

**Module: Introduction****Page: Introduction**

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**CC0.1****Introduction**

Please give a general description and introduction to your organization.

For the purposes of supplying tradesmen and artisans on favorable terms in order to promote economic development, it was decided to establish Halkbank. Halkbank was founded under Statute 2284 in 1933 as a credit union by small cooperatives and began its operations in 1938. Between the years 1938-1950 Halkbank provided its loans through public funds named as "People's Fund". Halkbank was authorized to open branches and grant loans to customers in 1950. Despite having been established by local cooperatives, the structure was changed in 1963, whereupon it became a state owned bank, where original shareholders were unable to contribute capital increases. Throughout 1990s, Halkbank's assets grew rapidly through the absorption of certain failed smaller sized state banks, including TÖBANK, Sümerbank and Etibank. In 2001, 96 branches of Emlakbank, another state bank which was then in the process of liquidation, were transferred to Halkbank. One of the major milestone for Halkbank is the acquisition of Pamukbank in 2004. The merger with Pamukbank significantly strengthened the Bank's retail banking capabilities, supporting with a more technologically advanced IT system (Mistral) which was deployed throughout the Bank's networks and created other synergies from the combination and rationalization of the branch, operations and employee bases. After the Pamukbank merger, Halkbank underwent a serious restructuring process which was initiated by the Statute 4603 relating to public banks with the aim of preparing them for privatization. In line with this restructuring process, Halkbank's organizational structure was completely transformed and a customer-focused approach was adopted in the Bank's activities. Although initially the Bank had been planned to be privatized through a block sale under the resolution of the Privatization High Council in 2006, the government surprisingly cancelled the initial plan and decided to privatize 25% of the shares through an IPO in early 2007. As of 10 May 2007, 24.98% of the shares of the Bank have been sold through a very successful second public offering and the shares have been listed in Istanbul Stock Exchange. Halkbank's IPO represents the largest one that ever occurred in the Turkish capital markets. Halkbank is now celebrating its 78th anniversary of its establishment

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**CC0.2****Reporting Year**

Please state the start and end date of the year for which you are reporting data.

The current reporting year is the latest/most recent 12-month period for which data is reported. Enter the dates of this year first.

We request data for more than one reporting period for some emission accounting questions. Please provide data for the three years prior to the current reporting year if you have not provided this information before, or if this is the first time you have answered a CDP information request. (This does not apply if you have been offered and selected the option of answering the shorter questionnaire). If you are going to provide additional years of data, please give the dates of those reporting periods here. Work backwards from the most recent reporting year. Please enter dates in following format: day(DD)/month(MM)/year(YYYY) (i.e. 31/01/2001).

Enter Periods that will be disclosed
Thu 01 Jan 2015 - Thu 31 Dec 2015

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### CC0.3

#### Country list configuration

Please select the countries for which you will be supplying data. If you are responding to the Electric Utilities module, this selection will be carried forward to assist you in completing your response.

Select country
Turkey

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### CC0.4

#### Currency selection

Please select the currency in which you would like to submit your response. All financial information contained in the response should be in this currency.

TRY

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### CC0.6

## Modules

As part of the request for information on behalf of investors, electric utilities, companies with electric utility activities or assets, companies in the automobile or auto component manufacture sub-industries, companies in the oil and gas sub-industries, companies in the information technology and telecommunications sectors and companies in the food, beverage and tobacco industry group should complete supplementary questions in addition to the main questionnaire.

If you are in these sector groupings (according to the Global Industry Classification Standard (GICS)), the corresponding sector modules will not appear below but will automatically appear in the navigation bar when you save this page. If you want to query your classification, please email [respond@cdp.net](mailto:respond@cdp.net).

If you have not been presented with a sector module that you consider would be appropriate for your company to answer, please select the module below. If you wish to view the questions first, please see <https://www.cdp.net/en-US/Programmes/Pages/More-questionnaires.aspx>.

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### Further Information

#### Module: Management

#### Page: CC1. Governance

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### CC1.1

#### Where is the highest level of direct responsibility for climate change within your organization?

Board or individual/sub-set of the Board or other committee appointed by the Board

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### CC1.1a

#### Please identify the position of the individual or name of the committee with this responsibility

The body reporting to the Board of Directors of the Bank for the purpose of coordinating activities of the Bank with respect to the sustainability. The Committee consists of 1 (One) Independent Board Member, 5 (Five) Deputy General Managers, composing of "Deputy General Manager for Monitoring Loan Policies and Risk", "Deputy General Manager for International Banking", "Deputy General Manager for Human Resources and Organization", "Deputy General Manager for Banking Operations" and "Deputy General Manager for Support Services", and 6 (Six) Heads, composing of "Head of Loan Policies and Practices", "Head of Financial Institutions and Investor Relations", "Head of International banking and Structured Finance", "Head of International banking and Structured Finance", "Head of Advertising and Public Relations" and "Head of Support Services". The Chairman of the Committee is Independent Board Member, and Vice Chairman of the Committee is Support Services Deputy General Manager.

The Committee ensures monitoring and implementation of the "Sustainability Policy", determined by the Board, and it coordinates the activities of the Bank with respect to sustainability, and also it evaluates economic, environmental and social effects of such activities. The Committee performs any required determinations in

order to mitigate any potentially unfavorable effects of the activities of the Bank with respect to the sustainability, and it establishes working groups with the concerned departments; and it determines any procedures and principles for energy management of the Bank. The Committee analyzes the results of the data obtained based on the energy management, and it informs any concerned departments within the organization of the Bank and submits suggestions for any measures required to be taken with respect thereto, and it perform reporting and/or disclosure to public disclosure platforms, if and when required. The Committee prepares the infrastructure appropriate for the Bank in case of any legal/illegal situations with respect to sustainability. As a public Bank traded on Borsa Istanbul, the Committee takes the necessary initiatives for the purpose of taking part in and continuing to be a part of the BIST Sustainability Index, in which any companies with the highest level of corporate sustainability performance take part, and it coordinates any necessary measures within the Bank for this purpose. The Committee submits its opinions and recommendations to the Board with respect to the activities and deficiencies performed in the field of sustainability within the organization of the Bank

## CC1.2

**Do you provide incentives for the management of climate change issues, including the attainment of targets?**

Yes

### CC1.2a

**Please provide further details on the incentives provided for the management of climate change issues**

Who is entitled to benefit from these incentives?	The type of incentives	Incentivized performance indicator	Comment
Other: Branch Office	Recognition (non-monetary)	Behaviour change related indicator	Energy manager sends an appreciation message to the branches of the Bank which show behaviour change leading to reductions in the emissions (electricity, water, etc. use)
Business unit managers	Recognition (non-monetary)	Other: Provision of Accurate Date	Energy Manager sends an appreciation message to the Business Unit Managers for sending the carbon data which can not be accessed from the carbon management reporting system.
All employees	Recognition (non-monetary)	Energy reduction project	Energy Manager sends appreciation message to the employees developing the projects for mitigation of used of energy sources.

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**Further Information**

**Page: CC2. Strategy**

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**CC2.1**

**Please select the option that best describes your risk management procedures with regard to climate change risks and opportunities**

Integrated into multi-disciplinary company wide risk management processes

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**CC2.1a**

**Please provide further details on your risk management procedures with regard to climate change risks and opportunities**

Frequency of monitoring	To whom are results reported?	Geographical areas considered	How far into the future are risks considered?	Comment
Annually	Senior manager/officer	All Around Turkey	Up to 1 year	The research is carried out and reported on the basis of industry. The period of reporting may be shortened depending on the frequency of the possibility for occurrence of risks.

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**CC2.1b**

**Please describe how your risk and opportunity identification processes are applied at both company and asset level**

Following performance of industrial research, the reports also include any risks for climate change. Our business processes are planned by taking into account such risks.

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**CC2.1c**

**How do you prioritize the risks and opportunities identified?**

Based on the reports prepared following performance of the industrial researches carried out in a manner to cover any and all processes of the Bank, any industrial risks are prioritized and evaluated with respect to loan evaluation modules, marketing activities and our current processes. Also, any new products are generated with respect to the fight with climate change and green house emission. A system infrastructure enabling any industries, considered as an element of risk based on the climate change, to be scored with unfavorable coefficient, and any industries, considered as an opportunity, to be scored with favorable coefficient is available in our loan evaluation system.

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**CC2.1d**

Please explain why you do not have a process in place for assessing and managing risks and opportunities from climate change, and whether you plan to introduce such a process in future

Main reason for not having a process	Do you plan to introduce a process?	Comment
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**CC2.2**

**Is climate change integrated into your business strategy?**

Yes

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**CC2.2a**

**Please describe the process of how climate change is integrated into your business strategy and any outcomes of this process**

The Sustainability Committee was established and started to carry out its activities in 2015. Environment policy and sustainability policy have been issued. The risks arising from climate change are evaluated during the processes for evaluation of the Project Loans. In addition, any efforts for evaluation of the activities of any companies, requesting loans, with respect to environmental and social effects have been completed, and such efforts will be implemented in 2016. Any integration efforts for ISO 140001 and ISO 50001 management systems have been initiated, and the certificate is intended to be obtained in 2016. Efforts are started to decrease the consumption of energy sources at any and all locations of the Bank. Accordingly, energy policy of the Bank has also been prepared; and such policy will be included in the system following the certificate process.

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**CC2.2b**

Please explain why climate change is not integrated into your business strategy

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**CC2.2c**

**Does your company use an internal price of carbon?**

No, and we currently don't anticipate doing so in the next 2 years

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**CC2.2d**

Please provide details and examples of how your company uses an internal price of carbon

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**CC2.3**

**Do you engage in activities that could either directly or indirectly influence public policy on climate change through any of the following? (tick all that apply)**

Direct engagement with policy makers  
Trade associations  
Other

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**CC2.3a**

**On what issues have you been engaging directly with policy makers?**

Focus of legislation	Corporate Position	Details of engagement	Proposed legislative solution
Energy efficiency	Support with minor exceptions	Opinions are submitted with respect to any proposals and drafts received from the Ministry of Energy. Also, as the Bank, recommendations are submitted with respect to measures to be taken legally in order to solve any problems and troubles encountered in relation to energy efficiency financing.	Legal necessity to monitor energy consumption of SMEs.
Clean energy generation	Support with minor exceptions	Opinions are submitted with respect to any proposals and drafts received from the Ministry of Energy and Directorate General of Renewable Energy. Also, as the Bank, recommendations are submitted with respect to measures to be taken legally in order to solve any environmental and social problems and troubles encountered in relation to renewable energy financing.	Primarily, the resources such as sun, biomass have been recommended to be evaluated.
Climate finance	Support with minor exceptions	Negotiations are carried out with the Ministry of Energy with respect to measurement and evaluation activities performed through the supports provided by any various sponsors for the purpose of financing the fight with the climate change.	The results of the measurement and evaluation performed with respect to energy efficiency through the supports provided by any various sponsors for the purpose of financing the fight with the climate change have been recommended to be disclosed to any and all financial institutions through a publicly common platform.

### CC2.3b

**Are you on the Board of any trade associations or provide funding beyond membership?**

Yes

### CC2.3c

**Please enter the details of those trade associations that are likely to take a position on climate change legislation**

Trade association	Is your position on climate change consistent with theirs?	Please explain the trade association's position	How have you, or are you attempting to, influence the position?
TBB	Consistent	The country plays a leading role with respect to financing of the	It has been taken part actively in the Working Group for



Trade association	Is your position on climate change consistent with theirs?	Please explain the trade association's position	How have you, or are you attempting to, influence the position?
		climate change in the banking industry, and takes any necessary initiatives in order to bring the best international practices into the industry.	the Role of the Financial Industry With Respect to Sustainable Growth within the organization of the Banks Association of Turkey.

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**CC2.3d**

Do you publicly disclose a list of all the research organizations that you fund?

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**CC2.3e**

Please provide details of the other engagement activities that you undertake

Halkbank takes new steps with respect to internalization of the climate change. It attends the workshops organized for such purpose together with the institutions such as BIST, Global Compact Turkey, and supports any efforts with respect to establishment of Policy.

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**CC2.3f**

What processes do you have in place to ensure that all of your direct and indirect activities that influence policy are consistent with your overall climate change strategy?

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**CC2.3g**

Please explain why you do not engage with policy makers

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**Further Information**

**Page: CC3. Targets and Initiatives**

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**CC3.1**

**Did you have an emissions reduction or renewable energy consumption or production target that was active (ongoing or reached completion) in the reporting year?**

No

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**CC3.1a**

Please provide details of your absolute target

ID	Scope	% of emissions in scope	% reduction from base year	Base year	Base year emissions covered by target (metric tonnes CO2e)	Target year	Is this a science-based target?	Comment
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**CC3.1b**

Please provide details of your intensity target

ID	Scope	% of emissions in scope	% reduction from base year	Metric	Base year	Normalized base year emissions covered by target	Target year	Is this a science-based target?	Comment
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**CC3.1c**

Please also indicate what change in absolute emissions this intensity target reflects

ID	Direction of change anticipated in absolute Scope 1+2 emissions at target completion?	% change anticipated in absolute Scope 1+2 emissions	Direction of change anticipated in absolute Scope 3 emissions at target completion?	% change anticipated in absolute Scope 3 emissions	Comment
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**CC3.1d**

Please provide details of your renewable energy consumption and/or production target

ID	Energy types covered by target	Base year	Base year energy for energy type covered (MWh)	% renewable energy in base year	Target year	% renewable energy in target year	Comment
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**CC3.1e**

For all of your targets, please provide details on the progress made in the reporting year

ID	% complete (time)	% complete (emissions or renewable energy)	Comment

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**CC3.1f**

**Please explain (i) why you do not have a target; and (ii) forecast how your emissions will change over the next five years**

(i) The efforts of Halkbank with respect to system installation for monitoring of Energy are in progress; since the integration of the monitoring systems with the carbon management system has not been completed, no target for mitigation thereof has been provided.

(ii) Our total absolute emissions are expected to increase within the next years due to the fact that HalkBank develops rapidly, and that many new branches are opened every year. Therefore, our target is not absolute emission value, however, our efforts with respect thereto are in progress. Also, our emission density is within the mitigation trend through our efforts for efficiency.

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**CC3.2**

**Do you classify any of your existing goods and/or services as low carbon products or do they enable a third party to avoid GHG emissions?**

Yes

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**CC3.2a**

**Please provide details of your products and/or services that you classify as low carbon products or that enable a third party to avoid GHG emissions**

Level of aggregation	Description of product/Group of products	Are you reporting low carbon product/s or avoided emissions?	Taxonomy, project or methodology used to classify product/s as low carbon or to calculate avoided emissions	% revenue from low carbon product/s in the reporting year	% R&D in low carbon product/s in the reporting year	Comment
Group of products	Loans for energy efficiency and renewable energy projects.	Avoided emissions	Other:			

**CC3.3**

**Did you have emissions reduction initiatives that were active within the reporting year (this can include those in the planning and/or implementation phases)**

Yes

**CC3.3a**

**Please identify the total number of projects at each stage of development, and for those in the implementation stages, the estimated CO2e savings**

Stage of development	Number of projects	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation		
To be implemented*		
Implementation commenced*	2	75
Implemented*	10	490.21
Not to be implemented		

**CC3.3b**

For those initiatives implemented in the reporting year, please provide details in the table below

Activity type	Description of activity	Estimated annual CO2e savings (metric tonnes CO2e)	Scope	Voluntary/ Mandatory	Annual monetary savings (unit currency - as specified in CC0.4)	Investment required (unit currency - as specified in CC0.4)	Payback period	Estimated lifetime of the initiative	Comment
Energy efficiency: Building fabric	For the purpose of saving electricity consumption; fluorescent lamps have been replaced with LED lamps, and analogue fax structure of the Branches have been converted into e-fax structure, and any fax processes have been started to be carried out electronically, and identity authentication/verification and reporting has been made available on the system.	466.02	Scope 2 (location-based)	Voluntary	313011	919400	1-3 years	Ongoing	
Transportation: use	For the purpose of saving the cargo expenses, it has been ensured that any processes ranging from the transfer of any resources, obtained from the international financial institutions, to balance sheet of our Bank to the extension of loans are carried out through the system.	0.08	Scope 3	Voluntary	6336		<1 year	Ongoing	
Other	For the purpose of saving paper consumption; it has been ensured that any processes ranging from the transfer of any resources, obtained from the international	3.05	Scope 3	Voluntary	2058		<1 year	Ongoing	

Activity type	Description of activity	Estimated annual CO2e savings (metric tonnes CO2e)	Scope	Voluntary/ Mandatory	Annual monetary savings (unit currency - as specified in CC0.4)	Investment required (unit currency - as specified in CC0.4)	Payback period	Estimated lifetime of the initiative	Comment
	financial institutions, to balance sheet of our Bank to the extension of loans are carried out through the system, and that consumer loans are extended to our customers through the online channels, and that business and transaction processes of the departments are improved, and that any documents received from the branches with respect to loan allocation are sent through the system, and that analogue fax structure of the Branches are converted into electronic environment, and that identity authentication/verification and reporting is monitored through the system.								
Other	For the purpose of saving paper, the procedure for collection of survey fees on estimated basis and repayment thereof to the customers upon finalization of the cost has been cancelled.	0.05	Scope 3	Mandatory	1625		<1 year	Ongoing	
Other	For the purpose of providing contribution to the recycling process and obtaining monetary income, papers have been sent to the recycling facilities within the year. (The calculation for recycling of tCO2e has been performed	21.01	Scope 3	Voluntary	14500		<1 year	Ongoing	

Activity type	Description of activity	Estimated annual CO2e savings (metric tonnes CO2e)	Scope	Voluntary/ Mandatory	Annual monetary savings (unit currency - as specified in CC0.4)	Investment required (unit currency - as specified in CC0.4)	Payback period	Estimated lifetime of the initiative	Comment
	through the coefficient difference between the use of paper as waste and the delivery thereof to recycling facilities.								
Other	For the purpose of saving the labour; it has been ensured that any processes ranging from the transfer of any resources, obtained from the international financial institutions, to balance sheet of our Bank to the extension of loans are carried out through the system, and that the procedure for collection of survey fees on estimated basis and repayment thereof to the customers upon finalization of the cost is cancelled, and that consumer loans are extended to our customers through the online channels.	0.00		Voluntary Mandatory	2052360		<1 year	Ongoing	No direct calculation for decrease of emission has been performed during the studies carried out; however, it is considered that indirect emission decrease is in question.
Other	For the purpose of saving operational expenses; the procedure for collection of survey fees on estimated basis and repayment thereof to the customers upon finalization of the cost and the procedure for informing the customer by means of SMS have been cancelled.	0.00		Mandatory	487		<1 year	Ongoing	No direct calculation for decrease of emission has been performed during the studies carried out; however, it is considered that indirect



Activity type	Description of activity	Estimated annual CO2e savings (metric tonnes CO2e)	Scope	Voluntary/ Mandatory	Annual monetary savings (unit currency - as specified in CC0.4)	Investment required (unit currency - as specified in CC0.4)	Payback period	Estimated lifetime of the initiative	Comment
									emission decrease is in question.

**CC3.3c**

**What methods do you use to drive investment in emissions reduction activities?**

Method	Comment
Lower return on investment (ROI) specification	Investment decisions are based on lower return on investment (ROI). Halkbank chooses the projects for head quarters with ROI less than 1.5 years and for branches other units with ROI less than 3.5 years to invest in. The reason why the ROI expectation is lower for head quarters is that the number of existing head quarter buildings will be reduced after 3 years.

**CC3.3d**

**If you do not have any emissions reduction initiatives, please explain why not**

**Further Information**

**Page: CC4. Communication**

**CC4.1**

Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s)

Publication	Status	Page/Section reference	Attach the document	Comment
In voluntary communications	Complete	Halkbank and Environment; Page:53-59	<a href="https://www.cdp.net/sites/2016/31/21131/Climate%20Change%202016/Shared%20Documents/Attachments/CC4.1/Halkbank_surdurulebilirlik_raporu_2013.pdf">https://www.cdp.net/sites/2016/31/21131/Climate Change 2016/Shared Documents/Attachments/CC4.1/Halkbank_surdurulebilirlik_raporu_2013.pdf</a>	Sustainability report will be published every year.
In voluntary communications	Complete	Tables; Page:119-124	<a href="https://www.cdp.net/sites/2016/31/21131/Climate%20Change%202016/Shared%20Documents/Attachments/CC4.1/Halkbank%202014-2015%20Surdurulebilirlik%20Raporu.pdf">https://www.cdp.net/sites/2016/31/21131/Climate Change 2016/Shared Documents/Attachments/CC4.1/Halkbank 2014-2015 Sürdürülebilirlik Raporu.pdf</a>	

**Further Information**

**Module: Risks and Opportunities**

**Page: CC5. Climate Change Risks**

**CC5.1**

Have you identified any inherent climate change risks that have the potential to generate a substantive change in your business operations, revenue or expenditure? Tick all that apply

- Risks driven by changes in regulation
- Risks driven by changes in physical climate parameters
- Risks driven by changes in other climate-related developments

CC5.1a

Please describe your inherent risks that are driven by changes in regulation

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Emission reporting obligations	There is an emission reporting obligation, which will start to be implemented in 2016, in Turkey for energy intensive sector. It might be extended to less energy intensive sectors as well.	Increased operational cost	>6 years	Direct	More likely than not	Low	The financial impact of this risk is too small so that it could not be calculated	To manage the risk Halkbank is getting ready before it happens. The carbon emissions are calculated already and will be calculated annually. Moreover, the employees are going to be trained to increase the internal capacity.	The cost of management is very small compared to operational costs. (Less than 1%)
Fuel/energy taxes and regulations	Energy efficiency schemes for non-energy - intensive sectors or fuel/ energy taxes to reduce carbon emissions.	Other: Increased operational cost & increased capital cost	>6 years	Direct	More likely than not	Low-medium	Considering the current fuel/energy costs the financial impact of a possible tax will be around 550.000 TL	To tackle the risk Halkbank is investing in energy efficiency projects for the current operations and defining minimum efficiency levels for purchasing	Investment, amounting to approximately TRY 5,000.000.-, has been planned to be performed with respect to such activities, and any actions have been started to be taken for such purpose.
Renewable	Cancellation of	Other: The rate	>6 years	Indirect	More likely	Low	The financial	HalkBank adjusts	The cost of

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
energy regulation	economic incentives with respect to investments in the Renewable Energy may change the cash flow of the long-term loans; accordingly, some problems may occur in repayment of the loans.	of receivables for loan monitoring may increase, and profitability may be affected unfavourably.		(Client)	than not		impact of this risk is too small so that it could not be calculated	the Loan-collateral balance in order to manage the risk. HalkBank extends the renewable energy loans to the customers based on the situation plan.	management is very small compared to operational costs. (Less than 1%)
Lack of regulation	Uncertainty with respect to the limits of legal emission consumption of the companies may be taxed for any emissions exceeding such limits in case of any amendment to/change in regulations, and may put the companies into trouble.	Increased capital cost	>6 years	Indirect (Client)	More likely than not	Low	The financial impact of this risk is too small so that it could not be calculated.	Halkbank generates different products in order to manage the risk; accordingly, it turns the risk into the opportunity.	The cost of management is very small compared to operational costs. (Less than 1%)
Lack of regulation	If any criteria for extension of loan sources, obtained from any international	Inability to do business	Up to 1 year	Direct	Likely	Medium	In case of any failure in extension of loans, then commitment fee	In order to manage the risk; Halkbank increases its Marketing	Approximately TRY 25,000.- has been expended with respect to such

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	financial institutions, are beyond the local regulations, then Banks have difficulties in extension of loans.						is paid to the concerned creditor on the basis of the amount of loan, which cannot be transferred to the balance sheet of the Bank. It has been estimated that the financial effect would be TRY 400,000.-.	activities, and collaborates with the local authorities and consulting companies for energy efficiency. Thus, it extends the occurrence of the risk, and decreases the risk possibility.	efforts.

#### CC5.1b

Please describe your inherent risks that are driven by changes in physical climate parameters

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Change in temperature extremes	With changes in temperature extremes the need for heating and cooling will be increase for the offices and	Increased operational cost	Up to 1 year	Direct	Very likely	Low-medium	This impact might increase the operational costs 750000 TL per annum.	To tackle the risk Halkbank is investing in energy efficiency projects for the current operations and defining minimum efficiency levels for	Approximately TRY 500,000.- has been planned to be spent for management system integration and monitoring system installation

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	branches.							purchasing. In addition, Halkbank is working on how to change the branches into green offices.	with respect to such risk in 2016.
Change in precipitation extremes and droughts	Change in precipitation extremes will lead to floods, which can affect mostly the branches	Increased operational cost	3 to 6 years	Direct	Likely	Low	Changes in precipitation extremes can damage mostly the branches around Turkey, which causes more maintenance because of the floods. However, no financial impact analysis has been carried out yet.	For new buildings no risk areas are chosen and for the existing buildings, risk reducing precautions are taken.	The total cost is estimated as 100000 TL for the entire buildings in Turkey.
Change in precipitation pattern	The changes in precipitation pattern can affect the clients mostly the farmers and hydro power plant owners	Other: Reduced income from return of loans	>6 years	Indirect (Client)	Likely	Medium	The share of loans provided to the farmers is less than 1% of Halkbank's loan portfolio.	Halkbank foresees this risk and revise its loan providing methods. Furthermore, there was not any loan allocated for hydropower plants in 2015.	The cost of management is negligible.

Please describe your inherent risks that are driven by changes in other climate-related developments

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Reputation	Ethical consumers are getting more curious about the environmental performance of the companies, whose goods/services they use. This is also a risk for the banks, who provides loans on dirty technologies or do not manage their environmental impact	Reduced demand for goods/services	3 to 6 years	Direct	More likely than not	Medium	The financial impact of the risk has not been calculated.	Halkbank is developing a sustainable management system plan to reduce its impact on climate change. The module, which is prepared in order to perform any scoring by taking into account the environmental effects of the investments with respect to evaluations carried out during the loan process, will be put into effect as of 2016.	The cost is estimated as 500000 TL.
Fluctuating socio-economic conditions	With the adverse effects of climate change the socio-economic conditions will fluctuate, which differs people's priorities and reduce the demand for banking services.	Reduced demand for goods/services	>6 years	Direct	About as likely as not	Medium-high	The financial impact of the risk has not been calculated.	As the impact of climate change increases, the socio-economic conditions will change. It is expected that the cost of living will increase. To manage the risk Halkbank is diversifying its services to maintain the income.	The financial impact of the risk has not been calculated yet.

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CC5.1d

Please explain why you do not consider your company to be exposed to inherent risks driven by changes in regulation that have the potential to generate a substantive change in your business operations, revenue or expenditure

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CC5.1e

Please explain why you do not consider your company to be exposed to inherent risks driven by physical climate parameters that have the potential to generate a substantive change in your business operations, revenue or expenditure

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CC5.1f

Please explain why you do not consider your company to be exposed to inherent risks driven by changes in other climate-related developments that have the potential to generate a substantive change in your business operations, revenue or expenditure

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**Further Information**

**Page: CC6. Climate Change Opportunities**

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CC6.1



**Have you identified any inherent climate change opportunities that have the potential to generate a substantive change in your business operations, revenue or expenditure? Tick all that apply**

- Opportunities driven by changes in regulation
- Opportunities driven by changes in physical climate parameters
- Opportunities driven by changes in other climate-related developments

CC6.1a

**Please describe your inherent opportunities that are driven by changes in regulation**

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Renewable energy regulation	If the targets of the government on renewable energy generation share in total are increased, more companies will need loans for new power plant investments.	Increased demand for existing products/services	3 to 6 years	Indirect (Client)	Likely	Medium	The financial impact of a new renewable energy regulation with ambitious targets can increase the income of Halkbank, by providing more loans. However, since there is not any indication of how much new energy plants from which technology is needed, it is not possible to estimate the additional	Halkbank will be in a position to respond to such loan request in due course since it introduces new products with respect to the renewable energy projects.	Management cost is negligible.

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
							financial support.		
Cap and trade schemes	If Turkey implements a domestic or international cap and trade system, the banking sector can provide brokerage services.	New products/business services	3 to 6 years	Direct	More likely than not	Medium	Without knowing the scale of the system, it is not possible to estimate the financial impact.	Halkbank will start to get ready by hiring qualified employees or training the existing ones in line with the legal requirements.	Since the structure of the system and legal acts are not clear now, it is not possible to estimate the management cost.

#### CC6.1b

Please describe the inherent opportunities that are driven by changes in physical climate parameters

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Change in temperature extremes	With the change in temperatures extremes, facilities will need better heating and cooling systems. Thus, they will need to invest in new	Increased demand for existing products/services	3 to 6 years	Indirect (Client)	Likely	Low-medium	The financial impact of this opportunity has not been evaluated yet.	To provide more loans for energy efficiency projects, Halkbank established an evaluation and implementation team, consist of 30 trained investigation engineers and 20 of	The cost associated with these actions is very low compared to the benefit received.

Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	technologies and additional fund.							them are energy manager. Moreover, employees at branches will be trained.	

CC6.1c

Please describe the inherent opportunities that are driven by changes in other climate-related developments

Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Changing consumer behaviour	Changing consumer behaviour will push companies to operate greener, which requires additional investment for retrofitting or new technologies.	Increased demand for existing products/services	>6 years	Indirect (Client)	More likely than not	Medium	As this opportunity is expected to happen in the medium term, it is not easy to foresee the financial impact.	Halkbank's existing management standards can easily adopt the required changes and speed up the integration.	Though, there will be no additional cost to benefit from this opportunity as the existing capacity will be enough to respond new loan requests.
Other drivers	In the event that Halkbank is a much more environmentalist company for the purpose of fighting with the climate	New products/business services	1 to 3 years	Direct	Likely	Medium	The financial impact of this opportunity has not been evaluated yet.	Halkbank reports any developments with respect to the sustainability efforts to the	Management cost is negligible.

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	change, then its reputation will increase at the international financial institutions and thereby it will have access to longer-term financing under appropriate conditions.							international financial institutions.	

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**CC6.1d**

Please explain why you do not consider your company to be exposed to inherent opportunities driven by changes in regulation that have the potential to generate a substantive change in your business operations, revenue or expenditure

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**CC6.1e**

Please explain why you do not consider your company to be exposed to inherent opportunities driven by physical climate parameters that have the potential to generate a substantive change in your business operations, revenue or expenditure

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**CC6.1f**

Please explain why you do not consider your company to be exposed to inherent opportunities driven by changes in other climate-related developments that have the potential to generate a substantive change in your business operations, revenue or expenditure

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**Further Information**

**Module: GHG Emissions Accounting, Energy and Fuel Use, and Trading**

**Page: CC7. Emissions Methodology**

---

**CC7.1**

**Please provide your base year and base year emissions (Scopes 1 and 2)**

<b>Scope</b>	<b>Base year</b>	<b>Base year emissions (metric tonnes CO2e)</b>
Scope 1	Wed 01 Jan 2014 - Wed 31 Dec 2014	15451.12
Scope 2 (location-based)	Wed 01 Jan 2014 - Wed 31 Dec 2014	29033.31
Scope 2 (market-based)		

---

**CC7.2**

**Please give the name of the standard, protocol or methodology you have used to collect activity data and calculate Scope 1 and Scope 2 emissions**

**Please select the published methodologies that you use**

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)  
ISO 14064-1

---

**CC7.2a**

**If you have selected "Other" in CC7.2 please provide details of the standard, protocol or methodology you have used to collect activity data and calculate Scope 1 and Scope 2 emissions**

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**CC7.3**

**Please give the source for the global warming potentials you have used**

<b>Gas</b>	<b>Reference</b>
CO2	IPCC Fourth Assessment Report (AR4 - 100 year)
CH4	IPCC Fourth Assessment Report (AR4 - 100 year)
N2O	IPCC Fourth Assessment Report (AR4 - 100 year)
Other: HCFC-22 ( R22)	IPCC Fourth Assessment Report (AR4 - 100 year)

---

**CC7.4**

Please give the emissions factors you have applied and their origin; alternatively, please attach an Excel spreadsheet with this data at the bottom of this page

Fuel/Material/Energy	Emission Factor	Unit	Reference
Bituminous coal	3065.265	Other: kg CO2e per metric tonne	Defra/DECC GHG Reporting Factors for 2015
Natural gas	2.0332	Other: kg CO2e per m3	Defra/DECC GHG Reporting Factors for 2015
Other: Burning Oil	3165.226	Other: kg CO2e per metric tonne	Defra/DECC GHG Reporting Factors for 2015
Other: Diesel (100%Mineral Diesel)	2.67614	kg CO2e per liter	Defra/DECC GHG Reporting Factors for 2015
Other: Diesel(Average Biofuel Blend)	2.5839	kg CO2e per liter	Defra/DECC GHG Reporting Factors for 2015
Other: Petrol (Average Biofuel Blend)	2.1944	kg CO2e per liter	Defra/DECC GHG Reporting Factors for 2015
Electricity	0.46443	Other: kg CO2e per kWh	Defra/DECC GHG Reporting Factors for 2015

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#### Further Information

**Page: CC8. Emissions Data - (1 Jan 2015 - 31 Dec 2015)**

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#### CC8.1

Please select the boundary you are using for your Scope 1 and 2 greenhouse gas inventory

Operational control

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#### CC8.2

Please provide your gross global Scope 1 emissions figures in metric tonnes CO2e

17247

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**CC8.3**

Does your company have any operations in markets providing product or supplier specific data in the form of contractual instruments?

No

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**CC8.3a**

Please provide your gross global Scope 2 emissions figures in metric tonnes CO2e

Scope 2, location-based	Scope 2, market-based (if applicable)	Comment
29812		

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**CC8.4**

Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?

No

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**CC8.4a**



Please provide details of the sources of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure

Source	Relevance of Scope 1 emissions from this source	Relevance of location-based Scope 2 emissions from this source	Relevance of market-based Scope 2 emissions from this source (if applicable)	Explain why the source is excluded

**CC8.5**

Please estimate the level of uncertainty of the total gross global Scope 1 and 2 emissions figures that you have supplied and specify the sources of uncertainty in your data gathering, handling and calculations

Scope	Uncertainty range	Main sources of uncertainty	Please expand on the uncertainty in your data
Scope 1	More than 2% but less than or equal to 5%	Data Gaps Assumptions	Most of the scope 1 emissions data is accurate since they are gathered from meterings or bills. However, the consumption figures are calculated from the annual expenses, which might not give the exact figure all the time.
Scope 2 (location-based)	Less than or equal to 2%	Data Gaps Metering/ Measurement Constraints	Some the ATM electricity consumption figures are estimated based on the similar ATM's, since there are not any metering.
Scope 2 (market-based)			

**CC8.6**

Please indicate the verification/assurance status that applies to your reported Scope 1 emissions

Third party verification or assurance process in place

---

**CC8.6a**

**Please provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements**

Verification or assurance cycle in place	Status in the current reporting year	Type of verification or assurance	Attach the statement	Page/section reference	Relevant standard	Proportion of reported Scope 1 emissions verified (%)
Annual process	Complete	Limited assurance			ISO14064-3	100

---

**CC8.6b**

**Please provide further details of the regulatory regime to which you are complying that specifies the use of Continuous Emissions Monitoring Systems (CEMS)**

Regulation	% of emissions covered by the system	Compliance period	Evidence of submission
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**CC8.7**

**Please indicate the verification/assurance status that applies to at least one of your reported Scope 2 emissions figures**

Third party verification or assurance process in place

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**CC8.7a**

Please provide further details of the verification/assurance undertaken for your location-based and/or market-based Scope 2 emissions, and attach the relevant statements

Location-based or market-based figure?	Verification or assurance cycle in place	Status in the current reporting year	Type of verification or assurance	Attach the statement	Page/Section reference	Relevant standard	Proportion of reported Scope 2 emissions verified (%)
Location-based	Annual process	Complete	Limited assurance			ISO14064-3	100

---

**CC8.8**

Please identify if any data points have been verified as part of the third party verification work undertaken, other than the verification of emissions figures reported in CC8.6, CC8.7 and CC14.2

Additional data points verified	Comment
No additional data verified	

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**CC8.9**

Are carbon dioxide emissions from biologically sequestered carbon relevant to your organization?

No

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**CC8.9a**

Please provide the emissions from biologically sequestered carbon relevant to your organization in metric tonnes CO2

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**Further Information**

**Page: CC9. Scope 1 Emissions Breakdown - (1 Jan 2015 - 31 Dec 2015)**

---

**CC9.1**

**Do you have Scope 1 emissions sources in more than one country?**

No

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**CC9.1a**

Please break down your total gross global Scope 1 emissions by country/region

Country/Region	Scope 1 metric tonnes CO2e

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**CC9.2**

**Please indicate which other Scope 1 emissions breakdowns you are able to provide (tick all that apply)**

By activity

---

**CC9.2a**

Please break down your total gross global Scope 1 emissions by business division

Business division	Scope 1 emissions (metric tonnes CO2e)
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**CC9.2b**

Please break down your total gross global Scope 1 emissions by facility

Facility	Scope 1 emissions (metric tonnes CO2e)	Latitude	Longitude
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**CC9.2c**

Please break down your total gross global Scope 1 emissions by GHG type

GHG type	Scope 1 emissions (metric tonnes CO2e)
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**CC9.2d**

Please break down your total gross global Scope 1 emissions by activity

Activity	Scope 1 emissions (metric tonnes CO2e)
Company Cars	7004.51
Heating Fuels	9418.85
Generators	335.86
Refrigerants	487.83

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**Further Information**

**Page: CC10. Scope 2 Emissions Breakdown - (1 Jan 2015 - 31 Dec 2015)**

---

**CC10.1**

**Do you have Scope 2 emissions sources in more than one country?**

No

---

**CC10.1a**

Please break down your total gross global Scope 2 emissions and energy consumption by country/region

Country/Region	Scope 2, location-based (metric tonnes CO2e)	Scope 2, market-based (metric tonnes CO2e)	Purchased and consumed electricity, heat, steam or cooling (MWh)	Purchased and consumed low carbon electricity, heat, steam or cooling accounted in market-based approach (MWh)
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**CC10.2**

**Please indicate which other Scope 2 emissions breakdowns you are able to provide (tick all that apply)**

By activity

**CC10.2a**

**Please break down your total gross global Scope 2 emissions by business division**

Business division	Scope 2 emissions, location based (metric tonnes CO2e)	Scope 2 emissions, market-based (metric tonnes CO2e)
-------------------	--	--

**CC10.2b**

**Please break down your total gross global Scope 2 emissions by facility**

Facility	Scope 2 emissions, location based (metric tonnes CO2e)	Scope 2 emissions, market-based (metric tonnes CO2e)
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**CC10.2c**

**Please break down your total gross global Scope 2 emissions by activity**

Activity	Scope 2 emissions, location based (metric tonnes CO2e)	Scope 2 emissions, market-based (metric tonnes CO2e)
Offices and Branches	27911.87	
Off-Site ATM's	1899.79	

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**Further Information**

**Page: CC11. Energy**

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**CC11.1**

**What percentage of your total operational spend in the reporting year was on energy?**

More than 0% but less than or equal to 5%

---

**CC11.2**

**Please state how much heat, steam, and cooling in MWh your organization has purchased and consumed during the reporting year**



Energy type	Energy purchased and consumed (MWh)
Heat	0
Steam	0
Cooling	0

---

**CC11.3**

Please state how much fuel in MWh your organization has consumed (for energy purposes) during the reporting year

71050.72

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**CC11.3a**

Please complete the table by breaking down the total "Fuel" figure entered above by fuel type

Fuels	MWh
Bituminous coal	1749.98
Diesel/Gas oil	31171.43
Other: Petrol	826.70
Other: Burning Oil	1378.07
Natural gas	35924.54

---

**CC11.4**

Please provide details of the electricity, heat, steam or cooling amounts that were accounted at a low carbon emission factor in the market-based Scope 2 figure reported in CC8.3a

Basis for applying a low carbon emission factor	MWh consumed associated with low carbon electricity, heat, steam or cooling	Comment
No purchases or generation of low carbon electricity, heat, steam or cooling accounted with a low carbon emissions factor		

**CC11.5**

Please report how much electricity you produce in MWh, and how much electricity you consume in MWh

Total electricity consumed (MWh)	Consumed electricity that is purchased (MWh)	Total electricity produced (MWh)	Total renewable electricity produced (MWh)	Consumed renewable electricity that is produced by company (MWh)	Comment
64189.78	64189.78	0	0	0	

**Further Information**

**Page: CC12. Emissions Performance**

**CC12.1**

How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to the previous year?

Increased

---

**CC12.1a**

Please identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined) and for each of them specify how your emissions compare to the previous year

Reason	Emissions value (percentage)	Direction of change	Please explain and include calculation
Emissions reduction activities	0.98	Decrease	By emission reduction activities explained in CC3.3b, 466.02 tonnes CO <sub>2</sub> e emission reduction has been achieved in scope 2 emissions.
Divestment			
Acquisitions			
Mergers			
Change in output	5.84	Increase	The increase is due to the 49 new branches opened in 2015.
Change in methodology			
Change in boundary	0.00	No change	
Change in physical operating conditions			
Unidentified			
Other			

---

**CC12.1b**

Is your emissions performance calculations in CC12.1 and CC12.1a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Location-based

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**CC12.2**

Please describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tonnes CO<sub>2</sub>e per unit currency total revenue

Intensity figure =	Metric numerator (Gross global combined Scope 1 and 2 emissions)	Metric denominator: Unit total revenue	Scope 2 figure used	% change from previous year	Direction of change from previous year	Reason for change
3.01	metric tonnes CO2e		Location-based	10.62	Decrease	Carbon emissions reduced whereas the total revenue has increased.

### CC12.3

Please provide any additional intensity (normalized) metrics that are appropriate to your business operations

Intensity figure =	Metric numerator (Gross global combined Scope 1 and 2 emissions)	Metric denominator	Metric denominator: Unit total	Scope 2 figure used	% change from previous year	Direction of change from previous year	Reason for change
0.25	metric tonnes CO2e	Other: total assets	1000000	Location-based	12.42	Decrease	

### Further Information

Page: **CC13. Emissions Trading**

### CC13.1

**Do you participate in any emissions trading schemes?**

No, and we do not currently anticipate doing so in the next 2 years

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**CC13.1a**

Please complete the following table for each of the emission trading schemes in which you participate

Scheme name	Period for which data is supplied	Allowances allocated	Allowances purchased	Verified emissions in metric tonnes CO2e	Details of ownership

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**CC13.1b**

What is your strategy for complying with the schemes in which you participate or anticipate participating?

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**CC13.2**

**Has your organization originated any project-based carbon credits or purchased any within the reporting period?**

Yes

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**CC13.2a**

Please provide details on the project-based carbon credits originated or purchased by your organization in the reporting period

Credit origination or credit purchase	Project type	Project identification	Verified to which standard	Number of credits (metric tonnes of CO2e)	Number of credits (metric tonnes CO2e): Risk adjusted volume	Credits cancelled	Purpose, e.g. compliance
Credit purchase	Wind	Dares Datca RES Wind Turbine project (29.6 MW)	Gold Standard	511	511	Yes	Voluntary Offsetting

#### Further Information

#### Attachments

[https://www.cdp.net/sites/2016/31/21131/Climate Change 2016/Shared Documents/Attachments/ClimateChange2016/CC13.EmissionsTrading/halkbank\\_pas2060\\_executive\\_summary\\_210915.pdf](https://www.cdp.net/sites/2016/31/21131/Climate%20Change%202016/Shared%20Documents/Attachments/ClimateChange2016/CC13.EmissionsTrading/halkbank_pas2060_executive_summary_210915.pdf)

#### Page: CC14. Scope 3 Emissions

#### CC14.1

Please account for your organization's Scope 3 emissions, disclosing and explaining any exclusions

Sources of Scope 3 emissions	Evaluation status	metric tonnes CO2e	Emissions calculation methodology	Percentage of emissions calculated using data obtained from suppliers or value chain partners	Explanation
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Sources of Scope 3 emissions	Evaluation status	metric tonnes CO2e	Emissions calculation methodology	Percentage of emissions calculated using data obtained from suppliers or value chain partners	Explanation
Purchased goods and services	Relevant, calculated	3809.92	The emissions arise from water supply and treatment, paper consumption, postage, cargo and hotel stays are evaluated under this section. The data is gathered from Halkbank's records. The emission factors for water consumption and paper are gathered from Defra/DECC GHG reporting factors for 2015. The average emission per delivery figure from The Facts of Our Value Chain report by European Mail Industry is used for cargo and postage activities. The emission factor for accommodation is gathered from the London 2010 Carbon Footprint Study.		
Capital goods	Not evaluated				
Fuel-and-energy-related activities (not included in Scope 1 or 2)	Relevant, calculated	14973.19	Within this context, the WTT emissions for electricity generation, transmission and distribution, transmission losses, fuel consumption, business travel and staff commuting are considered. WTT emission factor for each activity and fuel type is taken from Defra/DECC GHG reporting factors for 2015.		
Upstream transportation and distribution	Not evaluated				
Waste generated in operations	Relevant, calculated	212.59	Waste generated at head quarters and branches is evaluated according the disposal method, as landfill and recycling. Waste amounts are multiplied by relevant Defra/DECC GHG reporting factors for 2015.		
Business travel	Relevant, calculated	2517.09	In the scope of business travel, taxi, ship, train, personal car, flights and public transportation activities are evaluated. Since the details of public transportation activities are not available, all of the public transportation activities are considered as local bus. The emission factors appropriate for each travel type are taken from Defra/DECC GHG reporting factors for 2015		
Employee commuting	Relevant, calculated	3165.79	To estimate the emissions from staff commuting at the headquarters and the branches in Ankara and Istanbul, initially		

Sources of Scope 3 emissions	Evaluation status	metric tonnes CO2e	Emissions calculation methodology	Percentage of emissions calculated using data obtained from suppliers or value chain partners	Explanation
			the total distance of each route is calculated. Then, the total fuel consumption is calculated by using average fuel consumption figures of the vehicles. The emission factor for diesel is taken from Defra/DECC GHG reporting factors for 2015		
Upstream leased assets	Not evaluated				
Downstream transportation and distribution	Not evaluated				
Processing of sold products	Not relevant, explanation provided				Since Halkbank is a service provider, there are not any emissions occurring due to the processing of sold products.
Use of sold products	Not relevant, explanation provided				Since Halkbank is a service provider, there are not any emissions occurring due to the use of sold products or any other relevant activity.
End of life treatment of sold products	Not relevant, explanation provided				Since Halkbank is a service provider, there are not any emissions occurring due to the end of life treatment of sold products.
Downstream leased assets	Not relevant, explanation provided				The leasing activities of Halkbank are provided by another subsidy of Halkbank and the subsidies have not been evaluated in



Sources of Scope 3 emissions	Evaluation status	metric tonnes CO2e	Emissions calculation methodology	Percentage of emissions calculated using data obtained from suppliers or value chain partners	Explanation
					the scope of the footprint yet.
Franchises	Not relevant, explanation provided				Halkbank do not provide any franchising activities.
Investments	Not evaluated				
Other (upstream)	Not evaluated				
Other (downstream)	Not evaluated				

---

**CC14.2**

**Please indicate the verification/assurance status that applies to your reported Scope 3 emissions**

Third party verification or assurance process in place

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**CC14.2a**

**Please provide further details of the verification/assurance undertaken, and attach the relevant statements**

Verification or assurance cycle in place	Status in the current reporting year	Type of verification or assurance	Attach the statement	Page/Section reference	Relevant standard	Proportion of reported Scope 3 emissions verified (%)
Annual process	Complete	Limited assurance			ISO14064-3	100

**CC14.3**

**Are you able to compare your Scope 3 emissions for the reporting year with those for the previous year for any sources?**

Yes

**CC14.3a**

**Please identify the reasons for any change in your Scope 3 emissions and for each of them specify how your emissions compare to the previous year**

Sources of Scope 3 emissions	Reason for change	Emissions value (percentage)	Direction of change	Comment
Purchased goods & services	Emissions reduction activities	23.56	Increase	The increase in the accommodation activities is the biggest factor in emission increase. In 2015 new employees have been provided orientation trainings at the hotels.
Fuel- and energy-related activities (not included in Scopes 1 or 2)	Change in output	6.36	Increase	The reason for the emission rise up is the increased fossil fuel and electricity consumption due to the growing number of branches.

Sources of Scope 3 emissions	Reason for change	Emissions value (percentage)	Direction of change	Comment
Waste generated in operations	Emissions reduction activities	25.71	Decrease	
Business travel	Emissions reduction activities	16.86	Decrease	Emissions were reduced due to decrease in business trips between Istanbul and Ankara as the Headquarters in Ankara was relocated in Istanbul. In addition, the number of business trips further decreased since the meetings were held by means of video conference systems installed at regional offices.
Employee commuting	Change in physical operating conditions	18.11	Increase	Ankara Headquarters moved to Istanbul. Halkbank employees who used work at Ankara were relocated to 3 general management buildings in Istanbul. Istanbul's big metropolitan structure increased the distance travelled for employee commuting.

#### CC14.4

**Do you engage with any of the elements of your value chain on GHG emissions and climate change strategies? (Tick all that apply)**

Yes, other partners in the value chain

#### CC14.4a

**Please give details of methods of engagement, your strategy for prioritizing engagement and measures of success**

In 2015, Halkbank continued to provide trainings to its operation staff on energy efficiency and carbon management. In the context of these trainings, the tips which they can implement to reduce their emissions in their daily life activities are explained. It is expected to achieve an incalculable amount of emission reduction via these trainings.

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CC14.4b

To give a sense of scale of this engagement, please give the number of suppliers with whom you are engaging and the proportion of your total spend that they represent

Number of suppliers	% of total spend (direct and indirect)	Comment
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CC14.4c

If you have data on your suppliers' GHG emissions and climate change strategies, please explain how you make use of that data

How you make use of the data	Please give details
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CC14.4d

Please explain why you do not engage with any elements of your value chain on GHG emissions and climate change strategies, and any plans you have to develop an engagement strategy in the future

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**Further Information**

**Module: Sign Off**

**Page: CC15. Sign Off**

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CC15.1

Please provide the following information for the person that has signed off (approved) your CDP climate change response

Name	Job title	Corresponding job category
Yaşar BILGINTURAN	Director-Administrative Services Department - Halkbank Energy Manager	Energy manager

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**Further Information**

**CDP**