to the success, and we design and implement our personal development and leadership programs as based on such understanding. We, as ING Bank, focus on the performance, strengths and the need-to-be-improved aspects of the staff members, and offer development and career opportunities that best suits to their motivations.

During the course of progress aimed at becoming a popular and favored employer brand, ING Bank Turkey Human Resources adopts a fair and transparent performance and management policy that cares about the happiness and commitment of the staff members, supports diversity, promotes participation, features the balance between the business and the private life, offers equal opportunities and encourages internal appointment. Participation in the global surveys, which provide assistance in determining the choices for the employer brands, and monitoring and improvement of the results thereof on yearly basis are among the priorities we have, and our Bank was awarded with the "Great Place to Work" certification in 2018, thanks to the improvements made within the said framework.

We characterize our corporate values and conduct as the "Orange Code Conduct". The principles of assumption and accomplishment, assisting in the achievements of others and being one step ahead at all times constitute the keystones of all of the Human Resources processes of the Bank.

We have many communication platforms where the job title and hierarchy is not minded and which is available to anyone and where all of our staff members can exchange their opinions and ideas freely. We value all opinions and ideas, and thus, we circulate the ideas not only top to bottom but bottom to top. We foster an environment where our staff members can voluntarily participate in the projects that best suits to their interests and skills and assume an active role therein and also where they would contribute to the achievements of ING Bank.

Mobility, doing our work at any place at any time, user-friendly processes and digitalization become more and more important in respect of the Human Resources. Thanks to our applications

such as Do It From the Mobile, ING Mobile Academy, Workplace and Digital Onboarding, as well as the recruitment application portals, on-line interviews from remote locations and on-line assessment tools, we design plain and positive experiences both for the staff members and also the applicants.

Adoption of the agile working method enables us to review our processes practically always and improve the same constantly and also arrange such processes in line with the emerging needs. As based on more flexible and effective methods, we provide the staff members with the opportunity to question what is in hand for performing better consistently and becoming participatory, by supporting the sustainable development processes.

We care about reaching out the young talents and adding them in the organization of the ING, and also investing in the leaders of the future. We aim to raise the newly graduate ING team members, whose development is supported by us by virtue of the "International Talent Programme (ITP)", our global talent programme, other than the internship and part-time employment opportunities, into the senior management roles. Within the scope of the said programme, new graduates are selected every year in each of ING countries and they are trained in the business line they choose, as part of a program for such purpose. Following the program of a period of a total of 4 years, which includes the internationally-held training programs, the internationally-recognized certification programs and the short and long-term local and global rotation opportunities, the young talents continue their careers by benefiting also from the options available within the organization of ING on global basis.

For ING Bank; international assignments are prioritized due to the experience and the different point of view gained thereby, and such assignments offer the staff members of ING to benefit from the global opportunities. International job policies stand as a follow-up for the policies that constitute the global roof of the ING Group, and such policies are focused on the common interest, achievement and development of the entity and the staff members. The staff members are provided with guidance with respect to their areas of development, and their career development is supported, in consequence of the local and global assessments.

Training & Development

The staff members of the Bank are supported by the trainings, which start upon initiation of the Orientation process and thereafter continue with the professional and personal development topics. The trainings, planned for increasing the knowledge and skills of the staff members in their current positions or for transition between positions, are diversified with the classroom, on-the-job and distance learning methods, and the development of the staff members is supported thereby. In addition, with boutique trainings arranged in connection with Bank's strategies and based on the projects, the staff members may be supported to quickly adapt to the processes. It is aimed with the training programs, attended by the staff members as part of their career plans, to help the staff members improve in technical and personal competencies and become competent in their jobs.

With the e-training and video portal of ING Mobile Academy, which mobilized and digitalized our training platform, all personal and professional development training opportunities have become accessible at any time. Thanks to the mobile applications, we offer to our staff members, we contribute to cost-saving.

Performance Management

As ING Bank, every year we manage a process that starts with setting job expectations and competencies which are assessed with continuous conversations and year-end review in order to assess performance against in a fair and transparent manner based on certain criteria. The motto for management of Performance at ING Bank: "You are the performance, you own this process".

We conduct "Mentorship and Coaching Programs" to increase the performances or competences of our staff members and help them discover and unveil their potential.

ING Bank believes that it will contribute to profitability and growth if the staff members have measurable goals and a shared success culture where they unite and work together to attain these goals. Accordingly, Success@ING, the performance management systems of ING Bank, has been established for the purpose of evaluating all of the staff members under the main headings, namely business target, Orange Code Conduct and the target beyond the limits, and also for enabling for the development of the staff members in line with the results obtained therefrom. The results of the evaluations have been prepared to be used as data in career opportunities, talent programs, training programs, compensation and benefits practices about the staff members.

The promotion process being carried out with the organization of the Bank has been arranged to make a staff member, who has the necessary qualities for promotion such as high performing behaviors, professional knowledge and skills, sufficient education level and sense of responsibility, may be promoted to a higher position within the scope of vacancies in order to make use of the qualified human resources adequately.

Career Management

Within the organization of ING Bank, we offer all of our staff members, who serve at a job position lower than vice president, with the opportunity to be promoted following the respective performance evaluation periods. In respect of any such promotion that undergoes an evaluation for twice a year, attention is paid that the basic criteria thereto consist of a consistent high level of performance, and that any such promotion is communicated to all of the staff members on an entirely transparent basis, and also that any such promotion is not based only on the personal evaluation of the respective managers. We announce the vacant positions for all roles for the job position of the vice president and those ranking higher through the Career Opportunities, and we grant the priority to our existing staff members, and we support internal promotion of our leaders. Besides, the appointments for the Branch Manager job position are currently made internally, as based on our talent pool, by making use of the Orange Talents Program.

We have the "Career Steps" program, which aims to support the development of the branch team members through switching to different business lines.

In addition to the foregoing, all of our staff members are provided with the opportunity to apply for various internationally vacant roles as announced by us also through the Career Opportunities. Short- and long-term assignments to ING Global posts aim to ensure that right people work at the right place and right time for ING Bank. With durations varying from 3 months to 5 years, these programs enable temporary assignments to the vacant positions in different countries based on the talents and experiences of our colleagues. The staff members assigned to these posts are offered a

significant contribution to their personal developments and career plans, supported by managers of the relevant business line and Human Resources teams.

We meet with the senior management of all business units within the year, and determine our staff members, who have the potential to become a leader, by evaluating not only the performance but also the potential, and we draw up the backing up plans for our staff members, who serve at the critical roles, and we prepare such staff members as indicated in such plans for the roles of the future. Thereby, we not only guarantee the soundness of the organization in terms of the leadership, but also provide our staff members with the opportunity to prepare themselves for the new roles and make progress, accordingly.

Thanks to our program, we call the Orange Guest, we provide our willing staff members with the opportunity to become acquainted with various business units and closely observe their functions by serving a for a limited period of time at such units. Our staff members, who are granted with the opportunity to serve at a different unit for the periods that would vary between 2 weeks to 1 month, will not only become acquainted with the respective department and the staff members serving at there, but also think about such new department, they will have experienced, among their goals while steering their career within the upcoming periods. The Orange Guest process also brings the teamwork culture to a better point.

By offering attractive training and career opportunities and a better workplace environment to our staff members, we support our target of becoming the most favored Employer in the banking industry.

Social Benefits

We have been implementing the "Orange Hearts", the corporate volunteering program, to guide the volunteer activities of our staff members, and unite the activities of our staff members active in various volunteer initiatives under a single roof. As part of the said program, the staff members of ING Bank may not only take part in the social responsibility projects, by devoting time-talent and also financial support, and but also share their own projects with the fellow staff members. "Orange Hearts" functions with the motto "Set Your Heart on Benevolence".

We host some dedicated areas such as a globally known coffeehouse chain, a fitness center, a hairdresser and a basketball court within our Head Office building.

Thanks to the "Orange Deals", we offer special discount agreements to the staff members of ING Bank with the brands with a number around 100 throughout Turkey. Some discount agreements have been entered into with various organizations for our expectant mothers and fathers who undergo a treatment process for a test-tube baby.

We design some models to enable our staff members to have flexible working hours depending on their needs and the requirements of teamwork. Flexing, which includes 4 sub-segments, namely FlexiHours, FlexiPlace, FlexiCareer and FlexiBenefits, is aimed at increased productivity by maintaining a balance between the professional and private lives of the staff members. Our purpose in such application of us, which provides flexibility in terms of the working hours, workplace, career and benefits, is to enable that our staff members build a sound work-personal life balance.

We have put an end to the "dress code". We have abandoned the obligation of wearing a necktie, which has been a first for the industry. Instead of wearing suits to work, our staff members have switched to a more casual yet fashionable style. The physical environment within the Bank also supports the flexibility and creativity, along with the flexible working. The staff members may enjoy riding a bike, play basketball and guitar within the Head Office building.

Thanks to our practice, namely "Welcome to ING Leave", any ING Bank member, who has recently joined our family, may take a 5-day leave, even before having worked for an entire year.

Thanks to the "Health Comes First Leave", an administrative leave of 10 days is granted for our staff members, whose 1st and/or 2nd degree relatives are subject to hospitalization.

Also, as part of the "Me and My Child" leaves:

The "First Day of School" leave and "Report Card Day Leave" allow the parents with children between ages of 3 to 14 to be there for their children on the first and last day of the school;

"Orange Day with My Child" allows the parents with children of the same age group to spare 1 day to spend with their children as they wish, and

"I'm Having A Baby" leave allows the expectant mothers to take 1 day off for their routine examinations every month until the delivery.

Pursuant to the practice, we have materialized in 2018, any staff member of us, who has become the mother, are deemed to be on leave without any salary deduction for a period until her newborn would be of 6 months. Our staff members, who have recently become the father, are granted with a leave of 10 days, which might be taken within 1 year, for spending their time with their newborns. Any staff member, whose kid has started the nursery, is granted with the right of leave for a full day for the week, in which the nursery is opened, and for a half day for the remaining days. As of June 2018, any willing staff member may serve at the office in Izmir for a period of two weeks a year as part of the Flexi35 practice. This practice allows the staff members, who are mothers and fathers, make a more comfortably vacation plan with their children during the summer season. Another practice for leave, which is named the Orange Cap, has also been started to be implemented for the mothers and fathers. The ING staff members, who are mothers and fathers, are granted with a leave for being with their children at their graduation. The number of our lactation rooms that have been introduced within 2017 has reached to 135 of our branches, and all of the regions, where we operate, have been provided with the said facility.

At ING, we also host innovative platforms such as the Platform for Innovation and the Innovation Bootcamp, which support the internal entrepreneurship among the staff members.

For the purpose of contributing to the Innovation and maker culture during 2018, an ING Maker Café has also been opened within the Bank within this year. The said Café contributes to the culture of exchange of experience and knowledge, as well as co-creation.

By aiming to have the children, who work as focused on technology, provided with the new generation competencies and the culture of producing by making use of the technology, ING has accomplished the Next Generation Academy by cooperating with Makers Turkey. The said Academy has produced its first term graduates this year. The children between 5 and 8 have received the

robotics, electrical and electronic, Makey Makey, coding, Arduino and 3d design trainings for a period of 2 months, and the children between 9 and 14 have received such trainings for a period of 4 months. The young makers have exhibited their projects at the end of the respective term.

By providing support to its staff members also in respect of improving their qualifications with respect to the information technologies, ING has taken remarkable steps, which cover not only its technology team but all of its staff members, in the robotics process automation and data science.

Accordingly, a robotics team, consisting of 6 individuals among the staff members of the Kahramanmaraş Operations and Call Center, which serves throughout the country, has been formed within June of 2018. Following the training provided by the technology team at the Head Office, such team of 6 individuals has accomplished approximately 50 robot software within a period of 2 months. Furthermore, the Bank has initiated a Data Science Certification Program by acting in collaboration with the Ozyegin University. By means of such program, all staff members, who wish to improve themselves in such field, have been provided with the opportunity to study and do a master's degree, irrespective of the unit where they serve. 600 individuals within the organization of the Bank have taken the respective exam for being able to receive the data scientist training.

14- Ethical Rules and Social Responsibility

ING Group prioritizes environmental sensitivity and human rights in all ING countries and in the business relationships established. In financial decisions and transactions mediated, ING policies created with the awareness of responsibility towards the society must be complied as well as national and international laws and regulations.

Our Environmental and Social Risk Policies created for guiding our activities in the light of our social, ethical and environmental vision has become a dispensable part of credit risk management at ING. In other words, all potential social and environmental side effects (destruction of forests, air pollution, child employment, controversial weapons) of our activities are reviewed in depth.

Our policies are continuously improved and updated through cooperations with our employees, customers, shareholders and organizations specialized in the issues such as human rights, climate changes, etc.

ING Group is one of the 10 international banks having acknowledged Equator principles voluntarily in June 2003 which are agreed upon to be applied in financing all the projects costing 10 million \$ or more, based on environmental and social responsibility policies of International Finance Corporation. In project finance, these standards are taken in consideration for social responsibility and environmental risk management. ING Group, which has also been registered in the FTSE4 Good and Dow Jones Sustainability Index for its compliance with global responsibility standards, signed United Nations Global Compact in 2006. ING Group has been carrying out its activities with zero carbon footprint since 2007. ING is sustainability leader among banks according to Sustainalytics, a global leader in sustainability research. ING Global commits to decrease the carbon, waste and water foot print by 20%, realize 100% renewable energy procurement and increase the financing of sustainable transitions to EUR 35 bln by 2020.

ING Group carries out activities to create awareness on saving with the financial literacy projects and voluntary training programs focused on savings and has been cooperating with UNICEF since 2005. Within the scope of "ING Chances for Children" program, approximately 1 million children have been supported for their education and future up until today.

Our bank has adopted to comply with "Banking Ethical Principles" dated November 1, 2001 no 1012 published by Banks Association of Turkey.

Besides these principles, the ethical rules which the employees of ING Group Companies have to comply with are shared with all the employees of ING Bank A.Ş.

Board of Directors' resolution dated 26.12.2014, numbered 48-5 was granted in regard to the Ethical Principles of ING Bank A.Ş.

ING Bank Turkey is the signatory of United National (UN) Women Empowerment Principles. The bank also supports the UN HeforShe Campaign. ING Bank Turkey regularly measures the women statistics and develop programs to increase the number of the women employees in the bank. In addition, by announcing HeforShe support in the communications of special days, awareness on gender equality has raised. Gender equality communications has started with the March 8 International Women's Day and continue through [april 23 national sovereignty and children's day](#), Mother's Day and October 20 Republic Day, its spokesman in Turkey has been strengthened.

ING Bank Turkey is included in the study group for Sustainable Banking established by Istanbul Stock Exchange and UN Global Compact Turkey. The experiences and accumulation of knowledge in this area both in international and national markets are shared with other participant banks. ING Bank Turkey has signed with 7 other banks the "Declaration on Sustainable Finance" which was initiated by UN Global Compact Turkey. In this regard, environmental and social risk evaluations were integrated into the loan assessment process for financing investment projects.

As a requirement of our role as a Savings Bank, we have been determining saving tendencies, changes and saving potentials of urban population with the Research on Turkey's Saving Tendencies carried out since October 2011. The results generated in the research have been respected and considered a resource by academicians, journalists and governmental bodies. The research was also granted "Best Communication Research" award in the category of "Communication Research" in International Public Relations Association (IPRA) 2013 Golden Globe Awards. We won bronze award ranking third among 225 projects in "Communication Program of the Year or Public Relations Campaign" category in "International Stevie Awards" accepted as one of the most prestigious awards of international business world.

Finally, we have focused on children and the young people who will be the most significant figures on the savings picture of the future, with the aim of meeting our responsibilities towards our society. To create awareness for saving in the future generations of Turkey, we officially launched "Orange Drop" program in April 2013 aiming at changing consumption and saving behaviors. Within the scope of the program put in effect under auspices of Istanbul Provincial Directorate of National Education, in coordination with Koç University and REC Turkey, 3rd and 4th graders in Elementary Schools have been visited and financial literacy trainings have been provided focusing on savings, via their teachers, for 8 weeks. Orange Drops reached 261 schools, 935 teachers and approximately 32.000 students.

Orange Drops has been represented in various international and national awards. The project won The Preferred Bank Award among 40 ING Group countries, has also received "Best Corporation" award among 17 corporations in EIFLE-Excellence in Financial Literacy Education Awards, organized for the eighth time by American Financial Literacy Institute. Orange Drops has also been one of the global finalists in Child and Youth Finance International/CYFI Awards. It also holds Golden Compass Award being the "Best Corporate Social Responsibility Project" in education category among 12 projects in 13th Golden Compass Awards. Lastly, it won the "Silver Award" in "The Stevie International Business Awards" within the "Corporate Social Responsibility" category.

Additionally, many activities have been realized that would raise fund for UNICEF with volunteer contribution of our employees every year since 2008, under the initiative "Chances for Children" of

ING Bank both internationally and in Turkey. The projects carried out by UNICEF in Turkey are supported with the funds raised thanks to voluntary work of our employees, making our children get one step closer to their dreams

ING Bank employees having run in Istanbul Marathon, Runatolia and Bozcaada marathons between 2012 and 2014 raised funds to contribute to the primary school built in Kahramanmaraş in cooperation with UNICEF. Furthermore, our employees raised funds for Koruncuk Foundation, Tohum Autism Foundation, Turkish Educational Foundation (TEV), World Wide Fund For Nature (WWF), The Spinal Cord Paralytcs Association of Turkey (TOFD) and The Turkish Foundation for Combating Soil Erosion, for Reforestation and the Protection of Natural Habitats (TEMA) by running at 2018 Istanbul Marathon.

Through a campaign started in December 2017, ING Bank Turkey’s contactless mobile payment tool ParaMara users’ contactless payments were matched as donations (within the pre-defined limits) to The Spinal Cord Paralytcs Association of Turkey and Koruncuk Foundation.

As of the end of 2014, in cooperation with Association of Private Sector Volunteers and sticking to the motto “Give your Heart for the Good of Others”, the corporate volunteering program “Orange Hearts” was put in effect to guide the volunteer activities of ING Bank employees and unite the activities of our employees active in various volunteer initiatives under a single roof. Within the scope of Orange Hearts program, ING Bank Turkey employees realized 1.255 hours of voluntary activities in 2018.

This year, within the scope of our cooperation with TEMA, in order to contribute to the protection of the environment, we are transforming the savings created by our employees who reduce the paper consumption and the customers who have passed the e-statement, into a tree in Turuncu Orman.

Lastly, ING Bank provides financial and mentorship support for the university students in need under the Koc University Anatolian Scholarship Program. ING Bank helps them to continue their professional development and higher education for 5 years through ING Bank Turkey’s support. One of the students was successfully graduated in 2017. Furthermore, ING Bank Turkey also provides full scholarship of one student within the scope of Ozyegin University Equal Opportunity for Education Scholarship Program for 5 years. With the agreement, initiated this year with İhsan Doğramacı Bilkent University, within the scope of Girls Scholarship financial and mentorship support of 2 students for 5 years will be given.

SECTION IV – BOARD OF DIRECTORS

15- The Structure and Composition of Board of Directors

ING Bank A.Ş. Board of Directors

John T. Mc Carthy	Chairman
Mehmet. Sırrı Erkan	Vice Chairman
Ayşe Canan Ediboğlu	Board Member
Adrianus J. A. Kas	Board Member & Audit Committee Member
Mürüvet Semra Kuran	Board Member & Audit Committee Member
Pınar Abay	CEO and Board Member

There is no executive Board Member other than Pınar Abay who is both CEO and a Natural Board Member.

Since our Bank is not one of the corporations defined in Communiqué Serial II-, no:17.1 "Corporate Governance" issued by the CMB, it is not subject to the legal liabilities required for independent board members.

Board Members are assigned with other duties outside the Bank. Related banking law and BRSA regulations are complied with in such assignments. In addition, the restrictions on the board members imposed by Article 396 of Turkish Commercial Code are removed with the decision of shareholders in the ordinary general assembly held every year.

16- Principles of Activity of the Board of Directors

Performing the activities with the aim of reaching strategic targets of the Bank in line with our Mission, Vision and Values.

17- Number, Structure and Independency of Committees Established by the Board Of Directors

Information about Credit Committee, Audit Committee, Corporate Management Committee and Compensation Committee are as follows:

Credit Committee :

Names of Board Members who are members of Credit Committee at the same time:

John Thomas Mc Carthy, Chairman (Chairman)
A.Canan Edipoğlu, Member (Board Member)
Pınar Abay, Member (CEO and Board Member)

Audit Committee :

Names of Board Members who are members of Audit Committee at the same time:

Adrianus J. A. Kas, Chairman (Board Member)
Mürüvet Semra Kuran, Member (Board Member)

Corporate Governance Committee:

Names of Board Members who are members of Corporate Governance Committee at the same time:

Ayşe Canan Edipoğlu, Chairman (Board Member)
John Thomas Mc Carthy, Member (Chairman)

Compensation Committee:

Names of Board Members who are members of Compensation Committee at the same time:

Mehmet Sırrı Erkan, Chairman (Vice Chairman of Board)
John Thomas Mc Carthy, Member (Chairman of Board)
Ayşe Canan Edipoğlu, Member (Board Member)

18- Internal Control and Risk Management Mechanism

18.1.Internal Audit

Internal Audit Department (IAD) reports to the Audit Committee; and aims to provide independent and objective assurance and advisory services to the Senior Management for the quality and effectiveness of the internal control, risk management and governance systems and process and information systems practices in the Bank and its subsidiaries. As per the "Regulation on Internal Systems and Internal Capital Adequacy Assessment Process of Banks" and in accordance with "Control Objectives for Information and Related Technologies (COBIT)", IAD supports the Bank and subsidiaries to accomplish their mission and strategic business objectives through a systematic, documented risk based audit approach to examine, evaluate and improve the effectiveness of

(framework of) governance, control, and risk management processes of the Bank and subsidiaries. Moreover, IAD performs analysis and investigations on the fraud, cheat or forgery acts committed by the personnel or third parties against the Bank.

IAD carries out its activities; in accordance with the principles of the Bank and the Core Principles for the Professional Practice of Internal Auditing, the Code of Ethics, the Standards, and the Definition of Internal Auditing as determined by the International Institute of Internal Auditors. IAD deploys competent staff who adhere to these Code of Ethics and Standards.

18.2. Financial Risk Management

Financial Risk Management cooperates with related business lines of the Bank for the existing activities of the Bank as well as carrying out regular legal and internal reporting activities. The unit acts as a guide in determining, monitoring, measuring and managing the risks, and consequently realizes necessary arrangements via Board of Directors, Audit Committee, Asset & Liabilities Committee (ALCO), Model Development and Monitoring Committee and Credit Risk and Provisioning Committee

Financial Risk Management monitors the Risk Management Regulations (local & international) closely and plays an important role in creating awareness within the Bank via Committees.

18.2.1. Market Risk

All the assessments needed for monitoring, measuring and managing market risks the balance sheet is exposed to. Market risk profile of the balance sheet and product mandate determined in parallel with this, are managed broadly within abovementioned framework. For the compliance of market risk with both Basel requirements and other international standards, not only banking book and trading book have been separated, but also the methods for measuring and monitoring the risks arising from such books have been separated via various risk appetite and limits defined by Board of Directors. In this context, in addition to the liquidity risk limits determined in relation to normal and stressful conditions, limits are imposed against interest rate shocks under the interest rate risk framework in banking accounts and position limits are allocated under the currency risk framework.

On the other hand, in trading books limits based on sensitivity and position limits have been determined as well as value at risk limits within the scope of currency and interest rate risk. Such limits are followed up regularly and measurement results are shared with the senior management and Board of Directors. Moreover, as part of Bank's risk management strategy the Board approved risk appetite is regularly reviewed in the light of changing economic environment besides the Bank's targets and again approved by Board. On the other hand, legal capital requirement for market risk is calculated in Standard Method.

In addition, in order to comply with the increasing global regulatory requirements above besides to perform sophisticated risk analysis, a comprehensive software implementation project is carried out.

18.2.2. Credit Risk

Credit risk is defined as the loss probability the Bank may be exposed to due to failure to realize the liability partially or wholly of the counter party of the transaction, not complying with the contract signed with the Bank. Credit risk aims to monitor risk-revenue structure, accordingly qualifications and level of the activities related to credit disbursement, to take them under control, as well as defining, measuring, reporting, monitoring, controlling and aligning them with risk profiles on a consolidated and unconsolidated basis via policies, procedures and limits that may be changed when necessary. Local and International standards (BRSA, ECB and Basel Committee Standards) and

regulations modified and updated for closely monitoring and measuring the credit risk of the Bank and for executing the activities reliably are followed up. Necessary studies and preparations are carried out for taking necessary measures in compliance with the regulations. Risk measurement models and methods used in the Bank are reviewed, analyses are carried out, and reports are generated on a regular basis. Credit principles of the Bank are based on risk security, liquidity and risk-revenue balance. To maintain this balance, new products and services of the Bank related to credits are assessed; the risks to arise from the new product/service are measured in detail, and put under an approval process. In monitoring the risk for the Bank's credit portfolio the changes in rating classes of the segments are monitored closely. In addition to these, in order to comply with the regulations regarding Internal Ratings Based Approach (IRBA) migration project, published by BRSA, a dedicated Project is being run with the relevant stakeholders. In 2018, internal models were used for the bank's credit portfolio in the calculation of provisions for the credit portfolio.

18.3. Internal Control Group

Internal Control Group consists of Branch Internal Control department and Head Office and Subsidiaries Internal Control departments. Internal Control Group;

- Controls according to the prepared working guidelines whether all the transactions of the Bank are carried out in compliance with the laws, legislations and all related regulations, Board decisions and directives and instructions from Head Office, within appropriate and determined limits,
- Controls whether balance sheet and statutory reports are in compliance with existing laws, regulations, notifications, circulars and prospectuses,
- Ensures that measures are taken against the risks that may arise,
- Carries out necessary activities for ensuring that the controls on Bank's activities are standardized and realized according to certain rules
- Acts as a consultant about the risks regarding the activity fields and projects to be realized in various units of the Bank, when necessary.

The principle is that before basic internal control activities are realized in a risk-based manner also in the branches to cover the activities of all the units centrally and the risks related to the activities occur, preventive checkpoints should be formed, thereby mitigating and managing the risks. Besides central controls, on-site internal controls are carried out in all the branches of our Bank and transactions are checked. In addition to branch control activities, periodic controls are also carried out for subsidiaries and major Head Office departments/ processes. For the issues in need of urgent measures to be taken, Internal Control is notified urgently. Branch authorities are also informed on the issue. Internal control staff in the branches do not perform any executive activities as those in the Head Office. In realizing internal control activities, related working guidelines are complied with. Working guidelines include the legal regulations, changes in the products and services kept up-to-date to ensure that they are reflected on control activities instantly. In parallel with the changes to occur in the regulations, new checkpoints are added and obsolete ones are removed. Internal Control Group plays an active role in the control tests realized periodically in compliance with Sarbanes Oxley (SOX) rules and Enterprise Risk Management (ERM) within the Bank.

18.4.Operational and IT Risk Management Group

The seven operational risk categories defined in Basel-II Report as of June 2006, have been enriched by ING as "non-financial risk" under the following ten categories; Compliance Risks, Control Risks, Unauthorized Activity Risks, Processing Risks, Employment Practices Risks, Personal and Physical Security Risks, Continuity Risks, Internal and External Fraud Risks and Information Technology Risks.

Operational and IT Risk Management Group's duties are to provide the necessary support for management of these risk categories except Compliance Risk by the business lines and other functions in ING Bank A.Ş. and ING Bank A.Ş. Subsidiaries as well as providing guidance on implementation of ING Policy and Standards, ensuring information flow via various reports, coordinating relevant corporate governance meetings, calculating Operational Risk Economic and Regulatory Capital and to organize trainings on operational risk management and related subjects. Monitoring the operational risk faced by the Bank within the frame of risk appetite, determining risk points and standardizing them for processes throughout the Bank, measuring, monitoring and reporting, setting limits related to operational risks, monitoring them and reporting any breaches, evaluating operational risks and ensuring that all the possible risks have been evaluated for any new product or service in accordance with Regulation on Internal Systems of Banks, taking responsibilities in SOX and key control testing process, are also under the responsibility of Operational and IT Risk Management Group.

18.5. Compliance Risk Management Department

With its widest definition, Compliance Risk covers all types of risks that are likely to be exposed to the ING corporate identity, including reputation and reduction of confidence. It is the risk of failure (or perceived failure) to comply with the banking legislation and other applicable legislation, ING's Policies and minimum standards, ING Code of Conduct and the ING Orange Codes, corporate governance principles of banking sector and principles and regulations for the prevention of money laundering and the financing of terrorism that may damage the ING's reputation and / or result in financial damage in the event of failure (or perceived failure) of all activities, new transactions and products, employee behaviors, customer identification and customer acceptance and workflows. It's also the risk of engaging in activity that could damage ING Bank's reputation, lead to a legal or regulatory violation and/ or result in financial loss.

All ING employees are required to comply with these regulations and principles in order to protect the reputation of ING and effectively manage the Compliance Risks.

Compliance Risk Management Department (reporting to the Audit Committee) provides advisory service, performs controls, conduct trainings and awareness activities for increasing the Compliance Risk awareness of ING Bank A.S. and its subsidiaries' employees in line with the ING Compliance Risk Management Framework. In order to effectively manage the Compliance Risks of ING Bank A.S. and its subsidiaries, Compliance Risk Management performs risk-based monitoring activities and periodic reportings.

19- The Strategic Goals of the Company

Our vision

Creating long term values for all our stakeholders while offering the most appropriate solutions to our customers to assist them to manage their finance the best way in the future.

Our mission

Becoming the preferred bank for our customers with an understanding of operational excellence and international service quality, and for our employees with our ethical and spiritual values of highest level.

Our values

Everybody needs a bank that is reliable, excellent in services, acting smartly, decisive, sensitive, and accessible. As a bank carrying these values, we will make our customers gain strength. We will introduce a brand new understanding of banking in Turkey.

Vision/Mission/Values of the Bank have been determined and publicized on our website. As is mentioned above, the strategic objectives studied on and presented via managers and various committees participated by them are assessed and resolved in Board of Directors. Annual budget, investment issues and amounts, branching, working policies in various areas, etc. are among the subjects within this scope. Additionally, the issues about reaching or deviating from the objectives or updating them in accordance with changed conditions are submitted to the Board of Directors in preset intervals.

20- Remuneration of the Board of Directors

In the last Ordinary General Assembly realized by the Shareholders on 19.03.2018; it was deemed appropriate not to pay daily allowance to the Board Members, and to ensure that Board of Directors take decision on determining the compensation to be paid not exceeding maximum net TL 50.000.-monthly according to the job sharing to be made in Board of Directors, in consideration of 6th principle of the Regulations on the Corporate Governance Principles of the Banks released by BRSA.

5- Voting Rights and Minority Rights

There is no privilege applied on the voting right of our Bank's shareholders. The companies in reciprocal shareholding did not participate in the voting in general assembly. There's no minority share represented in management. The Bank does not implement cumulative voting.

6- Dividend Policy

There is no privilege granted in participation in the Bank's profit. Except for the arrangement made under Article 32 "Detection of Net Profit", Article 33 "Allocation and Distribution of Net Profit" and Article 34 "Capital Reserves" in Articles of Association of the Bank, there is no other profit distribution policy disclosed to the public. Within the scope of related legislations, decisions for profit distribution are taken and necessary actions are realized in parallel with this.

7. Transfer of Shares

For the transfer of shares, tenors of the Turkish Trade Code are implemented pursuant to the article 10 with the title "Transfer of Shares" of the Bank's Articles of Association.

SECTION II – PUBLIC DISCLOSURE AND TRANSPARENCY

8- Disclosure Policy

Disclosure Policy of our Bank is updated and published on the website of our Bank both in Turkish and English as is required by the legislations we are subjected to. Within the scope of disclosure policy, it is disclosed to the public by "Investor Relations and Corporate Governance" and "Statutory Reporting" departments within the knowledge and approval of our Bank's Board of Directors and Head Office. The disclosures are reported in Corporate Governance Committee.

The main purpose of the Disclosure Policy is to ensure that required information, other than confidential business information, is disclosed to the public, investors, employees, customers, creditors and other relevant parties in a timely, accurate, complete, understandable, convenient and affordable manner, on equal footing.

All kinds of financial information, explanations and disclosures required in line with the Banking Law and the relevant regulations, Capital Markets Board (CMB) Legislation, Turkish Commercial Code, Borsa Istanbul (BIST) Legislation and other relevant legislation, are provided by also taking into consideration the generally accepted accounting principles and the Corporate Governance Policies of the CMAb.

ING Bank A.Ş. ("Bank") Disclosure Policy has been created based on the "Communiqué, Serial: II, No: 15.2 on the Material Events Disclosure Regarding Non-publicly Traded Corporations" issued by the CMB.

The Disclosure Policy has been established by the Bank's Board of Directors. The Board of Directors has the right and the responsibility to disclose information to the public, and to monitor, supervise, and develop the disclosure policy. Coordination of the disclosure function is the responsibility of the Financial Control and Treasury Vice Presidency and Legal Department Vice Presidency. The officials of the aforesaid departments fulfill these responsibilities in close coordination with the Senior Management.

The financial statements prepared quarterly on solo and consolidated basis in accordance with the legislation issued by the Banking Regulation and Supervision Agency (BRSA), footnotes and remarks regarding the relevant financial statements, the independent audit report and the interim report are submitted to the BIST within the prescribed legal period and published on the Bank's website and the websites of the BRSA and the Banks Association of Turkey. At year-ends, the financial statements prepared on solo and consolidated basis in accordance with the legislation issued by the Banking Regulation and Supervision Agency (BRSA), footnotes and remarks regarding

the relevant financial statements, and the independent audit report are submitted to the BIST within the prescribed legal period and published on the Bank's website and the websites of the BRSA and the Banks Association of Turkey. The relevant financial statements are attested and signed by the Chairman of the Bank's Board of Directors, members of the Audit Committee, CEO, Executive Vice President in charge of financial reporting, and Director of the relevant unit. The interim reports prepared quarterly provide information on the Bank's market position, general financial performance and other important matters.

The annual report, prepared in accordance with the legislation issued by the BRSA, is submitted to the BIST within the prescribed legal period and published on the Bank's website. The relevant financial statements are attested and signed by the Chairman of the Bank's Board of Directors, members of the Audit Committee, CEO, Executive Vice President in charge of financial reporting, and the Director of the relevant unit.

The year-end activity report provides information on the Bank's market position, general financial performance and other important matters.

The Bank's Board of Directors has the right and the responsibility to develop and to follow up the implementation of the Disclosure Policy. The effectiveness and reliability of the public disclosure process within the scope of the Disclosure Policy are under the supervision and control of the Bank's Board of Directors. The Bank's Board of Directors has the right to amend the policy. The amendments are disclosed to the public and published on the internet website within one week following the amendment.

The implementation of the Disclosure Policy is under the responsibility of the Bank's Senior Management.

9- The Website and Its Content

There are disclosures for the public, especially for our investors under the menus "Relations with Investors" and "Corporate Governance" on the website of our Bank. Our disclosures are provided both in Turkish and English.

ING Bank A.Ş.'s Website (www.ingbank.com.tr) is frequently used for informing the public and for disclosure. The website of the Bank includes the information and data required by the legislations. It is paid attention to keep the website up-to-date.

10- Annual Reports

Annual Report include Corporate Governance Compliance Report, therefore Corporate Governance Principles are practiced in the report.

SECTION III - STAKEHOLDERS

11- Informing Stakeholders

Stakeholders are informed by our Bank on the issues relating to themselves via general assembly meeting minutes, material circumstances disclosures, press releases, meetings, electronic mail and website. There is a corporate intranet for informing the employees.

12- Participation of the Stakeholders in the Management

The employees are always encouraged to participate in the management and their suggestions for improving the business are taken in consideration and rewarded. Customers of the Bank communicate their requests and complaints via branches, website (www.ingbank.com.tr) and Customer Contact Center (0850 222 0 600). Procedures Conflict of Information and Interest in the Markets approved by our Bank's Board of Directors includes the definition of how the requests, recommendations and complaints of the employees and third parties should be assessed. It is

aimed to encourage the change and improvement as well as increasing motivation by assessing and rewarding them.

For all the recommendations found to be appropriate, a working plan is drawn by the relevant units and necessary system developments are carried out. The bank is regularly informed about the recommendations studied and put in effect.

13- Human Resources Policy

At ING Group, our primary purpose is to empower people to stay a step ahead in life and in business.

In Turkey, with our dynamic and agile structure, we are bringing an unconventional and out-of-the-box Banking approach, in line with our unique slogan "Unbanky Bank", and we aim to create the difference in terms of the working environment and our culture, and we strive for finding always the better by tirelessly questioning the traditions. The Human Resources Management of the Bank provides its staff members with a flexible working environment, where they would act comfortably, and local and global career opportunities, fair and transparent appointment, promotion and performance systems, thanks to such innovative Banking mentality.

Our Human Resources (HR) policy is based on raising our leaders within the organization of our Bank. We believe that provision of an effective and productive environment that would unveil the potentials of the ING staff members stands as the key to the success, and we design and implement our personal development and leadership programs as based on such understanding. We, as ING Bank, focus on the performance, strengths and the need-to-be-improved aspects of the staff members, and offer development and career opportunities that best suits to their motivations.

During the course of progress aimed at becoming a popular and favored employer brand, ING Bank Turkey Human Resources adopts a fair and transparent performance and management policy that cares about the happiness and commitment of the staff members, supports diversity, promotes participation, features the balance between the business and the private life, offers equal opportunities and encourages internal appointment. Participation in the global surveys, which provide assistance in determining the choices for the employer brands, and monitoring and improvement of the results thereof on yearly basis are among the priorities we have, and our Bank was awarded with the "Great Place to Work" certification in 2018, thanks to the improvements made within the said framework.

We characterize our corporate values and conduct as the "Orange Code Conduct". The principles of assumption and accomplishment, assisting in the achievements of others and being one step ahead at all times constitute the keystones of all of the Human Resources processes of the Bank.

We have many communication platforms where the job title and hierarchy is not minded and which is available to anyone and where all of our staff members can exchange their opinions and ideas freely. We value all opinions and ideas, and thus, we circulate the ideas not only top to bottom but bottom to top. We foster an environment where our staff members can voluntarily participate in the projects that best suits to their interests and skills and assume an active role therein and also where they would contribute to the achievements of ING Bank.

Mobility, doing our work at any place at any time, user-friendly processes and digitalization become more and more important in respect of the Human Resources. Thanks to our applications

such as Do It From the Mobile, ING Mobile Academy, Workplace and Digital Onboarding, as well as the recruitment application portals, on-line interviews from remote locations and on-line assessment tools, we design plain and positive experiences both for the staff members and also the applicants.

Adoption of the agile working method enables us to review our processes practically always and improve the same constantly and also arrange such processes in line with the emerging needs. As based on more flexible and effective methods, we provide the staff members with the opportunity to question what is in hand for performing better consistently and becoming participatory, by supporting the sustainable development processes.

We care about reaching out the young talents and adding them in the organization of the ING, and also investing in the leaders of the future. We aim to raise the newly graduate ING team members, whose development is supported by us by virtue of the "International Talent Programme (ITP)", our global talent programme, other than the internship and part-time employment opportunities, into the senior management roles. Within the scope of the said programme, new graduates are selected every year in each of ING countries and they are trained in the business line they choose, as part of a program for such purpose. Following the program of a period of a total of 4 years, which includes the internationally-held training programs, the internationally-recognized certification programs and the short and long-term local and global rotation opportunities, the young talents continue their careers by benefiting also from the options available within the organization of ING on global basis.

For ING Bank; international assignments are prioritized due to the experience and the different point of view gained thereby, and such assignments offer the staff members of ING to benefit from the global opportunities. International job policies stand as a follow-up for the policies that constitute the global roof of the ING Group, and such policies are focused on the common interest, achievement and development of the entity and the staff members. The staff members are provided with guidance with respect to their areas of development, and their career development is supported, in consequence of the local and global assessments.

Training & Development

The staff members of the Bank are supported by the trainings, which start upon initiation of the Orientation process and thereafter continue with the professional and personal development topics. The trainings, planned for increasing the knowledge and skills of the staff members in their current positions or for transition between positions, are diversified with the classroom, on-the-job and distance learning methods, and the development of the staff members is supported thereby. In addition, with boutique trainings arranged in connection with Bank's strategies and based on the projects, the staff members may be supported to quickly adapt to the processes. It is aimed with the training programs, attended by the staff members as part of their career plans, to help the staff members improve in technical and personal competencies and become competent in their jobs.

With the e-training and video portal of ING Mobile Academy, which mobilized and digitalized our training platform, all personal and professional development training opportunities have become accessible at any time. Thanks to the mobile applications, we offer to our staff members, we contribute to cost-saving.

Performance Management

As ING Bank, every year we manage a process that starts with setting job expectations and competencies which are assessed with continuous conversations and year-end review in order to assess performance against in a fair and transparent manner based on certain criteria. The motto for management of Performance at ING Bank: "You are the performance, you own this process".

We conduct "Mentorship and Coaching Programs" to increase the performances or competences of our staff members and help them discover and unveil their potential.

ING Bank believes that it will contribute to profitability and growth if the staff members have measurable goals and a shared success culture where they unite and work together to attain these goals. Accordingly, Success@ING, the performance management systems of ING Bank, has been established for the purpose of evaluating all of the staff members under the main headings, namely business target, Orange Code Conduct and the target beyond the limits, and also for enabling for the development of the staff members in line with the results obtained therefrom. The results of the evaluations have been prepared to be used as data in career opportunities, talent programs, training programs, compensation and benefits practices about the staff members.

The promotion process being carried out with the organization of the Bank has been arranged to make a staff member, who has the necessary qualities for promotion such as high performing behaviors, professional knowledge and skills, sufficient education level and sense of responsibility, may be promoted to a higher position within the scope of vacancies in order to make use of the qualified human resources adequately.

Career Management

Within the organization of ING Bank, we offer all of our staff members, who serve at a job position lower than vice president, with the opportunity to be promoted following the respective performance evaluation periods. In respect of any such promotion that undergoes an evaluation for twice a year, attention is paid that the basic criteria thereto consist of a consistent high level of performance, and that any such promotion is communicated to all of the staff members on an entirely transparent basis, and also that any such promotion is not based only on the personal evaluation of the respective managers. We announce the vacant positions for all roles for the job position of the vice president and those ranking higher through the Career Opportunities, and we grant the priority to our existing staff members, and we support internal promotion of our leaders. Besides, the appointments for the Branch Manager job position are currently made internally, as based on our talent pool, by making use of the Orange Talents Program.

We have the "Career Steps" program, which aims to support the development of the branch team members through switching to different business lines.

In addition to the foregoing, all of our staff members are provided with the opportunity to apply for various internationally vacant roles as announced by us also through the Career Opportunities. Short- and long-term assignments to ING Global posts aim to ensure that right people work at the right place and right time for ING Bank. With durations varying from 3 months to 5 years, these programs enable temporary assignments to the vacant positions in different countries based on the talents and experiences of our colleagues. The staff members assigned to these posts are offered a

significant contribution to their personal developments and career plans, supported by managers of the relevant business line and Human Resources teams.

We meet with the senior management of all business units within the year, and determine our staff members, who have the potential to become a leader, by evaluating not only the performance but also the potential, and we draw up the backing up plans for our staff members, who serve at the critical roles, and we prepare such staff members as indicated in such plans for the roles of the future. Thereby, we not only guarantee the soundness of the organization in terms of the leadership, but also provide our staff members with the opportunity to prepare themselves for the new roles and make progress, accordingly.

Thanks to our program, we call the Orange Guest, we provide our willing staff members with the opportunity to become acquainted with various business units and closely observe their functions by serving a for a limited period of time at such units. Our staff members, who are granted with the opportunity to serve at a different unit for the periods that would vary between 2 weeks to 1 month, will not only become acquainted with the respective department and the staff members serving at there, but also think about such new department, they will have experienced, among their goals while steering their career within the upcoming periods. The Orange Guest process also brings the teamwork culture to a better point.

By offering attractive training and career opportunities and a better workplace environment to our staff members, we support our target of becoming the most favored Employer in the banking industry.

Social Benefits

We have been implementing the "Orange Hearts", the corporate volunteering program, to guide the volunteer activities of our staff members, and unite the activities of our staff members active in various volunteer initiatives under a single roof. As part of the said program, the staff members of ING Bank may not only take part in the social responsibility projects, by devoting time-talent and also financial support, and but also share their own projects with the fellow staff members. "Orange Hearts" functions with the motto "Set Your Heart on Benevolence".

We host some dedicated areas such as a globally known coffeehouse chain, a fitness center, a hairdresser and a basketball court within our Head Office building.

Thanks to the "Orange Deals", we offer special discount agreements to the staff members of ING Bank with the brands with a number around 100 throughout Turkey. Some discount agreements have been entered into with various organizations for our expectant mothers and fathers who undergo a treatment process for a test-tube baby.

We design some models to enable our staff members to have flexible working hours depending on their needs and the requirements of teamwork. Flexing, which includes 4 sub-segments, namely FlexiHours, FlexiPlace, FlexiCareer and FlexiBenefits, is aimed at increased productivity by maintaining a balance between the professional and private lives of the staff members. Our purpose in such application of us, which provides flexibility in terms of the working hours, workplace, career and benefits, is to enable that our staff members build a sound work-personal life balance.

We have put an end to the "dress code". We have abandoned the obligation of wearing a necktie, which has been a first for the industry. Instead of wearing suits to work, our staff members have switched to a more casual yet fashionable style. The physical environment within the Bank also supports the flexibility and creativity, along with the flexible working. The staff members may enjoy riding a bike, play basketball and guitar within the Head Office building.

Thanks to our practice, namely "Welcome to ING Leave", any ING Bank member, who has recently joined our family, may take a 5-day leave, even before having worked for an entire year.

Thanks to the "Health Comes First Leave", an administrative leave of 10 days is granted for our staff members, whose 1st and/or 2nd degree relatives are subject to hospitalization.

Also, as part of the "Me and My Child" leaves:

The "First Day of School" leave and "Report Card Day Leave" allow the parents with children between ages of 3 to 14 to be there for their children on the first and last day of the school;

"Orange Day with My Child" allows the parents with children of the same age group to spare 1 day to spend with their children as they wish, and

"I'm Having A Baby" leave allows the expectant mothers to take 1 day off for their routine examinations every month until the delivery.

Pursuant to the practice, we have materialized in 2018, any staff member of us, who has become the mother, are deemed to be on leave without any salary deduction for a period until her newborn would be of 6 months. Our staff members, who have recently become the father, are granted with a leave of 10 days, which might be taken within 1 year, for spending their time with their newborns. Any staff member, whose kid has started the nursery, is granted with the right of leave for a full day for the week, in which the nursery is opened, and for a half day for the remaining days. As of June 2018, any willing staff member may serve at the office in Izmir for a period of two weeks a year as part of the Flexi35 practice. This practice allows the staff members, who are mothers and fathers, make a more comfortably vacation plan with their children during the summer season. Another practice for leave, which is named the Orange Cap, has also been started to be implemented for the mothers and fathers. The ING staff members, who are mothers and fathers, are granted with a leave for being with their children at their graduation. The number of our lactation rooms that have been introduced within 2017 has reached to 135 of our branches, and all of the regions, where we operate, have been provided with the said facility.

At ING, we also host innovative platforms such as the Platform for Innovation and the Innovation Bootcamp, which support the internal entrepreneurship among the staff members.

For the purpose of contributing to the Innovation and maker culture during 2018, an ING Maker Café has also been opened within the Bank within this year. The said Café contributes to the culture of exchange of experience and knowledge, as well as co-creation.

By aiming to have the children, who work as focused on technology, provided with the new generation competencies and the culture of producing by making use of the technology, ING has accomplished the Next Generation Academy by cooperating with Makers Turkey. The said Academy has produced its first term graduates this year. The children between 5 and 8 have received the

robotics, electrical and electronic, Makey Makey, coding, Arduino and 3d design trainings for a period of 2 months, and the children between 9 and 14 have received such trainings for a period of 4 months. The young makers have exhibited their projects at the end of the respective term.

By providing support to its staff members also in respect of improving their qualifications with respect to the information technologies, ING has taken remarkable steps, which cover not only its technology team but all of its staff members, in the robotics process automation and data science.

Accordingly, a robotics team, consisting of 6 individuals among the staff members of the Kahramanmaraş Operations and Call Center, which serves throughout the country, has been formed within June of 2018. Following the training provided by the technology team at the Head Office, such team of 6 individuals has accomplished approximately 50 robot software within a period of 2 months. Furthermore, the Bank has initiated a Data Science Certification Program by acting in collaboration with the Ozyegin University. By means of such program, all staff members, who wish to improve themselves in such field, have been provided with the opportunity to study and do a master's degree, irrespective of the unit where they serve. 600 individuals within the organization of the Bank have taken the respective exam for being able to receive the data scientist training.

14- Ethical Rules and Social Responsibility

ING Group prioritizes environmental sensitivity and human rights in all ING countries and in the business relationships established. In financial decisions and transactions mediated, ING policies created with the awareness of responsibility towards the society must be complied as well as national and international laws and regulations.

Our Environmental and Social Risk Policies created for guiding our activities in the light of our social, ethical and environmental vision has become a dispensable part of credit risk management at ING. In other words, all potential social and environmental side effects (destruction of forests, air pollution, child employment, controversial weapons) of our activities are reviewed in depth.

Our policies are continuously improved and updated through cooperations with our employees, customers, shareholders and organizations specialized in the issues such as human rights, climate changes, etc.

ING Group is one of the 10 international banks having acknowledged Equator principles voluntarily in June 2003 which are agreed upon to be applied in financing all the projects costing 10 million \$ or more, based on environmental and social responsibility policies of International Finance Corporation. In project finance, these standards are taken in consideration for social responsibility and environmental risk management. ING Group, which has also been registered in the FTSE4 Good and Dow Jones Sustainability Index for its compliance with global responsibility standards, signed United Nations Global Compact in 2006. ING Group has been carrying out its activities with zero carbon footprint since 2007. ING is sustainability leader among banks according to Sustainalytics, a global leader in sustainability research. ING Global commits to decrease the carbon, waste and water foot print by 20%, realize 100% renewable energy procurement and increase the financing of sustainable transitions to EUR 35 bln by 2020.

ING Group carries out activities to create awareness on saving with the financial literacy projects and voluntary training programs focused on savings and has been cooperating with UNICEF since 2005. Within the scope of "ING Chances for Children" program, approximately 1 million children have been supported for their education and future up until today.

Our bank has adopted to comply with "Banking Ethical Principles" dated November 1, 2001 no 1012 published by Banks Association of Turkey.

Besides these principles, the ethical rules which the employees of ING Group Companies have to comply with are shared with all the employees of ING Bank A.Ş.

Board of Directors' resolution dated 26.12.2014, numbered 48-5 was granted in regard to the Ethical Principles of ING Bank A.Ş.

ING Bank Turkey is the signatory of United National (UN) Women Empowerment Principles. The bank also supports the UN HeforShe Campaign. ING Bank Turkey regularly measures the women statistics and develop programs to increase the number of the women employees in the bank. In addition, by announcing HeforShe support in the communications of special days, awareness on gender equality has raised. Gender equality communications has started with the March 8 International Women's Day and continue through [april 23 national sovereignty and children's day](#), Mother's Day and October 20 Republic Day, its spokesman in Turkey has been strengthened.

ING Bank Turkey is included in the study group for Sustainable Banking established by Istanbul Stock Exchange and UN Global Compact Turkey. The experiences and accumulation of knowledge in this area both in international and national markets are shared with other participant banks. ING Bank Turkey has signed with 7 other banks the "Declaration on Sustainable Finance" which was initiated by UN Global Compact Turkey. In this regard, environmental and social risk evaluations were integrated into the loan assessment process for financing investment projects.

As a requirement of our role as a Savings Bank, we have been determining saving tendencies, changes and saving potentials of urban population with the Research on Turkey's Saving Tendencies carried out since October 2011. The results generated in the research have been respected and considered a resource by academicians, journalists and governmental bodies. The research was also granted "Best Communication Research" award in the category of "Communication Research" in International Public Relations Association (IPRA) 2013 Golden Globe Awards. We won bronze award ranking third among 225 projects in "Communication Program of the Year or Public Relations Campaign" category in "International Stevie Awards" accepted as one of the most prestigious awards of international business world.

Finally, we have focused on children and the young people who will be the most significant figures on the savings picture of the future, with the aim of meeting our responsibilities towards our society. To create awareness for saving in the future generations of Turkey, we officially launched "Orange Drop" program in April 2013 aiming at changing consumption and saving behaviors. Within the scope of the program put in effect under auspices of Istanbul Provincial Directorate of National Education, in coordination with Koç University and REC Turkey, 3rd and 4th graders in Elementary Schools have been visited and financial literacy trainings have been provided focusing on savings, via their teachers, for 8 weeks. Orange Drops reached 261 schools, 935 teachers and approximately 32.000 students.

Orange Drops has been represented in various international and national awards. The project won The Preferred Bank Award among 40 ING Group countries, has also received "Best Corporation" award among 17 corporations in EIFLE-Excellence in Financial Literacy Education Awards, organized for the eighth time by American Financial Literacy Institute. Orange Drops has also been one of the global finalists in Child and Youth Finance International/CYFI Awards. It also holds Golden Compass Award being the "Best Corporate Social Responsibility Project" in education category among 12 projects in 13th Golden Compass Awards. Lastly, it won the "Silver Award" in "The Stevie International Business Awards" within the "Corporate Social Responsibility" category.

Additionally, many activities have been realized that would raise fund for UNICEF with volunteer contribution of our employees every year since 2008, under the initiative "Chances for Children" of

ING Bank both internationally and in Turkey. The projects carried out by UNICEF in Turkey are supported with the funds raised thanks to voluntary work of our employees, making our children get one step closer to their dreams

ING Bank employees having run in Istanbul Marathon, Runatolia and Bozcaada marathons between 2012 and 2014 raised funds to contribute to the primary school built in Kahramanmaraş in cooperation with UNICEF. Furthermore, our employees raised funds for Koruncuk Foundation, Tohum Autism Foundation, Turkish Educational Foundation (TEV), World Wide Fund For Nature (WWF), The Spinal Cord Paralytcs Association of Turkey (TOFD) and The Turkish Foundation for Combating Soil Erosion, for Reforestation and the Protection of Natural Habitats (TEMA) by running at 2018 Istanbul Marathon.

Through a campaign started in December 2017, ING Bank Turkey’s contactless mobile payment tool ParaMara users’ contactless payments were matched as donations (within the pre-defined limits) to The Spinal Cord Paralytcs Association of Turkey and Koruncuk Foundation.

As of the end of 2014, in cooperation with Association of Private Sector Volunteers and sticking to the motto “Give your Heart for the Good of Others”, the corporate volunteering program “Orange Hearts” was put in effect to guide the volunteer activities of ING Bank employees and unite the activities of our employees active in various volunteer initiatives under a single roof. Within the scope of Orange Hearts program, ING Bank Turkey employees realized 1.255 hours of voluntary activities in 2018.

This year, within the scope of our cooperation with TEMA, in order to contribute to the protection of the environment, we are transforming the savings created by our employees who reduce the paper consumption and the customers who have passed the e-statement, into a tree in Turuncu Orman.

Lastly, ING Bank provides financial and mentorship support for the university students in need under the Koc University Anatolian Scholarship Program. ING Bank helps them to continue their professional development and higher education for 5 years through ING Bank Turkey’s support. One of the students was successfully graduated in 2017. Furthermore, ING Bank Turkey also provides full scholarship of one student within the scope of Ozyegin University Equal Opportunity for Education Scholarship Program for 5 years. With the agreement, initiated this year with İhsan Doğramacı Bilkent University, within the scope of Girls Scholarship financial and mentorship support of 2 students for 5 years will be given.

SECTION IV – BOARD OF DIRECTORS

15- The Structure and Composition of Board of Directors

ING Bank A.Ş. Board of Directors

John T. Mc Carthy	Chairman
Mehmet. Sırrı Erkan	Vice Chairman
Ayşe Canan Ediboğlu	Board Member
Adrianus J. A. Kas	Board Member & Audit Committee Member
Mürüvet Semra Kuran	Board Member & Audit Committee Member
Pınar Abay	CEO and Board Member

There is no executive Board Member other than Pınar Abay who is both CEO and a Natural Board Member.

Since our Bank is not one of the corporations defined in Communiqué Serial II-, no:17.1 "Corporate Governance" issued by the CMB, it is not subject to the legal liabilities required for independent board members.

Board Members are assigned with other duties outside the Bank. Related banking law and BRSA regulations are complied with in such assignments. In addition, the restrictions on the board members imposed by Article 396 of Turkish Commercial Code are removed with the decision of shareholders in the ordinary general assembly held every year.

16- Principles of Activity of the Board of Directors

Performing the activities with the aim of reaching strategic targets of the Bank in line with our Mission, Vision and Values.

17- Number, Structure and Independency of Committees Established by the Board Of Directors

Information about Credit Committee, Audit Committee, Corporate Management Committee and Compensation Committee are as follows:

Credit Committee :

Names of Board Members who are members of Credit Committee at the same time:

John Thomas Mc Carthy, Chairman (Chairman)
A.Canan Edipoğlu, Member (Board Member)
Pınar Abay, Member (CEO and Board Member)

Audit Committee :

Names of Board Members who are members of Audit Committee at the same time:

Adrianus J. A. Kas, Chairman (Board Member)
Mürüvet Semra Kuran, Member (Board Member)

Corporate Governance Committee:

Names of Board Members who are members of Corporate Governance Committee at the same time:

Ayşe Canan Edipoğlu, Chairman (Board Member)
John Thomas Mc Carthy, Member (Chairman)

Compensation Committee:

Names of Board Members who are members of Compensation Committee at the same time:

Mehmet Sırrı Erkan, Chairman (Vice Chairman of Board)
John Thomas Mc Carthy, Member (Chairman of Board)
Ayşe Canan Edipoğlu, Member (Board Member)

18- Internal Control and Risk Management Mechanism

18.1.Internal Audit

Internal Audit Department (IAD) reports to the Audit Committee; and aims to provide independent and objective assurance and advisory services to the Senior Management for the quality and effectiveness of the internal control, risk management and governance systems and process and information systems practices in the Bank and its subsidiaries. As per the "Regulation on Internal Systems and Internal Capital Adequacy Assessment Process of Banks" and in accordance with "Control Objectives for Information and Related Technologies (COBIT)", IAD supports the Bank and subsidiaries to accomplish their mission and strategic business objectives through a systematic, documented risk based audit approach to examine, evaluate and improve the effectiveness of

(framework of) governance, control, and risk management processes of the Bank and subsidiaries. Moreover, IAD performs analysis and investigations on the fraud, cheat or forgery acts committed by the personnel or third parties against the Bank.

IAD carries out its activities; in accordance with the principles of the Bank and the Core Principles for the Professional Practice of Internal Auditing, the Code of Ethics, the Standards, and the Definition of Internal Auditing as determined by the International Institute of Internal Auditors. IAD deploys competent staff who adhere to these Code of Ethics and Standards.

18.2. Financial Risk Management

Financial Risk Management cooperates with related business lines of the Bank for the existing activities of the Bank as well as carrying out regular legal and internal reporting activities. The unit acts as a guide in determining, monitoring, measuring and managing the risks, and consequently realizes necessary arrangements via Board of Directors, Audit Committee, Asset & Liabilities Committee (ALCO), Model Development and Monitoring Committee and Credit Risk and Provisioning Committee

Financial Risk Management monitors the Risk Management Regulations (local & international) closely and plays an important role in creating awareness within the Bank via Committees.

18.2.1. Market Risk

All the assessments needed for monitoring, measuring and managing market risks the balance sheet is exposed to. Market risk profile of the balance sheet and product mandate determined in parallel with this, are managed broadly within abovementioned framework. For the compliance of market risk with both Basel requirements and other international standards, not only banking book and trading book have been separated, but also the methods for measuring and monitoring the risks arising from such books have been separated via various risk appetite and limits defined by Board of Directors. In this context, in addition to the liquidity risk limits determined in relation to normal and stressful conditions, limits are imposed against interest rate shocks under the interest rate risk framework in banking accounts and position limits are allocated under the currency risk framework.

On the other hand, in trading books limits based on sensitivity and position limits have been determined as well as value at risk limits within the scope of currency and interest rate risk. Such limits are followed up regularly and measurement results are shared with the senior management and Board of Directors. Moreover, as part of Bank's risk management strategy the Board approved risk appetite is regularly reviewed in the light of changing economic environment besides the Bank's targets and again approved by Board. On the other hand, legal capital requirement for market risk is calculated in Standard Method.

In addition, in order to comply with the increasing global regulatory requirements above besides to perform sophisticated risk analysis, a comprehensive software implementation project is carried out.

18.2.2. Credit Risk

Credit risk is defined as the loss probability the Bank may be exposed to due to failure to realize the liability partially or wholly of the counter party of the transaction, not complying with the contract signed with the Bank. Credit risk aims to monitor risk-revenue structure, accordingly qualifications and level of the activities related to credit disbursement, to take them under control, as well as defining, measuring, reporting, monitoring, controlling and aligning them with risk profiles on a consolidated and unconsolidated basis via policies, procedures and limits that may be changed when necessary. Local and International standards (BRSA, ECB and Basel Committee Standards) and

regulations modified and updated for closely monitoring and measuring the credit risk of the Bank and for executing the activities reliably are followed up. Necessary studies and preparations are carried out for taking necessary measures in compliance with the regulations. Risk measurement models and methods used in the Bank are reviewed, analyses are carried out, and reports are generated on a regular basis. Credit principles of the Bank are based on risk security, liquidity and risk-revenue balance. To maintain this balance, new products and services of the Bank related to credits are assessed; the risks to arise from the new product/service are measured in detail, and put under an approval process. In monitoring the risk for the Bank's credit portfolio the changes in rating classes of the segments are monitored closely. In addition to these, in order to comply with the regulations regarding Internal Ratings Based Approach (IRBA) migration project, published by BRSA, a dedicated Project is being run with the relevant stakeholders. In 2018, internal models were used for the bank's credit portfolio in the calculation of provisions for the credit portfolio.

18.3. Internal Control Group

Internal Control Group consists of Branch Internal Control department and Head Office and Subsidiaries Internal Control departments. Internal Control Group;

- Controls according to the prepared working guidelines whether all the transactions of the Bank are carried out in compliance with the laws, legislations and all related regulations, Board decisions and directives and instructions from Head Office, within appropriate and determined limits,
- Controls whether balance sheet and statutory reports are in compliance with existing laws, regulations, notifications, circulars and prospectuses,
- Ensures that measures are taken against the risks that may arise,
- Carries out necessary activities for ensuring that the controls on Bank's activities are standardized and realized according to certain rules
- Acts as a consultant about the risks regarding the activity fields and projects to be realized in various units of the Bank, when necessary.

The principle is that before basic internal control activities are realized in a risk-based manner also in the branches to cover the activities of all the units centrally and the risks related to the activities occur, preventive checkpoints should be formed, thereby mitigating and managing the risks. Besides central controls, on-site internal controls are carried out in all the branches of our Bank and transactions are checked. In addition to branch control activities, periodic controls are also carried out for subsidiaries and major Head Office departments/ processes. For the issues in need of urgent measures to be taken, Internal Control is notified urgently. Branch authorities are also informed on the issue. Internal control staff in the branches do not perform any executive activities as those in the Head Office. In realizing internal control activities, related working guidelines are complied with. Working guidelines include the legal regulations, changes in the products and services kept up-to-date to ensure that they are reflected on control activities instantly. In parallel with the changes to occur in the regulations, new checkpoints are added and obsolete ones are removed. Internal Control Group plays an active role in the control tests realized periodically in compliance with Sarbanes Oxley (SOX) rules and Enterprise Risk Management (ERM) within the Bank.

18.4.Operational and IT Risk Management Group

The seven operational risk categories defined in Basel-II Report as of June 2006, have been enriched by ING as "non-financial risk" under the following ten categories; Compliance Risks, Control Risks, Unauthorized Activity Risks, Processing Risks, Employment Practices Risks, Personal and Physical Security Risks, Continuity Risks, Internal and External Fraud Risks and Information Technology Risks.

Operational and IT Risk Management Group's duties are to provide the necessary support for management of these risk categories except Compliance Risk by the business lines and other functions in ING Bank A.Ş. and ING Bank A.Ş. Subsidiaries as well as providing guidance on implementation of ING Policy and Standards, ensuring information flow via various reports, coordinating relevant corporate governance meetings, calculating Operational Risk Economic and Regulatory Capital and to organize trainings on operational risk management and related subjects. Monitoring the operational risk faced by the Bank within the frame of risk appetite, determining risk points and standardizing them for processes throughout the Bank, measuring, monitoring and reporting, setting limits related to operational risks, monitoring them and reporting any breaches, evaluating operational risks and ensuring that all the possible risks have been evaluated for any new product or service in accordance with Regulation on Internal Systems of Banks, taking responsibilities in SOX and key control testing process, are also under the responsibility of Operational and IT Risk Management Group.

18.5. Compliance Risk Management Department

With its widest definition, Compliance Risk covers all types of risks that are likely to be exposed to the ING corporate identity, including reputation and reduction of confidence. It is the risk of failure (or perceived failure) to comply with the banking legislation and other applicable legislation, ING's Policies and minimum standards, ING Code of Conduct and the ING Orange Codes, corporate governance principles of banking sector and principles and regulations for the prevention of money laundering and the financing of terrorism that may damage the ING's reputation and / or result in financial damage in the event of failure (or perceived failure) of all activities, new transactions and products, employee behaviors, customer identification and customer acceptance and workflows. It's also the risk of engaging in activity that could damage ING Bank's reputation, lead to a legal or regulatory violation and/ or result in financial loss.

All ING employees are required to comply with these regulations and principles in order to protect the reputation of ING and effectively manage the Compliance Risks.

Compliance Risk Management Department (reporting to the Audit Committee) provides advisory service, performs controls, conduct trainings and awareness activities for increasing the Compliance Risk awareness of ING Bank A.S. and its subsidiaries' employees in line with the ING Compliance Risk Management Framework. In order to effectively manage the Compliance Risks of ING Bank A.S. and its subsidiaries, Compliance Risk Management performs risk-based monitoring activities and periodic reportings.

19- The Strategic Goals of the Company

Our vision

Creating long term values for all our stakeholders while offering the most appropriate solutions to our customers to assist them to manage their finance the best way in the future.

Our mission

Becoming the preferred bank for our customers with an understanding of operational excellence and international service quality, and for our employees with our ethical and spiritual values of highest level.

Our values

Everybody needs a bank that is reliable, excellent in services, acting smartly, decisive, sensitive, and accessible. As a bank carrying these values, we will make our customers gain strength. We will introduce a brand new understanding of banking in Turkey.

Vision/Mission/Values of the Bank have been determined and publicized on our website. As is mentioned above, the strategic objectives studied on and presented via managers and various committees participated by them are assessed and resolved in Board of Directors. Annual budget, investment issues and amounts, branching, working policies in various areas, etc. are among the subjects within this scope. Additionally, the issues about reaching or deviating from the objectives or updating them in accordance with changed conditions are submitted to the Board of Directors in preset intervals.

20- Remuneration of the Board of Directors

In the last Ordinary General Assembly realized by the Shareholders on 19.03.2018; it was deemed appropriate not to pay daily allowance to the Board Members, and to ensure that Board of Directors take decision on determining the compensation to be paid not exceeding maximum net TL 50.000.-monthly according to the job sharing to be made in Board of Directors, in consideration of 6th principle of the Regulations on the Corporate Governance Principles of the Banks released by BRSA.

