

C0. Introduction

C0.1

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

Maintaining its steady growth since its establishment in 1997, Vestel Beyaz Eşya today is a player which leads the market with its long-term strategies and vision and as one of the largest manufacturers of white goods in both Turkey and Europe. Vestel Beyaz Eşya carries out its production activities by employing the state-of-the-art technology in its seven factories at Vestel City, which is one of the largest industrial complexes in Europe established in a single location, covering an area of 1.1 million m2 in Manisa. Vestel Beyaz Eşya manufactures refrigerators, washing machines, cooking appliances, dishwashers, air-conditioners & water heaters and tumble dryer in an enclosed area of 312,500 m2 at Vestel City. The Company has an annual production capacity of 9.4 million units. Vestel Beyaz Eşya ranks among the Europe's top manufacturers employing the latest technology. It is one of the ten largest manufacturers of white goods in Europe and one of the top three players in Turkey, developing products by closely following the leading edge technological trends. Vestel Beyaz Eşya is one of Europe's largest original design manufacturers (ODM). Vestel Beyaz Eşya's sales in Europe are carried out mainly on an ODM basis accompanied with some branded sales through the well-known regional brands owned and global brands licensed by Vestel Group. The Company pursues a growth strategy with Vestel Group's own brands in Turkey, the CIS and the MENA region. Through its strong R&D organization and competence in the development of technology, Vestel Beyaz Eşya offers a continuously expanding environmentally friendly product range, which appeals to a wide consumer base on a global scale. The Company strives to bring more comfort to millions of homes with its products. Vestel Beyaz Eşya accounts for nearly 30% of Turkey's total white goods exports. A flexible production capability coupled with a high production capacity, competence in product differentiation, logistical advantages derived from its proximity to Europe as well as to the developing MENA and CIS regions and relatively lower unit labor costs stand out as Vestel Beyaz Eşya's key competitive advantages, reinforcing the Company's market position. The logistics-distribution capabilities of Vestel Ticaret, which carries out Vestel Beyaz Eşya's sales and marketing activities, its wide network of dealers and services offered with a technological infrastructure reinforce Vestel Beyaz Eşya's strong brand image in the domestic market. After-sales services are provided by the Central Services and call center under Vestel Customer Services General Directorate and the authorized service centers.

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
Reporting year	January 1 2019	December 31 2019	Yes	1 year

C0.3

(C0.3) Select the countries/areas 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 chosen approach for consolidating your GHG 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
Chief Financial Officer (CFO)	Vestel Beyaz Eşya maintains their sustainability & climate change politics under the umbrella of "Sustainability Committee" which is led by, Executive Committee Members and CFO of Zorlu Holding, Cem KÖKSAL. In other words, the highest level of direct responsibility for climate change issues belongs to Cem Köksal. As an institutional structure, Mr. Cem Köksal(Executive Board Member) reports directly to the ZORLU HOLDING CEO,Mr. Omer Yüngül. This shows us that how important the notion of sustainability in Zorlu Holding and its companies.

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	Scope of board-level oversight	Please explain
Scheduled – all meetings	<ul style="list-style-type: none"> Reviewing and guiding strategy Reviewing and guiding major plans of action Reviewing and guiding risk management policies Reviewing and guiding business plans Monitoring implementation and performance of objectives Overseeing major capital expenditures, acquisitions and divestitures 	<Not Applicable>	The Zorlu Holding Sustainability Committee has set carbon targets with the participation of all companies. In this context, our goal is to reduce carbon emissions by 15% by 2022. " Because of it's managed by Zorlu Holding and CFO, we give priority the climate change issiu and pursue our goals as sub-climates on an annual basis.

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)	Reporting line	Responsibility	Coverage of responsibility	Frequency of reporting to the board on climate-related issues
Chief Financial Officer (CFO)	<Not Applicable>	Both assessing and managing climate-related risks and opportunities	<Not Applicable>	Quarterly
President	<Not Applicable>	Both assessing and managing climate-related risks and opportunities	<Not Applicable>	More frequently than quarterly
Sustainability committee	<Not Applicable>	Both assessing and managing climate-related risks and opportunities	<Not Applicable>	More frequently than quarterly
Safety, Health, Environment and Quality committee	<Not Applicable>	Both assessing and managing climate-related risks and opportunities	<Not Applicable>	More frequently than quarterly
Energy manager	<Not Applicable>	Both assessing and managing climate-related risks and opportunities	<Not Applicable>	More frequently than quarterly

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).

"Environmental awareness and sustainability" are the key elements of the vision of Vestel Beyaz Eşya. Vestel Beyaz Eşya aims bringing together social, economic, environmental aspects and maintain its main activities in this perspective.

There is a central department for all the seven factories which is called Management Systems and Customer Relationship Management reporting directly to the General Manager. Moreover, all of these activities are monitored by "Sustainability Committee" within the body of Zorlu Holding

The goals of the sustainability committee are assessed on an annual basis in factories. Sub-fractures of the targets are examined in the plants and different targets are given to the departments.

In this case, our "On-Site Inspection" meetings held in our factory are presented to the general directorate every 3 months. In addition, the targets are evaluated on our monthly in Environment & Energy Committee in Vestel Beyaz Eşya. Energy Committee (directed by Systems and Customer Relationship Management) monitored all of the energy consumptions and accordingly environment committee assess that and assign KPI and recommend a roadmap. Under the leadership of both committee, all of the factories, especially production departments design and accomplish energy saving projects. These projects and results are monitored, evaluated and reported. This sort of cycle maintain by in Environment & Energy Committee and results are reported to both general manager and Sustainability Committee

C1.3

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

	Provide incentives for the management of climate-related issues	Comment
Row 1	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).

Entitled to incentive	Type of incentive	Activity incentivized	Comment
All employees	Non-monetary reward	Please select	In our Total Productive Maintenance (TPM) System, we have committees on different topics and one of them is Safe, Health and Environment Committee. This committee have targets and tried to improve overall environmental performance.If the targets are realized, the committee members are awarded with a plaquette by board executive member and general manager.
All employees	Non-monetary reward	Please select	For the project to reduce greenhouse gases, managers and staff members set their own goals and made kaizens to realize their goals. In this program, kaizens and teams are rewarded.
Environment/Sustainability manager	Monetary reward	Please select	The Environmental Manager reviews sustainability under all headings.
Energy manager	Monetary reward	Please select	Energy Managers have targets included in their performance targets. Responsible for Energy Management system, incl Energy surveys, Follow up on energy use on a monthly basis, Energy saving action plan to reach energy target. They are also responsible for implementing and sharing best practices, Green Spirit info Points, Suggest & win Campaign.
All employees	Monetary reward	Please select	Quantitative and qualitative assessments of GHG and energy reduction activities conducted on Kaizen Days every 3 months during the year. We assess greenhouse gas emission reduction performance.
Process operation manager	Monetary reward	Please select	Energy reduction target achievement. Key managers have energy saving targets included in their performance targets
Buyers/purchasers	Monetary reward	Please select	Selected Purchasing Managers have objectives for recycled materials, which results in lower carbon footprint and water footprint. In addition , Purchasing Manager has Climate/energy management performance in to their individual targets.
Executive officer	Monetary reward	Please select	Climate reduction and energy target achievement. Key officers have targets included in their performance targets
All employees	Non-monetary reward	Please select	All employees can submit ideas about all environmental issues by our suggestion system. All the suggestions are scored by the Management System Department and the employees could select the special gifts by their scores.

C2. Risks and opportunities

C2.1

(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?

Yes

C2.1a

(C2.1a) How does your organization define short-, medium- and long-term time horizons?

	From (years)	To (years)	Comment
Short-term	0	3	Vestel Risk Management System is a multidisciplinary process that is integrated. Vestel considers all aspects of its risk management system in order to realize its short- mid -and long-term goals. Strategic, operational, physical, financial and environmental risks and opportunities are addressed within risk management. Attached to Zorlu Holding's risk report. The managed Sustainability Committee and the Corporate Risk Management directorate identify risks and opportunities for climate change. Identification and assessment of risks and opportunities, forecasting the impact of risks on Company level, management of these risks, taking into account decision mechanisms, establishment of effective internal control systems Monitoring and evaluation of risk and opportunity results; It is done by the Board of Directors.
Medium-term	3	11	
Long-term	11	30	

C2.1b

(C2.1b) How does your organization define substantive financial or strategic impact on your business?

'Substantive Impact' is defined as a case that will probably occur or be expected to happen within a three year horizon and has the potential to result in a materially adversely affect business, financial condition, results of operations and result in catastrophic loss to the environment or community services and well-being of the communities we serve.

C2.2

(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.

Value chain stage(s) covered

Direct operations

Risk management process

Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment

Please select

Time horizon(s) covered

Long-term

Description of process

In VESTEL, all cases that may cause to deviation to achieve our aims and objectives are defined as risk. Corporate risk management department is responsible to manage all defined risks consistently, with an overall approach and economically. Identification and managing risks are important in terms of strategical and financial planning. With merging risk management to strategical and financial planning, the company created an awareness for the future possible cases that may cause not to achieve to its objectives and a chance to be proactive. As a result of this 2018 ZH started Smart Life 2030 which covers all Zorlu companies including VESTEL for the transformation to low carbon economy. We are applying ISO 9001:2015 Management System and ISO 14001:2015 Management System Standards in our company which are based on ISO 31000 Risk Management Standard. In all facilities we define stakeholders and their needs and expectations. As per our operation and stakeholder expectations we define our risks and opportunities. In 2018 based on Smart-Life 2030 strategy risks has been reviewed in terms of low carbon economy. We categorize risks as per risk management procedure. Climate related risks and opportunities are assessing under sustainability and all sustainability risks and opportunities are communicated to sustainability committee.

C2.2a

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

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	There is a progress regarding climate change issues and legislations in Turkey, "The Regulation on Monitoring of GHG Emissions" and "Regulation on Fluorinated Greenhouse Gases" are the main regulations we follow. As Vestel Beyaz Eşya we are out of the scope a progress regarding climate change issues and legislations in Turkey, "The Regulation on Monitoring of GHG Emissions because of the limit values but we still place it in our environmental risk analysis. Moreover, we are in scope of "Regulation on Fluorinated Greenhouse Gases" because of our air conditioning factory including R32 F-gases.
Emerging regulation	Relevant, always included	Unfortunately in Turkey, this topic is a blurred line. Eventhough Turkey signed the Paris Agreement and submit its INDC plan, which include 21%redustion target, to the UN Secretariat. This target isn't allocated to the sector. Although this uncertainty decelerate the progress in sector, we put a greenhouse gases emission reduction target
Technology	Relevant, sometimes included	We pursue new technology trends like industry 4.0 and unfortunately it can increase energy consumption.
Legal	Relevant, always included	Although there is no strong enough legislative enforcement regarding climate change issues in Turkey, it's still a risk for us because of standards required for selling our products to EU.
Market	Relevant, always included	Changing in market trends (especially energy market) affect us for our climate change
Reputation	Relevant, always included	This is a direct risk can affect horribly our selling number because we are a environment friendly company and we declare it markets proudly.
Acute physical	Relevant, sometimes included	extreme wheather is effective
Chronic physical	Relevant, sometimes included	

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?

Direct operations

Risk type & Primary climate-related risk driver

Please select

Primary potential financial impact

Please select

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

The Kyoto Protocol is an international agreement linked to the United Nations Framework Convention on Climate Change, which commits its Parties by setting internationally binding emission reduction targets. Turkey became a party to the Kyoto Protocol on 26 August 2009. Since it did not take part in the Annex-B of the Protocol, it did not undertake any emission reduction commitments. Turkey's responsibility under the Protocol until 2012 is only limited to the Article 10 of KP. Turkey has already announced its plans to take NAMAs for emission limitation and to adopt "no-lose target" This should be further advanced in estimating concrete numbers for deviation from the BAU and development of a Low-Carbon Development Strategy (LCDS). For this purpose an extensive national dialogue has to be triggered urgently Extensive coordination with EU is critical when Turkey is shaping its position. In addition, Turkey Submits its Climate Action Plan Ahead of 2015 Paris Agreement.The Republic of Turkey submitted its new climate action plan to the UN Framework Convention on Climate Change (UNFCCC). This Intended Nationally Determined Contribution (INDC) comes well in advance of a new universal climate change agreement which will be reached at the UN climate conference in Paris, in December this year. This INDC and all others submitted by countries.Including Turkey, 133 parties to the UNFCCC have formally submitted their INDCs. The Paris agreement will come into effect in 2020, empowering all countries to act to prevent average global temperatures rising above 2 degrees Celsius and to reap the many opportunities that arise from a necessary global transformation to clean and sustainable development. Turkey companies are able to participate in the GHG emissions goal. Although it signifies additional expense associates with new GHG emissions reduction regulations, it also denotes our competitive advantage compared to our competitors as we develop cost-effective GHG emissions reduction technology.

Time horizon

Unknown

Likelihood

Very likely

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Please select

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

Implementation of new climatic system following the Paris Agreement, Turkey government has established its goal of reducing GHG emissions by 21% by 2030. Turkey has developed a plan for setting up necessary administrative capacities central and local level required financial resources for implementing the EU's environmental legislation. The cost of full compliance with EU for industry c. 16 billion € (COWI 2005). In addition, POSSIBLE FINANCIAL INSTRUMENTS are *Government incentives Credit Guarantee Fund *IPA Instrument for Pre-Accession Technical capacity building for the competent authorities Small investment, supply of equipment Under Regional Competitiveness some loans for SMEs Multi-country loan program for SMEs (EC, EIB, EBRD) * IFIs; EIB, the World Bank, KfW, EBRD, ADF *7th Framework Program (to support innovation in the Field of industrial pollution)

Cost of response to risk**Description of response and explanation of cost calculation**

Vestel Beyaz Eşya has been executing various activities in order to comply with domestic and international regulations such as Paris Agreement's and GHG and Energy Management System. In addition, Analyzing Green House Gases reduction target and setting Green House Gases emission goal, we carry out our activities step by step to meet the target. We manage the process with the energy and environment teams in our factory. In this context, we have ISO 50001, ISO 14001: 2015 certificates. In addition, we have verified Vestel Beyaz Eşya Greenhouse Gas Emissions under ISO 14064-1. As Vestel Beyaz Eşya , we aim to reduce our carbon emissions per turnover by 15% by 2022.

Comment**Identifier**

Risk 2

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Please select

Primary potential financial impact

Increased indirect (operating) costs

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

Emission reduction projects developed under Gold Standard and VCS, local MRV is in force and with the datas collected from industry through MRV Regulation, Local ETS is in preparation phase to develop an internal cap and trade scheme similar to EU ETS in the near future. Emission trading schemes generally limit the emissions release from emission intensive industries by assigning quotas and defining penalties, and set up mechanisms for trading emissions reductions achieved. Moreover, Vestel is likely to be subjected to this compliance and trading scheme this may lead to increased costs related to; carbon taxes applied to facility based emissions or production volumes, adoption of new equipment standards and carbon dioxide equivalent (CO2e) emissions abatement technologies, required corporate resources and systems to manage risks, achieve compliance and retrofitting of existing equipment/processes.

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**Cost of response to risk****Description of response and explanation of cost calculation****Comment****Identifier**

Risk 3

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Please select

Primary potential financial impact

Increased indirect (operating) costs

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

In 2009, VESTEL identified GHG reporting and Management System. VESTEL calculated the Greenhouse Gas (GHG) emissions sourced by its facilities by using IPCC-2006 and in accordance with ISO 14064 GHG Standard. Since 2016, VESTEL's GHG Inventory Report have been audited and verified by an independent body in "reasonable assurance" level. VESTEL shares the GHG emissions with all stakeholders through Sustainability Reports.

Time horizon

Short-term

Likelihood

Virtually certain

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

25000

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

ISO 14064 GHG Emission Inventory Verification is an continuous process for VESTEL in yearly basis. Total financial implication for ISO 14064 verification process and training are around 25,000 TL for the verification period in 2019.

Cost of response to risk

Description of response and explanation of cost calculation

To manage the risk, VESTEL has calculated greenhouse gas emissions released during its activities since 2009. VESTEL calculated GHG emissions sourced by its facilities by using IPCC and in accordance with ISO 14064-1 Standard. Since 2016, VESTEL's GHG Inventory Report have been audited and verified by an independent body in "reasonable assurance" level. VESTEL shares the GHG emissions with all stakeholders through Sustainability Reports. ISO 14064 GHG Emission Inventory Verification is an continuous process for VESTEL in yearly basis. Total financial implication for ISO 14064 verification process and training are around 25,000 TL for the verification period in 2019.

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	Opportunities exist, but none with potential to have a substantive financial or strategic impact on business	

C3. Business Strategy

C3.1

(C3.1) Have climate-related risks and opportunities influenced your organization's strategy and/or financial planning?

Yes, and we have developed a low-carbon transition plan

C3.1a

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

No, but we anticipate using qualitative and/or quantitative analysis in the next two years

C3.1c

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

Our company prepares scenarios for climate change business strategies. In this context, we have progressed & we expect our work to be completed within next year.

C3.1d

(C3.1d) Describe where and how climate-related risks and opportunities have influenced your strategy.

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	Yes	Meeting customer and consumer needs
Supply chain and/or value chain	Evaluation in progress	Low operational costs, Low cost production driven by energy and operational efficiency
Investment in R&D	Yes	Low cost production driven by energy and operational efficiency, Low operational costs, low cost production driven by state-of-the-art, efficient production facilities,
Operations	Yes	Low cost production driven by state-of-the-art, efficient production facilities, Low cost production driven by energy and operational efficiency, Low operational costs

C3.1e

(C3.1e) Describe where and how climate-related risks and opportunities have influenced your financial planning.

	Financial planning elements that have been influenced	Description of influence
Row 1	Revenues Direct costs Indirect costs Assets	Based on ZH's vision , the mother of Vestel White Goods, transformation plan for low carbon economy has been launched as Smart Life 2030 in 2018. The plan based on following items; -Reduce environmental footprint -Produce more efficiently -Consume Less -Support Renewable Energy -Improvement of Supply Chain -Invest in Smart Industries -Development of Sustainable Products The climate-related risks and opportunities determined in accordance with this plan will have long-term positive effects on the financial plan.

C3.1f

(C3.1f) Provide any additional information on how climate-related risks and opportunities have influenced your strategy and financial planning (optional).

C4. Targets and performance

C4.1

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

Intensity target

C4.1b

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

Target reference number

Int 1

Year target was set

2016

Target coverage

Please select

Scope(s) (or Scope 3 category)

Scope 1+2 (location-based)

% reduction per unit turnover

Intensity metric

Please select

Base year

2016

Intensity figure in base year (metric tons CO2e per unit of activity)

64601.16249

% of total base year emissions in selected Scope(s) (or Scope 3 category) covered by this intensity figure

100

Target year

2020

Targeted reduction from base year (%)

15

Intensity figure in target year (metric tons CO2e per unit of activity) [auto-calculated]

54910.9881165

% change anticipated in absolute Scope 1+2 emissions**% change anticipated in absolute Scope 3 emissions****Intensity figure in reporting year (metric tons CO2e per unit of activity)****% of target achieved [auto-calculated]**

<Calculated field>

Target status in reporting year

Please select

Is this a science-based target?

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

Please explain (including target coverage)

Vestel had intended on reducing greenhouse gas emissions caused by its operations by 2020 compared to the base year of 2016 for Scope 1 and Scope 2 emissions. However, due to the production volume and other costs, it was an unrealistic approach to obtain an absolute target in emission reductions. Therefore, Vestel has changed its emission reduction target to Intensity target. The aim of this target is to decrease the emission rate per revenue Turkish Lira. In the base year, 2016, the rate was 0.0000213 tCO2 eq/1 revenue-TL; in now, 2018, it has been reduced to 0.0000127 tCO2 eq/1 revenue-TL, via production optimisation and energy efficient manufacturing approach. Eventhough there isn't any spesific target in this part, we achieved 23.23% reduction in metric ton/unit revenue ratio. For scope 3, we don't have a target for now. for this reason %change information can not be supplied.

Target reference number

Int 2

Year target was set

2019

Target coverage

Please select

Scope(s) (or Scope 3 category)

Scope 1+2 (location-based)

Intensity metric

Please select

Base year

2019

Intensity figure in base year (metric tons CO2e per unit of activity)

78034.3

% of total base year emissions in selected Scope(s) (or Scope 3 category) covered by this intensity figure

100

Target year

2022

Targeted reduction from base year (%)

15

Intensity figure in target year (metric tons CO2e per unit of activity) [auto-calculated]

66329.155

% change anticipated in absolute Scope 1+2 emissions**% change anticipated in absolute Scope 3 emissions****Intensity figure in reporting year (metric tons CO2e per unit of activity)****% of target achieved [auto-calculated]**

<Calculated field>

Target status in reporting year

Underway

Is this a science-based target?

Yes, we consider this a science-based target, but this target has not been approved as science-based by the Science Based Targets initiative

Please explain (including target coverage)

In middle of the 2018 our new factory , tumbler dryer machine, has been run. This change lead to increase in our green house gases emissions because of essential

increasing in production. In this manner, a new base year and target have been set. Accordingly, base year will be 2019 and 15% reduction in green house gases emissions per unit revenue will be achieved until 2022.

C4.2

(C4.2) Did you have any other climate-related targets that were active in the reporting year?

No other climate-related targets

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	6	
To be implemented*	17	
Implementation commenced*	12	
Implemented*	27	8464
Not to be implemented	1	

C4.3b

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

Initiative category & Initiative type

Please select

Estimated annual CO2e savings (metric tonnes CO2e)

Scope(s)

Please select

Voluntary/Mandatory

Please select

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

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

Payback period

Please select

Estimated lifetime of the initiative

Please select

Comment

Initiative category & Initiative type

Energy efficiency in production processes	Machine/equipment replacement
---	-------------------------------

Estimated annual CO2e savings (metric tonnes CO2e)

5988

Scope(s)

Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

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

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

Payback period

No payback

Estimated lifetime of the initiative

6-10 years

Comment

22 of the 27 initiatives applied were related to machine replacement. Replacing low-efficiency pumps with pumps with high energy-saving efficiency, replacing fluorescent bulbs with LED bulbs throughout the factory, and making a main engine revision are examples of applications. As a result of these 22 initiatives, the targeted energy efficiency has been achieved.

Initiative category & Initiative type

Energy efficiency in production processes	Process optimization
---	----------------------

Estimated annual CO2e savings (metric tonnes CO2e)

1374

Scope(s)

Scope 1

Voluntary/Mandatory

Voluntary

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

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

Payback period

No payback

Estimated lifetime of the initiative

6-10 years

Comment

4 out of 27 initiatives are associated with process optimization. The transition to infrared technology in a refrigerator cooking oven operating with natural gas and pressure optimization in compressors can be given as examples of the initiatives applied. As a result of this initiative, it was found that there was a reduction of 1374 tCO2.

Initiative category & Initiative type

Energy efficiency in buildings	Maintenance program
--------------------------------	---------------------

Estimated annual CO2e savings (metric tonnes CO2e)

1105.88

Scope(s)

Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

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

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

Payback period

No payback

Estimated lifetime of the initiative

11-15 years

Comment

Automation system was used in auxiliary facilities and scada system was installed. As a result of this initiative, it was seen that the targeted reduction in greenhouse gas emission amounts was achieved.

C4.3c

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

Method	Comment
Compliance with regulatory requirements/standards	The importance we give to the environment goes beyond legal requirements. As we continue our operations, we act on the basis of our Sustainability Strategy and Environmental Policy when it comes to efficient use of energy, management of greenhouse gas emissions, prevention of waste generation, protection of biodiversity and natural heritage. IAll activities are carried out in accordance with the national regulations on the environment, obligations arising from international conventions and environmental awareness.
Dedicated budget for energy efficiency	Annually, energy budgets and energy efficiency investment budgets are designated, projects are materialized. At the beginning of each year, targets aimed at reducing energy consumption are designated and at the end of the every year, compliance status with planned target is followed.
Financial optimization calculations	We carry out operations aimed at optimizing energy consumption. Financial optimizations are made in energy efficiency and investment paths are opened. Short and medium term energy efficiency projects are constantly monitored, financial optimization is made and implemented in a short time.

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

Group of products

Description of product/Group of products

Environmental friendly tumble dryer with R290 gases

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

Evaluating the carbon-reducing impacts of ICT

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

4

% of total portfolio value

<Not Applicable>

Asset classes/ product types

<Not Applicable>

Comment

Level of aggregation

Group of products

Description of product/Group of products

All of the products low energy consumption (A+++)

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

Low-Carbon Investment (LCI) Registry Taxonomy

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

27

% of total portfolio value

<Not Applicable>

Asset classes/ product types

<Not Applicable>

Comment

With our energy efficient home appliances we aim decrease the carbon emission because of electric usage.

Level of aggregation

Product

Description of product/Group of products

Refrigerator with vacuum technology

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

Low-Carbon Investment (LCI) Registry Taxonomy

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

% of total portfolio value

<Not Applicable>

Asset classes/ product types

<Not Applicable>

Comment

With increasing population and consumption culture unfortunately domestic wastes are increasing day by day. With this technology we aim to decrease domestic wastes by means of keeping foods fresh longer time. Thus, domestic waste and their carbon foot print will be lower.

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 2019

Base year end

December 31 2019

Base year emissions (metric tons CO2e)

14936.93

Comment

In middle of the 2018 our new factory , tumbler dryer machine, has been run. This change lead to increase in our green house gases emissions because of essential increasing in production. In this manner, a new base year and target have been set. Accordingly, base year will be 2019 and 15% reduction in green house gases emissions per unit revenue will be achieved until 2022.

Scope 2 (location-based)

Base year start

January 1 2019

Base year end

December 31 2019

Base year emissions (metric tons CO2e)

67097.4

Comment

In middle of the 2018 our new factory , tumbler dryer machine, has been run. This change lead to increase in our green house gases emissions because of essential increasing in production. In this manner, a new base year and target have been set. Accordingly, base year will be 2019 and 15% reduction in green house gases emissions per unit revenue will be achieved until 2022.

Scope 2 (market-based)

Base year start

January 1 2019

Base year end

December 31 2019

Base year emissions (metric tons CO2e)

0

Comment

No market-based Scope 2 emissions available.

C5.2

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

Defra Voluntary 2017 Reporting Guidelines

IPCC Guidelines for National Greenhouse Gas Inventories, 2006

ISO 14064-1

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

US EPA Center for Corporate Climate Leadership: Indirect Emissions From Purchased Electricity

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)

14936.93

Start date

January 1 2019

End date

December 31 2019

Comment

Compared to the previous year, total emissions (scope1+scope2) per turnover decreased by 0.00225 kgCO2 / turnover.

Past year 1

Gross global Scope 1 emissions (metric tons CO2e)

8896.35

Start date

January 1 2018

End date

December 31 2018

Comment

Compared to the previous year, total emissions (scope1+scope2) per turnover decreased by 0.00225 kgCO2 / turnover.

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 have no operations where we are able to access electricity supplier emission factors or residual emissions factors and are unable to report a Scope 2, market-based figure

Comment

VESTEL has no operations on where market-based electricity emission factor is available from the suppliers. For scope 2 electricity and heat carbon emission factors, VESTEL uses Ecoinvent version 3.2 database. For electricity emission factor, Ecoinvent v3.2 2015 Turkey electricity mix data are used. For, heat emission factor Ecoinvent v3.2 heat emission factor data are use. Those data are calculated in SimaPro v8.4 software with IPCC calculation methodology. Afterthat it has been verified by accredited body

C6.3

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

Reporting year

Scope 2, location-based

63097.4

Scope 2, market-based (if applicable)

<Not Applicable>

Start date

January 1 2019

End date

December 31 2019

Comment

Compared to the previous year, total emissions (scope1+scope2) per turnover decreased by 0.00225 kgCO2 / turnover.

Past year 1

Scope 2, location-based

67273.56

Scope 2, market-based (if applicable)

<Not Applicable>

Start date

January 1 2018

End date

December 31 2018

Comment

Compared to the previous year, total emissions (scope1+scope2) per turnover decreased by 0.00225 kgCO2 / turnover.

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 gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

Evaluation status

Relevant, calculated

Metric tonnes CO2e

2850.74

Emissions calculation methodology

IPPC Guidelines for National Greenhouse Gas Inventories

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

100

Please explain

Vestel calculated purchased goods and services as scope 3 emissions and scope 3 emissions have been already audited and verified by an independent body.

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>

Please explain

Vestel owned capital goods' emissions are estimated to be at negligible quantity of our total emissions in 2019. Therefore the capital goods are not relevant for Vestel.

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>

Please explain

All Scope 1 and Scope 2 emissions of our activities are calculated. There are no emissions out of Scope 1 and Scope 2 .

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>

Please explain

Waste generated in operations

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>

Please explain

Production waste disposal and recycling operations are not implemented in Vestel. Disposal and recycling companies do not under control of Vestel.

Business travel

Evaluation status

Relevant, calculated

Metric tonnes CO₂e

319.61

Emissions calculation methodology

IPPC Guidelines for National Greenhouse Gas Inventories

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

100

Please explain

Our employee's vehicle emissions are calculated in our Scope 1 emissions which has been already audited and verified by an independent body.

Employee commuting

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>

Please explain

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>

Please explain

Vestel has no leased assets for storing supplied materials from suppliers.

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>

Please explain

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>

Please explain

Processing of sold products is not relevant because Vestel produces and sells final products.

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>

Please explain

End of life treatment 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>

Please explain

Vestel White Goods works with gate to gate policy and Vestel is not responsible for end life of sold products due to Turkish regulations.

Downstream leased assets

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>

Please explain

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>

Please explain

Vestel has no franchising activities.

Investments

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>

Please explain

Other (upstream)

Evaluation status

Please select

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>

Please explain

Other (downstream)

Evaluation status

Please select

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>

Please explain

C6.7

(C6.7) Are carbon dioxide emissions from biogenic 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

0.01038

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

78034.3

Metric denominator

unit total revenue

Metric denominator: Unit total

6900000000

Scope 2 figure used

Location-based

% change from previous year

17.81

Direction of change

Decreased

Reason for change

Greenhouse gas emissions per revenue decreased by 17.81 % in 2019. The main reason of this decrease is energy reduction activities and increase in revenue compared to previous year.

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	14929.87	IPCC Fifth Assessment Report (AR5 – 100 year)
CH4	0.095	IPCC Fifth Assessment Report (AR5 – 100 year)
N2O	0.017	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	14936.93

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)
stationary combustion	14439.93
mobile combustion	344.52
fugitive emissions	152.47

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 for in Scope 2 market-based approach (MWh)
Turkey	63097.4		107981.43	

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 (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Purchased Electricity		
Purchased Heat		

C7.9

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

Decreased

C7.9a

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

	Change in emissions (metric tons CO2e)	Direction of change	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption		<Not Applicable>		
Other emissions reduction activities	3875.6	Decreased	5.09	Compared to 2018, total emissions decreased by 5.09 percent in 2019.
Divestment		<Not Applicable>		
Acquisitions		<Not Applicable>		
Mergers		<Not Applicable>		
Change in output		<Not Applicable>		
Change in methodology		<Not Applicable>		
Change in boundary		<Not Applicable>		
Change in physical operating conditions		<Not Applicable>		
Unidentified		<Not Applicable>		
Other		<Not Applicable>		

C7.9b

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

Location-based

C8. Energy

C8.1

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

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

C8.2

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

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	Yes
Consumption of purchased or acquired steam	Yes
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 (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	LHV (lower heating value)		69918.29	69918.29
Consumption of purchased or acquired electricity	<Not Applicable>		91827.16	91827.16
Consumption of purchased or acquired heat	<Not Applicable>		5846.29	5846.29
Consumption of purchased or acquired steam	<Not Applicable>		10384.14	10384.14
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>		177975.88	177975.88

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	No
Consumption of fuel for the generation of heat	No
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

69918.29

MWh fuel consumed for self-generation of electricity

<Not Applicable>

MWh fuel consumed for self-generation of heat

<Not Applicable>

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>

Emission factor

0.20215

Unit

kg CO2e per kWh

Emissions factor source

IPCC (2006), Vol 2, Chapter 2, Table 2.3

Comment

Fuels (excluding feedstocks)

Liquefied Petroleum Gas (LPG)

Heating value

LHV (lower heating value)

Total fuel MWh consumed by the organization

0.48

MWh fuel consumed for self-generation of electricity

<Not Applicable>

MWh fuel consumed for self-generation of heat

<Not Applicable>

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>

Emission factor

0.00306

Unit

kg CO2e per metric ton

Emissions factor source

IPCC (2006), Vol 2, Chapter 2, Table 2.3

Comment

C9. Additional metrics

C9.1

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

Description

Waste

Metric value

4.14

Metric numerator

kg of waste/product

Metric denominator (intensity metric only)

production amount

% change from previous year

3.14

Direction of change

Decreased

Please explain

Since Vestel is a constantly growing and developing organization, it is considered within these units. When the examination was made in the last 1 year, the factory grew and the production increased from 8 million to over 9 million.

C10. Verification

C10.1

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

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

C10.1a

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

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Reasonable assurance

Attach the statement

Vestel_2019 CDP climate statement_26082020_docx.pdf

Page/ section reference

Page 1 Section 2

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

100

C10.1b

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

Scope 2 approach

Scope 2 location-based

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Reasonable assurance

Attach the statement

Page/ section reference

Page 1 Section 2

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

100

C10.2

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

Yes

C10.2a

(C10.2a) Which data points within your CDP disclosure have been verified, and which verification standards were used?

Disclosure module verification relates to	Data verified	Verification standard	Please explain
C6. Emissions data	Change in Scope 1 emissions against a base year (not target related)	ISO 14064-3	Besides, GHG procedures, operational instructions "on-site" implementations GHG emissions, uncertainty and materiality calculations are submitted to Verification Body. In this report changes in Scope 1&2&3 emissions against the base year have been verified.
C6. Emissions data	Change in Scope 2 emissions against a base year (not target related)	ISO 14064-3	Besides, GHG procedures, operational instructions "on-site" implementations GHG emissions, uncertainty and materiality calculations are submitted to Verification Body. In this report changes in Scope 1&2&3 emissions against the base year have been verified.

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, but we anticipate being regulated in the next three years

C11.1d

(C11.1d) What is your strategy for complying with the systems you are regulated by or anticipate being regulated by?

Since 2016, when sustainability committee has been established in Zorlu Holding and our sustainability studies has begun, Vestel Beyaz Eşya work on their carbon strategy. First thing which is done for this aim was making carbon footprint verified. Since 2016 our carbon footprint is verified. Now we are aiming to take more crucial actions. Preparing and publishing an official carbon policy was planned. However, because of new tumble dryer factory which began to be maintained since middle of 2018 our emission data was changed and it is decided publishing new policy for these circumstances would be unhealthy. In conclusion, we aim to publish an official carbon policy and after that we will announce our strategy including percental targets for renewable energy.

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, but we anticipate doing so in the next two years

C12. Engagement

C12.1

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

Yes, our suppliers

Yes, other partners in the value chain

C12.1a

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

Type of engagement

Information collection (understanding supplier behavior)

Details of engagement

Collect climate change and carbon information at least annually from suppliers

% of suppliers by number

% total procurement spend (direct and indirect)

80

% of supplier-related Scope 3 emissions as reported in C6.5

100

Rationale for the coverage of your engagement

ZH, the mother company of Vestel launched Smart Life -2030 strategy for the low carbon transition. With the vision of Smart Life project Zorlu Supplier Principles has been issued and information including GHG emissions has been requested from the suppliers. As Vestel, we adopt our understanding of "sustainability" in line with our strategy and the focus of our business model, and we carry out all our activities within this framework. However, Corporate Sustainability includes not only managing the economic, social and environmental impacts of our company, but also monitoring and improving the sustainability performance of our suppliers. In line with this approach, we conduct a "Supplier Sustainability Survey" in order to follow the sustainability activities of our suppliers more closely and to take the necessary actions in this direction. With this survey, we collect information about suppliers' approaches to sustainability.

Impact of engagement, including measures of success

Responses from suppliers are reviewed and evaluated. After the evaluation of the responses suppliers are categorized to their sustainability approach. As a result of this evaluation, Vestel decides whether to work with supplier companies.

Comment

C12.1d

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

ZH, the mother company of Vestel launched Smart Life -2030 strategy for the low carbon transition. With the vision of Smart Life project Zorlu Supplier Principles has been issued and information including GHG emissions has been requested from the suppliers.

As Vestel, we adopt our understanding of "sustainability" in line with our strategy and the focus of our business model, and we carry out all our activities within this framework. However, Corporate Sustainability includes not only managing the economic, social and environmental impacts of our company, but also monitoring and improving the sustainability performance of our suppliers. In line with this approach, we conduct a "Supplier Sustainability Survey" in order to follow the sustainability activities of our suppliers more closely and to take the necessary actions in this direction. With this survey, Vestel collect information about suppliers' approaches to sustainability.

Moreover, Vestel supports national and international activities for combating against climate change. Vestel participates in Global Climate Conferences and shares its best practices in the panels and attends meetings organized by Ministry for defining of Turkey's climate strategy.

C12.3

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

Direct engagement with policy makers

Trade associations

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
Energy efficiency	Support	Vestel Beyaz Eşya has adopted official policy positions in key strategic issues, such as supporting market incentives that trigger changes in consumer purchases for home appliances . Public policy initiatives are primarily coordinated with industry organizations such as the European Appliance Industry Association (CECED) and the Turkish White Equipments Association (TÜRKESD). Vestel is harmonizing legislation on public policy issues related to white goods, climate change, energy efficiency, the responsibility of the manufacturer for recycling, product liability, labeling, and the use of chemicals. As performance standards and legislation differ between countries, Vestel Beyaz Eşya supports global harmonization. By 2022, Vestel Beyaz Eşya aims to reduce its carbon emissions by 22%.In addition,Vestel Beyaz Eşya has special relations with all relevant Ministries in Turkey. By stating the opinions of the Ministries regarding the draft regulations and legislation. Vestel Beyaz Eşya is in the working groups of the relevant Ministries, such as T.C. Ministry of Environment and Urbanization,T.C.Ministry of Energy and Natural Resources and T.C.Ministry of Science,Industry and Technology.	
Energy efficiency	Support	Vestel Beyaz Eşya is a member of TURKBESD that was established in 1986 as Home Appliances Manufacturers' Association (TURKBESD) by the leading home appliances companies of the sector. In 1999, following its membership to the European Union's senior organization of the field CECED (European Committee of Domestic Equipment Manufacturers), the association received permission to use "Turkey" in its name through a Cabinet of Ministers decree, and changed its name to White Goods Manufacturers' Association of Turkey (TÜRKESD).	When needed and requested, the association makes statements to the relevant ministries and media (Ministry of Science, Industry and Technology, Ministry of Environment and Urban Planning, Ministry of Energy and Natural Resources, Ministry of Economy, Ministry of Customs and Trade, General Directorate for the Protection of Consumers and Competition, the Union of Chambers and Commodity Exchanges of Turkey, Undersecretariat of Foreign Trade, Central Bank of the Republic of Turkey, TUSIAD (Turkish Industry and Business Association)).
Mandatory carbon reporting	Support	Vestel Beyaz Eşya has mandated carbon reporting for each year, 2016 year base year.	We also fully support the GHG target management system in the home appliances sector. We have also identified potential problems with systems and standards that may arise when a production-focused GHG goal management system is established to ensure that the system operates consistently. We have set up development methods and standards.

C12.3b

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

Yes

C12.3c

(C12.3c) Enter the details of those trade associations that are likely to take a position on climate change legislation.

Trade association

TÜRKESD

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

White Goods Manufacturers' Association of Turkey, whose acronym is TÜRKESD, was established in 1986 as White Goods Manufacturers' Association (ESD) by the leading white goods companies of the sector. In 1999, following its membership to the European Union's senior organization of the field CECED (European Committee of Domestic Equipment Manufacturers), the association received permission to use "Turkey" in its name through a Cabinet of Ministers decree, and changed its name to White Goods Manufacturers' Association of Turkey (TÜRKESD). Vestel is a member of Türkbesd.

How have you influenced, or are you attempting to influence their position?

The association represents approximately 90-91% of the sector. Additionally, TÜRKESD represents Turkey at CECED (European Committee of Domestic Equipment Manufacturers), which is a platform where home appliance manufacturers in the European Union come together to make decisions. The efforts in the EU are pursued through this membership, and specialist technical personnel of the member companies participate in the technical committee works of the said organization. When needed and requested, the association makes statements to the relevant ministries, NGOs and media (Ministry of Science, Industry and Technology, Ministry of Environment and Urban Planning, Ministry of Energy and Natural Resources, Ministry of Economy, Ministry of Customs and Trade, General Directorate for the Protection of Consumers and Competition, the Union of Chambers and Commodity Exchanges of Turkey, Undersecretariat of Foreign Trade, Central Bank of the Republic of Turkey, TUSIAD [Turkish Industry and Business Association]).

Trade association

TOBB

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

TOBB is The Union of Chambers and Commodity Exchanges of Turkey. Vestel Home Appliance is direct member of Durable Consumer Goods Sector(DTMM) of TOBB.

How have you influenced, or are you attempting to influence their position?

Management Systems and Customer Relations Manager attends to the meetings in monthly.

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?

Vestel has adopted a group-wide strategy to address climate change that goes beyond meeting local legislation and addressing regulatory risks. This strategy naturally ties into the overall strategy very clearly. The activities that are innovating and promoting efficient products, raising awareness on the importance of energy-efficient appliances and reducing energy use in operations are consistent with our overall climate change strategy.

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 voluntary sustainability report

Status

Complete

Attach the document

Sustainability Report.pdf

Page/Section reference

Sustainability Report- Pages-7,10,22,23

Content elements

Governance

Strategy

Emissions figures

Emission targets

Comment

Zorlu Holding, the mother of Vestel, regularly shares its performance and activities carried out within the scope of its sustainability strategy with stakeholders through Sustainability Reports.

Publication

Please select

Status

<Not Applicable>

Attach the document

<Not Applicable>

Page/Section reference

<Not Applicable>

Content elements

<Not Applicable>

Comment

Publication

In mainstream reports

Status

Complete

Attach the document

AnnualReport_2019.pdf

Page/Section reference

Annual Report - Pages 32,77,89,91,90,101,103,104

Content elements

Strategy

Emissions figures

Emission targets

Comment

Vestel regularly prepares an annual report every year. Strategy, emission targets and emission figures are shared in this report.

C15. 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.

C15.1

(C15.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1		Please select

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

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

Please confirm below

I have read and accept the applicable Terms