Module: Introduction

Page: Introduction

0.1

Introduction
Please give a general description and introduction to your organization

Operating in the fields of consumer electronics, white goods and information technologies with its more than 12,000 employes, Vestel Group of Companies (Vestel), which is the flagship of Zorlu Group, comprises of 26 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 Alexandrov, Russia. The Company enjoys economies of scale which results in productivity, efficiency, and cost advantages by undertaking the majority of its manufacturing within a single 600 thousand square meter area, namely Vestel City, the largest industrial complex in Europe. Vestel Elektronik was established in 1983 and is mainly engaged in production of televisions. The Company is among the leading ODMs (Original Design Manufacturers) in World Wide LCD TV market, as ranked #4 in Q1 2012 (#8 in 2011), 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 though its team of 800 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 "friendly technology" concept at the center of its brand culture, strengthening its innovative power with consumer and environmentally friendly 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.

0.2

Reporting Year
Please state the start and end date of the year for which you are reporting data.
The current reporting year is the latest/most recent 12-month period for which data is reported. Enter the dates of this year first.
We request data for more than one reporting period for some emission accounting questions. Please provide data for the three years prior to the current reporting year if you have not provided this information before, or if this is the first time you have answered a CDP information request. (This does not apply if you have been

offered and selected the option of answering the shorter questionnaire). If you are going to provide additional years of data, please give the dates of those reporting periods here. Work backwards from the most recent reporting year.
Please enter dates in following format: day(DD)/month(MM)/year(YYYY) (i.e. 31/01/2001).

Enter Periods that will be disclosed
Sat 01 Jan 2011 - Sat 31 Dec 2011

0.3

Country list configuration

Please select the countries for which you will be supplying data. This selection will be carried forward to assist you in completing your response

Select country
Turkey

0.4

Currency selection

Please select the currency in which you would like to submit your response. All financial information contained in the response should be in this currency.

TRY

0.5

Please select if you wish to complete a shorter information request

0.6

Modules
As part of the Investor CDP information request, electric utilities, companies with electric utility activities or assets, companies in the automobile or auto component manufacture sectors and companies in the oil and gas industry should complete supplementary questions in addition to the main questionnaire.
If you are in these sectors (according to the Global Industry Classification Standard (GICS)), the corresponding sector modules will be marked as default options to your information request. If you want to query your classification, please email respond@cdproject.net.
If you have not been presented with a sector module that you consider would be appropriate for your company to answer, please select the module below. If you wish to view the questions first, please see https://www.cdproject.net/en-US/Programmes/Pages/More-questionnaires.aspx.

Module: Management [Investor]

Page: 1. Governance

1.1

Where is the highest level of direct responsibility for climate change within your company?

Individual/Sub-set of the Board or other committee appointed by the Board

1.1a

Please identify the position of the individual or name of the committee with this responsibility

The highest level of direct responsibility for climate change rests with Mr. Ozer Ekmekciler, who is a member of the Executive Board responsible for top level management of all environmental and social responsibility issues.

1.2

Do you provide incentives for the management of climate change issues, including the attainment of targets?

Yes

1.2a

Please complete the table

Who is entitled to benefit from these incentives?	The type of incentives	Incentivised performance indicator
All employees	Other non-monetary reward	Developing ideas for decreasing energy consumption and/or for increasing energy efficiency of products.

Page: 2. Strategy

2.1

Please select the option that best describes your risk management procedures with regard to climate change risks and opportunities

Integrated into multi-disciplinary company wide risk management processes

2.1a

Please provide further details (see guidance)

The risk management procedure related to climate change risks and opportunities basically involves consideration of regulatory and reputational risks, which may have the highest impact on the demand for our products (prioritization criteria). The procedure is mostly influenced by the climate change awareness among the top-level management and the requests/feedback of our consumers and retailers concentrating more on climate change/energy efficiency related performance. The assessment of risks is mainly relying on monitoring of environmental data related to climate change such as GHG emissions and emission intensity (i.e. GHG emissions per product) which is being collected and processed by the Management Systems unit. Chief of Management Systems regularly reports to the responsible executive board member and observed risks (if any) are being discussed by the Board and actions are being defined by the top management. The major environmental performance reporting including performance related to climate change is done by our ISO 14001 Environmental Management representative at the annual screening meeting. However, chief of Management Systems has continuous and direct communication with the responsible executive board member for matters that require earlier consideration. There also the Audit Committee, operating under Zorlu Holding, implementing audits also on our environmental performance, which identifies any problems related to environmental compliance and implementation of environmental strategy. Included in the collected environmental data, the GHG emissions data is currently limited to Scope 1 and Scope 2 emissions, which could be presented with a higher materiality than Scope 3 emissions, which are planned to be determined in the near future. However the risks and opportunities lying in the up-stream and down-stream supply chains are also evaluated, which results in actions such as identifying alternative suppliers, investing in R&D for using of alternative raw materials/production methods, observing the transportation performance, etc.

2.2

Is climate change integrated into your business strategy?

Yes

2.2a

Please describe the process and outcomes (see guidance)

Having received significant attention of governments, investors and also individuals over the last decades, the risks associated with the climate change are inevitably affecting the manufacturing industry as well as all industries, although the risks are assumed not to have considerably higher impacts as in the case of energy sector and/or energy intensive industries. As Vestel Electronics, we are placing 'environmental sustainability' and decreasing the ecological footprint of our products at the core of our business strategy. Furthermore, as being the manufacturer of high technology energy efficient products, which help our consumers to actually reduce their footprint, we have increased awareness on the impacts of climate change on our business. Climate drivers are important factors that we pay attention in building our broad company strategy that addresses; •Caring for the environment and climate starting from the designing phase of our products to the manufacturing phase •Prioritizing investment and expansion in manufacturing of the most energy efficient products in our production portfolio •Increasing R&D activities and dedicated budget for developing new production methodologies and products with decreased ecological footprint •Continuously looking for opportunities to reduce waste and enable use of materials suitable for reuse and recycle • Promoting use of new technologies to save energy and to boost energy efficiency in all operations •Raising employees' and consumers' awareness on environmental protection and energy efficiency •Ensuring effective communication to stakeholders and proper disclosure of environmental and climate performance The basic influence of climate change in our strategy is that we have taken the first step in preparing our company for the impacts by working on understanding how our business activities and investments are affected by climate change and preparing the infrastructure to make it a part of our management culture also by identifying the interdependencies between climate change risks and other risks relevant to our company. Investing in R&D has always been valued by our company, and R&D that is directed to serving for eliminating climate risks, such as developing practices and/or products that improve efficiency and/or eliminate emissions both on the production side and on the consumer side, has become our leading strategy. While building our climate strategy, in the short term, we have started by quantifying our emissions broadly and we are planning to prepare a detailed carbon emission inventory and seek for third party verification. In the medium term, we will also be identifying and quantifying the carbon impacts along our value chain. In the long terms we will be planning for putting targets related to our climate performance. On the product end, our strategy has basically led to manufacturing of Energy Class A TVs and to our decision in expanding business in manufacturing of LED TVs and eco TVs in 2011 by increasing our production capacity. We also spared an unlimited R&D budget for developing products with improved environmental performance. Vestel Electronics, which is already a strong market player, is gaining distinctive competency through implementation of its business strategy, which enables our company to be the manufacturer of most energy efficient products with decreased ecological footprint, which are being preferred by the environmentally conscious consumers, who are increasing with a sharp pace.

2.2b

Please explain why not

2.3

Do you engage with policy makers to encourage further action on mitigation and/or adaptation?

Yes

2.3a

Please explain (i) the engagement process and (ii) actions you are advocating

(i) We are engaging with policy makers, i.e. Ministry of Environment and Urbanisation, Ministry of Energy, as an individual company and also through TESID (Turkish Association of Electronics and Information Industries). Recently we have been invited by the 'Climate Platform', which we welcomed as it presents us the opportunity to engage in climate change issues within a network of companies having increased awareness. Our engagement with policy makers is mainly providing our feedback on transposition and/or implementation of relevant EU Directives. (ii) We have been advocating all actions that serve for improving the environmental performance required from our sector both related to manufacturing processes and the products themselves. We were the first company to have complied with the EU Directives relevant for our sector that encourages improving products energy efficiency and we have given our feedback many times in the process of aligning our legislation with the EU including, Energy related Products (ErP) Eco-Design Directive, Energy Labelling Directive, Waste Electrical and Electronic Equipment (WEEE) directive and Restriction Of The Use Of Certain Hazardous Substances (RoHS) Directive.

Page: 3. Targets and Initiatives

3.1

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

No

3.1a

Please provide details of your absolute target

ID	Scope	% of emissions in scope	% reduction from base year	Base year	Base year emissions (metric tonnes CO2e)	Target year	Comment

3.1b

Please provide details of your intensity target

ID	Scope	% of emissions in scope	% reduction from base year	Metric	Base year	Normalized base year emissions	Target year	Comment

3.1c

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

ID	Direction of change anticipated in absolute Scope 1+2 emissions at target completion?	% change anticipated in absolute Scope 1+2 emissions	Direction of change anticipated in absolute Scope 3 emissions at target completion?	% change anticipated in absolute Scope 3 emissions	Comments

3.1d

Please provide details on your progress against this target made in the reporting year

ID	% complete (time)	% complete (emissions)	Comment

3.1e

Please explain (i) why not; and (ii) forecast how your emissions will change over the next five years

i. We have been recently engaged in activities related to collection and monitoring of our climate data. We are planning to improve the whole procedure of managing climate data including improving data collection (increased materiality, seeking third party verification, etc.) and processing of data using developed tools. ii. Parallel to our strategy, we expect that our product-based emissions will decrease over the five years. We base our forecast on our performance in 2011, by which we were able to achieve; 17 % reduction in electricity consumption, 26 % reduction in heat energy consumption, 24 % reduction in water consumption, 12 % reduction in generation of packaging wastes, 13 % reduction in generation of waste-scrap and 42 % reduction in used plastic raw materials per our unit production, all of which are directly and/or indirectly serving to tackle the problem of climate change. During the last 3 years we have been working on setting emission targets for our company within the framework of 'Targets and Environment Program' of our Environmental Management Systems unit.

3.2

Does the use of your goods and/or services directly enable GHG emissions to be avoided by a third party?

Yes

3.2a

Please provide details (see guidance)

Our company manufactures high technology LED TVs which are able to achieve 80 % energy savings compared to LCD TVs. Considering that there are 18 million houses in Turkey and assuming each has minimum 1 TV in operation for 5 hours every day, exchanging all these TV units with Vestel TVs would save up to 1,000 GWh energy which corresponds to an GHG emission reduction of 617,000 tCO2e.

3.3

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

Yes

3.3a

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

Stage of development	Number of projects	Total estimated annual CO2e savings (only for rows marked *)
Under investigation		
To be implemented*	5	550
Implementation commenced*	1	17892
Implemented*	6	10966
Not to be implemented		

3.3b

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

Activity type	Description of activity	Estimated annual CO2e savings	Annual monetary savings (unit currency)	Investment required (unit currency)	Payback period
Low carbon energy purchase	We have eliminated our 4 old natural gas boilers and started to outsource the heat and energy requirement for production of packaging material from a producer where heat and energy is generated with a higher efficiency and less emissions.	2193		0	>3 years
Low carbon energy installation	We have replaced our old boilers with new and more efficient ones.	1097		147500	>3 years
Low carbon energy installation	We have replaced our old motors with new and more efficient ones.	1107		112000	>3 years
Process emissions reductions	We have developed pin and paste process modification that results in elimination of emissions and energy use.	3290		180000	1-3 years

Activity type	Description of activity	Estimated annual CO2e savings	Annual monetary savings (unit currency)	Investment required (unit currency)	Payback period
Transportation: fleet	We have replaced most of our diesel forklifts operating within our factory with electricity run forklifts.	1107		60000	>3 years
Low carbon energy installation	We have replaced the old and inefficient heating radiators with new radiators.	2200		95000	>3 years

3.3c

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

Method	Comment
Compliance with regulatory requirements/standards	We are continuously monitoring compliance with Energy related Products (ErP) Eco-Design Directive, Energy Labelling Directive, Waste Electrical and Electronic Equipment (WEEE) directive and Restriction Of The Use Of Certain Hazardous Substances (RoHS) Directive along with other relevant national environmental regulations.
Dedicated budget for energy efficiency	We have implemented many projects that improved our energy efficiency such as replacement of old equipment (forklifts, motors, boilers, radiators, etc.).
Dedicated budget for low carbon product R&D	We have invested in R&D related to development of our LED TV product and also in R&D which has led to elimination of an emission/energy intensive step which used to be employed in smoldering (Pin in Paste) process.

3.3d

If you do not have any emissions reduction initiatives, please explain why not

Page: 4. Communication

4.1

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

Publication	Page/Section Reference	Identify the attachment
In annual reports (complete)	Annual Activity Report 2011, p. 1, 36, 41, 51.	VesElek_farapor_2011
In voluntary communications (complete)	Vestel Search Conference Bulletin 2011, p. 3-11.	Vestel 2011 Arama Konferansi Raporu.docx
In voluntary communications (complete)	UN Global Compact Progress Report, p. 25-29.	UN GC_Consolidated Report_23.05.2012.pdf
In voluntary communications (complete)	Management Systems Policy Document, p.1	2011_Environment Program

Further Information

All files related to publications on VESTEL Electronics' response to climate change and GHG emission data have been given in the attached folder (Communications VESTEL E.zip) provided in the 'zip' form.

Attachments

https://www.cdproject.net/Sites/2012/59/21159/Investor CDP 2012/Shared Documents/Attachments/InvestorCDP2012/4.Communication/Communications VESTEL E.zip

Module: Risks and Opportunities [Investor]

Page: 2012-Investor-Risks&Opps-ClimateChangeRisks

5.1

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

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

5.1a

Please describe your risks driven by changes in regulation

ID	Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact
1	Fuel/energy taxes and regulations	We may be exposed to the risk of carbon taxes via our suppliers operating in certain parts of the world, where these taxes expected in the near future.	Increased operational cost	1-5 years	Indirect (Supply chain)	More likely than not	Medium-high
2	Product efficiency regulations and standards	If we fail to comply with the product efficiency regulations and standards required for exporting our products to EU, there is a risk for us to loose 80% of our market.	Reduced demand for goods/services	Current	Direct	Very unlikely	High
3	Product labeling regulations and standards	If we fail to comply with the product efficiency regulations and standards required for exporting our products to EU, there is a risk for us to loose 80% of our market.	Reduced demand for goods/services	Current	Direct	Very unlikely	High

5.1b

Please describe (i) the potential financial implications of the risk before taking action; (ii) the methods you are using to manage this risk; and (iii) the costs associated with these actions

ID 1: i. We have not determined any financial implications of the risk before taking action. ii. We identify alternative suppliers in our supply chain and invest in R&D studies for developing alternative production methodologies and/or products. iii. We have invested 55 million USD for R&D in 2011. ID 2 and 3: i. If we loose our share in the EU market we will be losing 64 % of our revenues. ii. We have reorganized our manufacturing processes and product selections to comply with relevant national and international regulations that could affect our domestic selling and exports. iii. We have invested 700,000 TRY for compliance with EU product efficiency and labeling regulations and standards.

5.1c

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

ID	Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact
1	Change in temperature extremes	Reduced equipment efficiency due to temperature extremes may affect our manufacturing performance and/or increase our air conditioning costs.	Increased operational cost	Current	Direct	Unlikely	Low-medium
2	Other physical climate drivers	Extreme weather events may cause delays in product raw material import	Reduction/disruption in production capacity	Current	Indirect (Supply chain)	Unlikely	Medium-high
3	Other physical climate drivers	Extreme weather events may cause delays in product exports to countries worldwide.	Reduced demand for goods/services	Current	Direct	Unlikely	Medium-high

5.1d

Please describe (i) the potential financial implications of the risk before taking action; (ii) the methods you are using to manage this risk; and (iii) the costs associated with these actions

ID 1, 2 and 3: i) Potential financial implications of the risk are hard to determine due to the uncertainty related to such physical phenomena. ii) Our basic approach in managing physical risks due to climate change is to make proper site selection for basing our manufacturing plants. Our major manufacturing plant, covered in this response, is in Manisa, where it is not expected to experience weather extremes and/or impacts from a sea level rise. Another approach we employ in reducing the risks is to identify alternative suppliers in our supply chain. iii) We have not determined the costs associated with such actions.

5.1e

Please describe your risks that are driven by changes in other climate-related developments

ID	Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact
1	Changing consumer behaviour	Any failure related to implementation of our environment and climate friendly business strategy and reduced environmental performance in our activities may result in losing of our consumers and our market share.	Reduced demand for goods/services	Current	Indirect (Client)	Very unlikely	Low-medium
2	Reputation	Our company also sees the risk in failing to actively disclose environment and climate related performance to current and potential investors and therefore affecting our stock prices.	Reduced stock price (market valuation)	Current	Direct	Very unlikely	Low-medium

5.1f

Please describe (i) the potential financial implications of the risk before taking action; (ii) the methods you are using to manage this risk; (iii) the costs associated with these actions

ID1: (i) If we lose 10 % of our customers both in the domestic market and EU market due to customers not buying our products due to our poor environmental performance this would result in an 10 % decrease in our revenues. (ii) We are continuously investing in new technologies and putting emphasis on making and/or expanding our investments for production of most energy efficient products. We only manufacture A, A+ and A++ class goods. We are putting labels on our products to increase consumers' awareness on our environmental performance as well as disseminating such information via our web-site, catalogues and advertising on all media. (iii) We have spent a total of 350 million TRY for disclosure, marketing and advertising in 2011. ID 2: (i) If we fail to properly disclose environmental information, this may undermine our company's reputation among investors. This may in turn result in a decline in our stock prices. (ii) We try to fill in every opportunity to disclose our good environmental performance putting emphasis on using global tools to disclose our data such as publishing the UN Global Compact Progress Report and most recently by answering the CDP questionnaire. (iii) We have spent a total of 350 million TRY for disclosure, marketing and advertising in 2011.

5.1g

Please explain why you do not consider your company to be exposed to risks driven by changes in regulation that have the potential to generate a substantive change in your business operations, revenue or expenditure

5.1h

Please explain why you do not consider your company to be exposed to risks driven by physical climate parameters that have the potential to generate a substantive change in your business operations, revenue or expenditure

5.1i

Please explain why you do not consider your company to be exposed to risks driven by changes in other climate-related developments that have the potential to generate a substantive change in your business operations, revenue or expenditure

Page: 2012-Investor-Risks&Opps-ClimateChangeOpp

6.1

Have you identified any climate change opportunities (current or future) that have the potential to generate a substantive change in your business operations, revenue or expenditure? Tick all that apply

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

6.1a

Please describe your opportunities that are driven by changes in regulation

ID	Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact
1	Product efficiency regulations and standards	Our facilities will comply with the "By-Law on Energy Performance of Buildings" and will perform periodic energy audits and performance reporting according to this by-law. This will enable us to identify any energy efficiency improvement.	Reduced operational costs	Current	Direct	Virtually certain	Medium-high
2	Product labeling regulations and standards	It has become compulsory to label all TVs with EU energy labels in order to be able to export to EU countries. As a company who has established its production infrastructure ensuring compliance with such expected regulation well ahead of its enforcement, we have gained competitive advantage in our market.	Increased demand for existing products/services	Current	Direct	Virtually certain	Medium-high

6.1b

Please describe (i) the potential financial implications of the opportunity; (ii) the methods you are using to manage this opportunity; (iii) the costs associated with these actions

ID 1 and 2: i. Assuming that we increase our export capacity by 10 %, our revenues would increase by 8 %. ii. We are closely monitoring such regulatory opportunities especially in the EU market, as our main market, by monitoring all upcoming regulations and standards starting from their drafting. iii. We have invested a total of 700,000 TRY for preparing the technical and administrative infrastructure required for compliance with the EU legislation related to product efficiency and eco-labelling.

6.1c

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

ID	Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact

6.1d

Please describe (i) the potential financial implications of the opportunity; (ii) the methods you are using to manage this opportunity; (iii) the costs associated with these actions

6.1e

Please describe the opportunities that are driven by changes in other climate-related developments

ID	Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact
1	Changing consumer behaviour	It is observed that the consumers' climate awareness is rising every year. As a company building its strategy upon sustainability of natural resources and materials in its operations, and investing in high technology helping to reduce the ecological footprint of its products, we see this as an important opportunity to drive more consumers to buying our products and continue to be an important player and keep our competitiveness in the market. Vestel Electronics is the manufacturer of Eco TVs with reduced power consumption in stand-by and operation mode and energy efficient LED TVs.	Increased demand for existing products/services	1-5 years	Indirect (Client)	Virtually certain	High

6.1f

Please describe (i) the potential financial implications of the opportunity; (ii) the methods you are using to manage this opportunity; (iii) the costs associated with these actions

i) We expect that the eco TV and LED TV market share will expand up to 72 % in 2012 and continue to increase to an estimated 100 % in 2015. We also expect that the share of our eco-products will be 100 % in 2015, as we observe from the buying trends, which favor eco-friendly design and energy efficiency. A review of the global market and estimated revenues spanning the years 2010 to 2013, indicates that the LED TV market has rapidly expanded up to 37.3 billion USD in 2012 (when CCFL TV market share estimated to be around 12.3 billion USD) from 18.8 billion USD in 2010 (when CCFL TV market share was 36.5 billion USD) and is expected to reach 9.5 billion USD only in the first quarter of 2013. (ii) We have increased our capacity utilization in making energy-efficient LED TVs from 62% in 2010 to 79% in 2011. We are focusing on promoting LED TVs and eco TVs, supported by a strengthened sales channels/network for keeping the increasing sales ratio of these products. (iii) We have made investment worth of 61 million USD in our energy-efficient LED TV production plant for business expansion and our R&D investments reached up to 55 million USD in 2011 supported with our 'unlimited R&D budget' strategy.

6.1g

Please explain why you do not consider your company to be exposed to opportunities driven by changes in regulation that have the potential to generate a substantive change in your business operations, revenue or expenditure

6.1h

Please explain why you do not consider your company to be exposed to opportunities driven by physical climate parameters that have the potential to generate a substantive change in your business operations, revenue or expenditure

Physical climate impacts including change in temperature extremes, precipitation, snow and ice and similar impact do not present us any opportunities to reduce our operational costs and/or increase our production capacity. However, we have been observing an increased demand for our products during times when weather conditions encourage and/or force people to stay indoors.

6.1i

Please explain why you do not consider your company to be exposed to opportunities driven by changes in other climate-related developments that have the potential to generate a substantive change in your business operations, revenue or expenditure

Module: GHG Emissions Accounting, Energy and Fuel Use, and Trading [Investor]

Page: 7. Emissions Methodology

7.1

Please provide your base year and base year emissions (Scopes 1 and 2)

Base year	Scope 1 Base year emissions (metric tonnes CO2e)	Scope 2 Base year emissions (metric tonnes CO2e)
Sat 01 Jan 2011 - Sat 31 Dec 2011	2217.26	52791.76

7.2

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

Please select the published methodologies that you use
ISO 14064-1

7.2a

If you have selected "Other", please provide details below

7.3

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

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

7.4

Please give the emissions factors you have applied and their origin; alternatively, please attach an Excel spreadsheet with this data

Fuel/Material/Energy	Emission Factor	Unit	Reference
Natural gas	56100	Other: kg CO2 per TJ	IPCC (2006)
Natural gas	1	Other: kg CH4 per TJ	IPCC (2006)
Diesel/Gas oil	74100	Other: kgCO2 per TJ	IPCC (2006)
Diesel/Gas oil	43	Other: TJ/Gg	IPCC (2006)
Electricity	617	metric tonnes CO2e per MWh	Turkish Regulation “By-Law on Energy Performance of Buildings”

Page: 8. Emissions Data - (1 Jan 2011 - 31 Dec 2011)

8.1

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

Operational control

8.2a

Please provide your gross global Scope 1 emissions figure in metric tonnes CO2e

2217.26

8.2b

Please provide your gross global Scope 1 emissions figures in metric tonnes CO2e - Part 1 breakdown

Boundary	Gross global Scope 1 emissions (metric tonnes CO2e)	Comment

8.2c

Please provide your gross global Scope 1 emissions figures in metric tonnes CO2e - Part 1 Total

Gross global Scope 1 emissions (metric tonnes CO2e) – Part 1 Total	Comment

8.2d

Please provide your gross global Scope 1 emissions figures in metric tonnes CO2e - Part 2

Boundary	Gross global Scope 1 emissions (metric tonnes CO2e)	Comment

8.3a

Please provide your gross global Scope 2 emissions figure in metric tonnes CO2e

52791.76

8.3b

Please provide your gross global Scope 2 emissions figures in metric tonnes CO2e - Part 1 breakdown

Boundary	Gross global Scope 2 emissions (metric tonnes CO2e)	Comment

8.3c

Please provide your gross global Scope 2 emissions figures in metric tonnes CO2e - Part 1 Total

Gross global Scope 2 emissions (metric tonnes CO2e) - Total Part 1	Comment

8.3d

Please provide your gross global Scope 2 emissions figures in metric tonnes CO2e - Part 2

Boundary	Gross global Scope 2 emissions (metric tonnes CO2e) - Other operationally controlled entities, activities or facilities	Comment

8.4

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

8.4a

Please complete the table

Reporting Entity	Source	Scope	Explain why the source is excluded

8.4

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

Yes

8.4a

Please complete the table

Source	Scope	Explain why the source is excluded
N2O emissions from natural and R-134 from Air conditioning gas combustion	Scope 1	Emissions are negligible (<0.5 %)

8.5

Please estimate the level of uncertainty of the total gross global Scope 1 and Scope 2 figures that you have supplied and specify the sources of uncertainty in your data gathering, handling, and calculations

Scope 1 emissions: Uncertainty range	Scope 1 emissions: Main sources of uncertainty	Scope 1 emissions: Please expand on the uncertainty in your data	Scope 2 emissions: Uncertainty range	Scope 2 emissions: Main sources of uncertainty	Scope 2 emissions: Please expand on the uncertainty in your data
More than 5% but less than or equal to 10%	Assumptions Other: Supplier's data	We used published default emission factors of IPCC 2006 for natural gas and diesel oil which have certain uncertainty. We used supplier data related to Natural gas consumption.	More than 5% but less than or equal to 10%	Assumptions Other: Supplier's data	The national grid emission factor published in the Turkish Regulation “By-Law on Energy Performance of Buildings” was used. The details and the most recent data used for the calculation of this emission factor is not presented in the regulation hence we assume the uncertainty to be not more than 10 % by considering the changes in the grid system. We used the supplier’s data and rough emission factors for estimating emissions from purchased steam and heat.

8.6

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

Not verified or assured

8.6a

Please indicate the proportion of your Scope 1 emissions that are verified/assured

8.6b

Please provide further details of the verification/assurance undertaken, and attach the relevant statements

Level of verification or assurance	Relevant verification standard	Relevant statement attached

8.7

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

Not verified or assured

8.7a

Please indicate the proportion of your Scope 2 emissions that are verified/assured

8.7b

Please provide further details of the verification/assurance undertaken, and attach the relevant statements

Level of verification or assurance	Relevant verification standard	Relevant statement attached

8.8

Are carbon dioxide emissions from the combustion of biologically sequestered carbon (i.e. carbon dioxide emissions from burning biomass/biofuels) relevant to your company?

No

8.8a

Please provide the emissions in metric tonnes CO2e

Page: 9. Scope 1 Emissions Breakdown - (1 Jan 2011 - 31 Dec 2011)

9.1

Do you have Scope 1 emissions sources in more than one country or region (if covered by emissions regulation at a regional level)?

No

9.1a

Please complete the table below

Country	Scope 1 metric tonnes CO2e

9.2

Please indicate which other Scope 1 emissions breakdowns you are able to provide (tick all that apply)

By activity

9.2a

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

Business Division	Scope 1 metric tonnes CO2e

9.2b

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

Facility	Scope 1 metric tonnes CO2e

9.2c

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

GHG type	Scope 1 metric tonnes CO2e

9.2d

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

Activity	Scope 1 metric tonnes CO2e
Stationary combustion	1373.12
Mobile Combustion	759.72
Generators	84.42

Page: 10. Scope 2 Emissions Breakdown - (1 Jan 2011 - 31 Dec 2011)

10.1

Do you have Scope 2 emissions sources in more than one country or region (if covered by emissions regulation at a regional level)?

No

10.1a

Please complete the table below

Country	Scope 2 metric tonnes CO2e

10.2

Please indicate which other Scope 2 emissions breakdowns you are able to provide (tick all that apply)

By activity

10.2a

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

Business division	Scope 2 metric tonnes CO2e

10.2b

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

Facility	Scope 2 metric tonnes CO2e

10.2c

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

Activity	Scope 2 metric tonnes CO2e
Administration	2351.32
Design	2189.16
Production	46710.76
Storage	1540.52

Page: 11. Emissions Scope 2 Contractual

11.1

Do you consider that the grid average factors used to report Scope 2 emissions in Question 8.3 reflect the contractual arrangements you have with electricity suppliers?

Yes

11.1a

You may report a total contractual Scope 2 figure in response to this question. Please provide your total global contractual Scope 2 GHG emissions figure in metric tonnes CO2e

11.1b

Explain the basis of the alternative figure (see guidance)

11.2

Has your organization retired any certificates, e.g. Renewable Energy Certificates, associated with zero or low carbon electricity within the reporting year or has this been done on your behalf?

No

11.2a

Please provide details including the number and type of certificates

Type of certificate	Number of certificates	Comments

Page: 12. Energy

12.1

What percentage of your total operational spend in the reporting year was on energy?

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

12.2

Please state how much fuel, electricity, heat, steam, and cooling in MWh your organization has consumed during the reporting year

Energy type	MWh

Energy type	MWh
Fuel	10127.14
Electricity	65705.14
Heat	4165.16
Steam	41101.04
Cooling	

12.3

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

Fuels	MWh
Natural gas	6796.43
Diesel/Gas oil	3330.72

Page: 13. Emissions Performance

13.1

How do your absolute emissions (Scope 1 and 2 combined) for the reporting year compare to the previous year?

This is our first year of estimation

13.1a

Please complete the table

Reason	Emissions value (percentage)	Direction of change	Comment

13.2

Please describe your gross combined Scope 1 and 2 emissions for the reporting year in metric tonnes CO2e per unit currency total revenue

Intensity figure	Metric numerator	Metric denominator	% change from previous year	Direction of change from previous year	Reason for Change
0.0000079	metric tonnes CO2e	unit total revenue		N/A	

13.3

Please describe your gross combined Scope 1 and 2 emissions for the reporting year in metric tonnes CO2e per full time equivalent (FTE) employee

Intensity figure	Metric numerator	Metric denominator	% change from previous year	Direction of change from previous year	Reason for Change
	metric tonnes CO2e	FTE Employee		N/A	

13.4

Please provide an additional intensity (normalized) metric that is appropriate to your business operations

Intensity figure	Metric numerator	Metric denominator	% change from previous year	Direction of change from previous year	Reason for Change
0.005532	metric tonnes CO2e	unit of production		N/A	

Page: 14. Emissions Trading

14.1

Do you participate in any emission trading schemes?

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

14.1a

Please complete the following table for each of the emission trading schemes in which you participate

Scheme name	Period for which data is supplied	Allowances allocated	Allowances purchased	Verified emissions in metric tonnes CO2e	Details of ownership

14.1b

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

14.2

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

No

14.2a

Please complete the following table

Credit origination or credit purchase	Project type	Project identification	Verified to which standard	Number of credits (metric tonnes of CO2e)	Number of credits (metric tonnes CO2e): Risk adjusted volume	Credits retired	Purpose e.g. compliance

Page: 2012-Investor-Scope 3 Emissions

15.1

Please provide data on sources of Scope 3 emissions that are relevant to your organization

Sources of Scope 3 emissions	metric tonnes CO2e	Methodology	If you cannot provide a figure for emissions, please describe them
Purchased goods & services			Our major purchase related to our production is the digital boards we import from China. Production of these digital boards has its own carbon footprint.
Employee commuting			We have employees commuting to work mostly using our services buses. A portion of our white-collar employees is commuting to work via their own cars.
Business travel			Majority of our business travels are domestic flights and flights to EU.
Downstream transportation and distribution			Our products are transported and distributed worldwide majority being in the EU.
Use of sold products			The use of our products consumes electricity.

15.2

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

No emissions data provided

15.2a

Please indicate the proportion of your Scope 3 emissions that are verified/assured

15.2b

Please provide further details of the verification/assurance undertaken, and attach the relevant statements

Level of verification or assurance	Relevant verification standard	Relevant statement attached

15.3

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

No, this is our first year of estimation

15.3a

Please complete the table

Sources of Scope 3 emissions	Reason for change	Emissions value (percentage)	Direction of change	Comment

Module: Sign Off

Page: Sign Off

Please enter the name of the individual that has signed off (approved) the response and their job title

Yıldıray Başkurt / Quality Manager