

C0. Introduction

C0.1

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

Having turned 94 in 2018, İşbank has been committed to supporting development by producing permanent value for its stakeholders and the Turkish economy. Focusing on profitable, healthy and sustainable growth with its solid financial structure is the most important element supporting the operations of İşbank, which is the largest private bank in Turkey with total assets worth TL 416.4 billion as of 2018 year-end. Aiming to be the “the bank closest to customers”, İşbank leads the banking sector in Turkey with its products and services offered in the corporate, commercial, SME, retail and private banking segments. Representing trust, prestige and respectability in the eyes of the Turkish people, İşbank’s 24,570 employees serve approximately 19 million customers as of 2018 year-end. İşbank has the largest branch and ATM network among private banks in Turkey, with 1,333 domestic branches and with a total of 6,560 Bankamatiks (ATMs). İşbank also offers its services at a total of 22 overseas branches, including 15 in TRNC, 2 each in England, Iraq and Kosovo, and 1 in Bahrain. Alongside its widespread branch network, İşbank expands its digital service channels day to day, works steadily towards realizing its vision of becoming “Turkey’s Best Digital Bank” and strengthens its competitive position. Achieving countless “firsts” in many areas such as Bankamatik, the internet branch and mobile banking applications, İşbank has taken a leading role in the sector since its establishment, and it continues its uninterrupted technology investments, making a difference in new generation digital banking applications. Major shareholder of İşbank is İşbank Members’ Supplementary Pension Fund which holds 40.47% of the Bank’s capital. Its members include nearly 50 thousand current and retired bank employees. Its broad shareholder base consisting of approximately 170 thousand shareholders and institutional investor partners, is one of the most important assets of İşbank. İşbank Group is an integrated services group with its subsidiaries operating domestically and overseas in many fields. As of 2018 year-end, İşbank has direct participations in 24 companies, while the Bank has direct or indirect control over 110 companies.

C0.2

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

	Start date	End date	Indicate if you are providing emissions data for past reporting years	Select the number of past reporting years you will be providing emissions data for
Row 1	January 1 2018	December 31 2018	Yes	3 years

C0.3

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

Turkey

C0.4

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

TRY

C0.5

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

Operational control

C1. Governance

C1.1

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

Yes

C1.1a

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual(s)	Please explain
Board Chair	In İsbank, climate-related issues are governed by highest level ownership. Corporate Governance Committee, operating under the Board of Directors, is the authority responsible for sustainability and climate-related issues. Our Board Chair is the head of Corporate Governance Committee. Besides the Head, three members of the Committee are also Board members. Board of Directors considers climate-related issues when reviewing and guiding our business strategy, major plans of action, risk management policies, annual budgets, and budget plans as well as, setting our performance objectives, monitoring implementation and performance, and overseeing major capital expenditures, acquisitions, and divestitures. This indicates the importance of climate-related issues in our business.
Director on board	Corporate Governance Committee is the authority responsible for sustainability and climate-related issues in İsbank. Apart from our Board Chair, 3 other members of the board are members of our Corporate Governance Committee. This enables the management of climate-related issues on board level in İsbank.

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

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Please explain
Scheduled – some meetings	Reviewing and guiding strategy Reviewing and guiding major plans of action Reviewing and guiding risk management policies Reviewing and guiding business plans Other, please specify (Reviewing and guiding sustainability policies)	Climate-related issues are raised to the agenda of the board with scheduled meetings. They are integrated into governance mechanisms such as reviewing and guiding strategy, major plans of action, risk management policies, business plans and sustainability policies.

C1.2**(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.**

Name of the position(s) and/or committee(s)	Responsibility	Frequency of reporting to the board on climate-related issues
Other committee, please specify (Corporate Governance Committee)	Both assessing and managing climate-related risks and opportunities	Annually
Other, please specify (Sustainability Coordinator)	Other, please specify (The Head of Investor Relations Division serves as Sustainability Coordinator to ensure coordination and effectiveness of work within the executive organs in İsbank.)	Half-yearly
Other, please specify (Sustainability Working Group)	Managing climate-related risks and opportunities	As important matters arise

C1.2a**(C1.2a) Describe where in the organizational structure this/these position(s) and/or committees lie, what their associated responsibilities are, and how climate-related issues are monitored (do not include the names of individuals).**

Corporate Governance Committee, operating under the Board of Directors, is the Bank's authority responsible for sustainability and climate-related issues. The Head of İsbank's Investor Relations Division serves as Sustainability Coordinator to ensure coordination of work within the executive organs. The Sustainability Working Group which consists of members from Credits Portfolio Management Division, Construction & Real Estate Management Division, Talent Management Division, Board of Inspectors, Internal Control Division ensures the management of sustainability operations and the flow of information. The Sustainability Management System, structured with processes and terms of reference, is regularly audited, and the audit results are submitted to the top management.

In İsbank, climate-related issues are handled under the framework of sustainability management. İsbank aims to integrate sustainability into all business processes from operations to daily activities. İsbank's sustainability philosophy comprises managing its intellectual capital made up of product and service development processes; its financial capital including its own financial resources; its social capital made up of its relationships to society and to all its stakeholders; its human capital including the Bank's talents; its manufactured capital including ATMs & branches; and its natural capital covering resource management, all in an integrated manner. İsbank's Sustainability Management System ensures that operations such as managing environmental impacts, evaluating the environmental and social impacts originating from loans, performing control and audit activities smoothly, and continuously developing human resource potential are put into practice in an integrated manner. İsbank's Sustainability Policy and its other supplementary policies form the basis of this system.

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

Yes

C1.3a

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).

Who is entitled to benefit from these incentives?

Other, please specify (All C-Suite Executives)

Types of incentives

Monetary reward

Activity incentivized

Energy reduction target

Comment

All C-Suite Executives have cost optimization targets including the energy costs of units inside İşbank. This target is included in their performance cards which affects their annual remuneration.

Who is entitled to benefit from these incentives?

Other, please specify (C-Suite Executive)

Types of incentives

Monetary reward

Activity incentivized

Other, please specify (Taking part in BIST Sustainability Index)

Comment

C-Suite Executive who is in charge of investor relations function has an annual target of taking part in BIST Sustainability Index assured via performance card which affects annual remuneration. Taking part in the mentioned Index requires fulfilment of several climate-related tasks.

Who is entitled to benefit from these incentives?

Other, please specify (All Division Heads)

Types of incentives

Monetary reward

Activity incentivized

Energy reduction target

Comment

All Division Heads have cost optimization targets including the energy costs of units inside İşbank. By achieving this particular energy reduction target to reduce costs, all business unit managers receive bonus to their annual remuneration.

Who is entitled to benefit from these incentives?

Other, please specify (Division Head)

Types of incentives

Monetary reward

Activity incentivized

Other, please specify (Taking part in BIST Sustainability Index)

Comment

Head of Investor Relations Division has an annual target of taking part in BIST Sustainability Index assured via his performance card. Taking part in the aforementioned Index requires fulfilment of several climate-related tasks.

Who is entitled to benefit from these incentives?

Other, please specify (Unit Manager)

Types of incentives

Monetary reward

Activity incentivized

Other, please specify (Taking part in BIST Sustainability Index)

Comment

The manager of Corporate Governance Unit operating under Investor Relations Division has an annual target of taking part in BIST Sustainability Index assured via his performance card. Taking part in the aforementioned Index requires fulfilment of several climate-related tasks.

C2. Risks and opportunities

C2.1

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

	From (years)	To (years)	Comment
Short-term	0	1	
Medium-term	1	3	
Long-term	3		

C2.2

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

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

C2.2a

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

	Frequency of monitoring	How far into the future are risks considered?	Comment
Row 1	Annually	1 to 3 years	

C2.2b

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

İşbank's banking operations cover a wide scope from developing products and services that create value for the lives of its stakeholders to the evaluation, mitigation or elimination of the impacts resulting from investments it finances. The comprehensive perspective resulting from this responsible banking approach requires developing products and services in various areas from financing renewable energy projects supporting a low carbon economy to the strengthening of SMEs that form the foundation of the economy. These initiatives contribute to the solution of the problems whose importance is also emphasized in the UN Sustainable Development Goals.

In parallel to this mindset, İşbank's risk management approach included in the scope of its transparent, fair and accountable corporate governance structure enables the Bank to evaluate and manage risks on our lending, investment and insurance underwriting activities in addition to our operational risks.

At İşbank, the potential environmental and social risks of all new investment projects worth more than USD 10 million and the investors demanding loans are evaluated by the Environmental and Social Risk Evaluation Tool (ERET). Our Environmental and Social Management Team makes evaluations through 26 different criterias included in the ERET. The ERET evaluates the investments in topics such as use of natural resources, waste management, air, soil and water quality, noise, dust, occupational health and safety, social health and safety, resettlement and stakeholder engagement, classifying them according to risk levels in 4 categories: high (Category A), medium high (Category B+), medium (Category B-), and low (Category C). The investments which are in the scope of evaluation are evaluated referring to national legislation and international best practices such as IFC (International Finance Corporation) Performance Standards, EBRD Performance Requirements, and Equator Principles.

We're in the process of embedding climate-related risks into our overall risk management system. This process is a part of a larger-scoped project sponsored by İşbank Board of Directors in which the current risk management practices of the Bank is reviewed. During this project climate-related issues are also taken into account and will be fully integrated into our multi-disciplinary company-wide risk identification, assessment, and management processes in the next reporting year.

C2.2c

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

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	Current regulations are considered to have direct and indirect effects on our operations. As our operations are expanding, any design and renovation activity related to our existing and qualifying buildings (offices, branches, ATMs) will have to meet minimum requirements related to Regulation on Energy Performance in Buildings. This may cause additional costs to our operations. Apart from this, Regulatory Framework on "Monitoring GHG Emissions" may impact project finance of our borrowers from energy intense sectors and decrease their ability to repay. These are planned to be considered in our prospective climate-related risk assessments.
Emerging regulation	Relevant, always included	We're constantly considering emerging regulations and actively searching for possible related risks in our risk horizon. A possible carbon tax and emission trading system is considered to bring along risks and opportunities on different scales all along our value chain. Other possible risks related to emerging regulations are also under evaluation and will be included in our risk taxonomy.
Technology	Relevant, always included	Technology related risks are relevant and always included when our operations are considered. Since we're operating in various locations with our branches and office buildings throughout Turkey and abroad, rise of mean temperatures will cause additional costs for the upgrade of our current air conditioning systems with more energy efficient ones.
Legal	Relevant, always included	İşbank considers legal risks related to climate change varying from uncertainties and their prospective outcomes to possible environmental sanctions and fines. That's why, as our climate related risk identification efforts proceed, we're proactively taking any possible legal risk into account. Spectrum of climate related legal risks vary from our upstream all along to our downstream activities.
Market	Relevant, always included	We're considering climate related market risks as one of the major risks. Therefore, we're working to figure out the ways in which markets could be affected by climate change. Shifts in supply and demand for certain commodities, products, and services as climate-related risks and opportunities are increasingly taken into account while reviewing our integrated risk management approach.
Reputation	Relevant, always included	İşbank is aware of the transformative power of financial institutions in a transition to low carbon economy. İşbank contributes to sustainable development, directly and indirectly, through various projects financed and supports the national economy. İşbank's responsible financing approach enables it to both protect the reputation of the Bank and its credit risks and to support high feasibility projects that create environmental and social benefits.
Acute physical	Relevant, always included	İşbank considers acute physical climate risks as a reality. Such risks will have financial implications for any organization by implying direct damage to physical assets and will disrupt supply chains of related organizations. As we're the financier of multiple sectors, our borrowers' financial performances are closely linked to various effects like water availability, sourcing, and quality; food security; and extreme temperature changes.
Chronic physical	Relevant, always included	Long-term shifts in climate patterns (e.g., sustained higher temperatures) that might cause sea level rise or chronic heat waves may affect our operations.
Upstream	Relevant, always included	While embedding climate-related risks into our overall risk management system, we're not only focusing on our operations but also on climate related upstream risks. We take climate related upstream risks into account seriously since they reflect the risks that provide value to our products, services and/or investments e.g. policy and legal, market or technology.
Downstream	Relevant, always included	We're proactively considering the inclusion of climate-related downstream risks in our risk management system. İşbank's downstream risks are mainly considered to be client-related.

C2.2d

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

Business processes and their affiliated responsibilities related to climate change management will be defined in the upcoming reporting periods. Once this phase is completed, outputs will begin to shape our company-wide risk identification, assessment, and management processes turning climate-related risks to account. Climate-related risks will be evaluated considering our non-financial risk assessment methodology and will be embedded into our risk catalogue and board approved operational risk policy. This will bring different responsibilities to different business units inside İşbank for the identification, assessment and management of climate-related risks and opportunities.

C2.3

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

Yes

C2.3a

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

Identifier

Risk 1

Where in the value chain does the risk driver occur?

Customer

Risk type

Transition risk

Primary climate-related risk driver

Reputation: Increased stakeholder concern or negative stakeholder feedback

Type of financial impact

Reduced revenue from decreased demand for goods/services

Company- specific description

In a transition to a low carbon economy, failing to meet the expectations of stakeholders may lead to decrease in customer demand. In the upcoming reporting years, we are planning to calculate case related financial impact figure of increased customer concern and report it to indicate the cost of management.

Time horizon

Medium-term

Likelihood

Likely

Magnitude of impact

Unknown

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure**Management method****Cost of management****Comment**

Identifier

Risk 2

Where in the value chain does the risk driver occur?

Customer

Risk type

Transition risk

Primary climate-related risk driver

Policy and legal: Increased pricing of GHG emissions

Type of financial impact

Increased operating costs (e.g., higher compliance costs, increased insurance premiums)

Company- specific description

Ministry of Environment and Urbanization requires companies from energy-intensive sectors to monitor, report and verify their GHG emissions since 2014. The borrowers of İşbank that are investing on energy intensive sectors will be affected due to their increased operating costs. This may cause delays on repayments.

Time horizon

Medium-term

Likelihood

Likely

Magnitude of impact

Medium-high

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure**Management method****Cost of management****Comment**

Identifier

Risk 3

Where in the value chain does the risk driver occur?

Direct operations

Risk type

Physical risk

Primary climate-related risk driver

Acute: Increased severity of extreme weather events such as cyclones and floods

Type of financial impact

Increased capital costs (e.g., damage to facilities)

Company- specific description

İşbank has 1,333 domestic branches and 6.560 ATM's all over Turkey as well as 22 overseas branches. Located at a wide scope, the extreme weather events may cause

damages to physical assets of the Bank. Considering this operational domain, we'll calculate financial impact figure of acute physical risks.

Time horizon

Medium-term

Likelihood

Likely

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

Management method

Cost of management

Comment

Identifier

Risk 4

Where in the value chain does the risk driver occur?

Customer

Risk type

Physical risk

Primary climate-related risk driver

Chronic: Rising mean temperatures

Type of financial impact

Increased credit risk (e.g., increased probability of default and/or loss given default)

Company- specific description

Due to increase in mean temperatures, there is a probability of loss in adequate water supply for hydroelectric power plants. This may lead to increased credit risk as İşbank extends loans to hydroelectric power plants. We're in the process of calculating financial impact figures of chronic physical risks.

Time horizon

Short-term

Likelihood

Likely

Magnitude of impact

Unknown

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

Management method

Cost of management

Comment

Identifier

Risk 5

Where in the value chain does the risk driver occur?

Customer

Risk type

Transition risk

Primary climate-related risk driver

Policy and legal: Exposure to litigation

Type of financial impact

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

Company- specific description

There is an increase in climate related litigation claims being brought before the courts by property owners, municipalities, insurers, shareholders, and public interest organizations. Reasons for such litigation include the failure of organizations to mitigate impacts of climate change, failure to adapt to climate change, and the insufficiency of disclosure around material financial risks. As the value of loss and damage arising from climate change grows, litigation risk is also likely to increase. As İsbank, we're focusing on litigation risks under climate related legal risks as we proceed to the establishment of our integrated risk management system. In the upcoming reporting years, financial impact figures related to exposure to litigation will be calculated and reported.

Time horizon

Medium-term

Likelihood

Likely

Magnitude of impact

Medium-low

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

Management method

Cost of management

Comment

C2.4

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

Yes, we have identified opportunities but are unable to realize them

C2.4b

(C2.4b) Why do you not consider your organization to have climate-related opportunities?

	Primary reason	Please explain
Row 1	Evaluation in progress	Climate-related opportunities are under evaluation parallel to our climate risk identification efforts. These efforts will provide a list of opportunities and their magnitude of impact, likelihood alongside with their financial impact figures for them to be managed effectively.

C2.5

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

	Impact	Description
Products and services	Impacted	Increased awareness about climate change and its effects are driving consumer behaviour in today's world. Independent from any sector, consumers' demand for low carbon products and services sees an incremental increase for the past years. Under these circumstances, İsbank is accelerating its efforts to transform its product and services portfolio to meet the needs of customer demands and strengthen its position as an enabling actor for a transition to a low carbon economy.
Supply chain and/or value chain	Impacted	As İsbank impacts various sectors and their affiliated stakeholders, it's obvious that there are multiple, embedded climate-related risks and opportunities all along our investment and value chain. Effective identification and assessment of related risks will bring along opportunities like increased revenue due to increased market share by the enabling effect of new and innovative products and services.
Adaptation and mitigation activities	Impacted	United Nations Environment Programme Finance Initiative (UNEP FI) estimates that economic losses due to climate change could reach 1 trillion USD in a single year by 2040. In order to avoid significant costs in near future early action on mitigation and adaptation is required. İsbank and its affiliates contribute to climate change mitigation and adaptation efforts with their products and services (e.g. Green Mortgage, Green/ Sustainable Bond issued by TSKB (Industrial Development Bank of Turkey) etc.) both directly and indirectly.
Investment in R&D	Impacted	Though we're not directly investing in R&D activities to mitigate/adapt to climate change as of today, transition to a low carbon economy will bring along new means of financial tools. This will create opportunities to develop new and innovative products and services to the market.
Operations	Impacted	As climate risks and opportunities are considered through the lens of our operations, electricity and fuel consumption related to our activities are the main components of interest. Decarbonization of electricity production sector via financing renewable energy and procurement of green energy as İsbank is a critical aspect.
Other, please specify	Please select	

C2.6

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

	Relevance	Description
Revenues	Impacted	Satisfying the needs of customers related to low carbon products and services will bring additional revenues to İsbank.
Operating costs	Impacted	To manage our operational climate-related risks, we're implementing ISO 14001 Environmental Management System and driving energy efficiency and reduction targets in our organization.
Capital expenditures / capital allocation	Not evaluated	Capital expenditures / capital allocation are not yet evaluated considering our financial planning process. Identified risks and opportunities will be factored into our financial planning process once climate-related risks and opportunities are identified, assessed and managed within our existing risk management system.
Acquisitions and divestments	Not evaluated	Acquisitions and divestments are not yet evaluated considering our financial planning process. Identified risks and opportunities will be factored into our financial planning process once climate-related risks and opportunities are identified, assessed and managed within our existing risk management system.
Access to capital	Not evaluated	Access to capital is not yet evaluated considering our financial planning process. Identified risks and opportunities will be factored into our financial planning process once climate-related risks and opportunities are identified, assessed and managed within our existing risk management system.
Assets	Impacted	As our lending and financing activities generate assets for our business, risks and opportunities related to our assets are relevant in our financial planning processes.
Liabilities	Not evaluated	Liabilities are not yet evaluated considering our financial planning process. Identified risks and opportunities will be factored into our financial planning process once climate-related risks and opportunities are identified, assessed and managed within our existing risk management system.
Other	Please select	

C3. Business Strategy

C3.1

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

Yes

C3.1a

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

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

C3.1c

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

İsbank's material sustainability issues including responsible finance integrating environmental, social and governance (ESG) criteria and environmental footprint of the bank are determined last year by performing a comprehensive stakeholder analysis. In doing so, İsbank took international trends and standards that are essential for banking industry to account with the views of stakeholders, and carried out a comprehensive study that will move sustainability efforts forward with a strategic approach. This was an important step in aligning our business strategy with our sustainability approach.

By doing so, we took our first steps to embedding our sustainability mindset into our business strategy. As the journey of our business strategy and sustainability approach alignment continues we consider climate-related risks and opportunities in our activities and track environmental impacts of our operations and are constantly searching for improvement.

C3.1g

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

Our business strategy isn't fed considering climate-related scenario analysis as of current reporting year. İsbank is considering different climate scenario options taking TCFD Recommendations on Scenario Analysis for Banks into account. Once the feasibility of scenarios are thoroughly considered, we will use climate related scenarios to describe our assessment of credit risks and opportunities and understand the impact of climate on our lending, financial intermediary, investment and insurance underwriting activities, in addition to our operational activities.

C4. Targets and performance

C4.1

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

No target

C4.1c

(C4.1c) Explain why you do not have emissions target and forecast how your emissions will change over the next five years.

	Primary reason	Five-year forecast	Please explain
Row 1	We are planning to introduce a target in the next two years	According to our projections we forecast a gradual decrease	Thanks to the growth in use of our digital banking services by our customers and our activities for the aim of increasing operational efficiency, number of İsbank branches is expected to decrease in the coming years. This will naturally cause a decrease in emissions. In addition to that, we are also running efficiency projects, which are replacing conventional lightings with LED, as well as establishing new generation air conditioning equipment. This in turn will affect our emissions in a positive manner as LED and more efficient air conditioning equipment will use less energy and cause less emissions. According to our calculations we expect a gradual decrease in emissions. We are currently working to determine our long-term target which we aim to introduce in the next two years. In the coming years we also aim to classify our target as science based.

C4.2

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

C4.3

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

Yes

C4.3a

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

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation		
To be implemented*	2	595
Implementation commenced*		
Implemented*		
Not to be implemented		

C4.3b

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

Initiative type

Energy efficiency: Building services

Description of initiative

Lighting

Estimated annual CO2e savings (metric tonnes CO2e)

432

Scope

Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

613000

Investment required (unit currency – as specified in C0.4)

3941200

Payback period

4 - 10 years

Estimated lifetime of the initiative

11-15 years

Comment

Replacing conventional lighting with LED enables us to cut emissions.

Initiative type

Energy efficiency: Building services

Description of initiative

Other, please specify (Transition to more efficient air conditioning equipments)

Estimated annual CO2e savings (metric tonnes CO2e)

163

Scope

Scope 2 (location-based)

Voluntary/Mandatory

Please select

Annual monetary savings (unit currency – as specified in C0.4)

230850

Investment required (unit currency – as specified in C0.4)

3345300

Payback period

11-15 years

Estimated lifetime of the initiative

11-15 years

Comment

C4.3c

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

Method	Comment
Financial optimization calculations	In the planning phase of energy efficiency investments, projects are evaluated considering their payback periods to reduce carbon emissions while optimizing cost efficiency.

C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products or do they enable a third party to avoid GHG emissions?

Yes

C4.5a

(C4.5a) 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

Product

Description of product/Group of products

The Maximum TEMA Card, which we launched in corporation with TEMA Foundation (the Turkish Foundation for Combating Soil Erosion, for Reforestation and the Protection of Natural Habitats) in 2010, pays donations to the TEMA Foundation at a rate determined by our Bank in exchange for the purchases made by our credit card customers. Maximum TEMA Card and printed materials are produced from card plastic and raw materials that do not harm the environment.

Are these low-carbon product(s) or do they enable avoided emissions?

Low-carbon product and avoided emissions

Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions

Other, please specify (Bank's Own Taxonomy)

% revenue from low carbon product(s) in the reporting year**Comment**

Level of aggregation

Product

Description of product/Group of products

In March 2015, İşbank was included in the Residential Energy Efficiency Finance Program. Within the scope of this program, the resources transferred to our Bank are placed as loans to the people in need of financing in order to increase the energy efficiency in houses. While the minimum energy class to be reached in the houses according to the legal legislation is C, the energy classes of the houses subject to the program condition are expected to be minimum B. In this context, housing loans granted for the financing of buildings that are demolished within the scope of Urban Transformation and are subject to B energy class, housing loans granted for the purchase of a B energy class house, loans extended to contractor firms to ensure that they can build housing construction at minimum B energy level, loans to suppliers selling energy efficient household appliances (e.g. A+++ washing machine) and consumer loans to be provided to the purchasers of these products are included in the program.

Are these low-carbon product(s) or do they enable avoided emissions?

Avoided emissions

Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions

Other, please specify (Bank's Own Taxonomy)

% revenue from low carbon product(s) in the reporting year**Comment**

Level of aggregation

Product

Description of product/Group of products

In 2012, within the scope of the Law No. 6306 on the Transformation of Disaster Risk Areas, Urban Transformation Loans were started to be used to provide the financing needed by the beneficiaries to renovate their buildings. Turkey classifies energy efficiency in classes from A to G in the existing housing stock. In accordance with the relevant laws, the energy efficiency class of the houses to be built after 2011 has to be minimum C. Accordingly, the use of loans to buildings renovated within the scope of Urban Transformation provides an increase in energy savings. Government subsidies for loans for energy class B buildings are 0.5% higher than those provided for buildings with C class. In addition, state support for class A is 10% higher than for class C.

Are these low-carbon product(s) or do they enable avoided emissions?

Avoided emissions

Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions

Other, please specify (Bank's Own Taxonomy)

% revenue from low carbon product(s) in the reporting year**Comment**

Level of aggregation

Product

Description of product/Group of products

TEMA Çevre Değişken Fon (TEMA Environmental Variable Fund), a first in Turkey, is a fund that was developed to give environment friendly investors the opportunity to support environmental activities with their savings. Resources allocated from the fund to the TEMA Foundation (the Turkish Foundation for Combating Soil Erosion, for Reforestation and the Protection of Natural Habitats) provide sustainable financial support to environmental projects. The fund, which invests in companies with effective environmental management systems with part of its portfolio, emphasizes that companies overseeing their environmental impacts will achieve more successful financial results in the long term.

Are these low-carbon product(s) or do they enable avoided emissions?

Avoided emissions

Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions

Other, please specify (Bank's Own Taxonomy)

% revenue from low carbon product(s) in the reporting year**Comment**

Level of aggregation

Group of products

Description of product/Group of products

Low carbon growth and the reduction of the carbon footprints of all industries can be made possible by promoting alternative energy resources. İşbank attaches great attention to the finance of renewable energy with the awareness that its contribution to development creates multiplier effects. By the end of 2018, the renewable energy projects account for 42% of its total energy projects portfolio and 6.5% of total financing portfolio. Having a greater role in the transition to the low carbon economy, İşbank supports the decrease of the risk and impacts stemming from climate change by financing renewable energy. By 2018, the Bank financed 87 renewable energy projects with a total installed capacity of 617 MW, which were developed in the fields of biomass, solar energy, hydroelectric and geothermal areas. As of 2018 year-end, the total installed power capacity of the renewable energy projects financed by our Bank reached 7.564 MW.

Are these low-carbon product(s) or do they enable avoided emissions?

Low-carbon product and avoided emissions

Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions

Other, please specify (Bank's own taxonomy)

% revenue from low carbon product(s) in the reporting year

6.5

Comment

In the previous section ("% revenue from low carbon product(s) in the reporting year"), the share of renewable energy projects in the total financing portfolio of İşbank is presented.

C5. Emissions methodology

C5.1

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

Scope 1

Base year start

January 1 2018

Base year end

December 31 2018

Base year emissions (metric tons CO2e)

20472.4

Comment

Our Scope 1 Emissions cover emissions from our headquarter buildings, ATMs and branches in Turkey.

Scope 2 (location-based)

Base year start

January 1 2018

Base year end

December 31 2018

Base year emissions (metric tons CO2e)

68599.4

Comment

Scope 2 (market-based)

Base year start

January 1 2018

Base year end

December 31 2018

Base year emissions (metric tons CO2e)

68599.4

Comment

İşbank purchases electricity from the main grid. Turkish Electricity Grid's RECs certification, - direct contracts (low-carbon, renewable etc.) - residual mix totals attributes are not available and that's why our market-based Scope 2 emissions are same as our location-based Scope 2 emissions.

C5.2

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

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

C6. Emissions data

C6.1

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

Reporting year

Gross global Scope 1 emissions (metric tons CO2e)
20472.4

Start date
January 1 2018

End date
December 31 2018

Comment
Our Scope 1 Emissions cover emissions from our headquarter buildings, ATMs and branches in Turkey.

Past year 1

Gross global Scope 1 emissions (metric tons CO2e)
4406

Start date
January 1 2017

End date
December 31 2017

Comment
Our gross global Scope 1 emissions for the past reporting year (2017) cover emissions from our headquarters.

Past year 2

Gross global Scope 1 emissions (metric tons CO2e)
5882.5

Start date
January 1 2016

End date
December 31 2016

Comment
Our gross global Scope 1 emissions for 2016 cover emissions from our headquarters.

Past year 3

Gross global Scope 1 emissions (metric tons CO2e)
3773.2

Start date
January 1 2015

End date
December 31 2015

Comment
Our gross global Scope 1 emissions for 2015 cover emissions from our headquarters.

C6.2

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

Row 1

Scope 2, location-based
We are reporting a Scope 2, location-based figure

Scope 2, market-based
We are reporting a Scope 2, market-based figure

Comment

C6.3

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

Reporting year

Scope 2, location-based

68599.4

Scope 2, market-based (if applicable)

68599.4

Start date

January 1 2018

End date

December 31 2018

Comment

Işbank purchases electricity from the main grid. Turkish Electricity Grid's RECs certification, - direct contracts (low-carbon, renewable, etc.) - residual mix totals attributes are not available and that's why our market-based Scope 2 emissions are same as our location-based Scope 2 emissions.

Past year 1

Scope 2, location-based

68757.8

Scope 2, market-based (if applicable)

68757.8

Start date

January 1 2017

End date

December 31 2017

Comment

Işbank purchases electricity from the main grid. Turkish Electricity Grid's RECs certification, - direct contracts (low-carbon, renewable etc.) - residual mix totals attributes are not available and that's why our market-based Scope 2 emissions are same as our location-based Scope 2 emissions.

Past year 2

Scope 2, location-based

66397.7

Scope 2, market-based (if applicable)

66397.7

Start date

January 1 2016

End date

December 31 2016

Comment

Işbank purchases electricity from the main grid. Turkish Electricity Grid's RECs certification, - direct contracts (low-carbon, renewable etc.) - residual mix totals attributes are not available and that's why our market-based Scope 2 emissions are same as our location-based Scope 2 emissions.

Past year 3

Scope 2, location-based

64860.1

Scope 2, market-based (if applicable)

64860.1

Start date

January 1 2015

End date

December 31 2015

Comment

Işbank purchases electricity from the main grid. Turkish Electricity Grid's RECs certification, - direct contracts (low-carbon, renewable etc.) - residual mix totals attributes are not available and that's why our market-based Scope 2 emissions are same as our location-based Scope 2 emissions.

C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?

No

C6.5

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

Purchased goods and services

Evaluation status

Relevant, not yet calculated

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

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

<Not Applicable>

Explanation

Although emissions related to purchased goods and services are relevant for us, they are not yet calculated.

Capital goods

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

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

<Not Applicable>

Explanation

We're covering emissions from our capital goods (e.g. buildings) in our Scope 1 and 2 emissions in related sections of our CDP reporting.

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

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

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

<Not Applicable>

Explanation

We're covering emissions from every fuel-and-energy-related activity in our Scope 1 and 2 emissions in related sections of our CDP reporting.

Upstream transportation and distribution

Evaluation status

Relevant, not yet calculated

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

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

<Not Applicable>

Explanation

Although emissions related to upstream transportation and distribution (e.g. armoured cars) are relevant for us, they are not yet calculated.

Waste generated in operations

Evaluation status

Relevant, not yet calculated

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

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

<Not Applicable>

Explanation

We're in progress of calculating our Scope 3 emissions resulted from the waste generated in our operations.

Business travel

Evaluation status

Relevant, calculated

Metric tonnes CO₂e

1137.9

Emissions calculation methodology

This section contains business flights in terms of travel. Domestic, European and Continental flights are taken into account.

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

100

Explanation

Domestic, European and Continental business flights are taken into account when calculating business travel emissions.

Employee commuting

Evaluation status

Relevant, calculated

Metric tonnes CO₂e

1575.2

Emissions calculation methodology

This section contains emissions from personnel shuttles, buses and taxi travels of employees.

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

100

Explanation

Emissions from personnel shuttles, buses and taxi travels of employees are taken into account.

Upstream leased assets

Evaluation status

Not relevant, explanation provided

Metric tonnes CO₂e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

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

<Not Applicable>

Explanation

Emissions related to upstream leased assets are not relevant for us.

Downstream transportation and distribution

Evaluation status

Relevant, not yet calculated

Metric tonnes CO₂e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

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

<Not Applicable>

Explanation

Although emissions related to downstream transportation and distribution are relevant for us, they are not yet calculated.

Processing of sold products

Evaluation status

Not relevant, explanation provided

Metric tonnes CO₂e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

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

<Not Applicable>

Explanation

As we don't sell intermediate products that require processing into final products, we don't have any emissions in this category.

Use of sold products

Evaluation status

Relevant, not yet calculated

Metric tonnes CO₂e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

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

<Not Applicable>

Explanation

Although emissions related to use of sold products (e.g. customer's use of computers and smartphones for online banking) are relevant for us, they are not yet calculated.

End of life treatment of sold products

Evaluation status

Relevant, not yet calculated

Metric tonnes CO₂e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

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

<Not Applicable>

Explanation

Although emissions related to end of life treatment of sold products (e.g. disposal of credit and debit cards and client mailings) are relevant for us, they are not yet calculated.

Downstream leased assets

Evaluation status

Not relevant, explanation provided

Metric tonnes CO₂e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

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

<Not Applicable>

Explanation

Emissions related to downstream leased assets are not relevant for us.

Franchises

Evaluation status

Not relevant, explanation provided

Metric tonnes CO₂e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

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

<Not Applicable>

Explanation

As İsbank doesn't operate any franchises, emissions related to franchises are not relevant for us.

Investments

Evaluation status

Relevant, not yet calculated

Metric tonnes CO₂e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

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

<Not Applicable>

Explanation

As there is no approved methodology for calculating and disclosing emissions related to investments, emissions related to our investments are not yet calculated.

Other (upstream)

Evaluation status

Not evaluated

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

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

<Not Applicable>

Explanation

Other (downstream)

Evaluation status

Relevant, calculated

Metric tonnes CO2e

7849.9

Emissions calculation methodology

Emissions resulting from paper usage within the organization.

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

100

Explanation

Emissions resulting from paper usage within the organization.

C6.7

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

No

C6.10

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

Intensity figure

0.01315861

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

89071.8

Metric denominator

unit total revenue

Metric denominator: Unit total

6769085

Scope 2 figure used

Location-based

% change from previous year

4.8

Direction of change

Decreased

Reason for change

Change in boundary: Emissions disclosed increased by 21.74% due to the inclusion of branches and ATMs. Until 2018, our scope 1 and scope 2 emissions were being calculated excluding our branches and ATMs.

C7. Emissions breakdowns

C7.1

(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?

Yes

C7.1a

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

Greenhouse gas	Scope 1 emissions (metric tons of CO2e)	GWP Reference
CO2	20323.6	IPCC Fifth Assessment Report (AR5 – 100 year)
CH4	39.2	IPCC Fifth Assessment Report (AR5 – 100 year)
N2O	109.7	IPCC Fifth Assessment Report (AR5 – 100 year)

C7.2

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

Country/Region	Scope 1 emissions (metric tons CO2e)
Turkey	20472.4

C7.3

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

By activity

C7.3c

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

Activity	Scope 1 emissions (metric tons CO2e)
Heating	9628.3
Refrigerants	2887.2
Fleet	7285.4
Generators	671.6

C7.5

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

Country/Region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)	Purchased and consumed electricity, heat, steam or cooling (MWh)	Purchased and consumed low-carbon electricity, heat, steam or cooling accounted in market-based approach (MWh)
Turkey	68599	68599	210143	0

C7.6

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

By activity

C7.6c

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

Activity	Scope 2, location-based emissions (metric tons CO2e)	Scope 2, market-based emissions (metric tons CO2e)
Electric - cooling	24009.8	24009.8
Electric - other	44589.6	44589.6

C7.9

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

Increased

C7.9a

(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined) and for each of them specify how your emissions compare to the previous year.

	Change in emissions (metric tons CO2e)	Direction of change	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption		<Not Applicable>		
Other emissions reduction activities		<Not Applicable>		
Divestment		<Not Applicable>		
Acquisitions		<Not Applicable>		
Mergers		<Not Applicable>		
Change in output		<Not Applicable>		
Change in methodology		<Not Applicable>		
Change in boundary	15908	Increased	21.74	Emissions disclosed increased by 21.74% due to the inclusion of branches and ATMs. Until 2018, our scope 1 and scope 2 emissions were being calculated including only our Head Office buildings in Istanbul.
Change in physical operating conditions		<Not Applicable>		
Unidentified		<Not Applicable>		
Other		<Not Applicable>		

C7.9b

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

Location-based

C8. Energy

C8.1

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

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

C8.2

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

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

C8.2a

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

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total MWh
Consumption of fuel (excluding feedstock)	LHV (lower heating value)	0	74734	74734
Consumption of purchased or acquired electricity	<Not Applicable>	0	135409	135409
Consumption of purchased or acquired heat	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired steam	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired cooling	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of self-generated non-fuel renewable energy	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Total energy consumption	<Not Applicable>	0	210143	210143

C8.2b

(C8.2b) Select the applications of your organization's consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	Yes
Consumption of fuel for the generation of heat	Yes
Consumption of fuel for the generation of steam	No
Consumption of fuel for the generation of cooling	No
Consumption of fuel for co-generation or tri-generation	No

C8.2c

(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Fuels (excluding feedstocks)

Natural Gas

Heating value

LHV (lower heating value)

Total fuel MWh consumed by the organization

39594

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

39594

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration

<Not Applicable>

Comment

Fuels (excluding feedstocks)

Fuel Oil Number 1

Heating value

LHV (lower heating value)

Total fuel MWh consumed by the organization

89

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

89

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration

<Not Applicable>

Comment

Fuels (excluding feedstocks)

Coal

Heating value

LHV (lower heating value)

Total fuel MWh consumed by the organization

694

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

694

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration

<Not Applicable>

Comment

Fuels (excluding feedstocks)

Motor Gasoline

Heating value

LHV (lower heating value)

Total fuel MWh consumed by the organization

136

MWh fuel consumed for self-generation of electricity

MWh fuel consumed for self-generation of heat

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration

<Not Applicable>

Comment

Motor Gasoline that is used for corporate vehicles.

Fuels (excluding feedstocks)

Diesel

Heating value

LHV (lower heating value)

Total fuel MWh consumed by the organization

26765

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration

<Not Applicable>

Comment

Diesel that is used for corporate vehicles.

Fuels (excluding feedstocks)

Diesel

Heating value

LHV (lower heating value)

Total fuel MWh consumed by the organization

7455

MWh fuel consumed for self-generation of electricity

2503

MWh fuel consumed for self-generation of heat

4952

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration

<Not Applicable>

Comment

Sum of diesel used for heating and generation of electricity.

C8.2d

(C8.2d) List the average emission factors of the fuels reported in C8.2c.

Coal

Emission factor

0.00149

Unit

kg CO2e per metric ton

Emission factor source

IPCC AR5 Fifth Assessment Report

Comment

Diesel

Emission factor

2.667

Unit

kg CO2e per m3

Emission factor source

IPCC AR5 Fifth Assessment Report

Comment

Fuel Oil Number 1

Emission factor

0.00318

Unit

kg CO2e per metric ton

Emission factor source

IPCC AR5 Fifth Assessment Report

Comment

Motor Gasoline

Emission factor

2.311

Unit

kg CO2e per m3

Emission factor source

IPCC AR5 Fifth Assessment Report

Comment

Natural Gas

Emission factor

1.944

Unit

kg CO2e per m3

Emission factor source

IPCC AR5 Fifth Assessment Report

Comment

C8.2f

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

Basis for applying a low-carbon emission factor

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

Low-carbon technology type

<Not Applicable>

Region of consumption of low-carbon electricity, heat, steam or cooling

<Not Applicable>

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

<Not Applicable>

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

<Not Applicable>

Comment

İşbank purchases electricity from the main grid. Electricity Grid of Turkey's RECs certification, - direct contracts (low-carbon, renewable etc.) - residual mix totals attributes are not available.

C9. Additional metrics

C9.1

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

C10. Verification

C10.1

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

	Verification/assurance status
Scope 1	Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	Third-party verification or assurance process in place
Scope 3	Third-party verification or assurance process in place

C10.1a

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

Scope

Scope 1

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

Iş Bankası_CDP Assurance Statement.pdf

Iş Bankası_CDP Assurance Statement.pdf

SustainabilityReport2017.pdf

Page/ section reference

1

Relevant standard

ISAE3000

Proportion of reported emissions verified (%)

100

Scope

Scope 2 location-based

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

Iş Bankası_CDP Assurance Statement.pdf

Page/ section reference

Limited Assurance Report for 2016 & 2017 Emissions: Sustainability Report 2017, p. 90-92 Limited Assurance Report for 2018 Emissions: İş Bankası_CDP Assurance Statement.pdf

Relevant standard

ISAE3000

Proportion of reported emissions verified (%)

100

C10.1b

(C10.1b) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

Scope

Scope 3- at least one applicable category

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Attach the statement

Iş Bankası_CDP Assurance Statement.pdf

Page/section reference

Limited Assurance Report for 2016 & 2017 Emissions: Sustainability Report 2017, p. 90-92 Limited Assurance Report for 2018 Emissions: İş Bankası_CDP Assurance Statement.pdf

Relevant standard

ISAE3000

C10.2

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

No, but we are actively considering verifying within the next two years

C11. Carbon pricing

C11.1

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

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

C11.2

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

No

C11.3

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

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

C12. Engagement

C12.1

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

Yes, other partners in the value chain

C12.1c

(C12.1c) Give details of your climate-related engagement strategy with other partners in the value chain.

As İşbank, we ensure effective stakeholder engagement in investments by developing collaborations with different stakeholder groups, particularly with non-governmental organizations. These initiatives are designed within a framework that complies with the Bank's Corporate Social Responsibility principles, contributes to the Sustainable Development Goals, and meets the current needs of the society. We engage with partners such as TÜSİAD, Solarbaba, Gensed, Günder and European Bank of Reconstruction and Development.

We are in contact with the Solarbaba, Gensed and Günder administrations whom are leaders in solar energy sector and considering cooperation opportunities for the financing of solar power plant investments.

Credit agreements are carried out with the European Bank for Reconstruction and Development (EBRD) to support renewable energy and resource efficiency investments / activities in the scope of Turkey Sustainable Energy Financing Program (TurSEFF). In this context, cooperation is made with TurSEFF consultants.

During monthly meetings held within the scope of TÜSİAD Energy Working Group, with major players of the energy sector, opinions are exchanged within the scope given below. Within the framework of our membership to the TÜSİAD Energy Working Group, together with the actors in the sector, we helped prepare an attitude document including the determinations / solution suggestions for the rapid introduction of renewable energy sources, which provide important opportunities in supply security, localization and combating climate change.

As a signatory of UN Global Compact since 2012, İşbank is a member of the Sustainable Banking and Finance Working Group of UN Global Compact Network Turkey. İşbank is one of the first signatories of Turkey's Declaration of Sustainable Finance which was put into practice by UN Global Compact Network Turkey and undertakes the evaluation of the environmental and social risks in the loan processes. Going beyond the commitment announced in the aforementioned Declaration, we evaluate the potential environmental and social risks of all new investment projects worth more than USD 10 million.

C12.3

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

Direct engagement with policy makers

C12.3a

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

Focus of legislation	Corporate position	Details of engagement	Proposed legislative solution
Climate finance	Support	We engage with TUSIAD as a member of their Energy Working Group on utilizing the potential Turkey has in terms of producing electricity via renewable energy sources. In addition, we are a member of the sub-group Task Force on Energy Efficiency of the government and work on energy efficiency in the scope of National Energy Efficiency Action Plan and search for solutions on support of financial institutions.	We support producing electricity from renewable sources and energy efficiency in Turkey as they provide Turkey with the opportunity of contributing to global agreements on climate change and strengthen the position of Turkey as a responsible country. In addition, these initiatives contribute to the solution of problems whose importance is also emphasized in the SDGs.

C12.3f

(C12.3f) What processes do you have in place to ensure that all of your direct and indirect activities that influence policy are consistent with your overall climate change strategy?

The sustainability approach adopted by İşbank has a great impact on the multidimensional value creation in its activities. İşbank develops products and services that make the lives of its stakeholders easier, contributing to the increase of social welfare and development of the country. The approach adopted by the Bank is based on a long-term and integrated management philosophy. Keeping the sustainability approach at the center of its business strategy, İşbank performs its activities with an integrated and long-term perspective.

İşbank aims to integrate sustainability into all business processes from operations to daily activities. İşbank's sustainability philosophy comprises managing its intellectual capital made up of product and service development processes; its financial capital including its own financial resources; its social capital made up of its relationships to society and to all its stakeholders; its human capital including the Bank's talents; and its natural capital covering resource management, responsible lending, all in an integrated manner.

İşbank's Sustainability Management System ensures that operations such as managing environmental impacts, evaluating the environmental and social impacts originating from loans, performing control and audit activities smoothly, and continuously developing human resource potential are put into practice in an integrated manner. İşbank's Sustainability Policy and its other supplementary policies form the basis of this system.

The Corporate Governance Committee, operating under the Board of Directors, is the Bank's highest authority responsible for sustainability. The Head of İşbank's Investor Relations Division serves as Sustainability Coordinator to ensure coordination of work within the executive organs. The Sustainability Working Group which consists of members from Credits Portfolio Management Division, Construction & Real Estate Management Division, Talent Management Division, Board of Inspectors, Internal Control Division ensures the management of sustainability operations and the flow of information. The Sustainability Management System, structured with processes and terms of reference, is regularly audited, and the audit results are submitted to the top management.

The Corporate Governance Committee consists of a chairman and four members. Our Board Chair is the head of Corporate Governance Committee. Besides the Head, three members of the Committee are also Board members; while the Head of Investor Relations Division who is also Sustainability Coordinator of the Bank is a member of the Committee as well.

C12.4

(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Publication

In mainstream reports

Status

Underway – this is our first year

Attach the document

Page/Section reference

Content elements

Governance

Emissions figures

Other metrics

Comment

Our first year of Integrated Reporting will come to an end as of next month (August 2019) and we'll be publishing all relevant information via our website.

C14. Signoff

C-FI

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

C14.1

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

	Job title	Corresponding job category
Row 1	Head of Investor Relations / Sustainability Coordinator of İşbank	Other, please specify (Division Head)

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

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

Please confirm below

I have read and accept the applicable Terms