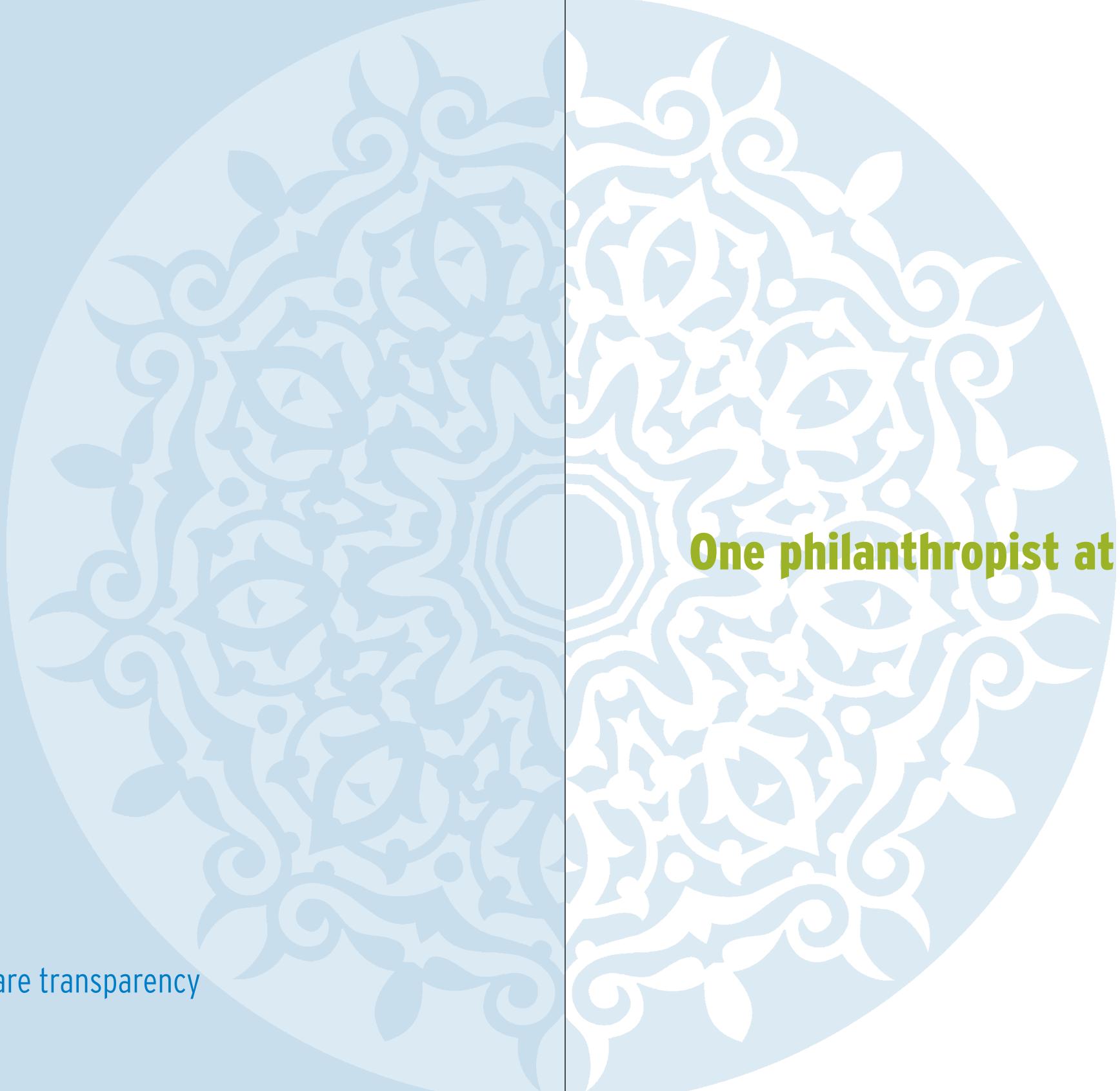


TURKISH
PHILANTHROPY
FUNDS

ANNUAL REPORT 2010-2011



**Changing
Lives
Empowering
Communities**



One philanthropist at a time...

TPF's guiding principles are transparency
and trustworthiness.



Photo by Tuncay Çetin

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Vision and Mission

Vision

We envision just and sustainable communities where women and girls have equal access to opportunities and participate in every aspect of life; where all, including people with disabilities, benefit from the education system and are fully included in the society; and where the cultural heritage is respected and nurtured. Turkish Philanthropy Funds aims to take philanthropy beyond the “feel good” to achieve significant and measurable impact.

Mission

Realization of our vision requires guiding donors with smart social investments. Turkish Philanthropy Funds helps donors realize their philanthropic goals to meet social needs in their communities. We partner with and support the most effective programs to maximize the impact of giving, particularly in Turkey.

“Rewards of giving back are more than I ever imagined.”

–Haldun Tashman, Executive Chairman, TPF

The Art of Philanthropy



"This world is but a canvas to our imagination" said famously, Henry David Thoreau, the American author and philosopher. His words capture the unique approach to giving we promote at Turkish Philanthropy Funds (TPF): Philanthropy is a very personal statement. Every donor applies an individual philanthropic vision to make our communities a better place. Artist Emir

Özşahin, in his work entitled *Chorus* (on the right) portrays a contrast between the peacefulness of a still lake and the heaviness of an aging tree. His lens catches the distinct vision of the artist and his work pleases our imagination. Just like artists, donors need a medium to channel their passion and to express their philanthropic vision. We realize every donor's uniqueness, but we also aim to create a lasting impact by connecting their interests with a myriad of social issues in our communities.

As you will see in the following pages, from Silicon Valley to Wall Street to the small towns of Anatolia with no streets, TPF has connected the needs with interests. Yet, we also understand that our work should bear results. This year the Bolu Community Foundation, established in 2008, commenced its early education facilities composed of infant nurseries and six pre-school classes. Porcaro Education Fund, a donor advised fund designed to channel the Porcaro and Başgöz Families' contributions for the rebuilding of a school in the earthquake damaged town of Çaykışla, Adapazarı, has offered ten outstanding elementary school seniors with scholarships in 2010. Our pooled funds provided 135 visually impaired students with the up-to-date curriculums and college study books so they don't fall behind their contemporaries and have an equal shot at a college education. Total of 12 girls have completed the 2010-2011 academic year with designated scholarships provided by donors of TPF. The examples are endless and our donors' philanthropic investments in four years total \$ 10,490,841!

This year, TPF also embarked on new and exciting initiatives. In May, TPF was chosen to participate in a prominent public-private alliance, namely the Partners for A New Beginning, targeting at least half a million lives in more than five countries. This initiative is chaired by Madeleine K. Albright and its vice-chairs are Coca-Cola CEO Muhtar Kent and Aspen Institute CEO Walter Isaacson. TPF joined the partnership along with Çağdaş Yaşamı Destekleme Derneği and Turkcell to provide education and professional development opportunities to girls in Turkey with scholarship and mentorship programs. TPF has also started a partnership with Global Giving, an Internet-based marketplace for project-specific global philanthropy, to promote Turkish NGOs to US donors.

As we look towards the future, we are hopeful and ambitious. In the next two years, we will place substantive focus on programmatic goals with priorities given to women empowerment, education, disaster relief response and community foundation expansion in Turkey. Plans are underway to launch



Chorus by Emir Ozsahin

a series of educational events to share ideas in philanthropy and social change. We will continue to pursue excellence in our practices from analyzing funding requests and evaluating lessons-learned to perfecting quality of our service to partners and donors.

TPF is a community of philanthropists united in their common commitment to better the lives of others. We are grateful to each and every donor, supporter, and volunteer. It is through the vision of philanthropists such as Elisa and Haluk Soykan who support aspiring photographers like Emir that we are changing lives and empowering communities. What would you like your legacy to be? Let us be your canvas.

Sincerely,

Haldun Tashman
Executive Chairman

Özlenen Eser Kalav
President & CEO

Our partnerships are your investments in the community We connect ideas and resources with social needs

The world becomes more connected and complex each day, so does its social problems. Neither governments nor corporations or foundations can tackle those challenges alone. That is why generating solutions to local social problems requires innovative thinking in partnerships. Turkish Philanthropy Funds is proud to form partnerships with U.S. and Turkish companies, foundations, universities and civil-society organizations to enhance its mission.

IMPACT THROUGH RESULTS

Turkish Philanthropy Funds granted \$10.4 million to Turkish and U.S. non-profit organizations in its four years of operation.



Türkçe

How can we provide more children with an education?

Education is the cornerstone of a healthy society. Turkish Philanthropy Funds' education initiatives and scholarships provide children in underserved communities with access to education. TPF facilitates and grants financial assistance to programs designed to improve academic performance and increase graduation rates. TPF grants also strive to prepare students for a successful transition to employment and to self-sufficiency in life.

Opportunities for Children and Youth with Disabilities

Approximately 400,000 people in Turkey are blind or visually impaired and only 2.5 percent of them have access to education. Similarly, great majority of special needs children, many with autism, cannot benefit from the educational services in Turkey. In order to address this important gap in services, in 2011, TPF partnered with Tohum Autism Foundation, (Tohum Türkiye Otizm Erken Tanı ve Eğitim Vakfı) and with the Library of Turkey for the Visually Impaired (Türkiye Görme Özürlüleri Kitaplığı). Tohum Foundation raises awareness in the community; develop models for providing early identification, early intervention, and special education services. Through a generous gift of Burcu and Mete Tuncel, TPF issued a grant to TOHUM to provide scholarships for students with autism.

UP CLOSE

Library of Turkey for the Visually Impaired

In 2010, the Turkish Higher Education Board changed the format and the content requirements for the nation-wide college-entry exams, the only path to pursuing higher education in Turkey. This left the Library of Turkey for the Visually Impaired (Türkiye Görme Özürlüleri Kitaplığı) with little time to make study books available in the Braille system. With the help of funds provided by TPF, the library purchased a new punching and binding machine that made the timely production of new study materials possible. By March 2011, 135 students have obtained the books they needed to prepare for the exams.

How can we empower more women and girls?

"The last century has witnessed an unprecedented expansion of women's rights....Yet we must be concerned with the pace of change. It is not acceptable for young girls to be taken out of school, or women to die from childbirth complications that could be prevented...Girls still are less likely to be in school than boys. Two of three illiterate adults are women."

—Michelle Bachelet, United Nations Under-Secretary General for UN Women and former president of Chile.

Turkish Philanthropy Funds supports programs and partnerships that promote women's economic empowerment and entrepreneurship, women's political participation and leadership and ending violence against women and girls. Investing in girls and women is a top priority for TPF in the coming years.

Girls Education Is an Investment in the Future

Nearly one million girls do not attend primary school in Turkey, and only 18 percent make it to college. Turkish Philanthropy Funds has partnered with the Association for the Support of the Contemporary Living (Çağdaş Yaşamı Destekleme Derneği) to help girls obtain primary, secondary and higher educations. Twelve girls have completed the 2010-2011 academic year with scholarships provided by TPF donors. Çağdaş Yaşam is a not-for-profit, non-partisan organization dedicated to promoting a society that respects the rights of the women and children; upholds the principles of democratic governance and the rule of law; and that is conscious of the need to protect the environment and its cultural heritage. TPF also supports the Mother and Child Education Foundation (Anne Çocuk Eğitim Vakfı)'s literacy programs. Illiteracy among women is a major obstacle that prevents women in Turkey, mainly migrants to the big cities from the southeastern and eastern parts of Turkey, from participating effectively in daily life. Other partners in women empowerment include: Hisar Anatolian Support Society (Hisar Anadolu Destekleme Derneği) and Turkish Family Health and Planning Foundation (Türkiye Aile Planlaması Vakfı).

IMPACT THROUGH RESULTS

More than 250 women and their families have benefited from TPF programs.



Photo by Elodora



Mother Child Education
Foundation (AÇEV)

UP CLOSE

Yes She Can! Partners for a New Beginning

In May of 2011, Turkish Philanthropy Funds was chosen to participate in the Partners for a New Beginning (PNB). Born as a response to President Obama's call to deepen and widen U.S. engagement with the Muslim societies, PNB is a public-private initiative launched last year at Clinton Global Initiative and covers many corporate and not-for-profit partners in more than five countries targeting at least half a million lives. It is chaired by former U.S. Secretary of State Madeleine K. Albright, and the Vice-Chairs are Coca-Cola Company CEO Muhtar Kent and Aspen Institute CEO Walter Isaacson. TPF participates with a program called "Yes, She Can!" targeting the education and the professional development of girls in Turkey with scholarship and mentorship programs.

TPF's "Yes She Can!" will work with two local partners, *Turkcell*, the Turkish telecommunications giant and Association for the Support of

the Contemporary Living (Çağdaş Yaşamı Destekleme Derneği), a not-for-profit dedicated to increasing the schooling of girls in Turkey. The immediate purpose of the project is to increase college enrollment that will in the long-term result with more women in the workforce, gradually improving gender equality in Turkey.

IMPACT THROUGH RESULTS

524 elementary school students, 700 youth and their families have benefited from TPF grants.

How can we improve livelihoods before and after disasters?

Given the number of natural disasters that hit Turkey in the recent decade, Turkish Philanthropy Funds has an emergency fund to help organizations and people during their times of need and to support local NGOs that are first on the scene. TPF also supports international efforts to provide emergency assistance and relief, enabling Turkish-Americans to express solidarity with people in need anywhere in the world.

Emergency and Relief Funds

In 2011, TPF has conducted three emergency fund campaigns. To show solidarity with the people of Japan, TPF Japan Earthquake Fund has channeled funds from the TPF networks to the Japan Society. When Somalia was hit by the worst draught in 60 years in the history of the Horn of Africa, with more than 2000 people dying every day, TPF supporters contributed to the relief efforts of the U.S. Fund for UNICEF through the TPF Somalia Relief Fund.

TPF also helped rebuild the Nesin Foundation of Aziz Nesin that was devastated by a flood in Istanbul.



Aziz Nesin with Nesin Foundation Children

UP CLOSE Nesin Foundation

Aziz Nesin, the famous Turkish writer and humorist established the Nesin Foundation in 1973. Even after Nesin's death in 1995, the foundation continued to adopt and raise generations of children whose families could not otherwise afford education. The foundation supports children until they graduate college and also assists them with transitioning to responsible adulthood. A flood in Istanbul destroyed the foundation's facilities, including stockpiles of food, a theater, a library and the dormitories, leaving the foundation gravely underequipped. TPF ran a fundraising campaign under its emergency funds to help rebuild the facilities.



Nesin Foundation facilities after the Istanbul flood in 2009.



Top: Game,
Bottom: Untitled
by Mahmut Koyas

How can we channel the power of arts?

Art is a powerful medium for social change. Turkish Philanthropy Funds supports arts projects that raise awareness, promote diversity and bring artists together to ignite new creative sparks in the community.

Raising Awareness Through Arts

TPF supported various creative projects in 2010-2011. In May of 2011, in partnership with Community Volunteers Foundation of Turkey (Toplum Gönüllüleri Vakfı), TPF facilitated a music trip by Yale University Alumni Chorus to the Pink House, a community center in İstanbul. In addition, TPF provided funding to expand the collection of Turkish musical instruments currently on display in the new Musical Instruments Museum in Arizona.



Turkish Exhibit at the Museum of Musical Instruments, Arizona

UP CLOSE

Yale Alumni Chorus (YAC) Visit Pink House Community Center in İstanbul

Everyone different, Everyone equal
—*Herkes Farklı, Herkes Eşit, Pink House Community Center, İstanbul*

By Yale Alumni Chorus traveler, Liz Hollander

Pink House is a community center that offers young people with music and English workshops. It was great to see a part of İstanbul that is not on a tourist map. The young people treated us to a concert of their music - everything from cello to Turkish rap. I chatted with a young man who had "grown up" at Pink House. He has completed university and his military service, hoping to start working soon. Pink House had a large sign that said Herkes Farklı, Herkes Eşit - everyone different, everyone equal. One of the students, Eser Aksoy, a budding cellist, came to our hotel to say goodbye and ended up joining our group at the Koç University concert. He sat next to me and explained the Turkish instruments and the verses of the songs sung by the Koç alumni group. The songs were all about love. Eser and I are now Facebook friends. I am very active in an after school music program for young people in Providence and I came away thinking that music can help young people be citizens of the world.



Photographer self-portraits
from top: Mahmut Koyaş,
Emir Özşahin, Tuncay Çetin

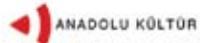
UP CLOSE Young Photographers Award

Haluk and Elisa Soykan established the Young Photographers Award Fund at TPF to encourage and support undergraduate students of photography in Turkey. The winner of 2010's Young Photography Award, Tuncay Çetin presented portraits of Alzheimer patients in Turkey in a local nursing home. Tuncay from Akdeniz University received \$5,000 to cover tuition and/or photography equipment purchases. Emir Özşahin from Bilgi University won a \$2,500 award for his work in color, "Pastel Deaths." The artist was recognized for his thought provoking visual explorations on life and death. Mahmut Koyaş of Okan University also won a \$2,500 award for capturing the life experiences of men, women and children living along the border of Turkey with Armenia. The two neighboring countries suffer from strained diplomatic relations due to historical differences and unresolved political issues. Young Photographers Award is jointly administered by the American Turkish Society and the Moon and Stars Project.



Top: Laundry Day at the Border
by Mahmut Koyaş
Bottom: Tooth Fairy
by Tuncay Çetin

Turkish Philanthropy Funds thanks all of its grantee partners.



Friends of Funds – Turkish NGOs' passport to the United States



Turkish Philanthropy Funds owes a big part of its success in forging cost-effective and meaningful partnerships to its grantee partners in Turkey. Turkey-based organizations establish presence in the United States through TPF's "Friends of Funds." Friends of Funds enable them to cultivate new donor networks and receive tax deductible gifts from the U.S. donors. TPF has four Friends of Funds: The Foundation for the Society Services in Turkey (Turkiye Toplum Hizmetleri Vakfi or TOVAK) Sabancı University, Boğaziçi University and the Community Volunteers Foundation of Turkey (Toplum Gönüllüleri Vakfi).

Your Passion is Your Gift

Giving through TPF is simple

STEP 1 Define your philanthropic goal.

What is your passion? What issues do you most care about?

STEP 2 What are your financial objectives?

What is your own giving comfort level?
Would you like to give today or set up a giving plan for the future?

STEP 3 Work with a TPF team and learn about your options:

Would you like to contribute to a pooled fund?
Would you like to establish a fund in your name to directly support a certain organization or cause?

STEP 4 Determine your strategy and implement.

Make your gift.

STEP 5 Review your plan.

Did your gifts accomplish what you hoped for?
Are you happy with the results? Has your financial situation changed?

IMPACT THROUGH RESULTS

Turkish Philanthropy Funds opened 15 Named Funds for a total of \$11 million.

Named Funds

Named funds are established and named by a donor, family or a corporation. Your options range from designating one organization to benefit from your gift in perpetuity (Designated Funds); to establishing a fund but giving TPF Board the discretion to make grants to respond to changing community needs (Unrestricted Funds); to creating a fund to support a particular issue area (Field of Interest Funds). Donor-Advised Funds are the most flexible options among our funds.

Donor Advised Funds

A donor advised fund is a charitable option for those who wish to be involved in philanthropy personally or with their families, but prefer to spare the administrative and legal burdens of establishing and operating a private foundation. The costs savings are significant. With a donor advised fund, you can create a lasting legacy in your name by establishing an endowment. TPF will ensure your wishes are maintained in perpetuity. Alternatively, you can choose a spendable fund, enabling TPF team to recommend grants and a giving strategy based on your own time-table.

Converting a private foundation to a Donor Advised Fund at Turkish Philanthropy Funds

Converting a private foundation to a donor advised fund at TPF is easy, offers certain tax advantages and allows donors and families to focus on charitable giving while TPF takes care of administrative and organizational duties. In these cases, TPF provides a good option for the transfer of funds- enabling you to terminate your private foundation yet continue its charitable mission. Terminations may happen when:

- The work of private foundation has become overwhelming
- The next generation is uninterested or you have no heirs, but you wish to create and preserve a lasting legacy
- Administration of the foundation seems too costly or cumbersome
- You or your advisors identify a tax planning need for the higher public charity tax benefits
- Assets in the foundation have declined to an extent where the costs and annual payout requirement make it impractical to maintain
- You become concerned about exposing yourself to liability, excise taxes and penalties associated with private foundations
- You are interested in tapping into community grant making expertise especially related to Turkey so that your charity can make a bigger impact.

Private Foundation or a Donor Advised Fund?

If you want to make a difference in your community and create a legacy for your family, you have a range of options. A donor advised fund at TPF is a flexible, simple way to give that contains many of the features of a more complex private foundation, yet includes all of the tax benefits of a public charity. The following chart compares some of the key features of a private foundation with those of a donor advised at TPF:

| | TAX DEDUCTIBILITY | EASE OF ESTABLISHMENT | COSTS | GRANT MAKING |
|---------------------|--|---|--|--|
| DONOR ADVISED FUNDS | Deduct 50% Adjusted Gross Income (AGI) for cash gifts; deduct 30% AGI for long term appreciated securities, real estate and closely held stock. | Simple and quick to establish; could be done in one day | Minimal fees*; no start-up costs | No minimum annual payout; philanthropic services provided by TPF |
| PRIVATE FOUNDATION | Deduct 30% AGI for cash gifts; deduct 20% AGI for gifts of long-term appreciated securities; deduction limited to cost basis for gifts of real estate and closely held stock | Several months to establish | Typically, costly to set up and maintain; 1-2% excise tax on net investment income | 5% minimum annual payout required |

* TPF charges donor advised funds an administrative fee of 0.5 - 3 % of the asset value. Meanwhile, the Council on Foundations estimates the cost to administer a private foundation may be 9-15 % of the asset value.



Çaykışla School's Roof and
Nick Porcaro

DONOR PROFILE

Nick Porcaro

An architect by training, Nick met his wife Ayşe while studying as a Fullbright Scholar at the Middle East Technical University in Ankara. They lived in New York for most of their married lives. When Nick accepted to work on a project in Turkey, Ayşe and Nick happily moved to Yalova. That's how Ayşe and Nick witnessed firsthand the devastation of the 1999 earthquake in the surrounding towns, including Adapazarı. After retiring in 2008, Nick was convinced Turkey's most pressing need was new schools. Upon a recommendation from a friend and partner of TPF, he visited a school in Adapazarı. That marked the beginning of Nick's journey to give back to the neglected town of Çaykışla. Nick explains:

When I went there, the Çaykışla School was still operating out of a makeshift, prefabricated metal building that was put together after the earthquake. The kids were jammed into a room; the windows were cracked, and there was rust on the walls. You could smell the sewage from the back yard. The building clearly was a safety and health hazard and should not have been allowed for occupancy. Years after the earthquake, the State has rebuilt many schools but ran out of funds. Çaykışla was the only town left without a School.

Nick wanted to be personally involved in his philanthropic investment. He wanted to build a school, but also as an experienced architect, closely supervise the construction to ensure it was built to the highest standards. But, there was still the problem of funding the project. Nick realized that foundations in Turkey were a maze that had their own priorities. While searching for the right organization to assist him

with building a school, Nick was directed to TPF. Nick and Ayşe immediately realized that TPF was the right vehicle for them.

Starting a Donor Advised Fund at TPF was a seamless effort. TPF presented the perfect bridge. TPF team offered me valuable advice every step of the way. All I had to do was to fill out a simple form explaining how I intended to use the funds. I kept the scope broad to sustain impact in the community beyond the reconstruction of a building. Within 10 days, the Porcaro Education Fund was operational and funds started to flow in through TPF.

Over the years, the Porcaro Education Fund, working with the Turkish Education Fund (Türk Eğitim Vakfı) raised 850,000 Turkish Liras. Nick and Ayşe's two grandchildren were among the contributors. They broke their piggy banks to support their grandfather's fight to provide future for the people of Çaykışla. The Çaykışla School opened in February 2010 and was named after Ayşe Porcaro's father Esat Egesoy and Asli and Nesli Başgöz's mother Bedia Başgöz. Asli and Nesli Başgöz's generous support was critical to the establishment of the school.



Çaykışla School Students

UP CLOSE

Çaykışla Scholarship

In 1999, the historical village of Çaykışla in Adapazarı was destroyed by the most powerful earthquake to hit Turkey. Included in that destruction was the Çaykışla School, built in the 1920s. In 2008, Nick and Ayşe, along with Aslı and Nesli Başgöz, established the Porcaro Education Fund at TPF, a donor advised fund designed to channel the Porcaro and Başgöz Families' contribution as well as contributions from their friends in the United States to Adapazarı in Turkey. Their fund raised \$300,000 and rebuilt the Çaykışla School to the highest design standards. All U.S. based donors to the Porcaro Education Fund received federal charitable tax deduction.

A decade after the earthquake, the Çaykışla School now serves 260 children and is comprised of a nursery, eight classrooms, a computer classroom, a science laboratory and a library. Today, TPF's Porcaro Education Fund, in partnership with TEV (Turkish Education Fund) continues to support Çaykışla community through a scholarship program, Çaykışla Scholarship Fund, (www.bursver.org). Nick Porcaro worked with a local preparatory school to offer substantial discount for students from Çaykışla so that many can have a better chance to pass the nation-wide exams and enter the best high schools, which would then lead to the best Turkish universities. In May of 2011, Çaykışla Scholarship Fund established under TPF's Porcaro Education Fund, has provided scholarships to 10 outstanding students at the Çaykışla School.

UP CLOSE

Bolu Community Foundation, Early Education

Haldun Tashman was born in Bolu in 1943.

65 years later to give back to his community and help build a community center, he created the Tashman Donor Advised Fund under Turkish Philanthropy Funds. After a three-year effort, to establish the Bolu Community Foundation, Tashman Donor Advised Fund, together with TUSEV (Third Sector Foundation in Turkey), mobilized thirty-two local business and civil society leaders in Bolu. On August 8, 2011, the community foundation opened its early childhood education facilities. Bolu Community Foundation serves as a model to expand community foundations to other cities in Turkey.



The New Bolu Pre-school
Research Center

Planned Giving

Whether you have a clear concept of what you hope to accomplish with your gift or just a vague idea, Turkish Philanthropy Funds is here to help realize your goals! There are many forms your charitable gift can take, including whether you want to give now or set up a giving plan for the future. TPF offers a wide range of planned giving options whether you want to simply manage taxes on capital gains, establish a life income or preserve more of your estate for your heirs. We are happy to help you support the community and causes you love.

Charitable Bequests

The simplest gift is a bequest in your will or trust that directs specific assets or a percentage of your estate to establish a fund or to add to an existing fund. Charitable bequests allow you to divide property between your family and your philanthropic interests in whatever manner you choose. You can reduce your taxable estate and create a charitable legacy.

Charitable Remainder Trusts

Through an irrevocable trust, you receive fixed or variable payments for your lifetime or a term of years. The remainder passes to TPF, creating a permanent fund in your name to benefit the philanthropic cause that you designate.

Charitable Lead Trusts

Your income-producing asset funds a trust with the income flowing to TPF during the term of the trust. Remaining assets go to your heirs free of tax on the asset's appreciation.

Retirement Plan and Insurance Beneficiary Designations

You can create a named fund at TPF by designating us as the beneficiary of a retirement plan such as an IRA or 401(k) or a life insurance policy. At death, the assets transfer to TPF, reducing estate and income taxes.

Charitable Gift Annuities

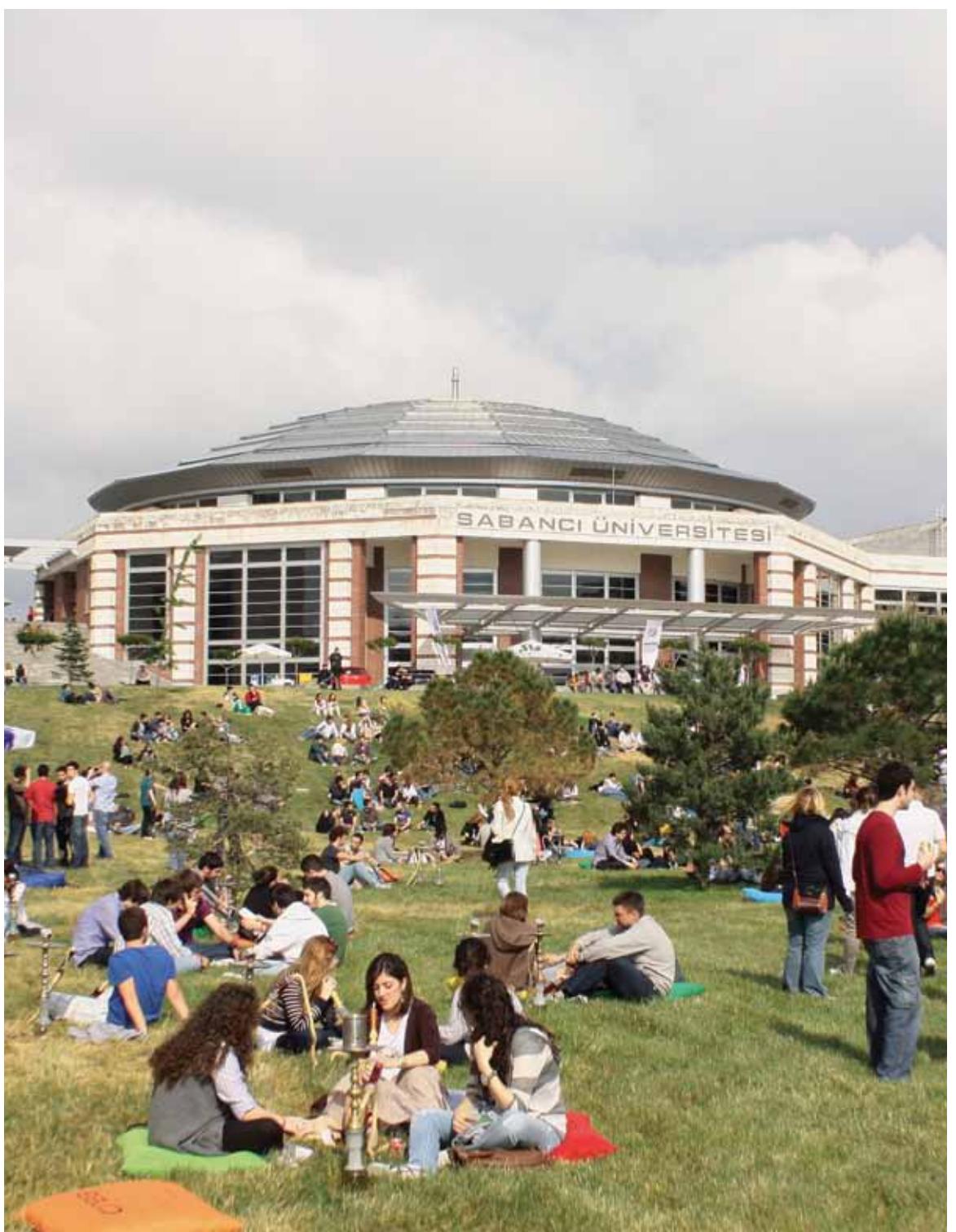
A simple contract guarantees you a fixed income in exchange for a gift to TPF. Annuity rates are set by the American Council on Gift Annuities.

Real Estate and Bargain Sales

A vacation home... a farm... a business property.... If you have real estate assets that you would like to donate as a charitable gift, TPF can help. You can choose to retain the right to use it during your lifetime while you receive an immediate tax deduction on the appraised fair market value, (not the original investment). Alternatively, you can sell an asset to TPF for less than the fair market value and use the difference in the value as your charitable gift.

“Whatever you spend is gone. What you keep, someone else gets. What you give is yours forever.”

-Dr. Will Rose, Philanthropist



Sabancı University Campus
in İstanbul

UP CLOSE

Sabancı University

When Dr. Sarıoğlu decided to make his vacation home in Rockport, Massachusetts a charitable gift to Sabancı University, Sabancı University contacted Turkish Philanthropy Funds for advice and assistance. Through a bargain sale arrangement, TPF purchased the house from Dr. Sarıoğlu in 2010 and Dr. Sarıoğlu received tax deductions for the appraised value of the estate. TPF will sell the house in the fall of 2012 at which point the funds will be transferred to Sabancı University. Sabancı University is a leading private-family foundation university in Turkey and a long-time partner of the TPF. Sabancı University will dedicate the funds to support aspiring students who cannot otherwise afford higher-education.

**"I get angry when someone calls me only rich...
I am happy with my social personality and
my generosity."**

*—Sakıp Sabancı, businessman and
philanthropist, 1933 -2004*

DONOR PROFILE

Dr. Rıza Sarıoğlu

Rıza Sarıoğlu was born in 1921 in Pazar, in the northeastern city of Rize on the Black Sea. He was one of eight children. He made his way to İstanbul to study at the only medical school in Turkey at the time, University of İstanbul's Faculty of Medicine. After completing his military service, he became a municipal doctor in Burhaniye, Balıkesir. He had his mind set on becoming a specialist in pediatrics. One day, a colleague walked into his office with a copy of the Journal of the American Medical Association that featured advertisements seeking doctors from around the world to work in the United States. He accepted one of the two offers he received and moved to Philadelphia in 1951. From there on, he studied and worked all across east coast's leading institutions until settling in Washington D.C. as a board certified pediatrician. When he retired following a decades-long successful career, he began to divide his time between Massachusetts and İstanbul.

His philanthropic interest lied in giving back to his hometown and to education. Dr. Rıza knew that he was lucky enough to come to the United States because of his profession and wanted others to have the same opportunity. His philanthropic journey began when he supported the building of a school in his hometown Pazar. To further his contribution to education in Turkey, he decided to donate his house in Rockport, Massachusetts to Sabancı University. Dr. Rıza has made İstanbul his permanent home since September 2010. The proceeds from the sale of the house will go to Sabancı University to provide scholarships to disadvantaged students.

Scholarship Funds in Turkey and in the U.S.

TPF offers scholarship funds for every age, at every level. It takes only \$133 a month to support a university student in Turkey, and even less to help a student through primary and secondary education. TPF works with several NGOs in Turkey including Çağdaş Yaşamı Destekleme Derneği (Association for the Support of the Contemporary Living) and Toplum Gönüllüleri Vakfı (Community Volunteers Foundation) to give educational opportunities for people who are least able to afford it. You can contribute to an existing scholarship fund one at a time, or on a reoccurring basis. You can also create a lasting gift in your name, or in honor or in memory of a loved one that will exist in perpetuity. TPF also provides, on a limited basis, scholarship grants for undergraduate and graduate programs in the United States for aspiring students.

DONOR PROFILE

Aslı Rüstemli

“People often don’t know how to go about finding a credible organization. TPF performs due diligence and offers a wide array of options that a donor can choose from.”

Aslı Rüstemli was born in Ankara, Turkey. Following graduation from Bilkent University Electrical Engineering Department, Aslı came to the United States for an MBA degree at Carnegie Mellon University in Pittsburgh, Pennsylvania. Since the early 1990s, she has been working in the financial industry in New York, specializing in derivatives risk management. She heard about TPF through a friend who is on the Board of Directors. Aslı sees TPF as a highly effective channel for Turks who live in the United States to give back to their home country. A cause close to her heart is to support girls’ education “so they can develop to be independent and confident women” Aslı says.

DONOR PROFILE

Banu Roso

“TPF offers a seamless, effortless, and efficient and donor friendly approach to giving. The communication is great. I feel connected to my cause and to the girls I am sponsoring...You guys do a good job!”

Giving to educational causes is very close to Banu’s heart. She knows first-hand, how life changing it can be. After all she graduated from Robert College on financial aid. “It has opened a lot of doors for me, and played a big role in forming my personality and career” said Banu during an interview with Turkish Philanthropy Funds. “With a relatively modest amount, you can make a big difference in a girl’s life.” She and her husband Moris supported educational causes in New York, such as the 92nd Street Y, but Banu was always looking for a way to give back to Turkey. She was surprised how hard it was to identify direct scholarship giving opportunities in Turkey, “online research can be cumbersome”, she explained. “In the U.S. if you express interest in giving, people chase the donors. In Turkey, I actually had to chase the organizations.” That’s when she was introduced to TPF.

There is also the added tax benefit of giving through TPF. For future contributions, Banu is also looking to adding the benefit of her company’s gift matching policies. Since TPF is a registered charity in the United States, U.S. companies can match the gift of their employees to TPF, doubling the value of the initial gift. After graduating

from Robert College in İstanbul, Banu came to study economics and German studies in Massachusetts. She obtained her MBA at Wharton School at University of Pennsylvania. Banu started her career as a strategic consultant and now works in investment banking. She and her husband live in New York with their three-year old daughter Ela.

Employer Giving Campaigns

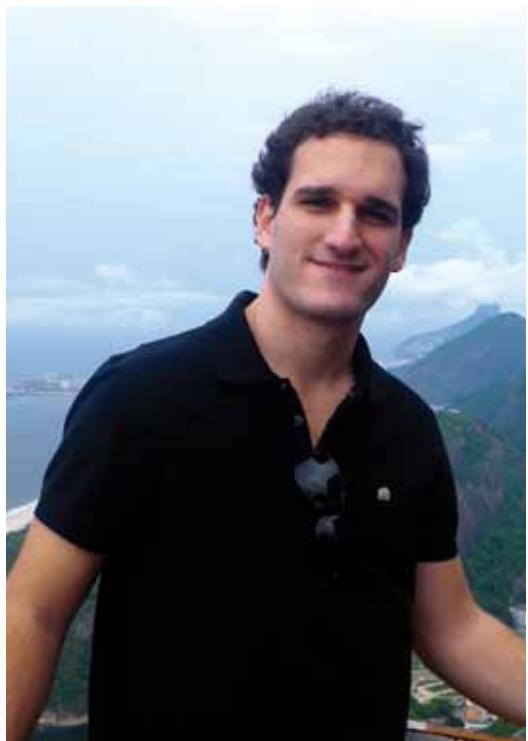
TPF participates in numerous corporate campaigns (see list of all participating corporations on our website) and in Combined Federal Campaigns (CFC).

Many employers will match contributions by giving the same amount, or in some cases, more. By simply filling in “Turkish Philanthropy Funds” on the campaign donation pledge form you may qualify if you are an employee, retiree or board member of a company that has a matching gift program. Such programs are an excellent way to leverage your donations. Your donated dollar can instantly become two, even six!

If you are a federal government employee, a U.S. postal worker or a member of the U.S. military, you can easily find our organization listing in your charity campaign directory. Our CFC number is 36506.

We thank our current corporate donors American Express Company, JP Morgan Chase, Microsoft, Prudential, UBS and Qualcomm.

Scholarship Recipients



Ömer Çorluhan

UP CLOSE

Ömer Çorluhan Executive MBA, Columbia University, New York

"The goal of my life is to make Turkey a better place. Financial industry is a means to that goal."

After finishing German High School in Istanbul, Ömer left his home town Istanbul for Swarthmore College in Pennsylvania. There he double-majored in engineering and economics. After graduation, in the midst of one of the biggest financial crises in U.S. history he joined Merrill Lynch. "Markets were in turmoil" recalls Ömer "my early career was not the most straightforward experience, events changed every day." Ömer had to show flexibility to survive under unpredictable conditions, and so he did. He welcomed greater responsibilities and quickly moved up the corporate ladder. When Bank of America and Merrill Lynch merged, he moved on to become an associate in the divisions of global markets and investment banking. Behind the bold career achievements, Ömer nurtured a bigger purpose.

Ömer started community work at an early age at the Rotary Club in Turkey. It was not until college, his vision for the "Small Steps Big Tomorrows" project, which ultimately changed the way the education system approached community work in Turkey, emerged.

Awarded with \$10,000 seed money for his idea by the Eugene M. Lang Opportunity

Scholarship Program at Swarthmore College, Ömer, together with the Toplum Gönüllüleri Vakfi, convinced the Ministry of Education in Turkey to introduce community service as part of the middle and high-school curriculum. The project started with a pilot program, a workshop for college students to train high-school and middle school students on the responsibilities of fortunate citizens and on how to improve the community. The project eventually grew with additional support of \$300,000 from Procter and Gamble in Turkey enabling students to allocate time for community-work during school hours.

Turkish Philanthropy Fund's scholarship for Ömer's Executive MBA program at Columbia University came as a recognition to his achievements. Now, Ömer works five days a week, and goes to school on Saturdays. On Sundays he has time for homework. "It is all about time management" he says "the MBA program made me more efficient in life." What would Ömer like to do next? "I have role models like Haldun Tashman. I would like to start my own business one day and become a generous philanthropist like him, and give back to my community."



Dilara Engin

UP CLOSE

Dilara Engin

"I want to be a heart surgeon. Heart is life. I want to help save lives."

Dilara was born in Kırklareli, a city located in northwest Turkey, on the border of the Black Sea. In May of 2011, Dilara finished eighth-grade at a boarding high-school specializing in science in the town of Bucak in Burdur. A portion of her expenses was met by a scholarship jointly offered by Turkish Philanthropy Funds and Çağdaş Yaşamı Destekleme Derneği. Among her college picks are two of the top medical universities in Turkey, she told TPF during a phone interview. "I want to be a heart surgeon. Heart is life. I want to help save lives." She has three more years before she graduates high school and takes the national competitive college entry-exam, the only path to higher education in Turkey. She has already started preparing for the exams. When she is not studying, she likes to listen to music. The singer Rafet El Roman is her favorite pop-artist.

The Founders Society

LEADERSHIP CIRCLE

Serpil and Yalçın Ayaslı
Özlenen Eser Kalav
Elisa and Haluk Soykan
Nihal and Haldun Tashman

TPF's Founders Society is a diverse group of dedicated investors who provide the vital foundation for TPF's work through financial, human and social capital. The TPF Founders Society is open to those individuals interested in making a long-term commitment to Turkish philanthropy.

PIONEERING PARTNERS

Mustafa Kemal Abadan

KEYSTONE PARTNERS

Murat Ağırnaslı
The Attar Family (One Foundation)
Nakiye and Ziya Boyacigiller
Aylin Tashman Kim
Şevket Turgut Neşe
Erinch Özada
Ramerica Foundation
Elif and Tamer Seçkin

The Friends Society

PLATINUM

\$5,000+

Lou Anne King Jensen
Seran and Ravi Trehan
Mete and Burcu Tuncel

GOLD

\$2,500-\$4,999

Iqbal Mamdani

SILVER

\$1,000-2,499

Ebru and Murat Doğruer
Ersin Karaoğlu
Mehmet Kirdar
Ergun Kırılıkova
Burcu and Agha Mirza
Nicholas and Ayşe Porcaro
Aslı Rüstemli
Alp Önalan

BRONZE

\$999-

Gamze Ateş
Eray Aydın
Şirin Aysan
Asena Başak
Mehtap Cevher Conti
Şebnem Çağlayan
Ender Çetin
Sezin and Atıl Erken
Erin Eser
Osman Ertugay
Ela Yıldızır Genç
Zeynep Güven
Pınar İlgar
Aslı Karahan-Ay
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Dilek and Nedim Katığ
Selin Kesebir
Sinem Koban
Salih Koçer
Selin Koçer
Demet and Berkin Koloğlu
Timur and Wendy Kuran
Donna Laikind
Nuri Hasanov
Serap Metin
Ayşe Ceyda Özgen
Pınar Araz Özgü
Mustafa Özgü
Banu Roso
Tuğba Çolpan and Reid Skibell
Başak Somaya
Yeşim Şenay
Bilge Tombakoğlu
Alanur İnal-Veith
Bob Werb
İzgi Yapıcı

The Legacy Society

LEGACY SOCIETY MEMBERS

Şevket Turgut Neşe
Nihal and Haldun Tashman

TPF's Legacy Society is created exclusively to honor those who help our grantmaking through a gift to TPF in their wills, trusts or estate plans.

TPF's approach to philanthropy

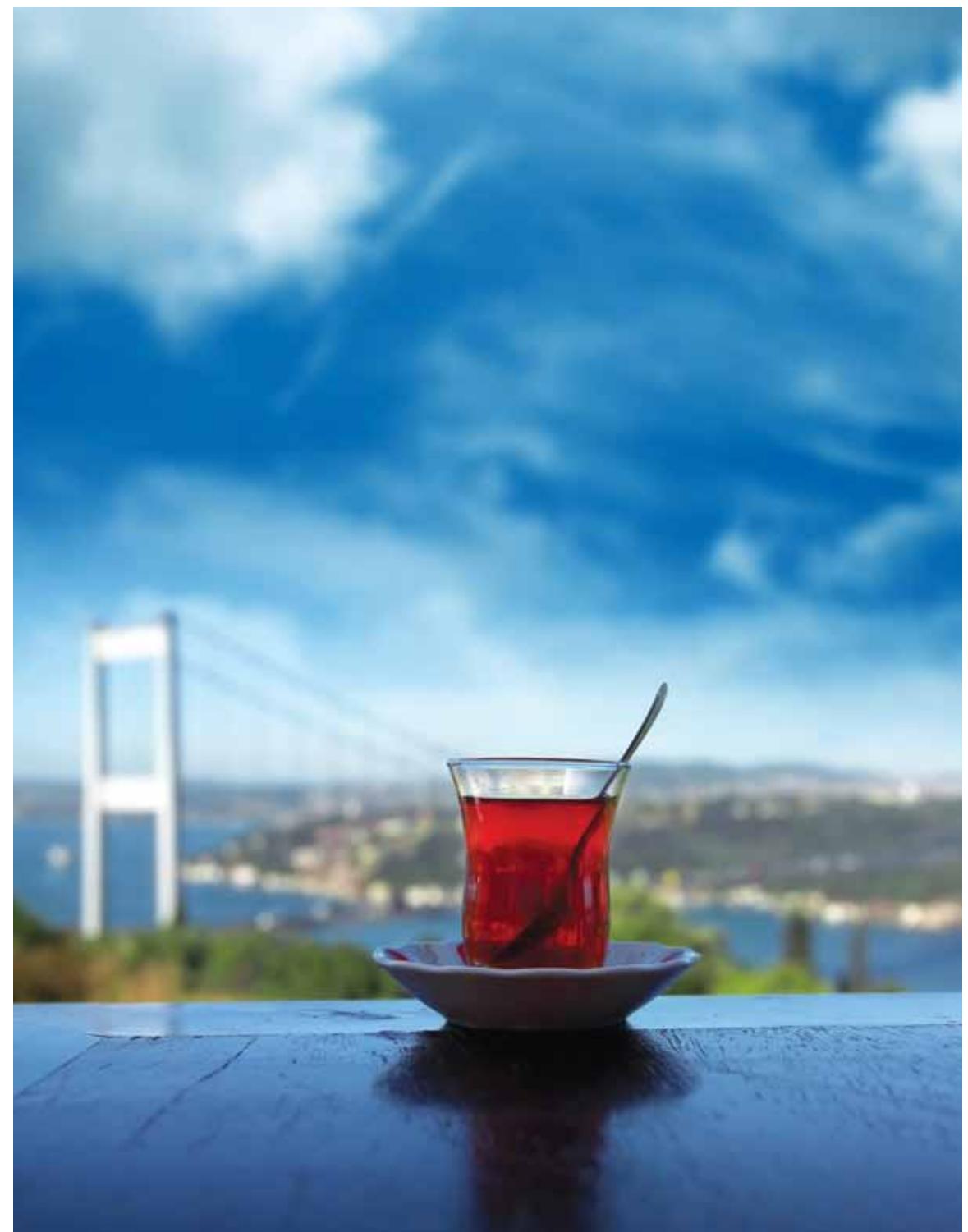
"Turkish Philanthropy Funds employs a traditional, yet a very modern model of charity. Based on the community foundation model, the Fund asks us to "help people like you help your neighbor." They act as a vehicle for connecting resources and social needs. By doing so, they not only reduce the red tape, but also allow people from every walk of life to support what they care about with a gift of any size."

—Ambassador Namik Tan, Turkish Ambassador to the United States, Washington D.C.

TPF is the first diaspora organization of the Turkish-American community in the U.S. that employs the community foundation model to promote the culture of philanthropy among the Turkish-Americans and friends of Turkey. TPF helps to connect donors to charities and to key social causes in Turkey.

IMPACT THROUGH RESULTS

Turkish Philanthropy Funds now has 13 *Founders Society* members.



Jokerproduction

Diaspora philanthropy is your bridge to the homeland

Diaspora philanthropy occupies a unique position in today's world and represents an underappreciated but emerging opportunity to convert private wealth to philanthropic capital and to use it effectively to address Turkey's most pressing needs.

TPF understands that philanthropy is more than writing a check or making an electronic bank transfer to an organization doing good work in Turkey. It is a very personal statement, rooted in our donors' personal connection to Turkey. TPF through its due diligence and flexible donor-centered model serves to that personal connection.

Donors are at the heart of TPF's work, not the donations. Individuals give "through" rather than giving to TPF. That means with a fund at TPF, donors can manage their contributions to their favorite NGOs in Turkey; to their local causes in the United States; and, to their alma mater. At TPF, we ask people to entrust their money to us temporarily as it makes its journey to the project they like to support, where then it is transformed into either an education for hundreds of kids, an opportunity for hundreds of disabled people or a chance for many women to contribute to their very own societies.

During this process, TPF assumes all administrative functions including due diligence, management and oversight activities, thereby facilitating donors' philanthropic giving.

As a result, donors have access to vetted information. More importantly they have the simplicity and tax advantage of a public charity combined with the personal recognition, involvement and flexibility of a private foundation for not only giving to their local causes in the U.S. but also in Turkey. TPF also positions itself so donors gain access to the highest level of strategic thinking on ways to meet community challenges to help make their contributions as effective as possible.

It is this personal value added by each of our donors that makes our approach to philanthropy unique. We connect individuals and bring their philanthropic passions to life, making a difference one philanthropist at a time. Our vision is building a Turkish-American community of philanthropists. Whatever your inspiration, your philanthropic dream is, we are here to assist you to turn that into reality.

How TPF Works

"TPF is about empowering everyone to be a philanthropist. Positive and meaningful change has always come at the hands of the individual, not a big foundation or agency. It is each of us that have the ability to transform lives, through our everyday interactions. TPF provides the platform to make that possible." —*Haldun Tashman, Executive Chairman, Turkish Philanthropy Funds*

TPF offers two kinds of funds. The first one is component funds that are established and named by a donor or family. In addition, TPF offers a number of funds that pool contributions in varying amounts from multiple donors to support a myriad of social issues: education, social and economic development, arts and culture, and women empowerment. These areas of need have been targeted based on the United Nations Millennium Development Goals and basic human rights, such as the rights to health, education, shelter and security, and are modified to apply to the social needs of Turkey.

Funding from TPF is awarded year-round to NGOs in Turkey and in the United States in two ways, after approval by the Board of Directors, through competitive grants or donor advised grants.

Competitive Grants

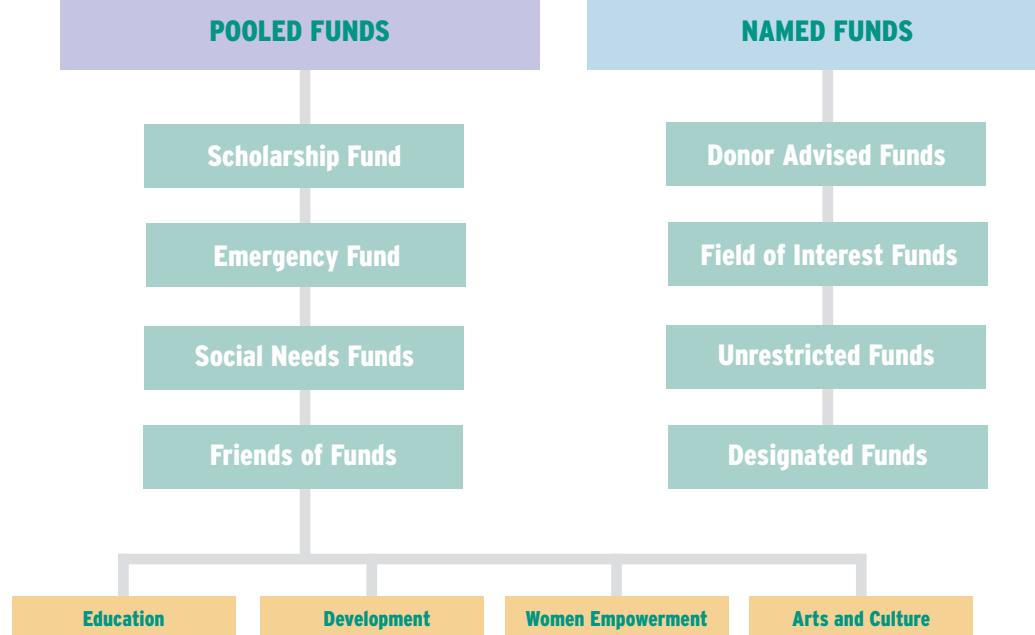
TPF calls for applications from NGOs in Turkey in its program areas; education, social and economic development, women empowerment, arts and culture. After initial screening by the staff, executive committee evaluates and makes recommendations for awards.

Donor Advised Grants

Donor expresses interest and makes a grant recommendation for a project or to an organization. TPF performs due diligence and evaluation to ensure the recipient organization is a 501(c)(3) or equivalent (for Turkey) and is financially sound.

STEP ONE: DEFINE YOUR PHILANTHROPIC GOAL

STEP TWO: POOLED FUND OR A NAMED FUND?



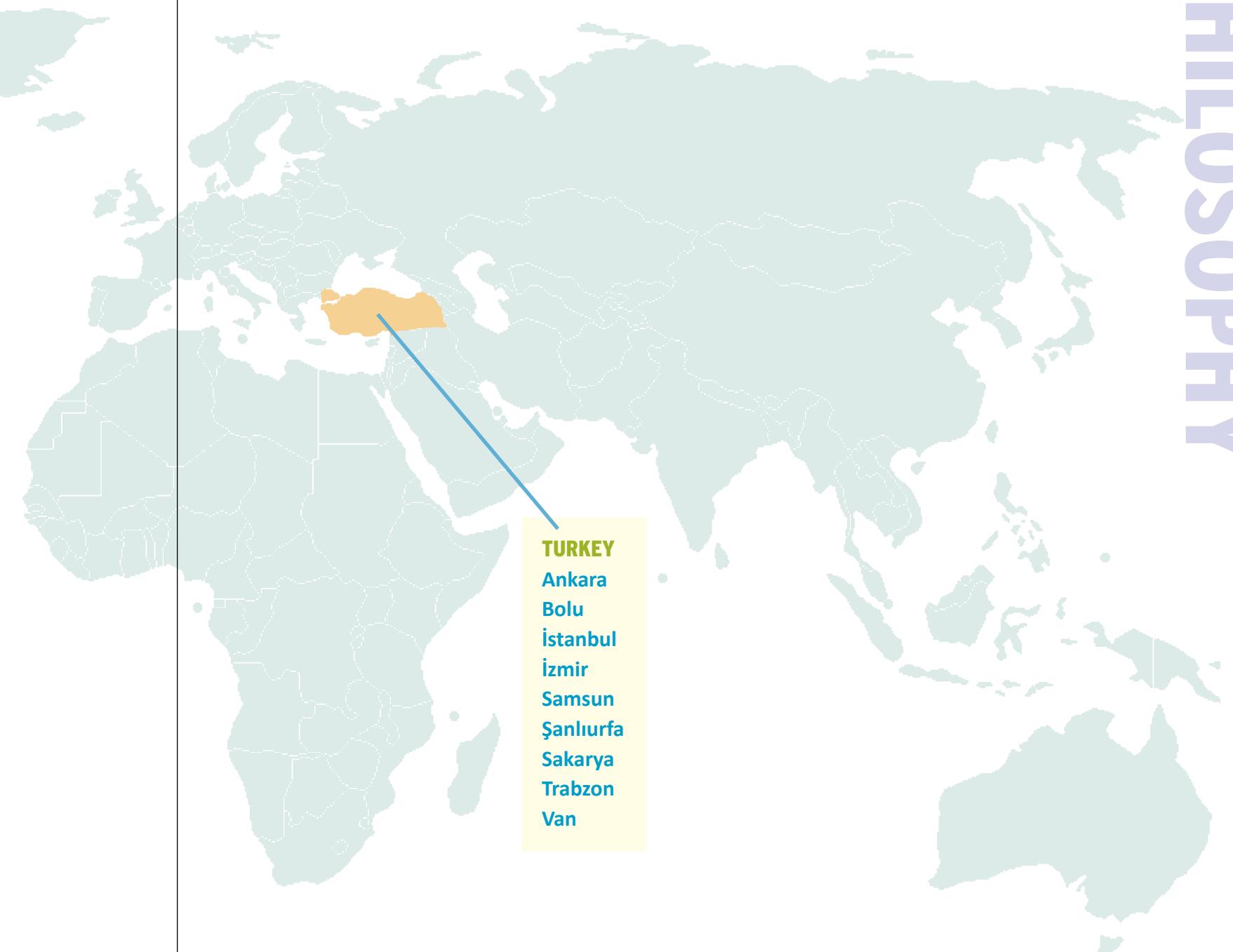
STEP THREE: TPF BOARD MAKES THE GRANT

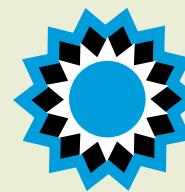
COMPETITIVE GRANTS
NGOs are invited to submit proposals

DONOR ADVISED GRANTS
Based on donor preferences,
TPF screens organizations and
projects for eligibility



Outreach





TURKISH
PHILANTHROPY
FUNDS

Online



website



tpfund.org



facebook



Turkish Philanthropic Fund



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tpfund.blogspot.com



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THE PHILOSOPHY

Our People

People are Turkish Philanthropy Funds' greatest assets. A highly dedicated group of people with a wide range of talents and skills are involved in the decision-making and daily activities of TPF. Board of Directors provides overall direction of the fund. The Advisory Board and the Committees offer expertise across all key areas of TPF's work. TPF's administration includes staff and consultants. TPF relies on the support from many interns and volunteers who work tirelessly because they believe in the mission.

Our motto has been "If you want to go fast, go alone. If you want to go far, go together."

–Şenay Ataselim-Yılmaz, Chief Operating Officer, TPF



16 May 2011, Turkey's Ambassador to U.S. Recognizes Accomplishments

"The Turkish Philanthropy Funds is an unprecedented organization founded by the Turkish diaspora in the U.S. It establishes a connection between Anatolia and America...Turkish Philanthropy Funds helps to make the world a better place."

—Namik Tan, Turkish Ambassador to the United States, Washington D.C.



On May 16th, Turkey's Ambassador to the United States Namik Tan recognized the accomplishments of the Turkish Philanthropy Funds with a reception at his residence in Washington D.C. The event brought together Turkish-American community leaders, American friends of Turkey, and the media to celebrate TPF's achievements in bringing about social change and development in Turkey. In presenting an award to Haldun Tashman, chairman of TPF and a founding member, Ambassador Tan congratulated Mr. and Mrs. Tashman's deep commitment to the mission of TPF.

From top:

Ambassador Namik Tan,
Mr and Mrs Haldun Tashman
May 15, Ambassador's Residence in Washington DC
Şenay Ataselim, Haldun Tashman, Özlenen Kalav, Namik Tan and Mehmet Kirdar



17 May 2011, TPF's Özlenen Kalav speaks at Secretary Clinton's Forum

"TPF does not approach diaspora philanthropy as a matter of quantity. We pay special attention to donors' involvement, how they interact with the recipients, how much they'd like to get involved... and, how we can help to make sure their investments are well-targeted."

—Özlenen Eser Kalav, Secretary of State's Global Diaspora Forum, Washington DC

On May 17th, TPF participated in the Secretary of State's Global Diaspora Forum, organized in collaboration with the U.S. Agency for International Development and the Migration Policy Institute. The goal of the gathering was to launch a special alliance among the diaspora communities in America and foster partnerships and attending the event were representatives from the private sector, civil society, multilateral and public institutions.

The United States has the largest number of migrants of any country in the world and Turkish diaspora numbers are rapidly growing, so is

their influence in and giving to Turkey. As the only speaker from the Turkish-American community at the forum, Özlenen Eser Kalav, TPF's president and CEO spoke on the challenges of diaspora philanthropy and TPF's success story.

19 May 2011, Turkish Philanthropy Funds receives Global Citizenship Award from Turkish-American Businesses

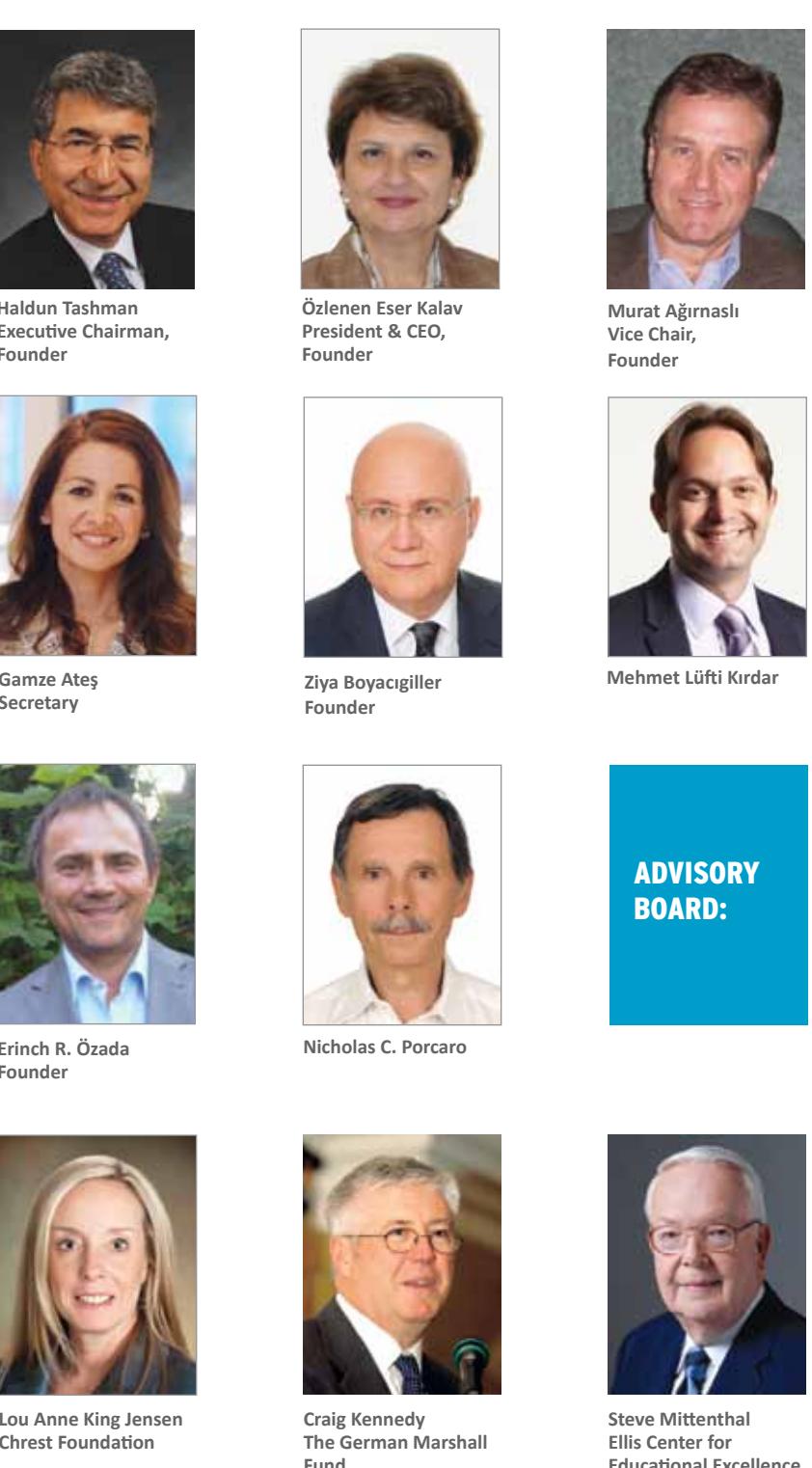
On May 19th, TPF attended the Turkish-American Business Forum Gala in New York City where TPF Chairman Haldun Tashman and President & CEO Özlenen Eser Kalav were recognized with the Global Citizenship Award for their unwavering commitment to philanthropy.



Above: Turkish American Business Forum Gala, New York City, (left to right) Mucahide Kocak, Mehmet Kirdar, Matthew Rizai, Hamdi Ulukaya, Haldun Tashman, Nihal Tashman, Hülya Koç, Aydin Koç

Top left: Özlenen Kalav addressing Secretary Clinton's Diaspora Forum in Washington DC

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ADVISORY BOARD:



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Murat Ağırnaslı
Şenay Ataselim-Yılmaz
Özlenen Eser Kalav
Haldun Tashman

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Nur Emirgil
Civan Gökay
David Liston
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Gamze Ateş
Elmira Bayraslı (Chair)
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INVESTMENT COMMITTEE

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and Outreach
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Burcu Mirza
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DESIGN

Cohoe Baker

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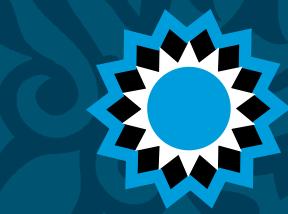


Financial Highlights

Audited Financial Summary as of June 30, 2011

| | | 2011 | 2010 |
|------------------------------|---|--------------------|---------------------|
| ASSETS | Cash | \$1,284,638 | \$9,767,669 |
| | Investments | \$2,171,225 | \$2,159,479 |
| | Receivables | \$24,125 | \$62,825 |
| | Real estate property | \$750,000 | - |
| | Total Assets | \$4,229,988 | \$11,989,973 |
| LIABILITIES | Grants Payable | \$3,557 | \$7,725 |
| | Accrued Liabilities | \$2,430 | \$10,225 |
| | Unearned rental income | \$30,000 | - |
| | Total Liabilities | \$35,987 | \$17,950 |
| | | | |
| NET ASSETS | Unrestricted | \$2,212,215 | \$10,620,973 |
| | Temporarily Restricted | \$559,500 | - |
| | Permanently Restricted | \$1,422,286 | \$1,351,050 |
| | Total Net Assets | \$4,194,001 | \$11,972,023 |
| | Total Liabilities and Net Assets | \$4,229,988 | \$11,989,973 |
| REVENUE | Contributions | \$839,065 | \$8,468,270 |
| | Investments | \$133,403 | \$78,477 |
| | Realized Gains (Losses) | \$118,528 | \$232,093 |
| | Unrealized Gains (Losses) | \$(9,186) | \$323,677 |
| | Total Revenue | \$1,119,941 | \$9,124,533 |
| GRANTS & EXPENSES | Grants | \$8,711,673 | \$787,709 |
| | General & Administrative | \$179,580 | \$166,905 |
| | Development | \$6,710 | \$2,164 |
| | Total Grants & Expenses | \$8,897,963 | \$956,778 |
| | | | |
| | Increase in net assets | \$(7,778,022) | \$8,167,755 |
| | Net Assets at beginning of year | \$11,972,023 | \$3,804,268 |
| | Net Assets at end of year | \$4,194,001 | \$11,972,023 |

*Full audit report is available on TPF web site.



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