Climate Change 2017 - ŞEKERBANK T.A.Ş.

Module: Introduction

Page: Introduction

CC0.1

Introduction

Please give a general description and introduction to your organization.

Şekerbank T.A.S. was founded in 1953 as the "Sugar Beet Cooperative Bank" in Eskişehir, Turkey. The founding mission of the bank was to fund the needs of sugar beet producers, farmers and the sugar industry in order to finance agriculture, rural development and local production. Today, Şekerbank has a well-penetrated branch network and broad geographical coverage with its 63 years of experience. With its Community Banking mission, spanning from village to city, Şekerbank is one of the leading banks to service the agriculture sector, micro, small and medium enterprises (MSMEs) and to support initiatives and production. Throughout its 63-year journey Şekerbank has carried out its activities under the framework of sustainable development and has been committed to creating economic, social, and cultural value and improving local and rural development especially in Anatolian region in Turkey.

Positioning itself as 'Turkey's key bank' in the international scene through niche and local banking services, Şekerbank pursues its mission of supporting producers and offering broad-based banking services to segments lacking sufficient access to financial services, especially unbanked segments under the scope of financial inclusion. Within its sustainable development strategy, in 2009, Şekerbank developed a leading product in Turkey called EKOkredi (EKOloan) for the financing of energy efficiency projects (waste management, renewable energy projects, modern irrigation etc.) by individuals, SMEs, industrial and agricultural enterprises under favourable conditions. Through EKOkredi the Bank has introduced over 90 thousand people to energy savings thus far. EKOkredi, selected one of the best sustainability practices to represent Turkey at Rio+20, continues to be one of the Bank's key business initiative and a strategic standpoint for raising energy awareness and efficiency at national levels. Through EKOkredi, Şekerbank provides foreign resources obtained from international financial institutions for the financing of energy efficiency projects and passes these resources on to its broad-based customer profile.

Şekerbank, as part of its strategy to operate as a sustainable bank, has supported international initiatives such as COP 21, and signed the Caring for Climate platform and the Carbon Pricing Leadership Index initiative in Paris, as well as embraced the IFC (International Finance Cooperation) Social and Environmental Performance Standards. In addition to this, Şekerbank complies with the Social and Environmental Exclusion Risk of European Investment Bank and the EBRD (European Bank for Reconstruction and Development). In the scope of combating climate change, we signed the "Energy Efficiency in Buildings" charter on January 10, 2013, by invitation of the Turkish Business Council for Sustainable Development (TBCSD). We are committed to setting targets and policies to achieve energy efficiency improvements in our offices and to reduce our carbon emissions as a member of TBCSD, which is a branch of the World Business Council for Sustainable Development (WBCSD). In 2015, the Sustainable Development Department was established under the Strategy EVP, reflecting the strategic importance of sustainable development both in the Bank's history and in its vision of the future. The SDB department's main functions include incorporating and aligning the global Sustainable Development Goals into Bank projects, as well as analyzing Bank projects through the lens of the banks' sustainable development strategy. In addition, every member of our credit committees, from the branch-level to top-tier management, takes into consideration the responsibilities underlined by the Social and Environmental Management System Regulations (SEMS), which was recently updated by the Sustainable Development Banking Department.

Also, as part of our internal strategy to reduce our environmental footprint, all electronic waste collected within Şekerbank is delivered to professional recycling companies and eliminated under conditions in accordance with human health and environmental conservation. Throughout 2016, technological waste collected in our Bank was delivered to licensed waste disposal companies. As part of the waste disposal program and in partnership with TEMA's (The Turkish Foundation for Combating Soil Erosion, for Reforestation and the Protection of Natural Habitats) tree planting initiative, 471 oak sapling trees were planted respectively. Lastly, in August 2015, Şekerbank moved its HQs to a new building that was intentionally designed as more energy and resource efficient and has obtained its Energy Performance Certificate and its LEED Gold certificate within the reporting year.

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
Fri 01 Jan 2016 - Sat 31 Dec 2016

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.
USD($)

CC0.6
Modules
As part of the request for information on behalf of investors, companies in the electric utility sector, companies in the automobile and auto component manufacturing sector, companies in the oil and gas sector, companies in the information and communications technology sector (ICT) and companies in the food, beverage and tobacco sector (FBT) should complete supplementary questions in addition to the core questionnaire.
If you are in these sector groupings, the corresponding sector modules will not appear among the options of question CC0.6 but will automatically appear in the ORS navigation bar when you save this page. If you want to query your classification, please email respond@cdp.net.
If you have not been presented with a sector module that you consider would be appropriate for your company to answer, please select the module below in CC0.6.

Further Information

Module: Management

Page: CC1. Governance

CC1.1
Where is the highest level of direct responsibility for climate change within your organization?
Board or individual/sub-set of the Board or other committee appointed by the Board

CC1.1a
Please identify the position of the individual or name of the committee with this responsibility
The highest-ranking officer at Şekerbank responsible with executing climate change issues is the Executive Vice President of Strategy and Corporate Communications who reports to the CEO and Chairman strategically in the field of sustainability.

As of April 2015, the offices under the Executive Vice President of Strategy and Corporate Communications were expanded to include the newly established Sustainable Development

Banking Department. The Sustainable Development Banking (SDB) department is deliberately integrated within the EVP of Strategy as well as other business units in order to better integrate sustainable development measures and goals spanning from Bank strategy, operations, functions and services.

The SDB department's main functions include incorporating and aligning the global Sustainable Development Goals into Bank projects, as well as analysing Bank projects through the lens of the global goals. The SDB department is made up of four officers at the head office, who daily manage with the bank's sustainable development projects and activities, as well as field officers. The SDB department's main functions are to develop, monitor, and manage sustainability initiatives within the bank's head office and branches, as well as encourage improving the Bank's operations relating to sustainability. The department also provides employees with in-depth trainings for middle management and e-learning training for branch officers on sustainability as part of the internal initiative to improve the overall understanding of sustainability and climate change and incorporate it as a top-down strategy. In addition, the SDB department coordinates the Environmental and Social Management instructions manual which evaluates the social and environmental impacts of loans. Recently, the SDB developed a comprehensive database system to monitor its carbon and water footprints. The SDB department reports to the Executive Vice President of Strategy and Corporate Communications who reports directly to the CEO and Chairman.

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
Business unit managers	Monetary reward	Emissions reduction project Efficiency project Behavior change related indicator Other: Other incentivized performance indicators include the ones indicated in the comment box	Through its support of energy efficiency investments, Şekerbank has introduced energy savings to almost 90,000 people and businesses through EKOkredi (EKOloan) since 2009. As part of the overall sustainable banking strategy, the Bank has KPI's defined under the EKOkredi (EKOloan) product that aims to encourage the relative business units in their sales of the energy efficiency loans with the overall affect of contributing to raising awareness across Turkey on energy efficiency, lead to energy savings, and indirectly contribute to reducing the Bank's environmental footprint. In order to incentivize branch unit managers a monetary reward is attached to achieving these KPI's that is part of the overall premium system that is in place.

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
Annually	Board or individual/sub-set of the Board or committee appointed by the Board	Turkey	> 6 years	Reviewed under two areas: asset level and other/company/physical level. Asset level risks and opportunities are associated with the loan portfolio, these are managed through the Social and Environmental Management System instructions manual; at the company level risks and opportunities are associated with the Bank's physical branches and buildings, these are managed under the direction

Frequency of monitoring	To whom are results reported?	Geographical areas considered	How far into the future are risks considered?	Comment
				of the related departments (Construction) with advisory from the board of directors. As an example, Sekerbank has finalised the process of attaining "Enerji Kimlik Belgesi" (EKB) or Energy Performance Certificates for all of its owned and single unit buildings, in line with both national regulations and the Bank's climate change strategy. Also, Şekerbank is working closely with the landlords of the rental branch buildings in order to get Energy Performance Certificates for the rest of its buildings.

CC2.1b

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

Asset Level Risk and Opportunities; Şekerbank uses the Social and Environmental Management System Instructions manual (SEMS), which analyses the environmental and social impacts of the projects financed by Şekerbank. The system aims at mitigating the adverse environmental and social impact of loans. Under the new SEMS, every member of our credit committees, from the branch-level to top-tier management, takes into consideration the SEMS regulations. Following this evaluation, the embedded risks are taken into consideration in line with SEMS and the loan allocation process is completed. Credit officers review Environmental Impact Assessments on a project basis and specifically review those highly risked projects. By the feedback provided to our clients as an outcome of this process, they are able to monitor their own sustainability and environmental risks. In addition; the Construction Department identifies site-specific energy/carbon reduction opportunities related to the company's buildings, infrastructure, and technology.

Company Level Risk and Opportunities; Şekerbank continuously explores new business and banking products taking into consideration the new climate targets, as an example Şekerbank's EKOkredi product is a loan that finances energy efficiency investments under favourable terms. Farmers make up a significant segment of our customers so we have designed the EKOkredi Agricultural loans to encourage energy and water efficiency in agriculture and help farmers combat climate change. We also provide loans to energy efficiency suppliers and construction companies and work to broaden our partnerships and network with these companies.

At the company level, the Sustainable Development Banking Department (SDB) was established in April 2015 to manage and identify areas in the Bank to reduce energy emissions, increase energy efficiency, and create projects and partnerships related to sustainability both at the national and global level.

CC2.1c

How do you prioritize the risks and opportunities identified?

Risks are identified through the risk analysis and evaluation procedures of the company, and based on this approach prioritized accordingly. For now, we prioritise our risks based on time. All risks and opportunities are put in a time scale. Urgent issues are addressed. Yet, another module for prioritisation based on cost/benefit ratio is actively monitored.

Prioritization is made considering the impact and probability of those risks. Prioritized risks are reviewed, actions are defined. Implementations of actions and results are monitored and reported. For example, agricultural clients comprise a significant amount of our loan portfolio and we take into consideration at-risk regions in relation to seasonal risks in the context of climate change during the risk prioritization process.

Also Şekerbank conducts planned researches into a sector or an industry or a new segment. In this instant, the Bank will evaluate the new opportunities and develop an investment plans accordingly, for example if this is in-house related investment then it usually involves IT infrastructure investments, like those developed for the Microfinance project or the environmental database.

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

i. Şekerbank founded in 1953 with the savings of hundreds of thousands of cooperative members, sugar beet farmers, to support economic growth driven by rural development and agricultural industry. Since that time, Şekerbank has grown alongside the producers it supports, fulfilling its mission of "Community Banking". In line with our mission of supporting sustainable production and our leading role in financing inclusion, we will continue to focus on SMEs, in particularly, farmers, agricultural firms and microenterprises in the upcoming years. In this regard, the Bank aims to gradually increase the share of agricultural and SME loans in its creditportfolio. Şekerbank has a leading role in financing energy efficiency throughout Turkey. The bank launched EKOKredi loan product in 2009 to finance energy savings and efficiency initiatives. With its adopted focus strategy, Şekerbank's aim is to develop further its expertise, deriving from the past, in areas where the Bank has strong and competitive advantages like energy savings. Thus, Şekerbank's business strategy is linked with its 5% emission intensity reduction target.

ii. Turkey's 75% of energy demand is currently imported, will double by 2020 if demand for energy continues at today's levels. In Turkey, about 35% of total energy consumption occurs from buildings and it is estimated that more than 50% of the energy consumed in buildings is used for heating and cooling purposes. However, 85% of the dwellings in our country have no heat insulation. If all of these buildings were to be insulated Turkey has the potential to save around 10 billion dollar worth of energy annually. All of these indicators shows that energy efficiency projects are just as important as investments in energy production. With EKOkredi, we promote awareness regarding efficient use of labor and natural resources and offer energy efficiency investments with favorable loan terms. By the end of 2016, we have provided over USD 220 million worth of energy efficiency financing and introduced more than 90 thousand people to energy savings. As a result of this, we have achieved 26.5 billion kWh of energy savings and prevented 5.7 million tons of CO2 emissions. Furthermore, 121 million m3 of natural gas savings were achieved as a result of insulating over 128,000 dwellings through EKOkredi.

iii. Şekerbank is a signatory to various international climate change platforms. The bank is also among a limited number of institutions from Turkey that participates in the United Nations Finance Initiative (UNEP-FI) and the United Nations Global Compact (UN Global Compact). Following participation in the 2015 climate conference COP21 in Paris, Şekerbank signed the UN Global Compact's Business Leadership Criteria on Carbon Pricing platform and took its place among a willful number of institutions to initiate work toward the transition to a low-carbon economy. Shortly after the announcement of the United Nations Sustainable Development Goals (SDGs), Şekerbank re-defined its sustainability strategy in the light of substantial similarities between the Goals and the Bank's existing work in regards to sustainable development. The Bank also publishes Sustainability Reports biennially and 2014-2015 sustainability report was formed around these 4 SDGs. Grouped under four key Sustainable Development Goals, these are,
Zero Hunger: Under the Zero Hunger sustainable development goal Şekerbank aims to finance sustainable agriculture.
Gender Equality: Şekerbank aims to increase number of female business owners and entrepreneurs in the country especially in the rural areas.
Affordable and Clean Energy: With EKOkredi , we have given support to energy efficiency investments with favorable conditions, and thus introduced more than 90 thousand people with energy saving.
Decent Work and Economic Growth: Şekerbank implements Turkey's sole microfinancing system to offer specially tailored microloans for unbanked groups who are unable to benefit from financial services. The Bank will continue to play a pioneering role in the financing of inclusive growth that will ensure sustainable economic growth with a focus on development through production, decent work and entrepreneurship.

iv. Research shows that approximately 35% of total energy in Turkey is consumed in buildings. Meanwhile awareness about energy efficiency is low and options are presumed to be expensive. However, with the support of Şekerbank's communication efforts and cooperation with NGOs, nearly 128,000 houses were insulated by EKOkredi, resulting in saving 121 million m3 in natural gas; in all segments and various energy efficiency investments combined, EKOkredi has resulted in decreasing CO2 emissions by 5.7 million tons. By acknowledging the positive effect of to combat climate change, Şekerbank, decided to expand its portfolio by disbursing energy efficiency loans to SME's, by launching new products under EKOKredi. Finally, Şekerbank collaborates with the real sector to extend energy efficiency investments and to create business models for financing sustainable development.

v. In 2009, Şekerbank launched the EKOkredi product with the aim of increasing energy savings and protecting natural resources. With EKOkredi, the Bank promotes awareness regarding efficient use of labor and natural resources by supporting individuals, farmers, tradesmen and businesses' energy efficiency investments offered with favorable loan terms. At first EKOKredi was only for building insulations but at time product's range is expanded to all kind of energy efficiency projects from renewable energy systems to waste treatment, from natural gas conversion to class A electrical appliances, and from efficient heating/cooling to efficient lighting systems to modern irrigation equipment. Şekerbank works in collaboration with international NGOs and financial institutions like IFC, EBRD also UNEPFI and CPLC to move forward its expertise especially on energy efficiency and carbon pricing.

vi. In 2009, Şekerbank launched EKOkredi, a groundbreaking product in Turkey to finance energy savings and efficiency initiatives targeting the protection of natural resources and waste prevention. Along with receiving numerous awards, also selected as one of the best sustainability practices to represent Turkey at Rio+20 and continues to be one of the Bank's key business initiatives and a strategic standpoint for raising energy awareness and efficiency at a national level. Sekerbank harbors a significance competitive advantage due to its having developed the first product in the sector on this subject. This pioneering role in sustainable development banking also enhances Şekerbank's strategic positioning in responsible banking alongside its efforts on financial inclusion, SME and agricultural banking. This provides Şekerbank with a significant competitive advantage both in accessing new potential customers as well as in terms of brand awareness.

CC2.2c

Does your company use an internal price on 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

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
Energy efficiency	Support	Şekerbank has participated in the process of promoting legislation of financing energy efficiency investments as a stakeholder along with NGOs and other real sector associations.	As part of the National Energy Efficiency Plan Workshop organized by the Ministry of Energy and National Resources, private sector, NGO's and governmental officers reviewed the National Plan and, Şekerbank proposed that in order to encourage energy efficiency projects on a broader level, incentives need to be included, in particular, we suggested not to collect some of the indirect taxes and funds charged to consumers who receive energy efficiency loans.
Carbon tax	Support	Şekerbank has participated in working group in order to discuss the development of a Carbon Market in Turkey.	As part of the Turkish Banking Association's working group, we are discussing the development of a Carbon market in Turkey and sharing our experience and information on Banking Law's limitations and allowances.

CC2.3e

Please provide details of the other engagement activities that you undertake

Şekerbank participates in global and local scale sustainability organizations that mentioned below.

- CPLC (Carbon Price Leadership Coalition): Şekerbank is a signatory to the CPLC and actively participates in the task group.
- TBA (Turkish Banking Association): Şekerbank bank actively participates the Sustainable Working Group at TBA and shared its expertise on carbon pricing schemes.
- WBCSD Turkey: Şekerbank is a member of board at WBCSD Turkey. Also participates in the "Women Empowerment", "Sustainable Agriculture and Food Security" and "Sustainable Finance" working groups. Finally, Şekerbank its one of the sponsors of the "Sustainable Finance Forum" gathers annually by WBCSD Turkey, UNEPFI and the Global Compact.
- CEDBİK (Turkish Green Building Council): Şekerbank is also a member of board at the ÇEDBİK.

CC2.3f

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

Şekerbank takes special interest in the area of energy efficiency financing, and considers itself a role model in the sector. Thus significant importance is placed on these issues from top-management who follow these issues, stay in contact with the related ministries and encourage the Bank's departments to follow up with meetings, thus keeping such engagements on the agenda. The Bank's sustainability strategy is built around four of the United Nations Sustainable Development Goals. Şekerbank aims to support sustainable agriculture, women entrepreneurship, energy efficiency projects and economic growth with this strategy based on SDGs.

Further Information

Page: CC3. Targets and Initiatives

CC3.1

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

Intensity target

CC3.1b

Please provide details of your intensity target

ID	Scope	% of emissions in scope	% reduction from base year	Metric	Base year	Normalized base year emissions covered by target	Target year	Is this a science-based target?	Comment
Int1	Scope 1+2 (location-based)	100%	5%	Metric tonnes CO2e per unit FTE employee	2016	4.73	2020	No, but we anticipate setting one in the next 2 years	We moved our new HQ which has a LEED Gold certificate within the reporting year. in 2015. New HQ is bigger and larger therefore it has a significant share in our emissions. We moved our HQ in 2015 to a new address. New HQ occupies a larger area and therefore its share in our emissions has increased. We were not able to compare our performance with the previous years since the building is newly constructed, and therefore base year emissions couldn't be recalculated. Also we debugged some errors on our carbon footprint reporting system. This led to more accurate carbon footprint reporting. So we changed our base year as 2016. 5% reduction in emission intensity target has been kept for the Bank.

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
Int1	Increase	10	No change	0	The current target is to achieve a 5% decrease on CO2e emissions per FTE by 2020. The Bank's focus this year has been on improving the quality of its CO2 inventory in terms of completion and accuracy. Once this review has been completed the Bank will reassess its target as to whether it can be made more ambitious for next year.

CC3.1e

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

ID	% complete (time)	% complete (emissions or renewable energy)	Comment
Int1	0%	0%	Şekerbank is one the first companies which reported its carbon emissions within CDP in Turkey. The bank has become aware of its consumption figures thanks to the CDP reporting done over the past 6 years. In addition to this, the Bank has obtained Enerji Kimlik Belgesi for all of its own buildings and made energy saving improvements in these buildings such as changing air conditioners with the more efficient ones. Finally, the Bank has invested substantial time and resources in improving its data collection and reporting systems in order to improve the completion and accuracy of is data. Also Şekerbank moved its HQ which has a LEED Gold certificate within the reporting year. in 2015 to a new address. New HQ occupies a larger area and therefore its share in emissions has increased. Comparison of the performance with the previous years wasn't possible since the building is newly constructed, and therefore base year emissions couldn't be recalculated. So the bank changed its base year as 2016.

CC3.2

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

Yes

CC3.2a

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

Level of aggregation	Description of product/Group of products	Are you reporting low carbon product/s or avoided emissions?	Taxonomy, project or methodology used to classify product/s as low carbon or to calculate avoided emissions	% revenue from low carbon product/s in the reporting year	% R&D in low carbon product/s in the reporting year	Comment
Group of products	Within its community banking strategy, Şekerbank developed EKOkredi (EKOloan), for the financing of energy efficiency projects (waste management, insulation, solar panels, modern efficient irrigation systems, renewable energy projects etc.) of individuals, SMEs, and industrial and agricultural enterprises.	Low carbon product	Other: Şekerbank developed EKOkredi (EKOloan), for the financing of energy efficiency projects.	3%	Less than or equal to 10%	The total volume of EKOkredi has reached USD 220m. Şekerbank acquires 18.7% of its foreign resource in its balance sheet to provide financial support for energy efficiency and renewable energy investments thanks to its sustainable development strategy. Thereby 82,390 individual customers, in addition to 7,956 SMEs, craftsmen, farmer and small business owners have been funded with favorable conditions for their energy efficiency investments. Marketing communication efforts for EKOkredi including customers' testimonials shows increased awareness and engagement among the society for energy efficient investments. With the support of Şekerbank's communication efforts, over 128,000 houses have been insulated by EKOkredi, resulting in a saving of 121 million sm3 natural gas; 26.5 billion kilowatt-hour energy savings, and in all segments and various energy efficiency investments combined, financing made through EKOkredi has resulted in

Level of aggregation	Description of product/Group of products	Are you reporting low carbon product/s or avoided emissions?	Taxonomy, project or methodology used to classify product/s as low carbon or to calculate avoided emissions	% revenue from low carbon product/s in the reporting year	% R&D in low carbon product/s in the reporting year	Comment
						preventing 5.7 million tons of CO2 emissions. In 2015, Şekerbank started "Family Farming Banking" program to encourage resource efficiency projects in the farming sector. Şekerbank funds 100% of modern irrigation systems in agriculture so that farming families can increase their productivity and continue to farm efficiently on their lands, thus choosing to remain in their hometowns rather than migrate to city centers to earn a better livelihood. Family farming is at the heart of the Turkish agriculture business however, the profitability of small-scale farming has been diminishing, as is the case in many emerging countries.

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*	0	0
Implementation commenced*	0	0
Implemented*	2	480.98
Not to be implemented		

CC3.3b

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

Activity type	Description of activity	Estimated annual CO2e savings (metric tonnes CO2e)	Scope	Voluntary/ Mandatory	Annual monetary savings (unit currency - as specified in CC0.4)	Investment required (unit currency - as specified in CC0.4)	Payback period	Estimated lifetime of the initiative	Comment
Energy efficiency: Building services	Every year Sekerbank renovates or renews a certain percentage of its buildings and branches, giving priority to areas where maximum energy savings and costs can be actualized. Last year, 229 air conditioning units were renewed or replaced across all Sekerbank buildings or branches in order to increase energy efficiency and savings. The new air conditioning units operate at the industry's best/most efficient levels (A+ or higher) resulting in savings of both energy use and cost.	473.99	Scope 2 (location-based)	Voluntary	10000	350000	4-10 years	6-10 years	Renewing old and energy intensive equipment with new generation, energy efficient equipments.

CC3.3c
What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Dedicated budget for energy efficiency	Sekerbank renovates or renews a certain percentage of its buildings and branches, giving priority to areas where maximum energy savings and costs can be actualized. Also, the Bank's Headquarter awarded with LEED Gold Certificate in the reporting year.

Further Information

Page: CC4. Communication

CC4.1
Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s)

Publication	Status	Page/Section reference	Attach the document	Comment
In mainstream reports (including an integrated report) but have not used the CDSB Framework	Complete	Page 21, 64,	Şekerbank annual report 2016.pdf	Şekerbank 2016 Annual Report
In voluntary communications	Complete	Page 44, 45, 46, 75	Sekerbank_sustainabilityreport2015.pdf	Şekerbank 2014-2015 Sustainability Report

Publication	Status	Page/Section reference	Attach the document	Comment
In voluntary communications	Complete	Page 14	ŞKB_63.Yıl_Gazetesi_Media_Communications.JPG	Şekerbank Media Communications, http://www.sekerbank.com.tr/yildonumugazetesi/63/index.html

Further Information

Module: Risks and Opportunities

Page: CC5. Climate Change Risks

CC5.1

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

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

CC5.1a

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

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
International agreements	International agreements that could impose measures on Turkey to reduce its GHG emissions significantly thus imposing new regulations on the banking sector.	Increased capital cost	>6 years	Indirect (Client)	Likely	High	Requirements in operational and asset level reductions in energy consumption could require the bank to decrease energy consumption by a negligible amount (or 10%) leading to additional operational costs of up to USD 10,000,000 in order to comply with national reduction targets (or the 2 degrees obligations)	Designing new financial instruments and directing the investments to climate friendly projects. As an example, increasing targets and customer segments for EKOkredi, the loan product that finances energy efficiency investments. In addition giving priority to renewable energy projects at the Bank's facilities.	Annual renewable energy projects implemented in 7 to 10 facilities would approximately cost USD 1,125,000 to 1,600,000. There is no significant cost to increase the segment base for EKOkredi.
Fuel/energy taxes and regulations	Turkey's Regulation on Energy Efficiency came into force in April 2007 and was followed up with the Energy Performance in Buildings	Increased operational cost	1 to 3 years	Direct	Virtually certain	Medium-high	Obtaining an EKB certificate for Sekerbank buildings, which do not yet have this certificate, costs approx. 18,000 USD. As our Construction department has completed	In 2015, Şekerbank's headquarter building was relocated, constructing a building that meets minimum national energy efficiency requirements was part of the planned projects	There are no additional costs for management of this risk because it is already part of the current

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	requirement that came into force in December of 2009. As of January 2011, all qualifying new and current buildings must meet minimum design requirements for energy efficiency						renovations in a significant number of buildings already and renovates about 10 buildings per year fully in line with energy cost savings, a significant number of energy improvement projects are already completed. However, EKB certificates suggest ways to improve energy efficiency, and at a minimum we expect these costs to include changing two units to sensory faucets which for all branches cost USD 220,000 plus complete renovation of 10 buildings at about USD 125,000 per building, is approximately USD 1,510,000 in costs in upgrading to energy efficient buildings.	under management's guidance, thus taking early action toward the implementation of this future risk. In addition, foreseeing regulations about existing buildings, Şekerbank is continuing to obtain energy identification certificates (EKB) for its current facilities in order to begin energy efficiency improvement projects.	management process.

CC5.1b

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

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Change in temperature extremes	Change in mean temperature could impact agro-business yields and thus increase the number of high risk loans and customers (farmers), as well as lead to higher percentage of	Reduction/disruption in production capacity	>6 years	Indirect (Client)	Likely	High	Being a bank that started from the savings of cooperative beet farmers in Anatolia a significant portion our loan portfolio is made up of farmers. We encourage farmers to begin to use energy saving technologies like modern irrigation systems, solar panels, and	In order to manage this climate change based crisis we should aim to increase the number of EKOkredi farming customers who will fare better under extreme temp situations as their fields and crops will have utilised energy and cost saving technology that	Training cost is approximately $100,000 for 500 personnel for two days, and includes hotel, transport, costs of hiring a consulting firm, and factors in lost labor hours.

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	irregular loan payments and loan defaults.						agricultural greenhouses to protect and increase the efficiency of their fields. However, under conditions of extreme changes in precipitation the number of farming customers under Family Farming Banking (and not using EKOkredi) loan product that will fall into high risk will be approximately over 30,000 farmers, and loans affected are approximately USD 204,000,000.	will help them to adapt and mitigate in face of such a crisis. Also through EKOkredi we can continue encouraging customers to make better choices toward mitigating and adapting to changes in extreme temperatures (in their respective regions). In addition, under the SEMS (social and env. Management system) manual as a management method we can increase training for our credit officers (approx. 500 personnel) on temperature changes who will apply this knowledge in agro-project evaluations, this in turn will help to spread awareness through our customer network, particularly farmers.	
Change in precipitation extremes and droughts	Change in precipitation extremes could impact agro-business yields and thus increase the number of high risk loans and customers (farmers), as well as lead to higher percentage of irregular loan payments and loan	Reduction/disruption in production capacity	>6 years	Indirect (Client)			Being a bank that started from the savings of cooperative beet farmers in Anatolia a significant portion our loan portfolio is made up of farmers. We encourage farmers to begin to use energy saving technologies like modern irrigation systems, solar panels, and agricultural greenhouses to protect and increase the efficiency of their fields.	In order to manage this climate change based crisis we should aim to increase the number of EKOkredi farming customers who will fare better under extreme temp situations as their fields and crops will have utilised energy and cost saving technology that will help them to adapt and mitigate to changes in extreme temperatures	Training cost is approximately $100,000 for 500 personnel for two days, and includes both hotel, transport, costs of hiring a consulting firm, and factors in lost labor hours.

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	defaults plus increase in operational costs plus economical impacts						However, under conditions of extreme changes in precipitation the number of farming customers under Family Farming Banking (and not using EKOkredi) loan product that will fall into high risk will be approximately over 30,000 farmers, and loans affected are approximately USD 204,000,000.	(in their respective regions). In addition, under the SEMS (social and env. management system) manual as a management method we can increase training for approx. 500 personnel that includes our credit officers as well as upper-management on the topic of climate change who will enforce the regulations more strongly and apply this knowledge in agro-project evaluations. This in turn will help to spread awareness through our customer network, particularly farmers.	

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	Şekerbank's shareholders and customers are important to the Bank, and among the material issues that are important to these stakeholder groups are environmental and sustainability related topics. In this regard, Şekerbank has the Social and Environmental Management Regulations (SEMS) which it applies to loan projects. However, if Şekerbank were misled or provided misinformation by	Reduced demand for goods/services	1 to 3 years	Direct	About as likely as not	Medium-high	Withdrawals based on reputational damage on controversial issues can be 922.000 $ as estimated to be 0.3% of the 2016 Annual revenue as reported on page 107 of Şekerbank's 2016 Annual Report and is based on the economic value of energy efficiency related business.	Provide 3-day training to employees in specific credit department on developing the Bank's Social and Environmental Management Regulations (SEMS) manual and implementing the guidance with stronger credit assessment during project evaluations with regard to environmental impact, in particular for loans that can be used by individuals or companies to finance high	Training cost is 50,000.-USD for 150 personnel, 3 days training.

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	project clients, which resulted in financing a project that could highly negatively impact the environment in its credit portfolio this could in return have an indirect but negative effect on the Bank's reputation as a sustainability leader bank.							risk or projects determined to be in credit exclusion lists (ie. high GHG emitting projects).	

Further Information

Page: CC6. Climate Change Opportunities

CC6.1

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

Tick all that apply

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

CC6.1a

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

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Renewable energy regulation	In Turkey, the Renewable Energy Law, amended in 2010 encourages individuals, companies, and SMEs to build projects producing up to 1 MW of energy and help create a renewable energy market in Turkey. As well the Energy Efficiency law (2011) requires all new buildings to have insulation installed in	Increased demand for existing products/services	1 to 3 years	Direct	Very likely	High	As required by the Energy Efficiency law, insulation in buildings must be complete by 2017, thus we expect an increase in the EKOkredi loans as it is one of the primary loan products financing energy efficiency in Turkey. Since 2009, EKOkredi has shown a steady increase in customer growth to over 17% thus far, and in line with previous	The management of this opportunity is achieved through the awareness raising marketing of both the EKOloan product and the potential savings that can be attained by customers through energy efficiency and renewable energy projects. As an example, we already have several award winning EKOkredi (EKOloan)	Marketing cost USD 0.9 – 1.1 million minimum.

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	buildings by 2017. These regulations directly and indirectly affect the Bank through its EKOloan product which is a loan financing energy efficiency projects.						years growth, EKOkredi loans targeting 'individuals' and 'apartment' segments is expected to grow another 10% within the next fiscal year.	commercials that raise awareness and encourage potential customers to seek such projects.	

CC6.1b

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

Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Change in precipitation pattern	Businesses, especially the agro-business sector may need new energy and water efficiency systems/projects to adapt to new climate conditions and thus need financing of these projects.	Increased demand for existing products/services	1 to 3 years	Direct	Very likely	Medium-high	Being a bank that started from the savings of cooperative beet farmers, we are one of the banks of Anatolia and a significant portion of our loan portfolio is made up of farmers. We encourage farmers to begin to use energy saving technologies like modern irrigation systems, solar panels, and agricultural greenhouses to protect and increase the efficiency of their fields. Under conditions of extreme changes in precipitation we presently have access to over 30,000 farmer customers under the Family Farming Banking product and can encourage them to consider EKOkredi loans toward energy efficient systems on their farms	Designing new banking products and updating existing banking products to meet higher demand needs caused by changes in climate. As an example, broadening the EKOloan and Family Farming Banking products services.	Expanding or adding new banking products under the EKOkredi or Family Farming Banking loans may not necessarily require additional IT infrastructure. However, to expand or develop new products would require at least two full-time employees dedicated to build, design, test and launch the product over a minimum of four months is approximately $15,000, plus commercial and media costs which is roughly $750,000. This would result in approximately $750,000 to design and launch banking products that can both respond to climate change needs and help consumers to mitigate them.

Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
							leading to approximately USD 204,000,000 in new financing opportunities.		

CC6.1c

Please describe your 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 behavior	Change in consumer behaviour may lead to interest in new and existing banking products that offer both energy efficiency and cost savings	Increased demand for existing products/services	1 to 3 years	Direct	Very likely	High	As one of the first Bank's in Turkey to offer a loan that specifically finances energy efficiency and raises awareness on the issue since 2009, current Şekerbank EKOkredi customers specifically choose Şekerbank to finance their energy efficiency needs whether they are individuals, farmers, SMEs etc. With stronger regulations that encourage energy efficient products and buildings for consumers, and with increased coverage and awareness campaigns on the issues we can see and expect changes in consumer behaviour toward energy efficiency products. In addition, with Şekerbank's own campaigns that highlight EKOkredi has	Designing new banking products and updating existing banking products to meet higher demand needs caused by changes in climate. As an example, broadening the EKOloan and Family Farming Banking products services	Expanding or adding new banking products under the EKOkredi loans may not necessarily require additional IT infrastructure. However, to expand or develop new products would require at least two full-time employees dedicated to build, design, test and launch the product over a minimum of four months is approximately $15,000, plus commercial and media costs which is roughly $750,000. This would result in approximately $750,000 to design and launch banking products that can both respond to climate change needs and help consumers to mitigate them.

Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
							financed approximately USD 220 million in projects that have averted 5.7 million tons of CO2, we would expect a minimum of 10% increase in customer growth in EKOkredi consumer and apartment management segments as awareness increases, especially in the energy efficiency of buildings required by 2017 deadline.		
Reputation	Şekerbank's shareholders and customers are important to the Bank, and among the material issues that are important to these stakeholder groups are environmental and sustainability related topics. Since its foundation Şekerbank's vision has focused around sustainable development and created products along these lines.	Increased demand for existing products/services	1 to 3 years	Direct	Very likely	High	As one of the first Bank's in Turkey to offer a loan that specifically finances energy efficiency and raises awareness on the issue since 2009, current Şekerbank EKOkredi customers specifically choose Şekerbank to finance their energy efficiency needs whether they are individuals, farmers, SMEs etc. As of last year we financed USD 220 million worth of projects in energy efficiency which is approximately 4.5% of the total credit portfolio. Thus with increased reputation we would expect at least a 10%	In the banking sector Şekerbank will continue to develop products and services that will strengthen its reputation as a leader in financing sustainability. In addition, the bank will continue to take part in climate change platforms, create partnerships with government, non-profit and public institutions, and global efforts to support international agreements in line with combating climate change.	There are no additional costs for management of this opportunity because it is already part of the current management process.

Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
							increase in growth in EKOkredi across all segments.		

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	Fri 01 Jan 2016 - Sat 31 Dec 2016	7337
Scope 2 (location-based)	Fri 01 Jan 2016 - Sat 31 Dec 2016	9738
Scope 2 (market-based)		

CC7.2

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

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

CC7.2a

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

CC7.3

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

Gas	Reference
CO2	IPCC Fourth Assessment Report (AR4 - 100 year)
CH4	IPCC Fourth Assessment Report (AR4 - 100 year)
HFCs	IPCC Fourth Assessment Report (AR4 - 100 year)
PFCs	IPCC Fourth Assessment Report (AR4 - 100 year)
N2O	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

Further Information

Şekerbank Emission Factors data is disclosed in the attached Excel spreadsheet.

Attachments

CC7.4.Şekerbank Emission Factors_2016_CDP.xlsx

Page: CC8. Emissions Data - (1 Jan 2016 - 31 Dec 2016)

CC8.1
Please select the boundary you are using for your Scope 1 and 2 greenhouse gas inventory

Operational control

CC8.2
Please provide your gross global Scope 1 emissions figures in metric tonnes CO2e

7337

CC8.3
Please describe your approach to reporting Scope 2 emissions

Scope 2, location-based	Scope 2, market-based	Comment
We are reporting a Scope 2, location-based figure	We have operations where we are able to access electricity supplier emissions factors or residual emissions factors, but are unable to report a Scope 2, market-based figure	

CC8.3a
Please provide your gross global Scope 2 emissions figures in metric tonnes CO2e

Scope 2, location-based	Scope 2, market-based (if applicable)	Comment
9738		

CC8.4
Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?

No

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	Less than or equal to 2%	Assumptions	Minor differences stem from the assumptions and conversion factors which were used in the calculation of consumptions and emissions.
Scope 2 (location-based)	Less than or equal to 2%	Assumptions	Minor differences stem from the assumptions and conversion factors which were used in the calculation of consumptions and emissions.
Scope 2 (market-based)			

CC8.6
Please indicate the verification/assurance status that applies to your reported Scope 1 emissions

Third party verification or assurance process in place

CC8.6a
Please provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements

Verification or assurance cycle in place	Status in the current reporting year	Type of verification or assurance	Attach the statement	Page/section reference	Relevant standard	Proportion of reported Scope 1 emissions verified (%)
Annual process	Complete	Limited assurance	SGS.EHS.SAE.Kol.AG.2017-041_Şekerbank_Verification Statement (Final).pdf	page 1	ISO14064-3	100

CC8.7

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

Third party verification or assurance process in place

CC8.7a

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

Location-based or market-based figure?	Verification or assurance cycle in place	Status in the current reporting year	Type of verification or assurance	Attach the statement	Page/Section reference	Relevant standard	Proportion of reported Scope 2 emissions verified (%)
Location-based	Annual process	Complete	Limited assurance	SGS.EHS.SAE.Kol.AG.2017-041_Şekerbank_Verification Statement (Final).pdf	page 1	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 2016 - 31 Dec 2016)

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 GHG type

By activity

CC9.2c

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

GHG type	Scope 1 emissions (metric tonnes CO2e)
CO2	3254.39
CH4	5.8
N2O	34.86
HFCs	4041.95

CC9.2d

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

Activity	Scope 1 emissions (metric tonnes CO2e)
Heating	1256.5
Vehicles	1977.95
Power Generators	60.60
ACs and Fire Extinguisher	4041.95

Further Information

Page: CC10. Scope 2 Emissions Breakdown - (1 Jan 2016 - 31 Dec 2016)

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 facility

CC10.2b

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

Facility	Scope 2, location-based (metric tonnes CO2e)	Scope 2, market-based (metric tonnes CO2e)
Head Quarters (HQ)	1173.93	
Branches & Regional Management Buildings	8564.07	

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

Energy type	MWh
Heat	0
Steam	0

Energy type	MWh
Cooling	0

CC11.3
Please state how much fuel in MWh your organization has consumed (for energy purposes) during the reporting year
12197.82

CC11.3a
Please complete the table by breaking down the total "Fuel" figure entered above by fuel type

Fuels	MWh
Diesel/Gas oil	6977.56
Lignite	0.99
Natural gas	4181.82
Motor gasoline	1037.45

CC11.4
Please provide details of the electricity, heat, steam or cooling amounts that were accounted at a low carbon emission factor in the market-based Scope 2 figure reported in CC8.3a

Basis for applying a low carbon emission factor	MWh consumed associated with low carbon electricity, heat, steam or cooling	Emissions factor (in units of metric tonnes CO2e per MWh)	Comment
No purchases or generation of low carbon electricity, heat, steam or cooling accounted with a low carbon emissions factor	0	0	

CC11.5
Please report how much electricity you produce in MWh, and how much electricity you consume in MWh

Total electricity consumed (MWh)	Consumed electricity that is purchased (MWh)	Total electricity produced (MWh)	Total renewable electricity produced (MWh)	Consumed renewable electricity that is produced by company (MWh)	Comment
19814.10	19814.10	0	0	0	There was no produced electricity by Şekerbank in 2016.

Further Information

Page: CC12. Emissions Performance

CC12.1
How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to the previous year?
Increased

CC12.1a
Please identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined) and for each of them specify how your emissions compare to the previous year

Reason	Emissions value (percentage)	Direction of change	Please explain and include calculation
Emissions reduction activities	2.97	Decrease	We have installed 229 new AC units that are more energy efficient. These units provided tCO2e savings of474. Calculation: Savings in tCO2e: 332 2015 Abs S1+S2 emissions: 17072.09 tCO2e (-474/17072.09)*100= -2.97
Divestment	0	No change	
Acquisitions	0	No change	
Mergers	0	No change	
Change in output	0	No change	
Change in methodology	0	No change	
Change in boundary	4.67	Increase	The bank has invested substantial time and resources in improving its data collection and reporting systems in order to improve the completion and accuracy of its inventory. Calculation: ((2016 Abs S1+S2 emissions) - (2015 Abs S1 + S2 emissions)) / (2015 Abs S1 + S2 emissions) (17075.33-16313.9)/ 16313.9=4.67%
Change in physical operating conditions	7	Decrease	The bank has invested substantial time and resources in improving its data collection and reporting systems in order to improve the completion and accuracy of its inventory. Also 229 ACs changed with more energy efficient models during the reporting time. Calculation: ((2016 Abs S1Heating+S1Electricity emissions) - (2015 S1Heating+S1Electricity emissions)) / (2015 S1Heating+S1Electricity emissions) (10991.15-11738.64)/11738.64=-7%
Unidentified	0	No change	
Other			

CC12.1b

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

Location-based

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 (Gross global combined Scope 1 and 2 emissions)	Metric denominator: Unit total revenue	Scope 2 figure used	% change from previous year	Direction of change from previous year	Reason for change
0.000039	metric tonnes CO2e	441963514	Location-based	18.18	Increase	As a result of investment in creating a database to collect and manage our environmental footprint we saw an increase resulting from more accurate calculations.

CC12.3

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

Intensity figure =	Metric numerator (Gross global combined Scope 1 and 2 emissions)	Metric denominator	Metric denominator: Unit total	Scope 2 figure used	% change from previous year	Direction of change from previous year	Reason for change
4.73	metric tonnes CO2e	full time equivalent (FTE) employee	3611	Location-based	13.19	Increase	As a result of investment in creating a database to collect and manage our environmental footprint we saw an increase in intensity resulting from more accurate calculations. In addition increasing emissions resulted from harsh winter conditions in Turkey.

Further Information

Page: CC13. Emissions Trading

CC13.1

Do you participate in any emissions trading schemes?

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

CC13.2

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

No

Further Information

Page: CC14. Scope 3 Emissions

CC14.1

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

Sources of Scope 3 emissions	Evaluation status	metric tonnes CO2e	Emissions calculation methodology	Percentage of emissions calculated using data obtained from suppliers or value chain partners	Explanation
Purchased goods and services	Relevant, calculated	791.67	Environmental Paper Network's emission factors	100.00%	All paper purchased by Şekerbank has been recorded and the average data for the CO2 emissions by unit paper (tons) by the Forest Stewardship Council was used.
Capital goods	Not relevant, explanation provided				There were no purchases of capital goods. Not relevant to the banking sector.
Fuel-and-energy-related activities (not included in Scope 1 or 2)	Not relevant, explanation provided				There are no fuel-and-energy-related activities which is not included in Scope 1 or 2.
Upstream transportation and distribution	Not relevant, explanation provided				There is no transportation from upstream to Şekerbank, not relevant to the banking sector.

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
Waste generated in operations	Not relevant, explanation provided				There is no significant waste generation from Şekerbank banking activities, not relevant to the banking sector.
Business travel	Relevant, calculated	500.25	Defra Carbon Factors – Greenhouse Gas Conversion Factor Repository and Approximation	100.00%	All trips by the staff paid by Şekerbank has been recorded. Approximation per airlines mile as data given by Defra was used for calculations.
Employee commuting	Relevant, calculated	907.56	Defra Carbon Factors – Greenhouse Gas Conversion Factor Repository and Approximation	100.00%	Employee commuting is provided only for HQ employees. This is the first year we calculate our commuting emissions. There is no employee commuting for major part of the banking locations.
Upstream leased assets	Not relevant, explanation provided				There are no upstream leased assets
Downstream transportation and distribution	Not relevant, explanation provided				There is no transportation from Şekerbank to downstream, not relevant to the banking sector.
Processing of sold products	Not relevant, explanation provided				We do not sell physical goods, not relevant to the banking sector.
Use of sold products	Not relevant, explanation provided				We do not sell physical goods, not relevant to the banking sector.
End of life treatment of sold products	Not relevant, explanation provided				We do not sell physical goods, not relevant to the banking sector.
Downstream leased assets	Not relevant, explanation provided				Scope 1 and Scope 2 covers leased buildings emissions
Franchises	Not relevant, explanation provided				There are no franchises of Şekerbank.
Investments	Not relevant, explanation provided				No significant investments that would result in Scope 3 emissions.
Other (upstream)					

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
Other (downstream)					

CC14.2

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

No third party verification or assurance

CC14.3

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

Yes

CC14.3a

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

Sources of Scope 3 emissions	Reason for change	Emissions value (percentage)	Direction of change	Comment
Purchased goods & services	Change in output	11	Increase	ekerbank consumes two different types of paper. One is printed paper which is used for loan applications and other one is printing paper. Şekerbank changed its printed paper format during the reporting year due to the legal arrangements. This caused an increase in the paper consumption.
Business travel	Emissions reduction activities	44	Decrease	Due to emission reduction activities, specifically an emphasized focus on assessing business critical travel as well as utilizing teleconferencing capabilities. Also, annual evaluation meeting used to be held in Antalya. Most of the banks employees was attending from every branches. Last year the Bank held the meeting in İstanbul and only the branch managers were attended. By doing this business travel emissions decreased in the reporting year.
Employee commuting	Change in boundary		No change	This is our first year reporting emissions from commute.

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 customers

Yes, other partners in the value chain

CC14.4a

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

Within its sustainable development strategy, in 2009, Şekerbank has developed a leading product in Turkey called EKOkredi (EKOloan) for the financing of energy efficiency projects (waste management, renewable energy projects, modern irrigation etc.) by individuals, SMEs, industrial and agricultural enterprises under favourable conditions. Şekerbank also uses the Social and Environmental Management System Instructions manual (SEMS), which analyses the environmental and social impacts of the projects financed by Şekerbank. The system aims at mitigating the adverse environmental and social impact of loans. Under the new SEMS, every member of our credit committees, from the branch-level to top-tier management, takes into consideration the Social and Environmental Management System Regulations (SEMS). Following this evaluation, the embedded risks are taken into consideration in line with SEMS and the loan allocation process is completed. Through EKOkredi the Bank has introduced over 90 thousand people to energy savings thus far. Şekerbank collaborates with various partners in the public & private sector, and NGOs via EKOkredi. At the Rio+20 United Nations Conference on Sustainable Development, EKOkredi was selected as one of the best sustainability practices to represent Turkey, and continues to be the Bank's key business initiative and a strategic standpoint for raising energy awareness and efficiency at national levels. Through EKOkredi, Şekerbank provides foreign resources obtained from international financial institutions for the financing of energy efficiency

projects and passes these resources on to its broad-based customer profile. Also, last year we created new partnerships with private sector suppliers, and worked with these companies to be part of our certified energy efficiency suppliers when offering EKOkredi financing to customers. In addition to this, we actively participate in working groups of the Turkish Banking Association to discuss strategies toward transitioning to a low-carbon market; as well as participating in the surveys and report writing processes of groups like UNEP-FI and the World Bank.

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
Aybala Şimşek	Strategy and Corporate Communications Executive Vice President	Other: Executive Vice President

Further Information