



## Climate Change 2015 Information Request AKBANK T.A.Ş.

### Module: Introduction

#### Page: Introduction

##### CC0.1

##### Introduction

Please 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 to provide 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.

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

Akbank's core business is banking activities, consisting of consumer banking, commercial banking, SME banking, corporate banking, private banking, foreign currency exchange, money markets and securities trading (Treasury transactions), 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 nearly one thousand branches and 16,500 employees, Akbank operates from its Head Office in Istanbul and 23 regional directorates across Turkey. In addition to providing services through branches, the Bank's traditional delivery channel, Akbank also serves customers through the Akbank Direkt Consumer and Corporate Internet Branches, Akbank Direkt Mobile, the Call Center, 4,300 ATMs and more than 360,000 POS terminals as well as other high-tech channels.

##### 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](mailto:respond@cdp.net).

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

##### Further Information

##### Attachments

[https://www.cdp.net/sites/2015/49/449/Climate\\_Change\\_2015/Shared\\_Documents/Attachments/ClimateChange2015/CC0.introduction/akbank\\_annual\\_report\\_2014.pdf](https://www.cdp.net/sites/2015/49/449/Climate_Change_2015/Shared_Documents/Attachments/ClimateChange2015/CC0.introduction/akbank_annual_report_2014.pdf)

### 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

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 "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 "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 2014 agenda were the analysis of the Bank's current position in terms of sustainability, assessment of future steps, climate change strategies and action plan, and social responsibility projects as community investments.

**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
Board/Executive board	Recognition (non-monetary)	Emissions reduction project	
Chief Financial Officer (CFO)	Recognition (non-monetary)	Emissions reduction target Energy reduction project	
Other: Environment/Sustainability Senior Vice President/Vice President	Monetary reward	Emissions reduction target Energy reduction project	
Environment/Sustainability managers		Emissions reduction target Energy reduction target	

**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

Integrated into multi-disciplinary company wide risk management processes

**CC2.1a**

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

Frequency of monitoring	To whom are results reported?	Geographical areas considered	How far into the future are risks considered?	Comment
Six-monthly or more frequently	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.

**CC2.1b**

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

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 initiated a new system to evaluate all risks (including environmental ones) more efficiently and improve processes in loan applications that require approval of the Credit Committee and the Board of Directors. With this system, we 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. We aim to make sure that the team is better equipped in terms of environmental and social risks in 2015.

**CC2.1c**

How do you prioritize the risks and opportunities identified?

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 will be 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.

**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**

Based upon our principle of ethical and reliable banking, our sustainability vision is to be a bank with strong financial foundations having respect for the environment, keeping community investment at high levels and attaching importance to stakeholder relations and transparency. This vision guides our Bank in our sustainability strategies and practices.

In Akbank, Corporate Governance Committee (CGC) on behalf of the Board of Directors has the highest level of responsibility for climate change in Akbank.

The CG Committee meets at least twice annually, if necessary can meet unlimited times. In addition to meetings, particularly Investor Relations and Sustainability Department reports, informs, asks for steering in line with the recent developments through the internal reporting mechanism.

Investor Relations and Sustainability Department is the main responsible department and organizes the relevant climate change activities in accordance with the Bank's strategy and with the internal and external parties.

Akbank cares to develop and sustain close relationships with all its stakeholders. Stakeholder expectations & materiality issues analysis are made periodically. Findings are evaluated mainly by the Investor Relations and Sustainability Department and Corporate Communications Department to determine the opportunities and risks. Besides, relevant core business units (International Banking, Credits, SME Banking, etc.) detect the possible risks and opportunities on Climate Change.

In 2010, we established IFC Social and Environmental Management System (SEMS) within the frame of our IFC credit commitments.

Corporate Social Responsibility projects are conducted in cooperation with various national and international organizations. With the help of all data gathered from various sources, our short term and long term business strategies are updated and steered with these inputs.

We have a long term strategy supported by short term achievements and strategies. We arrange sponsorships, communication activities to drive the market and report about them. We manage to trace international funds that have favourable conditions for our customers for the purpose of energy efficiency and renewable investments, developing new products and integrating new technologies for the both individual and corporations. These also put Akbank in a competitive position.

Substantial business decisions are made that can drive business strategy during the reporting year on above mentioned topics but as we are pioneering in Turkey, we are disclosing our strategies in only sufficient detail in some respects in order not to lose our competitive advantage.

As a result of these achievements Akbank became one of only 15 companies in the Borsa Istanbul (BIST) Sustainability Index.

**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)**

Direct engagement with policy makers  
Trade associations  
Other

**CC2.3a****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 "Carbon Price Communique", 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 Communique 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 support to have a legislation
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: CDP	Support	Akbank has been sponsoring CDP Turkey until 2009. 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: Sustainable Finance	Support	Akbank is a member in the Turkish Banks Association (TBA)'s Sustainable Banking Team. Akbank supports the activities with its accumulated experience to develop the capacities of all the banks and raise the bar.	We support to establish all encompassing sustainability guide to banking
Other: 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 support to have a legislation
Other: Turkish Bankers' Association	Support	Akbank has instigated and supported the TBA Guideline for Sustainable finance for Turkish Banks.	We support The Guideline for Turkish Banks to improve their impact on

of Turkey

sustainability  
issues.**CC2.3b****Are you on the Board of any trade associations or provide funding beyond membership?**

No

**CC2.3g****Please provide details of the other engagement activities that you undertake**

Akbank sponsors CDP Turkey. 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 "İklim Platformu" (Climate Platform of Turkey)

**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?**

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.

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.

**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)****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?**

Absolute and intensity targets

**CC3.1a****Please provide details of your absolute target**

ID	Scope	% of emissions in scope	% reduction from base year	Base year	Base year emissions (metric tonnes CO2e)	Target year	Comment
Abs1	Scope 1+2	91%	3%	2013	66668	2016	end of 2016 by emissions reduction activities such as improving the lighting, heating & cooling systems and isolation on the heating line valves in some of its branches.

**CC3.1b****Please provide details of your intensity target**

ID	Scope	% of emissions in scope	% reduction from base year	Metric	Base year	Normalized base year emissions	Target year	Comment
Int1	Scope 1+2	91%	10%	Other: Emissions per million TL	2013	0.33	2016	Akbank operates in an emerging market and has strong operating effectiveness management. Akbank plans to decrease this intensity figure 10% until the end of 2016 by emissions reduction activities.

**CC3.1c**

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

ID	Direction of change anticipated in absolute Scope 1+2 emissions at target completion?	% change anticipated in absolute Scope 1+2 emissions	Direction of change anticipated in absolute Scope 3 emissions at target completion?	% change anticipated in absolute Scope 3 emissions	Comment
Int2	No change	1	No change	0	Akbank operates in an emerging market and has strong operating effectiveness management. Akbank plans to decrease this intensity figure 10% until the end of 2016 by emissions reduction activities.

**CC3.1d**

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

ID	% complete (time)	% complete (emissions)	Comment
Int2	100%	100%	Akbank operates in an emerging market and has strong operating effectiveness management. Akbank plans to decrease this intensity figure 10% until the end of 2016 by emissions reduction activities.

**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

To help our customers to avoid emissions by quickly responding to their financial needs. Akbank implemented projects to increase the effectiveness of alternative distribution channels such as ATMs, Mobile Banking and Call Center. As a result, the Bank attained major efficiency gains in business processes. Thanks to the process improvements carried out within the Akbank Call Center and systematic training programs completed by all employees, we made major progress in terms of resolving customer needs without requiring a second call. In accordance with the objective of achieving more effective utilization of existing service channels, Akbank ATMs were enriched with new services such as company payments, bill payments, and other banks' payments, which in turn led to significant increases in customer numbers. Akbank's major investment in mobile banking technologies in light of innovation in this area enabled stock trading, mutual fund purchases and redemptions, virtual card transactions, and electricity, water and natural gas bill payments through the Akbank Direct Mobile application. Owing to the Bank's superior service quality, the Akbank Direct Mobile app has now more than 1.2 million customer banking. Akbank's wide range of channels, and its diversity of functions, ensures that more than 13 million customers annually receive their banking services from the Automated Direct Channels.

**CC3.3**

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

Yes

**CC3.3a**

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

Stage of development	Number of projects	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation		
To be implemented*		
Implementation commenced*		
Implemented*	1	
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

**CC3.3c**

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

Method	Comment
Dedicated budget for energy efficiency	Particularly, our CSR Sub-Group, Architectural Works Office, IT Departments are trying to achieve energy efficiency with planning and implementation efforts.
Employee engagement	Raising awareness activities (trainings, conferences for employees) are realized in Akbank.
Financial optimization calculations	A CDP Certified software solution is bought and a project is started to conduct Akbank Environmental Management System via this software.

**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
In voluntary communications	Complete	Akbank Sustainability Report 2013 - Our Operations and the Environment (pgs.98-107)	<a href="https://www.cdp.net/sites/2015/49/449/Climate%20Change%202015/Shared%20Documents/Attachments/CC4.1/Akbank_Sustainability_Report_2014.pdf">https://www.cdp.net/sites/2015/49/449/Climate Change 2015/Shared Documents/Attachments/CC4.1/Akbank_Sustainability_Report_2014.pdf</a>
In other regulatory filings	Complete	Akbank Annual Report 2014 - pg.95 Rules of Ethics and Social Responsibility	<a href="https://www.cdp.net/sites/2015/49/449/Climate%20Change%202015/Shared%20Documents/Attachments/CC4.1/akbank_annual_report_2014.pdf">https://www.cdp.net/sites/2015/49/449/Climate Change 2015/Shared Documents/Attachments/CC4.1/akbank_annual_report_2014.pdf</a>

**Further Information**

In Akbank Sustainability Reports with GRI G4-Comprehensive standards, Akbank's response to climate change and Greenhouse Gas emissions performance is published within the Sustainability Management and Our Operations and the Environment chapters. We also communicate on CDP via through Annual Reports.

**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
Uncertainty surrounding new regulation	National regulation which encompasses energy-intensive industries (such as electricity production companies and petrochemicals) to report their Greenhouse gas emission rates under internationally accepted standards were published. The regulation requires companies in such industries to report their emission rates on a yearly-basis commencing from 2016. Currently, this does not pose a direct risk for Akbank in the short term as we are in the financial services industry but newer regulations which encompass non-production oriented industries to report their emission rates are expected to be published in the short-term. Akbank, however, 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	Increased operational cost	3 to 6 years	Indirect (Client)	Virtually certain	Medium-high			

	<p>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.</p>								
International agreements	<p>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 (5 years) 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-intense 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.</p>	Increased operational cost	3 to 6 years	Direct	Very likely	High			
International agreements	<p>As a country striving to make progress and attempting to align itself with developed countries, Turkey has ratified the Kyoto Protocol. However, Turkey's uncertain position on commitments for the treaty (such as GHG emission reduction regulations) and its anticipated involvement in cap and trade schemes in short term will almost certainly require changes within Turkey's national regulations which may impact Akbank's ability to obtain international funds from banks which require certain international regulations to be met or companies to apply to Akbank for loans as the Bank itself may need to impose such standards, if they are not met in the allocated time frame.</p>	Reduced demand for goods/services	>6 years	Direct	Very likely	Medium-high	<p>in short term will almost certainly require changes within Turkey's national regulations which may impact Akbank's ability to obtain international funds</p>	<p>Akbank try to meet required certain international regulations from International Banks or may need to impose such standards,</p>	<p>This may cause loss of business therefore affecting profitability of Akbank.</p>

Cap and trade schemes	Cap and trade schemes that focus on energy-intense 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. Yet, It is hard to foresee the additional cost pressure at the moment.	Increased operational cost	3 to 6 years	Indirect (Client)	Very likely	Medium-high			
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**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 precipitation extremes and droughts	Turkey is prone to natural disasters such as floods, erosion, droughts and shortages which may directly and indirectly affect our branches, clients, business partners and work-flow.	Inability to do business	Unknown	Direct	Virtually certain	High			
Change in precipitation extremes and droughts	The effects of natural disasters on our employees, clients (esp. farmers) and business partners can disrupt work-flow, causing major monetary losses along with higher operational and HR costs.	Increased operational cost	Unknown	Direct	Virtually certain	High			
Change in temperature extremes	Longer summers and/or winters can affect higher use of A/C and/or heaters (HVACs), causing higher levels of energy consumption and therefore higher emission rates.	Increased operational cost	1 to 3 years	Direct	Virtually certain	High			
Other physical climate drivers	Additional risks we are currently unaware of or unable to determine some of other physical risk which may arise in the future affecting us and our clients and business partners.	Inability to do business	>6 years	Direct	Very likely	Medium-high			

**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	Other potential risks we may face which may have a larger financial effect on our business may be reputational risk due to our inability to comply by regulations or satisfy targets and pledges.	Reduced stock price (market valuation)	1 to 3 years	Direct	Likely	Medium-high			
	As awareness								



Changing consumer behaviour	and understanding of the effects of climate change rise, demand for such environmentally conscious businesses and products may rise. Lack of supply for such products may lead customers to seek services elsewhere. As a result, we may experience depreciation or shift in customer loyalty causing a loss in business and therefore profitability.	Reduced demand for goods/services	>6 years	Direct	Likely	Medium-high			
Uncertainty in market signals	Unexpected shifts in economies on a national and/or international level due to severe weather changes leading to a disruption in ecosystems may limit food supplies unfavorably effecting global markets.	Reduction/disruption in production capacity	>6 years	Indirect (Supply chain)	Very likely	High			

**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
	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								

Product efficiency regulations and standards	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. Because these regulations have yet to be issued, we are unable to forecast the financial implications of this opportunity.	Increased demand for existing products/services	3 to 6 years	Direct	Virtually certain	High			
International agreements	There are currently no regulations being imposed on Turkey by either the EU or the Kyoto Protocol. As a country continuing its efforts to develop sustainable and its position at Kyoto Protocol as an "Annex I" country with special circumstances Turkey has no regulatory obligations to reduce its carbon emissions yet it is taking steps to align itself with potential international regulations. Even though, Turkey's special position about its inclusion into Annexes, its obligations and the utilization of funds (available through the Copenhagen Protocol aimed for developing countries) have not been cleared yet, it is certain that a considerably large fund will be available to use for this. Akbank may benefit from these new	Increased demand for existing products/services	3 to 6 years	Direct	Virtually certain	High			

<p>Voluntary agreements</p>	<p>funds. A new national regulation which encompasses energy-intensive industries to report their GHG emission rates under internationally accepted standards was recently published. The regulation requires companies in such industries to report their emission rates on a yearly-basis commencing from 2016. Turkey is beginning to issue new regulations despite not being under any international obligation to do so demonstrating the country's willingness to adapt to the new understanding of sustainability. Even though we are in the service industry, we are ready and working towards mitigating our emissions. Turkey is also trading through the voluntary carbon trading mechanisms. The Bank is supporting efforts towards developing carbon trading in Turkey as part of its agreement with EBRD. Akbank could benefit if these were to legalize in the future thanks to its experience and efforts on the issue.</p>	<p>Increased demand for existing products/services</p>	<p>Up to 1 year</p>	<p>Indirect (Client)</p>	<p>Virtually certain</p>	<p>High</p>			
	<p>Akbank voluntarily began reporting its emissions by publishing a sustainability report and becoming a part of the CDP effort. If regulations either or both on a national and international level were to</p>								

Emission reporting obligations	<p>be implemented, Akbank, for the most part, would be ready to face such changes. By showing our customers, business partners, competitors and (even) the government of our preparedness, we can gain a stronger brand value which may lead to a higher stock value. Besides after Rio +20 UK obliged the firms for sustainability reporting and EU is planning to do so. Therefore if Turkey decided to make the sustainability reporting mandatory, Akbank is ready to cover the requisites.</p>	Increased stock price (market valuation)	3 to 6 years	Direct	Likely	Medium-high			
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**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
Induced changes in natural resources	<p>Minimizing waste, finding innovative substitutions for materials that consume high levels of energy to produce and recycling may be some ways to provide direct and indirect benefits of the mitigation of emission levels through the conservation and preservation of energy and materials, for all.</p>	Wider social benefits	Unknown	Direct	Virtually certain	High			
Change in mean (average) temperature	<p>As the physical impacts of climate change become more apparent the need and demand for relevant products and services of Akbank will increase. These direct and indirect impacts will present valuable opportunities for us in the mid-to-long term thanks to our invaluable experience in creating and launching environmentally conscious products and</p>	Increased demand for existing products/services	3 to 6 years	Direct	Virtually certain	High			

	services (2-10 years).									
Change in temperature extremes	As the physical impacts of climate change become more apparent the need and demand for relevant products and services will increase. These direct and indirect impacts may present valuable opportunities for all in the long term (6-10 years).	New products/business services	>6 years	Indirect (Client)	Very likely	Medium-high				
Change in precipitation pattern	Changes in precipitation patterns may positively affect the number and volume of harvest. Consequently, farmers or people conducting relevant businesses may generate more income which will increase the demand on our products and services, affecting all aspects of our business and leading to higher profitability.	Increased demand for existing products/services	3 to 6 years	Indirect (Client)	Very likely	Medium-high				
Change in precipitation extremes and droughts	Akbank has a number of subsidiaries such as insurance services and private pension systems of which these products and services the Bank can (and in some cases already) cross-sell in its widespread branch network. The physical impacts may increase the demand on existing, improved or new products and therefore become an additional source of profitability for the Bank, specifically and its subsidiaries, in general.	Increased demand for existing products/services	3 to 6 years	Direct	Very likely	Medium				

**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	With rising awareness of customers, business partners and governments on the effects of climate change, businesses will need to launch products and services to satisfy these demands. Akbank already has and will continue to benefit from these opportunities thanks to its experience in creating products and services with an environmentally-	Increased demand for existing products/services	3 to 6 years	Direct	Virtually certain	High			

	conscious view-point. As people around the world are witnessing the physical effects of climate change coupled with efforts by environment-related non-profit agencies, international organizations and governments to underline the importance of these effects, awareness is rising. With rising awareness and a deeper understanding of these issues, a serious shift in demand and supply of environmentally conscious businesses on an international platform is expected.								
Increasing humanitarian demands		Wider social benefits	>6 years	Direct	Very likely	Medium-high			
Reputation	Akbank would benefit from reputational opportunities thanks to the Bank's early efforts to mitigate climate-related developments/challenges. As a Bank with such a wide network of branches and employees and a significant power in job-creation we have realized the importance of taking steps before these actually start posing a challenge.	Increased stock price (market valuation)	Unknown	Direct	Virtually certain	High			

**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	Wed 01 Jan 2014 - Wed 31 Dec 2014	9254
Scope 2	Wed 01 Jan 2014 - Wed 31 Dec 2014	46118

**CC7.2**

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

Please select the published methodologies that you use
The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

**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)

**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
Other: See the emission factors list attached.		metric tonnes CO2e per m3	

**Further Information****Attachments**

[https://www.cdp.net/sites/2015/49/449/Climate\\_Change\\_2015/Shared\\_Documents/Attachments/ClimateChange2015/CC7\\_EmissionsMethodology/Akbank\\_Carbon\\_Emission\\_Calculation\\_Table.xlsx](https://www.cdp.net/sites/2015/49/449/Climate_Change_2015/Shared_Documents/Attachments/ClimateChange2015/CC7_EmissionsMethodology/Akbank_Carbon_Emission_Calculation_Table.xlsx)

**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 CO<sub>2</sub>e

9254

**CC8.3**Please provide your gross global Scope 2 emissions figures in metric tonnes CO<sub>2</sub>e

46118

**CC8.4**

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

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
Malta Branch	No emissions excluded	No emissions 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 an insignificant affect.

**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 5% but less than or equal to 10%	Data Gaps Assumptions Extrapolation Metering/ Measurement Constraints	Some branches of Akbank are in common areas, like shopping malls. These are calculated by some assumptions and extrapolations. Sampling is used during auditing process of the data. At the first year of reporting, data was gathered manually from all main office and branches buildings and audited. This year (for 2014) reporting period) cost based approach is used with the help of the sound basis of the first year's database.
Scope 2	More than 5% but less than or equal to 10%	Data Gaps Assumptions Metering/ Measurement Constraints	Some branches of Akbank are in common areas, like shopping malls. These are calculated by some assumptions and extrapolations. Sampling is used during auditing process of the data. Majority of Akbank's branches are purchasing electricity from Enerjisa and this makes easier to calculate consumption amount and carbon footprint of the Bank.

**CC8.6**

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

Third party verification or assurance complete

**CC8.6a**

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

Type of verification or assurance	Attach the statement	Page/section reference	Relevant standard	Proportion of reported Scope 1 emissions verified (%)
Limited assurance	<a href="https://www.cdp.net/sites/2015/49/449/Climate%20Change%202015/Shared%20Documents/Attachments/CC8.6a/AKBANK%202014%20GHG%20Verification%20Statement%20and%20Report.pdf">https://www.cdp.net/sites/2015/49/449/Climate Change 2015/Shared Documents/Attachments/CC8.6a/AKBANK 2014 GHG Verification Statement and Report.pdf</a>	Page 2-6	ISO14064-3	100

**CC8.7**

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

Third party verification or assurance complete

**CC8.7a**

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

Type of verification or assurance	Attach the statement	Page/Section reference	Relevant standard	Proportion of reported Scope 2 emissions verified (%)
Limited assurance	<a href="https://www.cdp.net/sites/2015/49/449/Climate%20Change%202015/Shared%20Documents/Attachments/CC8.7a/AKBANK%202014%20GHG%20Verification%20Statement%20and%20Report.pdf">https://www.cdp.net/sites/2015/49/449/Climate Change 2015/Shared Documents/Attachments/CC8.7a/AKBANK 2014 GHG Verification Statement and Report.pdf</a>	Page 2-6	ISO14064-3	100

**CC8.8**

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

Additional data points verified	Comment
No additional data verified	

**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 business division  
By facility  
By GHG type  
By activity

**CC9.2a**

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

Business division	Scope 1 emissions (metric tonnes CO2e)
Head Offices	1719
Branches	5524
Unseperable for break down	2011

**CC9.2b**

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

Facility	Scope 1 emissions (metric tonnes CO2e)	Latitude	Longitude
Head Offices	1719		
Branches	5524		
Unseperable for break down	2011		

**CC9.2c**

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

GHG type	Scope 1 emissions (metric tonnes CO2e)
CO2	9254

**CC9.2d**

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

Activity	Scope 1 emissions (metric tonnes CO2e)
Heating (Fuel Combustion)	7243
Transportation (Company owned diesel vehicles)	1967
Transportation (Company owned gasoline vehicles)	44

**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 business division  
By facility  
By activity

**CC10.2a**

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

Business division	Scope 2 emissions (metric tonnes CO2e)
Head Offices	17886
Branches & ATM/BTMs	28232

**CC10.2b**

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

Facility	Scope 2 emissions (metric tonnes CO2e)
Head Offices	17886
Branches	28232



**CC10.2c**

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

Activity	Scope 2 emissions (metric tonnes CO2e)
Management & Operation Centers (Head Offices)	17886
Branch & ATM/BTM Banking	28232

**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	55829
Electricity	97704
Heat	0
Steam	1
Cooling	0

**CC11.3**

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

Fuels	MWh
Natural gas	19354
Diesel/Gas oil	7537
Distillate fuel oil No 4	28938

**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?

Decreased

**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
Emissions reduction activities	8	Decrease	The reason of decrease in emission is mainly due to using electricity grid of Enerjisa in more branches. Enerjisa grid has a lower emission conversion factor.
Divestment			
Acquisitions			
Mergers			
Change in output			
Change in methodology			
Change in boundary			
Change in physical operating conditions			
Unidentified			
Other	8	Decrease	The reason of decrease is mainly due to effective cost management regarding bank vehicle usage.

**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	Direction of change from previous year	Reason for change

			year		
3.54	metric tonnes CO2e	unit total revenue	17.9	Decrease	The reason of decrease in emission is mainly due to using electricity grid of Enerjisa in more branches. Enerjisa grid has a lower emission conversion factor.

**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
3.79	metric tonnes CO2e	FTE employee	4.2	Decrease	The reason of decrease in emission is mainly due to using electricity grid of Enerjisa in more branches. Enerjisa grid has a lower emission conversion factor.

**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
0.28	metric tonnes CO2e	Other: Assets	14.8	Decrease	Asset level remained same while emission amount decreased.

**Further Information****Page: CC13. Emissions Trading****CC13.1**

Do you participate in any emissions trading schemes?

No, but we anticipate doing so in the next 2 years

**CC13.1b**

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

Currently, there are no Carbon cap and trade schemes in Turkey. Turkey can involve only in the voluntary market and the current carbon credit price in the voluntary market is low. It is too low according to the expected price.

On the other hand, Akbank targets a major and pioneering role on emissions trading. Therefore, inline with its agreement signed by European Bank for Reconstruction and Development (EBRD), Akbank negotiates with EBRD to involve itself in the development process of Carbon cap & trade schemes in Turkey.

Akbank is also involved in the efforts of Turkey's Climate Platform with TUSIAD and REC to evaluate and activate cap & trade schemes in Turkey.

**CC13.2**

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

No

**Further Information**

Akbank is eager to use its accumulated experience on sustainability when the trade markets are available in Turkey. Akbank started sustainability reporting through GRI standards and UN Global Compact Communication on Progress as the first deposit bank in Turkey, established its Corporate Governance Committee, sponsored CDP Turkey, improved its credit financing and procurement policies for sustainable development and in an ever increasing way started to utilize international financing on renewable energy and energy efficiency projects.

**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	Not relevant, explanation provided				We are a commercial bank operating particularly in Turkey. We are not producing goods or using raw materials. 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. Therefore it is not relevant
Capital goods	Not relevant, explanation provided				We are a commercial bank operating particularly in Turkey. There is no data of carbon footprint for the capital goods used and that makes it nearly impossible to calculate emissions sourced from capital goods. Therefore it is not relevant.
Fuel-and-					We are a commercial bank operating particularly in Turkey. We are not producing

energy-related activities (not included in Scope 1 or 2)	Not relevant, explanation provided				goods or using raw materials. It is assumed that the upstream emissions 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					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	Not relevant, explanation provided				As we are a bank we particularly have paper as waste and others are plastics, glass, metals, 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	Relevant, calculated	548		For business travel Akbank has its own and rented fleet. Emissions from its own fleet shared in Scope 1 and for rented fleet here. For Air travel; almost all flight ticketings of Akbank are done by Vista Tourism Agency. The list of flights are taken from Vista 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 inline with GHG Protocols.	
Employee commuting	Relevant, calculated	3777		Distance travelled by the employee commuting vehicles are gathered and multiplied by the emission factor according to the GHG Mobile Protocol	Akbank provides employee commuting for its main facilities named Sabanci Center and Akbank Banking Center.
Upstream leased assets	Not relevant, explanation provided				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	Relevant, calculated	2142		Fuels bought for rented fleet are gathered by smart payment systems from the contracted fuel distributor company. The volume of liters consumed are multiplied by the emission factors of the relevant fuel type.	
Processing of sold products	Not relevant, explanation provided				Banking sector is based on services and it is hard to calculate the carbon footprint of these services
Use of sold products	Not relevant, explanation provided				We are a commercial bank and it is not relevant for a bank.
End of life treatment of sold products	Not relevant, explanation provided				We are a commercial bank and it is not relevant for a bank.
Downstream leased assets	Not relevant, explanation provided				Akbank has no assets leased to others, therefore it is not relevant.
Franchises	Not relevant, explanation provided				Akbank has no franchises, therefore it is not relevant.
Investments	Relevant, not yet calculated				It is not obliged to calculate the GHG emissions for the projects so our Project Finance department does not force the lenders to submit this data.
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
Business travel	Emissions reduction activities		Decrease	Akbank is eager to use its accumulated experience on sustainability when the trade markets are available in Turkey. Akbank started sustainability reporting through GRI standards and UN Global Compact Communication on Progress as the first deposit bank in Turkey, established its Corporate Governance Committee, sponsored CDP Turkey, improved its credit financing and procurement policies for sustainable development and in an ever increasing way started to utilize international financing on renewable energy and energy efficiency projects.

**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, our suppliers

**CC14.4a**

Please give details of methods of engagement, your strategy for prioritizing engagements and 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 264 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.

**CC14.4b**

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

Number of suppliers	% of total spend	Comment
262	64%	The proportion of the suppliers included in the environmental and social evaluation system is measured and tracked as a success indicator.

**CC14.4c**

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

How you make use of the data	Please give details
We do not have any data	

**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
Cenk GÖKSAN	Senior Vice President, Investor Relations & Sustainability	Other: Senior Vice President

**Further Information**

CDP: [D][-,]