

TAV AIRPORTS

SUSTAINABILITY

REPORT 2010



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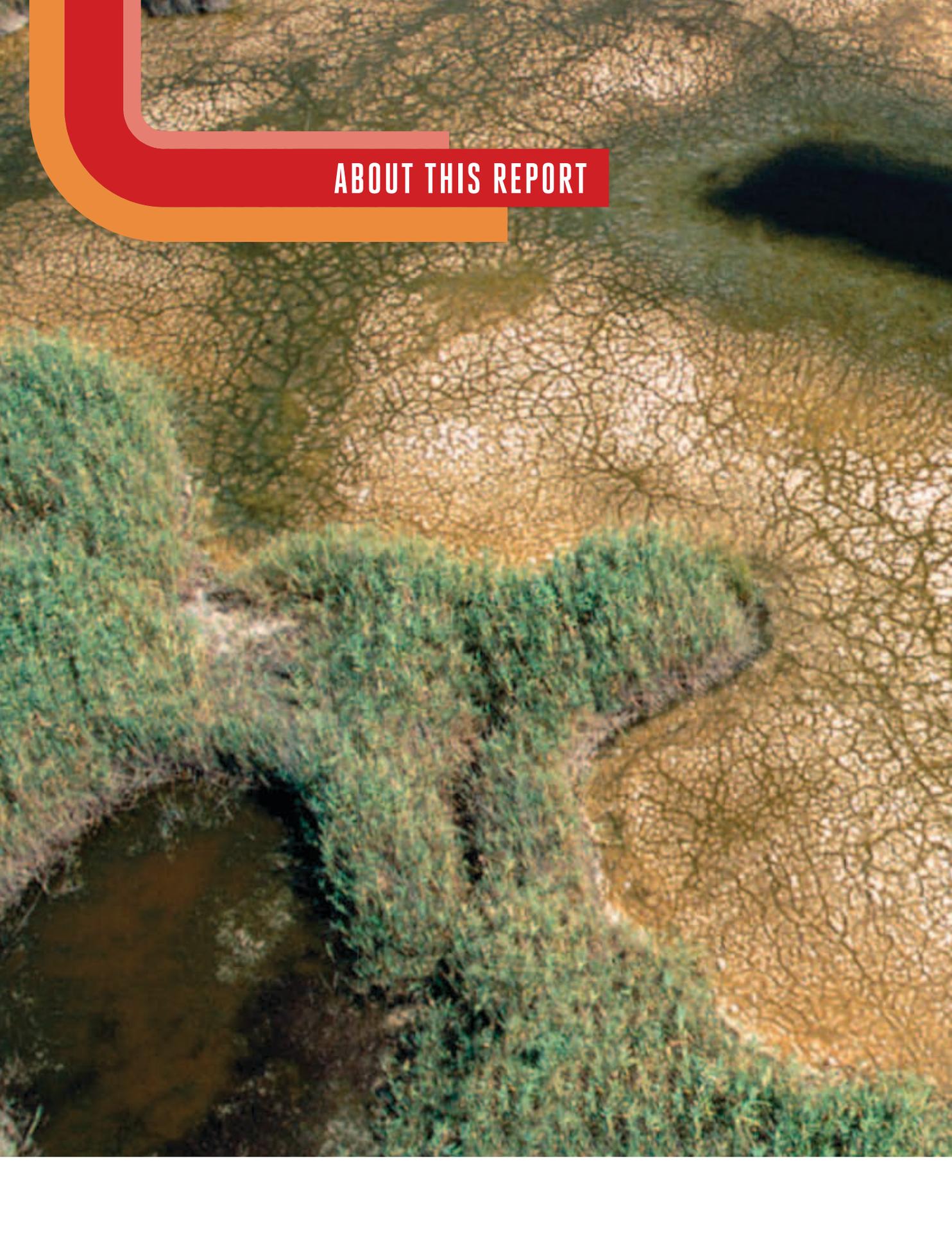
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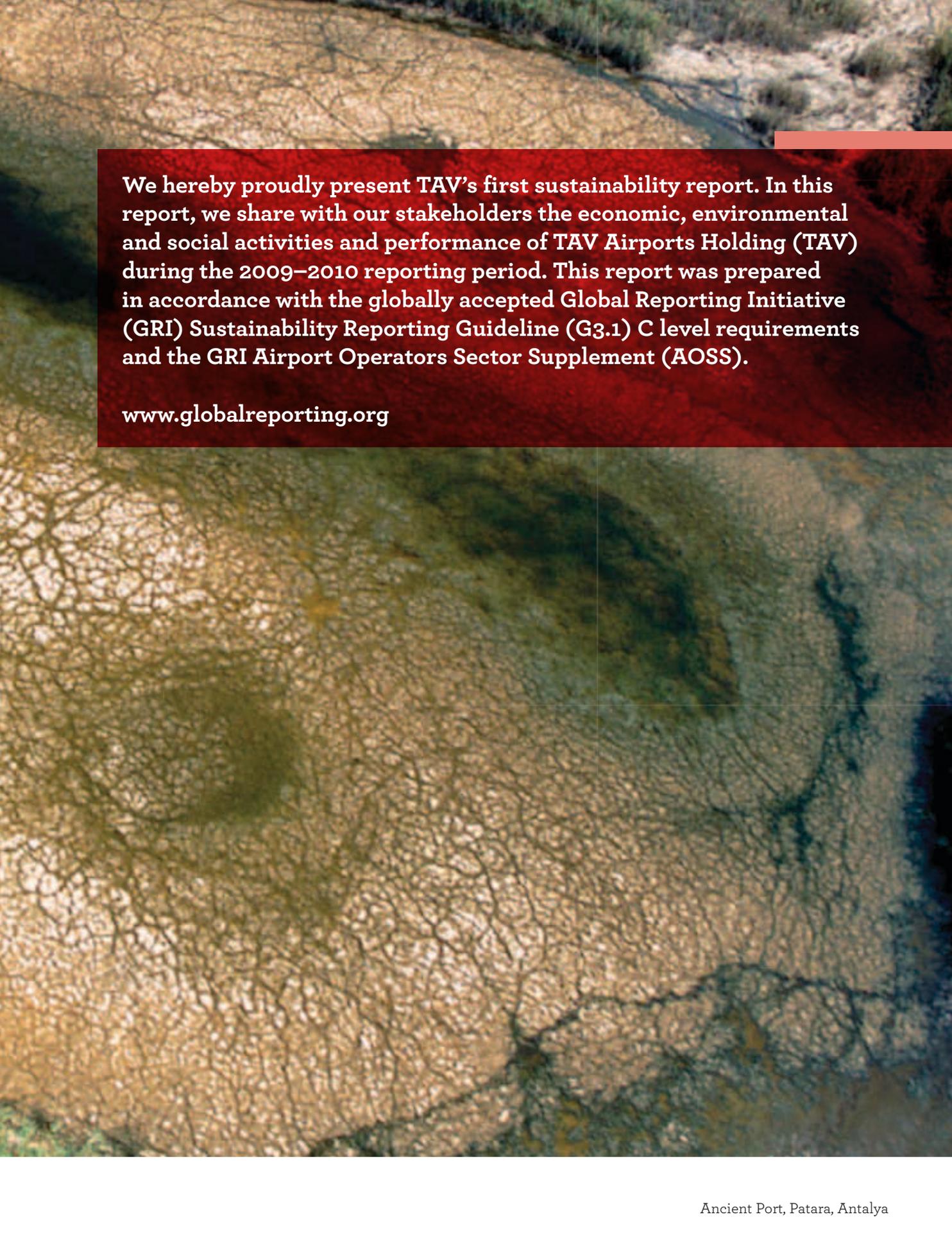
Throughout this report, you will find valuable works of Alp Alper which he took around Turkey from 1000 feet as Flight Dispatcher between years 2001 and 2005. Photos on separator pages are taken from the book of “Turkey from 1000 feet” and cover photo is from the book “4 seasons Istanbul”. With the passion for the journey and discovery wrapped in time and place he made the effort to be able to reflect the difficulty of documenting the natural beauties of Anatolia that had come down to our day.

Alp Alper
Photographer

We believe that sustainability is all about responsibility for future generations and TAV is committed to being a corporate leader that creates sustainable value while growing as a sector leader.

An aerial photograph showing a stark contrast between a lush green, vegetated embankment on the left and a wide, dry, cracked riverbed on the right. The cracked earth in the riverbed is a golden-brown color, indicating severe drought. A red and orange graphic element is overlaid in the top left corner, containing the text 'ABOUT THIS REPORT'.

ABOUT THIS REPORT

An aerial photograph of a dry, cracked riverbed in a desert landscape. The cracked earth is a mix of light brown and tan colors, with a network of deep, irregular fissures. A small, dark, winding stream of water is visible in the upper right corner, contrasting with the parched ground. The overall scene conveys a sense of aridity and environmental challenge.

We hereby proudly present TAV's first sustainability report. In this report, we share with our stakeholders the economic, environmental and social activities and performance of TAV Airports Holding (TAV) during the 2009–2010 reporting period. This report was prepared in accordance with the globally accepted Global Reporting Initiative (GRI) Sustainability Reporting Guideline (G3.1) C level requirements and the GRI Airport Operators Sector Supplement (AOSS).

www.globalreporting.org

Our 2010 Sustainability Report addresses TAV's economic, environmental and social performance and outlook, the Company's efforts for improvement as well as the related objectives regarding the airports operated by TAV in Turkey.

PURPOSE AND CYCLE OF THIS REPORT

By reporting on its sustainability performance, TAV aims to assess, monitor, measure and manage its potential impacts on its stakeholders as well as on the environment in the course of conducting its daily operations. We see this report as a vehicle to raise awareness regarding sustainability among our key stakeholders. We intend to report on our sustainability performance annually. All data and information provided in this report indicate the Company's results as of December 31, 2010.

SETTING THE BOUNDARY

Our 2010 Sustainability Report addresses TAV's economic, environmental and social performance and outlook, the Company's efforts for improvement as well as the related objectives regarding the airports operated by TAV in Turkey. TAV set the boundary of the report as the airports located in Turkey in which TAV has majority ownership; these airports represent 88% of TAV's operations in terms of passenger traffic. This definition encompasses the Istanbul Atatürk, Ankara Esenboğa, Izmir Adnan Menderes and Antalya Gazipaşa airports. This report focuses primarily on the first three while providing as much information and data as possible for the Antalya Gazipaşa Airport.

TAV Airport Holding's sustainability report for the next operating period will also include the international airports operated by the Company. Information on service companies such as ground handling, catering, duty free, IT and private security (described in the 'Corporate Profile' pages of this report) will also be provided in the Company's future sustainability reports.



DEFINING REPORT CONTENT

The scope of this report was determined, and the report was generated, based on the principles of materiality, stakeholder inclusiveness, completeness and sustainability of the GRI. The topics discussed and the information presented in this report were determined by way of a materiality analyses workshop held with the participation of managers from various departments of TAV Airports Holding, as well as its subsidiaries, who possess the knowledge and experience on sustainability. Potential concerns of the Company’s key stakeholders were also taken into consideration. (Page 31, Material Sustainability Issues)

TAV SET THE BOUNDARY OF THE REPORT AS THE AIRPORTS LOCATED IN TURKEY IN WHICH TAV HAS MAJORITY OWNERSHIP.

MESSAGE FROM THE CEO

Our first sustainability report is an important milestone toward establishing a more focused, transparent and streamlined sustainability program at TAV.

THIS REPORT SUMMARIZES OUR RESPONSIBLE BUSINESS APPROACH. IN THE FOLLOWING PAGES OF THE REPORT, YOU WILL FIND INFORMATION ON THE MOST PERTINENT SUSTAINABILITY MATTERS HERE AT TAV AS WELL AS THE IMPROVEMENT-ORIENTED ACTIONS BEING TAKEN AND PLANNED IN THESE AREAS.

Esteemed Stakeholders,

Since TAV Airport Group's establishment a decade ago, we have constantly strived to be a role model for emerging market societies as outlined in our vision and directed to our target regions encompassing Europe, Russia and the Commonwealth of Independent States, the Middle East and North Africa.

This sustainability report, which is the first one of its kind published within our sector in the countries in which we operate, positions TAV as the leader and the pioneer in its business environment in terms of assessing the economic, social and environmental impacts of its operations. We take action in accordance with these assessments to improve TAV's sustainability performance where necessary.

In an attempt to implement its employee and then customer-oriented management approach while pursuing its mission to create the highest possible value for all of its airport operations stakeholders, TAV

initiated the effort to be the leading airport operator in its region in terms of sustainability practices by meeting and even exceeding the expectations of its employees, customers, official bodies, suppliers and particularly the community it serves.

Today TAV is a global company that employs more than 18,000 people at ten airports in five countries and three continents. Our target, to double the number of passengers catered to over the next ten years, adds to our challenge and responsibility to strike the right balance between growth and sustainability.

We proudly present our first sustainability report as an important milestone toward establishing a more focused, transparent and streamlined sustainability program at TAV. In the following pages of the report, you will find information on TAV's action plan being implemented in all major areas deemed critical by the Company for its future development. TAV's top agenda items and priority list in this framework consist of safety and security for the employees and passengers, climate change, and conservation of natural resources.

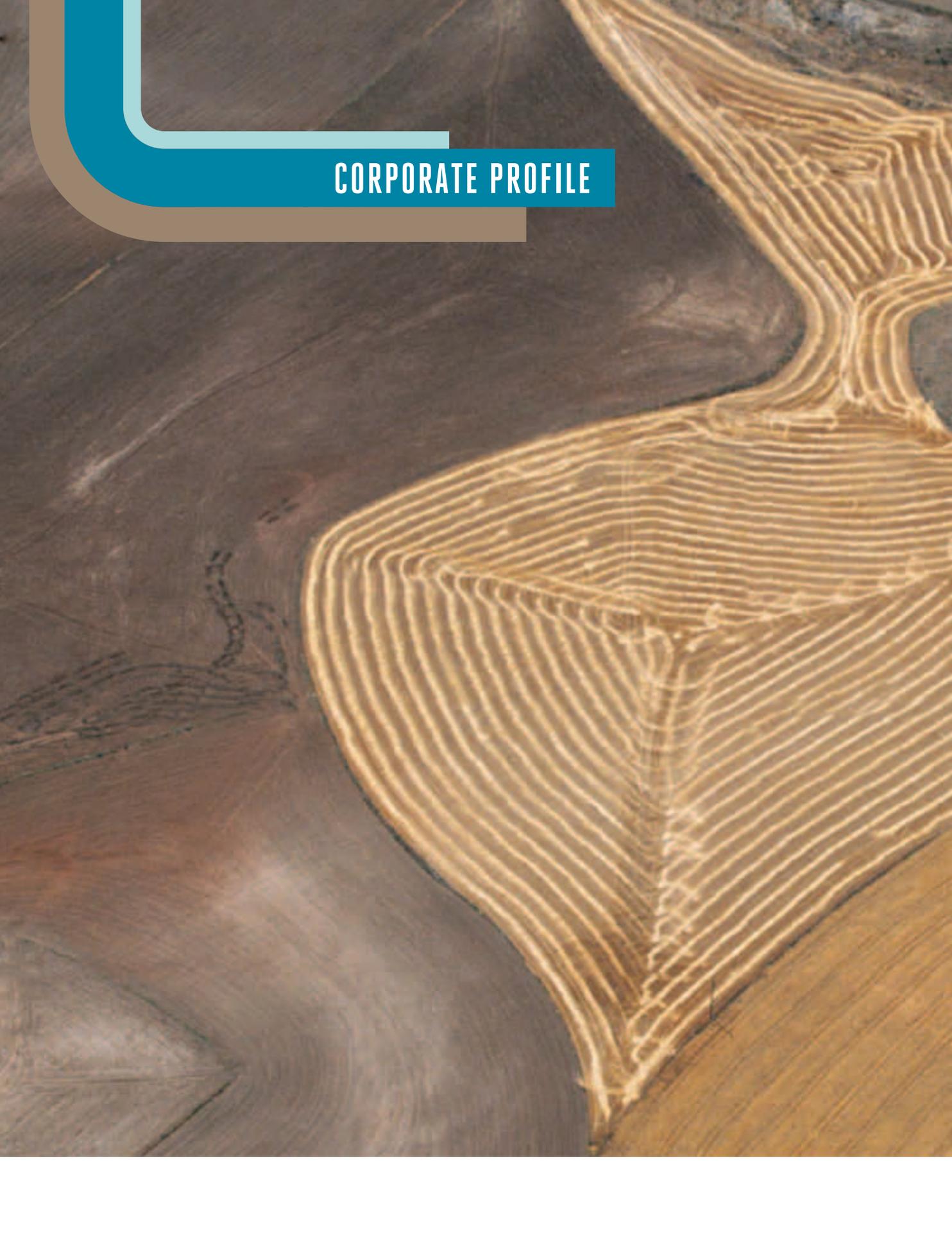


We are cognizant of the fact that our journey will require acquisition of more information and know-how as well as a major corporate overhaul of our operations and business conduct. However, equipped with the awareness that they will pay off handsomely for itself and for all of its stakeholders, TAV is strongly committed to undertaking all necessary efforts to improve its sustainability performance.

We sincerely hope that you find our first sustainability report informative and enjoyable to read and we are looking forward to receiving your feedback.

Respectfully yours,

Dr. M. Sani Şener
President and CEO



CORPORATE PROFILE



In ten airports on three continents, TAV family of different cultures works in perfect harmony, contributing to our commitments on environmental protection, social development and sustainable growth.

TAV FOCUSES ON AN INTEGRATED SERVICE MODEL, PROVIDING COMPLEMENTARY SERVICES THROUGH A WIDE RANGE OF BUSINESS LINES.

10

AIRPORTS

47.6

MILLION PASSENGERS

6

SERVICE COMPANIES

416,583

AIRCRAFT MOVEMENTS AT TEN AIRPORTS

6

COUNTRIES

€785

MILLION TOTAL REVENUE

18,786

EMPLOYEES

€212

MILLION EBITDA

TAV's core business is to develop, finance, build, operate, manage and maintain international airports and airport terminals in the Middle East, North Africa, Caucasus and the former CIS countries through Build-Operate-Transfer (BOT) and other Private Public Partnership (PPP) schemes.

TAV focuses on an integrated service model, providing complementary services through a wide range of business lines. Our business activities can be grouped into five categories: Airport Operations, Ground Handling, Duty Free, Catering Services, and other areas that include information technology, private security and operations services.

TAV Airports Holding finances, develops, operates and manages airports. The operations of Skopje and Ohrid airports commenced on March 1, 2010.

Airport Companies

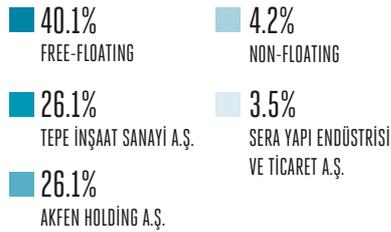
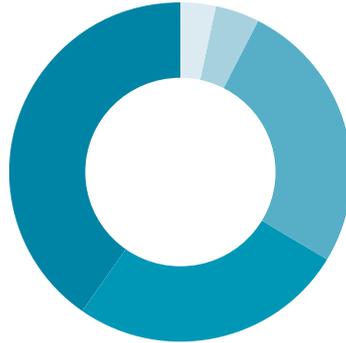
100%	TURKEY	Istanbul Atatürk Airport (Domestic and International Terminals)
100%	TURKEY	Ankara Esenboğa Airport (Domestic and International Terminals)
100%	TURKEY	Izmir Adnan Menderes Airport (International Terminal)
100%	TURKEY	Antalya Gazipaşa Airport
66%	GEORGIA	Tbilisi International Airport
60%	GEORGIA	Batumi International Airport
67%	TUNISIA	Monastir Habib Bourguiba International Airport
67%	TUNISIA	Enfidha Hammamet International Airport
100%	MACEDONIA	Skopje Alexander the Great International Airport
100%	MACEDONIA	Ohrid St. Paul the Apostle International Airport

Service Companies

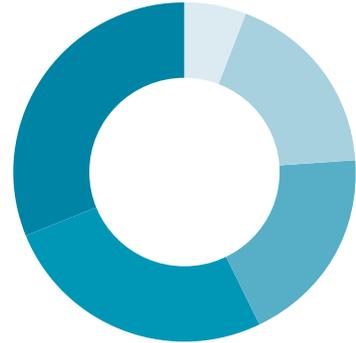
50%	TURKEY, GEORGIA, MACEDONIA, TUNISIA, LATVIA	ATÜ	Is the largest duty free operator in Turkey.
67%	TURKEY, GEORGIA, MACEDONIA, TUNISIA, LATVIA	BTA	Has total seating capacity of 12,500 in 144 locations. Operates Istanbul Airport Hotel (131 rooms). Supplies bakery products to various chains in Turkey.
65%	TURKEY	HAVAŞ	Provides passenger and aircraft traffic, ramp and cargo handling services to around 200 airlines at 22 airports in Turkey, including Istanbul, Ankara, Izmir and Antalya.
50%	TURKEY	TGS	Renders ground handling services at Istanbul's Atatürk and Sabiha Gökçen, Ankara's Esenboğa, Izmir's Adnan Menderes airports, as well as at the airports of Antalya and Adana. TGS started operations as of January 1, 2010.
50%	LATVIA, FINLAND	North Hub Services	Renders ground handling services at Riga and Helsinki Airports.
100%	TURKEY, GEORGIA, TUNISIA, LATVIA	TAV O&M	Provides commercial space allocation, CIP and travel agency services.
99%	TURKEY	TAV IT	Develops airport software and IT systems.
67%	TURKEY	TAV Security	Provides security services in Istanbul, Ankara, Izmir and Antalya.

TAV AIRPORTS CONTINUES TO CREATE VALUE IN LINE WITH ITS GROWTH STRATEGY.

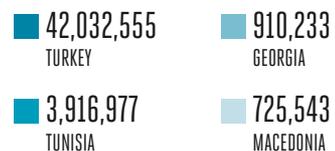
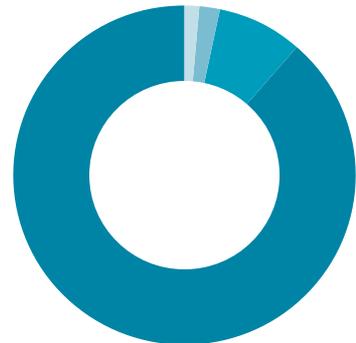
SHAREHOLDER STRUCTURE



REVENUE BREAKDOWN BY BUSINESS LINE

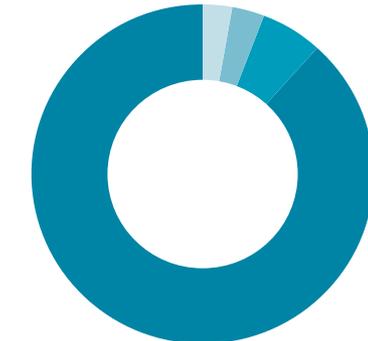


PASSENGER TRAFFIC BREAKDOWN BY COUNTRY



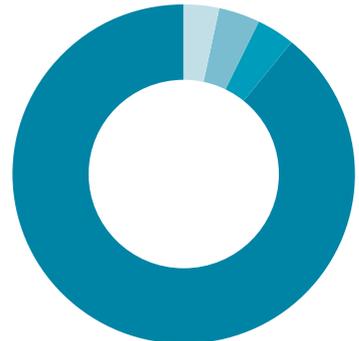


REVENUE BREAKDOWN BY COUNTRY



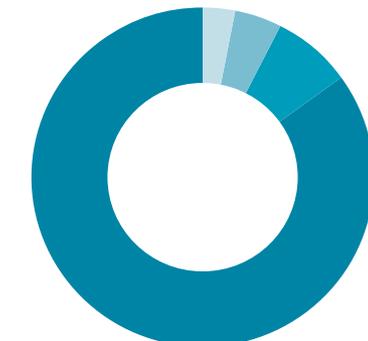
89% TURKEY	3% GEORGIA
6% TUNISIA	2% MACEDONIA

EMPLOYEE BREAKDOWN BY COUNTRY



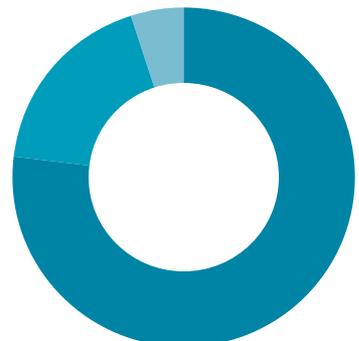
16,674 TURKEY	697 MACEDONIA
718 GEORGIA	679 TUNISIA

FLIGHT TRAFFIC BREAKDOWN BY COUNTRY



353,238 TURKEY	18,746 GEORGIA
31,801 TUNISIA	12,798 MACEDONIA

PASSENGER TRAFFIC BREAKDOWN IN TURKEY



77% ISTANBUL ATATÜRK	5% IZMIR ADNAN MENDERES
18% ANKARA ESENBOĞA	

1.8
USD BILLION

TAV Airports Holdings is a leading airport operator in Turkey, MENA (Middle East and North Africa) and the Caucasus. TAV was established in 1997 as a joint venture of Tepe Group and Akfen Group. 44% of its shares are publicly traded on the Istanbul Stock Exchange (ISE) since 2007 under the ticker 'TAVHL'. As of December 31, 2010 TAV had a market capitalization of USD 1.8 billion.

100%
OHRID AIRPORT



100%
SKOPJE AIRPORT



67%
MONASTIR AIRPORT



67%
ENFIDHA AIRPORT



60%

BATUMI AIRPORT



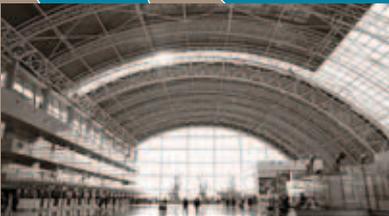
66%

TBILISI AIRPORT



100%

IZMIR ADNAN MENDERES AIRPORT



100%

ISTANBUL ATATÜRK AIRPORT



100%

ANKARA ESENBOĞA AIRPORT



100%

ANTALYA GAZI PAŞA AIRPORT



ORGANIZATION AND GOVERNANCE

In 2010, TAV achieved the highest Corporate Governance Rating in Turkey; 9.03%; a significant increase from its 8.5% rating in 2009.

ORGANIZATION

The responsibility for overseeing the management of TAV currently falls on the Board of Directors. The President and CEO is an Executive Board Member; an executive management team of nine directors and twelve general managers support him; 22% of the TAV executive management team, directors and general managers are women. The senior management team consistently strives to maintain high levels of integrity, transparency and good corporate governance.

CORPORATE GOVERNANCE

As a public shareholding company listed on the Istanbul Stock Exchange, TAV is regulated by the Capital Markets Board of Turkey (CMB) and complies with CMB's Corporate Governance Principles. In 2010, TAV achieved the highest Corporate Governance Rating in Turkey at 9.03% with a significant improvement over its 8.5% rating in 2009.

Corporate Governance Principles Compliance Report can be viewed on page 126 of TAV Annual Report 2010.

TAV AIRPORTS RANKED FIRST ON ISE

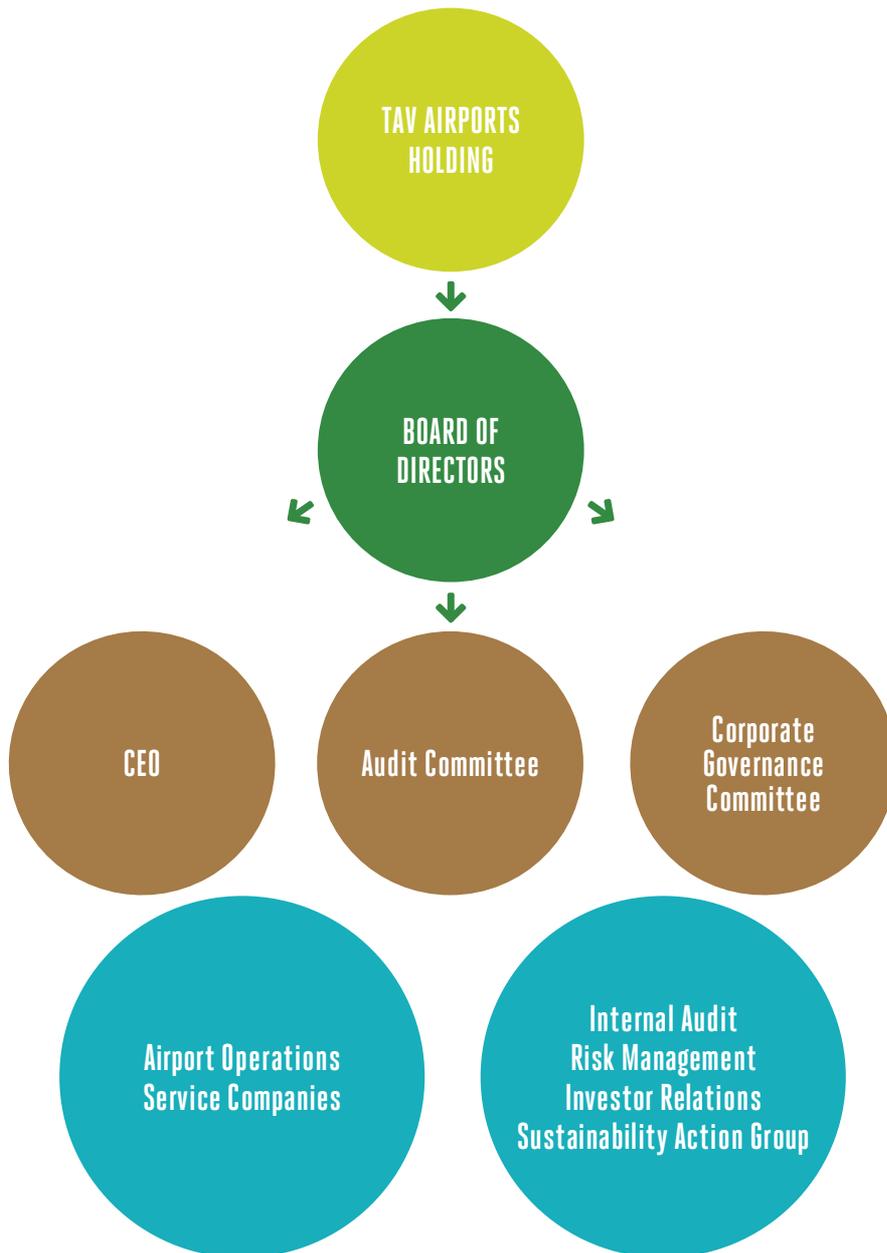
ISS Corporate Services (ICS), one of the world's most prestigious independent corporate ranking organizations, increased TAV Airports' corporate governance rating grade to 9, which is currently the highest grade ever attained by Turkish companies. In the third year after its initial public offering, TAV Airports with this rating outpaced all companies included into the ISE Corporate Governance Index and topped the list.

In the year of the second assessment, TAV Airports, which was included into the ISE index in the previous year as the third company in the list, has increased its grade from 8.5 to 9 over 10 and in the second year after its inclusion into the index, managed

to top the list. In this context, the results of the weight assessment applied to the four subcategories, namely shareholders, public disclosure and transparency, stakeholders and board of directors in accordance with the Turkish Capital Markets Board's resolution on this subject are as follows:

In Turkey, corporate governance rating activities are performed in compliance with the "Corporate Governance Principles" issued in July 2003 and revised in February 2005 by the Capital Markets Board of Turkey (CMB). These Principles are in compliance with universally recognized OECD Principles of Corporate Governance, issued by the OECD in 2004, and include the principles and practices developed in accordance with OECD recommendations by considering country-specific conditions.

SUB-CATEGORIES	WEIGHT	GRADE	GRADE ASSIGNED
Shareholders	0.25	9.05	9.0
Public Disclosure and Transparency	0.35	9.26	9.0
Stakeholders	0.15	9.54	9.5
Board of Directors	0.25	8.40	8.5
Total	1.00	9.03	9.0



Board of Directors

TAV's Board of Directors is in full compliance with the Corporate Governance Principles of the CMB. The Board of Directors consists of nine members, including two executive and seven non-executive directors. The President and CEO of TAV may not serve as the Chairman of the Board. TAV's Articles of Association clearly describe the duties of the Board members. Each board member has one vote without additional privileges.

TAV strives to facilitate the exercise of minority rights in accordance with the Turkish Commercial Code, the Capital Markets Law and CMB legislation, communiqués and resolutions, the independent Board members. Two of the non-executive Board members are independent and are elected by shareholders at the general

shareholders' meeting from among various nominees and in accordance with a resolution quorum. A Board member who has served more than seven years is ineligible to become an independent member. Independent Board Members must also submit a declaration of their independence and are obligated to immediately inform the Board of Directors should their independence be compromised in any way.

Two Board committees are responsible for overseeing specific aspects of corporate governance:

The Corporate Governance Committee, chaired by an independent Board member, is responsible to advise and recommend on matters related to corporate governance, including:

- Establishing relevant mechanisms and practices for effective corporate governance principles and practices,
- Complying with international best practices and
- Defining principles for remuneration, professional development and career planning for senior executives.

The Audit Committee, chaired by a non-executive Board member and also comprised of an independent Board member, is responsible for:

- Ensuring the accuracy, adequacy and transparency of all internal and independent external audit activities,
- Improving business processes related to information collection and
- Reporting and executing all regulations stipulated by the CMB and Capital Markets Law.

FULL LIST OF TAV AIRPORTS HOLDING BOARD OF DIRECTORS

CHAIRMAN	HAMDİ AKIN
VICE CHAIRMAN	ALİ HAYDAR KURTDARCAN
BOARD MEMBER, PRESIDENT AND CEO	MUSTAFA SANI ŞENER
BOARD MEMBER	İBRAHİM SÜHA GÜÇSAV
BOARD MEMBER	ABDULLAH ATALAR
BOARD MEMBER	ONDER SEZGİ
BOARD MEMBER	MEHMET CEM KOZLU*
BOARD MEMBER AND GENERAL SECRETARY	AHMET ERSAGUN YÜCEL
BOARD MEMBER	PIERRE DE CHAMPFLEURY*

(* Indicates the two Independent Board Members.

COMPLIANCE AND RISK MANAGEMENT

TAV consistently strives to adopt best and next practices in all aspects of its management and operations. Since it became a publicly listed company in 2007, TAV has implemented a range of corporate governance enhancements, such as internal control and reporting mechanisms, reconstitution of the Audit Committee, information documentation pertaining to the Annual General Meeting, a more direct reporting system and comprehensive disclosure policy.

Internal Audit Directorate

The Internal Audit Directorate is headed by a Director who reports to the President and CEO as well as to the Board of Directors via the Audit Committee. Internal Audit is responsible for assisting the Board of Directors and Executive Managers through independent audits and advisory assignments to identify:

- Ineffective internal control, risk management and governance processes and
- Inefficiencies that result in squandering resources.
- Internal audit also evaluates risk exposures to the Company's operations as they relate to:

- Effectiveness and efficiency of operations;
- Reliability and integrity of financial and operational information;
- Safeguarding Company assets and
- Compliance with laws, regulations, and contracts.

The Internal Audit Directorate is also responsible for assessing the adequacy of and adherence to TAV's Fraud and Anti-Corruption Policy as well as investigating corrupt conduct.

Risk Management Unit

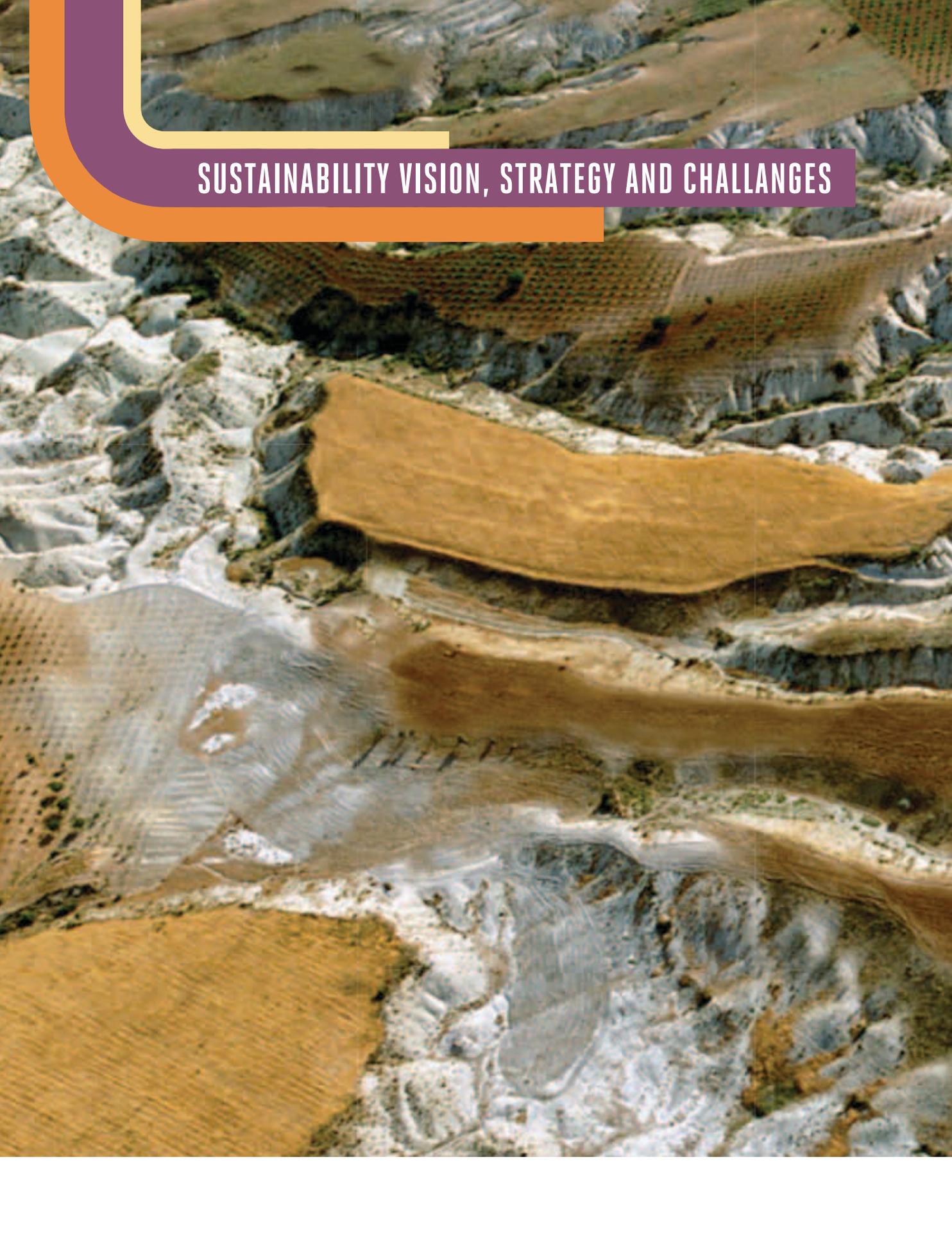
The Risk Management Unit reports to the Chief Financial Officer. TAV's Board of Directors has defined and integrated a risk management mechanism that provides a complete description covering credits; liquidity and market risk is in the financial footnotes in the annual report. Risk analyses are performed regularly to identify both existing and newly emerging risk. Officially, risk analyses are performed annually; however, they may be performed more frequently if deemed necessary.

Investor Relations Department

Investor Relations Department attends Board of Directors meetings to act as an agent between the Board of Directors and shareholders and meets frequently with the Corporate Governance Committee. It reports to the CEO directly and coordinates and informs both stakeholders and shareholders.

Code of Ethics

The Code of Ethics within TAV creates financial value for the shareholders while enhancing its corporate value. The code contains the principles that all managers and employees are obliged to follow. These rules are designed to ensure that the conduct of TAV executives and employees are of the highest standard, that they are aware of the impact of their conduct and attitudes have on our company and ensure that shareholders have the best methods and procedures at their disposal in the Company's activities. The Code of Ethics is communicated to employees via internal publications and on the corporate website.



SUSTAINABILITY VISION, STRATEGY AND CHALLENGES



Our sustainability vision consists of our commitments on environmental protection and social development to create long-term benefits for our stakeholders and for our Group.

OUR RESPONSIBLE BUSINESS APPROACH

We believe that sustainability is all about responsibility for future generations and TAV is committed to be a corporate leader that creates sustainable value while growing as a sector leader.

Our sustainability vision consists of our commitment to environmental protection and social development to create long-term benefits for our stakeholders and for our Group. We believe integrating the triple bottom line approach of sustainability, management of our economic, environmental and social impacts as a whole, in all of our functions will improve our corporate innovative power and help us to reach our sustainability targets.

Through embedding corporate responsibility as an integral part of our business culture, our strategy is to first understand and then minimize and/or prevent negative social and environmental impacts that may result directly, or indirectly, during our business processes and improving the positive ones.



The debate on the environment is still hot, despite the fact that the global crisis has dominated the economic agenda for some time, inflicting significant damage on global economies. In the years to come, the efficient use of natural resources, progress in alternative renewable energy sources and the need for a sustainable economic system will play an increasingly larger role in the policy making processes of governments and strategy determination by companies operating under this global system. We at TAV Airports, display a level of sensitivity well above the environmental standards in countries in which we operate. Throughout our expansion toward emerging markets, which includes countries with relatively rudimentary environmental legislation, we make the utmost

effort to preserve and sustain this same awareness. I consider that this effort has brought an overall perspective to individual social responsibility projects carried out by the Company; it has presented us with an opportunity to transparently share with the public our initiatives to eliminate our burden on the nature. Threats against nature stand out as a risk factor that needs to be managed. The strategy consultancy group established at TAV Airports to manage this risk, has taken important strides toward ensuring that the set targets and strategies are implemented across Group companies. We observe that this process of learning and transformation will make a positive contribution to the Company's management perspective and relations with stakeholders.

Waleed Ahmed Youssef
Strategy Director



OUR VISION

IS TO BECOME THE LEADER AND THE PIONEERING AIRPORT COMPANY OPERATING IN OUR TARGET REGIONS

OUR MISSION

IS TO CREATE THE HIGHEST VALUE FOR ALL AIRPORT OPERATION STAKEHOLDERS WITH A CUSTOMER-ORIENTED MANAGEMENT APPROACH

OUR VALUES

INCLUDE PROFESSIONALISM, RESPECT, DYNAMISM INNOVATION, TEAMWORK

OUR STRATEGIC GOALS

ARE TO ACHIEVE LONG-TERM, SUSTAINABLE AND PROFITABLE GROWTH, TO MAINTAIN AND SOLIDIFY OUR LEADERSHIP IN THE DOMESTIC MARKET AND TO BECOME THE LEADER, OR ONE OF THE LEADERS, AT THE INTERNATIONAL LEVEL IN THE NEAR FUTURE

OUR SUSTAINABILITY GOALS

ARE TO PROMOTE UNDERSTANDING, RAISE AWARENESS, MEASURE, MONITOR MINIMIZE NEGATIVE IMPACTS & IMPROVE POSITIVE IMPACTS

ECONOMIC

AIRPORT EXPANSION, LOCAL ECONOMIC ROLE, MANAGING CHANGE

ENVIRONMENTAL

EFFICIENT USE OF NATURAL RESOURCES, CLIMATE CHANGE, WASTE DISPOSAL

SOCIAL

HEALTH AND SAFETY, SECURITY, COMPLIANCE AND ETHICS

OUR TOP MATERIAL ISSUES

**WITH RESPECT
TO CORPORATE
RESPONSIBILITY, WE
BELIEVE THAT SUPPORT
OF THE PRIVATE SECTOR
FOR EMPLOYEES TO BE
BETTER CITIZENS IS A
NATURAL OUTCOME OF
THEIR RESPECT FOR
THE ENVIRONMENT AND
SOCIETY.**

The aerodynamic nature of aviation propels TAV Airports to adopt more effective and efficient risk management models that are strong in terms of sustainability.

TAV management pursues an aggressive yet stable growth strategy, which enables our Company to serve as a catalyst for robust economic growth on a local, national and global scale. We strive to create a balance between growth, environmental conservation and good/safe working conditions.

We understand that sustainable development is a continuous process and we face basic challenges to implement sustainability practices common to all airport operators around the world. Lack of funding, staffing, knowledge and culture are among the greatest challenges. Our first initiative to overcoming these problems is to raise awareness among our employees through proper training.

TAV Airports operates transparently and in accordance with the principle of mutual respect and understanding with all our stakeholders. We foster dialog with stakeholders to become more proactive in responding to their concerns and to reinforce our corporate strength from the large number of different opinions and interests.

Among TAV's corporate values 'respect' best describes our overall approach to the social and ecological environment. TAV employees prioritize respect for people, environment, laws and regulations and acting in line with ethical standards as a fundamental rule; behaving in an honest, transparent, fair and responsible manner in all their endeavors.

MANAGING SUSTAINABILITY

With respect to corporate responsibility, we believe that the private sector helping employees to become better citizens is a natural outcome of the companies' respect for the environment and society. It is the responsibility of corporations to raise awareness throughout the business world, starting with their employees and educating them about the impacts of their professional decisions and actions on the environment and on the society.

TAV's first step as part of its sustainability roadmap is to raise environmental awareness and create consciousness among its own employees. This objective has continuously been supported with associated training programs since 2007.

Following a series of training programs in 2007 and 2008 regarding wastewater treatment efforts, TAV Izmir also administered training for the Airport Carbon Accreditation Program in 2009 and waste management in 2010 for 108 of our employees.

The Environmental Training Program offered by TAV Academy will start encompassing all TAV terminals from 2011 on. The Sustainability Orientation Training, which is being initiated in 2011 for 250 employees, will be expanded to 450 employees a year later. These training sessions will cover all aspects of sustainability, including the environment and the economy as well as ethics, transparency and employee relations. The need to integrate sustainability into daily operations and decision-making processes will be strongly emphasized throughout the training program.

Sustainability Action Group

The Sustainability Action Group reports to the Chief Strategy Officer and is responsible for coordinating all economic, social and environmental sustainability activities within TAV as well as for developing corporate policies and monitoring performance and compliance. The CEO is responsible for approving TAV's sustainability program.

The Group, chaired by the Technical Manager of TAV Izmir, consists of 18 members including participation from TAV subsidiaries. Having members from all TAV subsidiaries on the team was a key factor for the senior management, as this led to contributions to the project from different points of view as well as a more successful implementation at the TAV Group level. The project team had regular access to the senior management at all phases of the project and had the opportunity to present their findings and recommendations on a regular basis.

The Group carried out the following activities during the reporting period:

- Assisted TAV Airports in its accreditation efforts as part of ACI Europe's Airport Carbon Accreditation Program. TAV Istanbul, TAV Izmir and TAV Ankara have already achieved Level 1 accreditation in this Program. (Page 68, Awards and Certificates)

- Participated in international projects such as the Carbon Disclosure Project (CDP), which boasts the largest database of corporate climate change information in the world (Page 41, Airport Carbon Accreditation). TAV also took part in the preparation stages of the Water Disclosure Project.
- Assisted TAV Academy in the preparation of the TAV Sustainability Training Program, which will be launched in 2011.
- Assisted the senior management in setting sustainability targets regarding, among others, CO₂ emissions, economic factors and electricity, water and natural gas consumption.
- Supported the sustainability strategy of the Company by drafting an environmental roadmap.
- Devised policies for the environment, air quality, water management, waste management, biodiversity, climate change, energy, sustainable transport and surface water.
- Attended national sustainability conferences; presented and shared information on these experiences and activities within the TAV Group.

SUSTAINABILITY ROAD MAP 2020

2011 - 2014

- Assigning a permanent TAV delegate to ACI task force and environment committee.
- Organizing Sustainability Orientation Trainings by TAV Academy thereby cultivating greater awareness among employees.
- Introducing waste management training
- Attending conferences relevant to the future of the aviation industry and environmental sustainability.
- Continuing to measure and manage noise levels at terminals

2015 – 2017

- Continuing Sustainability Orientation Training within TAV Holding, reaching approximately 2,000 employees annually.
- Mapping carbon emissions and continuing optimization efforts; expanding it into international operations
- Further developing water and recyclable waste management projects
- Selecting and implementing social sustainability projects
- Undertaking various studies by the Energy and Environment Committee related to all aspects of operations
- Continuing to measure and manage noise levels at terminals

2018 - 2020

- Continuing Sustainability Orientation Trainings within TAV Holding
- Optimizing carbon emissions at operations in Turkey
- Further developing recyclable waste management programs in conjunction with available new technology
- Implementing projects developed by the Energy and Environment Committee
- Continuing to measure and manage noise levels at all terminals
- Encouraging subsidiaries, stakeholders and suppliers to adopt sustainability practices.

STAKEHOLDER ENGAGEMENT AND DETERMINING MATERIAL SUSTAINABILITY ISSUES

TAV Sustainability Action Group held a strategy workshop to overview the key stakeholders in terms of TAV's sustainability impacts and to determine TAV sustainability issues through a materiality analyses, taking into consideration the potential concerns of key stakeholders.

Our stakeholders are the people who influence or are affected by our business; different groups see us in different ways, depending on their own interests. With the participation of senior managers from various departments in the Holding the stakeholders listed on page 28, were selected to engage with and to listen to their sustainability concerns. In future reporting periods, we plan to engage more with these four categories of stakeholders and address our sustainability impacts.

Our key stakeholders are continuously kept informed within the framework of TAV's public disclosure policy, established with respect to governing legislation and our Company's code of ethics. In addition, TAV aims to provide information to all stakeholders via press bulletins, annual reports, Company websites and other practices within the framework of our transparency-oriented information disclosure policy. We strongly value transparent and open dialogue with our stakeholders and have several platforms of communication in place. We aim to establish the best possible balance in responding to diverse issues expressed by our stakeholders. Mechanisms for shareholders and employees to offer recommendations or direction to the highest governance body are also listed in the table on page 29. These platforms are also tools where shareholder resolutions are made and minority shareholders express opinions to the highest governance body. During the reporting period none of the shareholders raised specific topics regarding the sustainability performance of the Company.

WE ARE FULLY AWARE OF THE SIGNIFICANCE OF ESTABLISHING OPEN, EFFECTIVE AND TRANSPARENT COMMUNICATION WITH ALL OUR STAKEHOLDERS WHO ARE INFLUENCED BY OUR OPERATIONS.

KEY STAKEHOLDER GROUPS



ENGAGING WITH OUR EMPLOYEES

At TAV, we believe the strong connectivity between managers and staff as well as the effective interaction between employee satisfaction and engagement affects customer loyalty and sustained profitability.

Management at TAV takes all employee opinions and concerns into consideration through Annual Employee Satisfaction Surveys to enhance employee motivation and performance.

In 2010, opinion-sharing meetings were also launched as face-to-face dialogue platforms with employees to explore their satisfaction levels, career and development plans, opinions about human resources practices and expectations from TAV Management.

Taking into consideration the suggestions for the improvement of the work environment, TAV constructed the Administration Building to increase teamwork, open communication, cooperation and transparency. From dispersed separate offices at different locations within the terminal in 2010 the administrative staff moved into their new offices.

A NEW DIALOGUE PLATFORM FOR TAV EMPLOYEES

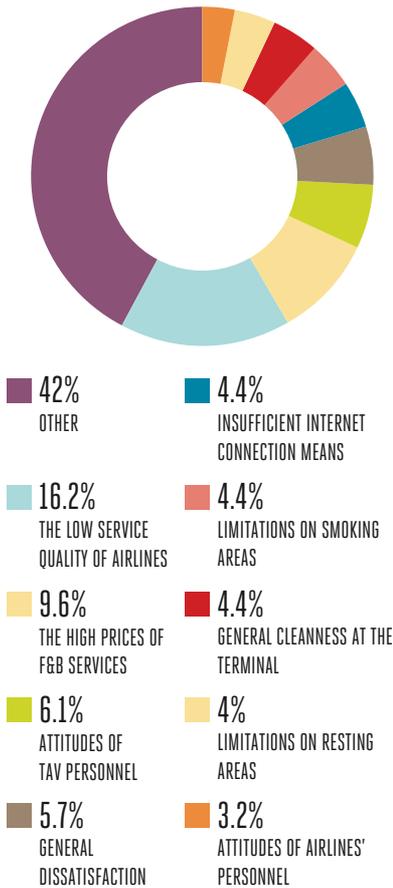
With the aim of creating an innovative cogitation model throughout the TAV Group, the Innovative Ideas Proposal and Project System will be initiated by Human Resources Department in 2011.

Through this platform, employees will be able to share their ideas and suggestions, which are in line with TAV's vision, values and strategic objectives and with the aim of improving processes, increasing productivity, assuring efficiency and contributing to the corporate image.

TAV Management plans to share the feedback from the employees and the actions taken with the realized results, in the next reporting period.

STAKEHOLDERS	COMMUNICATION PLATFORMS	MANAGEMENT
Employees	Employee Satisfaction Survey (Annual), Innovative Ideas Proposal and Project System	TAV Airports Human Resources Department
Customers	Customer Satisfaction Surveys, Suggestion and Complaint Forms, Instant Questionnaires at the Gate Area, TAV Airports Information Desks	TAV Airports Customer Relations Department
Shareholders	General Assembly Meeting (Annual), Public Disclosure Platform	TAV Airports Customer Relations Department
Investors	Annual and Interim Reports, Press Releases, Meetings, Presentations, Public Disclosure Platform	Investor Relations Department, www.kap.gov.tr
Lenders	Annual Financial Reports	Investor Relations Department Project Finance Department Finance Department
Regulatory Authorities	Public Disclosure Platform	Investor Relations Department
Universities	'Newspart' Magazine, Online E-Gazette	TAV Academy
Local Community	Social Responsibility Projects	Corporate Communications Department
Civil Society	Projects and Awareness Activities	Corporate Websites

CUSTOMER SUGGESTIONS & COMPLAINTS



The similar complaints or suggestions repeated less than 50 times, are covered under 'others' in the above graph.

Customer Dialogue

As a result of our customer-oriented approach, TAV Airports determines the general policies for regulations and practices geared toward achieving the satisfaction of customers at all of its subsidiaries. It provides maximum support to its subsidiaries and in some circumstances enters into contracts with third parties on these matters, continually striving to enhance customer satisfaction.

We conduct surveys for quality control, as well as enhanced passenger satisfaction. Customers are provided with opportunities to easily communicate their needs; complaints are responded to immediately and resolved as quickly as possible. We collect customer concerns and suggestions through e-mails and customer satisfaction forms on a daily basis throughout the year and report on them quarterly.

We also conduct surveys with the participation of airlines every six months. Representatives of airlines and our terminal managers meet regularly to evaluate the results of the surveys and to find solutions to the concerns on topic basis.

In 2009, the results of both domestic and international passengers' customer satisfaction forms showed that 37.2% of 1,668 included

suggestions and complaints. In 2010, the results of both domestic and international passengers' customer satisfaction forms showed that 53.4% of 1,652 included suggestions and complaints.

The graph on the next page shows the overall picture of customer complaints at Istanbul Atatürk Airport, which is the largest among TAV operations. The top issues mentioned in 2009 also show up in 2010.

Some of the complaints such as limitations for smoking are outside of our scope as smoking prohibition in public places, is a rule of government. To address the complaint of low service quality we directly communicate the concerns of passengers to our airline customers.

We aim to improve the other compliant issues, taking necessary actions such as training our employees and increasing the frequency of cleaning activities. As a result of the measures taken, positive responses on the attitudes of personnel and general cleanness of terminal from 2009 to 2010 increased. According to Airport Service Quality (ASQ)⁽⁴⁾ survey results, the overall satisfaction with Istanbul Atatürk Airport increased from 3.62 (2009) to 3.72 in 2010; five is considered excellent.

Additionally, the customer relations department conducts quarterly Customer Satisfaction Surveys among both domestic and international passengers, covering all locations and operations of the Group. The detailed questions included topics on security, passenger flow, cleanliness, shopping, food, beverages and parking. The results are assessed and reported quarterly and annually.

The customer satisfaction rate among international passengers was 78.3% (1,836 passengers) in 2010 and it decreased by 0.32% when compared to 2009. The customer satisfaction rate among domestic passengers was 75.3% (1,255 passengers) in 2010 and it increased by 1.2% when compared to 2009.

The Group aims to continue with these dialogue platforms and enhance them to include sustainability aspects and hear more suggestions dealing with sustainability concerns from its customers in the next reporting periods.

Material Sustainability Issues

The guidelines for sustainability reporting of the Global Reporting Initiative (GRI) formed the starting point for our material analysis.

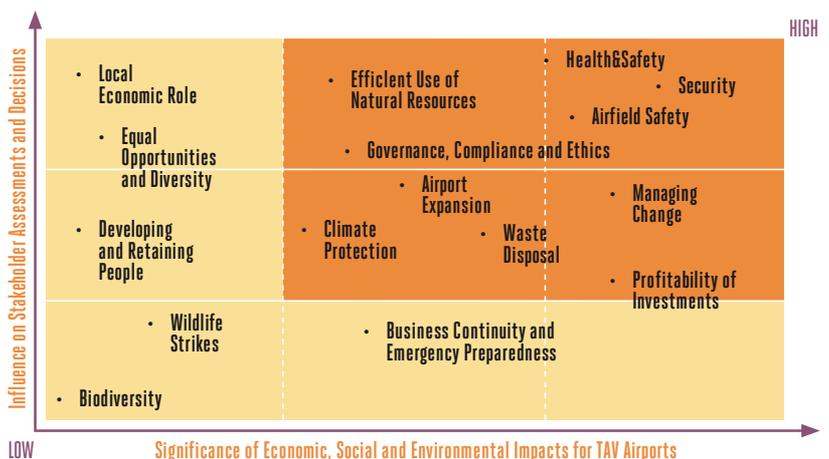
A task force of TAV managers from different departments discussed a set of issues while considering the possible impacts on company operations on key stakeholders.

A questionnaire was given to the stakeholder groups with topics ranging from different perspectives, which are allocated to the two axes of the matrix to evaluate the importance

of issues. The issues relevant to the stakeholder groups are grouped on one side while the ones that influence future viability of the company, are placed on the other side of the matrix.

The intention of utilizing such a matrix is to form the basis of a strategy, actually a program, that will include areas for TAV Airports' management to focus on and that are particularly important both to the stakeholders and the development of the Company.

TAV AIRPORTS MATERIALITY MATRIX



(1) (ASQ) survey is one of the most popular tools today to measure passenger perception of airport services. As an internationally recognized benchmarking survey, it is an Airports Council International (ACI) initiative and used by world airports.

An aerial photograph of a river delta, showing a network of dark blue-green channels winding through a landscape of green and brownish terrain. The channels are irregular and meandering, creating a complex pattern. In the top left corner, there is a decorative graphic consisting of a thick, L-shaped bar. The top horizontal part of the bar is orange, and the vertical part is olive green. The text 'OUR ECONOMIC IMPACTS' is centered on the orange part of this bar.

OUR ECONOMIC IMPACTS

An aerial photograph of a river delta, showing a complex network of channels and distributaries. The water is a deep blue-green, contrasting with the surrounding land which is a mix of green and reddish-brown. A semi-transparent dark red rectangular box is overlaid on the upper portion of the image, containing white text. A small yellow rectangular shape is visible in the top right corner of the image.

Today, we see it much more clearly that the sustainability and growth of our business is directly and completely dependent on the sustainability of our planet.

TAV management pursues an aggressive, yet stable, growth strategy that enables our Company to serve as a catalyst for robust economic growth on a local, national and global scale.

100
MILLION

TAV Group sets its strategic target to reach 100 million passengers by 2020.

The aviation industry exerts a multi-layered impact on the global economy. Within the industry, airports can be defined as having two types of economic impacts; direct benefits include employment opportunities and revenue created by the airport operation itself. Next are the magnetic impacts, which affect the wider catchment area through the creation of a supply chain of goods and services. Playing a crucial role within the transport sector, airports have a strategic importance to the regions they serve.

AIRPORT EXPANSION AND PROFITABILITY OF INVESTMENTS

TAV was Turkey's leading airport operator in 2010. Our strategic priority is to achieve sustainable growth in order to increase our contribution to the development of the economies in which we operate. Our aim was to operate ten airports within the first ten years of establishment and we achieved this goal. TAV grew by over 50% in terms of passenger and employee numbers especially in Istanbul and in Ankara soon after the commencement of operations and continued this growth in the following years. TAV Group sets its strategic target to reach 100 million passengers by 2020.

The low rates of profitability in the overall aviation sector around the world, including the airport operators, are actually a challenge for sustainable growth. We aim to monitor our environmental and social impacts and invest in areas with part of our profit when we buy new

terminals or expand current ones. We want to grow profitably and still be respectful and sensitive toward our employees, customers, environment and society without compromising any of our responsibilities.

Istanbul Atatürk Airport Expansion

TAV invested €36 million for the expansion of Istanbul Atatürk Airport International Terminal, refurbishment and development of the domestic terminal and construction of tri-generation plant from June 2008 until February 2010.

As a result of this expansion:

- Terminal and concourse area was extended by 17,920 m²
- Parking area was extended by 29,500 m² to serve 1,080 additional vehicles
- Six additional passenger-boarding bridges were built, including three elevators and two travelators were installed
- Landscaping is implemented in 3,000 m²
- 30 additional personnel were hired including duty-free, security, cleaning and operational staff.

ECONOMIC VALUE GENERATED AND DISTRIBUTED BY TAV

TAV Airports Group generated €752.9 million in net revenue during 2010; it distributed 62% to suppliers within operating expenses and 27% to the employees.

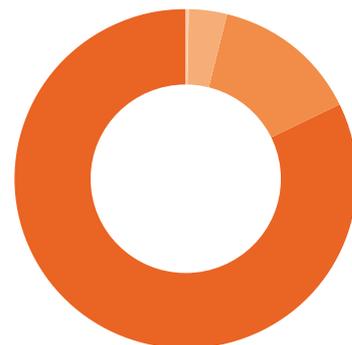
The following graph shows the proportions of direct spending to TAV's major stakeholders during 2010.

The duration of the Build Operate Transfer (BOT) Concession, under which TAV operates airports, plays a critical role in economic sustainability. In addition to the employment created and the services rendered through suppliers for construction, the BOT model provides tax and/or rent revenue to the local government, which in turn can invest in the development of infrastructure. With some of our BOT contracts stretching to 40 years, TAV is strongly committed to economic sustainability and the natural consequential benefits of diligent planning.

Indirect Economic Impacts of TAV Airports

Airports can be lifelines to isolated communities as they do have very significant effect, both on the environment in which they are located and on the quality of life of residents living nearby. In economically disadvantaged areas, where unemployment is high and there is

DIRECT ECONOMIC VALUE DISTRIBUTED TO STAKEHOLDERS



- 0.6161% BENEFIT TO SUPPLIERS
- 0.2741% BENEFIT TO EMPLOYEES
- 0.1067% BENEFIT TO LENDERS
- 0.0029% BENEFIT TO GOVERNMENTS
- 0.0002% BENEFIT TO COMMUNITY

OUR ECONOMIC IMPACTS

AIRPORTS IN TURKEY	ISTANBUL ATATÜRK	ANKARA ESENBÖĞA	IZMIR ADNAN MENDERES	ANTALYA GAZI PAŞA
TYPE	Concession	BOT	BOT	Concession
EXPIRATION	January 2021	May 2023	January 2015	July 2034
SCOPE	International & Domestic	International & Domestic	International	International & Domestic
CONCESSION FEE	US\$ 140 million per year + VAT	-	-	US\$ 50,000 + VAT

€752.9
MILLION
NET REVENUES OF THE TAV
AIRPORTS GROUP

30,000
EMPLOYEES

a narrow declining economic base, airport development is often seen as a way of generating new employment and creating wealth. Airports are a platform for local business to do trade.

Other catalytic and spin-off impacts from airports are bringing tourism opportunities and revenue to local and wider catchment areas and enabling the workforce to travel abroad with more ease. Remittance provided by workers abroad contribute to the GDP of all countries TAV operates in. (Macedonia: 4.3% of GDP, Georgia: 6.4% of GDP, Tunisia: 5% of GDP, Latvia: 2.4% of GDP, Turkey: 0.3% of GDP⁽²⁾). This impact can be defined as the employment, income, investment and tax revenue generated by a wider role that an airport can play by being an economic magnet for the region it serves. Based on these relationships, we estimate that in Turkey the aviation sector generates almost 620,000 jobs and TAV operated airports generate a total of 300,000 jobs.

As of the year-end 2010, the total number of personnel employed at the Istanbul Atatürk Airport by the TAV (including services companies) amounted to 30,000 employees. Assuming that each employee contributes to the income of a household of 3.5 individuals, TAV indirectly contributes to the livelihood of 160,000 people each month via the economic activity at the Istanbul Atatürk Airport alone.

Supporting Development through Local Workforce

We place great emphasis on the participation of the local workforce within TAV's management team as well as the operational staff.

The proportion of full-time workforce in Turkey from the local community is 99.96%⁽³⁾.

Although we may transfer managers from Turkey to other airports abroad, the numbers are minimal and TAV Airports' policy is, in fact, to maximize local recruitment and to draw down our expatriate senior management in the future.

⁽²⁾ World Bank 2006

⁽³⁾ The same indicator in other countries of operation emphasizes the consistency in our strategy as 97.6 % in Georgia, 97% in Tunisia and 97.6% in Macedonia.

ECONOMIC PERFORMANCE INDICATORS TABLE

TOTAL HOLDING

DIRECT ECONOMIC VALUE CREATED & DISTRIBUTED	CURRENCY	2009	2010	GRI
Economic Value Generated (Net Revenues)	Million EUR	608.9	752.9	EC1
Economic Value Distributed to Stakeholders				
Operating expenses (payments to suppliers etc)	Million EUR	-343.4	-412.6	EC1
Benefit to governments (tax etc)	Million EUR	-1.6	-11.5	EC1
Benefit to lenders/creditors (interest etc)	Million EUR	-59.5	-59.1	EC1
Benefit to employees (salaries, social security etc)	Million EUR	-152.8	-219.3	EC1
Benefit to community (donations, sponsoring etc)	Million EUR	-0.1	-0.2	EC1
Economic value retained	Million EUR	51.5	50.2	EC1
FINANCIAL ASSISTANCE RECEIVED FROM GOVERNMENT	CURRENCY	2009	2010	GRI
Tax relief/credits	Million EUR	0.02	0.23	EC4
Investment grants, R&D Grants	Million EUR	0.00	0.36	EC4
TOTAL NUMBER OF PASSENGERS	UNIT	2009	2010	GRI
Domestic	Number	16,433,488	18,282,454	AD1
International	Number	25,684,626	29,302,851	AD1

An aerial photograph of a river winding through a landscape of agricultural fields. The fields are mostly brown and tilled, with some green patches of grass or crops. A prominent green graphic element, consisting of a thick L-shaped bar, is overlaid on the top left corner. The text 'OUR ENVIRONMENTAL IMPACTS' is written in white, uppercase letters on a dark green rectangular background within this graphic.

OUR ENVIRONMENTAL IMPACTS

An aerial photograph of a vast agricultural field. The field is divided into numerous rectangular plots by thin, dark lines, likely furrows or roads. A prominent, wide, green strip of vegetation, possibly a grassy area or a different crop, runs diagonally across the field from the top left towards the bottom right. The overall color palette is dominated by dark browns and greens.

TAV strives to adopt the best environmental practices to strike a balance between the growing demand for air travel and efficient utilization of natural resources.

TAV minimizes the impacts of its activities on the environment beyond its legal obligations through regular controls.

By adopting the best environmental practices, TAV strives to strike a balance between the growing demand for air travel at our airports and utilizing natural resources efficiently. Although the environmental damage caused by airport operations is minimal compared to the aircraft emissions, TAV is nevertheless fully committed to combat this complex challenge through increasing awareness among its stakeholders, cooperating directly with airlines, government authorities and other relevant bodies. This commitment includes efficient use of natural resources⁽⁴⁾, reduction and optimization of greenhouse gas emissions for climate protection; maximizing recycling, waste management and conservation of habitats, as listed among our material environmental issues and as defined in our environmental policy.

<http://www.airport.com/en-EN/abouttav/Pages/EnvironmentalPolicy.aspx>

⁽⁴⁾ Since natural gas omits %40 less CO₂ compared to fossil fuels.

COMPLIANCE: IMPLEMENTATION BEYOND REGULATIONS

TAV complies with all environmental and civil aviation laws and regulations required by national and local authorities in each country of operation. It actively participates in efforts organized by various international platforms such as ACI Europe & CDP, partaking in sustainability surveys conducted by Manchester University and the MIT Sloan School of Management. These also serve to raise awareness of environmental issues among TAV management and employees.

With regard to the requirements of national and international legislation, TAV:

- Redesigns service processes to avoid environmental pollution
- Utilizes less input in terms of materials and energy
- Devises alternative resourcing methods
- Formulates sustainable development policies in all countries where it is active and closely monitors environmental practices and

- Signs international credit agreements involving the project and makes commitments to creditor institutions to assume all responsibilities stemming from present legislation regarding environment and occupational health and safety.

Due to the nature of its operations, TAV Airports Group companies are not legally obligated to produce environmental impact assessment reports within the scope of environmental laws and regulations. Nevertheless, TAV and its relevant subsidiaries prepare environmental reports and environmental management plans during both the construction and operational phases of terminals and strive to comply with updated environmental management studies.

TAV minimizes the impact of its activities on the environment beyond its legal obligations with regular controls. We continue with the same approach as we expand into developing markets, particularly in countries where environmental legislation is relatively insubstantial.

EFFICIENT USE OF NATURAL RESOURCES AND CLIMATE PROTECTION

Turkey is a leading developing country and the legislative groundwork to combat climate change is in the formative stages of development. Turkey's accession talks for EU membership have stringent environmental requirements: over 200 legal acts covering topics like water and air quality, waste management, protection of nature, industrial pollution control, risk management and noise. Significant investment is needed to attain these standards in both the public and the private sectors. The greatest challenge facing companies is the adoption of problems (emissions, noise, etc.) related to new technology and the resulting financial burden on the national economies.

TAV adheres to many industry and international standards and our efforts toward improving environmental practices have been recognized by the ACI and the Aviation Summit. TAV attends many conferences on both local and international levels. The exchange of knowledge and information at such events is

fundamental to the development of the aviation industry for the future. At TAV, we aim to take this experience and know-how and implement it at our operations in emerging markets.

Airport Carbon Accreditation

TAV actively participates in the Airports Council International's (ACI) Airport Carbon Accreditation Program (ACA). The ACA program was launched in 2009 to evaluate measure and diminish carbon emissions at airports. The program consists of four stages:

1. Mapping: measurement of the airport operator's carbon footprint
2. Reduction: decrease of carbon emissions
3. Optimization: reduction of emissions to the most appropriate levels
4. Neutralization: encouraging participation of third parties all resulting in the total eradication of carbon emissions through neutralization.

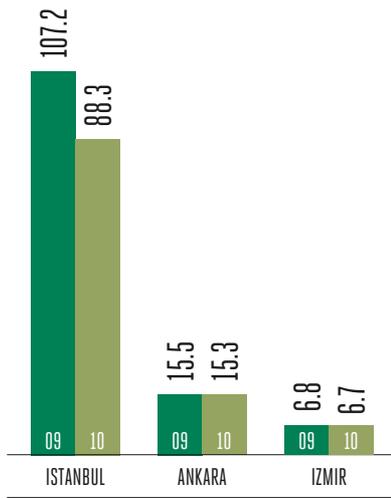
ACI estimates that the implementation of the Airport Carbon Accreditation program in Europe led to a reduction of 411,390 tons of CO₂ in 2009. The experience and knowledge of ACA program is institutionalized and all the subsidiaries under TAV umbrella are encouraged to follow suit.

TAV Izmir is an industry leader, as it became the second airport in Europe to be accredited in 2009. This followed the introduction of an Energy Management Scheme at the airport in the same year. In 2010, TAV Istanbul and TAV Ankara were accredited under the ACI ACA program. This proactive approach demonstrates our dedication to our environmental policy and overall emphasis on environmental protection. The impact of ACA program on our environmental sustainability is clearly seen in the results.

Between 2009 and 2010, CO₂ emissions at three of the airports dropped; by 17.6% in Istanbul, by 1.3% in Ankara and 1.6 % in Izmir.

TAV has openly and publicly declared all of its activities in a transparent manner and disclosed all actions completed in 2010 in accordance with the Carbon Disclosure Project. This information was presented in the Carbon Disclosure Project 2010 and is available at: <http://cgft.sabanciuniv.edu>.

CO₂ EMISSIONS (1000 T)



Energy Efficiency Through Co-generation and Tri-generation Plants

In recent years, various efforts have been undertaken to ensure energy efficiency at TAV-operated terminals. TAV implements Energy Management Systems at all of its airports. The co-generation system, which allows the generation of two different types of energy from a single energy source, was implemented for the first time at Esenboğa Airport in 2007.

As part of energy saving initiatives at TAV Istanbul, an Energy Director was appointed in 2009 and entailed with the foundation of a tri-generation plant to produce three distinct types of energy, electricity, heating and cooling, from natural gas. Generators lose heat as they create electricity, a tri-generation facility captures this heat and uses it to generate both hot and cold water, which can be used to heat or cool the environment within the terminal.

Utilizing co-generation and tri-generation plants for the production of electricity, heating and cooling needs of terminals is highly effective. They avoid the losses associated

with the transport of electricity and capture waste heat, which would normally be lost. After the system has gone into operation, electricity consumption for cooling and natural gas consumption for heating have decreased dramatically.

Together with other sustainability initiatives, tri-generation will result in a significant reduction in greenhouse gas emissions. The preliminary preparation carried out in 2010 for the tri-generation plant planned for TAV airports located in Tunisia has shown that this method of energy generation is up to 64% more efficient than the state power plant (grid) and will avoid the emission of 4,000 tons of CO₂.

Efficient electricity generation at airports has far reaching benefits. Traditionally, when airplanes were parked at the gates, they would use their Auxiliary Power Units (APU) to generate power for lighting, air conditioning and other system needs. However, it has gradually become an industry standard for airports to provide power sources at the gates that the aircraft can plug into; TAV has designed all of its airports with this consideration. Studies have shown that such measures can reduce up to 85% APU usage. At a mid-sized airport, this can result in the reduction of 33,000 tons of CO₂ emissions.⁽⁴⁾

(5) The Air Transport Action Group (ATAG), Beginner's to Aviation Efficiency Report, published in November 2010. ATAG is a not-for-profit association that represents all sectors of the air transport industry.

Energy Efficiency Initiatives of Istanbul Atatürk Airport

TAV Istanbul Terminal Operations has started working on setting up an Environmental Management System and formed an 11 member work team made up of environmental, mechanical, electric/electronics engineers. They will conduct relevant studies with the objective of utilizing current energy resources effectively without compromising on passenger comfort while complying with national and international legislation and regulations. They will be concerned with monitoring the terminal's greenhouse gas emissions while implementing methods to decrease emissions.

TAV Istanbul formed a management system as per the TS ISO 14064-1 Manual and Specifications Regarding Reporting and Calculating Greenhouse Gas Emissions and Removal in Corporations concerning carbon emissions management. This management system has been adapted to the ISO 9001 Quality Management System at our terminal. Accordingly, sources of carbon emissions are defined and measured. Consequently, the methods for decreasing carbon emissions will be evaluated and implementation will be initiated. In the final stage, studies

will be carried out to neutralize the carbon emissions. Within this period, our Greenhouse Gas Management System will be inspected and licensed by third party inspectors.

Implementations to achieve the above-mentioned goal include:

- Utilizing an automated system in HVAC and updating timing programs, unnecessary equipment use is prevented.
- With “free cooling” implementation, cooling tower group operations for cooling in times when the weather is cold is prevented.
- Electronic ballasts are used in 40,000 lightning armatures throughout the terminal.
- Reactive energy, which causes unnecessary energy consumption in a facility consuming electricity, is minimized owing to a sensitive compensation system established at the terminal.
- Frequency convertors are used in electricity motors above 15 kW resulting in a 25% energy savings compared to conventional systems.
- With the Scada system, energy is managed centrally and the fastest response is given to any breakdown.
- Due to sensors at the entrances of belt conveyors and escalators, the systems stay in sleep mode when they are not active.

- As a result of the new elevator drive system, which no longer utilizes an MRL-engine room and was installed during renovations in the Domestic and International Terminals, the noise level has been decreased to a minimum and energy has been saved since engine power values are lower than the former engines.

Energy Efficiency through Construction and Maintenance

Since its inception, TAV has performed all terminal design and constructions with particular consideration to energy efficiency. The architectural design of our terminal buildings makes extensive use of natural lighting, which reduces the need and cost of artificial lighting.

In 2008 and 2009, TAV Izmir embarked on a joint project with the Izmir Institute of Technology to pinpoint areas of insufficient insulation within the terminal using a thermal imaging process. Following Izmir, the same process was implemented at Istanbul Atatürk Airport. Necessary measures were taken to correct the identified deficiencies and systematic controls were established at the terminal buildings resulting in comprehensive prevention of insulation loss thereby reducing energy needs and consumption.

SINCE ITS INCEPTION, TAV HAS PERFORMED ALL TERMINAL DESIGN AND CONSTRUCTIONS WITH PARTICULAR CONSIDERATION TO ENERGY EFFICIENCIES.

ENERGY EFFICIENCY PERFORMANCE IN 2009-2010

In Istanbul, the natural gas consumed by the tri-generation plant dropped radically as a result of a breakdown in the plant, which was active only about three months during 2010, consequently, the amount of purchased electricity increased. As a result of measures taken, electricity consumption per square meter in Istanbul increased by only 10% in 2010 although the terminal was extended.

In Ankara, the square meter consumption of natural gas is higher than Istanbul although the terminal is smaller. Inefficient use of energy results from the design of the terminal building with high ceilings, which makes it hard to cool and/or heat the place efficiently. Changing the design of the building is outside TAV's scope, as we do not own the buildings at the terminals.

In Izmir, natural gas consumption was reduced by 10% in 2010 compared to 2009. As a consequence of extreme weather conditions and high humidity during the summer in 2010, electricity consumption increased by 3% through extensive use of air conditioning.

The electricity purchased in Istanbul (Unit Electric) and in Izmir (Akenergy) is all generated from natural gas while in Ankara (Unit Electric) the source of electricity is both natural gas and wind power.

NATURAL GAS CONSUMPTION (GJ)



ELECTRICITY PURCHASED (GJ)



WATER MANAGEMENT

Efficient Consumption of Water

As part of our environmental sustainability policies, TAV Airports Group aims to achieve efficient and responsible water management, given its unparalleled importance as a natural resource. Only 1% of the earth's water is available for human use and this supply remains constant although the population and demand on freshwater resources keep increasing. At TAV, water management requires a decrease in waste water levels and implementation of the most efficient water consumption per units without compromising passenger comfort.

Water consumption is monitored according to usage; drinking/ use, irrigation and filling. The consumption of water per passenger is calculated and periodically reported to senior management and any remarkable increase is analyzed and explained. Various projects have been formulated and carried out for the efficient use of water to minimize waste.

As part of the monitoring and amelioration projects carried out between 2007 and 2010, the following improvements were made:

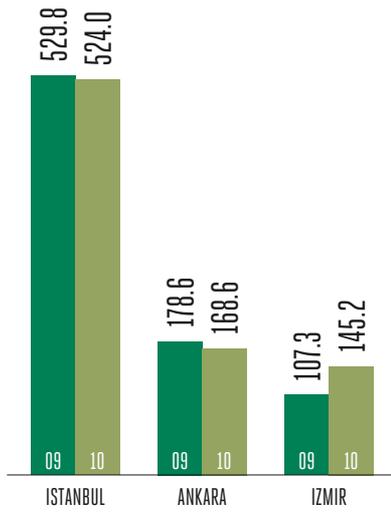
- All sinks used at the facilities were equipped with instruments that limit water flow
- The photo-electric cell controls on sink faucets were adjusted to reduce water flow to appropriate levels
- The photo-electric cell control on all urinals were adjusted to the correct parameters
- Waterless urinals are gradually being installed and utilized
- The amount of water in WC reservoirs has been reduced to levels corresponding to per capita water consumption targets
- A conductivity-oriented automatic bluffer system was launched in the cooling towers
- Back wash water of sand filters and activated carbon filters is used for irrigation and
- Landscape irrigation facilities have adopted the drip irrigation system and automation systems for nocturnal irrigation during hot days.
- A new system is under development to collect the rain water from the outdoor parking lots, service and connection roads to use for irrigation, beginning in 2011.

As a result of the measures taken, water consumption was reduced by 11% in Istanbul and 28% in Ankara per 1,000 passengers. As a consequence of extreme weather conditions in the Aegean region during the summer of 2010, water consumption increased by 6% in Izmir. The cooling systems are used more, such as the cooling towers, where water is lost as a result of evaporation. Also the amount of water used for landscaping has increased.

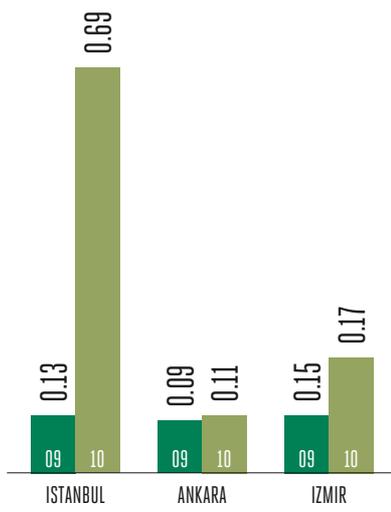
Total Water Discharge

Wastewater created at terminals is collected via a closed-circuit sewage system and transferred to wastewater treatment facilities inside airport premises. All terminals feature state-of-the-art wastewater treatment facilities, utilizing biological methods of treatment. In accordance with relevant environmental legislation, wastewater treatment effluent at TAV Airports is discharged to the closest collecting system or receiving environment.

WATER CONSUMPTION (1000 M³)



RECYCLED WASTE (1000 T)



WASTE MANAGEMENT

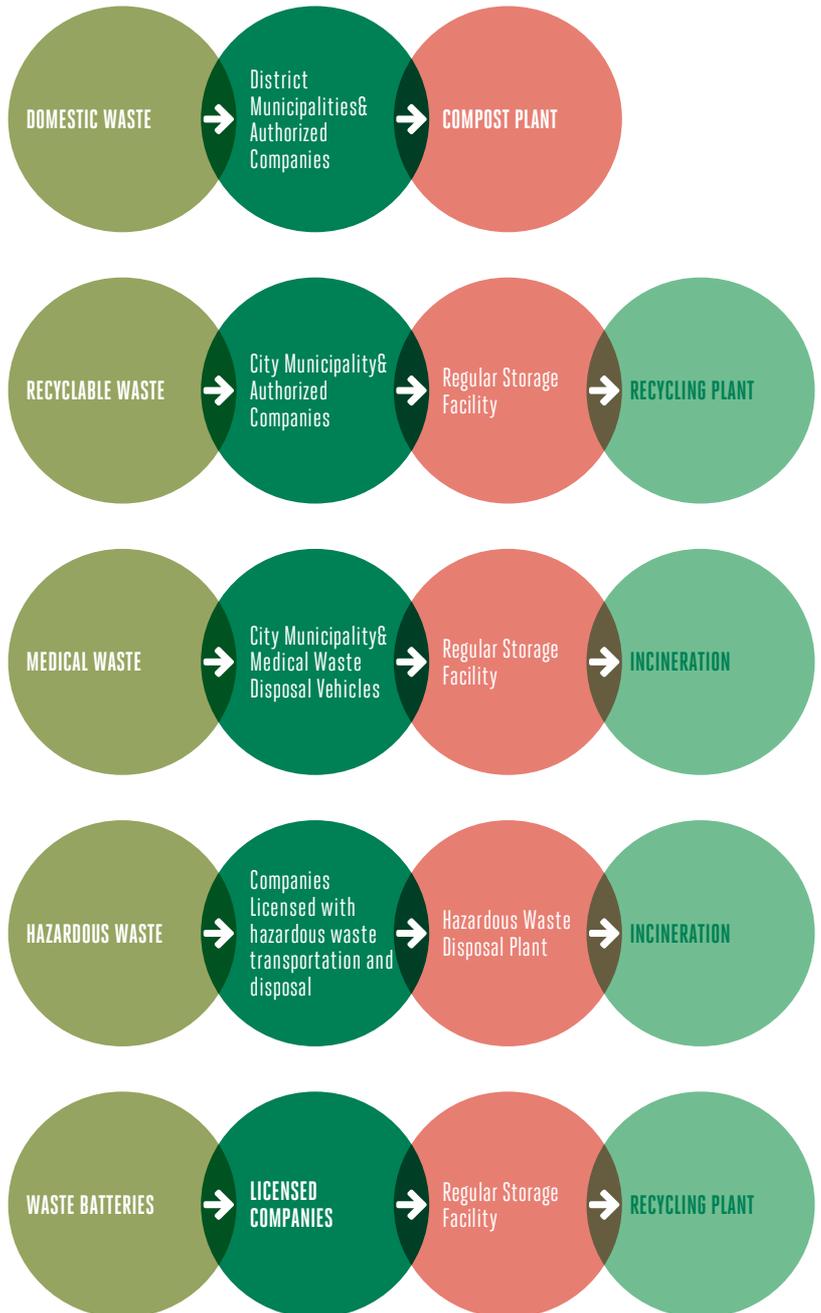
Waste management at airports is becoming increasingly important with the enormous increase in the passenger numbers. The reduction of waste at its source, as well as ensuring the reuse, recycling and annihilation processes, constitute waste management at TAV. We continually emphasize the need for appropriate management of waste as part of our environmental sustainability efforts.

In order to ease the collection and separation process, triple garbage bins for paper, plastic and other waste were installed at airport terminals. Waste once separated at the source are delivered to authorized firms in line with environmental legislation and then recycled or destroyed under conditions that present no risk to public health.

Furthermore, ATÜ only utilizes biodegradable shopping bags made from 100% soluble TDPA (Fully Degradable Plastic Additives) at its stores throughout Turkey, Georgia, Latvia, Tunisia and Macedonia. ATÜ also promotes the use and sale of multi-use eco-bags that are available at its stores. BTA has made similar efforts to utilize more readily recyclable materials in their packaging. As a result of efforts to increase the share of recycled waste, the amount of total annual recycling within the three terminals increased by 60% in 2010 compared to 2009.

Although the amount of waste increased in the terminals from 2009 to 2010, the amount of total recycled waste also increased by more than 4 times in Istanbul, 22% in Ankara and 13% in Izmir.

The chart on page 47 shows how waste is managed and coordinated with various relevant bodies to ensure the safest methods of disposal at all TAV operated Airports.



THE CONCEPT OF BIODIVERSITY ACCOUNTS FOR THE VARIETY OF LIFE FOUND ON THE FACE OF THE EARTH; IT ENCOMPASSES ALL ORGANISMS, SPECIES, GROUPS OF LIVING THINGS, THE GENETIC CHANGES BETWEEN THEM, COMMUNITIES AND THE COMPLEX STRUCTURE OF ECOSYSTEMS.

BIODIVERSITY AND LANDSCAPE

The concept of biodiversity accounts for the variety of life found on earth; it encompasses all organisms, species, groups of living things, the genetic changes between them, communities and the complex structure of ecosystems.

TAV takes the following measures to protect biodiversity and to minimize the loss of habitat:

- Creates green spaces in areas in which it operates
- Protects the flora through the application of biologically degradable insecticide against the invasion of foreign, hazardous species
- Planting additional flora in areas under TAV's responsibility
- Installing control mechanisms against environmental pollution to avoid irreversible and permanent damage to the flora and biodiversity
- Delivering birds and dogs, whose

numbers increase after the construction of an airport and resulting change in the ecosystem, to animal shelters and

- Calculating and monitoring carbon emissions, to avoid the expulsion of biological species from their ecosystems and habitats due to the increase in the general temperature levels and unbalanced outside temperatures, stemming from global climate change.

ENVIRONMENTAL PERFORMANCE INDICATORS TABLE

The table on page 49 contains data related to the consumption of natural gas, electricity and water, as well as our production of emissions and waste. As TAV launches new airports into its operations almost every year, the overall consumption is increasing. The collection and mapping of such data is utilized in the formation of our sustainability plans and targets.

ENVIRONMENTAL TARGETS 2015

REDUCTION OF CONSUMPTION OF NATURAL RESOURCES (PER PASSENGER)	ISTANBUL	ANKARA	IZMIR
Natural Gas	33%	3.90%	2.70%
Electricity	13%	1%	2.30%
CO ₂ Emissions	0.77%	0.80%	2.50%
Water Consumption	5.90%	0%	4.90%
Water Discharge	2%	0%	16%
Waste	14%	1.50%	3.90%
Packaging waste	10%	2%	6%

DIRECT ENERGY CONSUMPTION BY PRIMARY ENERGY SOURCE		ISTANBUL		ANKARA		IZMIR			
DIRECT NON-RENEWABLE ENERGY SOURCE		UNIT	2009	2010	2009	2010	2009	2010	GRI
Natural Gas		GJ (Total)	571,663.3	202,689.9	248,701.9	223,325.9	16,991.2	15,307.3	EN3
		GJ (Tri-generation)	503,698.4	107,695.1	207,803.0	191,318.4	n.a.	n.a.	EN3
		GJ (Other)	67,964.9	94,994.8	40,898.9	32,007.5	16,991.2	15,307.3	EN3
Diesel*		GJ	986,472.5	692,211.6	11,302.3	10,414.6	412.07	633.48	EN3
Gasoline*		GJ	3,680.4	4,172.4	212.0	364.2	121.41	96.32	EN3

INDIRECT ENERGY CONSUMPTION BY PRIMARY ENERGY SOURCE		ISTANBUL		ANKARA		IZMIR			
INTERMEDIATE ENERGY PURCHASED AND CONSUMED FROM NON-RENEWABLE ENERGY SOURCES		UNIT	2009	2010	2009	2010	2009	2010	GRI
Electricity (Purchased)		GJ	186,065.7	344,910.0	21,821.5	31,704.6	50,904.1	52,444.2	EN4
		GJ (Total)	285,447.1	348,505.8	95,678.1	98,643.1	50,904.1	52,444.2	EN4
Electricity (Total Consumed)		GJ/per m ² (Total)	0.56	0.62	0.53	0.54	0.47	0.49	EN4
		GJ/per 1000 pa. (Total)	9.57	10.84	3.50	4.03	30.1	24.2	EN4

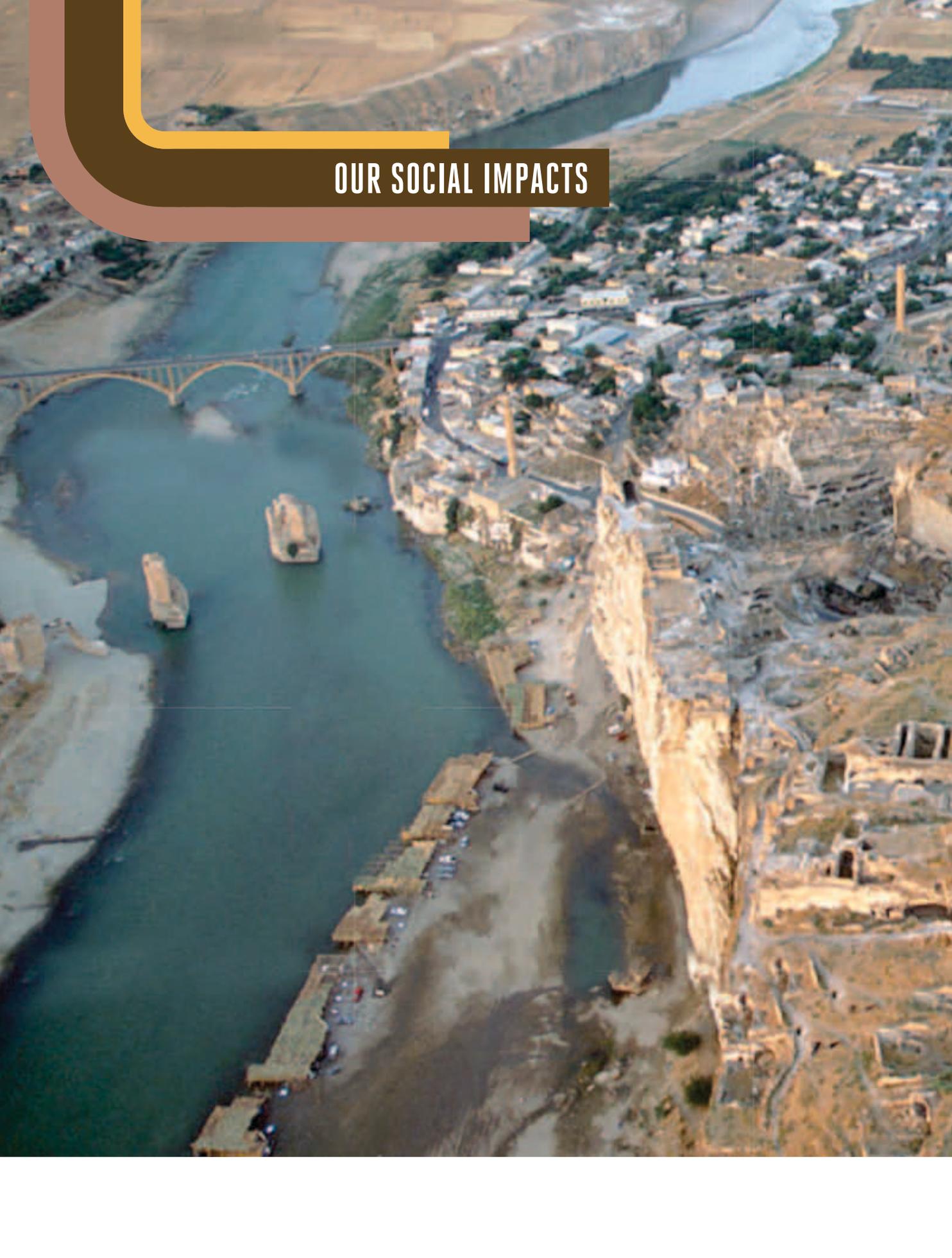
TOTAL WATER CONSUMPTION		ISTANBUL		ANKARA		IZMIR			
		UNIT	2009	2010	2009	2010	2009	2010	GRI
Water		1000 m ³ /year	529.8	524.0	178.6	168.6	107.3	145.2	EN8
		1000 m ³ / per 1000 pa.	0.018	0.016	0.029	0.021	0.063	0.067	EN8

GREENHOUSE GAS EMISSIONS		ISTANBUL		ANKARA		IZMIR			
		UNIT	2009	2010	2009	2010	2009	2010	GRI
Total CO ₂ Emissions		1,000 t CO ₂	107.15	88.30	15.46	15.26	6.83	6.72	EN16
Direct CO ₂ Emissions		1,000 t CO ₂	89.10	68.70	11.74	10.18	1.60	1.50	EN16
Indirect CO ₂ Emissions		1,000 t CO ₂	18.00	19.50	3.73	5.07	5.23	5.21	EN16

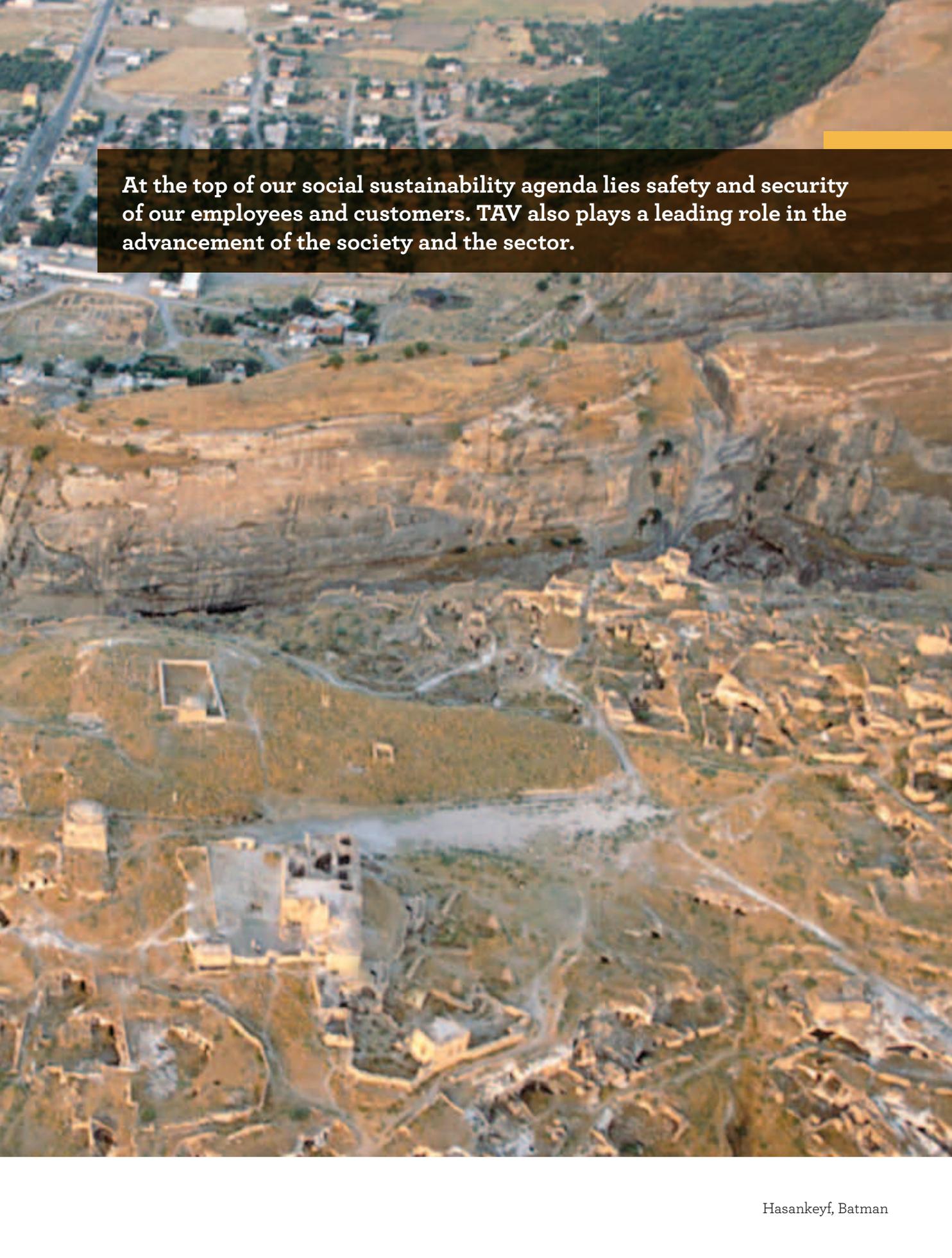
WASTEWATER DISCHARGED		ISTANBUL		ANKARA		IZMIR			
		UNIT	2009	2010	2009	2010	2009	2010	GRI
Waste Water		1000 m ³ /year	335.7	384.7	436.5	435.0	40.4	46.1	EN21
		1000 m ³ / per 1000 pa.	0.011	0.012	0.070	0.055	0.023	0.021	EN21

WASTE BY TYPE AND DISPOSAL METHOD		ISTANBUL		ANKARA		IZMIR			
		UNIT	2009	2010	2009	2010	2009	2010	GRI
Hazardous Waste		1,000 t	0.001	0.007	0.003	0.004	0.000	0.000	EN22
Non-hazardous Waste (excluding wastewater)		1,000 t	3.69	4.49	0.47	0.55	0.36	0.36	EN22
Recycled Waste		1,000 t	0.13	0.69	0.09	0.11	0.15	0.17	EN22

(*) Employee transportation vehicles and leased company cars
n.a: not available
pa: passenger

An aerial photograph of a river valley. A large concrete dam structure is visible in the foreground, extending from the riverbank towards the center. The river flows through the valley, with a multi-arched bridge crossing it in the middle ground. The surrounding area is a mix of urban development and open land. The sky is clear and blue. A decorative graphic element consisting of overlapping yellow and brown L-shaped bars is positioned in the top left corner, partially overlapping the text box.

OUR SOCIAL IMPACTS

An aerial photograph showing a rugged, mountainous landscape. The terrain is characterized by steep, rocky slopes and a network of narrow, winding paths. A small town or village is visible in the lower-left quadrant, with several buildings and a prominent tower. A river or stream flows through the center of the valley. The overall scene is one of a remote, high-altitude environment. A dark brown rectangular box is overlaid on the top left of the image, containing white text.

At the top of our social sustainability agenda lies safety and security of our employees and customers. TAV also plays a leading role in the advancement of the society and the sector.

Among TAV's core principles is its effective and efficient management of human resources in accordance with global standards; it is an attractive place where its employees are proud to work.

18,786
EMPLOYEES

TAV management describes its social impacts with regards to our most prior stakeholders: Our Employees and Our Passengers... For our employees, providing high standards of job safety, training, development and equal opportunities; for our passengers, providing high quality services, safety, security and business continuity are our material social issues.

EMPLOYEES

TAV has a total of 18,786 employees at ten airports where it holds the operational rights in its geographic scope of business; Turkey, the Caucasus, North Africa and Europe; 25.5% of TAV employees are female.

Employees are offered competitive salary and fringe benefits based on prevailing market conditions. In most cases, employees were acquired from the government jobs during the privatization process; there is minimal termination of staff as a positive contractual obligation by TAV.

Among TAV's core principles is its effective and efficient management of human resources in accordance with global standards; it is an attractive place where its employees are proud to work. The overall employee turnover ratio was 8.97% in 2009 and 5.7% 2010.

The Human Resources Department is responsible for enhancing the performance and the career management of the employees by creating a dynamic and innovative environment that fosters development and achievement of goals. As the pioneer and leader for airport operations in Turkey, our fundamental strategies include institutionalizing the knowledge, experience and expertise gained and disseminating it to all levels within TAV. Corporate learning is managed by TAV Academy in cooperation with HR Department.

Occupational Health and Safety Management

Management systems and occupational health and safety standards increase productivity, working efficiency and well-being of employees while also contributing to the competitive strength of companies. In the regions where TAV operates, laws, regulations and international standards regarding occupational health and safety are followed. We have adopted a systematic and creative management approach. As a part of this approach, management systems were established to:

- Determine the elements that may lead to work accidents and occupational diseases, identifying and analyzing risk
- Protect the health of employees
- Provide occupational health and safety and environmental guidelines for all companies under the TAV Airports umbrella
- Establish methods and processes to meet the needs of necessary measures and
- Completely eliminate hazards.

Occupational Health and Safety Council meetings are held monthly to present information on initiatives, evaluate occupational accidents, risk analysis and establish inter-departmental coordination. The Occupational Health and Safety Council convenes on a quarterly basis to establish inter-company coordination and communication with stakeholders. The issues discussed and resolutions passed in the Council are recorded as minutes and documented. We are developing awareness programs to put into effect the IATA Hazardous Materials Regulation, National Civil Aviation Safety Program ANNEX 20 and LAG Applications at TAV airports.

AT TAV, OUR HUMAN CAPITAL STRATEGY HAS BEEN STRUCTURED WITH AN APPROACH TO CORPORATE LEARNING. WE ENDEAVOR TO DISSEMINATE CORPORATE LEVEL KNOWLEDGE, EXPERIENCE AND "KNOW-HOW" ACQUIRED TO ALL RANKS OF OUR COMPANY.

**IN 2009, 1,015
EMPLOYEES AND 983
EMPLOYEES IN 2010
WERE TRAINED ON
HEALTH AND SAFETY
TOPICS IN THE FOUR
AIRPORTS OF TURKEY.**

The work permit system was developed by TAV regarding work and operational activities deemed as heavy and hazardous tasks. The system is intended to perform risk analyses in work fields, to minimize dangerous behavior and occurrence of hazardous situation, to access the physical and emotional wellbeing of employees, to choose the appropriate personal protective gear and equipment and to ensure accurate usage. All operations carried out at TAV companies are audited via the work permit system.

Occupational accidents that occur at the TAV are recorded. (Page 67, Social Performance Indicators Table) Preventative measures are taken once a thorough root-cause analysis has been completed. Detailed risk assessments are regularly conducted within our operational fields. Based on the results, improvement-oriented action plans are developed with high-risk issues given precedent.

Periodic Inspections

In conjunction with occupational health and safety initiatives, regular testing of buildings and work fields are undertaken to ensure the safety of both employees and customers. The parameters of the tests include levels of NO (nitric oxide), SO₂ (sulfur dioxide), hydrocarbon and dust as well as temperature, humidity, air flow rate, radiation and noise levels. The measurements are carried out by legally accredited entities every six months and kept within TAV records.

TAV Airports companies are also equipped with the adequate technical infrastructure for monitoring purposes. The Workplace Health and Safety Unit perform periodic health inspections on TAV employees based on the working environments and conditions.

OHS Trainings

Training programs are developed and implemented for both TAV airport companies' and service companies' employees. The programs focus specifically on conduct-oriented occupational health and safety approach and aim to prevent occupational accidents. In 2009, 1,015 employees and 983 employees in 2010 were trained on Health and Safety topics at the four airports in Turkey. The occupational health and safety training courses administered by TAV Academy at TAV include:

INVESTMENTS IN EMPLOYEE TRAINING

EMPLOYEE CATEGORY	DAYS		4 AIRPORTS IN TURKEY		TOTAL HOLDING	
	2009	2010	2009	2010	2009	2010
ALL TAV GROUP EMPLOYEES	497.5	409	3,536	3,008	9,429	7,955
TAV ACADEMY	379.5	379.5			7,744	7,538
TRAINING & CONSULTANCE COMPANIES	118	29.5			1,685	417

- Occupational Health and Safety Fundamental Awareness Training
- Occupational Health and Safety Fundamental Awareness Training II Module
- Occupational Health and Safety Legal Framework Training
- Occupational Health and Safety Risk Analysis and Applications
- Occupational Accidents and Incident reporting Technique
- Occupational Health and Safety Orientation Training
- Emergency and Fire Awareness Applied Fire Extinguisher Training
- Waste Management and the Environment
- Working at High Altitude Training

Professional and Personal Development: TAV Academy

In 2010, a total of 7,975 TAV employees attended 409 days of training on professional and functional development covering 92 distinct subjects.

At TAV, our human capital strategy has been structured with an approach to corporate learning. We endeavor to disseminate corporate level knowledge, experience and “know-how” acquired to all ranks of our Company. The structure, where

corporate learning is managed and directed is TAV Academy which was established in 2006 specifically for this purpose. It carries out its activities in conjunction with TAV Human Resources as the corporate development center for TAV. TAV Academy creates options for structural and corporate learning to respond to the present and future human resources development needs of the group.

The main goal of the TAV Academy is to create a corporate learning atmosphere where TAV employees can develop themselves, support their professionalism and leadership and where they can find fields of practice in any area.

This is done through projects especially developed for the aviation sector:

- Development programs and training courses on civil aviation
- Airport management programs designed with international organizations,
- Academic cooperation with universities,
- Custom-made personal leadership and career development programs tailored for successful executives and candidates with high potential and
- Training programs to enhance corporate culture and basic capabilities.

TAV Academy designs, organizes and updates training programs to meet the corporate expectations on professional, leadership managerial and technical skills development as well as language and linguistic development. Training programs includes Introduction to Airport Operation Program, Airport Operation Executive Candidate Development and Corporate Mentorship Program.

ACADEMIC COLLABORATION

As part of a collaboration initiative with universities, TAV Academy works in partnership with Boğaziçi University, Kapadokya Vocational College, Anadolu University, Istanbul University and Kocaeli University in the areas of program development, internships, employment and teaching.

Encouraging the bond between universities and the private sector, a book entitled Introduction to Airport Operation was published in 2008 as the joint effort between TAV Academy and Kocaeli University Civil Aviation College faculty members. A first in Turkey, this book is being used as a textbook at Kocaeli University to share TAV know-how with our own employees as well as others and to present an overall portrait of the sector to those students who are taking their first steps into aviation.

TAV ACADEMY IN AN INTERNATIONAL PLATFORM

In 2010, TAV Academy signed an agreement to become the 11th Global Training Center for Airports Council International (ACI), the largest association of airports worldwide. Since its inception in 1991, ACI has served as the “voice of airports” at the International Civil Aviation Organization (ICAO) and with international aviation authorities in more than 1,600 airports worldwide. ACI’s mission is equally to promote professional excellence in airport management and operations, and this mandate is carried out through the organization’s multiple training opportunities, as well as the customer service benchmarking program, a wide range of conferences, industry statistical products and best practice publications.

Moreover, 111 workers, 35 employees from TAV Tunisia and 76 employees from TAV Georgia participated in the Performance Management training. At TAV Macedonia, 134 employees participated in nine Orientation & Team Building training programs. At TAV Georgia, 145 employees participated in the Customer Focused Service I training program—whose content and images were customized for TAV Georgia—in ten sessions. TAV Academy organized the training program Management Skills across Cultures at TAV Tunisia between November 8 and 10, 2010 in which 15 managers participated in the program.

Equal Opportunities and Diversity

TAV's fundamental human resources policy combines job requirements with the capabilities and skills of the employees, and recruits, develops, evaluates and manages human resources with principles of diversity, equal opportunity, anti-discrimination and the advancement of women into management positions. Women occupy 22% of senior management and 23% of middle management positions in TAV Airports Group.

While determining our human resources policy, TAV regards the United Nations Universal Declaration of Human Rights as well as full compliance with the legal framework and legislation that regulate human rights and employment in the countries where it conducts business, as the basis for all of its endeavors.

TAV strives to avoid all discriminatory conduct among its employees and designs its processes to minimize all risk in this area. We treat all candidates equally during the recruitment process and in terms of career and development opportunities throughout their employment regardless of their gender, race, religion or nationality.

As stated in the section entitled 'Our Economic Impacts' in this report, TAV also prefers hiring personnel from the local communities within which it operates. At ten airports in five different countries our employees with diverse nationalities work in harmony under the umbrella of TAV Airports.

TAV STRIVES TO AVOID ALL DISCRIMINATORY CONDUCT OF ITS EMPLOYEES AND DESIGN ITS PROCESSES TO MINIMIZE ALL RISK IN THIS AREA.

**TAV CORPORATE
MANAGEMENT
DESCRIBED EMPLOYEE
AND CUSTOMER
SATISFACTION AS A
STRATEGIC GOAL WITH
THE OBJECTIVE OF
BEING ALERT AT ALL
TIMES WHEN THINGS
ARE NOT WORKING IN
THE TERMINALS WE
OPERATE.**

CUSTOMERS

TAV corporate management described customer satisfaction as a strategic goal with the objective of being alert at all times when things are not working in the terminals we operate. We are totally accessible to our customers and we respond to their concerns immediately. (Page 30, Customer Dialogue)

Although our passengers' top concerns do not cover safety and security in the results of customer surveys, TAV sees these issues as prime importance for all air traffic and hence for the airports as well.

Airport Safety and Security

Security and safety have always been key conditions of air traffic; since the September 11, 2001 attacks, requirements have been more and more stringent all around the world. Guaranteeing the maximum possible security standards at large airports and providing order at the same time in the airport where the passenger, employee and supplier checks flow smoothly is a huge challenge.

TAV Private Security is responsible for implementing security functions in four of the airports that TAV operates in Turkey with 2,200 security officers to guarantee the security of passengers, baggage and cargo. It operates within the framework of Civil Aviation Security principles, current rules defined by international civil aviation authorities and as per Law No. 5188 Regarding Private Security Services. Passenger and baggage scanning at entrance control points of the terminal (International, Domestic and General Aviation Terminals) and at the security control areas for passengers are among the services provided at the airports.

The employees, who are hired as security officers, go through several phases depending on the importance of their positions and are assigned according to their level of competence after expert training. TAV Security provides a wide range of training programs on Leadership and Teamwork, Civil Defense, Security Equipments Operation. According to the Private Security Services Law no. 5188, clause 14, personnel are required to have 120 hours of basic training, which also includes human rights aspects. Human-rights topics are covered for two hours during training. 100% of security personnel who have gone through formal training in the organization's policies on human rights issues and their application to security.

Business Continuity, Emergency Preparedness and Airfield Safety

In addition to overall safety and security efforts for the wellbeing of all passengers, visitors and employees working at the terminals, TAV Terminal Operations Department work proactively in coordination with the rest of the functions and General Directorate of State Airports Authority of Turkey (DHMI) to assure business continuity.

At TAV Airports, emergent and unusual situations are treated separately. For all atypical but controllable situations, we make contingency plans since service quality has to be maintained in extreme situations such as outbreak of pandemics like bird-flu, power cuts, snowstorms and other natural disasters. We also take proactive steps to eliminate foreseen situations such as pre-national or religious holiday intensity traffic at the terminals. The terminal operations department does special planning and arrangements for such periods to provide the highest quality as during ordinary times.

A recent example in 2010 involves the volcanic ash cloud from Iceland in which many travelers were unable to take their flights for days and had to stay at the terminals. TAV staff handed out blankets, distributed meals and performed fully to provide for their comfort. They worked in

coordination with Turkish National Police to guarantee maximum security for passengers, baggage and other personal belongings.

TAV has a multi-stakeholder structure and as such we are obliged to act in coordination with DHMI in emergency situations. DHMI is actually the only authority to take action in cases of emergency at the terminals and has emergency plans for 22 different situations ranging from sabotage to earthquakes. TAV's responsibility is to inform DHMI and provide support when needed. TAV cannot take any actions without the consent of the proper authority. This is the same for all emergency situations at airfields in Istanbul, Ankara and Izmir. The high number of Health and Safety training hours in Gazipaşa in 2009 covered mainly fire protection training since airfield safety is under TAV's responsibility. For cases of wildlife strikes, although we believe it is an important issue, TAV does not have any safety prevention measures and can not take any action, as it is an issue of airfield safety outside our scope but DHMI's at Istanbul, Ankara and Izmir airports. Terminal Operations Center (TOC) monitors the terminals for all possible technical and emergent problems and situations; then informs DHMI as soon as possible. Only at the Gazipaşa Airport, which is fairly small compared to the others, the flight traffic density is quite

TAV PERFORMS BEYOND ITS RESPONSIBILITY AS A TERMINAL OPERATOR TO RAISE AWARENESS ON THE CASES AND ISSUES WHERE WE DO NOT HAVE DIRECT IMPACT.

WE SEE CHANGE, NOT AS AN OBSTACLE, BUT AN OPPORTUNITY FOR IMPROVEMENT.

low and there were no incidents of wildlife strikes during the reporting period. TAV performs beyond its responsibilities as terminal operator to raise awareness on the cases and issues where we do not have direct control. We perform with maximum care to assure continuous communication between all strategic points of the terminals. Similar and easy to remember extension numbers are used in all terminals by employees to inform TOCs and Building Mechanical Systems, of any problem at the terminals.

Through the computerized fire alarm and fire scenario system at the terminals we are able to intervene to any fire situation in four minutes. We are proud of the precautions we have taken, since we have not had to activate the system in Istanbul for the last 12 years since it was established.

All preparedness plans for abnormal or emergent situations serve our business continuity and as a consequence customer satisfaction, which is the core of our business strategy.

Managing Change

With its dynamic team TAV easily adopts to changes within the terminal and sector. Any situation, either emergent or outside our control, we take immediate action and make decisions to guarantee uninterrupted services for our customers.

We continuously try to establish mechanisms that help us deal with unexpected changes that originate beyond our control.

With regard to a decision by the government to build on the airside, TAV is still responsible for all functions to continue at the terminals. In similar situations, we work in coordination with our subsidiaries such as ground services. We carry out technical planning and arrangements regarding security, suppliers and communication.

TAV sees change, not as an obstacle, but as an opportunity for improvement. One example is our 'open gate' implementation that we started at Ankara Esenboğa Airport. After the September 11 attacks, x-ray devices following the passport control area were located right before the gates. TAV is now working on a replacement project for x-ray devices to increase the comfort of our passengers so they can spend more time on the airside, without changing the level of security intensity. We plan to start implementing this change as soon as we receive the necessary confirmation from General Directorate of State Airports Authority of Turkey.

TARGETING OBSTACLE-FREE AIRPORTS BY TAV

A project called Obstacle-Free Airport was initiated in 2009 by the Civil Aviation General Directorate to ensure that the entities that provide services to passengers with special needs at the airports (airport operator, terminal operator, airline companies and ground handling services companies) take the necessary measures to ensure that these passengers do not suffer unnecessary hardship, that all possible comfort is provided to them through the services. The core aim is to offer all means necessary for these passengers to travel under conditions equal to other passengers and at no additional cost.

To support the project, TAV Istanbul created a committee to ensure that all airport users with special needs are afforded easy commuting within the airport and that their needs are met in line with the latest technological solutions. This committee meets the representatives of associations for people with special needs, taking into account present conditions as well as meeting the legal requirements through inspections at the airport.

Within the project, after all entities operating at the airport meet the necessary requirements, the relevant airport qualifies as

an Obstacle-Free Airport by the Civil Aviation General Directorate. This project will be a major factor in ensuring that the airports become accessible for everyone. Furthermore, it will make significant contributions to the players in industry participating in these projects.

As part of the project:

- A total of 18 parking spaces have been allocated and reserved for passengers with special needs at the closest locations to the entrances and exits, as well as elevators.
- The width of these reserved parking spaces is expanded to 3.5 meters instead of the usual 2.4 meters to allow for comfortable movement of passengers in and out of their vehicles.
- Textured surfaces are used for the corridors connecting to the terminal for sight-impaired passengers to allow easy access to points of assistance.
- The height of several public telephones at various locations within the terminal is reduced to less than one meter to allow easy use by passengers with special needs. This has been done for a total of 19 telephones in the Domestic and International Terminals.
- An audio system to inform passengers about the movement of the elevators and the floor positions has been installed in 39 elevators.
- Lifts have been installed to access the no. 400 halls at Domestic Departures.
- Assistance push buttons and emergency push buttons have been installed in the lavatories that are easy to reach and easy to use.
- Red and green lights have been installed at the beginning and end points of the escalators to indicate the direction of movement and the beginning point. The edge of each step is marked with contrasting colors to draw attention.
- The incline of all travelator ramps inside the facilities is less than 12% and the conveyor speed is set at 0.5 meters/second.
- The fonts of information signs are enlarged, taking into account the needs of seniors and visually impaired passengers (comprehensible symbols/pictograms are used as well, taking into account the needs of passengers with developmental disabilities).
- Training courses were held for all employees who serve passengers with special needs. A total of 192 people participated, consisting of employees of TAV Operations Services, Prime Class, Administrative Affairs, TAV Security, FIDS and Information Desks.

THE AVIATION INDUSTRY IN TURKEY IS A RELATIVELY NEW AND TAV HAS PLAYED AN IMPORTANT ROLE IN CONTRIBUTING TO ITS DEVELOPMENT.

CSR EFFORTS FOR A SUSTAINABLE SOCIETY

TAV defines social responsibility as its voluntary contribution toward a better society and a more developed country. We aim to support projects in the area of corporate social responsibility with certain qualities such as:

- Sustainable
- Open to improvement and diversification
- Transparent and articulate,

Which are also:

- Adding value to society
- Encouraging voluntary participation and
- Internationally recognized.

We act with an understanding of corporate social responsibility not only in areas such as the arts, education and environment, but we also contribute to sector related development processes in Turkey and circulate this knowledge and experience to our operations abroad. Airports have significant capacity to bring a range of economic opportunities, therefore it is important to understand the best industry practices and learn from each other.

The aviation industry in Turkey is relatively new and TAV has played an important role in contributing to

its development. While learning, we are also teaching our stakeholders, employees, passengers, investors and universities and most importantly our closest stakeholder DHMI. We create best industry practices and coordinate with DHMI, which ultimately enables the development of the sector in Turkey. This coordination between DHMI and TAV takes in external know-how to all the countries in which we operate.

TAV is now a training hub for the ACI and holds conferences five times in a year with international professors and colleagues. It is a new platform to unite the sector players. Similarly, TAV's textbook on aviation is being used at Kocaeli University; we train all students as our interns from universities around Turkey.

As a young but experienced Company, it is now sharing its know-how and experience with other emerging countries. This is a rather important step in the Middle East, Asia, Africa and Europe since these efforts are not only helping to promote the industry but also helping to improve the cooperation between the private sector and governments.

The CSR activities of TAV Airports Group in Turkey during the 2009-2010 reporting period are listed in the following:

Culture and Arts

TAV Gallery: Initially established at Istanbul Atatürk Airport, the TAV Gallery is the cultural and arts platform of TAV Airports. The TAV Group takes advantage of the opportunities offered by the TAV Gallery to promote traditional art to the world while providing support for education. Offering visitors at the Istanbul, Ankara and Izmir airports the opportunity to relax and enjoy themselves, the TAV Gallery is also a symbol of the broader support that we give to culture and the arts. TAV Gallery has so far hosted exhibitions including Photographs of All Times, Airport through the Lens, Atatürk-Unrevealed Photographs, Commercial Aviation History in Turkey, TOCEV Hope is my Face and Transformation of the Cocoon-Butterflies.

TAV Workshop: The TAV Workshop is another social platform that brings together TAV employees, providing courses such as music, dance, art and photography. During these courses employees are given theoretical and practical information relevant to the activity; participants exhibit their results and skills at the end of the courses. A TAV Chorus and a TAV Group were formed during music and dance workshops and participants have the opportunity to display their skills at corporate events. At the end of the painting and photography workshops, works created by

participants are exhibited at the TAV Gallery in a casual atmosphere.

Support for 'garajistanbul' - TAV Airports supports garajistanbul, a group that aims to create an alternative approach to culture and the arts. Övül and Mustafa Avkıran, also the founders of 5, formed it. Sokak Tiyatrosu (Fifth Street Theatre) is one of the first examples of modern performing arts in Turkey.

"Yüzüm Umuttur / Hope is my Face" - The TAV Gallery hosted the Yüzüm Umuttur / Hope is my Face exhibition featuring photographs by six of Turkey's leading photographers conveying the dreams of children in village schools.

Art of Ebru (Paper Marbling) at the Terminal - The Ebristan Exhibition consisting of 70 works by Hikmet Barutçugil, one of the leading figures of the art of ebru (paper marbling) and his students at the Istanbul Ebru House was presented for the enjoyment of art lovers at the TAV Gallery.

"Izmir in Photographs" Exhibition - Held in September 2009, this photography exhibit consisted of various human profiles taken throughout day and night time at the Izmir Adnan Menderes Airport from various angles.

TAV GALLERY IS A SYMBOL OF THE BROADER SUPPORT THAT WE OFFER TO CULTURE AND THE ARTS.

PROMOTIONAL AND FUNDRAISING EFFORTS ARE CONDUCTED AT TAV TERMINALS AS PART OF THE COOPERATION AIMED AT SERVING AS A SUPPORT BRIDGE FOR LÖSEV.

“The Republic” Exhibition -

Comprised of materials from the archive of Cumhuriyet Newspaper celebrated the 85th anniversary of the establishment of the Republic of Turkey.

Projection of the Turkish Commercial Aviation History - Displayed at TAV Gallery, this exhibition was based on the book by the same name and produced by Fly Service CEO, Gökhan Sangöl, an aviation enthusiast and collector. A total of 70 photographs compiled from a very comprehensive list of sources including General Directorate of State Airports Authority of Turkey (DHMI) archives, private archives and overseas archives were on exhibit.

“An Istanbul Greeting” Exhibition -

36 individual works of art consisting of still life, portraiture and landscape oil paintings by Oya Kılıçoğlu were exhibited at TAV Gallery.

“News Photographers” Exhibition -

TAV gallery hosted an exhibition of photographs produced by the News Photographers Association of Turkey for the Presidential Cycling Tour of Turkey organized for the 46th year.

“Turkish Olympics” Exhibition -

The Turkish Olympics Exhibition consisting of color photos taken at the Turkish Olympics competition was accompanied by performances by children who took part in the games.

“Moments from the Second World War” Exhibition -

this exhibit displayed work produced by the Ankara Model Society and was presented to passengers at the TAV Gallery. The work demonstrated turning points in the Second World War (including the occupation of Hungary, Stalingrad, Invasion of Normandy and the first occupation of the Soviet Union) with model military aircraft, land vehicles and vessels identical to the originals.

Cooperation with the Greater Municipality of Ankara - On a platform set up at the Ankara Esenboğa Airport, the Greater Municipality of Ankara’s City Orchestra performed a repertoire of classical, jazz and Turkish classical music. The Moscow Children’s Circus took the stage after the concert and gave an unforgettable performance for passengers.

“1915 Çanakkale (Gallipoli)... Where Humanity Defeated War!” -

Produced by the Çanakkale Martyrs Promotion and Research Association for the 93rd anniversary of the Gallipoli Wars and held at the TAV Gallery, the Çanakkale Martyrs Exhibition was met with great interest.

“Dreams that Change” Exhibition -

Consisting of 77 pieces produced by children of financially disadvantaged families at 11 Educations Parks and Learning Centers of the Educational

Volunteers Foundation of Turkey, this exhibition was open to visitors at the Istanbul Airport with contributions from TAV Airports.

Second book from TAV Airports – TAV Airports published the second book in its series that started with *Winning by Jack Welch*. Entitled *Execution: The Discipline of Getting Things Done* is authored by Larry Bossidy and Ram Charan; it was published with an introduction by TAV Airports CEO M. Sani Şener.

Supporter of the Ankara International Film Festival – TAV Airports lent its support to the 19th Ankara International Film Festival organized to gain international recognition for Turkish cinema and to solidify its position within the film industry.

Education and Children

School Donations – As part of the project, 15 boxes of donations were collected with the help of TAV Airports' employees to support the Kapılar Vali Kazım Elementary and Middle School. These were presented to the school administration on June 17, 2010.

“Got an extra pencil?” Campaign

– BTA Catering launched a social responsibility campaign in September 2009 for students at the Haluk Gökalp Kılınç Elementary and Middle School located in the village of Kalealtı in Elbistan. The aim of this program was

to provide the children with school supplies such as pencils, books, notebooks, toys and clothing.

“Esirgemedien” – TAV Airports provided support for the Esirgemedien project launched by Galatasaray Sports Club Association to create funding to improve living standards for children with disabilities at Social Services Child Protection Agency (SHÇEK) facilities throughout Turkey.

Students Fly to Their Dreams – As part of the social responsibility project launched in September for the students at the Haluk Gökalp Kılınç Elementary and Middle School located in Kalealtı, Elbistan, BTA Catering arranged for the students to visit Ankara during their semester break in partnership with Anadolujet.

Support for the Education Reform Initiative – In an attempt to provide support to educational reform in Turkey and around the world, TAV Airports contributes to the Education Reform Initiative.

Environment and Health

TAV Airports Holding & LÖSEV Families – Promotion and fundraising efforts are conducted at TAV terminals as part of the cooperation aimed to serve as a support bridge for LÖSEV (Foundation for Children with Leukemia).

Supporter of the World Water Forum – TAV Airports provided sponsorship for the Fifth World Water Forum organized at the Istanbul Söğütözü Congress and Cultural Center from March 16 – 22, 2009. Heads of state and international non-governmental organizations participated in the forum.

Supporter of the Earthquake Awareness Project – TAV Airports supports the Earthquake Awareness Days Project launched in 2007 by Boğaziçi University Kandilli Observatory and Earthquake Research Institute.

TAV Forest – During the construction project of the Adnan Menderes Airport International Terminal in 2006, approximately 100,000 young pine trees were planted in conjunction with the Aegean Forest Foundation, in the area of approximately five kilometers west of Izmir's Menderes Township and in the Görece district.

TAV Woods – TAV Izmir, ATÜ and BTA employees planted trees in the landscaped area of the Izmir Adnan Menderes Airport International Terminal. One tree was planted for each newborn child of TAV employees.

SOCIAL PERFORMANCE INDICATORS TABLE

WORKFORCE		● 4 AIRPORTS IN TURKEY		●● TOTAL HOLDING			
TOTAL WORKFORCE BY EMPLOYMENT TYPE		UNIT	2009	2010	2009	2010	GRI
White collar employees		Number	479	565	4,882	8,562	LA1
Blue collar employees		Number	985	992	5,206	8,294	LA1
EMPLOYEES BY CONTRACT		UNIT	2009	2010	2009	2010	GRI
Permanent employees		Number	1,450	1,496	9,227	15,791	LA1
Temporary employees		Number	14	61	861	1,065	LA1
Full-time employees		Number	1,464	1,498	9,909	16,614	LA1
Part-time employees		Number	0	59	179	242	LA1
EMPLOYEES BY GENDER		UNIT	2009	2010	2009	2010	GRI
Male employees		Number	1,176	1,241	7,304	12,553	LA1
		Percentage	80.0%	80.0%	72.4%	74.5%	LA1
Female employees		Number	288	316	2,784	4,303	LA1
		Percentage	20.0%	20.0%	27.6%	25.5%	LA1
EMPLOYEES BY AGE		UNIT	2009	2010	2009	2010	GRI
Employees under 30		Number	416	431	3,944	7,392	LA13
		Percentage	28.4%	27.7%	39.1%	43.9%	LA13
Employees 30 to 50		Number	963	1,043	5,534	8,696	LA13
		Percentage	65.8%	67%	54.9%	51.6%	LA13
Employees over 50		Number	85	83	610	768	LA13
		Percentage	5.8%	5.3%	6.0%	4.6%	LA13
EMPLOYEES BY GROUP		UNIT	2009	2010	2009	2010	GRI
Foreign Employees		Number	0	2	938	2,633	LA13
		Percentage	0.0%	0.1%	9.3%	15.6%	LA13
Disabled Employees		Number	44	45	156	260	LA13
		Percentage	3.0%	2.9%	1.5%	1.5%	LA13
EMPLOYEES BY CATEGORY		UNIT	2009	2010	2009	2010	GRI
Senior management (Level 1)		Number	9	9	87	81	LA13
		Percentage	0.6%	0.6%	0.9%	0.5%	LA13
Middle management (Level 2)		Number	42	38	241	262	LA13
		Percentage	2.9%	2.4%	2.4%	1.6%	LA13
Supervisory level employees (Level 3)		Number	84	74	281	691	LA13
		Percentage	5.7%	4.8%	2.8%	4.1%	LA13
Specialist/Engineer (Level 4)		Number	120	218	879	784	LA13
		Percentage	8.2%	14.0%	8.7%	4.7%	LA13
Administrative Staff (Level 5)		Number	1,209	1,218	8,594	15,038	LA13
		Percentage	82.6%	78.2%	85.2%	89.2%	LA13
DISTRIBUTION OF WOMEN IN MANAGEMENT		UNIT	2009	2010	2009	2010	GRI
Senior management (Level 1)		Percentage	22.0%	22.0%	18.0%	22.0%	LA13
Middle management (Level 2)		Percentage	19.0%	21.0%	24.0%	23.0%	LA13
Supervisory level employees (Level 3)		Percentage	23.0%	24.0%	22.0%	24.0%	LA13
Specialist/Engineer (Level 4)		Percentage	33.0%	28.0%	34.0%	49.0%	LA13
Administrative Staff (Level 5)		Percentage	18.0%	19.0%	27.0%	24.0%	LA13

SOCIAL PERFORMANCE INDICATORS TABLE

OCCUPATIONAL HEALTH & SAFETY		ISTANBUL		ANKARA		IZMIR		GAZIPASA			
ACCIDENTS	UNIT	2009	2010	2009	2010	2009	2010	2009	2010	GRI	
All except first aid level minor injuries	Number	5.0	6.0	39.0	41.0	2.0	6.0	0.0	0.0	LA7	
With Fatality	Number	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	LA7	
Reportable*	Number	3.0	2.0	5.0	3.0	1.0	0.0	0.0	0.0	LA7	
Accident Frequency**	Rate	2.49	2.84	9.3	5.9	11.6	15.0	0.0	0.0	LA7	
DAYS OF ABSENCE		UNIT	2009	2010	2009	2010	2009	2010	2009	2010	GRI
Lost days caused by work related accident	% in absence		%0.017	%0.0	%0.2	%0.1	%0.7	%0.0	%0.0	%0.0	LA7
Illness related absence days	% in absence		%0.7	%1.1	%2.4	%0.3	%0.5	%1.8	%0.0	%0.0	LA7
HEALTH AND SAFETY TRAININGS		ISTANBUL		ANKARA		IZMIR		GAZIPASA			
Employees	Unit	2009	2010	2009	2010	2009	2010	2009	2010	GRI	
H&S Training hours per employee	Hour/year	3.3	4.4	1.3	15.1	3.5	5.1	120.0	24.0	LA7	

* Reportable: A work-related accident when more than three (3) days of absence is involved.

** Accident Frequency: Number of accidents in one million hours worked.

Although accident frequency rate increases from 2009 to 2010 in all locations, the results of accidents involve mainly minor injuries.

- The employee numbers under 'four airports in Turkey' show only the people working at the four terminals.
- Total Holding numbers cover all locations and subsidiaries except for 'four airports in Turkey.'

AWARDS AND CERTIFICATES

2010 AWARDS

	AWARDING ORGANIZATION	WINNER
Best Airport Operator	Emerging Markets Airport Awards	TAV Airports Holding
Best Airport in South Europe	Skytrax World Airport Awards	TAV Istanbul Atatürk Airport
Center of Attraction for Transit Flights - Travel Top 50 Awards	Monocle Magazine	TAV Istanbul Atatürk Airport
Highly Commended Award from	Routes - 16th World Route Development Forum	TAV Istanbul Atatürk Airport
Best Airport Operation of the Year Award	SKAL International Istanbul	TAV Istanbul Atatürk Airport
Eco-Innovation Award	Airport Councils International Europe (ACI Europe)	TAV Izmir Adnan Menderes Airport
Best Investor Relations CEO	Turkey Investor Relations Awards by Thomson Reuters and Acclaro	TAV Airports Holding
Best Investor Relations CFO	Turkey Investor Relations Awards by Thomson Reuters and Acclaro	TAV Airports Holding
Best Investor Relations Officer	Turkey Investor Relations Awards by Thomson Reuters and Acclaro	TAV Airports Holding
2nd Best Investor Relations Website	Turkey Investor Relations Awards by Thomson Reuters and Acclaro	TAV Airports Holding
3rd Best Investor Relations Department	Turkey Investor Relations Awards by Thomson Reuters and Acclaro	TAV Airports Holding
Platinum Award, Ranking Number 10 in the Top 50	2009/10 Vision Awards for Annual Reports Competition of the League of American Communication Professionals (LACP)	TAV Airports Holding 2009 Annual Report
2010 Certificates	Issuing Organization	TAV Operation
Airport Carbon Accreditation Level 1	Airport Carbon Accreditation Program: ACI Europe	TAV Istanbul Atatürk Airport
Airport Carbon Accreditation Level 1	ACI Europe	TAV Ankara Esenboğa Airport
Airport Carbon Accreditation Level 1	ACI Europe	TAV Izmir Adnan Menderes Airport International Terminal
Green Company Certificate	General Directorate of Civil Aviation (SHGM): Green Airport Program	TAV Istanbul Atatürk Airport
Green Airport Certificate	General Directorate of Civil Aviation (SHGM): Green Airport Program	TAV Izmir Adnan Menderes Airport International Terminal
Quality Assurance Review	PWC in accordance with the Institute of Internal Auditors (IIA) for internal audit operations	TAV Airports Holding

2010 CERTIFICATES

	ISSUING ORGANIZATION	TAV OPERATION
Airport Carbon Accreditation Level 1	Airport Carbon Accreditation Program: ACI Europe	TAV Istanbul Atatürk Airport
Airport Carbon Accreditation Level 1	ACI Europe	TAV Ankara Esenboğa Airport
Airport Carbon Accreditation Level 1	ACI Europe	TAV Izmir Adnan Menderes Airport International Terminal
Green Company Certificate	General Directorate of Civil Aviation (SHGM): Green Airport Program	TAV Istanbul Atatürk Airport
Green Airport Certificate	General Directorate of Civil Aviation (SHGM): Green Airport Program	TAV Izmir Adnan Menderes Airport International Terminal
Quality Assurance Review	PWC in accordance with the Institute of Internal Auditors (IIA) for internal audit operations	TAV Airports Holding

2009 AWARDS

	AWARDING ORGANIZATION	WINNER
Best Airport	Airport Councils International Europe (ACI Europe)	TAV Ankara Esenboğa Airport
Second Best Airport in South Europe	Skytrax World Airport Awards	TAV Istanbul Atatürk Airport
Green Initiative of The Year- by Airport	Doha Aviation Summit	TAV Izmir Adnan Menderes Airport
Best Investor Relations CEO	Turkey Investor Relations Awards by Thomson Reuters and Acclaro	TAV Airports Holding
Best Investor Relations Officer	Turkey Investor Relations Awards by Thomson Reuters and Acclaro	TAV Airports Holding
Best Investor Relations Website	Turkey Investor Relations Awards by Thomson Reuters and Acclaro	TAV Airports Holding
Platinum, Gold and Silver Awards	Annual Reports Competition - League of American Communication Professionals (LACP)	TAV 2008 Annual Report
Silver Award (Excellency within Industry)	Creativity Annual Awards	TAV 2008 Annual Report
Silver Award (Excellence within Competition Class)	Spotlight Awards: Print, Video & Web Communications Competition - League of American Communications Professionals	TAV 2008 Annual Report
Gold Award	"To Unite": Annual Airport Management at 20th Annual International Competition of Galaxy Awards	TAV 2008 Annual Report
Gold Award for Excellence in Design	Annual Report (Int'l - Non Traditional) - 20th Annual International Competition of Galaxy Awards	TAV 2008 Annual Report

2009 CERTIFICATES

	ISSUING ORGANIZATION	TAV OPERATION
Airport Carbon Accreditation Level 1	Airport Carbon Accreditation Program: ACI Europe	TAV Izmir Adnan Menderes Airport International Terminal

ISO ACCREDITATIONS

ISO 9001-2008 Certificate	TAV Istanbul Atatürk Airport
ISO 9001-2008 Certificate	TAV Ankara Esenboğa Airport
ISO 9001-2008 Certificate	TAV Izmir Adnan Menderes Airport International Terminal
ISO 9001-2008, ISO 14001 Certificates	TAV Georgia
ISO 9001-2000, ISO 22000 Certificates	BTA Istanbul
ISO 9001-2008, ISO 22000 Certificates	BTA Ankara
ISO 9001-2000, ISO 22000 Certificates	BTA Izmir
ISO 9001-2008, OHSAS 18001 Certificates	all HAVAŞ stations
ISO 14001, ISO 9001-2008, OHSAS 18001 Certificates	HAVAŞ Bodrum Station
ISO 9001-2008	ATÜ Istanbul
ISO 9001-2008	TAV IT Istanbul
ISO 9001-2008	TAV Aviation Security Istanbul

GRI 63.1 – CONTENT INDEX

GRI	PROFILE DISCLOSURES: STRATEGY AND ANALYSIS	CROSS-REFERENCE/DIRECT ANSWER	REPORTED
1.1	Statement from the most senior decision-maker of the organization	Pages 6-7, Message from the CEO	Fully
GRI	PROFILE DISCLOSURES: ORGANIZATIONAL PROFILE	CROSS-REFERENCE/DIRECT ANSWER	REPORTED
2.1	Name of the organization	TAV Havalimanları Holding A.Ş.	Fully
2.2	Primary brands, products, and/or services	Pages 10-11, Corporate Profile	Fully
2.3	Operational structure of the organization, including main divisions, operating companies, subsidiaries, and joint ventures	Page 11, Corporate Profile	Fully
2.4	Location of organization's headquarters	Inside Back Cover, Contacts	Fully
2.5	Number of countries where the organization operates	Pages 10-15, Corporate Profile	Fully
2.6	Nature of ownership and legal form	Page 12, Corporate Profile - TAV Airports Holding is a public joint stock company incorporated.	Fully
2.7	Markets served	Pages 12-15, Corporate Profile and Pages 30-31, Customer Dialogue / Pages 10-11, TAV Airports Annual Report 2010	Fully
2.8	Scale of the reporting organization	Pages 12-13, Corporate Profile / Pages 6-19, TAV Airports Annual Report 2010	Fully
2.9	Significant changes during the reporting period regarding size, structure, or ownership	Page 22, TAV Airports Annual Report 2010	Fully
2.10	Awards received in the reporting period	Pages 68-69, Awards and Certificates	Fully
GRI	PROFILE DISCLOSURES: REPORT PARAMETERS	CROSS-REFERENCE/DIRECT ANSWER	REPORTED
3.1	Reporting period	01.01.2009-31.12.2010	Fully
3.2	Date of most recent previous report	This is the first report.	Fully
3.3	Reporting cycle	Page 4, About This Report	Fully
3.4	Contact point for questions regarding the report or its contents	Inside Back Cover, Contacts	Fully
3.5	Process for defining report content	Page 5, About This Report-Page 31, Material Sustainability Issues	Fully
3.6	Boundary of the report	Page 4, About This Report	Fully
3.7	State any specific limitations on the scope or boundary of the report	Page 4, About This Report	Fully
3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations	Page 4, About This Report	Fully
3.10	Explanation of the effect of any re-statements of information provided in earlier reports	This is the first report.	Fully
3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report	This is the first report.	Fully
3.12	Table identifying the location of the Standard Disclosures in the report	Pages 70-71, GRI Content Index	Fully
GRI	PROFILE DISCLOSURES: GOVERNANCE, COMMITMENTS, AND ENGAGEMENT	CROSS-REFERENCE/DIRECT ANSWER	REPORTED
4.1	Governance structure of the organization, including committees under the highest governance body	Pages 18-19, Organization and Governance	Fully
4.2	Indicate whether the Chair of the highest governance body is also an executive officer	Page 18, Organization and Governance	Fully
4.3	The number and gender of members of the highest governance body that are independent and/or non-executive members	Page 18, Organization and Governance	Fully
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body	Page 27-29, Stakeholder Engagement Page 36, TAV Airports Annual Report 2010	Fully
4.14	List of stakeholder groups engaged by the organization	Page 28-29, Stakeholder Engagement and Determining Material Issues	Fully
4.15	Basis for identification and selection of stakeholders with whom to engage	Page 27, Stakeholder Engagement and Determining Material Issues	Fully

GRI	PERFORMANCE INDICATORS: ECONOMIC	CROSS-REFERENCE/DIRECT ANSWER	REPORTED
ECONOMIC PERFORMANCE			
EC1	Direct economic value generated and distributed	Page 35, Economic Value Generated And Distributed, Page 37 Economic Performance Table	Fully
EC4	Significant financial assistance received from government	Page 37, Economic Performance Table	Fully
MARKET PRESENCE			
A01	Total number of passengers annually, broken down by passengers on international and domestic flights	Page 37, Economic Performance Table	Partially
EC7	Procedures for local hiring and proportion of senior management hired from the local community at significant locations of operation	Page 36, Supporting Development Through Local Workforce	Fully
INDIRECT ECONOMIC IMPACTS			
EC9	Understanding and describing significant indirect economic impacts, including the extent of impacts	Pages 35-36, Indirect Economic Impacts of TAV Airports	Fully
GRI PERFORMANCE INDICATORS: ENVIRONMENTAL			
ENERGY			
EN3	Direct energy consumption by primary energy source	Page 49, Environmental Performance Table	Fully
EN4	Indirect energy consumption by primary source	Page 49, Environmental Performance Table	Fully
WATER			
EN8	Total water withdrawal by source	Page 49, Environmental Performance Table	Partially
EMISSIONS, EFFLUENTS AND WASTE			
EN16	Total direct and indirect greenhouse gas emissions by weight	Page 49, Environmental Performance Table	Fully
EN21	Total water discharge by quality and destination	Page 49, Environmental Performance Table	Fully
EN22	Total weight of waste by type and disposal method	Page 49, Environmental Performance Table and Pages 46-47, Waste Management	Fully
GRI PERFORMANCE INDICATORS: SOCIAL			
LABOR PRACTICES AND DECENT WORK: EMPLOYMENT			
LA1	Total workforce by employment type, employment contract, and region, broken down by gender	Page 66, Social Performance Table	Partially
LABOR PRACTICES AND DECENT WORK: LABOR/MANAGEMENT RELATIONS			
LA7	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region and by gender	Page 67, Social Performance Table	Fully
LABOR PRACTICES AND DECENT WORK: TRAINING AND EDUCATION			
LA10	Average hours of training per year per employee by gender, and by employee category	Page 55, TAV Academy	Partially
LA11	Programs for skills management and lifelong learning	Page 55, TAV Academy	Fully
LABOR PRACTICES AND DECENT WORK: DIVERSITY AND EQUAL OPPORTUNITY			
LA13	Composition of governance bodies and breakdown of employees per employee category	Page 66, Social Performance Table	Partially
HUMAN RIGHTS: SECURITY PRACTICES			
HR8	Percentage of security personnel trained in the organization's policies concerning aspects of human rights that are relevant to operations	Page 58, Airport Safety and Security	Fully
PRODUCT RESPONSIBILITY: CUSTOMER HEALTH AND SAFETY			
A09	Total annual number of wildlife strikes per 10,000 aircraft movements.	Pages 59-60, Airfield Safety. The annual number of wildlife strikes in Gazipasa is zero.	Partially
PRODUCT RESPONSIBILITY: PRODUCT AND SERVICE LABELLING			
PR5	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction	Pages 30-31, Customer Dialogue	Fully



Statement GRI Application Level Check

GRI hereby states that **TAV Airports Holding** has presented its report "2010 Sustainability Report" to GRI's Report Services which have concluded that the report fulfills the requirement of Application Level C.

GRI Application Levels communicate the extent to which the content of the G3.1 Guidelines has been used in the submitted sustainability reporting. The Check confirms that the required set and number of disclosures for that Application Level have been addressed in the reporting and that the GRI Content Index demonstrates a valid representation of the required disclosures, as described in the GRI G3.1 Guidelines.

Application Levels do not provide an opinion on the sustainability performance of the reporter nor the quality of the information in the report.

Amsterdam, 6 September 2011

A handwritten signature in blue ink, appearing to read "Nelmara Arbex", is written over a large, faint watermark of the GRI logo.

Nelmara Arbex
Deputy Chief Executive
Global Reporting Initiative



The Global Reporting Initiative (GRI) is a network-based organization that has pioneered the development of the world's most widely used sustainability reporting framework and is committed to its continuous improvement and application worldwide. The GRI Guidelines set out the principles and indicators that organizations can use to measure and report their economic, environmental, and social performance.
www.globalreporting.org

Disclaimer: Where the relevant sustainability reporting includes external links, including to audio visual material, this statement only concerns material submitted to GRI at the time of the Check on 23 August 2011. GRI explicitly excludes the statement being applied to any later changes to such material.

TAV AIRPORTS HOLDING

Dr. Waleed Youssef

Chief Strategy Officer

Istanbul Atatürk Airport International Terminal

Yeşilköy 34149 Istanbul/Turkey

Phone : +90 212 463 30 00

Fax : +90 212 465 51 51

E-Mail : info@tav.aero

Web : www.tav.aero

REPORTING CONSULTANT
MRS. ELİF ÖZKUL GÖKMEN
PHONE : +90 533 648 07 40
E-MAIL : ELIF@SERCOMCONSULTING.COM
WEB : WWW.SERCOMCONSULTING.COM

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WWW.FINARKURUMSAL.COM · TEL +90 212 269 37 20



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