

W0. Introduction

W0.1

(W0.1) Give a general description of and introduction to your organization.

Operating in the fields of consumer electronics, white goods and information technologies with its more than 16.000 employees, Vestel Group of Companies (Vestel), which is the flagship of Zorlu Group, comprises of 29 companies, 13 of which are abroad. Vestel is one the largest consumer electronics and white goods producers in Turkey and Europe. The Company's manufacturing facilities are located in Manisa, Turkey and Poland. The Company enjoys economies of scale which results in productivity, efficiency, and cost advantages by undertaking the majority of its manufacturing within a single 723.420 square meter area, namely Vestel City, the largest industrial complex in Europe. Vestel Elektronik was established in 1984 and is mainly engaged in production of televisions, set-top-boxes, display panels, touch screens, tablets, smartphones, led lightings, car chargers. The Company is among the leading ODMs (Original Design Manufacturers) in World Wide LCD TV market, as ranked 2 in Q4 2018, #2 in Q4 2017, #2 in Q4 2016, #2 in Q4 2015, #2 in Q4 2014, #2 in Q4 2013 in the European Market (#8 in 2011, #4 in 2012), while enjoys being one of the three major players in the domestic LCD TV market with its well-known Vestel brand. The strategic importance given to R&D has a key role in Vestel's ability to reach the fast rate of growth and strong competitive position the Company enjoys today. Vestel has improved its superior production technology and design development capability continuously through its team of 900 engineering professionals employed in its R&D centers. The Company is attracting increasing attention with its modern consumer friendly and innovative products. Vestel designs its products and manufacturing processes to maximize productivity, while making a special effort to protect the nature and raise environmental awareness. Vestel places its "smart life" concept at the center of its brand culture, strengthening its innovative power with consumer and environmentally friendly, sustainable products. Underlying Vestel's unique, pioneering designs and innovative products is the Company's mission to leave a habitable world for future generations while envisioning the technology of the future. Vestel continually strives to minimize all negative impacts on the environment with its new products and targets to increase its R&D investments toward the direction of sustainable innovation. By producing world-class quality products, Vestel was listed among the "Top 250 Consumer Products Companies list" in Deloitte's "Global Powers of The Consumer Products Industry 2016" report. Vestel conducts its business processes in accordance with ISO 14001 Environment Management System (EMS), which is integrated with ISO 9001 Quality Management System (QMS) and adopted to Total Quality Approach, since 1998, ISO 14064-1 Greenhouse Gases Management System. Vestel also certified its Energy Management System with ISO50001 since 2012. Vestel also implements Total Productive Maintenance (TPM) and Supply Chain Excellence (SCM) methodologies for cost reduction, quality and process improvement while increasing its competitive edge day by day through its flexible production structure.

VESTEL Electronics is the TV, smartphone, tablet, Led lightings, infomative screens, set top box manufacturing plant of VESTEL Group of Companies. Employing more than 7000 people, VESTEL's production facilities are located in MANISA in Turkey, it has a total annual production capacity of 15 million TV units and 3 million digital units. VESTEL Electronics has 6 production facilities; Electronic Board Production, Plastic Injection, Paint Shop, Styrofoam Production, Digital (Smartphone , Tablet , Interactive Smartboards, Informative Screen, Touch screen, Car Charger) Production, Final Assembly Manufacturing (Led TV, Set top Box, Led Lighting) at the highest quality standards requires discipline as well as knowledge and experience. Total Productive Maintenance approach implemented throughout the manufacturing process improves efficiency and productivity in all areas and also ongoing SCM (Supply Chain Excellence) projects , making VESTEL a World Class Manufacturer. Also Vestel is qualified to receive the CIPS (Chartered Institute of Procurement and Supply), a corporate procurement certification that is given only to a handful of companies in the world. Vestel was subject to a six-month evaluation process by CIPS in order to get this certificate. An evaluation for compliance to 110 different criteria under five main categories, namely "Leadership and Organization", "Strategy", "Human", "Processes and Systems", and "Performance Management" was conducted.

VESTEL is also two times finalist of European Environmental Awards.

W0.2

(W0.2) State the start and end date of the year for which you are reporting data.

	Start date	End date
Reporting year	January 1 2018	December 31 2018

W0.3

(W0.3) Select the countries/regions for which you will be supplying data.

Turkey

W0.4

(W0.4) Select the currency used for all financial information disclosed throughout your response.

TRY

W0.5

(W0.5) Select the option that best describes the reporting boundary for companies, entities, or groups for which water impacts on your business are being reported.

Companies, entities or groups over which financial control is exercised

W0.6

(W0.6) Within this boundary, are there any geographies, facilities, water aspects, or other exclusions from your disclosure?

No

W1. Current state

W1.1

(W1.1) Rate the importance (current and future) of water quality and water quantity to the success of your business.

	Direct use importance rating	Indirect use importance rating	Please explain
Sufficient amounts of good quality freshwater available for use	Important	Important	Vestel Electronics is located in Manisa Industrial Zone. We mostly use water for drinking, garden, toilets, fire hydrants and some production processes like plastic injection, paintshop, snow box production. The water is not one of the material/raw material of our products.
Sufficient amounts of recycled, brackish and/or produced water available for use	Not very important	Neutral	Vestel Electronics is located in Manisa Industrial Zone. We mostly use water for drinking, garden, toilets, fire hydrants and some production processes like plastic injection, paintshop, snow box production. The water is not one of the material/raw material of our products.

W1.2

(W1.2) Across all your operations, what proportion of the following water aspects are regularly measured and monitored?

	% of sites/facilities/operations	Please explain
Water withdrawals – total volumes	76-99	Vestel Electronics is located in Manisa Industrial Zone. It is regularly measured and monitored by our Maintenance&Investment Department and Manisa Industrial Zone Directorate.
Water withdrawals – volumes from water stressed areas	Not relevant	
Water withdrawals – volumes by source	76-99	Vestel Electronics is located in Manisa Industrial Zone. It is regularly measured and monitored by our Maintenance&Investment Department and Manisa Industrial Zone Directorate.
Entrained water associated with your metals & mining sector activities - total volumes [only metals and mining sectors]	<Not Applicable>	<Not Applicable>
Produced water associated with your oil & gas sector activities - total volumes [only oil and gas sector]	<Not Applicable>	<Not Applicable>
Water withdrawals quality	Not relevant	
Water discharges – total volumes	76-99	Vestel Electronics is located in Manisa Industrial Zone. It is regularly measured and monitored by our Maintenance&Investment Department and Manisa Industrial Zone Directorate.
Water discharges – volumes by destination	76-99	Vestel Electronics is located in Manisa Industrial Zone. It is regularly measured and monitored by our Maintenance&Investment Department and Manisa Industrial Zone Directorate.
Water discharges – volumes by treatment method	76-99	Vestel Electronics is located in Manisa Industrial Zone. It is regularly measured and monitored by our Maintenance&Investment Department and Manisa Industrial Zone Directorate.
Water discharge quality – by standard effluent parameters	76-99	Vestel Electronics is located in Manisa Industrial Zone. It is regularly measured and monitored by our Maintenance&Investment Department and Manisa Industrial Zone Directorate.
Water discharge quality – temperature	76-99	Vestel Electronics is located in Manisa Industrial Zone. It is regularly measured and monitored by our Maintenance&Investment Department and Manisa Industrial Zone Directorate.
Water consumption – total volume	76-99	Vestel Electronics is located in Manisa Industrial Zone. It is regularly measured and monitored by our Maintenance&Investment Department and Manisa Industrial Zone Directorate.
Water recycled/reused	76-99	Vestel Electronics is located in Manisa Industrial Zone. It is regularly measured and monitored by our Maintenance&Investment Department and Manisa Industrial Zone Directorate.
The provision of fully-functioning, safely managed WASH services to all workers	76-99	Vestel Electronics is located in Manisa Industrial Zone. It is regularly measured and monitored by our Maintenance&Investment Department and Manisa Industrial Zone Directorate.

W1.2b

(W1.2b) What are the total volumes of water withdrawn, discharged, and consumed across all your operations, and how do these volumes compare to the previous reporting year?

	Volume (megaliters/year)	Comparison with previous reporting year	Please explain
Total withdrawals	620520	Lower	The decreasing of water usage is caused by decreasing employee quantity and decreasing production quantity.
Total discharges	548468	Lower	The decreasing of water usage is caused by decreasing employee quantity and decreasing production quantity.
Total consumption	62052	Lower	The decreasing of water usage is caused by decreasing employee quantity and decreasing production quantity.

W1.2h

(W1.2h) Provide total water withdrawal data by source.

	Relevance	Volume (megaliters/year)	Comparison with previous reporting year	Please explain
Fresh surface water, including rainwater, water from wetlands, rivers, and lakes	Not relevant	<Not Applicable>	<Not Applicable>	
Brackish surface water/Seawater	Not relevant	<Not Applicable>	<Not Applicable>	
Groundwater – renewable	Not relevant	<Not Applicable>	<Not Applicable>	
Groundwater – non-renewable	Relevant	46062	Lower	The decreasing of water usage is caused by decreasing employee quantity and decreasing production quantity.
Produced/Entrained water	Not relevant	<Not Applicable>	<Not Applicable>	
Third party sources	Relevant	574458	Lower	The decreasing of water usage is caused by decreasing employee quantity and decreasing production quantity.

W1.2i

(W1.2i) Provide total water discharge data by destination.

	Relevance	Volume (megaliters/year)	Comparison with previous reporting year	Please explain
Fresh surface water	Not relevant	<Not Applicable>	<Not Applicable>	
Brackish surface water/seawater	Not relevant	<Not Applicable>	<Not Applicable>	
Groundwater	Relevant	41456	Lower	Manisa Industrial Zone Directorie defines that %90 of withdrawal water is discharged
Third-party destinations	Relevant	517012	Lower	Manisa Industrial Zone Directorie defines that %90 of withdrawal water is discharged

W1.2j

(W1.2j) What proportion of your total water use do you recycle or reuse?

	% recycled and reused	Comparison with previous reporting year	Please explain
Row 1	26-50	Lower	The decreasing is caused by decreasing production quantity.

W1.4

(W1.4) Do you engage with your value chain on water-related issues?

No, we do not engage on water with our value chain

W1.4d

(W1.4d) Why do you not engage with any stages of your value chain on water-related issues and what are your plans?

	Primary reason	Please explain
Row 1	We are planning to do so within the next two years	We are planning to do so within the next two years within Supply Chain Excellence (SCM) project.

W2. Business impacts

W2.1

(W2.1) Has your organization experienced any detrimental water-related impacts?

No

W2.2

(W2.2) In the reporting year, was your organization subject to any fines, enforcement orders, and/or other penalties for water-related regulatory violations?

No

W3. Procedures

W3.3

(W3.3) Does your organization undertake a water-related risk assessment?

Yes, water-related risks are assessed

W3.3a

(W3.3a) Select the options that best describe your procedures for identifying and assessing water-related risks.

Direct operations

Coverage

Full

Risk assessment procedure

Water risks are assessed as part of an enterprise risk management framework

Frequency of assessment

Annually

How far into the future are risks considered?

>6 years

Type of tools and methods used

Please select

Tools and methods used

Comment

We conduct a plant-level, water-risk assessment . Its framework focuses on production facility performance (efficiency and wastewater treatment) and environmental program.

Supply chain

Coverage

Partial

Risk assessment procedure

Water risks are assessed in an environmental risk assessment

Frequency of assessment

Annually

How far into the future are risks considered?

>6 years

Type of tools and methods used

International methodologies

Tools and methods used

Environmental Impact Assessment

Comment

We are assessed water risks within Supply Chain Excellence (SCM) project.

Other stages of the value chain

Coverage

None

Risk assessment procedure

<Not Applicable>

Frequency of assessment

<Not Applicable>

How far into the future are risks considered?

<Not Applicable>

Type of tools and methods used

<Not Applicable>

Tools and methods used

<Not Applicable>

Comment

W3.3b

(W3.3b) Which of the following contextual issues are considered in your organization's water-related risk assessments?

	Relevance & inclusion	Please explain
Water availability at a basin/catchment level	Not relevant, explanation provided	The water is not an essential and critical raw material/material of our products like LED TVs, STBs, smartphones etc..However availability, quality and regulatory of water and wastewater are routine parameters which we need to ensure, follow and monitor.
Water quality at a basin/catchment level	Not relevant, explanation provided	The water is not an essential and critical raw material/material of our products like LED TVs, STBs, smartphones etc..However availability, quality and regulatory of water and wastewater are routine parameters which we need to ensure, follow and monitor.
Stakeholder conflicts concerning water resources at a basin/catchment level	Not relevant, explanation provided	The water is not an essential and critical raw material/material of our products like LED TVs, STBs, smartphones etc..However availability, quality and regulatory of water and wastewater are routine parameters which we need to ensure, follow and monitor.
Implications of water on your key commodities/raw materials	Not relevant, explanation provided	The water is not an essential and critical raw material/material of our products like LED TVs, STBs, smartphones etc..However availability, quality and regulatory of water and wastewater are routine parameters which we need to ensure, follow and monitor.
Water-related regulatory frameworks	Relevant, always included	The water is not an essential and critical raw material/material of our products like LED TVs, STBs, smartphones etc..However availability, quality and regulatory of water and wastewater are routine parameters which we need to ensure, follow and monitor.
Status of ecosystems and habitats	Not relevant, included	The water is not an essential and critical raw material/material of our products like LED TVs, STBs, smartphones etc..However availability, quality and regulatory of water and wastewater are routine parameters which we need to ensure, follow and monitor.
Access to fully-functioning, safely managed WASH services for all employees	Not relevant, explanation provided	The water is not an essential and critical raw material/material of our products like LED TVs, STBs, smartphones etc..However availability, quality and regulatory of water and wastewater are routine parameters which we need to ensure, follow and monitor.
Other contextual issues, please specify	Not relevant, explanation provided	The water is not an essential and critical raw material/material of our products like LED TVs, STBs, smartphones etc..However availability, quality and regulatory of water and wastewater are routine parameters which we need to ensure, follow and monitor.

W3.3c

(W3.3c) Which of the following stakeholders are considered in your organization's water-related risk assessments?

	Relevance & inclusion	Please explain
Customers	Not relevant, explanation provided	The water is not an essential and critical raw material/material of our products like LED TVs, STBs, smartphones etc..However availability, quality and regulatory of water and wastewater are routine parameters which we need to ensure, follow and monitor.
Employees	Relevant, always included	The water is not an essential and critical raw material/material of our products like LED TVs, STBs, smartphones etc..However availability, quality and regulatory of water and wastewater are routine parameters which we need to ensure, follow and monitor.
Investors	Not relevant, explanation provided	The water is not an essential and critical raw material/material of our products like LED TVs, STBs, smartphones etc..However availability, quality and regulatory of water and wastewater are routine parameters which we need to ensure, follow and monitor.
Local communities	Relevant, always included	The water is not an essential and critical raw material/material of our products like LED TVs, STBs, smartphones etc..However availability, quality and regulatory of water and wastewater are routine parameters which we need to ensure, follow and monitor.
NGOs	Not relevant, explanation provided	The water is not an essential and critical raw material/material of our products like LED TVs, STBs, smartphones etc..However availability, quality and regulatory of water and wastewater are routine parameters which we need to ensure, follow and monitor.
Other water users at a basin/catchment level	Not relevant, explanation provided	The water is not an essential and critical raw material/material of our products like LED TVs, STBs, smartphones etc..However availability, quality and regulatory of water and wastewater are routine parameters which we need to ensure, follow and monitor.
Regulators	Relevant, always included	The water is not an essential and critical raw material/material of our products like LED TVs, STBs, smartphones etc..However availability, quality and regulatory of water and wastewater are routine parameters which we need to ensure, follow and monitor.
River basin management authorities	Not relevant, explanation provided	The water is not an essential and critical raw material/material of our products like LED TVs, STBs, smartphones etc..However availability, quality and regulatory of water and wastewater are routine parameters which we need to ensure, follow and monitor.
Statutory special interest groups at a local level	Not relevant, explanation provided	The water is not an essential and critical raw material/material of our products like LED TVs, STBs, smartphones etc..However availability, quality and regulatory of water and wastewater are routine parameters which we need to ensure, follow and monitor.
Suppliers	Not relevant, explanation provided	The water is not an essential and critical raw material/material of our products like LED TVs, STBs, smartphones etc..However availability, quality and regulatory of water and wastewater are routine parameters which we need to ensure, follow and monitor.
Water utilities at a local level	Not relevant, explanation provided	The water is not an essential and critical raw material/material of our products like LED TVs, STBs, smartphones etc..However availability, quality and regulatory of water and wastewater are routine parameters which we need to ensure, follow and monitor.
Other stakeholder, please specify	Not considered	The water is not an essential and critical raw material/material of our products like LED TVs, STBs, smartphones etc..However availability, quality and regulatory of water and wastewater are routine parameters which we need to ensure, follow and monitor.

W3.3d

(W3.3d) Describe your organization's process for identifying, assessing, and responding to water-related risks within your direct operations and other stages of your value chain.

Vestel Electronics is a consumer electronics products manufacturer. The water is used snow box, plastic and paintshop semi-product productions except drinking, fire hydrant and garden usages. We are focusing on production facility performance (efficiency and wastewater treatment) and environmental program within Environmental Management System (ISO14001) actions.

W4. Risks and opportunities

W4.1

(W4.1) Have you identified any inherent water-related risks with the potential to have a substantive financial or strategic impact on your business?

No

W4.1a

(W4.1a) How does your organization define substantive financial or strategic impact on your business?

The water is not an essential and critical raw material/material of our products like LED TVs, STBs, smartphones etc..

W4.2b

(W4.2b) Why does your organization not consider itself exposed to water risks in its direct operations with the potential to have a substantive financial or strategic impact?

	Primary reason	Please explain
Row 1	Risks exist, but no substantive impact anticipated	The impact of water risk is not substantive for our sector.

W4.2c

(W4.2c) Why does your organization not consider itself exposed to water risks in its value chain (beyond direct operations) with the potential to have a substantive financial or strategic impact?

	Primary reason	Please explain
Row 1	Risks exist, but no substantive impact anticipated	The impact of water risk is not substantive for our sector.

W4.3

(W4.3) Have you identified any water-related opportunities with the potential to have a substantive financial or strategic impact on your business?

No

W4.3b

(W4.3b) Why does your organization not consider itself to have water-related opportunities?

	Primary reason	Please explain
Row 1	Opportunities exist, but none with potential to have a substantive financial or strategic impact on business	The water does not have the potential to provide substantive benefit.

W6. Governance

W6.1

(W6.1) Does your organization have a water policy?

No

W6.2

(W6.2) Is there board level oversight of water-related issues within your organization?

Yes

W6.2a

(W6.2a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for water-related issues.

Position of individual	Please explain
Chief Executive Officer (CEO)	CEO of Group Companies
Director on board	General Manager of Company
Chief Operating Officer (COO)	Assistant General Manager of Production
Chief Financial Officer (CFO)	Accounting Department Manager
Chief Procurement Officer (CPO)	Strategic Planning & Coordination Director
Chief Sustainability Officer (CSO)	Management Systems Manager

W6.2b

(W6.2b) Provide further details on the board's oversight of water-related issues.

	Frequency that water-related issues are a scheduled agenda item	Governance mechanisms into which water-related issues are integrated	Please explain
Row 1	Scheduled - all meetings	Monitoring implementation and performance Overseeing acquisitions and divestiture Overseeing major capital expenditures Providing employee incentives Reviewing and guiding annual budgets Reviewing and guiding business plans Reviewing and guiding major plans of action Reviewing and guiding risk management policies Reviewing and guiding strategy Reviewing and guiding corporate responsibility strategy Reviewing innovation/R&D priorities Setting performance objectives	The water withdrawal and consumption is followed and monitored

W6.3

(W6.3) Provide the highest management-level position(s) or committee(s) with responsibility for water-related issues (do not include the names of individuals).

Name of the position(s) and/or committee(s)

Chief Sustainability Officer (CSO)

Responsibility

Both assessing and managing water-related risks and opportunities

Frequency of reporting to the board on water-related issues

Quarterly

Please explain

Water-related issues are reported to the board within Holding Sustainability meetings.

W6.5

(W6.5) Do you engage in activities that could either directly or indirectly influence public policy on water through any of the following?

Yes, other

W6.5a

(W6.5a) What processes do you have in place to ensure that all of your direct and indirect activities seeking to influence policy are consistent with your water policy/water commitments?

We carry out our activities within the scope of ISO 14001 and ISO 50001 management systems in order to reach our water consumption targets.

W6.6

(W6.6) Did your organization include information about its response to water-related risks in its most recent mainstream financial report?

Yes (you may attach the report - this is optional)

W7. Business strategy

W7.1

(W7.1) Are water-related issues integrated into any aspects of your long-term strategic business plan, and if so how?

	Are water-related issues integrated?	Long-term time horizon (years)	Please explain
Long-term business objectives	No, water-related issues were reviewed but not considered as strategically relevant/significant	11-15	
Strategy for achieving long-term objectives	No, water-related issues were reviewed but not considered as strategically relevant/significant	11-15	
Financial planning	No, water-related issues were reviewed but not considered as strategically relevant/significant	11-15	

W7.2

(W7.2) What is the trend in your organization's water-related capital expenditure (CAPEX) and operating expenditure (OPEX) for the reporting year, and the anticipated trend for the next reporting year?

Row 1

Water-related CAPEX (+/- % change)

0

Anticipated forward trend for CAPEX (+/- % change)

0

Water-related OPEX (+/- % change)

13.93

Anticipated forward trend for OPEX (+/- % change)

11.36

Please explain

W7.3

(W7.3) Does your organization use climate-related scenario analysis to inform its business strategy?

	Use of climate-related scenario analysis	Comment
Row 1	Yes	

W7.3a

(W7.3a) Has your organization identified any water-related outcomes from your climate-related scenario analysis?

No

W7.4

(W7.4) Does your company use an internal price on water?

Row 1

Does your company use an internal price on water?

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

Please explain

W8. Targets

W8.1

(W8.1) Describe your approach to setting and monitoring water-related targets and/or goals.

	Levels for targets and/or goals	Monitoring at corporate level	Approach to setting and monitoring targets and/or goals
Row 1	Company-wide targets and goals	Targets are monitored at the corporate level Goals are monitored at the corporate level	ISO 14001 standard

W8.1a

(W8.1a) Provide details of your water targets that are monitored at the corporate level, and the progress made.

Target reference number

Target 1

Category of target

Water consumption

Level

Company-wide

Primary motivation

Cost savings

Description of target

Water consumption is monitored on a monthly basis. As parallel to water consumption decreasing, operating expenditure is decreased.

Quantitative metric

% reduction per revenue

Baseline year

2014

Start year

2014

Target year

2020

% achieved

80

Please explain

W8.1b

(W8.1b) Provide details of your water goal(s) that are monitored at the corporate level and the progress made.

Goal

Engaging with local community

Level

Company-wide

Motivation

Reduced environmental impact

Description of goal

Baseline year

2014

Start year

2014

End year

2020

Progress

W9. Linkages and trade-offs

W9.1

(W9.1) Has your organization identified any linkages or tradeoffs between water and other environmental issues in its direct operations and/or other parts of its value chain?

No

W9.1b

(W9.1b) Why has your organization not identified any linkages or tradeoffs between water and other environmental issues?

	Primary reason	Please explain
Row 1	Considered, but none were identified	

W10. Verification

W10.1

(W10.1) Do you verify any other water information reported in your CDP disclosure (not already covered by W5.1d)?

No, we do not currently verify any other water information reported in our CDP disclosure

W11. Sign off

W-FI

(W-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.

W11.1

(W11.1) Provide details for the person that has signed off (approved) your CDP water response.

	Job title	Corresponding job category
Row 1	Management Systems Manager	Environment/Sustainability manager

W11.2

(W11.2) Please indicate whether your organization agrees for CDP to transfer your publicly disclosed data on your impact and risk response strategies to the CEO Water Mandate's Water Action Hub [applies only to W2.1a (response to impacts), W4.2 and W4.2a (response to risks)].

Yes

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