YAPI VE KREDİ BANKASI A.Ş. - Water Security 2022

W0. Introduction

W0.1

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

Yapı Kredi (hereinafter: the Bank or Yapı Kredi), established in 1944 as Turkey's first retail focused private bank with a nationwide presence, is the 3rd largest private bank in Turkey with total assets worth TRY 780.8 billion as of 2021 YE. The Bank has a strong shareholding structure which ensures sustainable and profitable growth. The Bank's 9.02% of the shares are directly owned by Koç Holding A.Ş. while 40.95% are owned by Koç Financial Services, which is 100% owned by Koç Group. The Bank's publicly traded shares on Borsa İstanbul stands at 32.03%. Yapı Kredi has always played a pioneering role in the banking sector and has been sustainably strengthening its market positioning through a customer-centric approach and focus on innovation. Targeting to constantly increase its contribution to the financing of the Turkish economy, the Bank provides service to its customers with 16,528 employees and 835 branches covering all regions of Turkey. Total cash and non-cash loans of the Bank on a consolidated basis was up by 47% and reached TRY 564.1 billion in 2021, while its total assets were worth TRY 780.8 billion.

Yapı Kredi delivers its products and services via its 4,601 ATMs, innovative internet banking, leading mobile banking, call center and approximately 967 thousand POS terminals. 97% of the Bank's transactions carried out through digital channels as of 2021 YE. Yapı Kredi serves its customers through retail banking, SME (Small and Medium Size Enterprises) banking, corporate and commercial banking, private banking, supported by its subsidiaries which operates in asset management, brokerage, leasing and factoring as well as international banking operations in the Netherlands and Azerbaijan.

Yapı Kredi aims to ensure long-term sustainable growth and value creation for all stakeholders and become the first choice of customers and employees. The Bank's strategy is being a customer-centric commercial bank driven by cutting edge technology and committed workforce, thus delivering responsible growth. In its activities, Yapı Kredi internalises a corporate governance concept built on integrity, responsibility and accountability, and operates on its eight values; sustainability, customer centricity, competitiveness, target orientation, resilience, agility, innovation, and productivity.

In Yapı Kredi, comprehensive sustainability approach is adopted in which social and environmental sustainability is an integral part of economic sustainability. In 2017, the Bank launched its Sustainability Management System (SMS) that allowed the Bank to further integrate sustainability to its business strategy. As part of the SMS, Environmental Management System and Environmental and Social Risk Assessment System were established. While managing its environmental and social impacts, Yapı Kredi also aims to contribute to sustainable development of society and transition to a low carbon economy. In that vein, the Bank targets to improve its product and service ranges that drive innovation and sustainable economic growth in accordance with the UN Sustainable Development Goals (SDGs) and the Paris Climate Agreement which guide its sustainability strategy.

Yapı Kredi puts its stakeholders at the centre of everything it does and focus on creating lifetime value and positive experience for them. Hence, the Bank forms its corporate business strategy through its material issues which are determined via its stakeholder analysis, external trends, executive inputs, and risks and opportunities. To review and update those material issues, the Bank regularly engages with its stakeholders to understand their needs and expectations from the Bank. With reference to its overarching stakeholder approach, Yapı Kredi aims to position itself more strongly alongside its stakeholders by being a constituent member of Borsa İstanbul (BIST) Sustainability Index since its launch in 2014 and BIST Corporate Governance Index since 2008. Bringing sustainable banking activities to international platforms, the Bank also started to be included in the FTSE4Good Emerging Markets Index, which measures the ESG performance of companies and is maintained by FTSE Russel, a global index provider wholly owned by London Stock Exchange Group. Moreover, Yapı Kredi attaches great importance to gender equality in the workplace and works towards the advancement of women in society. On this scope, Yapı Kredi outperformed the global and sectoral averages with its reporting under the Bloomberg Gender Equality Index in 2021 and qualified for 2022 Bloomberg Gender Equality Index (GEI).

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 2021	December 31 2021

W0.3

(W0.3) Select the countries/areas in which you operate.

Azerbaijan
Netherlands
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 operational control is exercised

W0.6

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

No

W0.7

(W0.7) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

Indicate whether you are able to provide a unique identifier for your organization.	Provide your unique identifier
Yes, an ISIN code	TRAYKBNK91N6
Yes, a Ticker symbol	YKBNK

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	As an organization active in banking sector, freshwater is not Yapı Kredi's primary input for direct or indirect use purposes. However, primary use of freshwater is related to employee consumption, sanitation and landscaping in our direct and indirect operations (i.e. value chain). Access to quality fresh water and protecting employee health and hygiene are essential for the Bank. Therefore, the Bank determined the importance rating as "important" in terms of its direct and indirect operations. Since the pandemic broke out, hygiene issue has become a priority during the COVID-19 period. In 2021, the use of water from the dispensers was terminated for the hygiene purposes. Instead, drinking water was provided in glass bottles throughout 2021. Meanwhile, the Bank closely monitors and introduces various projects to reduce water consumption such as water efficiency projects and hybrid working model, which contributes to reducing the total water consumption. Thus, 17.1% savings was achieved in water consumption from mains water in 2021 compared to the base year 2019. Therefore, the Bank continues to design new projects to decrease the water consumption at all of its facilities. In 2021, the Bank has also renewed its ISO 14046 Direct Water Footprint Certificate for its Head Offices and facility buildings, and has become the first financial institution satisfying this standard in Turkey. Hence, the Bank does not anticipate any significant difference in future water dependency of freshwater availability for both its direct and indirect operations.
Sufficient amounts of recycled, brackish and/or produced water available for use	Neutral	Neutral	Considering the use of recycled, brackish and/or produced water does not constitute a primary input to the business activities for the banking sector, the importance of availability for Yapı Kredi is considered as neutral both for its direct and indirect operations. Nevertheless, due to the rising temperature and decreased rain fall, there is a potential risk of the water scarcity across Turkey. Yapı Kredi is aware that any future water scarcity situation may have an impact on the business continuity for the Bank's locations which are in water-stressed areas such as Marmara Region. Being aware of this fact, in 2021, within the frame of using the natural resources more effectively and to create an additional solution to the water scarcity, the Bank carried out another water-smart initiative at Darıca Administrative and Archive buildings. Under this initiative, well water, rainwater and drainage water from buildings continued to be collected and used for landscape irrigation. In addition, in 2021, a rainwater harvesting project was launched at the Banking Base facility. As Yapı Kredi's core business activities will remain the same, the Bank does not anticipate any significant difference in future water dependency of recycled, brackish and/or produced water for both its direct and indirect operations.

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	100%	Yapı Kredi uses municipal water, surface water and groundwater within the boundaries of the organization. Water consumption data are collected monthly at Bank's Head Office and all facility buildings, branches, and subsidiaries. The amount of water consumed are recorded based on the bills during the year. 2021 water consumption data of the Bank has been verified based on ISAE 3000 (Revised) by a third-party verifier. The verification process with regards to the conformity with ISO 14046 is in process by RINA Shipping and Certification Limited Company. Surface waters, municipal water and groundwater usage are available for organizational boundaries from all sources.
Water withdrawals – volumes by source	100%	All facilities of Yapı Kredi use municipal water supply in which the locations are based. The information regarding from which basins the municipals withdraw the water is disclosed by Water and Sewerage Administration entities across Turkey for all the locations of the Bank. Considering the water withdrawal is not a primary input to the Bank's operations, Yapı Kredi does not monitor this information on a regular basis. In the Bank, water withdrawals are monitored and quantified based on the billing data.
Entrained water associated with your metals & mining sector activities - total volumes [only metals and mining sector]	<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	100%	Water withdrawal quality is monitored/measured by the municipality. The municipality carries out a treatment before water is sent to the mains. There are some water quality parameters defined in the legislation related to municipality drinking water treatment plants. The municipalities ensure that water sent to the mains comply with these water quality parameters. Additional to the treatment applied by the municipalities, Yapı Kredi implements additional treatment at the Banking Base and Plaza D Block through employing reverse osmosis system in order to further improve the water quality. The aim of these reverse osmosis treatment units is to obtain ready to use, good quality fresh water in sufficient quantity. The quality of tap water and water contained in dispensers at both of these facilities is tested monthly against the drinking water quality parameters stated in the local regulation. The test results are monitored regularly and shared with all employees.
Water discharges – total volumes	100%	Wastewater arising from Yapı Kredi facilities is discharged to the sewage and it ends up at the municipal treatment plants. It is neither practical nor possible to track the wastewater discharged from the Bank's facilities and to determine at which treatment plant it is treated. 100% of water discharged is monitored monthly from discharge details in municipality water bills.
Water discharges – volumes by destination	100%	Wastewater arising from all of the Yapı Kredi facilities is discharged to the sewage and it ends up at the municipal treatment plants. Through the bills by municipalities, total volume of discharged water to the sewage system is monitored on a monthly basis.
Water discharges – volumes by treatment method	100%	100% of wastewater arising from the Head Offices and service buildings is discharged to treatment plants. The municipality carries out treatment to fulfil the required wastewater discharge parameters included in the relevant local regulation. For this reason, it is neither practical nor possible to track the wastewater discharged from Yapı Kredi's facilities and to determine at which treatment plant it is treated.
Water discharge quality – by standard effluent parameters	100%	Wastewater arising from Yapı Kredi facilities is discharged to the sewage and it ends up at the municipal treatment plants. The municipality carries out treatment to fulfil the required wastewater discharge parameters included in the relevant local regulation. 100% of wastewater discharged to sewage system is monitored monthly based on its location by the municipality and the effluent is checked against the discharge standards to ensure that the required level of water quality parameters are met.
Water discharge quality – temperature	Not relevant	Wastewater arising from Yapı Kredi facilities is discharged to the sewage and it ends up at the municipal treatment plants. The municipality carries out treatment to fulfil the required wastewater discharge parameters included in the relevant local regulation. Since Yapı Kredi is in the financial services, wastewater discharged to the sewage from its facilities carry domestic wastewater characteristics. Therefore, water discharge quality cannot have an adverse effect on the temperature.
Water consumption – total volume	100%	The total water consumption of Yapı Kredi is the sum of consumption from various sources. This data is measured by water bills from respective providers of water. The total volume is monitored and verified on a monthly basis at all the Bank's Head Office and facility buildings, branches, and subsidiaries.
Water recycled/reused	Less than 1%	Well water and rainwater from Darıca Administrative and Archive Building are collected and used for landscape irrigation. Due to the remote working conditions caused by the COVID-19 pandemic, the landscape irrigation was performed through the automated irrigation system which is connected directly to the well. Therefore, well water was used for irrigation purposes. On the other hand, rainwater was collected and stored. The amount of rainwater collected in the storage is nearly 0.683 megaliters/year in 2021. All the collected rain water was used in the reporting year.
The provision of fully-functioning, safely managed WASH services to all workers	100%	Yapı Kredi provides fully functioning, safely managed WASH services to all its employees. Every month hygiene inspections are conducted for drinking water and biannually hygiene checks are conducted for water tankers used for drinking. Hand washing stations are cleaned and reported on daily basis by an outsourced firm, every month water samples are collected from selected hand washing stations to ensure healthy and safe working conditions.

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	232.82	About the same	In 2021, the total water withdrawal of Yapı Kredi was 232.82 megaliters/year. The total water withdrawal is equal to the sum of consumption from the following sources: municipal water (226.69 megaliters/year), water supplied from wells for landscape irrigation and drinking water through glass bottles (5.45 megaliters/year) and rainwater (0.683 megaliters/year). 232.82 = (5.45 + 0.68) + 226.69 (Withdrawal = Consumption + Discharge). The data related to the amount of water withdrawal was collected from water bills or from third-party water providers. The collected rain water was used for irrigation purposes. Hence, it was counted in total water withdrawal calculations. Rain water is collected in a separate storage and it is pumped to the well water storage. There are two different water meters at the facility. The first water meter is placed at the well water storage, whereas the second water meter is placed at the junction point of the rainwater storage and the well water storage. The amount of rainwater is calculated in which the number measured via the first water meter is subtracted from the number measured via the second water meter. The total water withdrawal remained almost stable (by 3% increase) compared to the last year. Maintenance and repair activities were performed on the plumbing system to prevent water leaks. This slight increase stemmed from the longer lockdown periods in 2020 compared to 2021 due to pandemics. Also, due to the continued pandemic, a permanent hybrid working model has been introduced so that the majority of the workforce will continue to work remotely in the upcoming years. Thus, a significant reduction is expected in direct water consumption related to operations, including water withdrawals in the upcoming years.
Total discharges	226.69	About the same	In 2021, Yapı Kredi discharged 100% of its waste water to the municipal sewage system. (226.69 megaliters/year). The data related to the amount of discharged water was collected from water bills or from third-party water providers. The total water discharge remained more or less constant (around 4% increase) compared to the last year. This slight increase stemmed from the longer lockdown periods in 2020 compared to 2021 due to pandemics. Yapı Kredi made some improvements in its buildings to prevent water leaks and save water. Maintenance and repair activities were performed on the plumbing system to prevent water leaks. The faucets in the washbasins were replaced with photocell faucets. Reservoir capacities have been reduced. With the transition to the permanent hybrid working model, a reduction is expected in Yapı Kredi's direct water consumption related to its operations, including water discharge.
Total consumption	6.13	Much lower	In 2021, the total water consumption of Yapı Kredi was 6.13 megaliters/year, including water collected from wells (5.45 megaliters/year) and rain water (0.68 megaliters/year) for landscape irrigation purposes. 6.13 = 5.45 + 0.68 (Withdrawal = Discharge + Consumption). The data related to the amount of total water consumption was collected from water bills or from third-party water providers. The total water consumption decreased by 27% compared to the last year. The main reason in this decrease stems from decrease in the need for irrigation water thanks to the more precipitation volumes this year than that of 2020. For the upcoming period, a reduction is expected in Yapı Kredi's direct water consumption related to its operations thanks to the transition to the permanent hybrid working model.

W1.2d

(W1.2d) Indicate whether water is withdrawn from areas with water stress and provide the proportion.

	Withdrawals are from areas with water stress	% withdrawn from areas with water stress	Comparison with previous reporting year	Identification tool	Please explain
Row 1	Yes	100%	About the same	WRI Aqueduct	According to the 2021 WRI Aqueduct Water Risk Atlas data, most of the regions in Turkey is categorised as High (40- 80%) and Extremely High (>80%) baseline water stressed. According to 2040 projections of WRI, Turkey will be among nations classified as "extremely high water scarcity". Given this fact besides the Yapı Kredi's locations spreading over the country, the water stress of the Bank was selected as 100%. Withdrawals comprises of municipal mains water, well water, rain water and, if needed, drinking-domestic water via glass bottles. In 2021, tankers were removed at the Banking Base and Plaza D Block because water treatments system were installed drinking purposes. Water and Sewerage Administrations in Turkey report the amount of water withdrawn from the dams, dam occupancy rates and water quality annually. This information is monitored to ensure that Yapı Kredi's facilities have access to water. Although water withdrawal it is not the primary input in the Bank's business and operational activities as it is a financial institution, Yapı Kredi regularly monitors the amount of water consumed through the bills (submitted by municipalities) and takes measures to reduce water consumption, as per compliance with the Bank's environmental strategies. The measures related to the reduction of water consumption include: • 1,305 hours of environmental training, which also addressed ISO 14001 Environmental Management System, climate change and water stress, to 1,228 Yapı Kredi employees and 304 hours to 152 employees of subcontractors in 2021. • Capacity building and awareness raising activities designed for employees (training on water and sanitation related issues, regular internal communication activities to raise awareness on lifestyle changes to incentivize behavioural change towards water efficiency). • Yapı Kredi closely monitors water consumption and implements various projects to reduce water consumption. Limited assurance by an independent audit firm (PwC) is obtained to verify the total number of employees who participated the environmental training within the reporting period.

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	Relevant	0.68	Much higher	At Darıca Administrative and Archive buildings, well water, rainwater and drainage water from buildings continued to be collected and used for landscape irrigation. The landscape irrigation was performed through the automated irrigation system which is connected directly to the well. On the other hand, rainwater was collected, stored and used. Since the construction to collect the rain water was not available, there was no collection in 2020. In the reporting year, the amount of 0.68 megaliters/year was collected and all the amount was used. The amount of collected rain water depends largely on rainfall levels. In 2021, precipitation volumes increased and the need for irrigation was met though rain water. Yapı Kredi considers an increase of >10% to be much higher. As temperatures increase due to the climate change, it is predicted that the amount of collected rainwater might decrease due to the decrease in the amount of precipitation in the upcoming years.
Brackish surface water/Seawater	Not relevant	<Not Applicable>	<Not Applicable>	Yapı Kredi does not use brackish surface water/seawater. It is not expected to experience any change in the source of water withdrawal, since Yapı Kredi has access to municipal water sources in its facilities. Groundwater is only used for irrigation and there is no need for brackish surface water/seawater.
Groundwater – renewable	Relevant	5.45	Much lower	The groundwater is used for landscape irrigation. In the Banking Base facility and Darıca Administrative and Archive Building, water drawn from wells for landscape irrigation corresponds to 5.45 megaliters/year. Reason for change compared to the previous reporting period: The renewable ground water use is decreased 33.81% compared to the last year. Yapı Kredi considers a decrease of >10% to be "much lower". The amount of renewable groundwater consumed for landscape irrigation has decreased because of the increase in precipitation volumes in the reporting year. Volume of water withdrawal from renewable groundwater is expected to increase as the climate becomes drier each year. While the temperature is increased due to the climate change, annual precipitation amount decreases. Therefore, the need for the use of well water might increase.
Groundwater – non-renewable	Not relevant	<Not Applicable>	<Not Applicable>	Yapı Kredi does not use non-renewable ground well water. The Bank does not expect any change in water withdrawal source, since it has access to municipal water source in its facilities. The Bank uses groundwater only for irrigation purposes and there is no need for non-renewable groundwater.
Produced/Entrained water	Not relevant	<Not Applicable>	<Not Applicable>	Yapı Kredi does not use produced water/entrained water. Yapı Kredi does not expect any change in water withdrawal source, since Yapı Kredi has access to municipal water source in its facilities. Yapı Kredi uses groundwater only for irrigation purposes and there is no need for produced/entrained water.
Third party sources	Relevant	227.1	About the same	Yapı Kredi withdraws water from municipal and glass bottles. Total water supplied from municipal corresponds to 226.69 megaliters/year. Supplied water is used for domestic purposes. Since drinking water was produced by the central water treatment units at the Bank's facilities, drinking water by truckloads was not purchased in 2021. Water supplied from the third parties as glass bottles (0.41 megaliters/year) is utilized for drinking and food purposes. Water consumption is calculated based on invoices provided by suppliers. Supplied water is increased by 4.2% compared to the last year. Yapı Kredi considers an increase of >10% to be "much higher". In 2020, the water consumption through municipal system was lower than expected in 2020 due to pandemic. Although,there was no lockdown in 2021, the increase in the water consumption remained almost same thanks to the improvements made to prevent water leaks through maintenance and repair activities on the plumbing system.

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>	Water utilized at Yapı Kredi facilities is not discharged to fresh surface water. Wastewater arising from each facility is discharged to the municipal sewage system.
Brackish surface water/seawater	Not relevant	<Not Applicable>	<Not Applicable>	Water utilized at Yapı Kredi facilities is not discharged to brackish surface water/sea water. Wastewater arising from each facility is discharged to the municipal sewage system.
Groundwater	Not relevant	<Not Applicable>	<Not Applicable>	Water utilized at Yapı Kredi facilities is not discharged to groundwater. Wastewater arising from each facility is discharged to the municipal sewage system.
Third-party destinations	Relevant	226.69	About the same	Relevance: Wastewater arising from each Yapı Kredi facility is discharged to the municipal sewage system. Change from the previous year: In 2020, the water consumption through municipal system was lower because of lockdown periods in 2020 during the pandemic. Even though, there was no lockdown in 2021, the increase in the water consumption remained almost unchanged thanks to some improvements to avoid water leakages and save water in its buildings. Maintenance and repair activities were performed on the plumbing system to prevent water leaks. The faucets in the washbasins were replaced with photocell faucets. Reservoir capacities have been reduced. Discharge to third party destinations increased by 4.1% compared to the last reporting year. Yapı Kredi considers an increase of >10% to be "much higher".

W1.2j

(W1.2j) Within your direct operations, indicate the highest level(s) to which you treat your discharge.

	Relevance of treatment level to discharge	Volume (megaliters/year)	Comparison of treated volume with previous reporting year	% of your sites/facilities/operations this volume applies to	Please explain
Tertiary treatment	Not relevant	<Not Applicable>	<Not Applicable>	<Not Applicable>	
Secondary treatment	Not relevant	<Not Applicable>	<Not Applicable>	<Not Applicable>	
Primary treatment only	Not relevant	<Not Applicable>	<Not Applicable>	<Not Applicable>	
Discharge to the natural environment without treatment	Not relevant	<Not Applicable>	<Not Applicable>	<Not Applicable>	
Discharge to a third party without treatment	Relevant	226.69	About the same	Unknown	Water is discharged to the sewage systems of municipalities to be treated in line with national discharge regulations.
Other	Not relevant	<Not Applicable>	<Not Applicable>	<Not Applicable>	

W1.3

(W1.3) Provide a figure for your organization's total water withdrawal efficiency.

	Revenue	Total water withdrawal volume (megaliters)	Total water withdrawal efficiency	Anticipated forward trend
Row 1	35149116000	232.82	150971205.222919	The Bank's efforts continued for efficient and effective management of water resources in 2021. Revenue per water withdrawal increased around 32% in 2021 compared to the last year. Considering the improvements to decrease water consumption will continue in the Bank and increase in revenue over the years. It is expected that efficiency rate will increase in the coming periods with the decreasing trend in water consumption thanks to the ongoing improvement efforts as well as increase in revenue.

W1.4

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

Yes, our suppliers

W1.4a

(W1.4a) What proportion of suppliers do you request to report on their water use, risks and/or management information and what proportion of your procurement spend does this represent?

Row 1

% of suppliers by number

51-75

% of total procurement spend

51-75

Rationale for this coverage

Selection criteria: Yapı Kredi is committed to act responsibly and promote its principle of creating sustainable value across the entire supply chain. Pursuant to its Responsible Procurement Policy, Yapı Kredi supports all its suppliers in ensuring compliance with its environmental, social and human rights criteria. In this regard, the Bank attaches the Yapı Kredi expects "The Environment, Occupational Health and Safety Agreement" to all supplier agreements during procurement. This agreement includes also a specific clause in which suppliers are mandated to comply with the requirements of ISO 14001. Through this agreement, it is ensured that supplier fully complies with all procedures, instructions issued by Yapı Kredi, as well as all relevant laws and regulations. According to the nature of the services procured from its suppliers, the Bank may request the water consumption data and related risk management procedures from the supplier. Specific items for the maintenance/repair/refurbishment service category to encourage water savings are added to the agreement. The Bank also encourages those companies to develop water saving mechanisms and not to waste its water. Incentive to report: Companies are ranked based on their audit performance and maintain their business relation with Yapı Kredi for the following years. This encourages suppliers to report on their water use as an incentive.

Impact of the engagement and measures of success

Information requested from suppliers: Based on the nature of the services procured from suppliers, the Bank may request the water consumption data and related risk management procedures from the supplier through "The Environment, Occupational Health and Safety Agreement". How the information is used within the company: Companies are ranked based on their audit performance and accordingly maintain their business relation with Yapı Kredi for the following years. Measure of success: Yapı Kredi measures its engagement success based on the outcomes of the audits and targets set. In case, the supplier does not fail to comply or make the necessary corrections within the specified period, Yapı Kredi may terminate the commercial relations with suppliers.

Comment

There is an ongoing study to establish a screening system for enabling assessment and selection of suppliers. This system is planned to include various sustainability criteria including also water related topics, so that all suppliers of Yapı Kredi are covered by this system.

W1.4b

(W1.4b) Provide details of any other water-related supplier engagement activity.

Type of engagement
Onboarding & compliance

Details of engagement
Inclusion of water stewardship and risk management in supplier selection mechanism

% of suppliers by number
51-75

% of total procurement spend
51-75

Rationale for the coverage of your engagement
In accordance with “The Environment, Occupational Health and Safety Agreement”, the Bank encourages its relevant suppliers to reduce the use of water and improve processes to lead savings in the water consumption for its relevant suppliers.

Impact of the engagement and measures of success
Beneficial outcomes of the engagement activity: This engagement mechanism with relevant suppliers contributes to Yapı Kredi’s responsible procurement approach. Thanks to this approach of the Bank, suppliers are channelized to use nature-friendly mechanisms and thus to reduce their water footprints. Success of supplier engagement: Yapı Kredi measures its engagement success based on the outcomes of the audits and targets set. Overall, improvement in the suppliers’ water efficiency is important for the Bank to manage its impacts over indirect operations.

Comment

Type of engagement
Innovation & collaboration

Details of engagement
Educate suppliers about water stewardship and collaboration

% of suppliers by number
1-25

% of total procurement spend
1-25

Rationale for the coverage of your engagement
Yapı Kredi engages its suppliers and subcontractors at different levels. Subcontractors are suppliers who work within the Bank’s premises and are subject to a different contract in that regard. In line with their contracts, subcontractors are further required to comply with Yapı Kredi’s water management policies. Because these specific subcontractors are located within the Bank’s premises, collaboration with them through these trainings is of paramount importance to achieve the water consumption targets of the Bank.

Impact of the engagement and measures of success
Beneficial outcomes of the engagement activity: Yapı Kredi provided 304 hours of environmental training to 152 subcontractors within the scope of ISO 14001 Environmental Management System, climate change and water stress. Yapı Kredi aims to raise awareness through training and thus reduce unnecessary water consumption. Success of supplier engagement: The expected impact of engagement is changing supplier behaviour and raising awareness. The measure of success for the training is that the training is completed by all invited parties and the ISO 14001 certification is received by the relevant subcontractor company. Yapı Kredi measures success by monitoring subcontractors’ water consumption trends via hydrometer values.

Comment

W2. Business impacts

W2.1

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

W2.1a

(W2.1a) Describe the water-related detrimental impacts experienced by your organization, your response, and the total financial impact.

Country/Area & River basin

Turkey	Other, please specify (Marmara Basin)

Type of impact driver & Primary impact driver

Acute physical	Storm (including blizzards, dust and sandstorm)

Primary impact
Increased operating costs

Description of impact

In 2021, the illuminated signboard in front of the Banking Base due to storm and heavy rainfall. Scale of the impact: The scale is not substantive because that the operating cost is considered as low and the business continuity was not affected.

Primary response
Improve maintenance of infrastructure

Total financial impact
9971

Description of response
Total financial impact calculation: The total cost of the damage was TRY 9,971 and was paid by the Bank. Response strategy: Yapı Kredi has the signboard repaired and strengthened its contstruction against storm events.

Country/Area & River basin

Turkey	Other, please specify (Marmara Basin)

Type of impact driver & Primary impact driver

Acute physical	Storm (including blizzards, dust and sandstorm)

Primary impact
Increased operating costs

Description of impact
Electricity poles were damaged as a result of the trees falling due to the storm in Yeniköy Grove. Scale of the impact: The scale is not substantive because that the operating cost is considered as low and the business continuity was not affected.

Primary response
Improve maintenance of infrastructure

Total financial impact
42536.4

Description of response
Total financial impact calculation: The total cost of the damage was TRY 42,536.40 which was paid by Yapı Kredi. Response strategy: Generator was activated and instead of falling trees, new plants and trees were planted.

Country/Area & River basin

Turkey	Other, please specify (Marmara Basin)

Type of impact driver & Primary impact driver

Acute physical	Flood (coastal, fluvial, pluvial, groundwater)

Primary impact
Increased operating costs

Description of impact
Due to the heavy rain that was effective throughout İstanbul, 5 branches of the Bank were flooded. Scale of the impact: The scale is not substantive because that the operating cost is considered as low and the business continuity was not affected. There was no need to close the affected branches, so they continued their operations uninterruptedly.

Primary response
Improve maintenance of infrastructure

Total financial impact
52252.68

Description of response
Total financial impact calculation: The total cost of the damage was TRY 52,252.68. TRY 12,848.02 of the incurred cost was paid by the insurance, TRY 39,404.65 was paid by Yapı Kredi as the insurance remained under the flood exemption. Response strategy: Yapı Kredi strengthened its maintenance activities to isolate areas at risk of flooding.

Country/Area & River basin

Turkey	Other, please specify (Küçük Menderes)

Type of impact driver & Primary impact driver

Acute physical	Flood (coastal, fluvial, pluvial, groundwater)

Primary impact
Increased operating costs

Description of impact
Due to the heavy rain that was effective throughout İzmir, 6 branches of the Bank were flooded. Scale of the impact: The scale is not substantive because that the operating

cost is considered as low and the business continuity was not affected. There was no need to close the affected branches, so they continued their operations uninterruptedly.

Primary response
Improve maintenance of infrastructure

Total financial impact
107404.35

Description of response
Total financial impact calculation: The total cost of the damage was TRY 107,404.35. TRY 16,874.94 of the incurred cost was paid by the insurance, TRY 86,459.49 was paid by Yapı Kredi as the insurance remained under the flood exemption. Response strategy: Yapı Kredi strengthened its maintenance activities to isolate areas at risk of flooding.

Country/Area & River basin

Turkey	Other, please specify (Antalya Basin)

Type of impact driver & Primary impact driver

Acute physical	Storm (including blizzards, dust and sandstorm)

Primary impact
Increased operating costs

Description of impact
The billboard in fron of the branch on which was damaged due to the storm. Scale of the impact: The scale is not substantive because that the operating cost is considered as low and the business continuity was not affected.

Primary response
Improve maintenance of infrastructure

Total financial impact
7988.27

Description of response
Total financial impact calculation: The total cost of the damage was TRY 7,988.27 and was paid by the Bank. Response strategy: Yapı Kredi has the billboard repaired and strengthened its contstruction against storm events.

Country/Area & River basin

Turkey	Other, please specify (Antalya Basin)

Type of impact driver & Primary impact driver

Acute physical	Flood (coastal, fluvial, pluvial, groundwater)

Primary impact
Increased operating costs

Description of impact
Due to the heavy rain that was effective throughout Antalya, 2 branches of the Bank were flooded. Scale of the impact: The scale is not substantive because that the operating cost is considered as low and the business continuity was not affected. There was no need to close the affected branches, so they continued their operations uninterruptedly.

Primary response
Improve maintenance of infrastructure

Total financial impact
42528.52

Description of response
Total financial impact calculation: The total cost of the damage was TRY 42,528.52. TRY 5,608.98 of the incurred cost was paid by the insurance, TRY 36,919.54 was paid by Yapı Kredi as the insurance remained under the flood exemption. Response strategy: Yapı Kredi strengthened its maintenance activities to isolate areas at risk of flooding.

Country/Area & River basin

Turkey	Other, please specify (Batı Akdeniz Basin)

Type of impact driver & Primary impact driver

Acute physical	Storm (including blizzards, dust and sandstorm)

Primary impact
Increased operating costs

Description of impact

Due to the storm, one vehicle of the Bank was damaged. Scale of the impact: The scale is not substantive because that the operating cost is considered as low and the business continuity was not affected. There was no need to close the affected branches, so they continued their operations uninterruptedly.

Primary response
Improve maintenance of infrastructure

Total financial impact
17761.88

Description of response
Total financial impact calculation: The total cost of the damage was TRY 17,761.88 and was paid by the Bank.

Country/Area & River basin

Turkey	Other, please specify (Susurluk Basin)

Type of impact driver & Primary impact driver

Acute physical	Storm (including blizzards, dust and sandstorm)

Primary impact
Increased operating costs

Description of impact
Water entered the ATM due to heavy rain. Scale of the impact: The scale is not substantive because that the operating cost is considered as low and the business continuity was not affected. There was no need to close the affected branches, so they continued their operations uninterruptedly.

Primary response
Improve maintenance of infrastructure

Total financial impact
96544.73

Description of response
Total financial impact calculation: The total cost of the damage was TRY 96,544.73. TRY 1,202.62 of the incurred cost was paid by the insurance, TRY 95,342.1 was paid by Yapı Kredi as the insurance remained under the flood exemption. Response strategy: Yapı Kredi strengthened its maintenance activities to isolate areas at risk of flooding.

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.

Value chain stage
Direct operations

Coverage
Full

Risk assessment procedure
Water risks are assessed in an environmental risk assessment

Frequency of assessment
Annually

How far into the future are risks considered?
3 to 6 years

Type of tools and methods used
Tools on the market
Other

Tools and methods used
WRI Aqueduct
Internal company methods
Nation specific databases, tools, or standards
Other, please specify (ISO 14064)

Contextual issues considered
Water availability at a basin/catchment level
Water quality at a basin/catchment level
Water regulatory frameworks
Status of ecosystems and habitats
Access to fully-functioning, safely managed WASH services for all employees

Stakeholders considered
Customers
Employees
Local communities
Regulators
Water utilities at a local level
Other water users at the basin/catchment level

Comment
Risks originated from the internal environmental effects of the Bank arising from operational consumption are followed by "FR-1 planning risk and opportunity determination form". Environmental risks are determined by the Matrix Method (L-Type Matrix) method. Moreover, to create mutual dialogue platforms with its employees, Yapı Kredi receives feedback from its employees about their water saving and effciency ideas which is an another indicator to identify risk from the employees' percpective.

Value chain stage
Supply chain

Coverage
Full

Risk assessment procedure
Water risks are assessed in an environmental risk assessment

Frequency of assessment
More than once a year

How far into the future are risks considered?
3 to 6 years

Type of tools and methods used
Tools on the market
Other

Tools and methods used
Internal company methods
Nation specific databases, tools, or standards

Contextual issues considered
Water availability at a basin/catchment level
Water quality at a basin/catchment level
Stakeholder conflicts concerning water resources at a basin/catchment level
Implications of water on your key commodities/raw materials
Water regulatory frameworks
Status of ecosystems and habitats

Stakeholders considered
Customers
Local communities
NGOs
Regulators
Suppliers
Water utilities at a local level
Other water users at the basin/catchment level

Comment
Within the scope of Yapı Kredi's "Responsible Procurement Policy" and "Environmental and Social Policy", Yapı Kredi's subcontractors have responsibilities regarding water and environment. With the Responsible Procurement Policy, Yapı Kredi prioritizes subcontractors that reduce GHG emissions in their purchasing processes, support low-carbon transition, and choose efficient manufacturing methods that reduce natural resource consumption and waste generation. Yapı Kredi's "Environmental and Social Policy" focuses on reducing energy consumption, water consumption, resource consumption and using natural resources efficiently and determines the water risks arising from the geographies in which it operates and from its lending activities, conducts studies to manage these risks and carries out activities for the implementation of the relevant policy by Bank's subcontractors. Subcontractors that serve the Bank are followed by" FR-1 planning risk and opportunity determination form ", which is based on the internal environmental effects of the Yapı Kredi's subcontractors' operational activities." Environmental risks are determined by the Matrix Method (L-Type Matrix) method.

Value chain stage
Other stages of the value chain

Coverage
Partial

Risk assessment procedure
Water risks are assessed in an environmental risk assessment

Frequency of assessment

More than once a year

How far into the future are risks considered?
More than 6 years

Type of tools and methods used
International methodologies and standards
Other

Tools and methods used
Internal company methods
Other, please specify (IFC Performance Standards)

Contextual issues considered
Water availability at a basin/catchment level
Water quality at a basin/catchment level
Stakeholder conflicts concerning water resources at a basin/catchment level
Implications of water on your key commodities/raw materials
Water regulatory frameworks
Status of ecosystems and habitats

Stakeholders considered
Customers
Investors
Local communities
NGOs
Regulators
Water utilities at a local level
Other water users at the basin/catchment level

Comment
Yapı Kredi's approach to water management is also reflected across its lending policies. As part of the Environmental and Social Risk Assessment system devised in line with international and national standards, the Bank monitors the water footprint of its loans. To do this, water related risks stemming from its financing activities are determined by the Bank's Environmental and Social Risk Assessment (ESRA) System that is based on IFC Performance Standards, Equator Principles, and national legislation. Under this system, all new investments and projects which have an investment amount of USD 10 million and above are evaluated. This ESRA system is carried out by an expert team under the Corporate and Commercial Loans Department. The Executive Vice President of Credits, who is also the member of the Sustainability Committee, is responsible for the execution of this system. As per ESRA, initially all loan requests received by the Bank are evaluated with respect to the Bank's lending policies and the Exclusion List contained in the Environmental and Social Policy. Activities that are under the Bank's exclusion list and do not comply with those policies are not financed under no circumstances.

W3.3b

(W3.3b) 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.

The Environmental Management System Team monitors current and potential regulatory impacts and plans the necessary actions for compliance. The assessment was made through the internal environmental impact assessment procedure (L-Type (5*5) Risk Evaluation Matrix Method -REMM) and WRI Aqueduct Water Risk Atlas in order to examine the physical, regulatory and reputational water risks for the Bank facilities and the contractors operating in the facilities. According to the risk category determined by the L-Type (5*5) REMM, actions are taken from 3 months to 10 years. (Environmental Risk Priority Impact: Very high A(20-25),High B(10-16),Medium C(4-9),Low D(1-3)).Depending on scale, senior management decisions about risk or opportunity may be made at the facility or business unit level. Risk assessments are reviewed annually through internal audits and action plans are followed. With the help of WRI Aqueduct Water Risk Atlas, the number of facilities located in water-stressed areas were defined. Unnecessary and excessive water consumption on the basis of employees may cause a decrease in natural resources, limited access to water in the future, and supply of existing water resources at higher costs in facilities located in places with high water stress. These risks are defined as inherent risks for the Bank. To minimize them, the Environmental and Social Policy, as well as the Natural Resource Use and Emission Control Instruction, were prepared and shared with employees and subcontractors working at Bank facilities. Awareness raising activities on water efficiency were conducted to all employees and subcontractors. To prevent unnecessary water use, water consumption was monitored by installing meters in the activity areas of subcontractors, and water leaks were detected through periodic controls and relevant measures were taken. Despite all these actions, risks regarding the reduction of natural resources continue due to unnecessary and excessive water consumption that may occur due to personal negligence. It is defined as residual risk. The results of this risk assessment are used by the Bank to take necessary actions.

The Bank gives priority to build capacity and raise awareness on sustainability issues including water for downstream and upstream stakeholders and responds to CDP Water Program, publishes an Integrated Annual Report and implements its Environmental Management System to provide a better understanding of its water management to the whole value chain. The Bank takes its key stakeholders (customers, employees, investors, local communities, NGOs, other water users at a pressure/catchment level, regulators, river pressure management authorities, suppliers, and water utilities at a local level) into account within the scope of short-, medium- and long-term water risk. The water-related assessment of downstream operations of the Bank is based on its Sustainability Management System, including Environmental and Social Risk Assessment (ESRA) System.

In line with the ESRA System, all investment and project finance loans with an investment amount USD 10 million and above are subject to this assessment with regard to environmental and social aspects. In order to align the scope of the ESRA System with the Equator Principles, improvements were made in 2021 with reference to the IFC Performance Standards and the Equator Principles. With this development, the risk assessments conducted for loan and investment requests are updated to include a sector-based approach. The risk category of the investment is determined through the questions which have to be answered within the scope of the ESRA system. This system proceeds to collect sectoral based information about project risks including water related risks; inform customers regarding necessary actions to be taken based on the project risk score; and gather additional information if necessary. The Bank's clients are required to develop and / or maintain an Environmental and Social Management System (ESMS) to comply with the applicable standards. Within the scope of this ESMS they have to prepare action and management plans in order to follow up the impact assessment, management and monitoring process of the investment regularly. Based on the outcomes of the ESRA system investors are required to take necessary environmental measures to manage water related risks such as water stress, water contamination etc. Also, outcomes may impact the Bank's business decisions regarding loan agreements. As per ESRA, initially all loan requests received by the Bank are evaluated with respect to the Bank's lending policies and the Exclusion List contained in the Environmental and Social Policy. Any project that does not comply with YKB's Sustainability Management System and its Exclusion List is not financed.

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?

Yes, both in direct operations and the rest of our value chain

W4.1a

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

Yapı Kredi defines substantive financial or strategic impact as;

1) Financially;

Possibility of financial loss more than TRY 150 million is '' very high'' risk level.

Possibility of financial loss between TRY 25-150 million is ''high'' risk level.

Possibility of financial loss between TRY 250,000-25 million is ''moderate'' risk level.

Possibility of financial loss up to TRY 250,000 is ''low'' risk level.

2) Reputational loss; significant loss of reputation among all stakeholders such as customers, employees, suppliers, strategic partners, leading to massive public reactions or media / social media crisis,

3) Operationally; system disruptions, service interruptions or failure to sustain operations due to the significant increase in the workload driven by social or environmental hazards,

4) Legally; disruptive consequences such as suspension of operations, licenses revocation or senior management condemnation driven by the breach of laws and legislation.

Yapı Kredi's manages all of its environmental impact including water risks stemming from its lending activities within the scope of the Environmental and Social Risk Assessment (ESRA) System that is based on IFC Performance Standards, Equator Principles, and national legislation. As part of ESRA System, projects/investments are classified into their risk categories as high risk (Category A), medium high (Category B+), medium low (Category B-) and low (Category C). Category A: Business activities that may have various, irreversible or unprecedented serious adverse risks and/or impacts, Category B+: A large number of business activities that may have limited adverse risks and/or impacts, often site-specific, highly reversible and for which mitigation measures are already in place Category B-: A small number of business activities, usually site-specific, that are highly reversible and that mitigation measures are already in place, that may have a small amount of adverse risks and/or impacts Category C: Business activities with minimal or no risk and/or impact. After this assessment any project/investment that falls under the substantive financial or strategic impact definition (defined above) would be considered climate related substantive financial or strategic impact.

Substantive water related impact example: IPCC Report suggests that anthropogenic influence on changes in some components of the water cycle affect floods. It is suggested that higher precipitation levels and snow melts that are also triggered by climate change lead to higher potential for flooding. Warmer atmosphere levels lead to heavier precipitation and evaporation levels, triggering floods. Moreover, rising temperatures that cause snow melts in the mountains can lead to winter flooding. According to Disaster and Emergency Management Presidency's (AFAD-Turkey) flood occurence mapping in Turkey, Northeastern Anatolia region is more likely to face with flooding incidents.The Bank has 835 branches located in all regions of Turkey on a consoldiated basis. In the case of a flooding incident Yapı Kredi's operational continuity can be effected. The water related risk assessment was made through the internal environmental impact assessment procedure (L-Type (5*5) Risk Evaluation Matrix Method - REMM) and tools on the market (WRI Aqueduct Water Risk Atlas) to determine the Bank's locations based in water-stressed areas. According to the risk category determined by the L-Type (5*5) REMM, actions are taken from 3 months to 10 years. (Environmental Risk Priority Impact: Very high A(20-25),High B(10-16),Medium C(4-9),Low D(1-3)). Depending on scale, senior management decisions about risk or opportunity may be made at the facility or business unit level. Risk assessments are reviewed annually through internal audits and action plans are followed. With the help of WRI Aqueduct Water Risk Atlas Tool, the number of water-stressed areas were defined.

W4.1b

(W4.1b) What is the total number of facilities exposed to water risks with the potential to have a substantive financial or strategic impact on your business, and what proportion of your company-wide facilities does this represent?

	Total number of facilities exposed to water risk	% company-wide facilities this represents	Comment
Row 1	5	76-99	Using the WRI Aqueduct Water Risk Atlas, Yapı Kredi assesses the number of facilities located in water-stressed areas. Under this Tool, the Bank considers areas under water risks as high-risk and extremely high-risk. According to this scope, 77% of Yapı Kredi's facilities in Turkey are exposed to water risks.

W4.1c

(W4.1c) By river basin, what is the number and proportion of facilities exposed to water risks that could have a substantive financial or strategic impact on your business, and what is the potential business impact associated with those facilities?

Country/Area & River basin

Turkey	Other, please specify (Marmara Basin)

Number of facilities exposed to water risk

5

% company-wide facilities this represents

Less than 1%

Production value for the metals & mining activities associated with these facilities
<Not Applicable>

% company's annual electricity generation that could be affected by these facilities
<Not Applicable>

% company's global oil & gas production volume that could be affected by these facilities
<Not Applicable>

% company's total global revenue that could be affected
100%

Comment
According to the 2021 WRI Aqueduct Water Risk Atlas data, the basic water stress of the water resources used in Yapı Kredi facilities in the Marmara Basin is "4 High (40-80%)" level. As a result of this evaluation, the water stress of Yapı Kredi facilities was categorized as "high risk". That's why, the Banking Base, Plaza D Block, Darıca Administrative and Archive Building, Bağramoğlu Building and Yeniköy Grove (Facility 1 to 5 at W5.1a) are selected to be exposed to water risks. Because these facilities includes haedquarters and also management buildings, the any possible impact may cause an substancital financial impact disrupt business activites in branches. Hence, the impact was choosen as 100%.

Country/Area & River basin

Turkey	Other, please specify (Ergene Basin)

Number of facilities exposed to water risk
20

% company-wide facilities this represents
1-25

Production value for the metals & mining activities associated with these facilities
<Not Applicable>

% company's annual electricity generation that could be affected by these facilities
<Not Applicable>

% company's global oil & gas production volume that could be affected by these facilities
<Not Applicable>

% company's total global revenue that could be affected
1-10

Comment
Branches in Region 1

Country/Area & River basin

Turkey	Other, please specify (Marmara Basin)

Number of facilities exposed to water risk
268

% company-wide facilities this represents
26-50

Production value for the metals & mining activities associated with these facilities
<Not Applicable>

% company's annual electricity generation that could be affected by these facilities
<Not Applicable>

% company's global oil & gas production volume that could be affected by these facilities
<Not Applicable>

% company's total global revenue that could be affected
51-60

Comment
Branches in Region 2

Country/Area & River basin

Turkey	Other, please specify (Kuzey Ege Basin)

Number of facilities exposed to water risk
6

% company-wide facilities this represents
Less than 1%

Production value for the metals & mining activities associated with these facilities
<Not Applicable>

% company's annual electricity generation that could be affected by these facilities
<Not Applicable>

% company's global oil & gas production volume that could be affected by these facilities
<Not Applicable>

% company's total global revenue that could be affected
Less than 1%

Comment
Branches in Region 3

Country/Area & River basin

Turkey	Other, please specify (Gediz Basin)

Number of facilities exposed to water risk
8

% company-wide facilities this represents
Less than 1%

Production value for the metals & mining activities associated with these facilities
<Not Applicable>

% company's annual electricity generation that could be affected by these facilities
<Not Applicable>

% company's global oil & gas production volume that could be affected by these facilities
<Not Applicable>

% company's total global revenue that could be affected
Less than 1%

Comment
Branches in Region 4

Country/Area & River basin

Turkey	Other, please specify (Kücük Menderes Basin)

Number of facilities exposed to water risk
53

% company-wide facilities this represents
1-25

Production value for the metals & mining activities associated with these facilities
<Not Applicable>

% company's annual electricity generation that could be affected by these facilities
<Not Applicable>

% company's global oil & gas production volume that could be affected by these facilities
<Not Applicable>

% company's total global revenue that could be affected
1-10

Comment
Branches in Region 5

Country/Area & River basin

Turkey	Other, please specify (Buyuk Menderes Basin)

Number of facilities exposed to water risk
17

% company-wide facilities this represents
1-25

Production value for the metals & mining activities associated with these facilities
<Not Applicable>

% company's annual electricity generation that could be affected by these facilities
<Not Applicable>

% company's global oil & gas production volume that could be affected by these facilities
<Not Applicable>

% company's total global revenue that could be affected
Less than 1%

Comment
Branches in Region 6

Country/Area & River basin

Turkey	Other, please specify (Bati Akdeniz Basin)

Number of facilities exposed to water risk
13

% company-wide facilities this represents
1-25

Production value for the metals & mining activities associated with these facilities
<Not Applicable>

% company's annual electricity generation that could be affected by these facilities
<Not Applicable>

% company's global oil & gas production volume that could be affected by these facilities
<Not Applicable>

% company's total global revenue that could be affected
1-10

Comment
Branches in Region 7

Country/Area & River basin

Turkey	Asi (Orontes)

Number of facilities exposed to water risk
41

% company-wide facilities this represents
1-25

Production value for the metals & mining activities associated with these facilities
<Not Applicable>

% company's annual electricity generation that could be affected by these facilities
<Not Applicable>

% company's global oil & gas production volume that could be affected by these facilities
<Not Applicable>

% company's total global revenue that could be affected
1-10

Comment
Branches in Region 8

Country/Area & River basin

Turkey	Other, please specify (Burdur Basin)

Number of facilities exposed to water risk
2

% company-wide facilities this represents
Less than 1%

Production value for the metals & mining activities associated with these facilities
<Not Applicable>

% company's annual electricity generation that could be affected by these facilities
<Not Applicable>

% company's global oil & gas production volume that could be affected by these facilities
<Not Applicable>

% company's total global revenue that could be affected
Less than 1%

Comment
Branches in Region 9

Country/Area & River basin

Turkey	Other, please specify (Akarcay Basin)

Number of facilities exposed to water risk
11

% company-wide facilities this represents
1-25

Production value for the metals & mining activities associated with these facilities
<Not Applicable>

% company's annual electricity generation that could be affected by these facilities
<Not Applicable>

% company's global oil & gas production volume that could be affected by these facilities
<Not Applicable>

% company's total global revenue that could be affected
Less than 1%

Comment
Branches in Region 10

Country/Area & River basin

Turkey	Sakarya

Number of facilities exposed to water risk
66

% company-wide facilities this represents
1-25

Production value for the metals & mining activities associated with these facilities
<Not Applicable>

% company's annual electricity generation that could be affected by these facilities
<Not Applicable>

% company's global oil & gas production volume that could be affected by these facilities
<Not Applicable>

% company's total global revenue that could be affected
1-10

Comment
Branches in Region 11

Country/Area & River basin

Turkey	Other, please specify (Yesilirmak Basin)

Number of facilities exposed to water risk
6

% company-wide facilities this represents
Less than 1%

Production value for the metals & mining activities associated with these facilities
<Not Applicable>

% company's annual electricity generation that could be affected by these facilities
<Not Applicable>

% company's global oil & gas production volume that could be affected by these facilities
<Not Applicable>

% company's total global revenue that could be affected
Less than 1%

Comment
Branches in Region 12

Country/Area & River basin

Turkey	Kizilirmak

Number of facilities exposed to water risk
28

% company-wide facilities this represents
1-25

Production value for the metals & mining activities associated with these facilities
<Not Applicable>

% company's annual electricity generation that could be affected by these facilities
<Not Applicable>

% company's global oil & gas production volume that could be affected by these facilities
<Not Applicable>

% company's total global revenue that could be affected
1-10

Comment
Branches in Region 13

Country/Area & River basin

Turkey	Other, please specify (Konya Kapali Basin)

Number of facilities exposed to water risk
23

% company-wide facilities this represents
1-25

Production value for the metals & mining activities associated with these facilities
<Not Applicable>

% company's annual electricity generation that could be affected by these facilities
<Not Applicable>

% company's global oil & gas production volume that could be affected by these facilities
<Not Applicable>

% company's total global revenue that could be affected
1-10

Comment
Branches in Region 14

Country/Area & River basin

Turkey	Other, please specify (Dogu Akdeniz Basin)

Number of facilities exposed to water risk
14

% company-wide facilities this represents
1-25

Production value for the metals & mining activities associated with these facilities
<Not Applicable>

% company's annual electricity generation that could be affected by these facilities
<Not Applicable>

% company's global oil & gas production volume that could be affected by these facilities
<Not Applicable>

% company's total global revenue that could be affected
1-10

Comment
Branches in Region 15

Country/Area & River basin

Turkey	Other, please specify (Seyhan Basin)

Number of facilities exposed to water risk
28

% company-wide facilities this represents
1-25

Production value for the metals & mining activities associated with these facilities
<Not Applicable>

% company's annual electricity generation that could be affected by these facilities
<Not Applicable>

% company's global oil & gas production volume that could be affected by these facilities
<Not Applicable>

% company's total global revenue that could be affected
1-10

Comment
Branches in Region 16

Country/Area & River basin

Turkey	Asi (Orontes)

Number of facilities exposed to water risk
8

% company-wide facilities this represents
Less than 1%

Production value for the metals & mining activities associated with these facilities
<Not Applicable>

% company's annual electricity generation that could be affected by these facilities
<Not Applicable>

% company's global oil & gas production volume that could be affected by these facilities
<Not Applicable>

% company's total global revenue that could be affected
Less than 1%

Comment
Branches in Region 17

Country/Area & River basin

Turkey	Other, please specify (Ceyhan Basin)

Number of facilities exposed to water risk
8

% company-wide facilities this represents
Less than 1%

Production value for the metals & mining activities associated with these facilities
<Not Applicable>

% company's annual electricity generation that could be affected by these facilities
<Not Applicable>

% company's global oil & gas production volume that could be affected by these facilities
<Not Applicable>

% company's total global revenue that could be affected
Less than 1%

Comment
Branches in Region 18

W4.2

(W4.2) Provide details of identified risks in your direct operations with the potential to have a substantive financial or strategic impact on your business, and your response to those risks.

Country/Area & River basin

Turkey	Other, please specify (Mediterranean Basin)

Type of risk & Primary risk driver

Acute physical	Flood (coastal, fluvial, pluvial, groundwater)

Primary potential impact
Increased cost of capital

Company-specific description
Flooding: IPCC Changes in Climate Extremes and their Impacts on the Natural Physical Environment Report suggests that anthropogenic influence on changes in some components of the water cycle (precipitation, snow melt) affect floods. Although direct impact of climate change on floods is open for discussion, it is suggested that higher precipitation levels and snow melts that are also triggered by climate change lead to higher potential for flooding. Warmer atmosphere levels lead to heavier precipitation and evaporation levels, triggering floods. Moreover, rising temperatures that cause snow melts in the mountains can lead to winter flooding. According to Disaster and Emergency Management Presidency's (AFAD-Turkey) flood occurrence mapping in Turkey, Northeastern Anatolia region is more prone to reoccurrence of flooding incidents. However, when the map is analyzed it is observed that death rates are dispersed throughout all regions of Turkey, suggesting that even in the lower probability of disaster occurrence the impacts can be high. Yapı Kredi has 835 branches located in all regions of Turkey. In the case of a flooding incident Yapı Kredi's operational continuity can be effected.

Timeframe
Current up to one year

Magnitude of potential impact
Medium

Likelihood
Likely

Are you able to provide a potential financial impact figure?
Yes, a single figure estimate

Potential financial impact figure (currency)
377384.81

Potential financial impact figure - minimum (currency)
<Not Applicable>

Potential financial impact figure - maximum (currency)
<Not Applicable>

Explanation of financial impact
In 2021, material damage occurred due to following weather events for 21 branches in total of Yapı Kredi (flood: 14 branches and storm:5 branches, Banking Base and Yeniköy Grove). The total cost of the loss, which increases the capital expenditure, is TRY 377,384.81. The calculation is based on the insurance invoices. In a scenario where the probability of these disasters increases in the short term and thus causes a 30% increase in the cost of damage, this would equal to a potential financial impact of TRY 377,384.81.

Primary response to risk
Improve maintenance of infrastructure

Description of response
Action implemented: Yapı Kredi's Business Continuity Management Policy is a guidance for minimizing operational risks. Yapı Kredi ensures business continuity through the Emergency Response Plan, and Crisis Management and Business Recovery Plans. The frequency of periodic maintenance activities such as isolation and the maintenance of drainage pumps were increased in order to be prepared and avoid such events. It is difficult to find lasting solutions to decrease the risk of flooding when a branch is located near a river, but in order to mitigate these kind of risks the branches purchased sandbags that hold back rising floodwaters.

Cost of response
98000

Explanation of cost of response
50 sandbags are purchased per branch, 50*14 (branch number)= 700. Market price of a sandbag is around TRY 140. 700*140= TRY 98,000 cost of sandbags for 14 branches.

W4.2a

(W4.2a) Provide details of risks identified within your value chain (beyond direct operations) with the potential to have a substantive financial or strategic impact on your business, and your response to those risks.

Country/Area & River basin

Turkey	Other, please specify (Mediterranean Basin)

Stage of value chain

Other, please specify (Customers)

Type of risk & Primary risk driver

Acute physical	Drought

Primary potential impact

Reduced revenues from lower sales/output

Company-specific description

The Sixth Assessment Report of the Intergovernmental Panel on Climate Change (IPCC) released in 2021 highlighted extreme weather events, hot extremes, water scarcity and ecosystem degradation to be sustained by the planet once global temperature rise exceeds 1.5°C above pre-industrial levels. Scientists specifically pointed at the urgency of the matter and established that average temperature rise might exceed 2°C between 2041 and 2060 based on scenario analyses, and that it might exceed 3°C between 2081 and 2100. In this context, management of near-term, mid-term and long-term physical and transition risks stemming from climate crisis became all the more important, and national and international regulators took certain actions for climate crisis management. Rising mean temperatures especially during summers can lead to droughts and decreased capacity of hydroelectric power plants in the future. Decreased water capacity might lead to disruption of the operations. Yapı Kredi's hydroelectric power plant lending activities are located in Turkey, which is in the Mediterranean Basin that will be greatly affected by rising mean temperatures, thus droughts. The potential capacity disruptions of the hydroelectric power plant projects financed by Yapı Kredi might increase the credit risk of the aforementioned projects, impacting Yapı Kredi's revenues from its corporate and commercial banking activities.

Timeframe

More than 6 years

Magnitude of potential impact

Medium

Likelihood

More likely than not

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

2105390000

Potential financial impact figure - minimum (currency)

<Not Applicable>

Potential financial impact figure - maximum (currency)

<Not Applicable>

Explanation of financial impact

In 2021, hydroelectric power plant projects are evaluated under ESRA system and a total of USD 158.3 million credit limit was allocated to these investments. Based on the Bank's scenario analysis through WRI Aqueduct Risk Atlas Tool, it was assumed that drought may cause 10% decrease in the yearly electricity capacity of those power plants. This may create financial pressure on the customer's revenues due to decreasing electricity sales and adversely affect the payback capacity of their borrowings to the Bank. In a worse-case scenario, those new lending originated in the reporting year may go into NPL (Non-Performing Loans). Thus, the potential financial impact calculated as USD 158.3 million. Moreover, Pursuant to IFRS 9, Probability of Default (PD), which are assigned to the customers, is under the initiative of the Bank. That's why, considering this drought risk, in the long-run, the Bank may increase the provision rates of those customers. If this comes into the practice, the financial impact of those projects on the bottom-line of the Bank is expected to be calculated.

Primary response to risk

Downstream	Other, please specify (Technical Analysis Prior to Lending and Cash Sweeps)

Description of response

As part of the credit risk assessment process, Yapı Kredi reviews technical reports of the projects including water flow trends of hydro-power resulting from environmental issues including climate change. As a result of chronic physical risks such as extreme heatwaves, water flows might be reduced and evaporation might have significant impact on the hydroelectric power production capacity. Therefore, a technical analysis report is prepared regarding water flow fluctuations for hydroelectric power plant projects. After this technical analysis Yapı Kredi conducts internal stress tests to measure the climate risks within the scope of the credit risk. In addition, cumulative impact assessment is required in accordance with both Turkish Environmental Impact Assessment (EIA) regulation and ESRA system. Thus, project risks are determined by evaluating the cumulative effects within the region and the basin. This might effect the capacity of power generated through water flow to meet the average and the peak power demands which might lead to financial risks including further consideration of the project's viability.

Cost of response

200295

Explanation of cost of response

Average market cost of a technical analysis by an external expert ranges from USD 10,000 to USD 20,000 (varies according to size of the project). As an average cost per project ((10,000+20,000)/2) Yapı Kredi took USD 15,000 into account which is converted to TRY. Since the projects are financed in USD, Yapı Kredi has used the 15,000*13.3530= 200,295

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?
Yes, we have identified opportunities, and some/all are being realized

W4.3a

(W4.3a) Provide details of opportunities currently being realized that could have a substantive financial or strategic impact on your business.

Type of opportunity
Efficiency

Primary water-related opportunity
Improved water efficiency in operations

Company-specific description & strategy to realize opportunity
The Bank's efforts continued for efficient and effective management of water resources in 2021. One of the water related opportunities is collection of rain water and using it for domestic purposes.This opportunity has a positive impact on the efficient use of water and it results in small cost benefits as well, since it contributes to reduction of water consumption. Yapı Kredi adopts projects related to the implementation of rain water collection and use and aims to extend the scope and number of such projects at its facilities to further contribute to efficient water consumption. Within the frame of another water-smart initiative at Darıca Administrative and Archive buildings, rainwater continued to be collected and used for land scape irrigation.Under this initiative, rainwater is used for irrigation instead of mains water. In 2021, a rainwater harvesting project was initiated at the Banking Base facility.

Estimated timeframe for realization
1 to 3 years

Magnitude of potential financial impact
Low-medium

Are you able to provide a potential financial impact figure?
Yes, a single figure estimate

Potential financial impact figure (currency)
6000

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact
Banking Base Facility: The well water tank (1,000 tons tank) in the Banking Base facility is used for garden irrigation. A project has been developed to build collection channels on the top of this tank and to collect the rain water accumulated here and transfer it into the tank. Within the scope of the project, the calculation was made over the precipitation per square meter. According to this calculation, it is aimed to collect approximately 160 cubic meters of rain water per year and use it for garden irrigation. When calculations are made with ISU (Izmit water and sewage administration) unit prices, it is predicted that the project will generate an annual benefit of approximately TRY 1,000. Cost of the project: TRY 50,000. Plaza D Block: A project is being developed to collect the precipitation from the roof of the Plaza D Block building and use it as utility water. It is planned that the collected rain water will be transferred to the utility water tank and given to the taps. It is predicted that the amount of water to be collected will be around 350 cubic meters per year. When calculations are made with ISKI (İstanbul Water and Sewage Administration) unit prices, it is predicted that the annual benefit provided by the project will be approximately TRY 5,000. Cost of the project: TRY 70,000.

W5. Facility-level water accounting

W5.1

(W5.1) For each facility referenced in W4.1c, provide coordinates, water accounting data, and a comparison with the previous reporting year.

Facility reference number
Facility 1

Facility name (optional)
Banking Base

Country/Area & River basin

Turkey	Other, please specify (Marmara Basin)

Latitude
40.84

Longitude
29.41

Located in area with water stress
Yes

Primary power generation source for your electricity generation at this facility
<Not Applicable>

Oil & gas sector business division
<Not Applicable>

Total water withdrawals at this facility (megaliters/year)
35.1

Comparison of total withdrawals with previous reporting year
Much lower

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes
0

Withdrawals from brackish surface water/seawater
0

Withdrawals from groundwater - renewable
4.45

Withdrawals from groundwater - non-renewable
0

Withdrawals from produced/entrained water
0

Withdrawals from third party sources
30.66

Total water discharges at this facility (megaliters/year)
30.45

Comparison of total discharges with previous reporting year
Much lower

Discharges to fresh surface water
0

Discharges to brackish surface water/seawater
0

Discharges to groundwater
0

Discharges to third party destinations
30.45

Total water consumption at this facility (megaliters/year)
4.66

Comparison of total consumption with previous reporting year
Much lower

Please explain
Yapı Kredi used WRI Aqueduct Water Risk Atlas Tool to classify the basin's stress level. Volumes are sourced from the water bills and third party suppliers. Withdrawal from third party sources include municipal suppliers and water suppliers. Third party destination is the municipal sewerage system. Water consumption include water for human consumption supplied from water suppliers. Yapı Kredi would classify any percentage change above 10% as "much lower" or "much higher".

Facility reference number
Facility 2

Facility name (optional)
Plaza D Block

Country/Area & River basin

Turkey	Other, please specify (Marmara Basin)

Latitude
41.08

Longitude
29.01

Located in area with water stress
Yes

Primary power generation source for your electricity generation at this facility
<Not Applicable>

Oil & gas sector business division
<Not Applicable>

Total water withdrawals at this facility (megaliters/year)
17.38

Comparison of total withdrawals with previous reporting year
Much lower

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes
0

Withdrawals from brackish surface water/seawater
0

Withdrawals from groundwater - renewable
0

Withdrawals from groundwater - non-renewable
0

Withdrawals from produced/entrained water
0

Withdrawals from third party sources
17.38

Total water discharges at this facility (megaliters/year)
17.18

Comparison of total discharges with previous reporting year
Much lower

Discharges to fresh surface water
0

Discharges to brackish surface water/seawater
0

Discharges to groundwater
0

Discharges to third party destinations
17.18

Total water consumption at this facility (megaliters/year)
0.2

Comparison of total consumption with previous reporting year
Much higher

Please explain
Yapı Kredi used WRI Aqueduct Water Risk Atlas Tool to classify the basin's stress level. Volumes are sourced from the water bills and third party suppliers. Withdrawal from third party sources include municipal suppliers and water suppliers. Third party destination is the municipal sewerage system. Water consumption include water for human consumption supplied from water suppliers. Yapı Kredi would classify any percentage change above 10% as "much lower" or "much higher".

Facility reference number
Facility 3

Facility name (optional)
Darıca Administrative and Archive Building

Country/Area & River basin

Turkey	Other, please specify (Marmara Basin)

Latitude
40.78

Longitude
29.37

Located in area with water stress
Yes

Primary power generation source for your electricity generation at this facility
<Not Applicable>

Oil & gas sector business division
<Not Applicable>

Total water withdrawals at this facility (megaliters/year)
2.61

Comparison of total withdrawals with previous reporting year
Much higher

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes
0

Withdrawals from brackish surface water/seawater
0

Withdrawals from groundwater - renewable
1.009

Withdrawals from groundwater - non-renewable
0

Withdrawals from produced/entrained water
0

Withdrawals from third party sources
0.92

Total water discharges at this facility (megaliters/year)
0.92

Comparison of total discharges with previous reporting year
Much higher

Discharges to fresh surface water
0

Discharges to brackish surface water/seawater
0

Discharges to groundwater
0

Discharges to third party destinations
0.92

Total water consumption at this facility (megaliters/year)
1.6

Comparison of total consumption with previous reporting year
Much higher

Please explain
Yapı Kredi used WRI Aqueduct Water Risk Atlas Tool to classify the basin's stress level. Volumes are sourced from the water bills and third party suppliers. Withdrawal from third party sources include municipal suppliers and water suppliers. Third party destination is the municipal sewerage system. Water consumption include water for human consumption supplied from water suppliers. Yapı Kredi would classify any percentage change above 10% as "much lower" or "much higher".

Facility reference number
Facility 4

Facility name (optional)
Bayramoğlu Building

Country/Area & River basin

Turkey	Other, please specify (Marmara Basin)

Latitude
40.78

Longitude
29.34

Located in area with water stress
Yes

Primary power generation source for your electricity generation at this facility
<Not Applicable>

Oil & gas sector business division
<Not Applicable>

Total water withdrawals at this facility (megaliters/year)
0.29

Comparison of total withdrawals with previous reporting year
Much lower

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes
0

Withdrawals from brackish surface water/seawater
0

Withdrawals from groundwater - renewable
0

Withdrawals from groundwater - non-renewable
0

Withdrawals from produced/entrained water
0

Withdrawals from third party sources
0.29

Total water discharges at this facility (megaliters/year)
0.29

Comparison of total discharges with previous reporting year
Much lower

Discharges to fresh surface water
0

Discharges to brackish surface water/seawater
0

Discharges to groundwater
0

Discharges to third party destinations
0.29

Total water consumption at this facility (megaliters/year)
0

Comparison of total consumption with previous reporting year
Much lower

Please explain
Yapı Kredi used WRI Aqueduct Water Risk Atlas Tool to classify the basin's stress level. Volumes are sourced from the water bills and third party suppliers. Withdrawal from third party sources include municipal suppliers and water suppliers. Third party destination is the municipal sewerage system. Water consumption include water for human consumption supplied from water suppliers. Yapı Kredi would classify any percentage change above 10% as "much lower" or "much higher".

Facility reference number
Facility 5

Facility name (optional)
Yeniköy Grove

Country/Area & River basin

Turkey	Other, please specify (Marmara Basin)

Latitude
41.12

Longitude
29.07

Located in area with water stress
Yes

Primary power generation source for your electricity generation at this facility
<Not Applicable>

Oil & gas sector business division
<Not Applicable>

Total water withdrawals at this facility (megaliters/year)
1.89

Comparison of total withdrawals with previous reporting year
Much lower

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes
0

Withdrawals from brackish surface water/seawater
0

Withdrawals from groundwater - renewable
0

Withdrawals from groundwater - non-renewable
0

Withdrawals from produced/entrained water
0

Withdrawals from third party sources
1.89

Total water discharges at this facility (megaliters/year)
1.89

Comparison of total discharges with previous reporting year
Much lower

Discharges to fresh surface water
0

Discharges to brackish surface water/seawater
0

Discharges to groundwater
0

Discharges to third party destinations
1.89

Total water consumption at this facility (megaliters/year)
0

Comparison of total consumption with previous reporting year
Much lower

Please explain
Yapı Kredi used WRI Aqueduct Water Risk Atlas Tool to classify the basin's stress level. Volumes are sourced from the water bills and third party suppliers. Withdrawal from third party sources include municipal suppliers and water suppliers. Third party destination is the municipal sewerage system. Water consumption include water for human consumption supplied from water suppliers. Yapı Kredi would classify any percentage change above 10% as "much lower" or "much higher".

Facility reference number
Facility 6

Facility name (optional)
Branches in Region 1

Country/Area & River basin

Turkey	Other, please specify (Ergene Basin)

Latitude
40.86

Longitude
27.27

Located in area with water stress
Yes

Primary power generation source for your electricity generation at this facility
<Not Applicable>

Oil & gas sector business division
<Not Applicable>

Total water withdrawals at this facility (megaliters/year)
1.91

Comparison of total withdrawals with previous reporting year
Higher

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes
0

Withdrawals from brackish surface water/seawater
0

Withdrawals from groundwater - renewable
0

Withdrawals from groundwater - non-renewable
0

Withdrawals from produced/entrained water
0

Withdrawals from third party sources
1.91

Total water discharges at this facility (megaliters/year)
1.91

Comparison of total discharges with previous reporting year
Higher

Discharges to fresh surface water
0

Discharges to brackish surface water/seawater
0

Discharges to groundwater
0

Discharges to third party destinations
1.91

Total water consumption at this facility (megaliters/year)
0

Comparison of total consumption with previous reporting year
This is our first year of measurement

Please explain
Yapı Kredi used WRI Aqueduct Water Risk Atlas Tool to classify the basin's stress level. Volumes are sourced from the water bills and third party suppliers. Withdrawal from third party sources include municipal suppliers and water suppliers. Third party destination is the municipal sewerage system. Water consumption include water for human consumption supplied from water suppliers. Yapı Kredi would classify any percentage change above 10% as "much lower" or "much higher".

Facility reference number
Facility 7

Facility name (optional)
Branches in Region 2

Country/Area & River basin

Turkey	Other, please specify (Marmara Basin)

Latitude
40.67

Longitude
28.13

Located in area with water stress
Yes

Primary power generation source for your electricity generation at this facility
<Not Applicable>

Oil & gas sector business division
<Not Applicable>

Total water withdrawals at this facility (megaliters/year)
36.38

Comparison of total withdrawals with previous reporting year
Lower

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes
0

Withdrawals from brackish surface water/seawater
0

Withdrawals from groundwater - renewable
0

Withdrawals from groundwater - non-renewable
0

Withdrawals from produced/entrained water
0

Withdrawals from third party sources
36.38

Total water discharges at this facility (megaliters/year)
36.38

Comparison of total discharges with previous reporting year
Lower

Discharges to fresh surface water
0

Discharges to brackish surface water/seawater
0

Discharges to groundwater
0

Discharges to third party destinations
36.38

Total water consumption at this facility (megaliters/year)
0

Comparison of total consumption with previous reporting year
This is our first year of measurement

Please explain
Yapı Kredi used WRI Aqueduct Water Risk Atlas Tool to classify the basin's stress level. Volumes are sourced from the water bills and third party suppliers. Withdrawal from third party sources include municipal suppliers and water suppliers. Third party destination is the municipal sewerage system. Water consumption include water for human consumption supplied from water suppliers. Yapı Kredi would classify any percentage change above 10% as "much lower" or "much higher".

Facility reference number
Facility 8

Facility name (optional)
Branches in Region 3

Country/Area & River basin

Turkey	Other, please specify (Kuzey Ege Basin)

Latitude
40.56

Longitude
29.19

Located in area with water stress
Yes

Primary power generation source for your electricity generation at this facility
<Not Applicable>

Oil & gas sector business division
<Not Applicable>

Total water withdrawals at this facility (megaliters/year)
0.5

Comparison of total withdrawals with previous reporting year
Much lower

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes
0

Withdrawals from brackish surface water/seawater
0

Withdrawals from groundwater - renewable
0

Withdrawals from groundwater - non-renewable
0

Withdrawals from produced/entrained water
0

Withdrawals from third party sources
0.5

Total water discharges at this facility (megaliters/year)
0.5

Comparison of total discharges with previous reporting year
Much lower

Discharges to fresh surface water
0

Discharges to brackish surface water/seawater
0

Discharges to groundwater
0

Discharges to third party destinations
0.5

Total water consumption at this facility (megaliters/year)
0

Comparison of total consumption with previous reporting year
This is our first year of measurement

Please explain
Yapı Kredi used WRI Aqueduct Water Risk Atlas Tool to classify the basin's stress level. Volumes are sourced from the water bills and third party suppliers. Withdrawal from third party sources include municipal suppliers and water suppliers. Third party destination is the municipal sewerage system. Water consumption include water for human consumption supplied from water suppliers. Yapı Kredi would classify any percentage change above 10% as "much lower" or "much higher".

Facility reference number
Facility 9

Facility name (optional)
Branches in Region 4

Country/Area & River basin

Turkey	Other, please specify (Gediz Basin)

Latitude
38.99

Longitude
29.39

Located in area with water stress
Yes

Primary power generation source for your electricity generation at this facility
<Not Applicable>

Oil & gas sector business division
<Not Applicable>

Total water withdrawals at this facility (megaliters/year)
0.96

Comparison of total withdrawals with previous reporting year
Much lower

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes
0

Withdrawals from brackish surface water/seawater
0

Withdrawals from groundwater - renewable
0

Withdrawals from groundwater - non-renewable
0

Withdrawals from produced/entrained water
0

Withdrawals from third party sources
0.96

Total water discharges at this facility (megaliters/year)
0.96

Comparison of total discharges with previous reporting year
Much lower

Discharges to fresh surface water
0

Discharges to brackish surface water/seawater
0

Discharges to groundwater
0

Discharges to third party destinations
0.96

Total water consumption at this facility (megaliters/year)
0

Comparison of total consumption with previous reporting year
This is our first year of measurement

Please explain
Yapı Kredi used WRI Aqueduct Water Risk Atlas Tool to classify the basin's stress level. Volumes are sourced from the water bills and third party suppliers. Withdrawal from third party sources include municipal suppliers and water suppliers. Third party destination is the municipal sewerage system. Water consumption include water for human consumption supplied from water suppliers. Yapı Kredi would classify any percentage change above 10% as "much lower" or "much higher".

Facility reference number
Facility 10

Facility name (optional)
Branches in Region 5

Country/Area & River basin

Turkey	Other, please specify (Küçük Menderes Basin)

Latitude
37.96

Longitude
27.26

Located in area with water stress
Yes

Primary power generation source for your electricity generation at this facility
<Not Applicable>

Oil & gas sector business division
<Not Applicable>

Total water withdrawals at this facility (megaliters/year)
7.87

Comparison of total withdrawals with previous reporting year
Much lower

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes
0

Withdrawals from brackish surface water/seawater
0

Withdrawals from groundwater - renewable
0

Withdrawals from groundwater - non-renewable
0

Withdrawals from produced/entrained water
0

Withdrawals from third party sources
7.87

Total water discharges at this facility (megaliters/year)
7.87

Comparison of total discharges with previous reporting year
Much lower

Discharges to fresh surface water
0

Discharges to brackish surface water/seawater
0

Discharges to groundwater
0

Discharges to third party destinations
7.87

Total water consumption at this facility (megaliters/year)
0

Comparison of total consumption with previous reporting year
This is our first year of measurement

Please explain
Yapı Kredi used WRI Aqueduct Water Risk Atlas Tool to classify the basin's stress level. Volumes are sourced from the water bills and third party suppliers. Withdrawal from third party sources include municipal suppliers and water suppliers. Third party destination is the municipal sewerage system. Water consumption include water for human consumption supplied from water suppliers. Yapı Kredi would classify any percentage change above 10% as "much lower" or "much higher".

Facility reference number
Facility 11

Facility name (optional)
Branches in Region 6

Country/Area & River basin

Turkey	Other, please specify (Büyük Menderes Basin)

Latitude
38.05

Longitude
28.95

Located in area with water stress
Yes

Primary power generation source for your electricity generation at this facility
<Not Applicable>

Oil & gas sector business division
<Not Applicable>

Total water withdrawals at this facility (megaliters/year)
2.46

Comparison of total withdrawals with previous reporting year
Much lower

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes
0

Withdrawals from brackish surface water/seawater
0

Withdrawals from groundwater - renewable
0

Withdrawals from groundwater - non-renewable
0

Withdrawals from produced/entrained water
0

Withdrawals from third party sources
2.46

Total water discharges at this facility (megaliters/year)
2.46

Comparison of total discharges with previous reporting year
Much lower

Discharges to fresh surface water
0

Discharges to brackish surface water/seawater
0

Discharges to groundwater
0

Discharges to third party destinations
2.46

Total water consumption at this facility (megaliters/year)
0

Comparison of total consumption with previous reporting year
This is our first year of measurement

Please explain
Yapı Kredi used WRI Aqueduct Water Risk Atlas Tool to classify the basin's stress level. Volumes are sourced from the water bills and third party suppliers. Withdrawal from third party sources include municipal suppliers and water suppliers. Third party destination is the municipal sewerage system. Water consumption include water for human consumption supplied from water suppliers. Yapı Kredi would classify any percentage change above 10% as "much lower" or "much higher".

Facility reference number
Facility 12

Facility name (optional)
Branches in Region 7

Country/Area & River basin

Turkey	Other, please specify (Batı Akdeniz Basin)

Latitude
38.12

Longitude
28.15

Located in area with water stress
Yes

Primary power generation source for your electricity generation at this facility
<Not Applicable>

Oil & gas sector business division
<Not Applicable>

Total water withdrawals at this facility (megaliters/year)
1.23

Comparison of total withdrawals with previous reporting year
Much lower

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes
0

Withdrawals from brackish surface water/seawater
0

Withdrawals from groundwater - renewable
0

Withdrawals from groundwater - non-renewable
0

Withdrawals from produced/entrained water
0

Withdrawals from third party sources
1.23

Total water discharges at this facility (megaliters/year)
1.23

Comparison of total discharges with previous reporting year
Much lower

Discharges to fresh surface water
0

Discharges to brackish surface water/seawater
0

Discharges to groundwater
0

Discharges to third party destinations
1.23

Total water consumption at this facility (megaliters/year)
0

Comparison of total consumption with previous reporting year
This is our first year of measurement

Please explain
Yapı Kredi used WRI Aqueduct Water Risk Atlas Tool to classify the basin's stress level. Volumes are sourced from the water bills and third party suppliers. Withdrawal from third party sources include municipal suppliers and water suppliers. Third party destination is the municipal sewerage system. Water consumption include water for human consumption supplied from water suppliers. Yapı Kredi would classify any percentage change above 10% as "much lower" or "much higher".

Facility reference number
Facility 13

Facility name (optional)
Branches in Region 8

Country/Area & River basin

Turkey	Asi (Orontes)

Latitude
36.23

Longitude
33.2

Located in area with water stress
Yes

Primary power generation source for your electricity generation at this facility
<Not Applicable>

Oil & gas sector business division
<Not Applicable>

Total water withdrawals at this facility (megaliters/year)
8.52

Comparison of total withdrawals with previous reporting year
Much higher

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes
0

Withdrawals from brackish surface water/seawater
0

Withdrawals from groundwater - renewable
0

Withdrawals from groundwater - non-renewable
0

Withdrawals from produced/entrained water
0

Withdrawals from third party sources
8.52

Total water discharges at this facility (megaliters/year)
8.52

Comparison of total discharges with previous reporting year
Much higher

Discharges to fresh surface water
0

Discharges to brackish surface water/seawater
0

Discharges to groundwater
0

Discharges to third party destinations
8.52

Total water consumption at this facility (megaliters/year)
0

Comparison of total consumption with previous reporting year
This is our first year of measurement

Please explain
Yapı Kredi used WRI Aqueduct Water Risk Atlas Tool to classify the basin's stress level. Volumes are sourced from the water bills and third party suppliers. Withdrawal from third party sources include municipal suppliers and water suppliers. Third party destination is the municipal sewerage system. Water consumption include water for human consumption supplied from water suppliers. Yapı Kredi would classify any percentage change above 10% as "much lower" or "much higher".

Facility reference number
Facility 14

Facility name (optional)
Branches in Region 9

Country/Area & River basin

Turkey	Other, please specify (Burdur Basin)

Latitude
41.12

Longitude
33.45

Located in area with water stress
Yes

Primary power generation source for your electricity generation at this facility
<Not Applicable>

Oil & gas sector business division
<Not Applicable>

Total water withdrawals at this facility (megaliters/year)
0.21

Comparison of total withdrawals with previous reporting year
Much higher

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes
0

Withdrawals from brackish surface water/seawater
0

Withdrawals from groundwater - renewable
0

Withdrawals from groundwater - non-renewable
0

Withdrawals from produced/entrained water
0

Withdrawals from third party sources
0.21

Total water discharges at this facility (megaliters/year)
0.21

Comparison of total discharges with previous reporting year
Much higher

Discharges to fresh surface water
0

Discharges to brackish surface water/seawater
0

Discharges to groundwater
0

Discharges to third party destinations
0.21

Total water consumption at this facility (megaliters/year)
0

Comparison of total consumption with previous reporting year
This is our first year of measurement

Please explain
Yapı Kredi used WRI Aqueduct Water Risk Atlas Tool to classify the basin's stress level. Volumes are sourced from the water bills and third party suppliers. Withdrawal from third party sources include municipal suppliers and water suppliers. Third party destination is the municipal sewerage system. Water consumption include water for human consumption supplied from water suppliers. Yapı Kredi would classify any percentage change above 10% as "much lower" or "much higher".

Facility reference number
Facility 15

Facility name (optional)
Branches in Region 10

Country/Area & River basin

Turkey	Other, please specify (Akarcay Basin)

Latitude
38.44

Longitude
30.26

Located in area with water stress
Yes

Primary power generation source for your electricity generation at this facility
<Not Applicable>

Oil & gas sector business division
<Not Applicable>

Total water withdrawals at this facility (megaliters/year)
0.21

Comparison of total withdrawals with previous reporting year
Much lower

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes
0

Withdrawals from brackish surface water/seawater
0

Withdrawals from groundwater - renewable
0

Withdrawals from groundwater - non-renewable
0

Withdrawals from produced/entrained water
0

Withdrawals from third party sources
0.21

Total water discharges at this facility (megaliters/year)
0.21

Comparison of total discharges with previous reporting year
Much lower

Discharges to fresh surface water
0

Discharges to brackish surface water/seawater
0

Discharges to groundwater
0

Discharges to third party destinations
0.21

Total water consumption at this facility (megaliters/year)
0

Comparison of total consumption with previous reporting year
This is our first year of measurement

Please explain
Yapı Kredi used WRI Aqueduct Water Risk Atlas Tool to classify the basin's stress level. Volumes are sourced from the water bills and third party suppliers. Withdrawal from third party sources include municipal suppliers and water suppliers. Third party destination is the municipal sewerage system. Water consumption include water for human consumption supplied from water suppliers. Yapı Kredi would classify any percentage change above 10% as "much lower" or "much higher".

Facility reference number
Facility 16

Facility name (optional)
Branches in Region 11

Country/Area & River basin

Turkey	Sakarya

Latitude
40.25

Longitude
30.23

Located in area with water stress
Yes

Primary power generation source for your electricity generation at this facility
<Not Applicable>

Oil & gas sector business division
<Not Applicable>

Total water withdrawals at this facility (megaliters/year)
7.37

Comparison of total withdrawals with previous reporting year
Much lower

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes
0

Withdrawals from brackish surface water/seawater
0

Withdrawals from groundwater - renewable
0

Withdrawals from groundwater - non-renewable
0

Withdrawals from produced/entrained water
0

Withdrawals from third party sources
7.37

Total water discharges at this facility (megaliters/year)
7.37

Comparison of total discharges with previous reporting year
Much lower

Discharges to fresh surface water
0

Discharges to brackish surface water/seawater
0

Discharges to groundwater
0

Discharges to third party destinations
7.37

Total water consumption at this facility (megaliters/year)
0

Comparison of total consumption with previous reporting year
This is our first year of measurement

Please explain
Yapı Kredi used WRI Aqueduct Water Risk Atlas Tool to classify the basin's stress level. Volumes are sourced from the water bills and third party suppliers. Withdrawal from third party sources include municipal suppliers and water suppliers. Third party destination is the municipal sewerage system. Water consumption include water for human consumption supplied from water suppliers. Yapı Kredi would classify any percentage change above 10% as "much lower" or "much higher".

Facility reference number
Facility 17

Facility name (optional)
Branches in Region 12

Country/Area & River basin

Turkey	Other, please specify (Yesilirmak Basin)

Latitude
40.46

Longitude
34.2

Located in area with water stress
Yes

Primary power generation source for your electricity generation at this facility
<Not Applicable>

Oil & gas sector business division
<Not Applicable>

Total water withdrawals at this facility (megaliters/year)
0.66

Comparison of total withdrawals with previous reporting year
Much higher

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes
0

Withdrawals from brackish surface water/seawater
0

Withdrawals from groundwater - renewable
0

Withdrawals from groundwater - non-renewable
0

Withdrawals from produced/entrained water
0

Withdrawals from third party sources
0.66

Total water discharges at this facility (megaliters/year)
0.66

Comparison of total discharges with previous reporting year
Much higher

Discharges to fresh surface water
0

Discharges to brackish surface water/seawater
0

Discharges to groundwater
0

Discharges to third party destinations
0.66

Total water consumption at this facility (megaliters/year)
0

Comparison of total consumption with previous reporting year
This is our first year of measurement

Please explain
Yapı Kredi used WRI Aqueduct Water Risk Atlas Tool to classify the basin's stress level. Volumes are sourced from the water bills and third party suppliers. Withdrawal from third party sources include municipal suppliers and water suppliers. Third party destination is the municipal sewerage system. Water consumption include water for human consumption supplied from water suppliers. Yapı Kredi would classify any percentage change above 10% as "much lower" or "much higher".

Facility reference number
Facility 18

Facility name (optional)
Branches in Region 13

Country/Area & River basin

Turkey	Kizilirmak

Latitude
41.12

Longitude
29.07

Located in area with water stress
Yes

Primary power generation source for your electricity generation at this facility
<Not Applicable>

Oil & gas sector business division
<Not Applicable>

Total water withdrawals at this facility (megaliters/year)
3.45

Comparison of total withdrawals with previous reporting year
About the same

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes
0

Withdrawals from brackish surface water/seawater
0

Withdrawals from groundwater - renewable
0

Withdrawals from groundwater - non-renewable
0

Withdrawals from produced/entrained water
0

Withdrawals from third party sources
3.45

Total water discharges at this facility (megaliters/year)
3.45

Comparison of total discharges with previous reporting year
About the same

Discharges to fresh surface water
0

Discharges to brackish surface water/seawater
0

Discharges to groundwater
0

Discharges to third party destinations
3.45

Total water consumption at this facility (megaliters/year)
0

Comparison of total consumption with previous reporting year
This is our first year of measurement

Please explain
Yapı Kredi used WRI Aqueduct Water Risk Atlas Tool to classify the basin's stress level. Volumes are sourced from the water bills and third party suppliers. Withdrawal from third party sources include municipal suppliers and water suppliers. Third party destination is the municipal sewerage system. Water consumption include water for human consumption supplied from water suppliers. Yapı Kredi would classify any percentage change above 10% as "much lower" or "much higher".

Facility reference number
Facility 19

Facility name (optional)
Branches in Region 14

Country/Area & River basin

Turkey	Other, please specify (Konya Kapali Basin)

Latitude
38.01

Longitude
23.26

Located in area with water stress
Yes

Primary power generation source for your electricity generation at this facility
<Not Applicable>

Oil & gas sector business division
<Not Applicable>

Total water withdrawals at this facility (megaliters/year)
2.83

Comparison of total withdrawals with previous reporting year
Much higher

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes
0

Withdrawals from brackish surface water/seawater
0

Withdrawals from groundwater - renewable
0

Withdrawals from groundwater - non-renewable
0

Withdrawals from produced/entrained water
0

Withdrawals from third party sources
2.83

Total water discharges at this facility (megaliters/year)
2.83

Comparison of total discharges with previous reporting year
Much higher

Discharges to fresh surface water
0

Discharges to brackish surface water/seawater
0

Discharges to groundwater
0

Discharges to third party destinations
2.83

Total water consumption at this facility (megaliters/year)
0

Comparison of total consumption with previous reporting year
This is our first year of measurement

Please explain
Yapı Kredi used WRI Aqueduct Water Risk Atlas Tool to classify the basin's stress level. Volumes are sourced from the water bills and third party suppliers. Withdrawal from third party sources include municipal suppliers and water suppliers. Third party destination is the municipal sewerage system. Water consumption include water for human consumption supplied from water suppliers. Yapı Kredi would classify any percentage change above 10% as "much lower" or "much higher".

Facility reference number
Facility 20

Facility name (optional)
Branches in Region 15

Country/Area & River basin

Turkey	Other, please specify (Doğu Akdeniz Basin)

Latitude
37.44

Longitude
29.13

Located in area with water stress
Yes

Primary power generation source for your electricity generation at this facility
<Not Applicable>

Oil & gas sector business division
<Not Applicable>

Total water withdrawals at this facility (megaliters/year)
1.68

Comparison of total withdrawals with previous reporting year
Much lower

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes
0

Withdrawals from brackish surface water/seawater
0

Withdrawals from groundwater - renewable
0

Withdrawals from groundwater - non-renewable
0

Withdrawals from produced/entrained water
0

Withdrawals from third party sources
1.68

Total water discharges at this facility (megaliters/year)
1.68

Comparison of total discharges with previous reporting year
Much lower

Discharges to fresh surface water
0

Discharges to brackish surface water/seawater
0

Discharges to groundwater
0

Discharges to third party destinations
1.68

Total water consumption at this facility (megaliters/year)
0

Comparison of total consumption with previous reporting year
This is our first year of measurement

Please explain
Yapı Kredi used WRI Aqueduct Water Risk Atlas Tool to classify the basin's stress level. Volumes are sourced from the water bills and third party suppliers. Withdrawal from third party sources include municipal suppliers and water suppliers. Third party destination is the municipal sewerage system. Water consumption include water for human consumption supplied from water suppliers. Yapı Kredi would classify any percentage change above 10% as "much lower" or "much higher".

Facility reference number
Facility 21

Facility name (optional)
Branches in Region 16

Country/Area & River basin

Turkey	Other, please specify (Seyhan Basin)

Latitude
37.01

Longitude
35.27

Located in area with water stress
Yes

Primary power generation source for your electricity generation at this facility
<Not Applicable>

Oil & gas sector business division
<Not Applicable>

Total water withdrawals at this facility (megaliters/year)
4.12

Comparison of total withdrawals with previous reporting year
Much lower

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes
0

Withdrawals from brackish surface water/seawater
0

Withdrawals from groundwater - renewable
0

Withdrawals from groundwater - non-renewable
0

Withdrawals from produced/entrained water
0

Withdrawals from third party sources
4.12

Total water discharges at this facility (megaliters/year)
4.12

Comparison of total discharges with previous reporting year
Much lower

Discharges to fresh surface water
0

Discharges to brackish surface water/seawater
0

Discharges to groundwater
0

Discharges to third party destinations
4.12

Total water consumption at this facility (megaliters/year)
0

Comparison of total consumption with previous reporting year
This is our first year of measurement

Please explain
Yapı Kredi used WRI Aqueduct Water Risk Atlas Tool to classify the basin's stress level. Volumes are sourced from the water bills and third party suppliers. Withdrawal from

third party sources include municipal suppliers and water suppliers. Third party destination is the municipal sewerage system. Water consumption include water for human consumption supplied from water suppliers. Yapı Kredi would classify any percentage change above 10% as "much lower" or "much higher".

Facility reference number
Facility 22

Facility name (optional)
Branches in Region 17

Country/Area & River basin

Turkey	Asi (Orontes)

Latitude
37.28

Longitude
35.59

Located in area with water stress
Yes

Primary power generation source for your electricity generation at this facility
<Not Applicable>

Oil & gas sector business division
<Not Applicable>

Total water withdrawals at this facility (megaliters/year)
1.07

Comparison of total withdrawals with previous reporting year
Much higher

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes
0

Withdrawals from brackish surface water/seawater
0

Withdrawals from groundwater - renewable
0

Withdrawals from groundwater - non-renewable
0

Withdrawals from produced/entrained water
0

Withdrawals from third party sources
1.07

Total water discharges at this facility (megaliters/year)
1.07

Comparison of total discharges with previous reporting year
Much higher

Discharges to fresh surface water
0

Discharges to brackish surface water/seawater
0

Discharges to groundwater
0

Discharges to third party destinations
1.07

Total water consumption at this facility (megaliters/year)
0

Comparison of total consumption with previous reporting year
This is our first year of measurement

Please explain
Yapı Kredi used WRI Aqueduct Water Risk Atlas Tool to classify the basin's stress level. Volumes are sourced from the water bills and third party suppliers. Withdrawal from third party sources include municipal suppliers and water suppliers. Third party destination is the municipal sewerage system. Water consumption include water for human consumption supplied from water suppliers. Yapı Kredi would classify any percentage change above 10% as "much lower" or "much higher".

Facility reference number
Facility 23

Facility name (optional)
Branches in Region 18

Country/Area & River basin

Turkey	Other, please specify (Ceyhan Basin)

Latitude
37.06

Longitude
35.59

Located in area with water stress
Yes

Primary power generation source for your electricity generation at this facility
<Not Applicable>

Oil & gas sector business division
<Not Applicable>

Total water withdrawals at this facility (megaliters/year)
0.93

Comparison of total withdrawals with previous reporting year
Much higher

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes
0

Withdrawals from brackish surface water/seawater
0

Withdrawals from groundwater - renewable
0

Withdrawals from groundwater - non-renewable
0

Withdrawals from produced/entrained water
0

Withdrawals from third party sources
0.93

Total water discharges at this facility (megaliters/year)
0.93

Comparison of total discharges with previous reporting year
Much higher

Discharges to fresh surface water
0

Discharges to brackish surface water/seawater
0

Discharges to groundwater
0

Discharges to third party destinations
0.93

Total water consumption at this facility (megaliters/year)
0

Comparison of total consumption with previous reporting year
This is our first year of measurement

Please explain
Yapı Kredi used WRI Aqueduct Water Risk Atlas Tool to classify the basin's stress level. Volumes are sourced from the water bills and third party suppliers. Withdrawal from third party sources include municipal suppliers and water suppliers. Third party destination is the municipal sewerage system. Water consumption include water for human consumption supplied from water suppliers. Yapı Kredi would classify any percentage change above 10% as "much lower" or "much higher".

W5.1a

(W5.1a) For the facilities referenced in W5.1, what proportion of water accounting data has been third party verified?

Water withdrawals – total volumes

% verified
76-100

Verification standard used
2021 water withdrawal data of the Bank has been verified based on ISAE3000 (Revised) by a third-party verifier. The verification process with regards to the conformity with ISO 14046 is in process.

Please explain
<Not Applicable>

Water withdrawals – volume by source

% verified
76-100

Verification standard used
2021 water withdrawal data of the Bank has been verified based on ISAE3000 (Revised) by a third-party verifier. The verification process with regards to the conformity with ISO 14046 is in process.

Please explain
<Not Applicable>

Water withdrawals – quality by standard water quality parameters

% verified
Not verified

Verification standard used
<Not Applicable>

Please explain
Water withdrawal quality is monitored/measured by the municipality. The municipality carries out a treatment before water is send to the mains. There are some water quality parameters defined in the legislation related to municipality drinking water treatment plants. Therefore, the Bank is not considered to get verification on this issue.

Water discharges – total volumes

% verified
76-100

Verification standard used
2021 water discharged data of the Bank has been verified based on ISAE3000 (Revised) by a third-party verifier. The verification process with regards to the conformity with ISO 14046 is in process.

Please explain
<Not Applicable>

Water discharges – volume by destination

% verified
76-100

Verification standard used
2021 water discharged data of the Bank has been verified based on ISAE3000 (Revised) by a third-party verifier. The verification process with regards to the conformity with ISO 14046 is in process.

Please explain
<Not Applicable>

Water discharges – volume by final treatment level

% verified
Not verified

Verification standard used
<Not Applicable>

Please explain
Wastewate r arising from Yapı Kredi facilities is discharged to the sewage and it ends up at the municipal treatment plants. The municipality carries out treatment to fullfill the required wastewater discharge parameters included in the relevant local regulation. For this reason, it is neither practical nor possible to track the wastewater discharged from Yapı Kredi's facilites and to determine at which treatment plant it is treated. Therefore, the Bank is not considered to get verification on this issue.

Water discharges – quality by standard water quality parameters

% verified
Not verified

Verification standard used
<Not Applicable>

Please explain
Wastewate r arising from Yapı Kredi facilities is discharged to the sewage and it ends up at the municipal treatment plants. The municipality carries out treatment to fullfill the required wastewater discharge parameters included in the relevant local regulation. For this reason, it is neither practical nor possible to track the wastewater discharged from Yapı Kredi's facilites and to determine at which treatment plant it is treated. Therefore, the Bank is not considered to get verification on this issue.

Water consumption – total volume

% verified
76-100

Verification standard used
2021 water consumption data of the Bank has been verified based on ISAE3000 (Revised) by a third-party verifier. The verification process with regards to the conformity with ISO 14046 is in process.

Please explain
<Not Applicable>

W6. Governance

W6.1

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

Yes, we have a documented water policy that is publicly available

W6.1a

(W6.1a) Select the options that best describe the scope and content of your water policy.

	Scope	Content	Please explain
Row 1	Company-wide	Description of business dependency on water Description of business impact on water Description of water-related performance standards for direct operations Reference to international standards and widely-recognized water initiatives Company water targets and goals Commitment to stakeholder awareness and education	Yapı Kredi has an Environmental & Social Policy which shows the Bank's commitment to perform its operations with environmental awareness. The policy acknowledges that the Bank's direct water impact is limited and the Bank does not depend on water resources for its direct operations. According to this policy, the Bank commits to manage its impact on water, set targets, water related performance standards for direct operations, give reference to international standards and water initiatives, and define goals to draw attention to water issues and raise awareness within the value chain. Even though the water is not primary input to the Bank's main business, the Bank closely monitors its direct water footprint and takes necessary measures to reduce its direct impact. As a goal of 2021, the Bank has renewed its ISO 14046 Certificate which endorses the effective management system the Bank has in place within the frame of its targets for efficient use of water resources and reduction of wastewater. Also, the Bank plans to expand the ISO 14046 held by five Head Office and service buildings to all its branches in İstanbul. Moreover, the Bank believes that it is important to create awareness and drive changes in behavior in this respect. So that, the Bank offered 1,305 hours of environmental training, which also addressed water stress, to its employees and 304 hours to its subcontractors in 2021. In addition, communication aimed at raising awareness of environmental and sustainability issues were carried out during the reporting period through internal portal, e-mail and social networks. Moreover, this policy comprises of the Bank committment to determine the water risks arising from its lending activities and conducts studies to manage these risks. The Bank's ESRA System prepared in accordance with IFC Performance Standards and Equator Principle and allows the Bank to manage its impact on water arising through its lending activities. Some of improvements were made in 2021 with reference to the national legislation, the IFC PSs and the Equator Principles. The Bank's dependency on water at its lending activities linked to water resources make up an important component of its hydroelectric portfolio and agricultural activities.

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
Board-level committee	The Bank's sustainability activities are managed by the Sustainability Committee. Management of water related risks&opportunities, project finance and setting up strategies/defining water consumption targets are part of this Committee's duties.The members of the Committee are Board Member (Chair), EVP of Commercial and SME Banking Management, EVP of Financial Planning and Administration Management (CFO), EVP of Corporate Banking Management,EVP of Credits, EVP of Compliance, Internal Control and Risk Management, EVP of Human Resources, Organization&Internal Services Management, EVP of Retail Banking Management, EVP of Banking Operations, SVP of Process and Program Management, SVP of Strategic Planning and Investor Relations, and SVP of Corporate Communications Management. The committee meets quarterly to monitor and guide developments in relation to sustainability and periodically reports to the Board of Directors and the Executive Committee which included CEO.

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 - some meetings	Monitoring implementation and performance 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 Setting performance objectives	Yapı Kredi's sustainability related activities are managed under the supervision of the Sustainability Committee, chaired by a Board Member. Yapı Kredi evaluates the potential risks and opportunities in the short, medium and long-term, and defines its sustainability goals through this Committee. Members of the Sustainability Committee: Board Member (Chair), Commercial and SME Banking Management -EVP, Financial Planning and Administration Management -EVP (CFO), Corporate Banking Management -EVP, Credits -EVP, Compliance, Internal Control and Risk Management -EVP, Human Resources, Organization & Internal Services Management -EVP, Retail Banking Management -EVP, Banking Operations -SVP, Process and Program Management -SVP, Strategic Planning and Investor Relations -SVP, Corporate Communications Management -SVP. Description of how the selected governance mechanisms contribute to the Board's oversight of water issues: Water topics such as management of water-related risks & opportunities linked to operational as well as lending activities and setting up strategies/defining targets are part of the Sustainability Committee's responsibilities on the environmental dimension. In line with its strategy, Yapı Kredi closely monitors water consumption and introduces various projects to reduce the same. Environmental Management System (EMS) and Environmental and Social Risk Assessment (ESRA) System, two mechanisms approved by the Board, allow Yapı Kredi to run its business while managing its direct and indirect water impacts. Moreover, via ESRA System while reviewing and guiding the risk management policies, risks of certain sectors that have an important impact on water, and reputational risks that might arise from water risks are taken into account. Performance outcomes of EMS and ESRA are shared with the Sustainability Committee, relevant expenditures for water management in the buildings and performance requirements of relevant staff are considered. Lastly, water performance is also taken into account for social responsibility projects. In the reporting year Yapı Kredi contacted several actors in the civil society to further contribute to water security and sanitation. Company specific example: In 2021, the Sustainability Committee convened for 4 times in total. During these meetings, the Committee has taken and implemented new decisions in order to achieve sustainability targets including water related issues. For example, the use of potable water treatment units instead of bottled water for obtaining ready-to-use, good quality fresh water in sufficient quantity at the Head Office Plaza Building D and Banking Base facilities.

W6.2d

(W6.2d) Does your organization have at least one board member with competence on water-related issues?

	Board member(s) have competence on water-related issues	Criteria used to assess competence of board member(s) on water-related issues	Primary reason for no board-level competence on water-related issues	Explain why your organization does not have at least one board member with competence on water-related issues and any plans to address board-level competence in the future
Row 1	Yes	The CEO, who is a member of the Board of Directors, have been undertaking a pioneer role on the management of sustainability in the Bank through his role on the approval and implementation of the decisions presented by the Sustainability Committee. Closely following the Yapı Kredi's sustainability agenda and performance, he has been continuing to explore new ways to improve the Yapı Kredi's vision and ability to combat and adapt to climate change and water-related issues. The Independent Board Member who is the chair of the Sustainability Committee is responsible for the sustainability practices of Yapı Kredi. He has strong knowledge on economics since he worked as the Chief Economist, and Head of Strategic Planning and Research at Yapı Kredi, respectively, between July 2004 and February 2009. So that, this know-how and experience enables him to understand green finance mechanisms which constitute the most significant accelerator to mitigate the adverse effects of climate change and water-related issues.	<Not Applicable>	<Not Applicable>

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)
Sustainability committee

Responsibility
Assessing water-related risks and opportunities
Managing water-related risks and opportunities

Frequency of reporting to the board on water-related issues
Annually

Please explain
Yapı Kredi Sustainability Committee is responsible for establishing the sustainability strategies and policies of Yapı Kredi and integrating sustainability into the corporate strategy. This Committee convenes for 4 times a year to monitor and guide developments with regards to sustainability. The Committee reports to the Executive Committee and to the Board of Directors annually. There is a dedicated Sustainability Team reporting to the SVP of Corporate Communications. The Committee is responsible for overall water management at Yapı Kredi including water impact arising from its direct operations and indirect impact from its lending activities. Water related topics such as management of water related risks & opportunities linked to operations as well as project finance and setting up strategies/defining targets with regards to reduction of water consumption are part of the Sustainability Committee's duties within the scope of its responsibilities on the environmental dimension.

W6.4

(W6.4) Do you provide incentives to C-suite employees or board members for the management of water-related issues?

	Provide incentives for management of water-related issues	Comment
Row 1	Yes	The Bank provides incentives to employees and detailed explanation can be found in W6.4a.

W6.4a

(W6.4a) What incentives are provided to C-suite employees or board members for the management of water-related issues (do not include the names of individuals)?

	Role(s) entitled to incentive	Performance indicator	Please explain
Monetary reward	Chief Operating Officer (COO) Other, please specify (Process and Program Management Group Director)	Reduction of water withdrawals Reduction in consumption volumes Improvements in efficiency - direct operations	Chief Operating Officer (COO): Among the KPIs defined for the COO there is the below KPI which addresses resource efficiency including water. Implementation of projects for efficiency and resource saving (energy, water, etc.) through process improvements and ensuring compliance with the norm staff target. Process and Program Management Group Director (direct report of the COO) : Reducing carbon emissions from the organization's properties and saving water and energy for a sustainable environment.
Non-monetary reward	Please select	Please select	

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?

Yapı Kredi has an E&S Policy as a part of its Environmental Management System which indicates business dependency on water, impact on water, targets, water related performance standards for direct operations, reference to international standards and water initiatives, and goals to draw attention to water issues and raise awareness within the value chain.With this policy Yapı Kredi determines the water risks arising from the geographies in which it operates and from its lending activities, conducts studies to manage these risks. Also, Yapı Kredi's credits' risk assessment system (ESRA) prepared and updated in accordance with the IFC Performance Standards (IFC PSs) and Equator Principles (EP) which allows Yapı Kredi to manage its impact on water arising through its lending activities. Through the implementation of such standards, the following issues are aimed:

• water conservation measures for the investments

• the use of alternative water supplies

• water consumption offsets to reduce total demand for water resources and keeping this demand within the limits of the available supply

• evaluation of alternative project locations

After meeting international standards' expactations, the Bank has potential to provide certain vision that might helpful for other ecosystem players such as government, banks, asset managers, to define a water management framework in order to mitigate water scarcity and adverse climate change effects in the long run.

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)
Integrated Annual Report 2021.pdf

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	Yes, water-related issues are integrated	5-10	Yapı Kredi's water related indirect impacts are considered within the scope of its business objectives. As a bank operational water consumption is not capital for Yapı Kredi, whereas water is an important renewable energy source that might have an impact on Yapı Kredi's lending activities.In 2021, the Bank conducted the first climate risk assessment on its entire loan portfolio. Yapı Kredi aims to integrate physical and transitional risks and opportunities related to water security issues into its portfolio management practices. The long term business objectives of the Bank will be aligned with identified risks and opportunities meaning that its objectives with regards to the lending activities will be determined accordingly. Yapı Kredi aims to introduce new financial products and increase the share/diversity of these products in its portfolio. Due to the recent regulatory developments associated with water related issues, the Bank expects that future market opportunities with regards to sustainable finance products will increase. Yapı Kredi wants to avoid a loss in revenue due to potential loss of market share which may arise due to changing market conditions. These changes in market conditions might also lead to increased cost of capital. Through adapting to the new market conditions, the risks can be converted into opportunities. Through increasing the amount and the diversity of its sustainable product portfolio,Yapı Kredi aims to increase its market share in this field.
Strategy for achieving long-term objectives	Yes, water-related issues are integrated	5-10	To reach its long-term business objective of responding to water scarcity, Yapı Kredi aims to raise awareness on water related issues with its customers, clients and general public via training and social media programs. In addition Yapı Kredi plans to collaborate further with civil society on water related issues via corporate social responsibility projects. Example of strategy of achieving long term objectives: Yapı Kredi is in the process of preparing an online training program on environment for its stakeholders that comprises water scarcity issue. In addition to better address water related risks Yapı Kredi adopts the recommendations of TCFD and works towards becoming fully compliant with them. In order to meet the recommendations of TCFD, in 2021, Yapı Kredi conducted the first climate risk assessment on its entire loan portfolio. With this analysis, the first steps were taken for analysing the climate risks existing in the Bank's portfolio with respect to physical and transition risks, and the basis of Yapı Kredi's future strategy and targets were revealed in relation to climate risks management. In the next step Yapı Kredi aims to integrate climate risks including water related risks into all stages of the credit risk assessment processes and models. Establishment of this robust risk management structure will enable Yapı Kredi to define its long term strategies and targets in a more solid manner.
Financial planning	Yes, water-related issues are integrated	5-10	Yapı Kredi's ESRA system is implemented for environmental and social risk management of its lending activities including management of water related risks. In addition to address water related risks the Bank adopts recommendations of TCFD and works towards becoming fully compliant with them. To meet recommendations of TCFD, in 2021, Yapı Kredi conducted the first climate risk assessment on its entire loan portfolio. With this analysis, the first steps were taken for analysing the climate risks existing in the Bank's portfolio with respect to physical and transition risks, and the basis of Yapı Kredi's future strategy and targets were revealed in relation to climate risks management. Yapı Kredi considers to integrate the climate risks into its default credit risks modelling which will result in a more systematic risk management approach with regards to water related risks. The integration of water related risks into the credit risk rating will allow to conduct scenario analyses and stress test for periods beyond 5 years. As a result ,Yapı Kredi will be able to analyse/monitor changes in revenue, expenditures and assets taking the water related risks into account. So, the financial planning of water related issues will be made more effectively. Water related risks in terms of operations are identified by the SVP of Process and Program Management and these risks are designated in financial analysis and planning.

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)

48.8

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

-25

Water-related OPEX (+/- % change)

13.6

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

-67.7

Please explain

In 2021, reverse osmosis treatment system was established in the Bank. The drinking water which was treaded through this system was provided to the Plaza D and Banking Base. Thus, CAPEX in the reporting year increased compared to previous year. As this kind of treatment system investment is very big-scale and long-term impact on the water efficiency, it is anticipated that CAPEX will not be such high in the coming period. The Bank's OPEX increased compared to the previous year because, all water-related system maintenance was prioritized during the hybrid working model process when facilities are less used. Structure and connection repairs were carried out. For this reason, OPEX increased during the reporting period. Since no breakdowns are foreseen except for routine maintenance thanks to the improvements in the water-related structure of the Bank, a decrease in operation costs is expected.

W7.3

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

	Use of scenario analysis	Comment
Row 1	Yes	

W7.3a

(W7.3a) Provide details of the scenario analysis, what water-related outcomes were identified, and how they have influenced your organization's business strategy.

	Type of scenario analysis used	Parameters, assumptions, analytical choices	Description of possible water-related outcomes	Influence on business strategy
Row 1	Water-related Climate-related	Turkey's Intended Nationally Determined Contribution (INDC) are a main input to the scenario analysis of Yapı Kredi. In 2015, Turkey submitted its INDC to the United Nations Framework on Climate Change Convention (UNFCCC). The methodology of INDC based upon using the IPCC 2006 Guidelines and IPCC 2013 KP Supplement. In 2021, Turkey ratified the Paris Agreement and committed to achieve "net-zero carbon emissions" by 2053. In addition to the country's INDC, Yapı Kredi relies on the IPCC Sixth Assessment Report and the IPCC Special Report on Global Warming of 1.5°C and consider Network for Greening the Financial System (NGFS) scenarios Framework to make Therefore the Bank targets to reduce the carbon intensity of its portfolio through gradually reducing lending to fossil fuel or climate vulnerable borrowers/clients/projects. Moreover, Yapi Kredi carried out a climate change risk assessment on its loan portfolio based on the Turkish State Meteorological Services (MGM) Base and High Case Scenario. Through this assessment, two main dimensions as physical and transitional risk were analysed. The methodology utilized for this purpose involved both qualitative and quantitative tools. While calculating the transition risks, risks associated with reputation, technology, policy & legal and market were considered.scenario analysis in line with its target to achieve net zero by 2050.	The usable water potential per capita indicates that Turkey is among the countries experiencing water stress. According to the IPCC, the Mediterranean Basin, on which Turkey is located, is considered as one of the most water sensitive regions. Moreover, the data from the Meteorological Service of the country proves that the amount of precipitation continues to decline every year. As a result of this, drought has been emerged as a growing concern considering its adverse impacts on agricultural lands and thus livestock. Sixth Assessment Report of IPPC also underline the drought risk and claims agricultural and hydrological droughts in the Mediterranean Basin will intensify. Such water-related risks may pose credit risk to the Bank considering its lending exposure hydroelectric power plants and agricultural sector. Moreover, extreme weather events and flood may cause the disruption of the activities of the Bank under those scenarios. That's why, water-related outcomes caused by climate change such as floods, drought and inadequate access to clean water are taken into account while analysing the water related risks both in direct and indirect activities of the Bank.	Anticipated timescale for the company's response: Efficient water management to better respond to impacts of water-related risks such as such as droughts and flood is integrated into the Yapı Kredi's coprota strategy. On this scope, Yapı Kredi aims to reduce water intensity of municipal water in all its locations by 56% until 2025. Description of operational or strategic response to the water related outcomes: Emission reduction activities may cause change in water consumption directly or indirectly. Decreasing water consumption also means lower operational costs in addition to the obtained efficiency. This is an additional motivation for Yapı Kredi to integrate water related issues to its strategic plans. Furthermore, when allocating loans within the ESRA System Yapı Kredi will be paying further attention to the water risk trends for projects such as hydropower.

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, but we are currently exploring water valuation practices

Please explain

Yapı Kredi is aware of water is becoming increasingly scarce and contested and anticipates using an internal price on water in the upcoming years.

W7.5

(W7.5) Do you classify any of your current products and/or services as low water impact?

	Products and/or services classified as low water impact	Definition used to classify low water impact	Primary reason for not classifying any of your current products and/or services as low water impact	Please explain
Row 1	Yes	Yapı Kredi gives importance to choosing projects with less water consumption and low water impact in the loans to be extended to its customers. Yapı Kredi offers its farmers the option of Drip Irrigation and Underground Irrigation Loans, which provide more effective and efficient irrigation instead of wild flood irrigation. The Bank provides this loan to farmers who want to apply the drip irrigation system to their own gardens, with a maturity of up to 5 years. In 2021, the Bank improved its existing ESRA System to align with the Equator Principles, national legislation and IFC PSs. The Bank performed its first impact analysis in 2020 using the Portfolio Impact Analysis tool developed collaboratively by UNEP FI members. The Portfolio Impact Analysis Tool was updated, and its second version was released in 2021. In order to accurately select its impact areas on which it will set its targets, Yapı Kredi related its impact analysis with the current Portfolio Impact Analysis Tool.	<Not Applicable>	In its impact analysis, Yapı Kredi used the second version of the Portfolio Impact Analysis Tool (Impact Analysis Tool) co-developed by the Positive Impact Initiative, Principles for Responsible Banking signatories and United Nations Environment Programme Finance Initiative (UNEP FI). The Portfolio Impact Analysis Tool supports banks to analyse the environmental and social impacts associated with their retail, business, corporate and investment banking portfolios.

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 Business level specific targets and/or goals Site/facility specific targets and/or goals Country level targets and/or goals	Targets are monitored at the corporate level Goals are monitored at the corporate level	Within the scope of its performance evaluation, Yapı Kredi has included targets related to water within the framework of non-financial targets since 2015. The targets set within this framework are also followed by Koç Holding, Yapı Kredi's main shareholder. Yapı Kredi's water consumption undergoes annual independent audits within the scope of ISO 14001 Environmental Management System, ISO 14046 Direct Water Footprint, and Integrated Annual Report. Also, environmental targets are published in the Integrated Annual Report. Targets are set by identifying water-scarce areas using the WRI Aqueduct Water Risk Atlas tool, along with identified risks and impacts related to water issues. In addition, Yapı Kredi sets some targets in order to monitor the progress of water related projects developed to be implemented in the field. Yapı Kredi sets specific targets for the water problems of the area and basin in which it operates. These targets are set and monitored by the Environmental Team. Furthermore, company-wide targets are set for operational efficiency, all of which are monitored at the corporate level. There are additional goals/targets set by Koç Holding (Yapı Kredi's main shareholder) with regards to environment in general, water in particular. Within the frame of its environmental targets for 2021, the Bank has renewed its ISO 14046 Direct Water Footprint Certificate. Furthermore, the Bank plans to expand the Direct Water Footprint Certificate held by five Head Office and service buildings to all its branches in Istanbul by 2025. The Bank's efforts continued for efficient and effective management of water resources in 2021. Potable water treatment units were put into use at the Head Office Plaza Building D and Banking Base facilities for obtaining ready-to-use, good quality fresh water in sufficient quantity. Within the frame of another water-smart initiative at Darıca Administrative and Archive buildings, well water, rainwater and drainage water from buildings continued to be collected and used for landscape irrigation. Under this initiative, rainwater and well water is used for irrigation instead of mains water. As of 2021, it is aimed to reduce water consumption by 56% until 2025 (base year: 2019). This target is an intensity target and is calculated dividing the total water consumption by the total number of transactions (annual).

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 withdrawals

Level
Site/facility

Primary motivation
Water stewardship

Description of target
Yapı Kredi's short-term corporate goal is to reduce the water consumption at head office buildings by 4%. Being fully aware that the world's water resources are limited, Yapı Kredi believes water security is an issue on whih every actor should act. This includes monitoring its own water consumption as part of its efforts to ensure efficient use of natural resources. Since Yapı Kredi is in the financial sector and its water withdrawal is limited to water usage in the office buildings, it sets realistic targets considering water consumption needs of the personnel. Yapi Kredi's water efficiency efforts performed included maintenance and repair activities related to the plumbing system for prevention of water leaks, replacement of existing faucets with photocell faucets for reduction of water consumption, reduction of reservoir capacities, communication activities for awareness-raising and monitoring. Yapı Kredi monitors water withdrawal at its headquarters through third party invoices.

Quantitative metric
% reduction in total water withdrawals

Baseline year
2019

Start year
2020

Target year
2021

% of target achieved
100

Please explain
Yapı Kredi's water withdrawal in 2021 decreased by 17.1% compared to 2019 water withdrawal volume whereas the target was set as 4%. Thus, Yapı Kredi achieved its target in 2021. In this reduction, water efficiency projects had an impact, as well as the pandemic that effected the way of its business (hybrid working model was an important driver of the decrease on water withdrawal).

Target reference number
Target 2

Category of target
Monitoring of water use

Level
Brand/product

Primary motivation
Recommended sector best practice

Description of target
Being fully aware that the world's water resources are limited, Yapı Kredi treats the issue of water shortage through a holistic approach. This includes monitoring its own water consumption in line with international standards as part of its efforts to ensure efficient use of natural resources. Hence, one of Yapı Kredi's short term goals was to successfully obtain Statement of Conformity of Yapı Kredi's Direct Water Footprint certification of its head offices and service buildings in line with ISO 14046 standards.

The audit system would allow to correct any miscalculations for reporting and further enhance the transparency of Yapı Kredi. 2021 water consumption data of the Bank has been verified based on ISAE 3000 (Revised) by a third-party verifier. The verification process with regards to the conformity with ISO 14046 is in process. Yapı Kredi targets to ensure the continuity of the ISO 14046 certification.

Quantitative metric
% sites monitoring water withdrawals total volumes

Baseline year
2019

Start year
2020

Target year
2021

% of target achieved
100

Please explain
Yapı Kredi's goal of maintaining the Direct Water Footprint Conformity Statement of its Headquarters and service buildings in accordance with ISO 14046 standards was achieved with the completion of the audit process in April 2021. Documentation can be viewed in Question W9. 1 A. As this is a certification, it is not a cumulative target to be achieved over the years.

Target reference number
Target 3

Category of target
Product water intensity

Level
Brand/product

Primary motivation
Recommended sector best practice

Description of target
Within the scope of its environmental strategy, Yapı Kredi aims to reduce water intensity of municipal water in all its locations by 56% until 2025. The base year determined within the scope of this target, in which annual water consumption is proportioned to the number of transactions carried out within the scope of banking activities, is 2019. Bank has been putting an effort to expand water efficiency projects which is mentioned in Target 1 in all its locations by 2025. Yapı Kredi monitors the water withdrawals at its headquarters with third party invoices. In other locations the water withdrawals started to be monitored through an internal data collection platform.

Quantitative metric
Other, please specify (The ratio of annual water consumption to the number of transactions related to banking activities “m3/mio transaction number”)

Baseline year
2019

Start year
2021

Target year
2025

% of target achieved
53.2

Please explain
As of 2020, it is aimed to reduce water consumption by 56% until 2025 (base year: 2019). This target is an intensity target and is calculated dividing the total water consumption by the total number of transactions (annual). Compared to the base year, the decrease in density (water consumption/ number of transactions) related to banking activites in 2021 was calculated 29.8%.

Target reference number
Target 4

Category of target
Water withdrawals

Level
Site/facility

Primary motivation
Cost savings

Description of target
Yapı Kredi planned that gray water treatment project in Head Office buildings and in order to decrease the cost and consumption of water sources.

Quantitative metric
% reduction in total water withdrawals

Baseline year
2021

Start year
2021

Target year
2022

% of target achieved

Please explain
Yapı Kredi planned that gray water treatment project in Head Office buildings and in order to decrease the cost and consumption of water sources; it is also planned that Treatment of mains water and delivery to internal customers with dispensers in the head office buildings. The dispensers are started to be used in Plaza D Blok since April 2022, and A feasibility study is being carried out at the banking base.

W8.1b

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

Goal
Other, please specify (Awareness raising trainings)

Level
Company-wide

Motivation
Water stewardship

Description of goal
Being fully aware that the world's water resources are limited, Yapı Kredi treats the issue of water shortage through a holistic approach. Yapı Kredi believes behavioural change is an important component of water stewardship, every actor including individuals and companies can make their contribution towards a sustainable economy and lifestyle. With this purpose in mind every year Yapı Kredi sets a target of realizing awareness raising activities including conducting trainings annually.

Baseline year
2019

Start year
2020

End year
2021

Progress
Indicators used to assess progress: Number of employees that completed the environmental training (subjects including water security). The threshold of success refers to how employees have progressed against it: In 2020, 770 hours of environmental training was provided to 1,856 Yapı Kredi employees. During the reporting period, 1,305 hours of environmental training, which also addressed ISO 14001 Environmental Management System, climate change and water stress, to 1,228 Yapı Kredi employees and 304 hours to 152 employees of subcontractors. The measure of success and year on year progress was calculated as follows: the percentage (change) of hours who attend the training between 2020 and 2021, and the level of success is defined that 30% increase is stated as "success". As of 2021, number of hours for the environmental training (subjects including water security) was increased 52% which is classified as success for this goal. Limited assurance by an independent audit firm is obtained to verify the total number of employees who participated the environmental training within the reporting period. In 2022, it is aimed to increase this rate even more with these awareness announcements and trainings.

Goal
Other, please specify (Awareness raising communication campaigns)

Level
Company-wide

Motivation
Shared value

Description of goal
Being fully aware that the world's water resources are limited, Yapı Kredi treats the issue of water shortage through a holistic approach. Yapı Kredi believes behavioural change is an important component of water stewardship, every actor including individuals and companies can make their contribution towards a sustainable economy and lifestyle. With this purpose in mind every year Yapı Kredi has a goal of conducting awareness raising activities to create a corporate consciousness on environmental protection and water security.

Baseline year
2019

Start year
2020

End year
2021

Progress
Indicators used to assess progress: Number of corporate posts in intranet/mailings/social media were launched that contribute to raise awareness on water security. The threshold of success and how they have progressed against it: In 2021, lots of internal memos, which are purely for water safety, were published on the intranet platform. Water stress was mapped by region in communication; water terminology such as "water stress", "virtual water", "water footprint" were defined. As in the previous year, an internal communication campaign "Respect to Environment" in March to commemorate World Water Day and International Day of Forests was conducted in 2021 as well. In this campaign, Yapı Kredi posted water and forests related communications during the relevant week to raise awareness to the issues related to water and forests. As an integral part of the campaign, Yapı Kredi organized a creative reading activity for Yapı Kredi employees in 2021 that simulated an interactive process of understanding environment's place in the people's daily lives. The measure of success and year on year progress was calculated as follows: the percentage (change) of people who were reached throughout awareness raising communication activities between 2020 and 2021, and the level of success is defined that 30% increase is stated as "success". As of 2021, number of people reached through awareness raising materials was increased 106% percent which is classified as success at the goal.

Goal
Other, please specify (Employee involvement)

Level
Company-wide

Motivation
Water stewardship

Description of goal
In 2021, Bank employees' project suggestions and ideas for energy efficiency, water saving, and waste management were collected via the EVREKA platform, and the best five suggestions were rewarded and put into life.

Baseline year
2019

Start year
2020

End year
2021

Progress
In 2021, the rain water collection project at the banking base and the projects of treating the mains water in the Plaza D block and serving it in the treated dispensers were carried out. Additionally; waterless urinal system is conducted in Plaza D Block for man toilets and as a demo product,it is only used in 1 toilet. The Bank aims to extend this system throughout its facilities based on these feasibility studies.

W9. Verification

W9.1

(W9.1) Do you verify any other water information reported in your CDP disclosure (not already covered by W5.1a)?
Yes

W9.1a

(W9.1a) Which data points within your CDP disclosure have been verified, and which standards were used?

Disclosure module	Data verified	Verification standard	Please explain
W1 Current state	Water withdrawal (W1.2a)	ISAE 3000	Independent limited assurance was provided for all locations (in Turkey) of Yapı Kredi including but not limited to the scope of the CDP Reporting by PwC in compliance with ISAE 3000 (Revised) in 2021. This is a standard annual assurance system that Yapı Kredi voluntarily carries out with an independent audit firm as part of its Integrated Annual Reporting procedure.
W2 Business impacts	Water related regulatory violations and fees (W2.2)	ISAE 3000	Independent limited assurance was provided by PwC on "monetary value of fines received on account of noncompliance with the Environmental Law and regulations". The scope of the assurance is amount of administrative fines imposed by the Republic of Turkey Ministry of Environment, Urbanization and Climate Change on account of failure to achieve compliance in the Bank's operations with the Environmental Law no. 2872 and ancillary regulations. Accordingly, Yapı Kredi did not receive any fines on the account of non-compliance with the Environmental Law and regulations that includes water related regulatory violations and fees in 2021. The assurance was provided for 2021.
W6 Governance	Members of the Sustainability Management Structure (W6.2, W6.3)	ISAE 3000	Independent limited assurance was provided by PwC on Yapı Kredi's Sustainability Committee's structure and members, a structure chaired by a Board member. The assurance was provided for 2021.
W8 Targets	Environmental trainings that also addresses water security (W1.2d, W6.1a, W8.1b)	ISAE 3000	Independent limited assurance has been provided by PwC regarding the training provided by Yapı Kredi to its employees in 2021. In this context, 1,305 hours of environmental training, which also addressed ISO 14001 Environmental Management System, climate change and water stress, to 1,228 Yapı Kredi employees and 304 hours to 152 employees of subcontractors in 2021.

W10. 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.

W10.1

(W10.1) Provide details for the person that has signed off (approved) your CDP water response.

	Job title	Corresponding job category
Row 1	Chief Executive Officer (CEO)	Chief Executive Officer (CEO)

W10.2

(W10.2) 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

	I understand that my response will be shared with all requesting stakeholders	Response permission
Please select your submission options	Yes	Public

Please confirm below

I have read and accept the applicable Terms