

DIGITAL TRANSFORMATION

FIBABANKA CONTINUED TO INCREASE ITS PRODUCT DIVERSITY WITH ITS ADVANCED MOBILE AND INTERNET BANKING CHANNELS.

With the aim to provide uninterrupted service to its customers, Fibabanka established integrated monitoring and warning platforms to be aware of any problem in the system immediately.

Fibabanka R&D Center carried out 10 successful projects and spent TL 16 million on R&D activities.

Robust Operations with Operational Excellence

With the aim to provide uninterrupted service to its customers, Fibabanka established integrated monitoring and warning platforms to be aware of any problem in the system immediately. Renewing all information technologies processes with the best practices that are globally accepted, Fibabanka operates these processes effectively with new tools and operational models. Realizing a technological and cultural transformation in the field of Information Technologies, Fibabanka continues to handle system outages, change management processes and root cause analysis while providing permanent solutions in line with the best practices.

Transparency and Traceability

In line with the principle of prioritizing its customers, Fibabanka determined service commitments for IT processes of strategic importance and adopted a transparent management approach that can be monitored internally.

Agility With DevOps and Automation

Establishing the DevOps infrastructure and conducting automation studies to meet the expectations of its customers in the fastest and highest quality manner, Fibabanka continues its product and service developments along with technology platforms, test automations, performance tests and agile delivery process.

Innovations in Products and Platforms

- In 2021, Fibabanka continued to expand its in-store lending system with new business partnerships.
- Focusing on technological investments in 2021, Fibabanka launched many innovative products and services in digital channels (FibaBorsa, FX Piyasam, FibaKripto, Video Banking, FAST integration, Hızlı Kart, QR code transactions, TarımKart with new features and improvements in Corporate, Commercial and Micro segment loans).
- Retail Banking services



Fibabanka R&D Center carries out more and more projects every day within the framework of industry-university collaborations.

R&D Activities

Fibabanka R&D Center was approved by the Ministry of Industry and Technology in 2018 and is the fourth R&D Center operating in the Banking and Finance sector. After commencing operations with 84 employees, Fibabanka R&D Center continues its journey with 250 employees today.

Fibabanka R&D Center focuses on digital transformation by conducting innovative research that will serve the banking and finance sectors and carries out more and more projects every day within the framework of industry-university collaborations. In 2021, Fibabanka R&D Center carried out 10 successful projects on behavior prediction, credit scoring, text analysis, IoT, big data, artificial intelligence, microservice architecture, customer experience, payment systems, open banking and gamification and spent TL 16 million on R&D activities.

In 2021, Fibabanka took important steps towards the adoption of in-house innovation culture, which is an integral part of R&D activities. Having a widespread innovation culture within the company, Fibabanka established a strong infrastructure in order to be a pioneer in this field in the sector. By organizing a hackathon competition, Fibabanka achieved cost savings by optimizing the business processes that were the subject of the competition. This competition is considered the first step of the in-house entrepreneurship program to be introduced in 2022. Thanks to the program, more Fibabanka employees will be able to realize their ideas and have the chance to experience the process of innovation-oriented R&D projects from the idea stage to commissioning.

Fibabanka continues its activities with the aim to design new products and services, reach new talents and new markets and increase the ROI of its R&D projects.

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IN 2021, FIBABANKA TOOK IMPORTANT STEPS TOWARDS THE ADOPTION OF IN-HOUSE INNOVATION CULTURE.

Fibabanka increased its efficiency by combining customer complaints from all channels in a single platform and is able to respond to customer problems more quickly.

Fibabanka commissioned a structured process with the aim to standardize the lifecycle of projects and to strengthen its cooperation with business lines.

CRM and Quality Management Studies

Fibabanka increased its efficiency by combining customer complaints from all channels in a single platform and is able to respond to customer problems more quickly. Following the Data Transformation program it started in 2019, Fibabanka focused on IT transformation in 2020 with the aim of supporting business model transformation. In 2020, Fibabanka redesigned its value proposition, HR processes and development programs for IT employees and reshaped its organization in line with its IT strategy. In 2021, Fibabanka launched a digital transformation program (Phoenix), which focuses on processes that will create comprehensive technology modernization and stable infrastructures.

Thus, Fibabanka increases customer satisfaction with the products and services it offers with efficient processes as well as applications and infrastructures compatible with new technologies.

A Transaction Data Center project was initiated with the aim to enable analysis over all contact points. With this project, Fibabanka plans to make all financial and non-financial transactions of the customer, customer communication history and digital footprints available to power users. Therefore, the Bank will be able to monitor the change in customer behavior in real-time and take actions accordingly. With the Transaction Data Center Project, Fibabanka aims to further improve customer experience by making changes and additions to channel frontends by analyzing customer likings and expectations in digital channels.

Structuring the Analytical Project Lifecycle

Fibabanka commissioned a structured process with the aim to standardize the lifecycle of projects and to strengthen its cooperation with business lines. The stages of problem definition, data analysis and modeling were identified as milestones within this process. Studies carried out up to these milestones started to be transformed into corporate information with documentation, and online tools were developed for the use of business units for Explainable ML.



Report Governance

Designing the Report Governance process as an extension of data governance studies, Fibabanka identified the reports used by the entire institution and senior management and designated them as "approved reports." Report standards were determined for both approved reports and those created by the teams themselves and issued in reporting environments. Visual standards, technical standards, performance standards, quality standards and authorization standards were determined as reporting standards and the certification process was initiated for approved reports.

Continuing its competence development activities within its entire organizational structure in 2021, Fibabanka initiated the "Data Analyst" certificate program for all super data users in collaboration with Özyeğin Finance Center.

Fibabanka Data Management Office published the article titled "On the Distributed Software Architecture of a Data Analysis Workflow: A Case Study" in the magazine named Concurrency and Computation: Practice and Experience, as the output of its R&D studies on the "Next best action recommendation system" and "Sentiment and topic detection with short text." The Data Management Office also took part in the "2021 29th Signal Processing and Communications Applications Conference (SIU)" with the article titled Sentiment Analysis of Customer Comments in Banking using BERT-based Approaches.

ATM Systems Infrastructure Upgrades

As part of the efforts to expand its ATM network, Fibabanka placed ATMs in its business partners' stores and served its customers through over 10.000 ATMs for quick and simple banking transactions through ATM agreement collaborations. Therefore, 20% of the ATMs in Turkey can be used by Fibabanka customers.

As of year-end 2021, the Bank has a total of 56 ATMs: 10 at remote locations and 46 at branches. A total of 329.536 financial transactions were carried out through ATMs, and the total transaction volume was TL 331.388.807.

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IN 2021, FINBERG REACHED A FUND SIZE OF USD 130 MILLION.

Established by Fibabanka in 2018 to support the entrepreneurial ecosystem, Finberg Araştırma Geliştirme Danışmanlık Yatırım Hizmetleri A.Ş. invested USD 34 million in 14 startups.



In 2021, Finberg expanded its fintech-based investment approach to include retail technologies and innovative business models and focused on fund management.

Number of Finberg Investments

14

Total Amount Invested by Finberg

34 USD Million

Finberg's Transformation Year

Established by Fibabanka in 2018 to support the entrepreneurial ecosystem, Finberg Araştırma Geliştirme Danışmanlık Yatırım Hizmetleri A.Ş. invested USD 34 million in 14 startups and increased its fund size to USD 130 million as of 2021.

Finberg invested in the rising stars of the Turkish startup ecosystem such as Birleşik Ödeme, BizimHesap and GarajSepeti until 2021 by considering innovative fintech products and Fibabanka synergy. Finberg successfully exited these ventures in a short period of 3 years. In collaboration with Oyak Portföy, which bought the majority share of Birleşik Ödeme, Finberg reinforced this collaboration with additional joint investments.

After successfully exiting from its initial investments, Finberg expanded its fintech-based investment approach to include retail technologies and innovative business models in 2021. In line with the experience it has gained and the changing strategy of Fibabanka, Finberg focused on fund management.

Having 9 investments in 2021, Finberg expanded abroad and pioneered the transfer of knowledge from abroad to Turkey with investments in successful startups such as Invstr, Plum and Bits of Stock. After the Revo I fund, Finberg invested in the Revo II fund and reinforced its "fund of funds" approach.

Finberg's major investments steps in 2021 are as follows:

- Developed by Getir Perakende Lojistik A.Ş., Getir is on its way to becoming the second decacorn of Turkey by reaching a valuation of USD 7,56 billion in the final investment round. It is the largest investment agreement of Finberg.
- With the acquisition of Garaj Sepeti and its dealers, one of Finberg's initial investments, by Mexico-based Kavak Intermediate Holding, the second exit was made after Birleşik Ödeme.



Finberg aims to provide value-added services that will meet the needs of its customers with its investments and the synergy it will create in the future.

- Finberg's first international investment was in Invstr, a game and training platform for the field of investment. Invstr offers the opportunity to make real investments and is the competitor of the world-famous Robin Hood application. With this investment, a comprehensive understanding has been gained regarding the investment approach of the young generation.
- Keeping a close eye on the developments in the field of blockchain and crypto technology, Finberg made his first investment in this field with BiAltın. BiAltın is Turkey's first cryptocurrency platform that offers cryptocurrencies equal to 1 gram gold and was established by 100% Turkish partners.
- Finberg also invested in Easycep, a licensed company that sells refurbished electronic products; Figopara, a supplier financing platform; Mobilet, an entertainment and event application; and Colendi, which offers B2B and B2C financial services, especially consumer loans. With these investments, Finberg supported Fibabanka in terms of mobile application transformation and the provision of different financial services to SMEs.
- Finberg is the founder of an ecosystem that reaches thousands of SMEs and personal customers, thanks to the enterprises it invests in. Finberg aims to provide value-added services that will meet the needs of its customers with its investments and the synergy it will create in the future.

In addition to the Venture Capital Investment Funds it developed with different investments in 2021, it develops different business partnerships and investment networks with different funds with the GSYF it established with Oyak Portföy.