

C0. Introduction

C0.1

(C0.1) Give a general description and introduction to your organization.

Akbank was founded as a privately-owned commercial bank in Adana on January 30, 1948. Established originally with the core objective of providing funding to local cotton growers, the bank opened its first branch in the Sirkeci district of Istanbul on July 14, 1950. In 1954, after relocating its Head Office to Istanbul, the Bank rapidly expanded its branch network and had automated all banking operations by 1963.

Offered to the public in 1990, Akbank shares began trading in international markets and as an American Depository Receipt (ADR) after its second public offering in 1998.

Akbank's core business is banking activities, consisting of corporate and investment banking, commercial banking, SME banking, consumer banking, payment systems, treasury transactions and private banking, and international banking services. In addition to traditional banking activities, the bank also carries out insurance agency operations through its branches on behalf of Ak Insurance and AvivaSA Pensions and Life Insurance.

With a strong and extensive domestic distribution network of 800 branches and more than 14 thousand employees, Akbank operates from its Head Office in Istanbul and 22 regional directorates across Turkey. In addition to providing services through branches, the Bank's traditional delivery channel, Akbank also serves more than 16.5 million customers through the Akbank Direkt Internet Branches, Akbank Direkt Mobile, the Call Center, 4,400 ATMs and more than 510 thousand POS terminals as well as other hightech channels.

A digital banking pioneer in Turkey, Akbank gathered all its efforts in this flourishing area under the roof of Akbank Direkt. This will allow the bank to meet the needs of its customers, provide services in the most convenient manner possible and deliver an excellent client experience. In a world with fast advances in technology and increasingly demanding customers, Akbank Direkt strives to satisfy client needs without time or physical location limitations while pioneering technological innovations in both the sector and in Turkey.

Akbank conducts overseas operations through its subsidiary in Germany (Akbank AG) and a branch in Malta. The Bank's other subsidiaries, Ak Investment, Ak Asset Management and Aklease, provide non-banking financial services alongside capital markets and investment services.

The first Turkish bank to be a signatory to the United Nations Global Compact in 2007, Akbank shares its sustainability performance with its stakeholders via the Akbank Sustainability Report. The Bank has published this report in accordance with Global Reporting Initiative (GRI) standards every year since 2009.

With a robust capital base, consistent deposit structure, ability to raise foreign financing on favorable terms and solid asset quality, Akbank maintains its leading position in the Turkish banking sector. As of end-2017, the bank reported a net profit of TL 6 billion (about USD 1.6 billion), and total consolidated assets of TL 342 billion (about USD 91.3 billion). The bank's capital adequacy ratio according to Basel III standards is one of the highest in the sector at 15.8%. Committed to creating sustainable value for Turkey's economy, Akbank expanded its total loan portfolio to TL 209 billion, up 17.1%. Thanks to its effective risk management policies, Akbank's NPL ratio stood at 2.1%, well below the sector average of 3.0%.

51.1% of Akbank's shares are listed on the Borsa Istanbul. The Bank's Level 1 ADRs are traded on the OTCQX in the United States. Akbank's market capitalization stood at USD 10.4 billion as of December 31, 2017.

C0.2

(C0.2) State the start and end date of the year for which you are reporting data.

	Start date	End date	Indicate if you are providing emissions data for past reporting years	Select the number of past reporting years you will be providing emissions data for
Row 1	January 1 2017	December 31 2017	No	<Not Applicable>
Row 2	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Row 3	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Row 4	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>

C0.3

(C0.3) Select the countries/regions for which you will be supplying data.

Turkey

C0.4

(C0.4) Select the currency used for all financial information disclosed throughout your response.

TRY

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your consolidation approach to your Scope 1 and Scope 2 greenhouse gas inventory.

Operational control

C1. Governance

C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization?

Yes

C1.1a

(C1.1a) Identify the position(s) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual(s)	Please explain
Board Chair	Corporate Governance Committee (CGC) is responsible for ensuring compliance with Akbank's Corporate Management Principles; monitoring the operations of the Investor Relations and Sustainability Department; determination, conformation of accordance and evaluation of ethical values; creating a transparent system to identify, evaluate and train suitable candidates for the Board of Directors; and working on related policies and strategies. The Chairman and majority of the members of the Committee are independent Board Members. The Committee was established in 2009 with the name of "Corporate Governance and Social Responsibility Committee" (CGSRC). In early 2012, "remuneration" task was also given to the Committee and thus its name was changed to "Corporate Governance, Remuneration and Social Responsibility Committee" (CGRSRC). In early 2013 "nomination of candidates" was included in the Committee's tasks and thus the name was updated to "Corporate Governance Committee" (CGC).
Board/Executive board	Corporate Governance Committee (CGC) is responsible for ensuring compliance with Akbank's Corporate Management Principles; monitoring the operations of the Investor Relations and Sustainability Department; determination, conformation of accordance and evaluation of ethical values; creating a transparent system to identify, evaluate and train suitable candidates for the Board of Directors; and working on related policies and strategies. The Chairman and majority of the members of the Committee are independent Board Members. The Committee was established in 2009 with the name of "Corporate Governance and Social Responsibility Committee" (CGSRC). In early 2012, "remuneration" task was also given to the Committee and thus its name was changed to "Corporate Governance, Remuneration and Social Responsibility Committee" (CGRSRC). In early 2013 "nomination of candidates" was included in the Committee's tasks and thus the name was updated to "Corporate Governance Committee" (CGC).

C1.1b

(C1.1b) Provide further details on the board's oversight of climate-related issues.

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Please explain
Sporadic - as important matters arise	Reviewing and guiding strategy	

C1.2

(C1.2) Below board-level, provide the highest-level management position(s) or committee(s) with responsibility for climate-related issues.

Name of the position(s) and/or committee(s)	Responsibility	Frequency of reporting to the board on climate-related issues
Other, please specify (Corporate Governance Committee)	Other, please specify (Organizing overseeing sustainability) <i>The Corporate Governance Committee (CGC), which reports to the Board of Directors, is the highest executive body for sustainability activities.</i>	Half-yearly

C1.2a

(C1.2a) Describe where in the organizational structure this/these position(s) and/or committees lie, what their associated responsibilities are, and how climate-related issues are monitored.

The Corporate Governance Committee, which plays a key role in Akbank operations, is responsible for ensuring compliance with Akbank's Corporate Management Principles; monitoring the operations of the Investor Relations and Sustainability Department; determining, conforming accordance of and evaluating ethical values; creating a transparent system to identify, evaluate and train suitable candidates for the Board of Directors; and working on related policies and strategies.

The Committee was established in 2009 with the name "Corporate Governance and Social Responsibility Committee" (CGSRC). In early 2012, the "remuneration" task was also given to the Committee and thus its name was changed to "Corporate Governance, Remuneration and Social Responsibility Committee" (CGRSRC). In early 2013, "nominating candidates" was included in the Committee's tasks and thus the name was updated as "Corporate Governance Committee" (CGC). The Committee meets at least twice a year. Among the items in the 2017 agenda was the analysis of the Bank's current position in terms of sustainability, assessment of future steps, climate change strategies and action plan, entrepreneurship, training and social responsibility projects as community investments.

C1.3

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

Yes

C1.3a

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues.

Who is entitled to benefit from these incentives?

Chief Financial Officer (CFO)

Types of incentives

Recognition (non-monetary)

Activity incentivized

Emissions reduction project

Comment

There are several KPI's listed to minimize Akbank's carbon footprint. Akbank closely monitors the latest advances in technology and international initiatives in order to minimize greenhouse gas emissions through energy reduction activities. So Akbank aims to use energy more economically and to make practices that enable energy efficiency in line with the target of reducing the amount of energy required in its operations. For raising awareness among its personnel, Akbank designs its sustainability training package and expands awareness from employees to customers.

Who is entitled to benefit from these incentives?

Other, please specify (Sustainability Senior Vice President)

Types of incentives

Recognition (non-monetary)

Activity incentivized

Emissions reduction project

Comment

There are several KPI's listed to minimize carbon footprint. Akbank closely monitors the latest advances in technology and international initiatives in order to minimize greenhouse gas emissions through energy reduction activities. So Akbank aims to use energy more economically and to make practices that enable energy efficiency in line with the target of reducing the amount of energy required in its operations. For raising awareness among its personnel, Akbank designs its sustainability training package.

Who is entitled to benefit from these incentives?

Environment/Sustainability manager

Types of incentives

Recognition (non-monetary)

Activity incentivized

Energy reduction project

Comment

There are several KPI's listed to minimize Akbank's carbon footprint. Akbank closely monitors the latest advances in technology and international initiatives in order to minimize greenhouse gas emissions through energy reduction activities. So Akbank aims to use energy more economically and to make practices that enable energy efficiency in line with the target of reducing the amount of energy required in its operations. For raising awareness among its personnel, Akbank designs its sustainability training package.

C2. Risks and opportunities

C2.1

(C2.1) Describe what your organization considers to be short-, medium- and long-term horizons.

	From (years)	To (years)	Comment
Short-term	0	3	
Medium-term	3	6	
Long-term	6	10	

C2.2

(C2.2) Select the option that best describes how your organization's processes for identifying, assessing, and managing climate-related issues are integrated into your overall risk management.

Integrated into multi-disciplinary company-wide risk identification, assessment, and management processes

C2.2a

(C2.2a) Select the options that best describe your organization's frequency and time horizon for identifying and assessing climate-related risks.

	Frequency of monitoring	How far into the future are risks considered?	Comment
Row 1	Six-monthly or more frequently	>6 years	Board or individual/sub-set of the Board or committee appointed by the Board Turkey. Akbank's solution strategies for global climate change are shaped by the Corporate Governance Committee that directly reports to our Board of Directors.

C2.2b

(C2.2b) Provide further details on your organization's process(es) for identifying and assessing climate-related risks.

Akbank's solution strategies for global climate change are shaped by the Corporate Governance Committee that directly reports to our Board of Directors. Investor Relations and Sustainability Department ensures coordination and management of the issue within our Bank. Other departments such as Branch Operations, Architectural Works, and Human Resources are responsible for collecting data, including energy consumption and implementation of energy saving practices.

In 2017 Akbank embedded new environmental risk assessment model to its lending risk assessment system announced it publicly.

The assessment process has been developed with general and industry-focused questions and assessment matrices to identify environmental and social risks. Based on customer answers to questions, new project loans or other loan requests shall be classified as low, medium- or high-risk.

C2.2c

(C2.2c) Which of the following risk types are considered in your organization's climate-related risk assessments?

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	Akbank has been in touch with public authorities, private sector and NGOs related to sustainability initiatives as part of its strategy, as mentioned above (C2.2b) Akbank's process for identifying and assessing climate-related risks.
Emerging regulation	Not evaluated	
Technology	Relevant, not included	
Legal	Relevant, not included	
Market	Relevant, sometimes included	
Reputation	Relevant, always included	
Acute physical	Not relevant, explanation provided	The bank has grouped this risk under operational risk category and taken necessary precautions .
Chronic physical	Not evaluated	
Upstream	Not evaluated	
Downstream	Not evaluated	

C2.2d

(C2.2d) Describe your process(es) for managing climate-related risks and opportunities.

Akbank's solution strategies for global climate change are shaped by the Corporate Governance Committee that directly reports to our Board of Directors. Investor Relations and Sustainability Department ensures coordination and management of the issue within our Bank. Other departments such as Branch Operations, Architectural Works, and Personnel Management are responsible for collecting data, including energy consumption and implementation of energy saving practices.

- In 2011 Akbank improved the processes in loan applications that require approval of the Credit Committee and the Board of Directors. Akbank began to employ Loan Analysis Managers and the number of these managers was increased in 2012.

In addition, their area of responsibility was enlarged to cover not only the loans that require senior level approval, but also all loan applications received by the corporate and commercial branches. These Loan Analysis Managers are responsible for investigating all risks to be evaluated at the loan application phase and for recording the results of the analyses in the application file. The committee targeted to make sure that the team is better equipped in terms of environmental and social risks evaluation methodology in 2016. Climate change, which is believed to be caused by human-induced greenhouse gas emissions, brings a number of risks with it. These risks are significant enough to endanger the entire social structure, which the Bank is a part of. For instance, heat waves of increasing frequency and intensity, floods, droughts, and extreme weather conditions are among the physical risks. This impact on the physical environment potentially has negative impacts on industries such as forestry, fishery, agriculture, health, tourism, and construction. Climate change laws, rules and regulations that have been enacted or are likely to be put into effect in Turkey and its trading partners pose the risk of legal non-compliance and extra investment costs to fight climate change. It is anticipated that companies with large amounts of greenhouse gas emissions such as the ones in transportation and aviation industries are impacted by the aforementioned laws and regulations. Akbank has created various internal platforms to manage climate change-related risks. The Bank is leveraging these platforms to carry out necessary initiatives in terms of managing the anticipated risks in the best possible way and turning threats into opportunities. In this regard, the Bank is undertaking conscientious efforts particularly in following the new laws and regulations in energy efficiency and renewable energy that became effective in 2010 as well as complying with this new legal framework. In addition, Akbank continues to offer products and services in energy efficiency and renewable energy to corporate clients on relatively favorable terms. Further, the Bank measures its carbon emissions resulting from its operations and business travel and implements various measures to reduce these emissions. Next year, Akbank would report partially its indirect emission impact through its financial operations as an outcome of its updated loan assessment model.

C2.3

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.3a

(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Risk 1

Where in the value chain does the risk driver occur?

Customer

Risk type

Transition risk

Primary climate-related risk driver

Policy and legal: Other

Type of financial impact driver

Policy and legal: Increased operating costs (e.g., higher compliance costs, increased insurance premiums)

Company- specific description

National regulation which was published by the Ministry of Environment and Urbanization in the official gazette on 17 May 2014 encompassed energy-intensive industries (such as electricity production companies and petrochemicals) to monitor and report their Greenhouse gas emissions on a yearly-basis. The aim of this regulation is to prepare the related sector for international standards. Currently, this does not pose a direct risk for Akbank in the short term but in the long term if the scope of regulation is expanded, Akbank will be affected directly in terms of operations. In the short run Akbank may be indirectly affected as its customers (some in energy-intensive industries) may have higher operational costs as a result of shifting production processes or updating technologies to support lower levels of GHG emissions resulting in a possible loss of business for Akbank. Another example as an indirect adverse effect on Akbank can be risk of late paybacks or payback risks for the creditors due to the new regulations. Additionally, increasing demand for environmental and social financing may result in higher financing need for Akbank as well and in the case of not being fully compliant with the new regulations may result in lower roll-over ratios for the bank.

Time horizon

Medium-term

Likelihood

About as likely as not

Magnitude of impact

Medium

Potential financial impact

4100000

Explanation of financial impact

Akbank could only calculate direct effect of emission reduction activities. In this case Akbank's direct operational cost arises from emission reduction would be roughly TRY 4.1 million.

Management method

There is necessity for some clarity in the implementation of these targets but Akbank continues to reduce its energy consumption voluntarily. The overhaul of the mechanical automation of the eating/ventilating/airconditioning (HVAC) system in the branches to ensure that the system runs with appropriate configuration according to indoor air quality, which launched in 2010, continued in 2017. This system was directly deployed in the new branches. In addition to the aforementioned energy projects, the Bank activated an infrastructure in all branch computers that rationalizes energy consumption of idle computers under the GreenIT program in 2016. Aiming to keep the energy consumption increase below the growth rate of device needs in the Bank's data centers, Akbank opts for lower energy-consuming products in all newsystem purchases. To this end, the Bank began to decommission systems more than five years old and replace them with more energy efficient devices. Akbank initiated a new data center project in 2015 and completed the design work in 2016. The design entails the use of "free cooling" technology to ensure a more energy efficient new data center. The new data center was also designed to comply with LEED (Leadership in Energy and Environmental Design) certification.

Cost of management

Comment

Identifier

Risk 2

Where in the value chain does the risk driver occur?

Direct operations

Risk type

Transition risk

Primary climate-related risk driver

Market: Other

Type of financial impact driver

Policy and legal: Increased costs and/or reduced demand for products and services resulting from fines and judgments

Company- specific description

If Turkey's accession process into the European Union continues, the EU may impose national regulations regarding GHG emission reduction targets for Turkey. Adaptation to EU legislation will have an important impact on regulations and business processes as achieving targets (such as lowering carbon emission rates etc.) in a short time-frame may cause businesses to shift or utilize expensive processes to reach targets. Inability of attaining targets may lead to penal fees, costly carbon taxes and companies within energy-intensive sectors may have higher operational costs as a result. Companies that are in the services sector like Akbank may also be required to pledge to take actions to mitigate their effects of GHG emissions etc. Cap and trade schemes that focus on energy-intensive sectors as a first step will likely be implemented to act as support for Turkey to fulfill its pledges to meet international emissions reduction targets which are expected to be passed in the near future (2-5 years). As a Bank, we will experience an indirect effect if our clients become adversely affected from a financial position due to these cap and schemes.

Time horizon

Medium-term

Likelihood

About as likely as not

Magnitude of impact

Unknown

Potential financial impact

Explanation of financial impact

Management method

Loans that Akbank secures from international financial institutions such as IFC, EBRD, and EIB to be lent out to customers mostly carry the conditions of being environment friendly and supporting development. Akbank establishes dialogues with these institutions with the aim of building management systems to monitor environmental and social performances of its customers pursuant to the conditions attached to these loans. With the business partnerships that we establish with international financial institutions, we aim to continuously offer new loan opportunities to our customers and contribute to economic growth in Turkey. Loans obtained from international financial institutions such as IFC, EBRD, EIB and OPIC are of environmentfriendly nature and generally support sustainable development.

Cost of management

Comment

In October 2015 and June 2016, Akbank signed agreements with the EBRD for two loans totaling USD 220 million with a maturity of 12 years, in order to continue its support for renewable energy projects. With this loan package, which offers attractive opportunities for investors, Akbank financed renewable energy investments totaling USD 162 million in 2015- 2017. The aim is to continue the allocation of the remaining amount in 2018.

C2.4

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.4a

(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Opp1

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Products and services

Primary climate-related opportunity driver

Other

Type of financial impact driver

Increased revenue through demand for lower emissions products and services

Company- specific description

Akbank currently uses the Environmental Impact Assessment (EIA) which is a regulation on project financing, to seek and evaluate the relevant documents for project financing in Turkey. If a new regulation regarding project financing is issued in the short-term (2 years), Akbank will be ready for potential risks thanks to tighter social and environmental policies we already have in place. In addition, we have established the Social Environmental Management System (SEMS) as a result of our loan agreement with IFC, therefore the tightening of such policies in Turkey can turn into an opportunity for Akbank. Also We worked as a member of Sustainability Study Group under the roof of UNGC Turkey. The studies undertaken by the Group in line with International Sustainability Finance implementation s came to conclusion and finalized as "Sustainable Finance Declaration". As Akbank, one of the six pioneering supporters, we signed it to show our commitment for sustainable finance issues

Time horizon

Medium-term

Likelihood

Very likely

Magnitude of impact

High

Potential financial impact

Explanation of financial impact

Akbank extended project finance loans to renewable energy projects valued at US\$ 10+ million totaling US\$ 2,725 million as of December 31, 2017. Meanwhile, the share of renewable energy loans in total energy project loans rose to 81%. With the business partnerships that we establish with international financial institutions, we aim to continuously offer new loan opportunities to our customers and contribute to the economic growth in Turkey. Loans obtained from international financial institutions such as IFC, EBRD, EIB and OPIC are of environmentfriendly nature and generally support sustainable development

Strategy to realize opportunity

Loans that Akbank secures from international financial institutions such as IFC, EBRD, and EIB to be lent out to customers mostly carry the conditions of being environment friendly and supporting development. Akbank establishes dialogues with these institutions with the aim of building management systems to monitor environmental and social performances of its customers pursuant to the conditions attached to these loans .

Cost to realize opportunity

Comment

In environmental loans, we require our customers to abide by a variety of social and environmental performance criteria depending on the source of the loan. In addition, we provide our customers with financing from international sources for affordable loans to be used in energy efficiency and renewable energy projects. In October 2015 and June 2016, Akbank signed agreements with the EBRD for two loans totaling USD 220 million with a maturity of 12 years, in order to continue its support for renewable energy projects. With this loan package, which offers attractive opportunities for investors, Akbank financed renewable energy investments totaling USD 162 million in 2015- 2017. The aim is to continue the allocation of the remaining amount in 2018.

C2.5

(C2.5) Describe where and how the identified risks and opportunities have impacted your business.

	Impact	Description
Products and services	Impacted	Akbank evaluates project finance credits of USD 50 million and above and other investment credits of USD 75 million and above, regardless of maturity limits, by measuring their environmental and social effects in a detailed manner. Besides, all loans are evaluated under Akbank Environmental and Social Policies regardless of their amount ies regardless of their amount. It is considered whether commercial credits fall under the "List of activities that will not be credited," which constitutes a part of the Bank's environmental and social policy. Furthermore, priority is given to lending to projects that improve environmental conditions, such as renewable energy investments, waste recycling investments, carbon emission reduction, and productivity enhancement investments. In projects whose adverse effects on the environment had not been anticipated in the first place, customers are given support to make improvements.
Supply chain and/or value chain	Not impacted	
Adaptation and mitigation activities	Not evaluated	
Investment in R&D	Not evaluated	
Operations	Impacted	Akbank identified its energy consumption, greenhouse gas emissions, paper use, and disposal of technological waste as its priority environmental topics.
Other, please specify	Please select	

C2.6

(C2.6) Describe where and how the identified risks and opportunities have factored into your financial planning process.

	Relevance	Description
Revenues	Not yet impacted	
Operating costs	Not yet impacted	
Capital expenditures / capital allocation	Not evaluated	
Acquisitions and divestments	We have not identified any risks or opportunities	
Access to capital	Please select	
Assets	Not yet impacted	
Liabilities	Not evaluated	
Other	Please select	

C3. Business Strategy

C3.1

(C3.1) Are climate-related issues integrated into your business strategy?

Yes

C3.1a

(C3.1a) Does your organization use climate-related scenario analysis to inform your business strategy?

No, but we anticipate doing so in the next two years

C3.1c

(C3.1c) Explain how climate-related issues are integrated into your business objectives and strategy.

Akbank evaluates project finance credits of USD 50 million and above and other investment credits of USD 75 million and above, regardless of maturity limits, by measuring Environmental and Social

Risk Management for Lending Process their environmental and social effects in a detailed manner. Besides, all loans are evaluated under Akbank Environmental and Social Policies regardless of their amount. It is considered whether commercial credits fall under the "List of activities that will not be credited," which constitutes a part of the Bank's environmental and social policy.

C3.1g

(C3.1g) Why does your organization not use climate-related scenario analysis to inform your business strategy?

Akbank has decided to use climate-related scenario analysis in the next two years after COP21 and its commitment to Paris-Pledge. It is still working to determine impacts of climate change.

Followingly determination of impacts, it will be possible to anticipate to use scenario analysis.

C4. Targets and performance

C4.1

(C4.1) Did you have an emissions target that was active in the reporting year?

Both absolute and intensity targets

C4.1a

(C4.1a) Provide details of your absolute emissions target(s) and progress made against those targets.

Target reference number

Abs 1

Scope

Scope 1+2 (location-based)

% emissions in Scope

83

% reduction from base year

20

Base year

2014

Start year

2016

Base year emissions covered by target (metric tons CO2e)

55372

Target year

2020

Is this a science-based target?

No, and we do not anticipate setting one in the next 2 years

% achieved (emissions)

Target status

Please select

Please explain

At the end of 2020, by emissions reduction activities such as improving the lighting in headquarters, some IT projects and increasing employee awareness. Akbank has achieved to reach its target before 2020-end. The extra reduction in emissions also was resulted from optimizing its branch network (# of branch) through increasing Direct Banking

C4.1b

(C4.1b) Provide details of your emissions intensity target(s) and progress made against those target(s).

Target reference number

Int 1

Scope

Scope 1+2 (location-based)

% emissions in Scope

83

% reduction from baseline year

49.6

Metric

Metric tons CO2e per unit revenue

Base year

2014

Start year

2016

Normalized baseline year emissions covered by target (metric tons CO2e)

55372

Target year

2020

Is this a science-based target?

No, and we do not anticipate setting one in the next 2 years

% achieved (emissions)

Target status

Please select

Please explain

At the end of 2020, by emissions reduction activities such as improving the lighting in headquarters, some IT projects and increasing employee awareness. Akbank has achieved to reach its target before 2020-end. The extra reduction in emissions also was resulted from optimizing its branch network (# of branch) through increasing Direct Banking

% change anticipated in absolute Scope 1+2 emissions

-3

% change anticipated in absolute Scope 3 emissions

0

C4.2

(C4.2) Provide details of other key climate-related targets not already reported in question C4.1/a/b.

C4.3

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Yes

C4.3a

(C4.3a) Identify the total number of projects at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

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

C4.3b

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

C4.3c

(C4.3c) What methods do you use to drive investment in emissions reduction activities?

Method	Comment
--------	---------

C4.5

(C4.5) 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?

No

C5. Emissions methodology

C5.1

(C5.1) Provide your base year and base year emissions (Scopes 1 and 2).

Scope 1

Base year start

January 1 2014

Base year end

December 31 2014

Base year emissions (metric tons CO2e)

9254

Comment

Scope 2 (location-based)

Base year start

January 1 2014

Base year end

December 31 2014

Base year emissions (metric tons CO2e)

46118

Comment

Scope 2 (market-based)

Base year start

January 1 2014

Base year end

December 31 2014

Base year emissions (metric tons CO2e)

46118

Comment

C5.2

(C5.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate Scope 1 and Scope 2 emissions.

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

C6. Emissions data

C6.1

(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO2e?

Row 1

Gross global Scope 1 emissions (metric tons CO2e)

8454

End-year of reporting period

<Not Applicable>

Comment

C6.2

(C6.2) Describe your organization's approach to reporting Scope 2 emissions.

Row 1

Scope 2, location-based

We are reporting a Scope 2, location-based figure

Scope 2, market-based

We are reporting a Scope 2, market-based figure

Comment

We could not reach any data for Akbank electricity consumption specifically. So that we assume Scope-2 emission in location-based figures is equal to market-based figure.

C6.3

(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO₂e?

Row 1

Scope 2, location-based

35623

Scope 2, market-based (if applicable)

35623

End-year of reporting period

<Not Applicable>

Comment

C6.4

(C6.4) 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?

Yes

C6.4a

(C6.4a) 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

Coal Utilization

Relevance of Scope 1 emissions from this source

Emissions are not relevant

Relevance of location-based Scope 2 emissions from this source

No emissions from this source

Relevance of market-based Scope 2 emissions from this source (if applicable)

No emissions from this source

Explain why the source is excluded

Amount of coal utilization could be excluded due to measurement constraints

Source

Malta Branch

Relevance of Scope 1 emissions from this source

Emissions are not relevant

Relevance of location-based Scope 2 emissions from this source

Emissions are not relevant

Relevance of market-based Scope 2 emissions from this source (if applicable)

Emissions are not relevant

Explain why the source is excluded

The boundary of the report is the activities of Akbank within Turkey. Akbank has a small branch in Malta of 13 employees which has a negligible effect.

C6.5

(C6.5) Account for your organization's Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

Evaluation status

Relevant, not yet calculated

Metric tonnes CO2e

Emissions calculation methodology

Percentage of emissions calculated using data obtained from suppliers or value chain partners

Explanation

There is no data of carbon footprint for the goods and services purchased which makes it nearly impossible to calculate emissions from purchased goods & services. We assume to have enough data to calculate Scope 3 emissions from purchased goods and services in next 2 year.

Capital goods

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

Emissions calculation methodology

Percentage of emissions calculated using data obtained from suppliers or value chain partners

Explanation

The GHG generated from capital goods such as buildings are reported in either Scope 1 or Scope 2 emissions. Therefore it is not relevant.

Fuel-and-energy-related activities (not included in Scope 1 or 2)

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

Emissions calculation methodology

Percentage of emissions calculated using data obtained from suppliers or value chain partners

Explanation

It is assumed that the upstream emission of electricity is included in the emission factor in Scope 2. For T&D losses; there is no data of carbon footprint and it makes it nearly impossible to calculate emissions

Upstream transportation and distribution

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

Emissions calculation methodology

Percentage of emissions calculated using data obtained from suppliers or value chain partners

Explanation

We are a commercial bank operating particularly in Turkey. We are not producing goods or using raw materials. The Transportation and Distribution (T&D) emissions generated during conducting our business mainly sourced from owned and rented vehicles and facilities for downstream activities. In some cases; rented fleet and facilities are used for both upstream and downstream T&D. These are calculated and shared at the downstream T&D.

Waste generated in operations

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

Emissions calculation methodology

Percentage of emissions calculated using data obtained from suppliers or value chain partners

Explanation

As we are a bank we particularly have paper as waste and others are plastics, glass, metals and technologic wastes. We all separate them and give to 3rd parties for recycle / reuse. They should be accounting these emissions so in order not to double count we don't calculate.

Business travel

Evaluation status

Relevant, calculated

Metric tonnes CO2e

828

Emissions calculation methodology

Scope 1 and for rented fleet here. For Air travel; almost all flight ticketing of Akbank are done by Related Tourism Agency. The list of flights is taken from agency and distances are defined for every flight track. They are grouped according to distance (short/ long hall) and category (economic / business class). They are multiplied by relevant emission factors in line with GHG Protocols.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

Explanation

Akbank provides employee commuting for its main facilities named Sabanci Center and Akbank Banking Center. Akbank increase the numbers of services vehicle and shuttles to serve its personnel more efficiently.

Employee commuting

Evaluation status

Relevant, calculated

Metric tonnes CO2e

3753

Emissions calculation methodology

Akbank increase the numbers of services vecihles and shuttles to serve its personnel more effciently. Distance travelled by the employee commuting vehicles are gathered and multiplied by the emission factor according to the GHG Mobile Protocol.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

Explanation

Akbank provides employee commuting for its main facilities named Sabanci Center and Akbank Banking Center. Akbank increase the numbers of services vehicle and shuttles to serve its personnel more efficiently.

Upstream leased assets

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

Emissions calculation methodology

Percentage of emissions calculated using data obtained from suppliers or value chain partners

Explanation

Akbank owns or rents its facilities and vehicles used for its operations, but they are included in Scope 1 & 2 or the relevant items in Scope 3 emissions. Therefore this item is not relevant.

Downstream transportation and distribution

Evaluation status

Relevant, calculated

Metric tonnes CO2e

4644

Emissions calculation methodology

Fuels bought for rented fleet are gathered by smart payment systems from the contracted fuel distributor company. The volume of liters consumed is multiplied by the relevant emission factors by taking accounts the fuel types in line with GHG Protocols.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

Explanation

Processing of sold products

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

Emissions calculation methodology

Percentage of emissions calculated using data obtained from suppliers or value chain partners

Explanation

Banking sector is based on services and it is hard to calculate the carbon footprint of these services.

Use of sold products

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

Emissions calculation methodology

Percentage of emissions calculated using data obtained from suppliers or value chain partners

Explanation

We are a commercial bank and it is not relevant for a bank.

End of life treatment of sold products

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

Emissions calculation methodology

Percentage of emissions calculated using data obtained from suppliers or value chain partners

Explanation

We are a commercial bank and it is not relevant for a bank.

Downstream leased assets

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

Emissions calculation methodology

Percentage of emissions calculated using data obtained from suppliers or value chain partners

Explanation

Akbank has no assets leased to others, therefore it is not relevant

Franchises

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

Emissions calculation methodology

Percentage of emissions calculated using data obtained from suppliers or value chain partners

Explanation

Akbank has no franchises, therefore it is not relevant.

Investments

Evaluation status

Relevant, not yet calculated

Metric tonnes CO2e

Emissions calculation methodology

Percentage of emissions calculated using data obtained from suppliers or value chain partners

Explanation

It is not obligated to calculate the GHG emissions for the projects so our Project Finance department does not force the lenders to submit this data

Other (upstream)

Evaluation status

Not evaluated

Metric tonnes CO2e

Emissions calculation methodology

Percentage of emissions calculated using data obtained from suppliers or value chain partners

Explanation

Other (downstream)

Evaluation status

Not evaluated

Metric tonnes CO2e

Emissions calculation methodology

Percentage of emissions calculated using data obtained from suppliers or value chain partners

Explanation

C6.7

(C6.7) Are carbon dioxide emissions from biologically sequestered carbon relevant to your organization?

No

C6.10

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure

1.69

Metric numerator (Gross global combined Scope 1 and 2 emissions)

44007

Metric denominator

unit total revenue

Metric denominator: Unit total

27547

Scope 2 figure used

Location-based

% change from previous year

21

Direction of change

Decreased

Reason for change

Decrease in intensity figure mainly was outcome of increasing share of Direct Banking transactions and preferred a Lean Management Model. This strategy leads carbon emissions going down while Akbank's revenue increased.

Intensity figure

3.17

Metric numerator (Gross global combined Scope 1 and 2 emissions)

44007

Metric denominator

full time equivalent (FTE) employee

Metric denominator: Unit total

13884

Scope 2 figure used

Location-based

% change from previous year

5.85

Direction of change

Decreased

Reason for change

FTE intensity figure decreased due to flat employee number while decreasing carbon emission.

C7. Emissions breakdowns

C7.1

(C7.1) Does your organization have greenhouse gas emissions other than carbon dioxide?

Yes

C7.1a

(C7.1a) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used greenhouse warming potential (GWP).

Greenhouse gas	Scope 1 emissions (metric tons of CO2e)	GWP Reference
CO2	8454	IPCC Fourth Assessment Report (AR4 - 100 year)

C7.2

(C7.2) Break down your total gross global Scope 1 emissions by country/region.

Country/Region	Scope 1 emissions (metric tons CO2e)
Turkey	8454

C7.3

(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

By business division

By facility

C7.3a

(C7.3a) Break down your total gross global Scope 1 emissions by business division.

Business division	Scope 1 emissions (metric ton CO2e)
Head Quarter	1630
Branches	4950
Unseperable for break down	1874

C7.3b

(C7.3b) Break down your total gross global Scope 1 emissions by business facility.

Facility	Scope 1 emissions (metric tons CO2e)	Latitude	Longitude
Sabancı Center	445		
Gebze Akbank Banking Center Academy Silivri Archieve	1223		
Silivri Archieve			
Branches	6173		
Unseperable for break down	1874		

C7.5

(C7.5) Break down your total gross global Scope 2 emissions by country/region.

Country/Region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons 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)
Turkey	35623	35623	80505	

C7.6

(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

By business division

By facility

C7.6a

(C7.6a) Break down your total gross global Scope 2 emissions by business division.

Business division	Scope 2, location-based emissions (metric tons CO2e)	Scope 2, market-based emissions (metric tons CO2e)
Head Quarter	6829	6829
Branches & ATM/BTMs	28794	28794

C7.6b

(C7.6b) Break down your total gross global Scope 2 emissions by business facility.

Facility	Scope 2 location-based emissions (metric tons CO2e)	Scope 2, market-based emissions (metric tons CO2e)
Head Offices & Gebze Operation Center& Silivri&Zincirlikuyu Academy	14340	14340
Branches	21283	21283

C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Decreased

C7.9a

(C7.9a) 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.

	Change in emissions (metric tons CO2e)	Direction of change	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption		<Not Applicable>		
Other emissions reduction activities	2598	Decreased	5.6	The reduce in Scope1+2 emissions was the result of progressing energy efficiency activities in 2017.
Divestment		<Not Applicable>		
Acquisitions		<Not Applicable>		
Mergers		<Not Applicable>		
Change in output		<Not Applicable>		
Change in methodology		<Not Applicable>		
Change in boundary		<Not Applicable>		
Change in physical operating conditions		<Not Applicable>		
Unidentified		<Not Applicable>		
Other		<Not Applicable>		

C7.9b

(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Location-based

C8. Energy

C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy?

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

C8.2

(C8.2) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertakes this energy-related activity
Consumption of fuel (excluding feedstocks)	No
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	No
Consumption of purchased or acquired steam	No
Consumption of purchased or acquired cooling	No
Generation of electricity, heat, steam, or cooling	No

C8.2a

(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total MWh
Consumption of fuel (excluding feedstock)	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired electricity	<Not Applicable>		80505	80505
Consumption of purchased or acquired heat	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired steam	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired cooling	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of self-generated non-fuel renewable energy	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Total energy consumption	<Not Applicable>		80505	80505

C8.2f

(C8.2f) Provide details on the electricity, heat, steam and/or cooling amounts that were accounted for at a low-carbon emission factor in the market-based Scope 2 figure reported in C6.3.

Basis for applying a low-carbon emission factor

No purchases or generation of low-carbon electricity, heat, steam or cooling accounted with a low-carbon emission factor

Low-carbon technology type

<Not Applicable>

MWh consumed associated with low-carbon electricity, heat, steam or cooling

<Not Applicable>

Emission factor (in units of metric tons CO₂e per MWh)

<Not Applicable>

Comment

C9. Additional metrics

C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.

C10. Verification

C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	Third-party verification or assurance process in place
Scope 3	No third-party verification or assurance

C10.1a

(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 and/or Scope 2 emissions and attach the relevant statements.

Scope

Scope 1

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

AKBANK 2017 GHG Verification Statement.pdf
AKBANK-CDP-Verification-Report_2017_18062018.pdf

Page/ section reference

Verification report page: 4

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

100

C10.2

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?

No, we do not verify any other climate-related information reported in our CDP disclosure

C11. Carbon pricing

C11.1

(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

No, and we do not anticipate being regulated in the next three years

C11.2

(C11.2) Has your organization originated or purchased any project-based carbon credits within the reporting period?

No

C11.3

(C11.3) Does your organization use an internal price on carbon?

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

C12. Engagement

C12.1

(C12.1) Do you engage with your value chain on climate-related issues?

Yes, our suppliers

C12.1a

(C12.1a) Provide details of your climate-related supplier engagement strategy.

Type of engagement

Compliance & onboarding

Details of engagement

Included climate change in supplier selection / management mechanism

Code of conduct featuring climate change KPIs

Climate change is integrated into supplier evaluation processes

% of suppliers by number

% total procurement spend (direct and indirect)

62

% Scope 3 emissions as reported in C6.5

Rationale for the coverage of your engagement

Impact of engagement, including measures of success

We developed a questionnaire for the assessment of the environmental and social aspects at the supply chain. It is gathered from the suppliers with supporting documents. The evaluation of the suppliers are done by Procurement Department with the help of Oracle based software and 5 over 100 points are given by these aspects to the suppliers. Beyond the tendency to buy environment friendly products, we prioritize the suppliers caring the environmental and social aspects. Akbank has around 250 active suppliers and has a significant affect to raise the bar in terms of social and environmental aspects. Success is also measured by the ratio of the suppliers included in the E&S evaluation by submitting the E&S surveys.

Comment

250

Type of engagement

Engagement & incentivization (changing supplier behavior)

Details of engagement

Run an engagement campaign to educate suppliers about climate change
Climate change performance is featured in supplier awards scheme
Offer financial incentives for suppliers who reduce your operational emissions (Scopes 1 &2)
Offer financial incentives for suppliers who reduce your downstream emissions (Scopes 3)
Offer financial incentives for suppliers who reduce your upstream emissions (Scopes 3)

% of suppliers by number

% total procurement spend (direct and indirect)

% Scope 3 emissions as reported in C6.5

Rationale for the coverage of your engagement

Impact of engagement, including measures of success

Comment

Type of engagement

Innovation & collaboration (changing markets)

Details of engagement

Run a campaign to encourage innovation to reduce climate impacts on products and services

% of suppliers by number

% total procurement spend (direct and indirect)

% Scope 3 emissions as reported in C6.5

Rationale for the coverage of your engagement

Impact of engagement, including measures of success

Comment

Type of engagement

Please select

Details of engagement

<Not Applicable>

% of suppliers by number

% total procurement spend (direct and indirect)

% Scope 3 emissions as reported in C6.5

Rationale for the coverage of your engagement

Impact of engagement, including measures of success

Comment

C12.3

(C12.3) Do you engage in activities that could either directly or indirectly influence public policy on climate-related issues through any of the following?

Direct engagement with policy makers

Trade associations

Other

C12.3a

(C12.3a) On what issues have you been engaging directly with policy makers?

Focus of legislation	Corporate position	Details of engagement	Proposed legislative solution
Cap and trade	Support	Carbon Price Communique: Akbank became one of the first companies in the world to be a signatory to the "CarbonPrice Communiqué", drafted by the Prince of Wales's Corporate Leaders Group on Climate Change that support the goal for a cleaner world and calls for the need to develop a clear carbon emission pricing policy. In addition, we were the only Turkish bank to sign the Durban Communiqué in 2011, building on the Bali, Poznan, Copenhagen and Cancun Communiqués initiated by The Prince of Wales's Corporate Leaders Group on Climate Change (CLG).	We try to understand the risks and opportunities for banks and customers. We monitor closely new regulations on carbon pricing and new tax system.
Climate finance	Support	Akbank involved in a project driven by European Bank for Reconstruction & Development (EBRD) aiming to support carbon finance. Akbank & EBRD fosters the lenders' intention and develops their capacity to acquire carbon credits. Akbank also finances the relevant efforts the lenders.	We support to have a legislation.
Other, please specify (CDP)	Support	Akbank had sponsored CDP Turkey between 2009-2015. CDP Turkey significantly raise the awareness and the measurement efforts of the environmental footprint among Turkey. Besides Akbank supports CDP by sponsoring the launch events of the CDP Turkey Annual Reports. Akbank also announces its support to CDP through media in every occasion.	We support to have a legislation
Other, please specify (United Nations Global Compact)	Support	Akbank is the first signatory of the UNGC among the Turkish banks (2007) and actively supports the UNGC's activities.	We worked as a member of Sustainability Study Group under the roof of UNGC Turkey. The studies undertaken by the Group in line with International Sustainability Finance implementations came to conclusion and finalized as "Sustainable Finance Declaration". As Akbank, one of the six pioneering supporters, we signed it to show our commitment for sustainable finance issues.

C12.3b

(C12.3b) Are you on the board of any trade associations or do you provide funding beyond membership?

No

C12.3e

(C12.3e) Provide details of the other engagement activities that you undertake.

Akbank sponsored CDP Turkey until 2015 year-end. With this occasion known extensively and has access to many parties in the Turkish sustainability community. Akbank shares its opinions with the community leaders and gather their opinions on climate change issues. Akbank also engages in high level networking globally to support legislation and improvement of climate related matters within the climate leadership of group of Turkey through "Iklim Platformu" (Climate Platform of Turkey)

C12.3f

(C12.3f) 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?

To conduct the climate change strategy to our overall strategy the top level of the organization -Board of Directors (BoD)- is responsible and specialized Corporate Governance Committee (CGC) executes the sustainability within the Bank and directly reports to BoD. Under CGC; Investor Relations and Sustainability Department is main responsible for coordinating the sustainability among all functions. Sustainability Manager leads the Sustainability Team which has members from all functions. With the help of Sustainability Team; the strategy which was developed according to these risks and opportunities is implemented and traced in all functions in a holistic manner. Establishment of Social & Environmental Management Systems in the credit lines, energy efficiency efforts in the buildings and services, Sustainability Trainings for employees, paper consumption reduction activities in the operations, insurance for the physical risks, efforts for business continuity & information security are of some examples of the business processes conducted in a holistic manner to prevent the negative direct and indirect effects. Besides these Akbank's Architectural Works Team undertakes improvement proposals for the branches distribution network in order to reduce carbon emissions and improve energy efficiency. Beyond prevention from negative direct and indirect effects of climate change, our strategy targets to benefit from the opportunities stemmed from climate change. Developing new products; such as energy efficiency loans, savings from energy efficiency activities, getting benefits from purpose loans from international creditors and increasing market penetration or profit through increasing brand & stock value are of some examples to catch these opportunities. The Corporate Governance Committee and the Board also seek to avoid any harm that arise from sustainability issues and direct Akbank's credit and sustainability policies in that direction. Akbank leads the change as much as possible within this frame and therefore took the following concrete steps since 2007: • Established Corporate Governance Committee (CGC) which has 3 members and is directly reporting to Board of Directors (BoD), • The first signatory Turkish bank of the United Nations Global Compact (UNGC) (2007) • Updated the Codes of Conduct with social and environmental aspects, • Established Investor Relations & Sustainability Department, • First reporter of United Nations Global Compact supporter and Communications on Progress among Turkish banks, • Published the first GRI based Sustainability Report among deposit banks in Turkey, • Sponsored Carbon Disclosure Project (CDP) in 2009 to be started in Turkey, • Reported to CDP and calculated its Carbon footprint, • Beyond being the first and only bank in CDP 2010 Global 500 report, was recognized as "leader in its sector" with its significant score of 81, • Updated its credit policy in line with social and environmental aspects, in addition established IFC Social and Environmental Management System (IFC SEMS), • Updated its purchasing policy in line with social and environmental aspects in line with UNGC principles. • Akbank developed tailor-made in-class & e-learning Sustainability Trainings for all levels of its employees. A reflection of its belief that sustainability needs organizational commitment and internalization of sustainability. • In the lights of global developments, Akbank updated its environmental and social policies. In line with new policies, Akbank's loan assessment process has been developed with general and industry-focused questions and assessment matrices to identify environmental and social risks. Detailed documents were attached below. We worked as a member of Sustainability Study Group under the roof of UNGC Turkey. The studies undertaken by the Group in line with International Sustainability Finance implementations came to conclusion and finalized as "Sustainable Finance Declaration". As Akbank, one of the six pioneering supporters, we signed it to show our commitment for sustainable finance issues.

C12.4

(C12.4) 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).

C14. Signoff

C-FI

(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

Türker TUNALI

Türker Tunalı joined Akbank in September 2008 as Senior Vice President in charge of Financial Coordination and International Reporting. Prior to joining Akbank, he held various managerial positions since 1999. He was appointed as Executive Vice President (CFO) in charge of Financial Coordination in October 2017. Türker Tunalı is the Vice Chairman of Ak Asset Management, Board member of AkLease and Akbank AG. Türker Tunalı is a graduate of Boğaziçi University, Department of Business Administration and is a CFA (Chartered Financial Analyst) since 2006.

C14.1

(C14.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	Türker Tunalı	Chief Financial Officer (CFO)

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	Public or Non-Public Submission	I am submitting to
I am submitting my response	Public	Investors

Please confirm below

I have read and accept the applicable Terms