

SECTION I: NON-CONFIDENTIAL PROJECT INFORMATION

Host Country:	Republic of Turkey
Name of Borrower:	Akbank T.A.S. (“Akbank“)
Project Description:	The expansion of Akbank’s lending activities in Turkey for renewable energy and energy efficiency investments and SME commercial and business loans.
Proposed OPIC Support:	Up to \$250 million
Total Project Costs:	Up to \$250 million
U.S. Sponsor:	Citibank Overseas Investment Corporation, wholly owned by Citigroup Inc.
Foreign Sponsor:	Haci Omer Sabanci Holding A.Ş. of Turkey, a Turkish joint stock company which owns 40.7% of the Bank.
Policy Review	
U.S. Economic Impact:	Provided the project adheres to the conditions in the economic clearance, this project is unlikely to adversely affect the United States. Therefore, an industry analysis is not warranted for this project. There is no U.S. procurement associated with this project, and the project is not expected to displace U.S. employment. The project is expected to have a negative five-year U.S. balance of payments impact.
Developmental Effects:	This project is expected to have a positive developmental impact on Turkey. OPIC’s participation will help stimulate private investment in renewable energies, energy efficiency, and small-and-medium sized enterprises in Turkey. All of these sectors suffer from a lack of capital generally, and a lack of long-term capital specifically. The project’s developmental impacts are particularly notable because on average loans are expected to have tenors of three years or more and loans will be available to rural and urban communities.
Environment:	Screening: The project has been reviewed against OPIC’s categorical prohibitions and has been determined to be categorically eligible. Projects involving general capital for

SME lending, small scale renewable energy and energy efficiency projects are screened as Category D projects under OPIC's environmental and social guidelines for the purposes of environmental and social assessment. In accordance with OPIC's Environmental and Social Policy ("ESPS"), each downstream loan originated under the facility will be screened and subject to the full scope of OPIC's environment and social assessment process, including public disclosure of the borrower's environmental and social impact assessment for Category A projects, conditionality and monitoring, as is warranted by the nature and scope of the downstream Projects.

Applicable Standards: Under OPIC's environmental and social policies, the Borrower will be required to incorporate conditions in loans originated under the on-lending agreement that reflect the applicable, underlying standards in the International Finance Corporation's Performance Standards and 65 sector-specific environmental, health and safety guidelines, as well as any specific conditions as may be identified by OPIC as necessary to adequately manage environmental and social risks associated with a particular transaction with known use of proceeds.

OPIC's environmental and social due diligence indicates that the Borrower itself will have impacts which must be managed in a manner consistent with the following Performance Standards:

- P.S. 1: Assessment and Management of Environmental and Social Risks and Impacts
- P.S. 2: Labor and Working Conditions

A desk-review due diligence assessment indicates that the Project involves a credit on-lending facility and does not involve significant adverse impacts with respect to pollution, community health and safety, land acquisition and resettlement, biodiversity, indigenous peoples and cultural heritage. Therefore, P.S.'s 3 through 8 are not triggered at this time.

Environmental and Social Risks and Mitigation: Akbank has developed and is implementing a Social and Environmental Management System (SEMS). Akbank will apply this system for all loans originated under the OPIC facility. The system includes a policy statement,

	<p>identification of roles and responsibilities for implementing the SEMS, procedures to be implemented in the credit and monitoring processes, and a list of records maintained with respect to the Social and Environmental review process. The Bank's Customer Complaint Management system has an ISO 10002 Quality Standard certificate from the British Standards Institute, and the system is externally audited on an annual basis.</p>
Worker Rights	<p>OPIC's statutorily required standard worker rights language will be supplemented with provisions concerning the rights of association, organization and collective bargaining. Loans to SME borrowers will be restricted with respect to the SME borrowers' operations, including the employment of minors and other applicable labor law requirements. Loans to activities involving renewable energy will be reviewed individually by the Office of Investment Policy. The project will also be required to operate in a manner consistent with the requirements of the International Finance Corporation's Performance Standard 2 on Labor and Working Conditions. Standard and supplemental contract language will be applied to all workers of the project.</p>
Human Rights	<p>OPIC issued a human rights clearance for the project on June 28, 2012.</p>