Climate Change 2015 Information Request
TÜRKİYE HALK BANKASI A.Ş.

Module: Introduction

Page: Introduction

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 77th anniversary of its establishment.

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
Wed 01 Jan 2014 - Wed 31 Dec 2014

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

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

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.
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.

Further Information

Module: Management

Page: CC1. Governance

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

CC1.1a
Please identify the position of the individual or name of the committee with this responsibility

The preparations for establishment of the sustainability committee have been completed and a resolution thereto has been adopted. The Sustainability Committee shall serve by reporting to the Board of Directors of the Bank for the purpose of coordinating the works of the Bank in respect of sustainability. It shall monitor and implement the "Sustainability Policy" determined by the Board of Directors. It shall consist of 1 Independent Member of the Board of Directors and 5 Deputy General Managers, including "Loan Policies and Risk Monitoring", "International Banking" "Human Resources – Organization", "Banking Operations" and "Support Management", and Heads of 6 Departments, including "Loan Policies and Practices", "Financial Institutions and Investor Relations", "International Banking and Structured Finance", "Branch Operations", "Advertising and Public Relations" and "Support Management". Independent Member of the Board of Directors shall serve as the Chairman of the Committee, and Deputy General Manager, Support Management shall serve as the deputy Chairman of the Committee.

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 Data	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.

Further Information

Page: CC2. Strategy

CC2.1

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

There are no documented processes for assessing and managing risks and opportunities from climate change

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
Other: Lack of sustainable management system	Yes	It will be assessed under the scope of business plans of the Sustainability Committee, the establishment preparations of which have been completed.

CC2.2

Is climate change integrated into your business strategy?

Yes

CC2.2a

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

Yes, the resolution for establishment of the Sustainability Committee was adopted and the preparations were carried out at the end of 2014. The works for drawing up the environmental policy and sustainability policy were carried out. Such works are currently ongoing in order to integrate the same into the work flow

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

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)

Other

CC2.3g

Please provide details of the other engagement activities that you undertake

Halkbank is now at the start-up phase of internalization of climate change and takes new steps in relation thereto. Even if Halkbank does not enter into any direct interaction with the policy makers, it attends the workshops, carried out accordingly, together with the institutions such as The Banks Association of Turkey, BIST, Global Compact – Turkey, and provides support for the efforts made to draw up a Policy, on voluntary basis.

CC2.3h

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?

Activities for collecting data on carbon emissions and taking actions on efficiency accordingly, as well as activities for raising awareness and providing trainings.

CC2.4

Would your organization's board of directors support an international agreement between governments on climate change, which seeks to limit global temperature rise to under two degree Celsius from pre-industrial levels in line with IPCC scenarios such as RCP2.6?

No opinion

CC2.4a

Please describe your board's position on what an effective agreement would mean for your organization and activities that you are undertaking to help deliver this agreement at the 2015 United Nations Climate Change Conference in Paris (COP 21)

Halkbank, will comply with the climate change mitigation commitments and national regulations of Turkey as a country.

Further Information

Page: CC3. Targets and Initiatives

CC3.1

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

No

CC3.1e

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

(i)There are not any reduction targets since Halkbank is at the integration stage of a carbon management programme. (ii)Our total absolute emissions are expected to increase within the next five years due to rapid growth of Halkbank and opening of several new branches every year. Therefore we have not set a target for absolute emission value however our efforts on the issue are sustained. In addition to this, thanks to our efficiency studies, our emission intensity trend tends to decrease. Although new branches were opened and the number of our staff members increased in 2014, our emission intensity rate decreased by 2% compared to 2013 and it has only increased by 2% since 2012. Upon putting into operation of the energy monitoring systems along with the energy management system and accordingly enforcement and implementation of energy reduction policies, around 15% decrease is expected in emission rate by intensity by the end of 5 years.

CC3.2

Does the use of your goods and/or services directly enable GHG emissions to be avoided by a third party?

Yes

CC3.2a

Please provide details of how the use of your goods and/or services directly enable GHG emissions to be avoided by a third party

(i)Halkbank provides loans for renewable energy and energy efficiency projects, which help the clients to reduce their scope 1 and scope 2 emissions.

(ii) The emission reductions are achieved by reducing the fossil fuel consumption for electricity generation with renewable energy or reducing the electricity or fossil fuel consumption for process.

(iii)Until now 10 hydro electric power plants has been funded with a total installed capacity of 82.4 MW and $178.9 million, 8 solar power plants has been funded with a total installed capacity of 7.9 MW and $9.2 million. These projects will reduce around 160.000 tonnes of CO2e annually between 2010 and 2040. In addition to renewable energy projects, Halkbank also delivers the fund of Agence Française de Developpement (AFD) to its client for low carbon projects. In the context of this fund, 95 renewable energy project (small hydro and solar) and energy efficiency project has been funded. It is expected to achieve approximately 150.000 tonnes of CO2e annually between 2012 and 2022.

(iv) The emission reductions of small scale renewable and energy efficiency projects are calculated via the tool provided by AFD.

(v) Halkbank does not have the rights to create emission reduction credits from these projects. However, the client can get these project certified under voluntary carbon standards.

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*	3	90
Implementation commenced*	2	60
Implemented*		
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 services	Fluorescent lamps were replaced with LED lamps for saving electricity	278.46	Scope 2	Voluntary	182887	405185	1-3 years	6-10 years	
Transportation: fleet	The scope of allocation authorizations granted to the branches were extended in loan assessment and allocation processes so that the number of field visits by the Headquarters personnel decreased, reducing the use of vehicles for transportation from the Headquarters	48.21	Scope 2 Scope 3	Voluntary	80008		<1 year	Ongoing	
Transportation: use	Loan application documents are now entered into system by scanning, which eliminated the need for delivery of such documents via cargo	0.67	Scope 3	Voluntary	221830		<1 year	Ongoing	
Other	Loan application documents are now entered into system by scanning, which resulted in paper saving.	121.88	Scope 3	Voluntary	306444		<1 year	Ongoing	
Other		3.4		Mandatory	713380		<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
	Use of e-invoice application reduced use of copy paper		Scope 3						
Other	Some documents created due to customer transactions in taxation processes are not submitted to the relevant authority through the system, which resulted in paper saving.	0.83	Scope 3	Voluntary	15116		<1 year	Ongoing	
Other	The legal papers used for registration of commercial activities of the bank are now tracked through electronic system, which resulted in paper saving.	18.45	Scope 3	Mandatory	337350		<1 year	Ongoing	
Other	Customers' loan application papers, the respective process for which has been initiated at Branches, are now sent to the Headquarters through electronic system, which resulted in paper saving.	19.3	Scope 3	Voluntary	47837		<1 year	Ongoing	
Other	Loan application documents are now entered into system by scanning, which	72.24	Scope 3	Voluntary	181629		<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
	resulted in paper saving.								
Other	The ATM transactions are recorded electronically, which reduced use of paper rolls.	19.53	Scope 3	Voluntary	10690		<1 year	Ongoing	
Other	Some forms used in banking transactions at branches are received through electronic system rather than in printed form, which resulted in a reduction in paper consumption	0.89	Scope 3	Voluntary	10946		<1 year	Ongoing	

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.

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
No			

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	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	The cost of management is very small compared to operational costs. (Less than 1%)

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	energy intensive sectors as well.							employees are going to be trained to increase the internal capacity.	
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 current fuel/energy costs the financial impact of a possible tax will be around 500000 TL.	To tackle the risk Halkbank is investing in energy efficiency projects for the current operations and defining minimum efficiency levels for purchasing.	The cost of management could not be calculated completely, since some of the projects are at the planning stage.

CC5.1b

Please describe your inherent risks that are driven by change 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 the changes in temperature extremes the need for heating and cooling will be increase for the offices and branches.	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 purchasing. In addition, Halkbank is working on how to turn the branches into green offices.	There is not additional risk management cost, since it is supported by the investments for emission reduction activities.
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	For new buildings no-risk areas are chosen and for the existing buildings, risk reducing precautions are taken.	Total cost is estimated as 100000 TL for the entire buildings in Turkey.

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
							more maintenance because of the floods. However, no financial impact analysis has been carried out yet.		
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. However, the cost of risk arising from hydro power plant projects is around 235000000 TL.	Halkbank foresees this risk and revise its loan providing methods.	The cost of management is negligible.

CC5.1c

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	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 cost is estimated as 500000 TL.

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	on dirty technologies or do not manage their environmental impact.								
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.

Further Information

Page: CC6. Climate Change Opportunities

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 financial support.	When the requests come, Halkbank will be ready to respond these loan requests because Halkbank is acquiring more international funds for renewable energy projects, such as, from AFD and World Bank.	Management cost is negligible.
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 technologies and additional fund.	Increased demand for existing products/services	Up to 1 year	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 them are energy manager. Moreover, employees at branches will be trained.	The cost associated with these actions is very low compared to the benefit received.

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.

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)

Scope	Base year	Base year emissions (metric tonnes CO2e)
Scope 1	Tue 01 Jan 2013 - Tue 31 Dec 2013	14663.77
Scope 2	Tue 01 Jan 2013 - Tue 31 Dec 2013	29188.84

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

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

CC7.3

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

Gas	Reference
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)
Other: R401A	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	2846.75	Other: kg CO2e per metric tonne	Defra/DECC GHG Reporting Factors for 2014
Natural gas	2.0346	Other: kg CO2e per m3	Defra/DECC GHG Reporting Factors for 2014
Other: Burning Oil	3164.85	Other: kg CO2e per metric tonne	Defra/DECC GHG Reporting Factors for 2014
Other: Diesel (100%Mineral Diesel)	2.6691	kg CO2e per liter	Defra/DECC GHG Reporting Factors for 2014
Other: Diesel(Average Biofuel Blend)	2.6024	kg CO2e per liter	Defra/DECC GHG Reporting Factors for 2014
Other: Petrol (Average Biofuel Blend)	2.1914	kg CO2e per liter	Defra/DECC GHG Reporting Factors for 2014
Electricity	0.472	Other: kg CO2e per kWh	Defra/DECC GHG Reporting Factors for 2014

Further Information

Page: CC8. Emissions Data - (1 Jan 2014 - 31 Dec 2014)

CC8.1

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

Operational control

CC8.2

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

15451.12

CC8.3

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

29033.31

CC8.4

Are there are 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?

Yes

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 Scope 2 emissions excluded from this source	Explain why the source is excluded
Activities carried out in the offices located out of Turkey	Emissions are relevant but not yet calculated	Emissions are relevant but not yet calculated	Due to lack of robust data on cooperate activities out off Turkey, these offices are not included in the scope of emission calculations. There are five branches and one representation office out of Turkey. The emissions arising from abroad activities compared to the domestic activities are less than 1% of the total carbon footprint.

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	Less than or equal to 2%	Assumptions Metering/ Measurement Constraints	Some the ATM electricity consumption figures are estimated based on the similar ATM's, since there are not any metering.

CC8.6

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

No third party verification or assurance

CC8.7

Please indicate the verification/assurance status that applies to your reported Scope 2 emissions

No third party verification or assurance

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	

CC8.9

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

No

Further Information

Page: CC9. Scope 1 Emissions Breakdown - (1 Jan 2014 - 31 Dec 2014)

CC9.1

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

No

CC9.2

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

By activity

CC9.2d

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

Activity	Scope 1 emissions (metric tonnes CO2e)
Company Cars	6959.67
Heating&Hot water	784.37
Generators	251.67
Refrigerants	391.40

Further Information

Page: CC10. Scope 2 Emissions Breakdown - (1 Jan 2014 - 31 Dec 2014)

CC10.1
Do you have Scope 2 emissions sources in more than one country?

No

CC10.2
Please indicate which other Scope 2 emissions breakdowns you are able to provide (tick all that apply)

By activity

CC10.2c
Please break down your total gross global Scope 2 emissions by activity

Activity	Scope 2 emissions (metric tonnes CO2e)
Offices and Branches	26136.83
ATM's	2896.48

Further Information

Page: CC11. Energy

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 fuel, electricity, heat, steam, and cooling in MWh your organization has purchased and consumed during the reporting year

Energy type	MWh
Fuel	61104.82
Electricity	61511.24
Heat	
Steam	

Energy type	MWh
Cooling	

CC11.3

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

Fuels	MWh
Bituminous coal	3615.40
Diesel/Gas oil	29044.91
Other: Petrol	1498.23
Other: Burning Oil	1699.93
Natural gas	25246.35

CC11.4

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

Basis for applying a low carbon emission factor	MWh 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		

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	Comment

Reason	Emissions value (percentage)	Direction of change	Comment
Emissions reduction activities	0.74	Decrease	By emission reduction activities explained in CC3.3b, 326.67 tonnes CO2e emission reduction has been achieved in scope 1 and scope 2 emissions.
Divestment			
Acquisitions			
Mergers			
Change in output	2.65	Decrease	
Change in methodology			
Change in boundary	3.35	Increase	electricity consumptions of the off-side ATMs run by the Branches were not included in last year's figures.
Change in physical operating conditions			
Unidentified			
Other			

CC12.2

Please describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tonnes CO2e per unit currency total revenue

Intensity figure	Metric numerator	Metric denominator	% change from previous year	Direction of change from previous year	Reason for change
3.37	metric tonnes CO2e	unit total revenue	13.69	Decrease	Carbon emissions reduced whereas the total revenue has increased.

CC12.3

Please describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tonnes CO2e per full time equivalent (FTE) employee

Intensity figure	Metric numerator	Metric denominator	% change from previous year	Direction of change from previous year	Reason for change
2.37	metric tonnes CO2e	FTE employee	9.91	Decrease	Carbon emissions reduced whereas the FTE employee has increased

CC12.4

Please provide an additional intensity (normalized) metric that is appropriate to your business operations

Intensity figure	Metric numerator	Metric denominator	% change from previous year	Direction of change from previous year	Reason for change
0.29			8.66	Decrease	

Intensity figure	Metric numerator	Metric denominator	% change from previous year	Direction of change from previous year	Reason for change
	metric tonnes CO2e	Other: Total Assets (Million TL)			Carbon emissions reduced whereas the total assets have increased

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

CC13.2

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

Yes

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	539	539	Yes	Voluntary Offsetting

Further Information

Attachments

https://www.cdp.net/sites/2015/31/21131/Climate Change 2015/Shared Documents/Attachments/ClimateChange2015/CC13.EmissionsTrading/Halk Bankası Tetkik Raporu.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
Purchased goods and services	Relevant, calculated	3083.54	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 2014. 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	14077.67	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 2014.		
Upstream transportation and distribution	Not evaluated				
Waste generated in operations	Relevant, calculated	286.17	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 2014.		
Business travel	Relevant, calculated	3027.39	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 2014		
		2680.32			

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
Employee commuting	Relevant, calculated		To estimate the emissions from staff commuting at the headquarters and the branches in Ankara and Istanbul, initially 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 2014.		
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 the scope of the footprint yet.

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
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

No third party verification or assurance

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	30.02	Decrease	Emissions arising due to paper consumption, accommodation, mailing have been reduced. The decrease in accommodation activities has been the biggest factor in emission reduction.
Fuel- and energy-related activities (not included in Scopes 1 or 2)	Change in output	0.32	Increase	The reason for the emission rise up is the increased fossil fuel and electricity consumption due to the growing number of branches.
Waste generated in operations		6.48	Decrease	

Sources of Scope 3 emissions	Reason for change	Emissions value (percentage)	Direction of change	Comment
	Emissions reduction activities			
Business travel	Emissions reduction activities	14.73	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	Emissions reduction activities	10.38	Decrease	Emissions arising due to transport to/from workplace also decreased as a result of the optimization of our personnel shuttle services.

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 engagements and measures of success

In 2014, 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.

Further Information

Module: Sign Off

Page: CC15. Sign Off

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
Yasar BILGINTURAN	Director-Administrative Services Department & Halkbank Energy Manager	Energy manager

Further Information

CDP: [D][-,-]