ANADOLU ISUZU OTOMOTİV SANAYİ VE TİCARET A.Ş.

2024 CDP Corporate Questionnaire 2024

Word version

Important: this export excludes unanswered questions
This document is an export of your organization's CDP questionnaire response. It contains all data points for questions that are answered or in progress. There may be questions or data points that you have been requested to provide, which are missing from this document because they are currently unanswered. Please note that it is your responsibility to verify that your questionnaire response is complete prior to submission. CDP will not be liable for any failure to do so.
Terms of disclosure for corporate questionnaire 2024 - CDP

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02/04/2025, 08:59 pm

Contents

C1. Introduction

(1.1) In which language are you submitting your response?

Select from:

☑ English

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

Select from:

☑ TRY

(1.3) Provide an overview and introduction to your organization.

(1.3.2) Organization type

Select from:

☑ Publicly traded organization

(1.3.3) Description of organization

Anadolu Isuzu, a joint stock company operating in Turkey, is affiliated with Anadolu Group and has a Japanese partnership. The company adopted its current name in 1983 after signing a license agreement with Isuzu Motors Limited, and began producing Isuzu light trucks at its Istanbul Kartal Factory in 1984. Anadolu Isuzu operates in the commercial vehicle sector, offering a wide product range and strong after-sales services across Turkey. The company produces trucks, pickups, midibuses, and buses, and has gained a significant position in export markets. Its production facility in Çayırova Şekerpınar has a single-shift capacity of 19,012 vehicles. In 1996, the Japanese partners increased their share to 30%, and the company was renamed Anadolu Isuzu Otomotiv Sanayi ve Ticaret A.Ş. The Anadolu Isuzu R&D Center, established in 2009, is among the first registered R&D centers in Turkey.In 2023, Anadolu Isuzu completed the acquisition of its carcass facility (Çayırova branch). The facility was integrated into our company to drive strong growth in midibus and bus production, bringing in-house the expertise and workforce specialized in carcass production. This investment is of great significance for the scaled development of all our manufacturing operations. Anadolu Isuzu operates in two main locations. Our core activities, such as truck, light truck, bus, and midibus production, are carried out at the central factory, while carcass production, which forms the vehicle's framework, takes place at the Çayırova campus. In 2023, the R&D Center continued to add value to its customers' lives by offering innovative, nature-friendly products and services with its dynamic and expert staff of 292 people. We deliver high-value-added service to our customers through 91 service points in 57 provinces in Turkey and 133 service points across 43 countries abroad. As of the end of 2023, Anadolu Isuzu had 1,269 employees. Anadolu Isuzu shares have

been traded in Borsa Istanbul (BIST) with the trading code "ASUZU" since 1997. Our company has achieved the leadership of midibus exports in Turkey among all brands for the 18th time in 2021. Anadolu Isuzu midibuses can appeal to customers from all segments with their low fuel consumption and low operating costs. Midibuses respond to the needs of individual and fleet users with their agile structures and become one of the transportation solutions frequently preferred by the service sector. Anadolu Isuzu prioritizes the climate crisis in all axes and continues its necessary investment and R&D studies intensively. In addition to reducing emissions from our production cycle, it is among our goals to be a role model in raising awareness of the climate crisis throughout our supply chain. The climate crisis is a candidate to produce important and devastating consequences in terms of economic, environmental and social sustainability. Anadolu Isuzu is determined to contribute to the fight against the climate crisis by reducing its ecological footprint within the scope of its production and trade cycle. Our strategies to combat climate change are carried out in line with the European Green Deal roadmap in line with the Anadolu Isuzu Strategic Business Plan. One of the main areas in which we will make a positive contribution is the development of vehicles with alternative fuel systems and their introduction to the market and ensuring energy efficiency in vehicles. Turkey's commercial vehicle brand Anadolu Isuzu won two awards at the German Design Awards, one of the most prestigious award organizations in the world, with its success in the design of its electric vehicles. Anadolu Isuzu received the "German Design Awards Gold 2023" award with its innovative electric transportation solution Big.e, and the "German Design Awards Winner 2023" award with its 100% electric midibus Isuzu NovoCiti VOLT. In 2023, we showcased our Citivolt and Novociti Volt vehicles, which feature seat fabrics made from recycled materials, at the Brussels Expo. Additionally, with our fully electric, eco-friendly vehicle Citivolt, we won the first-place award in the “Safety” category at Busworld Belgium, one of the world's most prestigious bus fairs. Anadolu Isuzu continues its efforts on the path of digitalization to create more efficient business models without slowing down. Thanks to the established IoT infrastructure, the Smart Factory project allows fast and error-free vehicle production and process tracking with the highest precision. Different departments such as production, quality, sales and export have instant access to all the information they need about production and delivery. The advanced functions of the project significantly contribute to Anadolu Isuzu's achievement of its paperless production target by reducing the carbon footprint of its production processes. As Anadolu Isuzu, we are pleased to share our performance in combating climate change with the public by participating in the CDP.
[Fixed row]

(1.4) State the end date of the year for which you are reporting data. For emissions data, indicate whether you will be providing emissions data for past reporting years.

(1.4.1) End date of reporting year

12/30/2023

(1.4.2) Alignment of this reporting period with your financial reporting period

Select from:
☑ Yes

(1.4.3) Indicate if you are providing emissions data for past reporting years

Select from:
☑ Yes

(1.4.4) Number of past reporting years you will be providing Scope 1 emissions data for

Select from:
☑ Not providing past emissions data for Scope 1

(1.4.5) Number of past reporting years you will be providing Scope 2 emissions data for

Select from:
☑ Not providing past emissions data for Scope 2

(1.4.6) Number of past reporting years you will be providing Scope 3 emissions data for

Select from:
☑ Not providing past emissions data for Scope 3
[Fixed row]

(1.4.1) What is your organization's annual revenue for the reporting period?

12335379024

(1.5) Provide details on your reporting boundary.

	Is your reporting boundary for your CDP disclosure the same as that used in your financial statements?
	Select from:

	Is your reporting boundary for your CDP disclosure the same as that used in your financial statements?
	☑ Yes

[Fixed row]

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

ISIN code - bond

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ No

ISIN code - equity

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ No

CUSIP number

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ No

Ticker symbol

(1.6.1) Does your organization use this unique identifier?

Select from:
☑ Yes

(1.6.2) Provide your unique identifier

ASUZU

SEDOL code

(1.6.1) Does your organization use this unique identifier?

Select from:
☑ No

LEI number

(1.6.1) Does your organization use this unique identifier?

Select from:
☑ Yes

(1.6.2) Provide your unique identifier

789000W9CMLD3UGQST21

D-U-N-S number

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ No

Other unique identifier

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ No

[Add row]

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

Select all that apply

☑ Turkey

(1.21) For which transport modes will you be providing data?

Select all that apply

☑ Light Duty Vehicles (LDV)

☑ Heavy Duty Vehicles (HDV)

(1.24) Has your organization mapped its value chain?

(1.24.1) Value chain mapped

Select from:

☑ Yes, we have mapped or are currently in the process of mapping our value chain

(1.24.2) Value chain stages covered in mapping

Select all that apply

☑ Upstream value chain

☑ Downstream value chain

(1.24.3) Highest supplier tier mapped

Select from:

☑ Tier 1 suppliers

(1.24.4) Highest supplier tier known but not mapped

Select from:

☑ All supplier tiers known have been mapped

(1.24.7) Description of mapping process and coverage

Our organization's mapping process involves a comprehensive evaluation of suppliers, focusing on their environmental and sustainability performance. The following details outline the key aspects of this process: We gather data on suppliers' environmental performance through a dedicated Environment Management System (EMS) portal. This includes tracking key consumption metrics such as electricity, water, and raw material usage. Additionally, we collect documentation like wastewater discharge licenses, hazardous waste storage permits, emission permits, and environmental management system certifications (e.g., ISO 14001, ISO 50001, and ISO 14064). Suppliers also provide greenhouse gas monitoring plans and verification documents, which we meticulously review. Our primary tool for data collection is the EMS portal, which is accessible to suppliers. This platform allows us to track and monitor various environmental data points efficiently. We also conduct regular audits based on Quality and Environmental Management Systems to assess suppliers' compliance and progress. In 2023, we evaluated 87 key suppliers using environmental criteria. The mapping process covers both local and international suppliers. We monitor over 300 domestic and 100 foreign suppliers, ensuring that our assessments are thorough and ongoing. We plan to further enhance this mapping through the introduction of a formal Supplier Sustainability Policy and expand our evaluation scope by increasing assessments and offering training where needed. By implementing this mapping process, we aim to continuously improve the sustainability performance across our supply chain, with a focus on utilizing local resources and addressing any risks related to the localization of high-technology components.
[Fixed row]

C2. Identification, assessment, and management of dependencies, impacts, risks, and opportunities

(2.1) How does your organization define short-, medium-, and long-term time horizons in relation to the identification, assessment, and management of your environmental dependencies, impacts, risks, and opportunities?

Short-term

(2.1.1) From (years)

0

(2.1.3) To (years)

3

(2.1.4) How this time horizon is linked to strategic and/or financial planning

At Anadolu Isuzu, the short-term time frame for assessing climate-related risks and opportunities is defined as 0-3 years. During this period, we evaluate the direct environmental impacts of our daily operations and take immediate actions to mitigate these effects. We aim to improve our environmental performance by making enhancements in areas such as waste management, energy use, and water consumption. Additionally, we closely monitor short-term environmental risks, such as regulatory changes, during this time. In the short term, the direct costs of decisions (such as production costs, personnel expenses, and investment costs) become apparent immediately

Medium-term

(2.1.1) From (years)

4

(2.1.3) To (years)

5

(2.1.4) How this time horizon is linked to strategic and/or financial planning

At Anadolu Isuzu, the medium-term time frame for assessing climate-related risks and opportunities is defined as 4-5 years. During this period, we analyze how our environmental impacts may change in line with our business growth plans and technological advancements. We plan to transition to more sustainable technologies by evaluating the environmental impacts of new investments. Additionally, we collaborate with our suppliers to improve environmental performance within our supply chain. The profitability of these investments is assessed in the medium term.

Long-term

(2.1.1) From (years)

6

(2.1.2) Is your long-term time horizon open ended?

Select from:

☑ No

(2.1.3) To (years)

10

(2.1.4) How this time horizon is linked to strategic and/or financial planning

At Anadolu Isuzu, the long-term time frame for assessing climate-related risks and opportunities is defined as more than 6 years. During this period, we evaluate the potential impacts of global environmental trends, such as climate change and resource scarcity, on our business. We set long-term environmental goals and develop strategic plans to achieve these targets. Additionally, we assess environmental opportunities presented by new technologies and market trends, shaping our business model accordingly.
[Fixed row]

(2.2) Does your organization have a process for identifying, assessing, and managing environmental dependencies and/or impacts?

	Process in place	Dependencies and/or impacts evaluated in this process
	Select from: ☑ Yes	*Select from:* ☑ Both dependencies and impacts

[Fixed row]

(2.2.1) Does your organization have a process for identifying, assessing, and managing environmental risks and/or opportunities?

	Process in place	Risks and/or opportunities evaluated in this process	Is this process informed by the dependencies and/or impacts process?
	Select from: ☑ Yes	*Select from:* ☑ Both risks and opportunities	*Select from:* ☑ Yes

[Fixed row]

(2.2.2) Provide details of your organization's process for identifying, assessing, and managing environmental dependencies, impacts, risks, and/or opportunities.

Row 1

(2.2.2.1) Environmental issue

Select all that apply

☑ Climate change

(2.2.2.2) Indicate which of dependencies, impacts, risks, and opportunities are covered by the process for this environmental issue

Select all that apply

☑ Dependencies

☑ Impacts

☑ Risks

☑ Opportunities

(2.2.2.3) Value chain stages covered

Select all that apply

☑ Direct operations

☑ Upstream value chain

☑ Downstream value chain

(2.2.2.4) Coverage

Select from:

☑ Full

(2.2.2.5) Supplier tiers covered

Select all that apply

☑ Tier 1 suppliers

(2.2.2.7) Type of assessment

Select from:

☑ Qualitative and quantitative

(2.2.2.8) Frequency of assessment

Select from:

☑ More than once a year

(2.2.2.9) Time horizons covered

Select all that apply

☑ Short-term

☑ Medium-term

☑ Long-term

(2.2.2.10) Integration of risk management process

Select from:

☑ Integrated into multi-disciplinary organization-wide risk management process

(2.2.2.11) Location-specificity used

Select all that apply

☑ Not location specific

(2.2.2.12) Tools and methods used

International methodologies and standards

☑ Environmental Impact Assessment

☑ IPCC Climate Change Projections

☑ ISO 14001 Environmental Management Standard

Databases

☑ Nation-specific databases, tools, or standards

Other

☑ Scenario analysis

(2.2.2.13) Risk types and criteria considered

Acute physical

☑ Drought

Chronic physical

☑ Water stress

Policy

☑ Changes to international law and bilateral agreements

Market

☑ Changing customer behavior

Reputation

☑ Impact on human health

Technology

☑ Transition to lower emissions technology and products

Liability

☑ Non-compliance with regulations

(2.2.2.14) Partners and stakeholders considered

Select all that apply

☑ Customers

☑ Employees

☑ Investors

☑ Suppliers

(2.2.2.15) Has this process changed since the previous reporting year?

Select from:

☑ No

(2.2.2.16) Further details of process

Anadolu Isuzu conducts a systematic process to identify climate-related dependencies, impacts, risks, and opportunities. This process is managed by the Environmental Management System officials within the Sustainability Facility Investment Directorate. Supported by regular reports to the Board of Directors, this process allows for the prediction of company-wide impacts and integration into strategic decision-making mechanisms. As part of the European Union's "Fit for 55" package, the sale of new fossil fuel vehicles will be banned by 2035 to decarbonize the transport sector. This situation shapes Anadolu Isuzu's environmental dependencies, with the production of fossil fuel vehicles posing a significant risk. Additionally, the gradual elimination of fossil fuel consumption plays a critical role in our efforts to reduce environmental impacts. With the commitment to become carbon-neutral by 2050, stricter emission standards for heavy-duty vehicles are also expected to be implemented. In this context, the production of electric and alternative fuel vehicles presents significant opportunities, helping us manage our environmental dependencies. A large portion of our operational locations is evaluated to identify these dependencies, impacts, and opportunities. For key data not obtained directly from operations, various data sources such as industry reports, academic studies, and international environmental standards are used. A 5x5 Risk Analysis Template and probability-impact analysis methodologies are applied to identify risks. The scenarios used include "Bespoke transition scenario" and "RCP 8.5," which help evaluate potential transition pathways and uncertainties related to climate change. Risk scores are calculated based on probability and impact criteria, assessing the nature, likelihood, and magnitude of risks. Scenario analyses are utilized to assess uncertainties regarding climate change and sustainability, conducting strategic impact evaluations on possible scenarios. These analyses are integrated into risk management processes and guide decision-making mechanisms. All processes are monitored under standards such as ISO 14001 and ISO 14064-1. High-risk factors are evaluated by Senior Management in Management Review Meetings, and action plans are developed. This ensures that climate-related risks and opportunities are continuously monitored and updated as necessary. Financial or strategic risks and opportunities are reported to the Early Detection and Risk Management Committee, where detailed evaluations are conducted. The production of fossil fuel vehicles is identified as a major risk, while electric vehicle production is viewed as a significant opportunity. Key opportunities are managed by integrating them into strategic business plans and investment strategies.

Row 2

(2.2.2.1) Environmental issue

Select all that apply

☑ Water

(2.2.2.2) Indicate which of dependencies, impacts, risks, and opportunities are covered by the process for this environmental issue

Select all that apply

☑ Dependencies
☑ Impacts
☑ Risks
☑ Opportunities

(2.2.2.3) Value chain stages covered

Select all that apply
☑ Direct operations
☑ Upstream value chain
☑ Downstream value chain

(2.2.2.4) Coverage

Select from:
☑ Full

(2.2.2.5) Supplier tiers covered

Select all that apply
☑ Tier 1 suppliers

(2.2.2.7) Type of assessment

Select from:
☑ Qualitative and quantitative

(2.2.2.8) Frequency of assessment

Select from:
☑ Annually

(2.2.2.9) Time horizons covered

Select all that apply

☑ Short-term

☑ Medium-term

☑ Long-term

(2.2.2.10) Integration of risk management process

Select from:

☑ Integrated into multi-disciplinary organization-wide risk management process

(2.2.2.11) Location-specificity used

Select all that apply

☑ Not location specific

(2.2.2.12) Tools and methods used

Enterprise Risk Management

☑ Stress tests

International methodologies and standards

☑ ISO 14001 Environmental Management Standard

☑ ISO 14046 Environmental Management – Water Footprint

Other

☑ Scenario analysis

(2.2.2.13) Risk types and criteria considered

Acute physical

☑ Drought

Chronic physical

☑ Water stress

Policy

☑ Statutory water withdrawal limits/changes to water allocation

Market

☑ Inadequate access to water, sanitation, and hygiene services (WASH)

Reputation

☑ Impact on human health

Technology

☑ Transition to water efficient and low water intensity technologies and products

Liability

☑ Non-compliance with regulations

(2.2.2.14) Partners and stakeholders considered

Select all that apply

☑ Customers

☑ Employees

☑ Investors

☑ Local communities

☑ Suppliers

(2.2.2.15) Has this process changed since the previous reporting year?

Select from:

☑ No

(2.2.2.16) Further details of process

Anadolu Isuzu conducts a systematic process to identify, assess, and manage water-related dependencies, impacts, risks, and opportunities. This process is managed by the Environmental Management System officials within the Sustainability Facility Investment Directorate. Supported by regular reports to the Board of Directors, this process allows for predicting company-wide effects and integrating them into strategic decision-making mechanisms. In our main factory, all water used in the vehicle production process comes from wells. This situation increases our dependence on water resources. Specifically, insufficient water extraction from these wells poses a significant risk to Anadolu Isuzu. For example, increasing drought conditions may negatively affect water levels and disrupt our production processes. Additionally, it is necessary to discharge water in accordance with discharge criteria. In this context, treating the water and reducing our environmental impacts is crucial. The wastewater treatment facility at our factory offers an opportunity to ensure that the wastewater meets appropriate standards, thereby minimizing our environmental impacts. This facility addresses this need effectively. For key data not obtained directly from our operations, various data sources are used, including tools like WRI Aqueduct and international environmental standards. The 5x5 Risk Analysis Template and probability-impact analysis methodologies are applied to identify risks. The scenarios used include "WRI Aqueduct" and "RCP 8.5," which help assess potential water risks and uncertainties related to climate change. Risk scores are calculated based on probability and impact criteria, evaluating the nature, likelihood, and magnitude of risks. Scenario analyses are utilized to assess uncertainties regarding water resources and sustainability, enabling strategic impact evaluations of possible scenarios. These analyses are integrated into risk management processes and guide decision-making mechanisms. All processes are monitored within the framework of standards such as ISO 14001 and ISO 14064-1. High-risk factors are evaluated by the Upper Management during Management Review Meetings, and action plans are developed accordingly. This ensures that water-related risks and opportunities are continuously monitored and updated as needed. Financial or strategic risks and opportunities are reported to the Early Detection and Risk Management Committee, where detailed evaluations are made. Dependence on well water is identified as a significant risk, while the treatment facility at our factory is seen as an important opportunity. Major opportunities are managed by integrating them into strategic business plans and investment initiatives. [Add row]

(2.2.7) Are the interconnections between environmental dependencies, impacts, risks and/or opportunities assessed?

(2.2.7.1) Interconnections between environmental dependencies, impacts, risks and/or opportunities assessed

Select from:

☑ Yes

(2.2.7.2) Description of how interconnections are assessed

Anadolu Isuzu conducts an integrated analysis process considering the relationships between environmental dependencies, impacts, risks, and opportunities. The framework uses a 5x5 Risk Analysis Template and probability-impact analysis methodology to comprehensively evaluate environmental dependencies and impacts. This methodology provides a structured approach to systematically analyze the potential effects and risks of each dependency. For example, in the context of climate change, the production of fossil fuel vehicles is identified as a significant risk. This risk is further highlighted by the European Union's "Fit for 55" package, which will ban the sale of new fossil fuel vehicles by 2035. This situation leads the company to view the production of electric and alternative fuel vehicles as an opportunity. In

this regard, we are conducting R&D on electric vehicles as well as CNG vehicles. Additionally, in the 2023 reporting year, we have implemented weight reduction projects to decrease fuel consumption of our vehicles. Regarding water resources, all water used in Anadolu Isuzu's main factory comes from wells, increasing dependence on these water sources. Increasing drought conditions threaten production processes by lowering water levels. However, the presence of a wastewater treatment facility ensures that water meets appropriate standards, reducing environmental impacts and alleviating pressure on water resources. These two examples illustrate how synergies are created between dependencies, risks, and opportunities. Dependencies, impacts, risks, and opportunities are evaluated as a whole, using scenario analyses in this process. Scenarios such as the "Bespoke transition scenario" and "RCP 8.5" for climate change, and "WRI Aqueduct" for water resources are used together to understand potential effects and uncertainties, enabling comprehensive assessments. This process is continuously monitored within the framework of ISO 14001 and ISO 14064-1 standards. High-risk factors are evaluated in Management Review Meetings, and necessary strategic action plans are developed. This way, environmental dependencies, impacts, risks, and opportunities are integrated with company strategies, adopting a holistic approach. The holistic evaluation of environmental dependencies, impacts, risks, and opportunities faces challenges such as data gaps and inconsistencies. Therefore, efforts are ongoing to strengthen continuous monitoring, collaboration, and communication for integrating all aspects effectively.
[Fixed row]

(2.3) Have you identified priority locations across your value chain?

(2.3.1) Identification of priority locations

Select from:

☑ Yes, we are currently in the process of identifying priority locations

(2.3.2) Value chain stages where priority locations have been identified

Select all that apply

☑ Direct operations

(2.3.3) Types of priority locations identified

Locations with substantive dependencies, impacts, risks, and/or opportunities

☑ Locations with substantive dependencies, impacts, risks, and/or opportunities relating to water

(2.3.4) Description of process to identify priority locations

In the process of identifying priority locations, tools such as water risk assessments and security evaluations, along with water resource planning and drought action plans, are used in the Kocaeli region. Data sources like the World Resources Institute – Aqueduct 4.0 Water Risk Atlas Module and indicators such as risk levels based on water quantity, drought frequency, and duration are evaluated. Drought in the Kocaeli region has been identified as a significant chronic physical risk, and potential impacts and opportunities on water resources have been examined through a detailed risk analysis. Situations where water levels fall below critical thresholds are designated as "sensitive locations," which are prioritized for management. The concentration of core production activities in Kocaeli has led to this area being assessed as a single priority location, enhancing the effectiveness of resource management and risk assessment processes. In the future, plans are in place to improve water risk analysis processes through collaboration with local stakeholders and expanding data collection methods. Additionally, efforts will be made to update risk assessment criteria. Water consumption in our core production activities represents a significant dependency. Specifically, as we source water from wells, drought risk is a critical issue for our operations. To address this, various initiatives have been implemented to use water more efficiently in our production processes. For instance, changes in the soft water connections in the paint shop have resulted in approximately 780 m³ savings in water consumption. Moreover, to prevent bacterial growth in pools, a deionized UV system has been installed, reducing water exchange periods and achieving a further savings of 600 m³. Additionally, our wastewater treatment facility allows us to meet discharge criteria without the need for external services for our wastewater, which not only fulfills our environmental responsibilities but also provides an opportunity to save on CAPEX related to our water usage. At Anadolu Isuzu, we consider water risks a vital aspect of sustainability management. In 2023, a water risk analysis was conducted at our production facility, leading to the development of a Water Risks & Security Assessment and a Water Resource Planning & Drought Action Plan. This study included an examination of the basin's hydrogeological and hydrological conditions to project future scenarios.

(2.3.5) Will you be disclosing a list/spatial map of priority locations?

Select from:

☑ No, we do not have a list/geospatial map of priority locations

[Fixed row]

(2.4) How does your organization define substantive effects on your organization?

Risks

(2.4.1) Type of definition

Select all that apply

☑ Qualitative

☑ Quantitative

(2.4.2) Indicator used to define substantive effect

Select from:

☑ Revenue

(2.4.3) Change to indicator

Select from:

☑ % decrease

(2.4.4) % change to indicator

Select from:

☑ 1-10

(2.4.6) Metrics considered in definition

Select all that apply

☑ Time horizon over which the effect occurs

(2.4.7) Application of definition

Anadolu Isuzu's Risk Management System is a multidisciplinary and integrated process. The Early Detection of Risk Committee evaluates the strategic and financial impacts of climate change and water on operations. Corporate Risk Management, involving all employees and company practices, systematically shapes business strategies and feeds into the Early Detection of Risk Committee. This process, aligned with strategic plans, is supported by technological infrastructure. Risks are analyzed, prioritized based on their impact, and action plans are created. Priority risks and related actions are presented to the Board of Directors for decision-making. For Anadolu Isuzu, substantive financial impact means any impact that seriously affects the company and creates inability to continue its operations. In the scope of these studies, income loss over 5 million Turkish Liras is accepted as substantive financial impact. Revenue is 12.335,000 thousand Turkish Liras in the reporting year -it increased 96,7%, thus this represents the 0.040% of it. Fluctuation in the revenue by 0.040% accepted as substantive. This small percentage of income, even 0.040% fluctuation, is considered a significant environmental risk. In line with strategy, Corporate Risk Management, Sustainability working groups and related business units work collaboratively when identifying and evaluating climate change and water risks and other ESIA issues. Climate and water-related risks and opportunities are also evaluated and audited by auditors in the audits of Management Systems (ISO14001&ISO50001&ISO14064-1). At Anadolu Isuzu, risks and opportunities are quantified using impact and probability scores. Risk scores are calculated by multiplying the probability of occurrence with the impact score, using a 5x5 Risk Analysis Template to classify risks as low, medium, high, or very high. Risks scoring 15 points or higher are considered high and require action plans. Opportunities are categorized based on their significance and included in strategic business discussions. Key risks like climate-related events, carbon taxes, and regulatory changes are monitored closely. Significant risks and opportunities are reported to the Early Detection and Risk Management Committee, which advises the Board.

Opportunities

(2.4.1) Type of definition

Select all that apply

☑ Qualitative

☑ Quantitative

(2.4.2) Indicator used to define substantive effect

Select from:

☑ Revenue

(2.4.3) Change to indicator

Select from:

☑ % increase

(2.4.4) % change to indicator

Select from:

☑ 1-10

(2.4.6) Metrics considered in definition

Select all that apply

☑ Time horizon over which the effect occurs

(2.4.7) Application of definition

Anadolu Isuzu has a multidisciplinary and integrated opportunity management process. It evaluates the strategic and financial potential of climate and water-related opportunities for operations. Corporate Opportunity Management, involving all employees and company practices, systematically shapes business strategies. This process, aligned with strategic plans, is supported by technological infrastructure. For Anadolu Isuzu, identifying substantial opportunities means recognizing potential gains that could significantly enhance operational capacity and sustainability. In the context of these evaluations, an income increase of over 5 million Turkish Liras is

regarded as a substantial opportunity. The revenue for the reporting year is 12,335,000 thousand Turkish Liras, reflecting a 96.7% increase, representing a small yet impactful percentage of growth. Fluctuation in the revenue by 0.040% accepted as substantive. This small percentage of income, even 0.040% fluctuation, is considered a significant environmental opportunity. Corporate Opportunity Management and Sustainability working groups collaborate with related business units to identify and evaluate opportunities presented by climate change and water issues, as well as other Environmental and Social Impact Assessment (ESIA) matters. Climate and water-related opportunities are also evaluated and audited by external auditors during the audits of Management Systems (ISO 14001, ISO 50001, and ISO 14064-1). Opportunities are quantified using impact and probability scores, calculated by multiplying the likelihood of realization with the significance score, and categorized based on their potential benefits. Significant opportunities are included in strategic business discussions and investment plans, with a focus on enhancing resilience and sustainability in the face of evolving environmental challenges.
[Add row]

(2.5) Does your organization identify and classify potential water pollutants associated with its activities that could have a detrimental impact on water ecosystems or human health?

(2.5.1) Identification and classification of potential water pollutants

Select from:

☑ Yes, we identify and classify our potential water pollutants

(2.5.2) How potential water pollutants are identified and classified

Details of the policies and processes our organization has in place to identify and classify potential water pollutants that may have detrimental impacts over water bodies and ecosystems and details of an established standard: Our company adopts a comprehensive approach to identifying and classifying potential water pollutants. Since both of our locations are situated within Kocaeli, we refer to the values specified in the ISU Wastewater Discharge Regulation and ISKI Water Pollution Control Regulation when determining our pollutant discharge parameters. This ensures that our pollutant parameters are defined in accordance with related regulations. With wastewater treatment facility and laboratory at our main factory, we regularly conduct analyses of the water we discharge. These analyses are performed to verify compliance with the defined pollutant parameters and regulations. In our Çayırova branch, regular measurements are also carried out at the discharge points by the municipality. A description of the metrics and/or indicators used to identify pollutants: We take various measures to control pollutant parameters and engage in continuous improvement activities. Renovation work is being done at our treatment facility, and we are increasing its capacity. Additionally, we calculate our water footprint annually according to the ISO 14046 standard and assess our environmental impacts. This is an important part of our efforts to manage water resources more sustainably.
[Fixed row]

(2.5.1) Describe how your organization minimizes the adverse impacts of potential water pollutants on water ecosystems or human health associated with your activities.

Row 1

(2.5.1.1) Water pollutant category

Select from:

☑ Oil

(2.5.1.2) Description of water pollutant and potential impacts

In the auto-manufacturing industry, oil pollution in wastewater arises mainly from lubrication, machining, and cleaning processes. This includes various hydrocarbons, oils, and greases that can enter the wastewater stream during production activities. Oil contaminants can significantly impact the environment. They create a barrier on water surfaces that restricts oxygen transfer, which is detrimental to aquatic organisms. The toxic effects of oil can lead to decreased fish populations and harm other aquatic life, disrupting the ecosystem. Additionally, oil can complicate water treatment processes, leading to increased operational costs and necessitating additional treatment steps to meet regulatory standards. To manage these risks, our wastewater treatment facility conducts bi-monthly sampling and analysis in compliance with the Izmit Water and Sewerage Authority's regulations. We also perform daily, weekly, and monthly tests to ensure adherence to legal requirements and to establish control limits for wastewater quality. Our facility features an acid cracking system designed to efficiently separate oil from water, while discharge parameters such as temperature, pH, and COD are continuously monitored using a continuous monitoring system. This system ensures that our discharges consistently meet legal limits. Furthermore, we are investigating projects aimed at recycling wastewater to reduce our overall water consumption and enhance sustainability in the production process.

(2.5.1.3) Value chain stage

Select all that apply

☑ Direct operations

(2.5.1.4) Actions and procedures to minimize adverse impacts

Select all that apply

☑ Beyond compliance with regulatory requirements

☑ Discharge treatment using sector-specific processes to ensure compliance with regulatory requirements

☑ Upgrading of process equipment/methods

(2.5.1.5) Please explain

i) Description of How the Procedures Manage the Risks of Potential Impacts: Our wastewater management procedures minimize risks of oil contamination by following the Water Pollution Control Regulation and other regulations. We conduct regular bi-monthly sampling and analysis, as well as daily and weekly tests on critical parameters to quickly identify compliance issues. Our acid cracking system effectively separates oil from wastewater, lowering pollutant levels. We use a wastewater monitoring that tracks discharge parameters in real-time; if any parameter nears legal limits, the system automatically shuts down discharge operations, preventing non-compliance and prompting a reassessment of treatment processes. ii) Description of How Success is Measured and Evaluated: Success in our wastewater management is measured through: Success in our wastewater management is measured through several key indicators. Firstly, we ensure regulatory compliance by consistently comparing discharge results to legal limits. This process is supported by daily, weekly, and monthly tests that allow us to track trends in wastewater quality. The effectiveness of our Continuous Wastewater Monitoring System is also evaluated to ensure timely detection of any changes in monitored parameters. Additionally, periodic assessments of local water bodies help us understand the environmental impact of our practices. Together, these measures allow us to continuously improve our management of potential impacts.
[Add row]

C3. Disclosure of risks and opportunities

(3.1) Have you identified any environmental risks which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future?

Climate change

(3.1.1) Environmental risks identified

Select from:

☑ Yes, both in direct operations and upstream/downstream value chain

Water

(3.1.1) Environmental risks identified

Select from:

☑ Yes, both in direct operations and upstream/downstream value chain

Plastics

(3.1.1) Environmental risks identified

Select from:

☑ No

(3.1.2) Primary reason why your organization does not consider itself to have environmental risks in your direct operations and/or upstream/downstream value chain

Select from:

☑ Not an immediate strategic priority

(3.1.3) Please explain

Plastics are not an immediate strategic priority for Anadolu ISUZU.
[Fixed row]

(3.1.1) Provide details of the environmental risks identified which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future.

Climate change

(3.1.1.1) Risk identifier

Select from:
☑ Risk1

(3.1.1.3) Risk types and primary environmental risk driver

Policy
☑ Changes to regulation of existing products and services

(3.1.1.4) Value chain stage where the risk occurs

Select from:
☑ Direct operations

(3.1.1.6) Country/area where the risk occurs

Select all that apply
☑ Turkey

(3.1.1.9) Organization-specific description of risk

Under the EU's Fit for 55 package, the sale of new fossil fuel vehicles will be banned by 2035, aiming to decarbonize transportation. Europe also plans to be carbon-neutral by 2050, with regulations phasing out fossil fuel use. Stricter emissions standards for heavy-duty vehicles will be introduced, and by 2040, Europe will stop purchasing fossil fuel-powered vehicles. For Anadolu Isuzu, this shift presents a major risk, particularly for heavy-duty vehicles. If the company doesn't transition to electric vehicles, it will lose access to the European market, impacting revenue and future growth. To mitigate this risk, Anadolu Isuzu must adapt by supplying electric vehicles to Europe to sustain exports and maintain competitiveness in this evolving market. We are investing in energy efficiency, integrating renewable energy, and increasing capacity for electric and alternative fuel vehicle production. Additionally, we are expanding our electric vehicle product range to remain competitive in Europe. By accelerating efforts to reduce our carbon footprint and incorporating low-carbon economy strategies, we aim to minimize long-term regulatory risks while staying at the forefront of industry transformation.

(3.1.1.11) Primary financial effect of the risk

Select from:

☑ Decreased revenues due to reduced demand for products and services

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☑ Short-term

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select from:

☑ Very likely

(3.1.1.14) Magnitude

Select from:

☑ High

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

The anticipated decline in demand for fossil fuel vehicles, driven by the European Union's Fit for 55 regulations, presents a significant financial risk to our revenue. The Fit for 55 package aims to decarbonize the transportation sector, with a ban on the sale of new fossil fuel vehicles by 2035 and a commitment for Europe to become carbon-neutral by 2050. Stricter emissions standards for heavy-duty vehicles will also be implemented, with the purchase of fossil fuel-powered vehicles

expected to cease by 2040. This regulatory shift poses a substantial risk for OEM companies like Anadolu Isuzu that produce fossil fuel vehicles. Although we are increasing our investments in the production and sale of electric vehicles each year, we continue to produce fossil fuel vehicles, and the risk of not being able to sell these vehicles may negatively impact our financial performance. The inability to sell these vehicles, particularly in the heavy-duty segment where Anadolu Isuzu has a strong market presence, could substantially affect our financial performance, leading to lost revenue and reduced profitability. This risk will likely impact multiple financial aspects, including revenue, stock levels, cash flows, and overall business continuity. In the short term time horizon, we can calculate the financial impact of this risk based on the number of fossil fuel vehicles we plan to produce.

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

☑ Yes

(3.1.1.19) Anticipated financial effect figure in the short-term – minimum (currency)

14035829409

(3.1.1.20) Anticipated financial effect figure in the short-term – maximum (currency)

18985851490

(3.1.1.25) Explanation of financial effect figure

To calculate the financial impact of the risk, we considered Europe's commitment to becoming a carbon-neutral continent by 2050. This commitment includes regulations such as the European Green Deal. Europe will phase out the purchase of fossil fuel vehicles, with a deadline of 2040 for heavy-duty vehicles. Anadolu Isuzu will not be able to sell heavy-duty vehicles to Europe if it does not transition to electric vehicles, which could lead to significant revenue loss. It is critical for Anadolu Isuzu to supply electric vehicles to ensure the continuity of exports to Europe. Otherwise, this risk may have a potential financial impact on Anadolu Isuzu. The minimum financial impact value is TRY 14,035,829,409.23, while the maximum financial impact value is TRY 18,985,851,490.35. The financial risk and opportunity included in this report has been calculated as a forecast, as explained in detail in the report. The financial risk&opportunity amount shall not be interpreted as any commitment by our Company, and it shall not have any binding effect on our Company.

(3.1.1.26) Primary response to risk

Infrastructure, technology and spending

☑ Increase environment-related capital expenditure

(3.1.1.27) Cost of response to risk

162395459

(3.1.1.28) Explanation of cost calculation

Anadolu Isuzu has assessed the risk that it will not be able to sell heavy-duty vehicles to Europe if it does not transition to electric vehicles, which could lead to significant revenue loss. To manage this risk, the company has made various investments. In 2023, significant R&D expenditures were made for the development of electric bus, midibus, micro truck, and electric truck models. R&D efforts included TRY 71,256,926 for electric bus development, TRY 34,180,238 for electric midibus development, and TRY 56,161,194 for electric truck and microtruck development.Additionally, TRY 797,101 was spent on vehicle lightweighting R&D efforts. In total, TRY 71,256,926 TRY 34,180,238 TRY 56,161,194 TRY 797,101 TRY 162,395,459 was invested in these projects for the year 2023.

(3.1.1.29) Description of response

As Anadolu Isuzu, we are advancing Turkey's automotive industry into the future with our investments in electric vehicle technologies. In 2023, we showcased our Citivolt and Novociti Volt vehicles, which use fabrics made from recycled materials, at the Brussels fair. Additionally, our fully electric eco-friendly vehicle, Citivolt, won first place in the "Safety" category at Busworld Belgium, one of the most prestigious bus fairs in the world. Our developed vehicles contribute to reducing air pollution thanks to their zero-emission feature. We also aimed to reduce fuel consumption and minimize environmental impacts through vehicle weight reduction efforts. As a result of the work done on the BigE-microtruck model, the use of DCPD material instead of fiberglass has provided weight savings and created a more flexible structure in low-speed collisions. Significant weight reduction has also been achieved by using aluminum honeycomb material in the door panels. By optimizing the seat cross-sections, we have saved an additional 4 kg in weight. These investments have been carried out as part of our strategy to assess and manage potential climate risks. Furthermore, these projects aim to contribute to sustainable development goals while reducing environmental impacts and enhancing the company's market competitiveness.

Water

(3.1.1.1) Risk identifier

Select from:

☑ Risk2

(3.1.1.3) Risk types and primary environmental risk driver

Chronic physical

☑ Water stress

(3.1.1.4) Value chain stage where the risk occurs

Select from:

☑ Direct operations

(3.1.1.6) Country/area where the risk occurs

Select all that apply

☑ Turkey

(3.1.1.7) River basin where the risk occurs

Select all that apply

☑ Other, please specify :Marmara

(3.1.1.9) Organization-specific description of risk

Since the municipality cannot provide a water network at the location of our Central Factory, we rely on three wells to meet all our water needs for vehicle production. However, the limited amount of water we can draw from these wells poses a risk for our company. This issue is becoming more serious due to increasing droughts and decreasing rainfall, which affect groundwater levels. Our dependence on wells makes us vulnerable to water shortages, especially during dry periods. A lack of water would slow down or even stop production, leading to higher costs and the risk of not meeting our production goals. Additionally, future regulations on groundwater use may limit access to water, making the risk even greater.

(3.1.1.11) Primary financial effect of the risk

Select from:

☑ Decreased revenues due to reduced production capacity

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☑ Short-term

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select from:

☑ Very likely

(3.1.1.14) Magnitude

Select from:

☑ High

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

Since the municipality cannot provide a water network to our Central Factory, we rely entirely on three wells to meet the water needs for our vehicle production. However, the limited capacity of these wells poses a significant risk, especially as increasing drought and declining rainfall continue to reduce groundwater levels. In the 2023 reporting year, a total of 5,976 vehicles were produced and a total of 60,009 m³ of water was consumed. Due to the insufficient amount of water drawn from wells, 11,929 m³ of water was purchased by tanker. When these data are compared, it is seen that our water consumption per vehicle is 10.04 m³ and the amount purchased due to water insufficiency corresponds to 1,188 vehicles. This scenario was observed during the reporting year and provides the opportunity to quantitatively measure the short-term risks we may encounter in the next three years. In the event that the water needed in production cannot be provided, we calculate the quantitative value of the risk in our risk analyses based on the number of vehicles that cannot be produced and the average prices of these vehicles.

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

☑ Yes

(3.1.1.19) Anticipated financial effect figure in the short-term – minimum (currency)

65300000

(3.1.1.20) Anticipated financial effect figure in the short-term – maximum (currency)

134713600

(3.1.1.25) Explanation of financial effect figure

In 2023, a total of 5,976 vehicles were produced with a corresponding water consumption of 60,009 m³. Water consumption per vehicle was calculated to be 10.04m³. Since the well water was insufficient, 11,929m³ of water was supplied externally by tanker. For the min scenario, it is assumed that water-saving projects and efficiency efforts will reduce water consumption per vehicle by 0.5m³ each year. Taking into account a 1,000m³ reduction in tanker water usage compared to 2023, number of vehicles that could face production disruptions in short-term has been calculated as: • (11,929m³-1,000m³)/(10.04m³/vehicle-0.5m³/vehicle)1,147vehicles • (10,900 m³-1,000m³)/(9.50m³/vehicl -0.5 m³/vehicle)1,100vehicles • (9,900 m³-1,000m³)/(9.00 m³/vehicle-0.5m³/vehicle)1,047vehicles The min total financial impact caused by risk in short-term is calculated as TRY4,933,334,865.53TRY5,688,964,359.41TRY7,485,650,492.05TRY18,107,949,716.98. For the max scenario, it is assumed that water consumption per vehicle will increase by 0.5m³ each year. Considering an increase of 1,000m³ in tanker water usage compared to 2023, number of vehicles that could face production disruptions in short-term is calculated as: • (11,929m³1,000m³)/(10.04m³/vehicle0.5m³/vehicle)1,238 vehicles • (13,000m³1,000m³)/(10.50m³/vehicle0.5m³/vehicle)1,273 vehicles • (14,000m³1,000m³)/(11.00m³/vehicle0.5m³/vehicle)1,304 vehicles The max total financial impact caused by risk in short-term is calculated as TRY5,892,795,226.19TRY7,286,255,555.82TRY10,322,411,596.11TRY23,501,462,378.13. The financial risk and opportunity included in this report has been calculated as a forecast, as explained in detail in the report. The financial risk&opportunity amount shall not be interpreted as any commitment by our Company and it shall not have any binding effect on our Company.

(3.1.1.26) Primary response to risk

Infrastructure, technology and spending

☑ Adopt water efficiency, water reuse, recycling and conservation practices

(3.1.1.27) Cost of response to risk

42753000

(3.1.1.28) Explanation of cost calculation

In 2023, Anadolu Isuzu invested 42,753,000 TRY in projects to mitigate water-related risks and improve efficiency. The wastewater treatment plant was renovated and its capacity increased. A siphonic system was installed on construction project roofs to collect rainwater, and a deionized UV system was implemented to reduce bacterial growth in pools, saving 600 m³ of water. Water meters were also installed for real-time monitoring to identify efficiency improvements. A water risk analysis for the production facility led to the creation of a 'Water Risks & Security Assessment' and a 'Water Resources Planning & Drought Action Plan'. These included hydrogeological and hydrological basin analyses, along with future projections.

(3.1.1.29) Description of response

Anadolu Isuzu has made various strategic investments to reduce water risks and be prepared for water scarcity in the future. In 2023, the capacity of our factory wastewater treatment plant was increased and a new treatment plant investment was made with highly energy efficient and innovative equipment. This new plant will be put into operation in 2024 and has a technological infrastructure that allows water recovery. In this way, our dependency on water resources will be reduced by ensuring more efficient use of water. In addition, concrete steps have been taken to reduce our water consumption with improvements in production processes. For example, 780 m3 of water was saved thanks to the soft water connection changes made in our paint shop facility. On the other hand, rainwater collection and storage works have been started with the siphonic system installed on the roofs of the buildings. The collected rainwater will be used in activities such as garden irrigation, thus reducing the pressure on freshwater resources. In addition, we have achieved 600 m3 water savings thanks to the deionization UV system we installed to reduce water change periods in our pools. In addition, online water meters are installed to monitor water consumption more effectively and improvement areas are determined. All these investments and projects are aimed at effectively managing water risks and have been carried out as part of Anadolu Isuzu's sustainability strategy. In addition, in 2023, the Water Risks & Security Assessment and Water Resources Planning & Drought Action Plan were prepared, a detailed analysis of the hydrogeological and hydrological situation in the region was made and forward-looking water risk projections were drawn. These studies are carried out in line with the "Clean Water and Sanitation" (Goal 6) target of the UN Sustainable Development Goals and aim to ensure sustainable management of water and increase its efficient use.
[Add row]

(3.1.2) Provide the amount and proportion of your financial metrics from the reporting year that are vulnerable to the substantive effects of environmental risks.

Climate change

(3.1.2.1) Financial metric

Select from:
☑ Revenue

(3.1.2.2) Amount of financial metric vulnerable to transition risks for this environmental issue (unit currency as selected in 1.2)

0

(3.1.2.3) % of total financial metric vulnerable to transition risks for this environmental issue

Select from:
☑ Less than 1%

(3.1.2.4) Amount of financial metric vulnerable to physical risks for this environmental issue (unit currency as selected in 1.2)

0

(3.1.2.5) % of total financial metric vulnerable to physical risks for this environmental issue

Select from:

☑ Less than 1%

(3.1.2.7) Explanation of financial figures

In the reporting year, there were no financial metrics vulnerable to the substantive effects of environmental risks, either physical or transition-related.

Water

(3.1.2.1) Financial metric

Select from:

☑ Revenue

(3.1.2.2) Amount of financial metric vulnerable to transition risks for this environmental issue (unit currency as selected in 1.2)

0

(3.1.2.3) % of total financial metric vulnerable to transition risks for this environmental issue

Select from:

☑ Less than 1%

(3.1.2.4) Amount of financial metric vulnerable to physical risks for this environmental issue (unit currency as selected in 1.2)

3602883597.93

(3.1.2.5) % of total financial metric vulnerable to physical risks for this environmental issue

Select from:

☑ 21-30%

(3.1.2.7) Explanation of financial figures

In 2023, our facility's financial metrics reveal that water-related issues significantly impact production. Specifically, we utilized groundwater, and due to insufficient extraction from our wells, we sourced 11,929 m³ of water via tanker. With a per-vehicle water consumption of 10.04 m³, the production of 1,188 vehicles is at risk. This situation suggests that potentially affected revenue share is approximately 29%, highlighting the vulnerability of our financial metrics to environmental risks related to water availability. This data underscores the substantial effects that water stress can have on our overall production value.
[Add row]

(3.2) Within each river basin, how many facilities are exposed to substantive effects of water-related risks, and what percentage of your total number of facilities does this represent?

Row 1

(3.2.1) Country/Area & River basin

Zimbabwe

☑ Other, please specify **:**Marmara

(3.2.2) Value chain stages where facilities at risk have been identified in this river basin

Select all that apply

☑ Direct operations

(3.2.3) Number of facilities within direct operations exposed to water-related risk in this river basin

2

(3.2.4) % of your organization’s total facilities within direct operations exposed to water-related risk in this river basin

Select from:

☑ 100%

(3.2.10) % organization’s total global revenue that could be affected

Select from:

☑ 21-30%

(3.2.11) Please explain

In 2023, our facility used groundwater, and due to insufficient water extraction from the well, 11,929 m³ of water was supplied by tanker. Considering the per-vehicle water consumption of 10.04 m³, it can be seen that the production of a total of 1,188 vehicles is at risk due to water issues. In this case, calculations based on the average vehicle price show that the potentially affected revenue share is 29%. This data provides important insights into how water stress and water-related risks can impact our facility's production value.
[Add row]

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

(3.3.1) Water-related regulatory violations

Select from:

☑ No

(3.3.3) Comment

No, our organization was not subject to any fines, enforcement orders, or other penalties for water-related regulatory violations during the reporting year.
[Fixed row]

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

Select from:

☑ No, but we anticipate being regulated in the next three years

(3.5.4) What is your strategy for complying with the systems you are regulated by or anticipate being regulated by?

Description of strategy for complying with the system in which company anticipates to participate in: Anadolu Isuzu follows emerging regulations all over the world related to climate change, as the company sells products globally. European Green Deal and ETS has been a close example of how the carbon pricing system will emerge in automotive sector. Also, Turkey has updated its INDC to an NDC to start its race to net zero. Following the global developments and Turkey's new plans, Anadolu Isuzu anticipates being regulated by a system. To comply with this, and also to mitigate, Anadolu Isuzu started producing electric vehicles and low carbon vehicles. Therefore, even when fossil fuel consuming vehicles will result in higher carbon taxes, the company will shift and support its consumers to use these low carbon/electric vehicles. Other strategy is to mitigate corporate carbon footprints year by year. Anadolu Isuzu is committed to SBTi and currently in its 2 year-development process.Identification of when the company anticipate being regulated in the next 3 years: Turkey has updated its NDC, following the ratification of Paris Agreement in 2021. Considering the planning developments, the target date for the implementation of emissions trading in Turkey is 2025. The "Türkiye Carbon Markets Regulation Draft" was published first regarding the Turkish Emissions Trading System.

(3.6) Have you identified any environmental opportunities which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future?

	Environmental opportunities identified
Climate change	*Select from:* ☑ Yes, we have identified opportunities, and some/all are being realized
Water	*Select from:* ☑ Yes, we have identified opportunities, and some/all are being realized

[Fixed row]

(3.6.1) Provide details of the environmental opportunities identified which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future.

Climate change

(3.6.1.1) Opportunity identifier

Select from:

☑ Opp1

(3.6.1.3) Opportunity type and primary environmental opportunity driver

Products and services

☑ Shift in consumer preferences

(3.6.1.4) Value chain stage where the opportunity occurs

Select from:

☑ Downstream value chain

(3.6.1.5) Country/area where the opportunity occurs

Select all that apply

☑ Turkey

(3.6.1.8) Organization specific description

The EU's Fit for 55 package, aiming to ban fossil fuel vehicles by 2035, offers Anadolu Isuzu key opportunities in electric and alternative fuel vehicle production. With electric vehicle growth in Europe projected at 30%, this aligns with the EU's 2050 carbon neutrality goal, phasing out fossil fuels. We are enhancing our market potential by developing electric vehicle strategies and aligning with EU regulations. Anadolu Isuzu can gain new opportunities in the European market by shifting towards electric vehicles. This will not only increase our market share in the heavy-duty vehicle segment but also strengthen our competitiveness in terms of innovation and sustainability. Moreover, the decline in the sales of fossil fuel vehicles is directly related to the increasing demand for electric vehicles. To support this transition, we are investing in energy efficiency projects, integrating renewable energy sources, and focusing on electric vehicle technologies. For example, we are

increasing our production capacity for electric vehicles and conducting R&D for alternative fuel vehicles. By implementing our low-carbon economy strategies, we aim to reduce our carbon footprint and maximize long-term regulatory opportunities. This approach will help us achieve our sustainability goals and establish a strong position in future market conditions.

(3.6.1.9) Primary financial effect of the opportunity

Select from:

☑ Increased revenues resulting from increased demand for products and services

(3.6.1.10) Time horizon over which the opportunity is anticipated to have a substantive effect on the organization

Select all that apply

☑ Short-term

(3.6.1.11) Likelihood of the opportunity having an effect within the anticipated time horizon

Select from:

☑ Very likely (90–100%)

(3.6.1.12) Magnitude

Select from:

☑ Medium-high

(3.6.1.14) Anticipated effect of the opportunity on the financial position, financial performance and cash flows of the organization in the selected future time horizons

The increase in demand for electric and alternative fuel vehicles due to the European Union's Fit for 55 regulations will have a positive impact on Anadolu Isuzu's revenue and financial performance. By increasing our investments in the production and sale of electric vehicles each year, we aim to expand our market share. This transition presents market opportunities, particularly in the heavy-duty vehicle segment, and provides a significant strategic advantage in light of the decreasing demand for fossil fuel vehicles. The growth in electric vehicle sales is expected to lead to increased revenue, stabilization of stock levels, and improvements in cash flows. During this transition process, it is important for us to enhance our production capacity and monitor the financial effects of our innovative product development efforts. In the short term time horizon, we can calculate the financial impact of this opportunity based on the number of electric vehicles produced.

(3.6.1.15) Are you able to quantify the financial effects of the opportunity?

Select from:

☑ Yes

(3.6.1.17) Anticipated financial effect figure in the short-term - minimum (currency)

6274890005

(3.6.1.18) Anticipated financial effect figure in the short-term – maximum (currency)

8483450481

(3.6.1.23) Explanation of financial effect figures

To assess the financial impact of the opportunity, we considered the European commitment to becoming a carbon-neutral continent by 2050. This commitment includes regulations such as the European Green Deal. Europe will phase out the purchase of fossil fuel-consuming vehicles, with the deadline for heavy-duty vehicles set for 2040. For Anadolu Isuzu, transitioning to electric vehicles is critical to securing opportunities in the European market. By supplying electric vehicles, Anadolu Isuzu can capitalize on the growing demand and expand its market share. This transition not only positions the company favorably amid the declining demand for fossil fuel vehicles but also enhances our competitiveness in the heavy-duty vehicle segment. Failure to adapt could result in missed opportunities and potential financial setbacks, making our commitment to electric vehicle production essential for long-term success in Europe. The minimum financial impact value is TRY 6,274,890,005, while the maximum financial impact value is TRY 8,483,450,481. The financial risk and opportunity included in this report has been calculated as a forecast, as explained in detail in the report. The financial risk&opportunity amount shall not be interpreted as any commitment by our Company, and it shall not have any binding effect on our Company.

(3.6.1.24) Cost to realize opportunity

162395459

(3.6.1.25) Explanation of cost calculation

Anadolu Isuzu has assessed the opportunities to produce electric and alternative fuel vehicles. To realize this opportunity, the company has made various investments. In 2023, significant R&D expenditures were made for the development of electric bus, midibus, micro truck, and electric truck models. R&D efforts included TRY 71,256,926 for electric bus development, TRY 34,180,238 for electric midibus development, and TRY 56,161,194 for electric truck and microtruck development. Additionally, TRY 7,971,101 was spent on vehicle lightweighting R&D projects. In total, these investments for 2023 amounted to TRY 162,395,459.

(3.6.1.26) Strategy to realize opportunity

As Anadolu Isuzu, we are driving Turkey's automotive sector into the future with our investments in electric vehicle technologies. In 2023, we showcased our Citivolt and Novociti Volt vehicles, which use fabrics made from recycled materials in their seats, at the Brussels Fair. Additionally, our fully electric, environmentally friendly vehicle, the Citivolt, won first place in the "Safety" category at Busworld Belgium, one of the most prestigious bus fairs in the world. The vehicles we develop contribute to reducing air pollution due to their zero-emission features. We also aimed to reduce fuel consumption and minimize environmental impacts through vehicle lightweighting efforts. In the development of the BigE-microtruck model, we achieved lightweight construction by using DCPD material instead of fiberglass, resulting in a more flexible structure in low-speed collisions. Significant weight reduction has been achieved in door panels using aluminum honeycomb material, and optimizing the design of the seats resulted in a weight saving of 4 kg. These investments have been made to evaluate and manage potential climate risks. Electric vehicle production is among Anadolu Isuzu's strategic priorities, as it presents a critical opportunity for the future of the market. These projects aim to contribute to sustainable development goals while reducing environmental impacts and increasing the company's market competitiveness.

Water

(3.6.1.1) Opportunity identifier

Select from:

☑ Opp1

(3.6.1.3) Opportunity type and primary environmental opportunity driver

Resource efficiency

☑ Cost savings

(3.6.1.4) Value chain stage where the opportunity occurs

Select from:

☑ Direct operations

(3.6.1.5) Country/area where the opportunity occurs

Select all that apply

☑ Turkey

(3.6.1.6) River basin where the opportunity occurs

Select all that apply

☑ Other, please specify :Marmara

(3.6.1.8) Organization specific description

Since the establishment of our factory, we have treated wastewater generated from our operations at our chemical and biological wastewater treatment facility in accordance with discharge criteria. Our chemical wastewater treatment facility receives industrial wastewater from three separate sources: acid-alkaline wastewater, industrial oily wastewater, and dyehouse wastewater. Thanks to our in-house wastewater treatment facility, we do not need to obtain additional services to ensure that the wastewater we generate meets discharge criteria. This not only allows us to fulfill our environmental responsibilities but also presents an opportunity to save on capex related to our water usage.

(3.6.1.9) Primary financial effect of the opportunity

Select from:

☑ Reduced direct costs

(3.6.1.10) Time horizon over which the opportunity is anticipated to have a substantive effect on the organization

Select all that apply

☑ Short-term

(3.6.1.11) Likelihood of the opportunity having an effect within the anticipated time horizon

Select from:

☑ Very likely (90–100%)

(3.6.1.12) Magnitude

Select from:

☑ Medium-high

(3.6.1.14) Anticipated effect of the opportunity on the financial position, financial performance and cash flows of the organization in the selected future time horizons

The impact of this opportunity on our financial performance, position, and cash flows has resulted in significant savings in our short-term evaluations. Thanks to our wastewater treatment facility, we do not need to obtain additional services to ensure that the wastewater we generate meets discharge criteria. This not only helps us save on extra costs but also optimizes our wastewater management processes, enhancing our operational efficiency. The effect of this opportunity on our financial performance is particularly evident in our capex expenditures. The elimination of the need for external services has led to a noticeable reduction in our annual capex spending. This savings positively impacts our overall costs, allowing us to use our resources more efficiently. Additionally, it contributes to fulfilling our environmental responsibilities and achieving our sustainability goals.

(3.6.1.15) Are you able to quantify the financial effects of the opportunity?

Select from:

☑ Yes

(3.6.1.17) Anticipated financial effect figure in the short-term - minimum (currency)

65300000

(3.6.1.18) Anticipated financial effect figure in the short-term – maximum (currency)

134713600

(3.6.1.23) Explanation of financial effect figures

The investment in the cataphoresis facility will increase pool volumes in the production process, resulting in more wastewater. However, having our own wastewater treatment plant means we won't need to outsource treatment, which is seen as an opportunity. In min scenario, it is planned to reduce the amount of consumed water to decrease the amount of wastewater. By installing water recycling systems in production processes, ensuring the circulation of cooling water, and investing in technologies that reduce water intensity, we can optimize water consumption. In short term, it is assumed that a total of 10,000m³ of chemical wastewater and 25,000m³ of domestic wastewater will be treated. In the following period, with the installation of a recovery unit at the wastewater treatment plant and the use of recycled water in production processes, it is expected that water consumption will decrease. It is planned to treat 10,000m³ of chemical wastewater and 18,000m³ of domestic wastewater. Based on current prices for chemical and domestic wastewater treatment services, the financial impact is calculated as: (10,000m3x600TRY/m3)(25,000m3x400TRY/m3)TRY 16,000,000 (10,000 m3x800TRY/m3)(25,000m3x500 TRY/m3)TRY 20,500,000 (10,000m3x1,000TRY/m3)(18,000 m3 x 600 TRY/m3) TRY 28,800,000 Total: TRY65,300,000 In short-term max scenario, it is assumed that the amount of treated water will remain the same without reducing water consumption or installing a wastewater recovery unit. The treated wastewater is expected to remain at the same

level as in the reporting year at first, with 14,145m³ of chemical wastewater and 27,609m³ of domestic wastewater. Then, amount of treated chemical wastewater is anticipated to triple, reaching 33,435m³ of chemical and 50,000m³ of domestic wastewater. It is assumed that this amount will remain the same thereafter. Based on current prices for chemical and domestic wastewater treatment services, the financial impact is calculated as: (14,145m3x600TRY/m3)(27,609m3x400TRY/m3)TRY 19,530,600 (33,435m3x800TRY/m3)(50,000m3x500TRY/m3)TRY 51,748,000 (33,435m3x1,000TRY/m3)(50,000 m3x600TRY/m3)TRY 63,435,000 Total: TRY134,713,600 The financial risk and opportunity included in this report has been calculated as a forecast, as explained in detail in the report. The financial risk&opportunity amount shall not be interpreted as any commitment by our Company, and it shall not have any binding effect on our Company.

(3.6.1.24) Cost to realize opportunity

39281811

(3.6.1.25) Explanation of cost calculation

In 2023, we invested 39,281,811 TL to renovate and expand the capacity of our wastewater treatment facility, which has been operational since the establishment of the Anadolu Isuzu factory. This investment includes the installation of more innovative, energy-efficient equipment, reducing our dependence on external wastewater treatment services. By upgrading the facility, we eliminate the need for outsourcing wastewater management, ensuring that our wastewater is treated internally to meet discharge standards. The cost savings from avoiding external service fees are reflected in our capital expenditure. Additionally, the new system will allow for future integration of a wastewater recovery unit, which will further reduce water consumption from our processes and contribute to the sustainability of water resources.

(3.6.1.26) Strategy to realize opportunity

To take advantage of the opportunity to reduce dependence on external wastewater treatment services, we prioritized the project to upgrade and increase the capacity of our wastewater treatment plant. As part of this investment, more innovative and energy-efficient equipment has been used to expand the plant's capacity. This allows us to treat wastewater internally, eliminating the need for external service providers. The renewal of the facility will also enable the future integration of a wastewater recovery unit aimed at reducing water consumption in our processes. We prioritized this opportunity over others because water reuse and efficiency are critical for environmental sustainability. Additionally, reducing reliance on external services helps save costs and is a significant step in our long-term water management strategy. This project aims to reduce water consumption and manage resources in a more sustainable way.
[Add row]

(3.6.2) Provide the amount and proportion of your financial metrics in the reporting year that are aligned with the substantive effects of environmental opportunities.

Climate change

(3.6.2.1) Financial metric

Select from:

☑ Revenue

(3.6.2.2) Amount of financial metric aligned with opportunities for this environmental issue (unit currency as selected in 1.2)

499378476

(3.6.2.3) % of total financial metric aligned with opportunities for this environmental issue

Select from:

☑ 1-10%

(3.6.2.4) Explanation of financial figures

For Anadolu Isuzu, transitioning to electric vehicles is crucial for securing opportunities in the European market. By supplying electric vehicles, Anadolu Isuzu can take advantage of the increasing demand and expand its market share. In the reporting year, 68 environmentally friendly (CNG and electric) vehicles were sold to the European Union, generating a revenue of 499,378,476 TRY. This revenue represents 3.9% of the total revenue.

Water

(3.6.2.1) Financial metric

Select from:

☑ CAPEX

(3.6.2.2) Amount of financial metric aligned with opportunities for this environmental issue (unit currency as selected in 1.2)

42753000

(3.6.2.3) % of total financial metric aligned with opportunities for this environmental issue

Select from:

☑ 1-10%

(3.6.2.4) Explanation of financial figures

In the reporting year, several investments were made to prevent water-related risks. The renovation and capacity increase of the wastewater treatment facility have been completed, and improvements have been made to use water more efficiently in production processes. In 2023, a siphonic system was installed on the building roof to collect rainwater, and a deionized UV system was implemented, resulting in a savings of 600 m³ of water. Water meters have been purchased to monitor water consumption, allowing for more effective tracking of consumption points. Anadolu Isuzu views water risks as an important part of its sustainability management and conducted a water risk analysis in 2023. Hydrogeological and hydrological analyses of the basin were carried out to project future conditions. The total investment for all these efforts was recorded at 42,753,000 TRY, which represents to 5.1% of our total Capex for 2023.
[Add row]

C4. Governance

(4.1) Does your organization have a board of directors or an equivalent governing body?

(4.1.1) Board of directors or equivalent governing body

Select from:

☑ Yes

(4.1.2) Frequency with which the board or equivalent meets

Select from:

☑ More frequently than quarterly

(4.1.3) Types of directors your board or equivalent is comprised of

Select all that apply

☑ Executive directors or equivalent

☑ Non-executive directors or equivalent

☑ Independent non-executive directors or equivalent

(4.1.4) Board diversity and inclusion policy

Select from:

☑ Yes, and it is publicly available

(4.1.5) Briefly describe what the policy covers

As Anadolu Isuzu, we adopt and implement the "Board Diversity Policy" belonging to our holding. This policy is a public document aimed at ensuring equal opportunities at the Board level in line with the company's sustainability strategy and its goals for diversity and inclusion. In this context, the process of nominating candidates for the Board aims to consider diversity factors such as gender, age, race, and ethnic origin. Additionally, it is intended to maintain a minimum of 25% female representation and to evaluate and publicly share progress towards this goal annually. In our 2023 Sustainability Report, it is noted that the percentage of

independent members on the Board is 33%, while the percentage of female members is 6%. The average years of work experience of the Board members is 33 years, and it is stated that 27% hold a doctorate, 33% have a master's degree, and 40% have a bachelor's degree. The company is committed to providing equal opportunities at all levels, believing that diversity contributes positively to company performance.

(4.1.6) Attach the policy (optional)

Anadolu Group Board of Directors Diversity Policy.pdf
[Fixed row]

(4.1.1) Is there board-level oversight of environmental issues within your organization?

	Board-level oversight of this environmental issue
Climate change	*Select from:* ☑ Yes
Water	*Select from:* ☑ Yes
Biodiversity	*Select from:* ☑ Yes

[Fixed row]

(4.1.2) Identify the positions (do not include any names) of the individuals or committees on the board with accountability for environmental issues and provide details of the board's oversight of environmental issues.

Climate change

(4.1.2.1) Positions of individuals or committees with accountability for this environmental issue

Select all that apply

☑ Board-level committee

(4.1.2.2) Positions' accountability for this environmental issue is outlined in policies applicable to the board

Select from:

☑ Yes

(4.1.2.3) Policies which outline the positions' accountability for this environmental issue

Select all that apply

☑ Individual role descriptions

(4.1.2.4) Frequency with which this environmental issue is a scheduled agenda item

Select from:

☑ Scheduled agenda item in every board meeting (standing agenda item)

(4.1.2.5) Governance mechanisms into which this environmental issue is integrated

Select all that apply

☑ Overseeing and guiding scenario analysis

☑ Overseeing the setting of corporate targets

☑ Monitoring progress towards corporate targets

☑ Overseeing and guiding public policy engagement

☑ Approving and/or overseeing employee incentives

☑ Overseeing and guiding major capital expenditures

☑ Monitoring the implementation of a climate transition plan

☑ Overseeing and guiding the development of a business strategy

☑ Overseeing and guiding acquisitions, mergers, and divestitures

☑ Overseeing and guiding the development of a climate transition plan

☑ Reviewing and guiding the assessment process for dependencies, impacts, risks, and opportunities

(4.1.2.7) Please explain

The Board of Directors and Senior Management ensure that issues related to climate change are addressed, policies are reviewed, strategies are determined, risks and opportunities are reviewed in the process, the annual budget is reviewed, transition plans are developed and directed, performance targets are set, and targets are implemented and monitored. In addition, more than one meeting is held periodically in order to monitor and supervise large capital expenditures and employee

incentives, and the agenda is determined according to the current period and conditions. These meetings can be listed as Board of Directors Meeting, Executive Board Meeting, Management Review Meeting, Strategic Business Plan Meeting, Product Meeting, Technical Coordination Meetings, Early Detection of Risk Committee, Sustainability Committee, Evaluation of environmental targets. Senior Management carries out the sustainability management. The Board of Directors Committee convenes at least 4 times a year for its regular scheduled meetings. In the meetings, the risks and opportunities related to climate change and other sustainability issues are evaluated in our direct operations and investment activities, and targets are determined. Budgetary adjustments and performance targets are discussed to achieve climate-related goals. The Board of Directors took an important step in 2023 by approving Phase 2 of the solar power plant (SPP) project, which aims to reduce Scope 2 emissions. Additionally, solar panels were installed on areas such as the administrative building, R&D center, mechanical department, spare parts facility, boiler room, and water tank for the use of solar energy. With the solar power plants installed on the roofs of the truck and bus factories, a total installed capacity of 6.7 MWp was achieved. Thanks to these plants, 24,811 GJ of electricity was produced in 2023, with 68% of electricity consumption coming from clean sources. Of the produced electricity, 7,931 GJ was sold to the grid, generating revenue and contributing to other consumers' use of renewable energy. This resulted in the prevention of approximately 3,035 tCO2 emissions, equivalent to the electricity consumption of 2,600 households. Overall, these initiatives reflect our commitment to sustainability and climate related issues and demonstrate the effectiveness of our governance mechanisms in addressing climate change challenges.

Water

(4.1.2.1) Positions of individuals or committees with accountability for this environmental issue

Select all that apply

☑ Board-level committee

(4.1.2.2) Positions’ accountability for this environmental issue is outlined in policies applicable to the board

Select from:

☑ Yes

(4.1.2.3) Policies which outline the positions’ accountability for this environmental issue

Select all that apply

☑ Individual role descriptions

(4.1.2.4) Frequency with which this environmental issue is a scheduled agenda item

Select from:

☑ Scheduled agenda item in every board meeting (standing agenda item)

(4.1.2.5) Governance mechanisms into which this environmental issue is integrated

Select all that apply

☑ Overseeing and guiding scenario analysis
☑ Overseeing the setting of corporate targets
☑ Monitoring progress towards corporate targets
☑ Overseeing and guiding public policy engagement
☑ Approving and/or overseeing employee incentives
☑ Overseeing and guiding major capital expenditures
☑ Monitoring the implementation of a climate transition plan
☑ Overseeing and guiding the development of a business strategy
☑ Overseeing and guiding acquisitions, mergers, and divestitures
☑ Overseeing and guiding the development of a climate transition plan
☑ Reviewing and guiding the assessment process for dependencies, impacts, risks, and opportunities

(4.1.2.7) Please explain

The Board of Directors and Senior Management ensure that issues related to climate change are addressed, policies are reviewed, strategies are determined, risks and opportunities are reviewed in the process, the annual budget is reviewed, transition plans are developed and directed, performance targets are set, and targets are implemented and monitored. In addition, more than one meeting is held periodically in order to monitor and supervise large capital expenditures and employee incentives, and the agenda is determined according to the current period and conditions. These meetings can be listed as Board of Directors Meeting, Executive Board Meeting, Management Review Meeting, Strategic Business Plan Meeting, Product Meeting, Technical Coordination Meetings, Early Detection of Risk Committee, Sustainability Committee, Evaluation of environmental targets. Senior Management carries out the sustainability management. The Board of Directors Committee convenes at least 4 times a year for its regular scheduled meetings. In these meetings, the risks and opportunities related to climate change and other sustainability issues are evaluated in our direct operations and investment activities, with careful attention to water-related matters. Decisions are made based on the assessment of these risks and opportunities. Various targets are established, and budgetary adjustments along with performance metrics are discussed, ensuring that water-related issues are integrated into our overall environmental strategy. In 2023, with a decision from the Board of Directors, an investment in the revision of the cataphoresis facility was made to achieve high corrosion-resistant products, ensuring superior performance for customers and flawless quality standards across all models. The complete immersion cataphoresis coating project, scheduled for completion in 2024, represents not only a technological investment but also a testament to our commitment to continuous improvement. Additionally, an assessment of dependencies, impacts, risks, and opportunities was conducted, leading to a decision to triple the capacity of our wastewater treatment facility and invest in a new plant equipped with innovative and energy-efficient equipment. With this investment, we plan to create a technological system that integrates a wastewater recovery facility to reduce our water consumption. We aim to ensure the sustainability of water resources, which will become increasingly important in the future, and we are investing in new production technologies to enhance water reuse and efficiency in all our operations. Overall, these initiatives reflect our commitment to sustainability, water and climate related issues and demonstrate the effectiveness of our governance mechanisms in addressing climate change challenges.

Biodiversity

(4.1.2.1) Positions of individuals or committees with accountability for this environmental issue

Select all that apply

☑ Board-level committee

(4.1.2.2) Positions' accountability for this environmental issue is outlined in policies applicable to the board

Select from:

☑ Yes

(4.1.2.3) Policies which outline the positions' accountability for this environmental issue

Select all that apply

☑ Individual role descriptions

(4.1.2.4) Frequency with which this environmental issue is a scheduled agenda item

Select from:

☑ Scheduled agenda item in every board meeting (standing agenda item)

(4.1.2.5) Governance mechanisms into which this environmental issue is integrated

Select all that apply

☑ Overseeing and guiding scenario analysis

☑ Overseeing the setting of corporate targets

☑ Monitoring progress towards corporate targets

☑ Overseeing and guiding public policy engagement

☑ Approving and/or overseeing employee incentives

☑ Overseeing and guiding major capital expenditures

☑ Monitoring the implementation of a climate transition plan

☑ Overseeing and guiding the development of a business strategy

☑ Overseeing and guiding acquisitions, mergers, and divestitures

☑ Overseeing and guiding the development of a climate transition plan

☑ Reviewing and guiding the assessment process for dependencies, impacts, risks, and opportunities

(4.1.2.7) Please explain

The Board of Directors and Senior Management ensure that issues related to climate change are addressed, policies are reviewed, strategies are determined, risks and opportunities are reviewed in the process, the annual budget is reviewed, transition plans are developed and directed, performance targets are set, and targets are implemented and monitored. In addition, more than one meeting is held periodically in order to monitor and supervise large capital expenditures and employee

incentives, and the agenda is determined according to the current period and conditions. These meetings can be listed as Board of Directors Meeting, Executive Board Meeting, Management Review Meeting, Strategic Business Plan Meeting, Product Meeting, Technical Coordination Meetings, Early Detection of Risk Committee, Sustainability Committee, Evaluation of environmental targets. Senior Management carries out the sustainability management. The Board of Directors Committee convenes at least 4 times a year for its regular scheduled meetings. In these meetings, the risks and opportunities related to climate change and other sustainability issues are evaluated in our direct operations and investment activities. Decisions are made based on the assessment of these risks and opportunities. Various targets are established, and budgetary adjustments along with performance metrics are discussed, ensuring that climate related issues are integrated into our overall environmental strategy, while also recognizing the importance of biodiversity in sustaining healthy ecosystems.
[Fixed row]

(4.2) Does your organization’s board have competency on environmental issues?

Climate change

(4.2.1) Board-level competency on this environmental issue

Select from:

☑ Yes

(4.2.2) Mechanisms to maintain an environmentally competent board

Select all that apply

☑ Consulting regularly with an internal, permanent, subject-expert working group

☑ Engaging regularly with external stakeholders and experts on environmental issues

☑ Integrating knowledge of environmental issues into board nominating process

☑ Regular training for directors on environmental issues, industry best practice, and standards (e.g., TCFD, SBTi)

☑ Having at least one board member with expertise on this environmental issue

(4.2.3) Environmental expertise of the board member

Experience

☑ Active member of an environmental committee or organization

Water

(4.2.1) Board-level competency on this environmental issue

Select from:

☑ Yes

(4.2.2) Mechanisms to maintain an environmentally competent board

Select all that apply

☑ Consulting regularly with an internal, permanent, subject-expert working group

☑ Engaging regularly with external stakeholders and experts on environmental issues

☑ Integrating knowledge of environmental issues into board nominating process

☑ Regular training for directors on environmental issues, industry best practice, and standards (e.g., TCFD, SBTi)

☑ Having at least one board member with expertise on this environmental issue

(4.2.3) Environmental expertise of the board member

Experience

☑ Active member of an environmental committee or organization

[Fixed row]

(4.3) Is there management-level responsibility for environmental issues within your organization?

	Management-level responsibility for this environmental issue
Climate change	*Select from:* ☑ Yes
Water	*Select from:* ☑ Yes
Biodiversity	*Select from:* ☑ Yes

[Fixed row]

(4.3.1) Provide the highest senior management-level positions or committees with responsibility for environmental issues (do not include the names of individuals).

Climate change

(4.3.1.1) Position of individual or committee with responsibility

Executive level

☑ Chief Executive Officer (CEO)

(4.3.1.2) Environmental responsibilities of this position

Dependencies, impacts, risks and opportunities

☑ Assessing environmental dependencies, impacts, risks, and opportunities

Engagement

☑ Managing public policy engagement related to environmental issues

Policies, commitments, and targets

☑ Measuring progress towards environmental corporate targets

☑ Setting corporate environmental targets

Strategy and financial planning

☑ Developing a climate transition plan

☑ Managing major capital and/or operational expenditures relating to environmental issues

☑ Implementing a climate transition plan

☑ Conducting environmental scenario analysis

☑ Implementing the business strategy related to environmental issues

☑ Managing acquisitions, mergers, and divestitures related to environmental issues

Other

☑ Providing employee incentives related to environmental performance

(4.3.1.4) Reporting line

Select from:

☑ Reports to the board directly

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:

☑ More frequently than quarterly

(4.3.1.6) Please explain

At Anadolu Isuzu, the environmental sustainability strategy is defined by the General Manager, who reports directly to the Board of Directors. The General Manager has important responsibilities, including setting short, medium, and long-term goals, as well as providing funding for projects aimed at combating climate change. The

Board of Directors and Senior Management effectively measure their environmental, social, and economic performance in line with sustainability principles. They meet at least four times a year to identify areas that will create shared value for both the company and all its stakeholders. Sustainability and climate change-related risks and opportunities are evaluated during early risk detection meetings. The Board of Directors reviews financial performance, allocates budget for climate-related issues, and develops strategic business plans that integrate environmental matters. The Sustainability Committee, led by the General Manager, consists of nine members and supports the Board of Directors and Senior Management by conducting research on sustainability issues. The committee addresses social, environmental, economic topics and implements the decisions made. For example, roadmap towards achieving a net zero target by 2050 and the setting of energy, water, and waste targets for 2030. Senior Management sets policies, strategies, and investment decisions to ensure compliance with sustainability principles, while the Risk Committee works on early detection of potential risks. The Sustainability and Facility Investment Manager supports the transition to a low-carbon economy and ensures the implementation of projects aimed at reducing carbon emissions. Additionally, they manage environmental, social, and governance risks, monitoring performance against sustainability targets.

Water

(4.3.1.1) Position of individual or committee with responsibility

Executive level

☑ Chief Executive Officer (CEO)

(4.3.1.2) Environmental responsibilities of this position

Dependencies, impacts, risks and opportunities

☑ Assessing environmental dependencies, impacts, risks, and opportunities

Engagement

☑ Managing public policy engagement related to environmental issues

Policies, commitments, and targets

☑ Measuring progress towards environmental science-based targets

☑ Setting corporate environmental targets

Strategy and financial planning

☑ Developing a climate transition plan environmental issues

☑ Managing major capital and/or operational expenditures relating to

☑ Implementing a climate transition plan
☑ Conducting environmental scenario analysis
☑ Implementing the business strategy related to environmental issues
☑ Managing acquisitions, mergers, and divestitures related to environmental issues

Other
☑ Providing employee incentives related to environmental performance

(4.3.1.4) Reporting line

Select from:
☑ Reports to the board directly

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:
☑ More frequently than quarterly

(4.3.1.6) Please explain

At Anadolu Isuzu, the environmental sustainability strategy is defined by the General Manager, who reports directly to the Board of Directors. The General Manager has important responsibilities, including setting short, medium, and long-term goals, as well as providing funding for projects aimed at combating climate change. The Board of Directors and Senior Management effectively measure their environmental, social, and economic performance in line with sustainability principles. They meet at least four times a year to identify areas that will create shared value for both the company and all its stakeholders. Sustainability related risks and opportunities are evaluated during early risk detection meetings. The Board of Directors reviews financial performance, allocates budget for environmental issues and develops strategic business plans that integrate environmental matters. The Sustainability Committee, led by the General Manager, consists of nine members and supports the Board of Directors and Senior Management by conducting research on sustainability issues. The committee addresses social, environmental, and economic topics and implements the decisions made. For instance, a water risk analysis is being conducted to identify operations with high water scarcity/stress. Water conservation projects are being explored, a project has been initiated to use rainwater collected from the new cataphoresis facility's roof for garden irrigation, and planning is underway for using rainwater collected from bus and truck roofs in restroom flush systems.The water policy, water footprint calculation processes have been completed. Senior Management sets policies, strategies, and investment decisions to ensure compliance with sustainability principles, while the Risk Committee works on early detection of potential risks. The Sustainability and Facility Investment Manager manage environmental, social, and governance risks, monitoring performance against sustainability targets.

Biodiversity

(4.3.1.1) Position of individual or committee with responsibility

Executive level

☑ Chief Executive Officer (CEO)

(4.3.1.2) Environmental responsibilities of this position

Dependencies, impacts, risks and opportunities

☑ Assessing environmental dependencies, impacts, risks, and opportunities

Engagement

☑ Managing public policy engagement related to environmental issues

Policies, commitments, and targets

☑ Measuring progress towards environmental science-based targets

☑ Setting corporate environmental targets

Strategy and financial planning

☑ Developing a climate transition plan

☑ Managing major capital and/or operational expenditures relating to environmental issues

☑ Implementing a climate transition plan

☑ Conducting environmental scenario analysis

☑ Implementing the business strategy related to environmental issues

☑ Managing acquisitions, mergers, and divestitures related to environmental issues

Other

☑ Providing employee incentives related to environmental performance

(4.3.1.4) Reporting line

Select from:

☑ Reports to the board directly

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:

☑ More frequently than quarterly

(4.3.1.6) Please explain

At Anadolu Isuzu, the environmental sustainability strategy is defined by the General Manager, who reports directly to the Board of Directors. The General Manager has important responsibilities, including setting short, medium, and long-term goals, as well as providing funding for projects aimed at combating climate change. The Board of Directors and Senior Management effectively measure their environmental, social, and economic performance in line with sustainability principles. They meet at least four times a year to identify areas that will create shared value for both the company and all its stakeholders. Sustainability related risks and opportunities are evaluated during early risk detection meetings. The Board of Directors reviews financial performance, allocates budget for environmental issues and develops strategic business plans that integrate environmental matters. The Sustainability Committee, led by the General Manager, consists of nine members and supports the Board of Directors and Senior Management by conducting research on sustainability issues. The committee addresses social, environmental, and economic topics and implements the decisions made. Senior Management sets policies, strategies, and investment decisions to ensure compliance with sustainability principles, while the Risk Committee works on early detection of potential risks. The Sustainability and Facility Investment Manager manage environmental, social, and governance risks, monitoring performance against sustainability targets.
[Add row]

(4.5) Do you provide monetary incentives for the management of environmental issues, including the attainment of targets?

Climate change

(4.5.1) Provision of monetary incentives related to this environmental issue

Select from:

☑ Yes

(4.5.2) % of total C-suite and board-level monetary incentives linked to the management of this environmental issue

10

(4.5.3) Please explain

Within the scope of the Annual Incentive Remuneration Plan of the Board of Directors, there is a incentive systematic to follow/increase and encourage certain performance targets and business criteria, including top managers. Within the scope of the plan, the performance criteria comply with our business strategies. This supports our SBTi-approved emissions reduction commitment. Anadolu Isuzu aims to increase awareness, motivation and participation in the management of climate-related problems with incentive systems such as Performance Management System, Kaizen, Bi-Fikir; and these systems consider matters such as increase in the energy efficiency, including reduction of CO2 emissions among employees, and reduction in the carbon footprint by using digitalization and artificial intelligence in production processes.

Water

(4.5.1) Provision of monetary incentives related to this environmental issue

Select from:

☑ Yes

(4.5.2) % of total C-suite and board-level monetary incentives linked to the management of this environmental issue

10

(4.5.3) Please explain

Within the scope of the Annual Incentive Remuneration Plan of the Board of Directors, there is a incentive systematic to follow/increase and encourage certain performance targets and business criteria, including top managers. Within the scope of the plan, the performance criteria comply with our business strategies. Anadolu Isuzu aims to increase awareness, motivation, and participation in the management of water-related challenges through incentive systems such as the Performance Management System, Kaizen, and Bi-Fikir. These systems focus on enhancing water efficiency, ensuring that the discharge criteria of the wastewater we generate are met, and reducing the amount of water consumed per product.
[Fixed row]

(4.5.1) Provide further details on the monetary incentives provided for the management of environmental issues (do not include the names of individuals).

Climate change

(4.5.1.1) Position entitled to monetary incentive

Board or executive level

☑ Chief Executive Officer (CEO)

(4.5.1.2) Incentives

Select all that apply

☑ Bonus - % of salary

(4.5.1.3) Performance metrics

Targets

☑ Progress towards environmental targets

☑ Achievement of environmental targets

Strategy and financial planning

☑ Board approval of climate transition plan

☑ Achievement of climate transition plan

☑ Shift to a business model compatible with a net-zero carbon future

Emission reduction

☑ Implementation of an emissions reduction initiative

☑ Reduction in emissions intensity

☑ Increased share of renewable energy in total energy consumption

Resource use and efficiency

☑ Energy efficiency improvement

☑ Reduction in total energy consumption

(4.5.1.4) Incentive plan the incentives are linked to

Select from:

☑ Both Short-Term and Long-Term Incentive Plan, or equivalent

(4.5.1.5) Further details of incentives

As a result of the assessment of risks and opportunities related to climate, targets and KPIs are determined by Senior Management members and approved by the General Manager. In this context, Anadolu Isuzu evaluates and rewards all achievements, inventions, and suggestions that benefit the company's sustainable production approach, as well as performance-based remuneration and promotion practices of its employees at all levels. The CEO is the highest position to be rewarded for climate-related KPIs. The Performance Management System includes various environmental targets in the annual performance review, such as increasing energy efficiency and reducing CO2 emissions among employees. A significant achievement has been the installation of a solar power plant on factory rooftops, which has contributed to the reduction of Scope 2 emissions in our climate transition plan. This project ensures that 70% of the electricity used in the factory comes from renewable sources, and its impact on performance ratings ranges from 10% to 25%. Outside of senior management, the Sustainability Facility Investment Manager and the environmental unit also have performance goals, including obtaining high scores in CDP climate reporting and successfully completing climate-related actions from the Sustainability Committee, each contributing 10-25% to their performance ratings. Performance against these personal goals affects the overall performance ratings that determine individual payouts under our incentive plans. We aim to increase our work on sustainability issues by linking the performance goals of decision-makers at Anadolu Isuzu to human rights, the environment, workers' rights/decent work, and the fight against corruption.

(4.5.1.6) How the position’s incentives contribute to the achievement of your environmental commitments and/or climate transition plan

Anadolu Isuzu operates in an emission-intensive sector, where its products directly contribute to emissions. As a leader in the industry, the company develops projects that add value to both the economy and the environment, emphasizing the importance of climate change action. Senior management sets specific climate-related targets and KPIs, rewarding achievements that support sustainable production. The Performance Management System integrates goals such as increasing energy efficiency and reducing CO2 emissions. For instance, the installation of a solar power plant has enabled the factory to source 70% of its electricity from renewable sources, significantly reducing Scope 2 emissions. Incentives for employees at all levels encourage participation in climate initiatives, linking their performance to broader sustainability objectives, including human rights and workers' rights. These combined efforts are essential for Anadolu Isuzu to meet its environmental commitments and contribute to the goal of a 1.5-degree world. Each motivation aligns with the company’s strategies, pushing towards effective climate transition achievements.

Water

(4.5.1.1) Position entitled to monetary incentive

Board or executive level

☑ Chief Executive Officer (CEO)

(4.5.1.2) Incentives

Select all that apply

☑ Bonus - % of salary

(4.5.1.3) Performance metrics

Resource use and efficiency

☑ Reduction of water withdrawal and/or consumption volumes – upstream value chain (excluding direct operations)

☑ Improvements in water efficiency – direct operations

(4.5.1.4) Incentive plan the incentives are linked to

Select from:

☑ Both Short-Term and Long-Term Incentive Plan, or equivalent

(4.5.1.5) Further details of incentives

As a result of the assessment of risks and opportunities related to water, targets and KPIs are determined by Senior Management members and approved by the General Manager. In this context, Anadolu Isuzu evaluates and rewards all achievements, inventions, and suggestions that benefit the company's sustainable production approach, as well as performance-based remuneration and promotion practices of its employees at all levels. The CEO is the highest position to be rewarded for water-related KPIs. The automotive industry's wastewater is known for its high pollution levels, resulting from the mixture of various chemicals, oils, metal particles, and other harmful substances used in production processes. A key performance target is the successful implementation of the wastewater treatment facility, approved for investment in 2023, which aims to achieve zero-emission discharge quality water with high treatment efficiency. The impact of this metric on performance ratings ranges from 10% to 25%. Outside of senior management, the Sustainability Facility Investment Manager and the environmental unit have performance goals, including obtaining high scores in CDP water reporting and reducing water usage per vehicle/unit. Each of these targets contributes 25% to their performance ratings. In 2023, we reduced water consumption per unit by 5% compared to 2022 and by 13% compared to 2021. The 15% reduction target is one of the performance goals tracked within the company. We aim to increase our work on sustainability issues by linking the performance goals of decision-makers at Anadolu Isuzu to human rights, the environment, workers' rights/decent work, and the fight against corruption.

(4.5.1.6) How the position’s incentives contribute to the achievement of your environmental commitments and/or climate transition plan

The position's incentives contribute to the achievement of our environmental commitments and climate transition plan in several important ways. Firstly, senior management sets water-related targets, creating an incentive system for achieving these goals. This encourages efforts towards environmentally friendly practices. Anadolu Isuzu evaluates and rewards all achievements, inventions, and suggestions that support sustainable production, motivating employees to reach environmental goals. The CEO's rewards based on water-related KPIs increase the accountability of leadership-level individuals towards environmental targets, supporting the implementation of our overall sustainability strategy. Additionally, the performance goals set by the Sustainability Facility Investment Manager and the environmental unit, such as reducing water usage, create significant performance criteria for all employees, directly contributing to efforts to decrease water consumption in production processes. Finally, the incentives for the position are linked to broader issues such as human rights, the environment, workers' rights, and the fight against corruption. This holistic approach ensures that our environmental commitments are addressed in a wider context. These elements are crucial for Anadolu Isuzu to fulfill its environmental commitments and successfully implement its climate transition plan.
[Add row]

(4.6) Does your organization have an environmental policy that addresses environmental issues?

	Does your organization have any environmental policies?
	Select from: ☑ Yes

[Fixed row]

(4.6.1) Provide details of your environmental policies.

Row 1

(4.6.1.1) Environmental issues covered

Select all that apply

☑ Climate change

(4.6.1.2) Level of coverage

Select from:

☑ Organization-wide

(4.6.1.3) Value chain stages covered

Select all that apply

☑ Direct operations

☑ Upstream value chain

(4.6.1.4) Explain the coverage

Anadolu Isuzu's environmental policy aims to continuously improve the environmental performance of its production activities, products, and services. The company is committed to complying with relevant legislative requirements and meeting stakeholders' expectations. It strives to prevent environmental pollution at its source, increase the use of renewable energy sources, and reduce greenhouse gas emissions. Furthermore, Anadolu Isuzu places great importance on biodiversity conservation and endeavors to mitigate the effects of climate change through proactive measures. In line with these goals, Anadolu Isuzu pledges to establish a sustainable environmental management system to ensure ongoing environmental protection and sustainability. Additionally, the company actively engages with stakeholders to build capacity and raise awareness about environmental issues. By adopting a 100% renewable energy target and aiming for net-zero emissions, Anadolu Isuzu demonstrates its commitment to advancing environmental sustainability.

(4.6.1.5) Environmental policy content

Environmental commitments

☑ Commitment to stakeholder engagement and capacity building on environmental issues

Climate-specific commitments

☑ Commitment to 100% renewable energy

☑ Commitment to net-zero emissions

(4.6.1.6) Indicate whether your environmental policy is in line with global environmental treaties or policy goals

Select all that apply

☑ Yes, in line with the Paris Agreement

(4.6.1.7) Public availability

Select from:

☑ Publicly available

(4.6.1.8) Attach the policy

Environmental Policy.pdf

Row 2

(4.6.1.1) Environmental issues covered

Select all that apply

☑ Water

(4.6.1.2) Level of coverage

Select from:

☑ Organization-wide

(4.6.1.3) Value chain stages covered

Select all that apply

☑ Direct operations

☑ Upstream value chain

(4.6.1.4) Explain the coverage

As Anadolu Isuzu, we aim to manage water use efficiently and align it with sustainable development goals. Through our strategy of "Transforming for Tomorrow," we minimize our impact on water resources by managing our processes of water withdrawal, usage, recovery, and treatment beyond legal requirements. We recognize

that access to clean water is a fundamental need and work to raise awareness among our employees and stakeholders through training, newsletters, and panels. We are committed to controlling, reducing, and eliminating water pollution, while also ensuring safe WASH (Water, Sanitation, and Hygiene) management in local communities. To protect our water resources and minimize our environmental impacts, we prepare a Strategic Water Management Plan. With our goals of reducing water withdrawal volumes and decreasing overall water consumption, we continuously develop improvement projects. We regularly calculate our water footprint according to the ISO 14046 standard and publicly share this data in the Anadolu Isuzu Sustainability Report. We are dedicated to conserving freshwater ecosystems and ensuring the sustainable use of natural resources. In this way, we remain committed to meeting the clean water needs of our operations.

(4.6.1.5) Environmental policy content

Environmental commitments

☑ Commitment to comply with regulations and mandatory standards

☑ Commitment to take environmental action beyond regulatory compliance

☑ Commitment to stakeholder engagement and capacity building on environmental issues

Water-specific commitments

☑ Commitment to control/reduce/eliminate water pollution

☑ Commitment to reduce water consumption volumes

☑ Commitment to reduce water withdrawal volumes

☑ Commitment to safely managed WASH in local communities

☑ Commitment to the conservation of freshwater ecosystems

(4.6.1.6) Indicate whether your environmental policy is in line with global environmental treaties or policy goals

Select all that apply

☑ Yes, in line with Sustainable Development Goal 6 on Clean Water and Sanitation

(4.6.1.7) Public availability

Select from:

☑ Publicly available

(4.6.1.8) Attach the policy

ANADOLU ISUZU water-policy_.pdf
[Add row]

(4.10) Are you a signatory or member of any environmental collaborative frameworks or initiatives?

(4.10.1) Are you a signatory or member of any environmental collaborative frameworks or initiatives?

Select from:
☑ Yes

(4.10.2) Collaborative framework or initiative

Select all that apply
☑ Task Force on Climate-related Financial Disclosures (TCFD)
☑ UN Global Compact

(4.10.3) Describe your organization's role within each framework or initiative

UN Global Compact: Anadolu Isuzu is a member of the UN Global Compact, committing to adopt sustainable models both environmentally and socially, as well as to take action against climate change. In this context, we focus on issues such as labor, anti-corruption, and human rights, collaborating with member companies through working groups to share knowledge. Each year, as a guarantee of our commitments, we publicly share our Communication on Progress (COP) report, clearly demonstrating our adherence to the 10 Principles and providing transparent information to our stakeholders. In 2023, we became a member of the UN Global Compact Turkey Network to contribute to the widespread adoption of the 10 Principles of the UN Global Compact within the Turkish business community. Our aim is to enhance responsible business practices and promote good practices to support Turkey's sustainable development. To this end, we have also joined the United Nations Global Compact Local Network. Anadolu Isuzu is taking a leading role in its sector by integrating sustainability into the core of its business model. TCFD: Anadolu Isuzu is a supporter of Task Force on Climate Related Financial Disclosures (TCFD) since 2022. Integrating climate change action into the strategy and working strongly against it comes with financial disclosures that a company should study and analyse. TCFD is a framework revolves around financial disclosures that has 11 recommendations to companies to handle climate crisis best way possible. Anadolu Isuzu sustainability studies also follow TCFD Recommendations. TCFD reporting is on Anadolu Isuzu's agenda for the coming years.
[Fixed row]

(4.11) In the reporting year, did your organization engage in activities that could directly or indirectly influence policy, law, or regulation that may (positively or negatively) impact the environment?

(4.11.1) External engagement activities that could directly or indirectly influence policy, law, or regulation that may impact the environment

Select all that apply

☑ Yes, we engaged directly with policy makers

☑ Yes, we engaged indirectly through, and/or provided financial or in-kind support to a trade association or other intermediary organization or individual whose activities could influence policy, law, or regulation

(4.11.2) Indicate whether your organization has a public commitment or position statement to conduct your engagement activities in line with global environmental treaties or policy goals

Select from:

☑ Yes, we have a public commitment or position statement in line with global environmental treaties or policy goals

(4.11.3) Global environmental treaties or policy goals in line with public commitment or position statement

Select all that apply

☑ Paris Agreement

☑ Sustainable Development Goal 6 on Clean Water and Sanitation

(4.11.4) Attach commitment or position statement

ASUZU-financial-statements-and-footnotes-as-of-31122023.pdf

(4.11.5) Indicate whether your organization is registered on a transparency register

Select from:

☑ No

(4.11.8) Describe the process your organization has in place to ensure that your external engagement activities are consistent with your environmental commitments and/or transition plan

Anadolu Isuzu adopts a proactive approach to manage its external relations activities consistently with its environmental commitments and transition plans. In this context, the methodology of the Environmental Management System (EMS), based on the Principles of Continuous Improvement, is used to enhance environmental management performance. The company focuses on reducing environmental risks, losses, and pollution sources by taking preventive measures beyond environmental legislation. Anadolu Isuzu is highly sensitive to the low-carbon economy and combating climate change. By aiming to improve environmental performance at every stage of its processes, the company designs and implements projects that increase energy efficiency. Identifying environmental impacts, risks, and opportunities is done in accordance with roadmaps developed together with top management. The Sustainability Committee and the Environmental Department define tasks and responsibilities, while feasibility studies for short, medium, and long-term projects are discussed in Strategic Business Plan meetings. In these meetings, budgets are allocated for emission reduction projects, and the implementation processes of approved projects are managed by the Energy Department. We enrolled in these programs in 2023, but we will participate in them in 2024. We will participate in the UN Global Compact Climate Goal Acceleration Program to learn how to set science-based emission reduction targets to achieve net-zero by 2050. This program aims to develop an emission reduction strategy that will differentiate our company in the market, while also motivating investors, employees, and shareholders. Lastly, by joining the SDG Innovation Program, we encourage young talents under 35 with leadership potential to create innovative solutions to sustainability issues. This process will help us integrate our sustainability goals into our business strategy through collaboration and knowledge sharing. This comprehensive process ensures that Anadolu Isuzu's environmental commitments are consistent and establishes a quick response mechanism in case of any inconsistencies. When any non-compliance is detected, immediate communication is established among relevant departments, and necessary corrective actions are taken.
[Fixed row]

(4.11.1) On what policies, laws, or regulations that may (positively or negatively) impact the environment has your organization been engaging directly with policy makers in the reporting year?

Row 1

(4.11.1.1) Specify the policy, law, or regulation on which your organization is engaging with policy makers

Participating in the infrastructure works of the Climate Law and Emission Trading System prepared by the Ministry of Environment, Urbanization and Climate Change, and providing opinions in cooperation with the Turkish Industrialists' and Businessmen's Association (TÜSİAD), the Automotive Manufacturers' Association (OSD) and the Foreign Economic Relations Board (DEİK).

(4.11.1.2) Environmental issues the policy, law, or regulation relates to

Select all that apply
☑ Climate change

(4.11.1.3) Focus area of policy, law, or regulation that may impact the environment

Financial mechanisms (e.g., taxes, subsidies, etc.)

☑ Carbon taxes

☑ Emissions trading schemes

(4.11.1.4) Geographic coverage of policy, law, or regulation

Select from:

☑ National

(4.11.1.5) Country/area/region the policy, law, or regulation applies to

Select all that apply

☑ Turkey

(4.11.1.6) Your organization’s position on the policy, law, or regulation

Select from:

☑ Support with no exceptions

(4.11.1.8) Type of direct engagement with policy makers on this policy, law, or regulation

Select all that apply

☑ Regular meetings

☑ Submitting written proposals/inquiries

(4.11.1.9) Funding figure your organization provided to policy makers in the reporting year relevant to this policy, law, or regulation (currency)

0

(4.11.1.10) Explain the relevance of this policy, law, or regulation to the achievement of your environmental commitments and/or transition plan, how this has informed your engagement, and how you measure the success of your engagement

In Anadolu Isuzu's Board of Directors, the topic of fighting climate change is managed with a strategic approach, assessing risks and opportunities. We actively collaborate with Turkish Industrialists and Businessmen's Association (TÜSİAD), the Automotive Manufacturers Association (OSD), and the Foreign Economic Relations Board (DEİK). We also participate in the infrastructure work of the Climate Law and Emission Trading System prepared by the Ministry of Environment, Urbanization and Climate Change, providing feedback. These policies and regulations can have both positive and negative effects on our environmental commitments and transition plans. We foresee that new regulations may enhance our environmental sustainability but could also bring certain financial obligations. The emission trading system may impact our sector's competitiveness; while it encourages the production of low-emission vehicles, it may increase costs for companies that produce high-emission vehicles. To minimize these negative impacts, we aim to contribute to guiding the process through interaction and collaboration. We use various metrics to measure our success. First, we evaluate our participation level by regularly attending meetings and actively engaging in discussions to assess our impact. Second, sharing the information gained from these meetings within the company and turning it into action is considered an important indicator of our success. Third, our ability to establish new collaborations and expand our existing network is another measure of our effectiveness. Lastly, the reflection of our opinions in policy documents and the establishment of regulations in our favor are among the key indicators of our success.

(4.11.1.11) Indicate if you have evaluated whether your organization's engagement on this policy, law, or regulation is aligned with global environmental treaties or policy goals

Select from:

☑ Yes, we have evaluated, and it is aligned

(4.11.1.12) Global environmental treaties or policy goals aligned with your organization's engagement on this policy, law or regulation

Select all that apply

☑ Paris Agreement

Row 2

(4.11.1.1) Specify the policy, law, or regulation on which your organization is engaging with policy makers

Participating in the infrastructure works of the Wastewater Treatment Plant Energy Incentive Regulation prepared by the Ministry of Environment, Urbanization and Climate Change, and providing opinions in cooperation with the Turkish Industrialists' and Businessmen's Association (TÜSİAD), the Automotive Manufacturers' Association (OSD) and the Foreign Economic Relations Board (DEİK).

(4.11.1.2) Environmental issues the policy, law, or regulation relates to

Select all that apply

☑ Water

(4.11.1.3) Focus area of policy, law, or regulation that may impact the environment

Environmental impacts and pressures

☑ Water pollution

(4.11.1.4) Geographic coverage of policy, law, or regulation

Select from:

☑ National

(4.11.1.5) Country/area/region the policy, law, or regulation applies to

Select all that apply

☑ Turkey

(4.11.1.6) Your organization's position on the policy, law, or regulation

Select from:

☑ Support with no exceptions

(4.11.1.8) Type of direct engagement with policy makers on this policy, law, or regulation

Select all that apply

☑ Regular meetings

☑ Submitting written proposals/inquiries

(4.11.1.9) Funding figure your organization provided to policy makers in the reporting year relevant to this policy, law, or regulation (currency)

0

(4.11.1.10) Explain the relevance of this policy, law, or regulation to the achievement of your environmental commitments and/or transition plan, how this has informed your engagement, and how you measure the success of your engagement

In Anadolu Isuzu's Board of Directors, the topic of fighting climate change is managed with a strategic approach, assessing risks and opportunities. We actively collaborate with Turkish Industrialists and Businessmen's Association (TÜSİAD), the Automotive Manufacturers Association (OSD), and the Foreign Economic Relations Board (DEİK). We also participate in the infrastructure work of the Wastewater Treatment Plant Energy Incentive Regulation prepared by the Ministry of Environment, Urbanization and Climate Change, providing feedback. Topics discussed regarding water include the draft Automotive Regulation based on EED (Energy Efficiency Directive) MET (Monitoring, Evaluation, and Transparency). In this context, feedback has been provided to the ministry about limiting the fluoride (F-) limit in wastewater to 25 mg/l. Also, the evaluation of how automotive facilities can benefit from the Wastewater Treatment Plant Energy Incentive Regulation has also been discussed. At Turkey's 2nd Wastewater Management Workshop, issues related to wastewater and sludge management were debated, highlighting the need to strengthen current practices and diversify ongoing research. These efforts are important for evaluating innovations in the sector and for making decisions that support these processes. We use various metrics to measure our success. First, we evaluate our participation level by regularly attending meetings and actively engaging in discussions to assess our impact. Second, sharing the information gained from these meetings within the company and turning it into action is considered an important indicator of our success. Third, our ability to establish new collaborations and expand our existing network is another measure of our effectiveness. Lastly, the reflection of our opinions in policy documents and the establishment of regulations in our favor are among the key indicators of our success.

(4.11.1.11) Indicate if you have evaluated whether your organization's engagement on this policy, law, or regulation is aligned with global environmental treaties or policy goals

Select from:

☑ Yes, we have evaluated, and it is aligned

(4.11.1.12) Global environmental treaties or policy goals aligned with your organization's engagement on this policy, law or regulation

Select all that apply

☑ Sustainable Development Goal 6 on Clean Water and Sanitation

[Add row]

(4.11.2) Provide details of your indirect engagement on policy, law, or regulation that may (positively or negatively) impact the environment through trade associations or other intermediary organizations or individuals in the reporting year.

Row 1

(4.11.2.1) Type of indirect engagement

Select from:

☑ Indirect engagement via a trade association

(4.11.2.4) Trade association

Europe

☑ Other trade association in Europe, please specify **:**Automotive Manufacturers Association of Türkiye (OSD)

(4.11.2.5) Environmental issues relevant to the policies, laws, or regulations on which the organization or individual has taken a position

Select all that apply

☑ Climate change

☑ Water

(4.11.2.6) Indicate whether your organization's position is consistent with the organization or individual you engage with

Select from:

☑ Consistent

(4.11.2.7) Indicate whether your organization attempted to influence the organization or individual's position in the reporting year

Select from:

☑ Yes, we publicly promoted their current position

(4.11.2.8) Describe how your organization's position is consistent with or differs from the organization or individual's position, and any actions taken to influence their position

Anadolu Isuzu, as a member of the Turkey Automotive Manufacturers Association (OSD), holds an important position in collaboration with the European Automobile Manufacturers Association (ACEA) regarding environmental regulations. Through OSD, we present our views on regulations published in Turkey to policymakers and contribute to the revisions of these regulations. This year, we participated in OSD meetings and conveyed our sector's perspective to ministry officials. We emphasized the importance of taking necessary steps to maintain competitiveness and achieve sustainable production goals within the context of the European Green Deal, Carbon Border Adjustment Mechanism (CBAM), and Emission Trading System (ETS). In the OSD Environmental Committee, we discussed critical topics such as the draft Automotive Regulation based on EED MET, providing feedback to the ministry regarding limiting the fluoride (F-) limit in wastewater to 25 mg/l. Additionally, we explored how automotive facilities can benefit from the Wastewater Treatment Plant Energy Incentive Regulation. During Turkey's 2nd Wastewater Management Workshop, we debated issues related to wastewater and sludge management, highlighting the need to strengthen current practices and diversify ongoing research. By actively engaging in the regulatory development process, we have been able to provide direct contributions to the content of these regulations. This has helped decision-makers better understand our company's perspective and has made the process more transparent. These collective efforts are crucial for evaluating innovations in our sector and making informed decisions that support sustainability initiatives. Moreover, we continue to collaborate with other stakeholders and OEMs to develop joint solutions. These efforts assist in creating more effective policies regarding environmental issues and ensure our sector's alignment with international standards. As Anadolu Isuzu, we support OSD's current position publicly, contributing to environmental sustainability goals. We are particularly committed to being a leader in the green transition processes and developing strategies in line with these objectives. In conclusion, the steps we take to comply with the Green Deal and similar environmental regulations not only contribute to our company's sustainability but also serve the broader goal of enhancing sustainability within the entire sector.

(4.11.2.9) Funding figure your organization provided to this organization or individual in the reporting year (currency)

500000

(4.11.2.10) Describe the aim of this funding and how it could influence policy, law or regulation that may impact the environment

This is the membership fee for this association and it is the total amount paid in the reporting year.

(4.11.2.11) Indicate if you have evaluated whether your organization's engagement is aligned with global environmental treaties or policy goals

Select from:

☑ Yes, we have evaluated, and it is aligned

(4.11.2.12) Global environmental treaties or policy goals aligned with your organization's engagement on policy, law or regulation

Select all that apply

☑ Paris Agreement

☑ Sustainable Development Goal 6 on Clean Water and Sanitation

[Add row]

(4.12) Have you published information about your organization's response to environmental issues for this reporting year in places other than your CDP response?

Select from:

☑ Yes

(4.12.1) Provide details on the information published about your organization's response to environmental issues for this reporting year in places other than your CDP response. Please attach the publication.

Row 1

(4.12.1.1) Publication

Select from:

☑ In mainstream reports, in line with environmental disclosure standards or frameworks

(4.12.1.2) Standard or framework the report is in line with

Select all that apply

☑ GRI

(4.12.1.3) Environmental issues covered in publication

Select all that apply

☑ Climate change

☑ Water

☑ Biodiversity

(4.12.1.4) Status of the publication

Select from:
☑ Complete

(4.12.1.5) Content elements

Select all that apply
☑ Governance
☑ Risks & Opportunities
☑ Strategy
☑ Emission targets

(4.12.1.6) Page/section reference

Governance: pdf page 14 Risks and Opportunities: pdf page 19 Strategy: pdf page 21 Emissions targets: pdf page 49

(4.12.1.7) Attach the relevant publication

anadolu-isuzu-sr-23.pdf

(4.12.1.8) Comment

N/A
[Add row]

C5. Business strategy

(5.1) Does your organization use scenario analysis to identify environmental outcomes?

Climate change

(5.1.1) Use of scenario analysis

Select from:

☑ Yes

(5.1.2) Frequency of analysis

Select from:

☑ Annually

Water

(5.1.1) Use of scenario analysis

Select from:

☑ Yes

(5.1.2) Frequency of analysis

Select from:

☑ Annually

[Fixed row]

(5.1.1) Provide details of the scenarios used in your organization's scenario analysis.

Climate change

(5.1.1.1) Scenario used

Physical climate scenarios

☑ Bespoke physical climate scenario

(5.1.1.3) Approach to scenario

Select from:

☑ Qualitative and quantitative

(5.1.1.4) Scenario coverage

Select from:

☑ Organization-wide

(5.1.1.5) Risk types considered in scenario

Select all that apply

☑ Policy

☑ Market

☑ Reputation

☑ Technology

☑ Liability

(5.1.1.6) Temperature alignment of scenario

Select from:

☑ 1.5°C or lower

(5.1.1.7) Reference year

2021

(5.1.1.8) Timeframes covered

Select all that apply

☑ 2025

☑ 2030

☑ 2040

☑ 2050

(5.1.1.9) Driving forces in scenario

Local ecosystem asset interactions, dependencies and impacts

☑ Changes to the state of nature

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

It is assumed that global net-zero emissions will be achieved by 2050 through science-based targets, emission reduction efforts, and the development of carbon capture technologies. The scenario takes into account the nationally determined contributions (NDCs) of various countries, particularly Turkey, alongside analyses from the IPCC and IEA. Anadolu Isuzu's scenario is further guided by the SBTi's sector-specific guidelines, which help the company align its long-term plans with global climate objectives. However, there are constraints that influence this scenario, notably the evolving national regulations on climate change, especially after Turkey's ratification of the Paris Agreement and its updated NDC in 2022. The goal of limiting global warming to 1.5ºC adds further pressure, and the company's ambition to produce zero-emission commercial vehicles by 2040 is in line with the EU Green Deal. Despite these clear objectives, several uncertainties remain. Regulatory developments, especially around carbon pricing and mechanisms like the Carbon Border Adjustment Mechanism (CBAM), introduce financial risks. Additionally, fluctuations in energy prices and potential supply chain bottlenecks could affect the company's financial performance. The pace of technological innovation, particularly in the development of alternative fuel vehicles and renewable energy adoption, also adds uncertainty. These factors must be continuously monitored as they could influence the company's ability to meet its emissions reduction targets and maintain a competitive edge in the market.

(5.1.1.11) Rationale for choice of scenario

Anadolu Isuzu’s rationale for choosing considering Bespoke scenario is rooted in its alignment with global climate objectives and the evolving regulatory landscape. The scenario is designed to ensure that the company remains in line with the broader goal of achieving net-zero emissions by 2050, incorporating science-based targets, emission reductions, and advancements in carbon capture technologies. By factoring in key international frameworks such as the IPCC’s reports, IEA guidelines, and Turkey’s nationally determined contributions (NDCs), the scenario reflects both global and national commitments to combat climate change. The

decision to base its strategy on these assumptions, particularly the updated NDC after Turkey's ratification of the Paris Agreement, allows Anadolu Isuzu to remain agile in the face of changing regulations. The emphasis on producing zero-emission commercial vehicles by 2040 reflects the company's proactive stance on meeting EU Green Deal requirements, positioning it as a leader in the commercial vehicle segment. Furthermore, by adopting the SBTi's sector guidelines, Anadolu Isuzu ensures its strategy is grounded in best practices for emissions reduction, targeting consistent yearly reductions in Scope 1, 2, and 3 emissions. This approach not only mitigates regulatory risks like the Carbon Border Adjustment Mechanism (CBAM) but also prepares the company to navigate uncertainties related to energy price fluctuations and supply chain disruptions. Overall, the rationale for this scenario choice is to strike a balance between regulatory compliance, technological innovation, and financial risk management, ensuring long-term business sustainability while contributing to global climate goals.

Water

(5.1.1.1) Scenario used

Water scenarios

☑ WRI Aqueduct

(5.1.1.3) Approach to scenario

Select from:

☑ Qualitative and quantitative

(5.1.1.4) Scenario coverage

Select from:

☑ Organization-wide

(5.1.1.5) Risk types considered in scenario

Select all that apply

☑ Acute physical

☑ Chronic physical

(5.1.1.7) Reference year

2021

(5.1.1.8) Timeframes covered

Select all that apply

☑ 2025

☑ 2030

☑ 2040

☑ 2050

(5.1.1.9) Driving forces in scenario

Local ecosystem asset interactions, dependencies and impacts

☑ Changes to the state of nature

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

The WRI Aqueduct scenario is based on the assumption that water stress will increase, along with heightened pressure on water resources due to climate change impacts. This scenario considers the effects of rising temperatures, changing precipitation patterns, and extreme weather events on water availability. Anadolu Isuzu anticipates the development of water management and conservation policies but faces constraints such as limitations in accessing water resources and inadequate infrastructure, which can hinder water supply and restrict its capacity to invest in water projects. Furthermore, the frequency and intensity of climate events can vary by region, creating uncertainty that complicates the effective implementation of water management strategies. To address these challenges, Anadolu Isuzu focuses on water-saving initiatives and invests in sustainable water resource management, including methods for recovering water from wastewater treatment plants.

(5.1.1.11) Rationale for choice of scenario

In the context of water resource management, Anadolu Isuzu's rationale for selecting the WRI Aqueduct scenario is grounded in the anticipated rise in water stress due to climate change impacts. The company recognizes the urgent need to adapt its operations to mitigate water scarcity and enhance water efficiency. To address these challenges, Anadolu Isuzu has initiated several water conservation projects in 2023, including the installation of a siphonic system for collecting and utilizing rainwater on building roofs. This system aims to efficiently harvest and store rainwater for use in garden irrigation. In the production processes, the company has implemented measures to improve water efficiency, such as soft water connection changes in the paint shop, resulting in a significant reduction of approximately 780 m³ in water consumption. Furthermore, to minimize water changes in the pools caused by bacterial growth, Anadolu Isuzu installed a deionized UV system, which has allowed the company to save an additional 600 m³ of water. Additionally, the company has established a chemical and biological wastewater treatment facility to properly treat wastewater generated from its operations, ensuring compliance with discharge criteria. This facility handles industrial wastewater from three distinct

sources: acidic-alkaline wastewater, industrial oily wastewater, and paint shop wastewater. By integrating these strategies, Anadolu Isuzu aims to enhance its water resource management in light of the uncertainties posed by climate variability and the constraints of accessing reliable water sources, thereby positioning itself for a sustainable future.

Climate change

(5.1.1.1) Scenario used

Physical climate scenarios

☑ RCP 8.5

(5.1.1.2) Scenario used SSPs used in conjunction with scenario

Select from:

☑ SSP5

(5.1.1.3) Approach to scenario

Select from:

☑ Qualitative and quantitative

(5.1.1.4) Scenario coverage

Select from:

☑ Organization-wide

(5.1.1.5) Risk types considered in scenario

Select all that apply

☑ Acute physical

☑ Chronic physical

(5.1.1.6) Temperature alignment of scenario

Select from:

☑ 1.5°C or lower

(5.1.1.7) Reference year

2021

(5.1.1.8) Timeframes covered

Select all that apply

☑ 2025

☑ 2030

☑ 2040

☑ 2050

(5.1.1.9) Driving forces in scenario

Local ecosystem asset interactions, dependencies and impacts

☑ Changes to the state of nature

☑ Climate change (one of five drivers of nature change)

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

In Anadolu Isuzu's physical risk scenario, the key assumption is based on the IPCC's representative concentration pathway (RCP 8.5), where radiative forcing reaches 8.5 W/m² by 2100, leading to global warming of approximately 5ºC. This scenario assumes that significant physical risks, including water stress, floods, extreme temperatures, and sudden hailstorms, will occur. The company anticipates potential impacts such as revenue and market losses due to natural resource access issues, logistical challenges, and disruptions in supply chains. There is also a possibility of needing additional capital expenditure (CAPEX) if production facilities or supplier/customer sites are damaged. The constraints include reliance on a consistent supply chain, stable natural resources, and the need for uninterrupted operations, making it difficult for the company to easily adapt to unexpected physical risks. The uncertainty lies in the intensity and frequency of these climate events, which could vary based on geographical and temporal factors.

(5.1.1.11) Rationale for choice of scenario

Anadolu Isuzu's rationale for choosing a climate change scenario based on the IPCC's RCP 8.5 pathway, which predicts radiative forcing reaching 8.5 W/m² and a potential global temperature increase of 5ºC by 2100, stems from the severity of the physical risks associated with such a scenario. This high-emission pathway represents a worst-case scenario for global warming, and Anadolu Isuzu acknowledges that it must prepare for significant climate-related impacts, such as water stress, floods, extreme heat, and sudden hailstorms. The selection of this scenario allows the company to proactively assess the potential operational disruptions and financial risks arising from natural disasters that could affect access to natural resources, logistics, and supply chains. To mitigate these risks, Anadolu Isuzu prioritizes energy efficiency projects and the transition to renewable energy sources. In 2023, the company made approximately 41 million TRY in environmental investments, the majority of which focused on solar energy systems and energy efficiency projects. By emphasizing these initiatives, Anadolu Isuzu aims to reduce the environmental impact of its production processes and products. Additionally, these efforts help the company prepare for the long-term uncertainties of climate change while supporting its broader sustainability goals. By considering this scenario, Anadolu Isuzu can develop strategies to mitigate potential losses in revenue and market share, while also preparing for capital expenditures that may be necessary to repair or adapt production facilities and supplier/customer sites in response to climate impacts. The scenario supports the company's broader sustainability objectives, ensuring that it can anticipate and manage the long-term uncertainties of climate change.

Water

(5.1.1.1) Scenario used

Physical climate scenarios

☑ RCP 8.5

(5.1.1.2) Scenario used SSPs used in conjunction with scenario

Select from:

☑ SSP5

(5.1.1.3) Approach to scenario

Select from:

☑ Qualitative and quantitative

(5.1.1.4) Scenario coverage

Select from:

☑ Organization-wide

(5.1.1.5) Risk types considered in scenario

Select all that apply

☑ Acute physical

☑ Chronic physical

(5.1.1.6) Temperature alignment of scenario

Select from:

☑ 1.5°C or lower

(5.1.1.7) Reference year

2021

(5.1.1.8) Timeframes covered

Select all that apply

☑ 2025

☑ 2030

☑ 2040

☑ 2050

(5.1.1.9) Driving forces in scenario

Local ecosystem asset interactions, dependencies and impacts

☑ Changes to the state of nature

☑ Climate change (one of five drivers of nature change)

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

In Anadolu Isuzu's physical risk scenario, the primary assumption is based on the IPCC's RCP 8.5, which predicts radiative forcing reaching 8.5 W/m² by 2100, resulting in global warming of around 5ºC. This scenario anticipates major physical risks like water scarcity, floods, extreme heat, and sudden hailstorms. The company expects possible impacts, including loss of revenue and market share due to challenges in accessing natural resources, logistical disruptions, and supply chain breakdowns. Additionally, there may be a need for increased capital expenditure (CAPEX) if production facilities or supplier/customer locations suffer damage. The main constraints include dependence on stable supply chains, reliable natural resources, and the need for continuous operations, making it challenging for the company to swiftly adapt to unexpected physical risks. Uncertainty arises from the unpredictable intensity and frequency of these climate events, which may vary based on location and timing. For water-related risks, the assumptions include a rising water stress level driven by climate change, leading to water scarcity, which could significantly affect Anadolu Isuzu's production processes. The constraints involve the company's dependency on water for manufacturing, making it vulnerable to water shortages that could disrupt operations. The limitations in finding alternative water sources and the dependency on water-saving technologies present further challenges. The uncertainty centers around the availability and management of water resources, with the risk of fluctuating water supply adding complexity to long-term planning. To address these challenges, the company is focusing on water-saving initiatives, including wastewater recycling and investments in water treatment facilities and water wells to secure sustainable water sources.

(5.1.1.11) Rationale for choice of scenario

Anadolu Isuzu's choice of a water-related risk scenario is driven by the increasing significance of water stress, which is a direct consequence of climate change. Given the company's heavy reliance on water in its production processes, the potential for water scarcity presents a significant operational risk. This scenario was selected because it reflects the growing global and regional challenges associated with water availability, particularly in regions susceptible to droughts and fluctuating water supplies. By adopting this scenario, Anadolu Isuzu can proactively address vulnerabilities in its production system and ensure business continuity through water-saving initiatives, such as wastewater recycling and investments in water treatment and well facilities. These actions align with the company's broader sustainability goals and provide a strategic approach to mitigating the long-term impacts of water shortages, ensuring resilience against future water-related challenges.
[Add row]

(5.1.2) Provide details of the outcomes of your organization's scenario analysis.

Climate change

(5.1.2.1) Business processes influenced by your analysis of the reported scenarios

Select all that apply

☑ Risk and opportunities identification, assessment and management

☑ Strategy and financial planning

☑ Resilience of business model and strategy

☑ Capacity building

☑ Target setting and transition planning

(5.1.2.2) Coverage of analysis

Select from:

☑ Organization-wide

(5.1.2.3) Summarize the outcomes of the scenario analysis and any implications for other environmental issues

Business processes influenced by your analysis of the reported scenarios: Risk and Opportunities Identification, Assessment, and Management: The assessment of climate change scenarios, particularly concerning water scarcity and extreme weather events, has enabled Anadolu Isuzu to identify potential risks to its operations, such as supply chain disruptions and resource availability challenges. The company has proactively developed strategies to mitigate these risks by implementing water-saving initiatives and investing in alternative production methods. These measures not only address immediate concerns but also open up opportunities for innovation and efficiency. Corporate Strategy and Financial Planning: Climate change considerations are now integral to Anadolu Isuzu's corporate strategy and financial planning. The company is aligning its investments with sustainability goals, as demonstrated by its commitment to energy efficiency and renewable energy projects. By allocating approximately 41 million TL towards environmental investments in 2023, Anadolu Isuzu is not only enhancing its operational sustainability but also positioning itself favorably in a market increasingly focused on environmental responsibility. Resilience of Business Strategy: Anadolu Isuzu's resilience to climate change is supported by its initiatives like rainwater harvesting and advanced wastewater treatment, which help mitigate resource constraints. By prioritizing energy efficiency and renewable energy, the company aligns its operations with sustainability goals, enhancing its market reputation. This strategic focus allows Anadolu Isuzu to adapt to regulatory changes and consumer demands, ensuring long-term viability and growth. Capacity Building: To successfully navigate the challenges posed by climate change, Anadolu Isuzu recognizes the importance of capacity building within its workforce. Training programs focusing on sustainable practices and resource management are being established to empower employees to contribute to the company's environmental goals. This investment in human capital will enhance overall organizational resilience and foster a culture of sustainability. Target Setting and Transition Planning: Anadolu Isuzu has made an SBTi commitment, which will be validated within two years. In this context, Anadolu Isuzu has set targets for Scope 1, 2, and 3 emissions. These targets will guide operational practices and ensure accountability, aligning with broader sustainability objectives and enhancing the company's adaptability to climate-related challenges.

Water

(5.1.2.1) Business processes influenced by your analysis of the reported scenarios

Select all that apply

☑ Risk and opportunities identification, assessment and management

☑ Strategy and financial planning

☑ Resilience of business model and strategy
☑ Capacity building
☑ Target setting and transition planning

(5.1.2.2) Coverage of analysis

Select from:
☑ Organization-wide

(5.1.2.3) Summarize the outcomes of the scenario analysis and any implications for other environmental issues

Business processes influenced by your analysis of the reported scenarios: Risk and Opportunities Identification, Assessment, and Management: By assessing water scarcity risks, Anadolu Isuzu has identified opportunities to enhance water efficiency in its production processes. For example, the company has invested in rainwater harvesting systems for construction projects in 2023, allowing it to utilize collected rainwater for garden irrigation. This proactive approach not only mitigates risks but also promotes sustainable resource use. As we are located in a water-stressed region, we are taking action to mitigate our water-related risks. Corporate Strategy and Financial Planning: Integrating water management into its corporate strategy allows Anadolu Isuzu to align business objectives with financial planning. The company has implemented water-saving initiatives that have resulted in substantial cost savings, such as optimizing water consumption in its paint shop, which achieved a reduction of 780 m³ in water usage. This strategic alignment helps to minimize potential financial losses due to water shortages. Resilience of Business Strategy: To build resilience against water-related challenges, Anadolu Isuzu has developed adaptive strategies, such as investing in a deionized UV system to reduce water change cycles in its pools. By enhancing water management infrastructure, the company ensures operational continuity during periods of water scarcity, strengthening its overall resilience. Capacity Building: Anadolu Isuzu promotes a culture of sustainability through capacity building by providing training to employees on efficient water use and conservation techniques. This education empowers staff to engage in water-saving practices actively, leading to a more informed workforce dedicated to enhancing operational efficiency and sustainability. Due to being located in a water-stressed area, in 2023, we invested in a new facility by tripling the capacity of our wastewater treatment plant, utilizing more innovative and energy-efficient equipment. With this investment, we plan to create a technological system that will allow us to integrate a wastewater recovery facility to reduce our water consumption. Target Setting and Transition Planning: Anadolu Isuzu has established specific targets for water conservation, such as recovering water at the outlet of its wastewater treatment plant. This structured approach to target setting allows the company to track progress and continuously improve its water management practices, demonstrating its commitment to sustainability and positioning itself as a leader in responsible water use within the automotive industry.
[Fixed row]

(5.2) Does your organization’s strategy include a climate transition plan?

(5.2.1) Transition plan

Select from:

☑ Yes, we have a climate transition plan which aligns with a 1.5°C world

(5.2.3) Publicly available climate transition plan

Select from:

☑ Yes

(5.2.4) Plan explicitly commits to cease all spending on, and revenue generation from, activities that contribute to fossil fuel expansion

Select from:

☑ No, and we do not plan to add an explicit commitment within the next two years

(5.2.6) Explain why your organization does not explicitly commit to cease all spending on and revenue generation from activities that contribute to fossil fuel expansion

Our organization does not explicitly commit to ceasing all spending on and revenue generation from activities that contribute to fossil fuel expansion. Firstly, our current business model and financing strategies aim to support the energy transition. We aim to gradually reduce our investments in the fossil fuel sector and shift towards renewable energy projects.

(5.2.7) Mechanism by which feedback is collected from shareholders on your climate transition plan

Select from:

☑ Our climate transition plan is voted on at Annual General Meetings (AGMs)

(5.2.10) Description of key assumptions and dependencies on which the transition plan relies

Anadolu Isuzu's transition plan is grounded in several key assumptions. We anticipate a growing demand for environmentally friendly products, which we believe will drive the adoption of sustainable practices. Additionally, we project that renewable energy sources will become increasingly economically accessible as the transition progresses. The effectiveness of our transition plan is contingent on several external dependencies, including supportive government policies and active stakeholder cooperation. These factors are crucial for securing necessary investments in green technologies and facilitating the widespread adoption of sustainable practices.

Furthermore, the availability of a qualified workforce and essential raw materials is vital for achieving our sustainability objectives. To resource our transition effectively, our strong financial performance enables us to allocate funds to innovative projects that enhance our competitive edge and market positioning. Our ability to adapt to global and sectoral changes allows us to seize new opportunities and adjust our strategy as needed. In alignment with our sustainability goals, we produced 24,811 GJ of electricity from solar energy plants established last year, sourcing 68% of our electricity consumption from clean sources. This initiative helped prevent approximately 3,035 tCO2 in greenhouse gas emissions and allowed us to significantly reduce our environmental impact through improved waste management and recycling practices. In our investment decisions regarding energy efficiency and renewable energy, we include a carbon value of 100-150 per ton of carbon dioxide in our feasibility studies. This methodology helps us assess potential financial risks associated with climate change and the impacts of carbon pricing on project costs. Ultimately, our investments aim to achieve a declining trend in energy consumption and greenhouse gas emissions while securing financial advantages for the company.

(5.2.11) Description of progress against transition plan disclosed in current or previous reporting period

Anadolu Isuzu has made significant progress against its transition plan in the current reporting period. We have focused on enhancing the sustainability of our operations by increasing the production capacity of our solar energy plants, which generated 24,811 GJ of electricity, supplying 68% of our total electricity consumption from renewable sources. This achievement directly contributes to our goal of reducing greenhouse gas emissions, as evidenced by the prevention of approximately 3,035 tCO2 emissions. Additionally, we are implementing measures to minimize the environmental impact of our production processes and products, prioritizing energy efficiency projects and transitioning to renewable energy sources. In 2023, we made environmental investments totaling approximately 41 million TL, a significant portion of which was dedicated to solar energy and energy efficiency projects. Our commitment to aligning with government policies and engaging with stakeholders has further strengthened our approach to sustainable practices. As we continue to adapt to market trends and regulatory changes, we are on track to meet our long-term sustainability targets and enhance our overall resilience in the face of climate challenges.

(5.2.12) Attach any relevant documents which detail your climate transition plan (optional)

anadolu-isuzu-sr-23.pdf

(5.2.13) Other environmental issues that your climate transition plan considers

Select all that apply

☑ No other environmental issue considered

[Fixed row]

(5.3) Have environmental risks and opportunities affected your strategy and/or financial planning?

(5.3.1) Environmental risks and/or opportunities have affected your strategy and/or financial planning

Select from:

☑ Yes, both strategy and financial planning

(5.3.2) Business areas where environmental risks and/or opportunities have affected your strategy

Select all that apply

☑ Products and services

☑ Upstream/downstream value chain

☑ Investment in R&D

☑ Operations

[Fixed row]

(5.3.1) Describe where and how environmental risks and opportunities have affected your strategy.

Products and services

(5.3.1.1) Effect type

Select all that apply

☑ Risks

☑ Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

☑ Climate change

☑ Water

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

Anadolu Isuzu recognizes that the environmental impact of its vehicles, particularly during their usage phase, significantly contributes to climate change, with carbon emissions from direct combustion accounting for around 70% of total emissions. Additionally, when fuel production is considered, this figure rises to approximately

80%. This reality has driven the company to prioritize the development of sustainable products, notably through a shift towards electric vehicle production. As part of our commitment to sustainability, we aim to reduce our Scope 3 emissions by 4.2% annually, based on 2023 levels, in line with our science-based targets. During COP26 Transport Day, Turkey joined 14 other countries in pledging to promote the sale of new trucks and buses with 100% zero emissions by 2040. The Global Memorandum of Understanding (MOU) for Zero-Emission Medium and Heavy-Duty Vehicles (ZE-MHDVs) has set an interim goal of achieving 30% zero-emission vehicle sales by 2030. In response to these environmental challenges, Anadolu Isuzu has committed to the Drive to Zero initiative, aiming to transition to the sale of fully zero-emission commercial vehicles by 2040. The launch of our fully electric bus model, the NovocitiVolt, in 2021 marked a significant milestone in our carbon strategy and product development efforts. To mitigate the risks posed by climate change and water scarcity, we are incorporating comprehensive water management strategies into our product development framework. This includes designing vehicles that promote efficiency in water usage during manufacturing and exploring technologies that minimize both water consumption and greenhouse gas emissions in operations. By addressing these interconnected environmental challenges, we not only enhance our product offerings but also create a more resilient and sustainable operation that responds proactively to the changing needs of our customers and the environment.

Upstream/downstream value chain

(5.3.1.1) Effect type

Select all that apply

☑ Risks

☑ Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

☑ Climate change

☑ Water

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

Within the scope of sustainable business management, Anadolu Isuzu conducts audits and classifies its suppliers at regular intervals during the selection process. We ensure that our suppliers comply with environmental and legal requirements in accordance with the ISO 14001 Environmental Management System standard. Through the Isuzu IMM system, we systematically perform SQA A (System) and SQA B (Process) audits annually as part of our Supplier Audit Studies. Anadolu Isuzu aims to implement green logistics and green purchasing principles to reduce Scope 3 emissions in line with our low carbon strategy and compliance with the European Green Deal. Additionally, we recognize the importance of water management in our supply chain. By assessing suppliers on their water usage and management practices, we aim to minimize the environmental impact associated with water consumption. Environmental risks, such as climate change and water scarcity, have significantly influenced our strategy in this area. We understand that these risks can affect the availability of resources and the sustainability of our

operations. As a proactive measure, we are working to ensure that our suppliers adopt sustainable practices that not only comply with environmental regulations but also contribute to the overall resilience of our supply chain. By integrating water management and climate considerations into our supplier evaluation process, we enhance our supply chain's sustainability, mitigate potential risks, and seize opportunities to create a more responsible and resilient operation.

Investment in R&D

(5.3.1.1) Effect type

Select all that apply

☑ Risks

☑ Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

☑ Climate change

☑ Water

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

Anadolu Isuzu is committed to combating climate change by integrating innovation into its business processes, focusing on environmental sustainability. As a global manufacturer of heavy-duty vehicles, the transformation of our vehicle portfolio to zero-emission models is a core component of our R&D and product strategy. We leverage our highly skilled R&D team to provide innovative and environmentally friendly products and services, dedicating 606 million TRY to R&D studies in 2023. Our efforts have been recognized, as we received awards for R&D personnel employment from the Ministry of Industry and Technology and for our Kendo/Interliner CNG model, which significantly reduces emissions through its biogas-compatible CNG engine. In 2021, we launched our 100% electric bus model, and we aim to increase production and sales targets for zero-emission vehicles in the heavy commercial segment while continuously improving product performance. Our R&D initiatives focus on developing fuel-efficient vehicles, increasing the use of biodegradable materials, and advancing intelligent autonomous vehicle systems. We view sustainability not just as an environmental goal but as a concept that encompasses economic and social dimensions. In 2023, we expanded our investments in developing more environmentally friendly and energy-efficient vehicles, reinforcing our pioneering role in the sector by broadening our electric and hybrid vehicle offerings. We prioritize sustainability in our production processes by adopting eco-friendly methods, enhancing energy efficiency, transitioning to renewable energy sources, and minimizing water consumption through various projects. Environmental risks, particularly climate change and resource scarcity, have significantly shaped our strategic direction. We are actively addressing these challenges through sustainable product development and manufacturing practices. Our commitment to using recycled and recyclable materials in our R&D centers reflects our proactive approach to mitigating environmental impacts. By aligning with global sustainability trends and focusing on the long-term viability of our operations, Anadolu Isuzu not only enhances its market competitiveness but also contributes positively to the environment and society.

Operations

(5.3.1.1) Effect type

Select all that apply

☑ Risks

☑ Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

☑ Climate change

☑ Water

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

Anadolu Isuzu actively monitors its performance indicators to manage environmental impacts arising from its operational processes. The company sets performance targets in line with national and international standards to ensure effective environmental and energy management. To achieve these goals, Anadolu Isuzu implements the best available techniques in its production processes. In alignment with science-based targets, the company aims to reduce Scope 1 and 2 emissions by 2033 compared to the base year of 2023. In 2023, we initiated the installation of a siphonic system in our construction projects to efficiently collect and utilize rainwater from building rooftops for garden irrigation. Additionally, we focus on optimizing water usage in our production processes. By implementing soft water connection changes in our paint shop, we have achieved significant water savings, approximately 780 m³. We also established a deionized UV system to reduce water change periods in our pools, leading to an additional 600 m³ of water savings. Furthermore, we treat wastewater generated from our operations in compliance with discharge criteria at our chemical and biological wastewater treatment facility. Our industrial wastewater sources include separate lines for acid-alkali wastewater, industrial oily water, and paint shop wastewater. In 2023, we invested in expanding our wastewater treatment facility's capacity threefold, incorporating innovative and energy-efficient equipment. This investment aims to integrate a technological system for wastewater recovery to further reduce water consumption, with plans to implement this project in 2024. We prioritize projects focused on minimizing the environmental impact of our production processes and products, emphasizing energy efficiency and transitioning to renewable energy sources. In 2023, we made approximately 41 million TRY in environmental investments, primarily in solar energy and energy efficiency projects. With the solar energy systems installed on the rooftops of our truck and bus factories, we achieved a total installed capacity of 6.7 MWp across 32,003 m². This year, our solar plants generated 24,811 GJ of electricity, supplying 68% of our electricity consumption from clean sources. We sold 7,931 GJ of produced electricity back to the grid, generating revenue while promoting renewable energy usage for other consumers. This green energy, equivalent to the electricity consumption of approximately 2,600 households, helped prevent around 3,035 tons of CO2 emissions. The remaining 23,773 GJ of our electricity needs were met through purchases. Anadolu Isuzu's operational strategy is shaped by environmental risks like climate change and water scarcity. We focus on innovative water management and renewable energy, enhancing efficiency and sustainability while also generating revenue for a sustainable future.

[Add row]

(5.3.2) Describe where and how environmental risks and opportunities have affected your financial planning.

Row 1

(5.3.2.1) Financial planning elements that have been affected

Select all that apply

☑ Revenues

☑ Direct costs

☑ Indirect costs

☑ Capital expenditures

☑ Capital allocation

(5.3.2.2) Effect type

Select all that apply

☑ Risks

☑ Opportunities

(5.3.2.3) Environmental issues relevant to the risks and/or opportunities that have affected these financial planning elements

Select all that apply

☑ Climate change

☑ Water

(5.3.2.4) Describe how environmental risks and/or opportunities have affected these financial planning elements

Anadolu Isuzu's risk committee has assessed that both climate-related and water-related risks significantly impact financial planning concerning operating costs. These risks and opportunities are integrated into the company's financial processes, with the Board of Directors considering them when making investment decisions.

Anadolu Isuzu aims to increase the share of revenue from electric vehicles in response to the EU Green Deal, targeting a transition to low-carbon vehicles. In 2023, 7.26% of total revenue was generated from low-emission vehicles, including CNG and electric models, with 3.9% from sales to the EU. The shift to zero-emission vehicles is crucial for reducing emissions, complying with stricter regulations, and maintaining market competitiveness. The company is investing in studies on low fuel consumption, alternative fuels, electric and hybrid vehicles, and autonomous technologies, while developing a low-carbon economy strategy across its product portfolio. Anadolu Isuzu is also focusing on water management and sustainability projects. Initiatives like the rainwater harvesting system launched in 2023 and the renovation of wastewater treatment facilities have enhanced production efficiency and reduced costs. In 2023, these improvements resulted in savings of 1,380 m³ of water. Effective water management contributes to compliance with regulations, minimizing fines, and lowering operational expenses. The company strives for financial opportunities through annual energy efficiency, water efficiency, and waste reduction projects, aiming to achieve net zero emissions by 2050 and reduce Scope 1 and 2 emissions by 54.6% from the 2023 baseline by 2033. Investments in water efficiency not only align financial resources with environmental objectives but also influence overall sustainability goals. Overall, strategies related to climate and water management are integral to Anadolu Isuzu's financial planning and commitment to environmental sustainability.
[Add row]

(5.4) In your organization's financial accounting, do you identify spending/revenue that is aligned with your organization's climate transition?

	Identification of spending/revenue that is aligned with your organization's climate transition	Methodology or framework used to assess alignment with your organization's climate transition
	Select from: ☑ Yes	*Select all that apply* ☑ Other methodology or framework

[Fixed row]

(5.4.1) Quantify the amount and percentage share of your spending/revenue that is aligned with your organization's climate transition.

Row 1

(5.4.1.1) Methodology or framework used to assess alignment

Select from:

☑ Other, please specify :Alignment with our climate transition plan

(5.4.1.5) Financial metric

Select from:

☑ CAPEX

(5.4.1.6) Amount of selected financial metric that is aligned in the reporting year (currency)

188481428

(5.4.1.7) Percentage share of selected financial metric aligned in the reporting year (%)

18

(5.4.1.8) Percentage share of selected financial metric planned to align in 2025 (%)

35

(5.4.1.9) Percentage share of selected financial metric planned to align in 2030 (%)

60

(5.4.1.12) Details of the methodology or framework used to assess alignment with your organization’s climate transition

The increase in the share of investments contributing to the transition to a low-carbon economy is an inevitable necessity. Our company is concerned with the possible effects of global changes in our sector on our activities and outputs in the short, medium, and long term, and is directing proactive planning and investment activities for the future. Anadolu Isuzu has conducted R&D studies in 2023 for the production of electric and CNG low-carbon vehicles and has carried out weight reduction efforts in vehicles to achieve lower fuel consumption. Additionally, we have made improvements in our operational activities and have implemented projects such as investments in solar energy plants (GES) and the establishment of an energy monitoring system. Anadolu Isuzu prioritizes the climate crisis across all dimensions and plans necessary R&D investments. The capex amount is determined by upper management based on the company's profitability ratio. This ratio constitutes approximately 1% of the total company turnover. 18% of capex expenditures are related to the transition to a world with a 1.5 degrees Celsius increase. Investments in production line and equipment, renewable energy investments to meet energy needs in production activities, electric vehicles in the company's product

portfolio, autonomous vehicles developed with digital technologies, the design of alternative fuel vehicles, R&D activities, and energy efficiency projects are evaluated within this scope.
[Add row]

(5.5) Does your organization invest in research and development (R&D) of low-carbon products or services related to your sector activities?

(5.5.1) Investment in low-carbon R&D

Select from:
☑ Yes

(5.5.2) Comment

Climate change risks arising from current regulations are the focus of Anadolu Isuzu. For this purpose, Anadolu Isuzu has signed the "Drive to Zero" initiative in line with its commitment to produce zero-emission vehicles by 2040. The Board of Directors makes investment decisions by evaluating these risks and opportunities. Anadolu Isuzu aims to increase the ratio of turnover provided by electric vehicle production in total turnover, especially with the EU Green Deal action plans for the European Market and the actions taken in the transition of the transportation market to low-carbon vehicles. Within the scope of Anadolu Isuzu R&D center studies, reducing CO2 emissions of vehicles produced, electric vehicles, CNG vehicles, alternative fuel and connected vehicles are the priority issues. A budget of TRY 162,395,459 has been allocated for R&D research for environmentally friendly vehicle production in 2023. Anadolu Isuzu received the "German Design Awards Gold 2023" award with its innovative electric transportation solution Big.e and the "German Design Awards Winner 2023" award with its 100% electric midibus Isuzu NovoCiti VOLT. In 2023, at the Brussels Expo, it exhibited its Citivolt and Novociti Volt vehicles with seat fabrics made from recycled materials. In addition, our fully electric, environmentally friendly vehicle Citivolt won first place in the "Safety" category at Busworld Belgium, one of the world's most prestigious bus fairs. Anadolu Isuzu continues to develop its entire product portfolio offered in its sales network with a low-carbon economy strategy.
[Fixed row]

(5.5.8) Provide details of your organization's investments in low-carbon R&D for transport-related activities over the last three years.

Row 1

(5.5.8.1) Activity

Select all that apply

☑ Light Duty Vehicles (LDV)

☑ Heavy Duty Vehicles (HDV)

(5.5.8.2) Technology area

Select from:

☑ Battery electric vehicle

(5.5.8.3) Stage of development in the reporting year

Select from:

☑ Applied research and development

(5.5.8.4) Average % of total R&D investment over the last 3 years

18

(5.5.8.6) Average % of total R&D investment planned over the next 5 years

15

(5.5.8.7) Explain how your R&D investment in this technology area is aligned with your climate commitments and/or climate transition plan

Our organization is making investments in low-carbon technologies that play a critical role in achieving net zero emissions by 2050. In particular, we have allocated significant resources to applied research and development (R&D) for the development of electric vehicles in 2023. In this context, we have focused on developing electric bus, midibus, micro truck, and electric truck models. These investments are considered a key element in reaching our decarbonization targets in the transportation sector. The adoption of electric vehicles will help reduce fossil fuel consumption and contribute to lowering greenhouse gas emissions. Moreover, these technologies are directly related to the key performance indicators within our climate transition plan. Our Scope 3 emissions come from the use of sold products, making them an important indicator for our emission reduction targets. Electric vehicles hold a significant place in terms of environmental sustainability and market demands. We have prioritized this area to enhance our capacity to meet future transportation needs. Our goal is to increase the share of electric vehicles in total

sales and revenue, especially through the EU Green Deal action plans, positioning us as a leader in the commercial vehicle sector. We emphasize that our investments in electric vehicle technology not only reduce our environmental impact but also provide a competitive advantage. Furthermore, the supply chain process for electric vehicle batteries is a critical part of our zero-emission vehicle strategy. As a result, our applied research and development efforts not only support our net zero transition goals but also strengthen our organization's long-term sustainability strategy.

Row 2

(5.5.8.1) Activity

Select all that apply

☑ Light Duty Vehicles (LDV)

☑ Heavy Duty Vehicles (HDV)

(5.5.8.2) Technology area

Select from:

☑ Battery electric vehicle

(5.5.8.3) Stage of development in the reporting year

Select from:

☑ Pilot demonstration

(5.5.8.4) Average % of total R&D investment over the last 3 years

5

(5.5.8.6) Average % of total R&D investment planned over the next 5 years

8

(5.5.8.7) Explain how your R&D investment in this technology area is aligned with your climate commitments and/or climate transition plan

Our organization is investing in pilot demonstration projects to support our goal of reaching net zero emissions by 2050. These projects allow us to evaluate how our electric vehicle technologies perform in real-world conditions. In particular, we launched several pilot projects to test the electric bus and midibus models we developed in 2023. These pilot applications enable us to measure the energy efficiency, user experience, and operational effectiveness of electric vehicles, while also speeding up the transition of communities to low-carbon transportation solutions. The data we gather plays a critical role in improving the key performance indicators of our climate transition plan. Successfully implementing electric vehicles in the field is an important step towards achieving our environmental goals. Investing in pilot demonstration projects is a strategic choice for developing an innovative and sustainable transportation infrastructure compared to other solutions in the sector. We emphasize that our investments in electric vehicle technology not only reduce our environmental impact but also provide a competitive advantage. Through these projects, we gain the opportunity to better direct our future investments and respond more effectively to market needs. In conclusion, our pilot demonstration projects support our net zero emissions goals while also contributing to our organization's sustainability strategy.

Row 3

(5.5.8.1) Activity

Select all that apply

☑ Light Duty Vehicles (LDV)

☑ Heavy Duty Vehicles (HDV)

(5.5.8.2) Technology area

Select from:

☑ Battery electric vehicle

(5.5.8.3) Stage of development in the reporting year

Select from:

☑ Full/commercial-scale demonstration

(5.5.8.4) Average % of total R&D investment over the last 3 years

5

(5.5.8.6) Average % of total R&D investment planned over the next 5 years

8

(5.5.8.7) Explain how your R&D investment in this technology area is aligned with your climate commitments and/or climate transition plan

The climate change risks arising from the current regulations are in the focus of Anadolu Isuzu. For this purpose, Anadolu Isuzu has signed the "Drive to Zero" initiative in line with its commitment to produce zero-emission vehicles by 2040. The company's business strategy aims to increase the proportion of electric vehicles in total sales, highlight its corporate identity in commercial vehicles, and take pioneering steps in the sector. In 2023, we focused on developing our electric bus, midibus, micro truck, and electric truck models, and we participated in the Busworld exhibition in Belgium. A nadolu Isuzu especially targets increasing the share of turnover from electric vehicle production in total revenue through the EU Green Deal action plans and actions taken for the transition of the transportation market to low-carbon vehicles. Full-scale demonstrations reveal how our technology performs in practice while also providing the reliability needed for widespread acceptance. These projects offer a critical platform to validate the key performance indicators of our climate transition plan while encouraging the adoption of electric vehicles in our target markets. Conducting such demonstrations strengthens our organization's leadership in low-carbon technology and increases customer and investor confidence compared to other alternative solutions in the sector. By highlighting the commercial viability of our technology, these projects play an important role in accelerating the adoption of sustainable transportation solutions.

Row 4

(5.5.8.1) Activity

Select all that apply

☑ Light Duty Vehicles (LDV)

☑ Heavy Duty Vehicles (HDV)

(5.5.8.2) Technology area

Select from:

☑ Battery electric vehicle

(5.5.8.3) Stage of development in the reporting year

Select from:

☑ Large scale commercial deployment

(5.5.8.4) Average % of total R&D investment over the last 3 years

0

(5.5.8.6) Average % of total R&D investment planned over the next 5 years

5

(5.5.8.7) Explain how your R&D investment in this technology area is aligned with your climate commitments and/or climate transition plan

To support our future sustainable transportation goals, our organization is making significant investments in large-scale commercial deployment projects. This strategy aims to increase the market share of our electric buses, minibuses, and trucks, while generating substantial revenue and establishing a dominant position in the sector. These investments are seen as crucial for achieving our decarbonization targets in the transportation sector. The adoption of electric vehicles will help reduce fossil fuel consumption and decrease greenhouse gas emissions. Additionally, these technologies are directly linked to the key performance indicators in our climate transition plan. Expanding our customer base for electric vehicles is essential for meeting our emissions reduction goals. Notably, our Scope 3 emissions stem from the use of sold products, making them a significant indicator for our emissions reduction targets. In conclusion, these projects not only support our net-zero emission targets but also form the foundation of our organization's sustainability strategy.
[Add row]

(5.9) 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?

(5.9.1) Water-related CAPEX (+/- % change)

4175

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

-915

(5.9.3) Water-related OPEX (+/- % change)

111

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

69

(5.9.5) Please explain

2023 CAPEX includes project investment expenditures for the renewal of the wastewater treatment plant, the installation of a wastewater monitoring system and the development of water conservation projects with online water monitoring systems. Total CAPEX is TRY39,281,811, 92% of this due to significant one-time investment for the renewal of the wastewater treatment plant. Due to this, there is 4175% increasing compared to 2022. 915% decrease is expected for 2024.Future CAPEX will cover projects as the installation of recovery units at wastewater treatment plant and collection of rainwater at the production facility. 2023 OPEX value increased 111% compared to 2022. This includes all services related to water as water supply costs, wastewater analyses and water conditioning chemicals. Based on the annual increase in water services and chemical costs, a 69% increase in OPEX expenditures is expected. This increase is particularly related to the rising costs of water services and chemicals.
[Fixed row]

(5.10) Does your organization use an internal price on environmental externalities?

	Use of internal pricing of environmental externalities	Environmental externality priced
	Select from: ☑ Yes	*Select all that apply* ☑ Carbon ☑ Water

[Fixed row]

(5.10.1) Provide details of your organization’s internal price on carbon.

Row 1

(5.10.1.1) Type of pricing scheme

Select from:

☑ Implicit price

(5.10.1.2) Objectives for implementing internal price

Select all that apply

☑ Identify and seize low-carbon opportunities

(5.10.1.3) Factors considered when determining the price

Select all that apply

☑ Alignment to scientific guidance

(5.10.1.4) Calculation methodology and assumptions made in determining the price

The energy efficiency investments implemented in 2023 resulted in a total CO2 emission reduction of 3253.16 tons. The total cost of these investments was 26,085,969.00 TL, and by comparing the emission reduction to the investment cost, a carbon price of 8018.6554 TL/ton CO2 was calculated. The investments include projects such as GES 2, Boiler SCADA Energy Monitoring, Economizer, Apparatus Systems, Periodic Air Leak Repairs, Optimization of Blower Operating Time in the Treatment Plant Balancing Tank, and the commissioning of the HVAC pump in the Boiler Room bus.

(5.10.1.5) Scopes covered

Select all that apply

☑ Scope 1

☑ Scope 2

(5.10.1.6) Pricing approach used – spatial variance

Select from:

☑ Uniform

(5.10.1.8) Pricing approach used – temporal variance

Select from:

☑ Static

(5.10.1.10) Minimum actual price used (currency per metric ton CO2e)

8018.66

(5.10.1.11) Maximum actual price used (currency per metric ton CO2e)

8018.66

(5.10.1.12) Business decision-making processes the internal price is applied to

Select all that apply

☑ Capital expenditure

☑ Operations

☑ Product and R&D

☑ Risk management

(5.10.1.13) Internal price is mandatory within business decision-making processes

Select from:

☑ No

(5.10.1.14) % total emissions in the reporting year in selected scopes this internal price covers

44

(5.10.1.15) Pricing approach is monitored and evaluated to achieve objectives

Select from:

☑ Yes

(5.10.1.16) Details of how the pricing approach is monitored and evaluated to achieve your objectives

Our carbon pricing approach is monitored and evaluated at regular intervals. Investments made for the transition to low-carbon production and emission reductions, along with their impacts, are assessed and reported annually. The internal carbon price has played an important role in investments related to energy efficiency projects and low-carbon technologies. This price has been integrated into decision-making processes in the company's energy management strategies and cost calculations. Additionally, the internal carbon price is considered in new investment projects and resource planning to achieve carbon reduction targets and fulfill sustainability commitments. The internal carbon price also contributes to our company's climate transition plan. It supports the acceleration of the transition to low-carbon technologies and helps achieve long-term emission reduction goals. In the regional and sectoral context, our carbon pricing approach is continuously developed, considering our energy-intensive production processes and the regulatory framework in Turkey.
[Add row]

(5.10.2) Provide details of your organization's internal price on water.

Row 1

(5.10.2.1) Type of pricing scheme

Select from:
☑ Implicit price

(5.10.2.2) Objectives for implementing internal price

Select all that apply
☑ Drive water-related investment
☑ Drive water efficiency

(5.10.2.3) Factors beyond current market price are considered in the price

Select from:
☑ Yes

(5.10.2.4) Factors considered when determining the price

Select all that apply
☑ Costs of treating water

(5.10.2.5) Calculation methodology and assumptions made in determining the price

Our company operates a wastewater treatment facility, allowing us to treat the wastewater generated from our activities in-house. Without this facility, we would need to procure these services externally. In 2023, we treated a total of 41,503 m³ of wastewater, and if we had sourced this treatment externally, the cost would have been 12,694,890 TL. We track all water usage data, including consumption, discharge, and treatment, through our internal systems, which enabled us to obtain these cost figures. As a result of our calculations, the water pricing value is determined to be 305.88 TL/m³.

(5.10.2.6) Stages of the value chain covered

Select all that apply

☑ Direct operations

(5.10.2.7) Pricing approach used – spatial variance

Select from:

☑ Uniform

(5.10.2.9) Pricing approach used – temporal variance

Select from:

☑ Static

(5.10.2.11) Minimum actual price used (currency per cubic meter)

305.88

(5.10.2.12) Maximum actual price used (currency per cubic meter)

305.88

(5.10.2.13) Business decision-making processes the internal water price is applied to

Select all that apply

☑ Capital expenditure

☑ Operations

☑ Risk management

(5.10.2.14) Internal price is mandatory within business decision-making processes

Select from:

☑ No

(5.10.2.15) Pricing approach is monitored and evaluated to achieve objectives

Select from:

☑ Yes

(5.10.2.16) Details of how the pricing approach is monitored and evaluated to achieve your objectives

Our water pricing approach is systematically monitored and evaluated to ensure alignment with our organizational objectives. We track water usage, treatment, and discharge data through our internal systems on a monthly basis. This process involves using specialized software for data collection and analysis, which allows us to maintain accurate records and assess the effectiveness of our water treatment operations. The internal water price plays a significant role in our decision-making processes, particularly in evaluating the cost-effectiveness of our wastewater treatment. By comparing the costs of in-house treatment with external service options, we can make informed decisions about investments in infrastructure and technology. This internal pricing mechanism encourages us to enhance our treatment capacity and efficiency, ultimately supporting our sustainability commitments and operational goals. In a regional and sectoral context, our approach reflects the increasing importance of water management in our industry. Given the regulatory pressures and the need for sustainable practices, our internal water pricing not only aids in achieving compliance but also positions us as a responsible operator in the marketplace. This comprehensive monitoring and evaluation process reinforces our commitment to sustainability while optimizing resource utilization within our operations.
[Add row]

(5.11) Do you engage with your value chain on environmental issues?

Suppliers

(5.11.1) Engaging with this stakeholder on environmental issues

Select from:

☑ Yes

(5.11.2) Environmental issues covered

Select all that apply

☑ Climate change

☑ Water

Customers

(5.11.1) Engaging with this stakeholder on environmental issues

Select from:

☑ Yes

(5.11.2) Environmental issues covered

Select all that apply

☑ Climate change

☑ Water

Investors and shareholders

(5.11.1) Engaging with this stakeholder on environmental issues

Select from:

☑ No, but we plan to within the next two years

(5.11.3) Primary reason for not engaging with this stakeholder on environmental issues

Select from:

☑ Not an immediate strategic priority

(5.11.4) Explain why you do not engage with this stakeholder on environmental issues

Investors and shareholders are not an immediate strategic priority.

Other value chain stakeholders

(5.11.1) Engaging with this stakeholder on environmental issues

Select from:

☑ No, but we plan to within the next two years

(5.11.3) Primary reason for not engaging with this stakeholder on environmental issues

Select from:

☑ Not an immediate strategic priority

(5.11.4) Explain why you do not engage with this stakeholder on environmental issues

Other value chain stakeholders are not an immediate strategic priority.
[Fixed row]

(5.11.1) Does your organization assess and classify suppliers according to their dependencies and/or impacts on the environment?

Climate change

(5.11.1.1) Assessment of supplier dependencies and/or impacts on the environment

Select from:

☑ Yes, we assess the dependencies and/or impacts of our suppliers

(5.11.1.2) Criteria for assessing supplier dependencies and/or impacts on the environment

Select all that apply

☑ Contribution to supplier-related Scope 3 emissions

(5.11.1.3) % Tier 1 suppliers assessed

Select from:

☑ 100%

(5.11.1.4) Define a threshold for classifying suppliers as having substantive dependencies and/or impacts on the environment

In the reporting year, Anadolu Isuzu sent surveys to 100% of its suppliers regarding environmental performance, including climate-related issues. As a result, the company engaged with 262 suppliers, with 47% of them participating in the survey.

(5.11.1.5) % Tier 1 suppliers meeting the thresholds for substantive dependencies and/or impacts on the environment

Select from:

☑ 26-50%

(5.11.1.6) Number of Tier 1 suppliers meeting the thresholds for substantive dependencies and/or impacts on the environment

85

Water

(5.11.1.1) Assessment of supplier dependencies and/or impacts on the environment

Select from:

☑ Yes, we assess the dependencies and/or impacts of our suppliers

(5.11.1.2) Criteria for assessing supplier dependencies and/or impacts on the environment

Select all that apply

☑ Dependence on water

☑ Impact on water availability

☑ Impact on pollution levels

(5.11.1.3) % Tier 1 suppliers assessed

Select from:

☑ 100%

(5.11.1.4) Define a threshold for classifying suppliers as having substantive dependencies and/or impacts on the environment

In the reporting year, Anadolu Isuzu sent surveys to 100% of its suppliers regarding environmental performance, including water security. As a result, the company engaged with 262 suppliers, with 47% of them participating in the survey.

(5.11.1.5) % Tier 1 suppliers meeting the thresholds for substantive dependencies and/or impacts on the environment

Select from:

☑ 26-50%

(5.11.1.6) Number of Tier 1 suppliers meeting the thresholds for substantive dependencies and/or impacts on the environment

85
[Fixed row]

(5.11.2) Does your organization prioritize which suppliers to engage with on environmental issues?

Climate change

(5.11.2.1) Supplier engagement prioritization on this environmental issue

Select from:

☑ Yes, we prioritize which suppliers to engage with on this environmental issue

(5.11.2.2) Criteria informing which suppliers are prioritized for engagement on this environmental issue

Select all that apply

☑ In line with the criteria used to classify suppliers as having substantive dependencies and/or impacts relating to climate change

(5.11.2.4) Please explain

Anadolu Isuzu does not prioritize specific suppliers when engaging on environmental issues. Instead, the company takes an inclusive approach by reaching out to all suppliers. For example, in the reporting year, Anadolu Isuzu sent environmental performance surveys to 100% of its 262 suppliers. With a 47% response rate, this approach aims to encourage broad participation, without focusing on a select group. The goal is to involve all suppliers in addressing environmental aspects across the supply chain.

Water

(5.11.2.1) Supplier engagement prioritization on this environmental issue

Select from:

☑ Yes, we prioritize which suppliers to engage with on this environmental issue

(5.11.2.2) Criteria informing which suppliers are prioritized for engagement on this environmental issue

Select all that apply

☑ In line with the criteria used to classify suppliers as having substantive dependencies and/or impacts relating to water

(5.11.2.4) Please explain

Anadolu Isuzu does not prioritize specific suppliers when engaging on environmental issues. Instead, the company takes an inclusive approach by reaching out to all suppliers. For example, in the reporting year, Anadolu Isuzu sent environmental performance surveys to 100% of its 262 suppliers. With a 47% response rate, this approach aims to encourage broad participation, without focusing on a select group. The goal is to involve all suppliers in addressing environmental aspects across the supply chain.
[Fixed row]

(5.11.5) Do your suppliers have to meet environmental requirements as part of your organization’s purchasing process?

Climate change

(5.11.5.1) Suppliers have to meet specific environmental requirements related to this environmental issue as part of the purchasing process

Select from:

☑ Yes, environmental requirements related to this environmental issue are included in our supplier contracts

(5.11.5.2) Policy in place for addressing supplier non-compliance

Select from:

☑ Yes, we have a policy in place for addressing non-compliance

(5.11.5.3) Comment

A Comprehensive Supplier Assessment is conducted to address suppliers' non-compliance with environmental criteria. A scoring system is in place to evaluate the environmental performance of suppliers. In the coming years, there will be a focus on Supplier Training and Capacity Building efforts. In 2023, training was provided on the Carbon Border Adjustment Mechanism, which directly affects our suppliers. A reward system is also in place.

Water

(5.11.5.1) Suppliers have to meet specific environmental requirements related to this environmental issue as part of the purchasing process

Select from:

☑ Yes, environmental requirements related to this environmental issue are included in our supplier contracts

(5.11.5.2) Policy in place for addressing supplier non-compliance

Select from:

☑ Yes, we have a policy in place for addressing non-compliance

(5.11.5.3) Comment

A Comprehensive Supplier Assessment is conducted to address suppliers' non-compliance with environmental criteria. A scoring system is in place to evaluate the environmental performance of suppliers. In the coming years, there will be a focus on Supplier Training and Capacity Building efforts. In 2023, training was provided on the Carbon Border Adjustment Mechanism, which directly affects our suppliers. A reward system is also in place.
[Fixed row]

(5.11.6) Provide details of the environmental requirements that suppliers have to meet as part of your organization’s purchasing process, and the compliance measures in place.

Climate change

(5.11.6.1) Environmental requirement

Select from:
☑ Setting a science-based emissions reduction target

(5.11.6.2) Mechanisms for monitoring compliance with this environmental requirement

Select all that apply
☑ Supplier scorecard or rating
☑ Supplier self-assessment
☑ Other, please specify **:**Contracts

(5.11.6.3) % tier 1 suppliers by procurement spend required to comply with this environmental requirement

Select from:
☑ 100%

(5.11.6.4) % tier 1 suppliers by procurement spend in compliance with this environmental requirement

Select from:

☑ 76-99%

(5.11.6.7) % tier 1 supplier-related scope 3 emissions attributable to the suppliers required to comply with this environmental requirement

Select from:

☑ 100%

(5.11.6.8) % tier 1 supplier-related scope 3 emissions attributable to the suppliers in compliance with this environmental requirement

Select from:

☑ 76-99%

(5.11.6.9) Response to supplier non-compliance with this environmental requirement

Select from:

☑ Retain and engage

(5.11.6.10) % of non-compliant suppliers engaged

Select from:

☑ 26-50%

(5.11.6.11) Procedures to engage non-compliant suppliers

Select all that apply

☑ Providing information on appropriate actions that can be taken to address non-compliance

(5.11.6.12) Comment

A Comprehensive Supplier Assessment is conducted to address suppliers' non-compliance with environmental criteria. There is a scoring system in place to evaluate the environmental performance of suppliers. In our surveys, we ask suppliers questions related to sustainability reporting, carbon footprint, water footprint, SBTi

commitments, and the use of renewable energy. In the coming years, the focus will be on Supplier Training and Capacity Building initiatives. In 2023, training was provided on the Carbon Border Adjustment Mechanism, which directly impacts our suppliers. There is also a reward system in place.

Water

(5.11.6.1) Environmental requirement

Select from:

☑ Setting and monitoring water pollution-related targets

(5.11.6.2) Mechanisms for monitoring compliance with this environmental requirement

Select all that apply

☑ Supplier scorecard or rating

☑ Supplier self-assessment

(5.11.6.3) % tier 1 suppliers by procurement spend required to comply with this environmental requirement

Select from:

☑ 100%

(5.11.6.4) % tier 1 suppliers by procurement spend in compliance with this environmental requirement

Select from:

☑ 76-99%

(5.11.6.5) % tier 1 suppliers with substantive environmental dependencies and/or impacts related to this environmental issue required to comply with this environmental requirement

Select from:

☑ 100%

(5.11.6.6) % tier 1 suppliers with substantive environmental dependencies and/or impacts related to this environmental issue that are in compliance with this environmental requirement

Select from:

☑ 26-50%

(5.11.6.9) Response to supplier non-compliance with this environmental requirement

Select from:

☑ Retain and engage

(5.11.6.10) % of non-compliant suppliers engaged

Select from:

☑ 26-50%

(5.11.6.11) Procedures to engage non-compliant suppliers

Select all that apply

☑ Providing information on appropriate actions that can be taken to address non-compliance

(5.11.6.12) Comment

As Anadolu Isuzu, we prepare an Environmental Bulletin that includes waste, water, and emission data. Through this monthly bulletin, we inform our suppliers about our performance and targets related to environmental issues. We also conduct comprehensive activities to raise awareness among our stakeholders. We share notes of interest regarding climate change and water scarcity with our suppliers and other stakeholders. We expect our suppliers to monitor legal regulations concerning water resources in Turkey and to comply with these regulations. In the coming years, we plan to organize comprehensive training for suppliers on the concept of water footprint, its importance, and calculation methods. We aim to assist in setting targets by sharing examples of best practices in the industry and demonstrating water footprint performance. Additionally, we intend to facilitate easy access to water footprint calculation tools and guidelines, encouraging our suppliers to calculate their own footprints. We also aim to raise awareness about water footprints through industry associations and promote best practices within the sector.
[Add row]

(5.11.7) Provide further details of your organization’s supplier engagement on environmental issues.

Climate change

(5.11.7.2) Action driven by supplier engagement

Select from:

☑ Adaptation to climate change

(5.11.7.3) Type and details of engagement

Capacity building

☑ Provide training, support and best practices on how to measure GHG emissions

(5.11.7.4) Upstream value chain coverage

Select all that apply

☑ Tier 1 suppliers

☑ Tier 2 suppliers

(5.11.7.5) % of tier 1 suppliers by procurement spend covered by engagement

Select from:

☑ 76-99%

(5.11.7.6) % of tier 1 supplier-related scope 3 emissions covered by engagement

Select from:

☑ 1-25%

(5.11.7.8) Number of tier 2+ suppliers engaged

11

(5.11.7.9) Describe the engagement and explain the effect of your engagement on the selected environmental action

As of October 1, 2023, the European Union has implemented the Carbon Border Adjustment Mechanism (CBAM) for imports of products like iron and steel, aluminum, electricity, fertilizers, cement, hydrogen, and a limited number of additional products, such as screws, bolts, and pipe fittings made of iron or steel listed in its Annex. Since Anadolu Isuzu exports spare parts that are covered under the products listed in the Regulation's Annex, we fall under the scope of the Carbon Border Adjustment Mechanism. For the materials within the scope of the regulation, our suppliers are required to provide direct and indirect emissions data for each product. For those suppliers operating under a buy-and-sell system, we have started requesting these data from their secondary suppliers as well. In collaboration with OSD (Automotive Manufacturers Association) and Uludağ Exporters Association, 116 of our suppliers were invited to in-person CBAM Supplier Information Training sessions held in three different cities in Turkey. During the training, practical examples were used to explain corporate carbon footprint calculations and greenhouse gas reporting methodologies, helping suppliers, especially smaller and more vulnerable ones, better understand compliance requirements and improve their environmental practices. These engagement activities aim to support our suppliers in adapting to new regulations and strengthening their ability to track and reduce emissions, thus fostering a more sustainable supply chain.

(5.11.7.10) Engagement is helping your tier 1 suppliers meet an environmental requirement related to this environmental issue

Select from:

☑ Yes, please specify the environmental requirement **:**Corporate Carbon Footprint

(5.11.7.11) Engagement is helping your tier 1 suppliers engage with their own suppliers on the selected action

Select from:

☑ Yes

Water

(5.11.7.2) Action driven by supplier engagement

Select from:

☑ Substitution of hazardous substances with less harmful substances

(5.11.7.3) Type and details of engagement

Capacity building

☑ Provide training, support and best practices on how to mitigate environmental impact

(5.11.7.4) Upstream value chain coverage

Select all that apply

☑ Tier 1 suppliers

(5.11.7.5) % of tier 1 suppliers by procurement spend covered by engagement

Select from:

☑ 76-99%

(5.11.7.7) % tier 1 suppliers with substantive impacts and/or dependencies related to this environmental issue covered by engagement

Select from:

☑ 76-99%

(5.11.7.9) Describe the engagement and explain the effect of your engagement on the selected environmental action

When selecting suppliers, we use various criteria and emphasize compliance with key environmental standards. We expect our suppliers, especially those involved in vehicle production, to continuously improve their environmental performance and adhere to current regulations. To support this, we utilize an Environment Management System (EMS) portal, allowing suppliers to submit data on electricity, water, raw material usage, and environmental licenses like wastewater discharge and hazardous waste storage permits. We also gather key certifications such as ISO 14001, ISO 50001, and ISO 14064. In 2023, 42 suppliers (16%) calculated their water footprint. In addition, we prepare an Environmental Bulletin, which includes monthly data on waste, water, and emissions. This bulletin informs our suppliers about our environmental performance and goals. We also raise awareness among our stakeholders, including suppliers, on issues such as climate change and water scarcity. In the coming years, we plan to organize comprehensive training sessions for suppliers on water footprint concepts, importance, and calculation methods. We will share best practices and examples of water footprint performance in the sector to assist suppliers in setting their own goals. Additionally, we will facilitate access to water footprint calculation tools and guides, encouraging suppliers to perform their own calculations and raising awareness through industry associations to promote best practices in water management across the sector.

(5.11.7.10) Engagement is helping your tier 1 suppliers meet an environmental requirement related to this environmental issue

Select from:
☑ Yes, please specify the environmental requirement **:**Environmental Certificate

(5.11.7.11) Engagement is helping your tier 1 suppliers engage with their own suppliers on the selected action

Select from:
☑ Yes
[Add row]

(5.11.9) Provide details of any environmental engagement activity with other stakeholders in the value chain.

Climate change

(5.11.9.1) Type of stakeholder

Select from:
☑ Customers

(5.11.9.2) Type and details of engagement

Education/Information sharing
☑ Share information about your products and relevant certification schemes

(5.11.9.3) % of stakeholder type engaged

Select from:
☑ 100%

(5.11.9.4) % stakeholder-associated scope 3 emissions

Select from:

☑ 100%

(5.11.9.5) Rationale for engaging these stakeholders and scope of engagement

Anadolu Isuzu strives to raise awareness of all its stakeholders and customers on the fight against climate change, the European Green Deal, the Paris Agreement, and energy efficiency throughout its business processes. Rationale for selecting this group: All consumers are selected in this engagement group because in the sectoral context, use of sold products creates the highest share of the GHG emissions and Anadolu Isuzu must educate/inform all its consumers to take an action against climate change. In this context, our goal is to increase our customers' demand for our zero-emission vehicles and to increase the revenue rate from these models. We attract the attention of our customers and raise awareness with advertisements, bulletins, documentaries and publications about product performance, emission values, energy consumption related to our 100% electric and CNG engine, low emission environmentalist vehicle models. In the prepared bulletins and publications, information is provided within the scope of our company's environmental management system, and our emission management, water and waste management, efficiency projects, circular economy and zero waste studies are shared.

(5.11.9.6) Effect of engagement and measures of success

In sectoral context, use of sold products creates the highest share of the GHG emissions considering all three of the scopes. Therefore, when Anadolu Isuzu creates an engagement strategy, the company considers all of its customers to act against climate change. Clear description of measures of success which includes a threshold: If Anadolu Isuzu gets feedback from their customers by 60%, the engagement is considered successful (threshold). In 2023, a customer satisfaction survey was conducted with 6,192 participants, resulting in a satisfaction rate of 90%. They had all the production lines suitable for electric vehicle production and produced a new model, Novo Volt in 2023. The Citivolt 12 electric bus also won first place in the Bus Safety category at Busworld Belgium, the world's most prestigious bus fair. In this context, Anadolu Isuzu's goal is to increase the demand for our zero-emission vehicles in the fight against climate change, and to provide environmental benefit as the output of awareness-raising activities for our authorized service centers and sales dealers with whom we interact. Anadolu Isuzu, which has a wide service network at home and abroad, follows and supports their continuous improvement within the scope of environmental sustainability as well as current legislation on the environment.

Water

(5.11.9.1) Type of stakeholder

Select from:

☑ Customers

(5.11.9.2) Type and details of engagement

Education/Information sharing

☑ Share information about your products and relevant certification schemes

☑ Share information on environmental initiatives, progress and achievements

(5.11.9.3) % of stakeholder type engaged

Select from:

☑ 100%

(5.11.9.5) Rationale for engaging these stakeholders and scope of engagement

Anadolu Isuzu aims to raise awareness about water conservation and sustainability in all its business processes. Considering the importance of water resources, we want to create awareness about water scarcity, pollution, and the need for responsible water management. We include all our consumers in this scope, as the use of our products can have a significant impact on water consumption. To address this challenge, we educate our customers about water-saving practices and the benefits of our products in this regard. We emphasize the water-saving features of our vehicles, which reduce water pollution, such as our low-emission engines, and highlight the importance of responsible water management in daily operations. We also provide information about our company's water conservation initiatives, including efficient water use in our production processes and our conservation projects. By promoting water conservation and sustainability, we aim to contribute to a healthier planet and create a more sustainable future for everyone.

(5.11.9.6) Effect of engagement and measures of success

In the sectoral context, the use of sold products can have a significant impact on water consumption. Therefore, Anadolu Isuzu's engagement strategy considers all its customers in promoting water conservation. A successful engagement is considered when at least 60% of customers provide feedback on water-related initiatives. In 2023, a customer satisfaction survey involving 6,192 customers achieved a 90% satisfaction rate. Anadolu Isuzu's efforts to promote water conservation have included producing the Novo Volt, a new model suitable for electric vehicle production. In 2023, the electric Citivolt 12 vehicle won the Bus Safety award at Busworld Belgium, a prestigious bus fair. Anadolu Isuzu aims to increase the demand for its water-efficient vehicles and provide environmental benefits through awareness-raising activities for authorized service centers and sales dealers. The company's wide service network supports continuous improvement in environmental sustainability and compliance with water-related regulations. Through the annual Environmental Bulletin we publish, we share information about our water conservation projects, efficiency activities, water risks, and actions.

[Add row]

C6. Environmental Performance - Consolidation Approach

(6.1) Provide details on your chosen consolidation approach for the calculation of environmental performance data.

	Consolidation approach used	Provide the rationale for the choice of consolidation approach
Climate change	*Select from:* ☑ Operational control	*N/A*
Water	*Select from:* ☑ Operational control	*N/A*
Plastics	*Select from:* ☑ Operational control	*N/A*
Biodiversity	*Select from:* ☑ Operational control	*N/A*

[Fixed row]

C7. Environmental performance - Climate Change

(7.1) Is this your first year of reporting emissions data to CDP?

Select from:
☑ No

(7.1.1) Has your organization undergone any structural changes in the reporting year, or are any previous structural changes being accounted for in this disclosure of emissions data?

(7.1.1.1) Has there been a structural change?

Select all that apply
☑ Yes, an acquisition

(7.1.1.2) Name of organization(s) acquired, divested from, or merged with

Anadolu Isuzu Çayırova Şube

(7.1.1.3) Details of structural change(s), including completion dates

As of February 1, 2023, The Çayırova branch has been added as a new location, where we have incorporated expertise and knowledge in carcass production. This acquisition has caused an increase in our company's emissions.
[Fixed row]

(7.1.2) Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?

(7.1.2.1) Change(s) in methodology, boundary, and/or reporting year definition?

Select all that apply

☑ Yes, a change in boundary

(7.1.2.2) Details of methodology, boundary, and/or reporting year definition change(s)

In February 2023, We have added our Çayırova Branch as a new location, where we have integrated carcass production, specialized workforce, and expertise in this field. Çayırova Branch is located at Mimar Sinan Mahallesi Güney Yanyol Cd., 41400 Gebze/Kocaeli. This acquisition resulted in changes to our emissions inventory, as the emissions from the newly acquired facility have been added.
[Fixed row]

(7.1.3) Have your organization's base year emissions and past years' emissions been recalculated as a result of any changes or errors reported in 7.1.1 and/or 7.1.2?

(7.1.3.1) Base year recalculation

Select from:

☑ No, because the operations acquired or divested did not exist in the base year

(7.1.3.3) Base year emissions recalculation policy, including significance threshold

Our organization's base year recalculation policy aligns with the GHG Protocol guidelines. The base year is recalculated only if there are significant structural changes, changes in the calculation methodology, or if significant errors affecting emissions are discovered. For the recent acquisition, we chose to change the base year since the acqusition did not exist in the base year. Our policy includes applying a significance threshold to determine when a recalculation is necessary, ensuring consistency and accuracy in our emissions reporting.

(7.1.3.4) Past years' recalculation

Select from:

☑ No

[Fixed row]

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

Select all that apply

☑ IPCC Guidelines for National Greenhouse Gas Inventories, 2006

☑ ISO 14064-1

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

☑ The Greenhouse Gas Protocol: Scope 2 Guidance

☑ The Greenhouse Gas Protocol: Corporate Value Chain (Scope 3) Standard

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

	Scope 2, location-based	Scope 2, market-based	Comment
	Select from: ☑ We are reporting a Scope 2, location-based figure	*Select from:* ☑ We are reporting a Scope 2, market-based figure	*N/A*

[Fixed row]

(7.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1, Scope 2 or Scope 3 emissions that are within your selected reporting boundary which are not included in your disclosure?

Select from:

☑ No

(7.5) Provide your base year and base year emissions.

Scope 1

(7.5.1) Base year end

12/30/2023

(7.5.2) Base year emissions (metric tons CO2e)

4573.39

(7.5.3) Methodological details

Scope 1 emissions consist of combustion of fossil fuel, mobile combustion caused by the use of passenger vehicles or work machine and leakage from refrigerants and fire extinguisher.

Scope 2 (location-based)

(7.5.1) Base year end

12/30/2023

(7.5.2) Base year emissions (metric tons CO2e)

2821.24

(7.5.3) Methodological details

Scope 2 emissions consist of purchased electricity consumption.

Scope 2 (market-based)

(7.5.1) Base year end

12/30/2023

(7.5.2) Base year emissions (metric tons CO2e)

2821.24

(7.5.3) Methodological details

Scope 2 emissions consist of purchased electricity consumption.

Scope 3 category 1: Purchased goods and services

(7.5.1) Base year end

12/30/2023

(7.5.2) Base year emissions (metric tons CO2e)

66627.81

(7.5.3) Methodological details

Scope 3 category 1 emissions consist of purchased goods, chemicals and services.

Scope 3 category 2: Capital goods

(7.5.1) Base year end

12/30/2023

(7.5.2) Base year emissions (metric tons CO2e)

37.13

(7.5.3) Methodological details

Scope 3 category 2 emissions consist of purchased capital goods.

Scope 3 category 3: Fuel-and-energy-related activities (not included in Scope 1 or 2)

(7.5.1) Base year end

12/30/2023

(7.5.2) Base year emissions (metric tons CO2e)

1501.22

(7.5.3) Methodological details

Scope 3 category 3 emissions consist of well-to-tank emissions from all consumed energy.

Scope 3 category 4: Upstream transportation and distribution

(7.5.1) Base year end

12/30/2023

(7.5.2) Base year emissions (metric tons CO2e)

3343.75

(7.5.3) Methodological details

Scope 3 category 4 emissions consist of emissions caused by transportation of purchased goods and services.

Scope 3 category 5: Waste generated in operations

(7.5.1) Base year end

12/30/2023

(7.5.2) Base year emissions (metric tons CO2e)

81.31

(7.5.3) Methodological details

Scope 3 category 5 emissions consist of waste generated in production processes.

Scope 3 category 6: Business travel

(7.5.1) Base year end

12/30/2023

(7.5.2) Base year emissions (metric tons CO2e)

859.67

(7.5.3) Methodological details

Scope 3 category 5 emissions consist of emissions from business travel.

Scope 3 category 7: Employee commuting

(7.5.1) Base year end

12/30/2023

(7.5.2) Base year emissions (metric tons CO2e)

557.52

(7.5.3) Methodological details

Emissions resulted from employee commuting were calculated.

Scope 3 category 8: Upstream leased assets

(7.5.1) Base year end

12/30/2023

(7.5.3) Methodological details

There is no related emissions from upstream leased assets.

Scope 3 category 9: Downstream transportation and distribution

(7.5.1) Base year end

12/30/2023

(7.5.2) Base year emissions (metric tons CO2e)

2777.81

(7.5.3) Methodological details

Transportation of sold products were considered under downstream transportation and distribution.

Scope 3 category 10: Processing of sold products

(7.5.1) Base year end

12/30/2023

(7.5.3) Methodological details

Emissions caused by processing of sold product were not calculated in the base reporting year.

Scope 3 category 11: Use of sold products

(7.5.1) Base year end

01/30/2023

(7.5.2) Base year emissions (metric tons CO2e)

3491689.25

(7.5.3) Methodological details

Emissions resulting from fuel and energy consumed during the use of manufactured vehicles have been calculated.

Scope 3 category 12: End of life treatment of sold products

(7.5.1) Base year end

01/30/2023

(7.5.2) Base year emissions (metric tons CO2e)

1316.44

(7.5.3) Methodological details

Emissions from end of life treatment of sold products were calculated under this category considering future scenarios on waste disposal percentages.

Scope 3 category 13: Downstream leased assets

(7.5.1) Base year end

12/30/2023

(7.5.3) Methodological details

There is no related emissions from downstream leased assets.

Scope 3 category 14: Franchises

(7.5.1) Base year end

12/30/2023

(7.5.3) Methodological details

There is no relevant emissions in our activities regarding franchises.

Scope 3 category 15: Investments

(7.5.1) Base year end

12/30/2023

(7.5.3) Methodological details

There is no relevant emissions in our activities regarding investments.

Scope 3: Other (upstream)

(7.5.1) Base year end

12/30/2023

(7.5.3) Methodological details

There is no calculation on other upstream emissions.

Scope 3: Other (downstream)

(7.5.1) Base year end

12/30/2023

(7.5.3) Methodological details

There is no calculation on other downstream emissions.
[Fixed row]

(7.6) What were your organization’s gross global Scope 1 emissions in metric tons CO2e?

Reporting year

(7.6.1) Gross global Scope 1 emissions (metric tons CO2e)

4573.39

(7.6.3) Methodological details

Detailed emission tracking and reporting practices are followed by our organization to ensure accurate and transparent data. Internationally recognized methodologies and tools are employed to track our emissions across all relevant emission sources. The data collection process is regularly reviewed, and innovative solutions are explored for enhanced accuracy and expanded data coverage.
[Fixed row]

(7.7) What were your organization’s gross global Scope 2 emissions in metric tons CO2e?

Reporting year

(7.7.1) Gross global Scope 2, location-based emissions (metric tons CO2e)

2821.24

(7.7.2) Gross global Scope 2, market-based emissions (metric tons CO2e) (if applicable)

2821.24

(7.7.4) Methodological details

Both a Scope 2, location-based figure and a Scope 2, market-based figure reported to provide a comprehensive view of our emissions. Various energy-saving initiatives have been implemented across our organization as part of our commitment to reducing GHG emissions.
[Fixed row]

(7.8) Account for your organization’s gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

(7.8.1) Evaluation status

Select from:
☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

66627.81

(7.8.3) Emissions calculation methodology

Select all that apply
☑ Average data method

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

100

(7.8.5) Please explain

Purchased goods and services have been calculated in ISO 14046-1 for Anadolu Isuzu. Emissions for purchased goods and services are obtained from Ecoinvent v9.6.0.1 and DEFRA, 2023

Capital goods

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

37.13

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Average data method

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

100

(7.8.5) Please explain

Capital goods have been calculated in ISO 14046-1 for Anadolu Isuzu. Emissions for capital goods are obtained from DEFRA, 2023

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

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

1501.22

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Fuel-based method

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

100

(7.8.5) Please explain

*Fuel and electricity consumption data that is used in the Scope 1 and Scope 2 is used to calculate this category. Emission factors are obtained from DEFRA, 2023 emissions factors database. Calculation methodology is based on the GHG Protocol. The data covers: *Upstream emissions of purchased fuels such as Natural gas, diesel oil and gasoline *Transmission & distribution losses arising from purchased electricity *Upstream emissions of purchased electricity*

Upstream transportation and distribution

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

3343.75

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Distance-based method

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

100

(7.8.5) Please explain

For this category, specific transported weight data and specific transported distance data have been obtained from per transportation supplier of Anadolu Isuzu. Emission factors are obtained from DEFRA, 2023 emissions factors database.

Waste generated in operations

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

81.31

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Waste-type-specific method

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

100

(7.8.5) Please explain

This data is the sum of hazardous & scrap wastes which are provided by Anadolu Isuzu reported to the Ministry in the reporting year. This category includes solid waste management according to specific disposal method, and wastewater treatment operations. Emission factors are obtained from DEFRA, 2023 emissions factors database.

Business travel

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

859.67

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Distance-based method

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

100

(7.8.5) Please explain

Port to port flight data and flight distance were collected from Anadolu Isuzu's travel agency. Hotel stay amounts have been collected from hotel stay data sheets. Emission factors are obtained from DEFRA, 2023 emissions factors database.

Employee commuting

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

557.52

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Distance-based method

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

100

(7.8.5) Please explain

This data covers the emissions generated from the transportation (roadway) of employees by daily shuttle busses. Employee commuting data was multiplied withe the land travel emissions factors. Emission factors are obtained from DEFRA, 2023 Business Travel Land, average local bus option. emissions factors database.

Upstream leased assets

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

There are no leased assets of Anadolu Isuzu in the upstream activities.

Downstream transportation and distribution

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

2777.81

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Distance-based method

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

100

(7.8.5) Please explain

This data was provided from our transportation suppliers that carry out transportation activities to Anadolu Isuzu. This category covered in Upstream transportation and distribution emissions. Emission factors are obtained from DEFRA, 2023 emissions factors database.

Processing of sold products

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

Anadolu Isuzu products are not processed any further after they have been sold. Consequently, the scope 3 category “Processing of sold Products” is not relevant for Anadolu Isuzu.

Use of sold products

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

3491689

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Average data method

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

100

(7.8.5) Please explain

CO2 emissions per km and annual mileage information are calculated for all vehicles data. The amount of leakage caused by the air conditioning gas used by the vehicles throughout their lifetime was calculated. A product lifetime on the basis of km is assumed for all vehicles. CO2 emissions of all vehicles are calculated using approximate factors from DEFRA 2023. It is assumed that a product lifetime on the basis of km is assumed for all vehicles. The total CO2 emissions of the reporting year covering diesel, CNG and electric vehicles were calculated. Calculated by evaluating the gas capacity of the air conditioners of all vehicles and the lifetime of the vehicle.

End of life treatment of sold products

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

1316

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Average data method

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

100

(7.8.5) Please explain

2023 total vehicle production amount are multiplied by the emission factor of end-of-life treatment. The end-of-life CO2 e emissions factor is calculated in with Ecoinvent database and DEFRA 2023. The emissions factor dataset is given in Ecoinvent, as a used vehicle disposal scenario data. Used vehicle disposal scenario data is not available in Ecoinvent for some vehicle models. Disposal scenarios were created and emission factors were taken from DEFRA 2023.

Downstream leased assets

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

There are no downstream leased assets of Anadolu Isuzu in the upstream activities.

Franchises

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

There are no franchises of Anadolu Isuzu in the upstream activities.

Investments

(7.8.1) Evaluation status

Select from:
☑ Not relevant, explanation provided

(7.8.5) Please explain

There are no investments of Anadolu Isuzu in the upstream activities.

Other (upstream)

(7.8.1) Evaluation status

Select from:
☑ Not relevant, explanation provided

(7.8.5) Please explain

No other upstream emissions apart from above categories.

Other (downstream)

(7.8.1) Evaluation status

Select from:
☑ Not relevant, explanation provided

(7.8.5) Please explain

No other downstream emissions apart from above categories.
[Fixed row]

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

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

[Fixed row]

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

Row 1

(7.9.1.1) Verification or assurance cycle in place

Select from:
☑ Annual process

(7.9.1.2) Status in the current reporting year

Select from:
☑ Complete

(7.9.1.3) Type of verification or assurance

Select from:
☑ Reasonable assurance

(7.9.1.4) Attach the statement

ANADOLU ISUZU 2023 Yılı GHG Verification Statement.pdf

(7.9.1.5) Page/section reference

See Page 2 for Assurance Level, See Page 4 for the detailed GHG emissions.

(7.9.1.6) Relevant standard

Select from:
☑ ISO14064-3

(7.9.1.7) Proportion of reported emissions verified (%)

100
[Add row]

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

Row 1

(7.9.2.1) Scope 2 approach

Select from:
☑ Scope 2 market-based

(7.9.2.2) Verification or assurance cycle in place

Select from:
☑ Annual process

(7.9.2.3) Status in the current reporting year

Select from:
☑ Complete

(7.9.2.4) Type of verification or assurance

Select from:
☑ Reasonable assurance

(7.9.2.5) Attach the statement

ANADOLU ISUZU 2023 Yılı GHG Verification Statement.pdf

(7.9.2.6) Page/ section reference

See Page 2 for Assurance Level, See Page 4 for the detailed GHG emissions.

(7.9.2.7) Relevant standard

Select from:
☑ ISO14064-3

(7.9.2.8) Proportion of reported emissions verified (%)

100

Row 2

(7.9.2.1) Scope 2 approach

Select from:
☑ Scope 2 location-based

(7.9.2.2) Verification or assurance cycle in place

Select from:
☑ Annual process

(7.9.2.3) Status in the current reporting year

Select from:
☑ Complete

(7.9.2.4) Type of verification or assurance

Select from:
☑ Reasonable assurance

(7.9.2.5) Attach the statement

ANADOLU ISUZU 2023 Yılı GHG Verification Statement.pdf

(7.9.2.6) Page/ section reference

See Page 2 for Assurance Level, See Page 4 for the detailed GHG emissions.

(7.9.2.7) Relevant standard

Select from:
☑ ISO14064-3

(7.9.2.8) Proportion of reported emissions verified (%)

100
[Add row]

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

Row 1

(7.9.3.1) Scope 3 category

Select all that apply

- ☑ Scope 3: Capital goods
- ☑ Scope 3: Business travel
- ☑ Scope 3: Employee commuting
- ☑ Scope 3: Use of sold products
- ☑ Scope 3: Purchased goods and services
- ☑ Scope 3: Waste generated in operations
- ☑ Scope 3: End-of-life treatment of sold products
- ☑ Scope 3: Upstream transportation and distribution
- ☑ Scope 3: Downstream transportation and distribution
- ☑ Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2)

(7.9.3.2) Verification or assurance cycle in place

Select from:

☑ Annual process

(7.9.3.3) Status in the current reporting year

Select from:

☑ Complete

(7.9.3.4) Type of verification or assurance

Select from:

☑ Reasonable assurance

(7.9.3.5) Attach the statement

ANADOLU ISUZU 2023 Yılı GHG Verification Statement.pdf

(7.9.3.6) Page/section reference

See Page 2 for Assurance Level, See Page 4 for the detailed GHG emissions.

(7.9.3.7) Relevant standard

Select from:
☑ ISO14064-3

(7.9.3.8) Proportion of reported emissions verified (%)

100
[Add row]

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

Select from:
☑ Decreased

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

Change in renewable energy consumption

(7.10.1.1) Change in emissions (metric tons CO2e)

274.217

(7.10.1.2) Direction of change in emissions

Select from:

☑ Decreased

(7.10.1.3) Emissions value (percentage)

3.58

(7.10.1.4) Please explain calculation

With the increased use of energy from GES, our energy consumption has decreased compared to the previous year. As a result, we observed a reduction in our scope 1 and scope 2 emissions during the reporting year. Our scope 1 and 2 emissions, which were 7,668.844 tons CO2 in 2022, decreased to 7,394.627 tons CO2. This represents a reduction of 274.217 tons CO2, corresponding to a decrease of 3.58%.

Other emissions reduction activities

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:

☑ No change

(7.10.1.3) Emissions value (percentage)

0
[Fixed row]

(7.10.2) Are your emissions performance calculations in 7.10 and 7.10.1 based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Select from:
☑ Market-based

(7.12) Are carbon dioxide emissions from biogenic carbon relevant to your organization?

Select from:
☑ No

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

Select from:
☑ Yes

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

Row 1

(7.15.1.1) Greenhouse gas

Select from:
☑ CO2

(7.15.1.2) Scope 1 emissions (metric tons of CO2e)

4534.075

(7.15.1.3) GWP Reference

Select from:

☑ IPCC Sixth Assessment Report (AR6 - 100 year)

Row 2

(7.15.1.1) Greenhouse gas

Select from:
☑ CH4

(7.15.1.2) Scope 1 emissions (metric tons of CO2e)

6.895

(7.15.1.3) GWP Reference

Select from:
☑ IPCC Sixth Assessment Report (AR6 - 100 year)

Row 3

(7.15.1.1) Greenhouse gas

Select from:
☑ N2O

(7.15.1.2) Scope 1 emissions (metric tons of CO2e)

32.42

(7.15.1.3) GWP Reference

Select from:
☑ IPCC Sixth Assessment Report (AR6 - 100 year)
[Add row]

(7.16) Break down your total gross global Scope 1 and 2 emissions by country/area.

	Scope 1 emissions (metric tons CO2e)	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Turkey	*4573.39*	*2821.24*	*2821.24*

[Fixed row]

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

Select all that apply

☑ By business division

☑ By facility

☑ By activity

(7.17.1) Break down your total gross global Scope 1 emissions by business division.

	Business division	Scope 1 emissions (metric ton CO2e)
Row 1	*It is the main campus of Anadolu Isuzu where it carries out its main activity, light and heavy duty vehicle production.*	*4219.519*
Row 2	*It is the Çayırova branch of Anadolu Isuzu, which was included this year and produces vehicle chassis.*	*353.871*

[Add row]

(7.17.2) Break down your total gross global Scope 1 emissions by business facility.

Row 1

(7.17.2.1) Facility

It is the main campus of Anadolu Isuzu where it carries out its main activity, light and heavy duty vehicle production.

(7.17.2.2) Scope 1 emissions (metric tons CO2e)

4219.519

(7.17.2.3) Latitude

40.878

(7.17.2.4) Longitude

29.402

Row 2

(7.17.2.1) Facility

It is the Çayırova branch of Anadolu Isuzu, which was included this year and produces vehicle chassis.

(7.17.2.2) Scope 1 emissions (metric tons CO2e)

353.871

(7.17.2.3) Latitude

40.805

(7.17.2.4) Longitude

29.376
[Add row]

(7.17.3) Break down your total gross global Scope 1 emissions by business activity.

	Activity	Scope 1 emissions (metric tons CO2e)
Row 1	*Stationary Combustion*	*3469.182*
Row 2	*Mobile Combustion*	*915.291*
Row 3	*Stationary Refrigerants*	*188.916*

[Add row]

(7.19) Break down your organization’s total gross global Scope 1 emissions by sector production activity in metric tons CO2e.

	Gross Scope 1 emissions, metric tons CO2e	Comment
Transport OEM activities	*4219.519*	*N/A*

[Fixed row]

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

Select all that apply

☑ By business division

☑ By facility

☑ By activity

(7.20.1) Break down your total gross global Scope 2 emissions by business division.

	Business division	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Row 1	*It is the main campus of Anadolu Isuzu where it carries out its main activity, light and heavy duty vehicle production.*	*2355.94*	*2355.94*
Row 2	*It is the Çayırova branch of Anadolu Isuzu, which was included this year and produces vehicle chassis.*	*465.3*	*465.3*

[Add row]

(7.20.2) Break down your total gross global Scope 2 emissions by business facility.

	Facility	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Row 1	*It is the main campus of Anadolu Isuzu where it carries out its main activity, light and heavy duty vehicle production.*	*2355.94*	*2355.94*
Row 2	*It is the Çayırova branch of Anadolu Isuzu, which was included this year and produces vehicle chassis.*	*465.3*	*465.3*

[Add row]

(7.20.3) Break down your total gross global Scope 2 emissions by business activity.

	Activity	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Row 1	*Process activities and office activities*	*2821.237*	*2821.237*

[Add row]

(7.21) Break down your organization's total gross global Scope 2 emissions by sector production activity in metric tons CO2e.

	Scope 2, location-based, metric tons CO2e	Scope 2, market-based (if applicable), metric tons CO2e	Comment
Transport OEM activities	*2355.937*	*2355.937*	*N/A*

[Fixed row]

(7.22) Break down your gross Scope 1 and Scope 2 emissions between your consolidated accounting group and other entities included in your response.

Consolidated accounting group

(7.22.1) Scope 1 emissions (metric tons CO2e)

4573.39

(7.22.2) Scope 2, location-based emissions (metric tons CO2e)

2821.237

(7.22.3) Scope 2, market-based emissions (metric tons CO2e)

2821.237

(7.22.4) Please explain

There is Central Factory and Çayırova Branch.

All other entities

(7.22.1) Scope 1 emissions (metric tons CO2e)

0

(7.22.2) Scope 2, location-based emissions (metric tons CO2e)

0

(7.22.3) Scope 2, market-based emissions (metric tons CO2e)

0

(7.22.4) Please explain

There is no other entities.
[Fixed row]

(7.23) Is your organization able to break down your emissions data for any of the subsidiaries included in your CDP response?

Select from:
☑ Not relevant as we do not have any subsidiaries

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

Select from:
☑ More than 0% but less than or equal to 5%

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

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	*Select from:* ☑ Yes
Consumption of purchased or acquired electricity	*Select from:* ☑ Yes
Consumption of purchased or acquired heat	*Select from:* ☑ No
Consumption of purchased or acquired steam	*Select from:* ☑ No
Consumption of purchased or acquired cooling	*Select from:* ☑ No
Generation of electricity, heat, steam, or cooling	*Select from:* ☑ Yes

[Fixed row]

(7.30.1) Report your organization’s energy consumption totals (excluding feedstocks) in MWh.

Consumption of fuel (excluding feedstock)

(7.30.1.1) Heating value

Select from:
☑ LHV (lower heating value)

(7.30.1.2) MWh from renewable sources

0

(7.30.1.3) MWh from non-renewable sources

18159.36

(7.30.1.4) Total (renewable and non-renewable) MWh

18159.36

Consumption of purchased or acquired electricity

(7.30.1.1) Heating value

Select from:
☑ Unable to confirm heating value

(7.30.1.2) MWh from renewable sources

0

(7.30.1.3) MWh from non-renewable sources

6426.51

(7.30.1.4) Total (renewable and non-renewable) MWh

6426.51

Consumption of self-generated non-fuel renewable energy

(7.30.1.1) Heating value

Select from:
☑ Unable to confirm heating value

(7.30.1.2) MWh from renewable sources

4691.2

(7.30.1.4) Total (renewable and non-renewable) MWh

4691.2

Total energy consumption

(7.30.1.1) Heating value

Select from:
☑ Unable to confirm heating value

(7.30.1.2) MWh from renewable sources

4691.2

(7.30.1.3) MWh from non-renewable sources

24585.87

(7.30.1.4) Total (renewable and non-renewable) MWh

29277.07
[Fixed row]

(7.30.6) Select the applications of your organization’s consumption of fuel.

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

[Fixed row]

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

Sustainable biomass

(7.30.7.1) Heating value

Select from:

☑ Unable to confirm heating value

(7.30.7.2) Total fuel MWh consumed by the organization

0

(7.30.7.3) MWh fuel consumed for self-generation of electricity

0

(7.30.7.4) MWh fuel consumed for self-generation of heat

0

(7.30.7.8) Comment

N/A

Other biomass

(7.30.7.1) Heating value

Select from:

☑ Unable to confirm heating value

(7.30.7.2) Total fuel MWh consumed by the organization

0

(7.30.7.3) MWh fuel consumed for self-generation of electricity

0

(7.30.7.4) MWh fuel consumed for self-generation of heat

0

(7.30.7.8) Comment

N/A

Other renewable fuels (e.g. renewable hydrogen)

(7.30.7.1) Heating value

Select from:
☑ Unable to confirm heating value

(7.30.7.2) Total fuel MWh consumed by the organization

0

(7.30.7.3) MWh fuel consumed for self-generation of electricity

0

(7.30.7.4) MWh fuel consumed for self-generation of heat

0

(7.30.7.8) Comment

N/A

Coal

(7.30.7.1) Heating value

Select from:
☑ Unable to confirm heating value

(7.30.7.2) Total fuel MWh consumed by the organization

0

(7.30.7.3) MWh fuel consumed for self-generation of electricity

0

(7.30.7.4) MWh fuel consumed for self-generation of heat

0

(7.30.7.8) Comment

N/A

Oil

(7.30.7.1) Heating value

Select from:
☑ LHV

(7.30.7.2) Total fuel MWh consumed by the organization

2686.68

(7.30.7.3) MWh fuel consumed for self-generation of electricity

27.1

(7.30.7.4) MWh fuel consumed for self-generation of heat

0

(7.30.7.8) Comment

N/A

Gas

(7.30.7.1) Heating value

Select from:
☑ LHV

(7.30.7.2) Total fuel MWh consumed by the organization

15472.68

(7.30.7.3) MWh fuel consumed for self-generation of electricity

0

(7.30.7.4) MWh fuel consumed for self-generation of heat

15472.68

(7.30.7.8) Comment

N/A

Other non-renewable fuels (e.g. non-renewable hydrogen)

(7.30.7.1) Heating value

Select from:
☑ Unable to confirm heating value

(7.30.7.2) Total fuel MWh consumed by the organization

0

(7.30.7.3) MWh fuel consumed for self-generation of electricity

0

(7.30.7.4) MWh fuel consumed for self-generation of heat

0

(7.30.7.8) Comment

N/A

Total fuel

(7.30.7.1) Heating value

Select from:
☑ LHV

(7.30.7.2) Total fuel MWh consumed by the organization

18159.36

(7.30.7.3) MWh fuel consumed for self-generation of electricity

27.1

(7.30.7.4) MWh fuel consumed for self-generation of heat

15472.68

(7.30.7.8) Comment

N/A
[Fixed row]

(7.30.9) Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year.

Electricity

(7.30.9.1) Total Gross generation (MWh)

6895.4

(7.30.9.2) Generation that is consumed by the organization (MWh)

4691.2

(7.30.9.3) Gross generation from renewable sources (MWh)

6895.4

(7.30.9.4) Generation from renewable sources that is consumed by the organization (MWh)

4691.2

Heat

(7.30.9.1) Total Gross generation (MWh)

0

(7.30.9.2) Generation that is consumed by the organization (MWh)

0

(7.30.9.3) Gross generation from renewable sources (MWh)

0

(7.30.9.4) Generation from renewable sources that is consumed by the organization (MWh)

0

Steam

(7.30.9.1) Total Gross generation (MWh)

0

(7.30.9.2) Generation that is consumed by the organization (MWh)

0

(7.30.9.3) Gross generation from renewable sources (MWh)

0

(7.30.9.4) Generation from renewable sources that is consumed by the organization (MWh)

0

Cooling

(7.30.9.1) Total Gross generation (MWh)

0

(7.30.9.2) Generation that is consumed by the organization (MWh)

0

(7.30.9.3) Gross generation from renewable sources (MWh)

0

(7.30.9.4) Generation from renewable sources that is consumed by the organization (MWh)

0
[Fixed row]

(7.30.14) Provide details on the electricity, heat, steam, and/or cooling amounts that were accounted for at a zero or near-zero emission factor in the market-based Scope 2 figure reported in 7.7.

Row 1

(7.30.14.1) Country/area

Select from:
☑ Turkey

(7.30.14.2) Sourcing method

Select from:
☑ None (no active purchases of low-carbon electricity, heat, steam or cooling)

(7.30.14.10) Comment

Anadolu Isuzu operates in a high-emission sector. In this context, we monitor green strategies and carbon markets on national and international platforms to take environmental actions and seize opportunities. Anadolu Isuzu has strategically decided to reduce financial risks associated with production and energy supply congestion by aligning with Low Carbon strategies and investing in renewable energy, notably with a strategic decision to invest in a 6.7 MWp Solar Power Plant (SPP) project. We have achieved a total installed capacity of 6.7 MWp across 32003 m2 in two phases installed in 2022 and 2023. Thanks to our solar power plants, we generated 6,895 MWh of electricity this year, sourcing 68% of our electricity consumption from clean sources. Additionally, we sold 2204 MWh of generated electricity to the grid, generating revenue and enabling other consumers to use renewable energy. Consequently, with this green energy equivalent to the electricity consumption of 2600 households, we prevented approximately 3035 tCO2 emissions. As part of our transition to renewable energy, we have initiated feasibility studies for the third phase of SPP projects in the coming years.
[Add row]

(7.30.16) Provide a breakdown by country/area of your electricity/heat/steam/cooling consumption in the reporting year.

Turkey

(7.30.16.1) Consumption of purchased electricity (MWh)

6426.51

(7.30.16.2) Consumption of self-generated electricity (MWh)

4691.2

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

11117.71
[Fixed row]

(7.35) Provide any efficiency metrics that are appropriate for your organization’s transport products and/or services.

Row 1

(7.35.1) Activity

Select from:
☑ Light Duty Vehicles (LDV)

(7.35.2) Metric figure

1.311

(7.35.3) Metric numerator

Select from:
☑ MWh

(7.35.4) Metric denominator

Select from:
☑ Production: Vehicle

(7.35.5) Metric numerator: Unit total

3056.281

(7.35.6) Metric denominator: Unit total

2331

(7.35.7) % change from previous year

3.88

(7.35.8) Please explain

For the reporting year, the figure for Anadolu Isuzu is 1.31 MWh/vehicle. Previous year's realization was 1.36 MWh /vehicle. The metric numerator is the energy consumption of the Anadolu Isuzu. The energy used in total is %15 more than the previous year, the number of vehicles produced is also increased. This lead to a decrease of %3.9 in energy used per vehicle.

Row 3

(7.35.1) Activity

Select from:

☑ Heavy Duty Vehicles (HDV)

(7.35.2) Metric figure

1.311

(7.35.3) Metric numerator

Select from:

☑ MWh

(7.35.4) Metric denominator

Select from:

☑ Production: Vehicle

(7.35.5) Metric numerator: Unit total

7001.528

(7.35.6) Metric denominator: Unit total

5340

(7.35.7) % change from previous year

3.88

(7.35.8) Please explain

For the reporting year, the figure for Anadolu Isuzu is 1.31 MWh/vehicle. Previous year's realization was 1.36 MWh /vehicle. The metric numerator is the energy consumption of the Anadolu Isuzu. The energy used in total is %15 more than the previous year, the number of vehicles produced is also increased. This lead to a decrease of %3.9 in energy used per vehicle.
[Add row]

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

Row 1

(7.45.1) Intensity figure

5.995e-7

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

7394.63

(7.45.3) Metric denominator

Select from:
☑ unit total revenue

(7.45.4) Metric denominator: Unit total

12335379024

(7.45.5) Scope 2 figure used

Select from:

☑ Market-based

(7.45.6) % change from previous year

50.98

(7.45.7) Direction of change

Select from:

☑ Decreased

(7.45.8) Reasons for change

Select all that apply

☑ Change in renewable energy consumption

☑ Other emissions reduction activities

☑ Change in revenue

(7.45.9) Please explain

In 2023, our emissions intensity per unit of total revenue decreased by 50.984% compared to the previous year. This improvement is mainly due to a significant increase in revenue, which grew by 96.7%, and a reduction in our Scope 12 emissions by 3.57%. A key factor contributing to this reduction was the activation of the second phase of our solar energy system. By utilizing 68% of the energy generated from solar power within our factory, we reduced our reliance on non-renewable energy sources, leading to a decrease in our Scope 2 emissions. This transition to more renewable energy sources played a significant role in lowering our overall emissions intensity.
[Add row]

(7.50) Provide primary intensity metrics that are appropriate to your indirect emissions in Scope 3 Category 11: Use of sold products from transport.

Row 1

(7.50.1) Activity

Select from:

☑ Heavy Duty Vehicles (HDV)

(7.50.2) Emissions intensity figure

0.00001018

(7.50.3) Metric numerator (Scope 3 emissions: use of sold products) in Metric tons CO2e

2910707.01

(7.50.4) Metric denominator

Select from:

☑ t.km

(7.50.5) Metric denominator: Unit total

285876973206.06

(7.50.6) % change from previous year

59

(7.50.7) Vehicle unit sales in reporting year

5343

(7.50.8) Vehicle lifetime in years

30

(7.50.9) Annual distance in km or miles (unit specified by column 4)

9185.85

(7.50.10) Load factor

5,824.71

(7.50.11) Please explain the changes, and relevant standards/methodologies used

CO2 emissions per km and annual mileage information are calculated for all HDV vehicles using fuel data during 1 year period. A product lifetime of 30 years are assumed for HDVs. All calculated CO2 emissions of HDV are calculated using approximate factors from DEFRA tool. Change from previous year represents the change of emissions intensity figure.

Row 2

(7.50.1) Activity

Select from:

☑ Light Duty Vehicles (LDV)

(7.50.2) Emissions intensity figure

0.0000445

(7.50.3) Metric numerator (Scope 3 emissions: use of sold products) in Metric tons CO2e

404783.93

(7.50.4) Metric denominator

Select from:

☑ t.km

(7.50.5) Metric denominator: Unit total

9095438223.94

(7.50.6) % change from previous year

-39

(7.50.7) Vehicle unit sales in reporting year

2331

(7.50.8) Vehicle lifetime in years

15

(7.50.9) Annual distance in km or miles (unit specified by column 4)

3474.9

(7.50.10) Load factor

1,122.90

(7.50.11) Please explain the changes, and relevant standards/methodologies used

CO2 emissions per km and annual mileage information are calculated for all LDV vehicles using fuel data during 1 year period. A product lifetime of 15 years are assumed for LDVs. All calculated CO2 emissions of LDV are calculated using approximate factors from DEFRA tool. Change from previous year represents the change of vehicle unit sales.
[Add row]

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

Row 1

(7.52.1) Description

Select from:

☑ Energy usage

(7.52.2) Metric value

16906

(7.52.3) Metric numerator

Energy consumption per product produced

(7.52.4) Metric denominator (intensity metric only)

1.3

(7.52.5) % change from previous year

24

(7.52.6) Direction of change

Select from:

☑ Decreased

(7.52.7) Please explain

We are taking steps to minimize the environmental impact of our production processes and products. Through energy efficiency projects and our transition to renewable energy, we have achieved a reduction in energy consumption per unit. As part of our energy efficiency activities, a total of five improvement and project-based initiatives were implemented. These projects also led to an increase in capacity and reduced the amount of energy consumed per product produced.

Row 2

(7.52.1) Description

Select from:

☑ Other, please specify **:**Water consumption

(7.52.2) Metric value

60009

(7.52.3) Metric numerator

Water consumption per product produced

(7.52.4) Metric denominator (intensity metric only)

4.4

(7.52.5) % change from previous year

3

(7.52.6) Direction of change

Select from:

☑ Decreased

(7.52.7) Please explain

We are working on using water efficiently in our production processes. In the cathodic section of our paint shop, we achieved positive results in reducing soft water consumption, saving approximately 780 m³ of water. Additionally, we installed a deionized UV system to decrease the frequency of water changes in our pools due to bacterial growth. This allowed us to use water more efficiently, saving another 600 m³. Through these water efficiency projects, we have reduced water consumption per unit.
[Add row]

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

Select all that apply

☑ Absolute target

(7.53.1) Provide details of your absolute emissions targets and progress made against those targets.

Row 1

(7.53.1.1) Target reference number

Select from:

☑ Abs 1

(7.53.1.2) Is this a science-based target?

Select from:

☑ Yes, we consider this a science-based target, and we have committed to seek validation of this target by the Science Based Targets initiative in the next two years

(7.53.1.4) Target ambition

Select from:

☑ 1.5°C aligned

(7.53.1.5) Date target was set

12/30/2023

(7.53.1.6) Target coverage

Select from:

☑ Organization-wide

(7.53.1.7) Greenhouse gases covered by target

Select all that apply

- ☑ Methane (CH4)
- ☑ Nitrous oxide (N2O)
- ☑ Carbon dioxide (CO2)
- ☑ Perfluorocarbons (PFCs)
- ☑ Hydrofluorocarbons (HFCs)
- ☑ Sulphur hexafluoride (SF6)
- ☑ Nitrogen trifluoride (NF3)

(7.53.1.8) Scopes

Select all that apply

- ☑ Scope 1
- ☑ Scope 2

(7.53.1.9) Scope 2 accounting method

Select from:

- ☑ Market-based

(7.53.1.11) End date of base year

12/30/2023

(7.53.1.12) Base year Scope 1 emissions covered by target (metric tons CO2e)

4573.39

(7.53.1.13) Base year Scope 2 emissions covered by target (metric tons CO2e)

2821.237

(7.53.1.31) Base year total Scope 3 emissions covered by target (metric tons CO2e)

0.000

(7.53.1.32) Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

7394.627

(7.53.1.33) Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

100

(7.53.1.34) Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2

100

(7.53.1.53) Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

100

(7.53.1.54) End date of target

12/30/2033

(7.53.1.55) Targeted reduction from base year (%)

54.6

(7.53.1.56) Total emissions at end date of target covered by target in all selected Scopes (metric tons CO2e)

3357.161

(7.53.1.57) Scope 1 emissions in reporting year covered by target (metric tons CO2e)

4573.39

(7.53.1.58) Scope 2 emissions in reporting year covered by target (metric tons CO2e)

2821.237

(7.53.1.77) Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

7394.627

(7.53.1.78) Land-related emissions covered by target

Select from:

☑ No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

(7.53.1.79) % of target achieved relative to base year

0.00

(7.53.1.80) Target status in reporting year

Select from:

☑ New

(7.53.1.82) Explain target coverage and identify any exclusions

Calculating and managing the GHG emissions associated with our activities on an annual basis and developing effective strategies to mitigate these emissions are crucial steps in our journey towards becoming a net zero company as part of our comprehensive climate transition plan. Anadolu Isuzu has developed a comprehensive strategy to monitor greenhouse gas emissions. As of 2023, we have set a target to reduce our Scope 1 and 2 emissions by 54.6% from the 2023 baseline by 2033. This target aligns with the goals of the Paris Agreement and the Science-Based Targets Initiative (SBTi), aiming for a 1.5 degrees Celsius world. In reporting year, no target could be provided to SBTi, because guidance for OEM sector had not been published in 2023. Anadolu Isuzu includes 100% of Scope 1 and 2 emissions in our reduction targets, ensuring that no emission source is excluded. In this context, we have initiated the creation of a Climate Action Plan and have reviewed our new absolute emission targets for Scope 1 and 2 in accordance with climate science. Our targets have been formulated following the mathematical rules set by the SBTi for the transport sector. Therefore, our established targets are based on scientific principles and demonstrate our commitment to fighting climate change. Anadolu Isuzu is continuously developing while staying committed to the SBTi throughout this process. Furthermore, it is important to mention that FLAG and biogenic emissions do not apply to our company's operations.

(7.53.1.83) Target objective

In line with our commitment to sustainability, Anadolu Isuzu has set a clear target objective to reduce greenhouse gas (GHG) emissions in our operations. The main aim of this target is to achieve a 54.6% reduction in our Scope 1 and 2 emissions by 2033, based on the 2023 baseline. This ambitious goal aligns with the targets of the Paris Agreement and the Science-Based Targets Initiative (SBTi), focusing on limiting global warming to 1.5 degrees Celsius. To reach the targeted level of our Scope 1 and 2 emissions, we are continuing our energy efficiency efforts and increasing our use of renewable energy in our electricity consumption.

(7.53.1.84) Plan for achieving target, and progress made to the end of the reporting year

As part of our business strategies and efforts to combat climate change, we have set a specific target to reduce our direct emissions under Scope 1 and Scope 2 over a 10-year period. This target is aligned with the goals established by the Science-Based Targets Initiative (SBTi) as of the reporting year. We are actively pursuing various initiatives and investing in innovative technologies to achieve this goal. During the reporting year, we implemented energy monitoring systems to enhance our energy efficiency. By focusing on process optimization efforts, we made our production processes more efficient. Additionally, we upgraded our machinery and equipment to use more environmentally friendly and energy-saving solutions. Thanks to our Solar Energy System (GES) project, we have been able to obtain a larger portion of our electricity from renewable sources. In the coming years, we will continue these efforts. We are committed to investing in innovative technologies and expanding our energy efficiency projects. This way, we aim to reduce our environmental impact and build a sustainable future.

(7.53.1.85) Target derived using a sectoral decarbonization approach

Select from:

☑ No

Row 3

(7.53.1.1) Target reference number

Select from:

☑ Abs 2

(7.53.1.2) Is this a science-based target?

Select from:

☑ Yes, we consider this a science-based target, and we have committed to seek validation of this target by the Science Based Targets initiative in the next two years

(7.53.1.4) Target ambition

Select from:

☑ 1.5°C aligned

(7.53.1.5) Date target was set

12/30/2023

(7.53.1.6) Target coverage

Select from:

☑ Organization-wide

(7.53.1.7) Greenhouse gases covered by target

Select all that apply

☑ Methane (CH4)

☑ Nitrous oxide (N2O)

☑ Carbon dioxide (CO2)

☑ Perfluorocarbons (PFCs)

☑ Hydrofluorocarbons (HFCs)

☑ Sulphur hexafluoride (SF6)

☑ Nitrogen trifluoride (NF3)

(7.53.1.8) Scopes

Select all that apply

☑ Scope 3

(7.53.1.10) Scope 3 categories

Select all that apply

☑ Scope 3, Category 11 – Use of sold products

(7.53.1.11) End date of base year

12/30/2023

(7.53.1.24) Base year Scope 3, Category 11: Use of sold products emissions covered by target (metric tons CO2e)

3491689.247

(7.53.1.31) Base year total Scope 3 emissions covered by target (metric tons CO2e)

3491689.247

(7.53.1.32) Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

3491689.247

(7.53.1.45) Base year Scope 3, Category 11: Use of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 11: Use of sold products (metric tons CO2e)

100.0

(7.53.1.52) Base year total Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)

100.0

(7.53.1.53) Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

100.0

(7.53.1.54) End date of target

12/30/2033

(7.53.1.55) Targeted reduction from base year (%)

54.6

(7.53.1.56) Total emissions at end date of target covered by target in all selected Scopes (metric tons CO2e)

1585226.918

(7.53.1.69) Scope 3, Category 11: Use of sold products emissions in reporting year covered by target (metric tons CO2e)

3491689.247

(7.53.1.76) Total Scope 3 emissions in reporting year covered by target (metric tons CO2e)

3491689.247

(7.53.1.77) Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

3491689.247

(7.53.1.78) Land-related emissions covered by target

Select from:

☑ No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

(7.53.1.79) % of target achieved relative to base year

0.00

(7.53.1.80) Target status in reporting year

Select from:

☑ New

(7.53.1.82) Explain target coverage and identify any exclusions

Calculating and managing the GHG emissions associated with our activities on an annual basis and developing effective strategies to mitigate these emissions are crucial steps in our journey towards becoming a net zero company as part of our comprehensive climate transition plan. Anadolu Isuzu has developed a comprehensive strategy to monitor greenhouse gas emissions. As of 2023, we have set a target to reduce our Scope 1 and 2 emissions by 54.6% from the 2023 baseline by 2033. This target aligns with the goals of the Paris Agreement and the Science-Based Targets Initiative (SBTi), aiming for a 1.5 degrees Celsius world. In reporting year, no target could be provided to SBTi, because guidance for OEM sector had not been published in 2023. Our Scope 3 emissions account for 99.8% of our total emissions. As a vehicle manufacturer, we calculate and monitor emissions related to the use of the vehicles sold under Scope 3, Category 11. In fact, 97.8% of our Scope 3 emissions come from the "Scope 3 Category 11: Use of Sold Products" emissions. In this context, we have initiated the creation of a Climate Action Plan and have reviewed our new absolute emission targets for Scope 1, 2, and 3 in accordance with climate science. Our targets have been formulated following the mathematical rules set by the SBTi for the transport sector. Therefore, we have established our reduction target for Scope 3 emissions based on Category 11, aiming for a 54.6% reduction from our 2023 baseline by 2033. Our established targets are based on scientific principles and demonstrate our commitment to fighting climate change. Anadolu Isuzu is continuously developing while staying committed to the SBTi throughout this process.

(7.53.1.83) Target objective

In line with our commitment to sustainability, Anadolu Isuzu has set a clear target objective to reduce greenhouse gas (GHG) emissions in our operations. The main aim of this target is to achieve a 54.6% reduction in our Scope 1 and 2 emissions by 2033, based on the 2023 baseline. This ambitious goal aligns with the targets of the Paris Agreement and the Science-Based Targets Initiative (SBTi), focusing on limiting global warming to 1.5 degrees Celsius. Additionally, our Scope 3 emissions account for 99.8% of our total emissions. As a vehicle manufacturer, we calculate and monitor emissions related to the use of the vehicles sold under Scope 3, specifically under Category 11. In fact, 97.8% of our Scope 3 emissions come from the "Scope 3 Category 11: Use of Sold Products" emissions. Therefore, the aim of the target for Scope 3 emissions based on Category 11, 54.6% reduction of emissions from our 2023 baseline by 2033.

(7.53.1.84) Plan for achieving target, and progress made to the end of the reporting year

As part of our business strategies and efforts to combat climate change, we have set a specific target to reduce our direct emissions under Scope 3 over a 10-year period. This target is aligned with the goals established by the Science-Based Targets Initiative (SBTi) as of the reporting year. We are actively pursuing various initiatives and investing in innovative technologies to achieve this goal. Notably, 97.8% of our Scope 3 emissions come from the "Scope 3 Category 11: Use of Sold Products" emissions. Therefore, we have established our reduction target for Scope 3 emissions based on Category 11, aiming for a 54.6% reduction from our 2023 baseline by 2033. To support this target, we are increasing our production of low-carbon vehicles each year and conducting research and development activities in this area. In addition to electric vehicles, we are also producing CNG-powered vehicles with lower emissions. Furthermore, to achieve lower fuel consumption, we implemented vehicle lightweighting initiatives in 2023. We will continue our efforts in this direction in the coming years.

(7.53.1.85) Target derived using a sectoral decarbonization approach

Select from:

☑ No

Row 4

(7.53.1.1) Target reference number

Select from:

☑ Abs 3

(7.53.1.2) Is this a science-based target?

Select from:

☑ Yes, we consider this a science-based target, and we have committed to seek validation of this target by the Science Based Targets initiative in the next two years

(7.53.1.4) Target ambition

Select from:

☑ 1.5°C aligned

(7.53.1.5) Date target was set

12/30/2023

(7.53.1.6) Target coverage

Select from:

☑ Organization-wide

(7.53.1.7) Greenhouse gases covered by target

Select all that apply

☑ Methane (CH4)

☑ Sulphur hexafluoride (SF6)

☑ Nitrous oxide (N2O)
☑ Carbon dioxide (CO2)
☑ Perfluorocarbons (PFCs)
☑ Hydrofluorocarbons (HFCs)
☑ Nitrogen trifluoride (NF3)

(7.53.1.8) Scopes

Select all that apply

☑ Scope 1
☑ Scope 2
☑ Scope 3

(7.53.1.9) Scope 2 accounting method

Select from:

☑ Market-based

(7.53.1.10) Scope 3 categories

Select all that apply

☑ Scope 3, Category 11 – Use of sold products

(7.53.1.11) End date of base year

12/30/2023

(7.53.1.12) Base year Scope 1 emissions covered by target (metric tons CO2e)

4573.39

(7.53.1.13) Base year Scope 2 emissions covered by target (metric tons CO2e)

2821.237

(7.53.1.24) Base year Scope 3, Category 11: Use of sold products emissions covered by target (metric tons CO2e)

3491689.247

(7.53.1.31) Base year total Scope 3 emissions covered by target (metric tons CO2e)

3491689.247

(7.53.1.32) Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

3499083.874

(7.53.1.33) Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

100

(7.53.1.34) Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2

100

(7.53.1.45) Base year Scope 3, Category 11: Use of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 11: Use of sold products (metric tons CO2e)

100

(7.53.1.52) Base year total Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)

100

(7.53.1.53) Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

100

(7.53.1.54) End date of target

12/30/2050

(7.53.1.55) Targeted reduction from base year (%)

100

(7.53.1.56) Total emissions at end date of target covered by target in all selected Scopes (metric tons CO2e)

0.000

(7.53.1.57) Scope 1 emissions in reporting year covered by target (metric tons CO2e)

4573.39

(7.53.1.58) Scope 2 emissions in reporting year covered by target (metric tons CO2e)

2821.237

(7.53.1.69) Scope 3, Category 11: Use of sold products emissions in reporting year covered by target (metric tons CO2e)

3491689.247

(7.53.1.76) Total Scope 3 emissions in reporting year covered by target (metric tons CO2e)

3491689.247

(7.53.1.77) Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

3499083.874

(7.53.1.78) Land-related emissions covered by target

Select from:

☑ No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

(7.53.1.79) % of target achieved relative to base year

0.00

(7.53.1.80) Target status in reporting year

Select from:

☑ New

(7.53.1.82) Explain target coverage and identify any exclusions

Our commitment to sustainability is deeply integrated into our business model and strategy, influencing various aspects of our operations. We incorporate sustainable principles throughout our investment decisions, operational practices, governance structure, and decision-making processes. This comprehensive approach ensures that sustainability is embedded across our organization. Our ongoing efforts focus on the linear reduction of Scope 1 and 2 emissions, reflecting our commitment to minimizing the environmental impact of our operations. At the same time, we actively engage in research and development projects and investments aimed at achieving our targets for Scope 3 emissions. These comprehensive initiatives are guiding us toward our goal of becoming a net zero company.

(7.53.1.83) Target objective

Our strategic objective for achieving net zero emissions is to align with global climate goals and demonstrate our commitment to sustainability. Reaching net zero emissions by 2050 involves a structured approach to reduce our total emissions by 50.4% by 2032. This target is integrated into our overall business strategy, which prioritizes investments in energy efficiency and the adoption of renewable energy sources such as solar power. To achieve this goal, the company commits to comprehensive emission reduction strategies across all operations.

(7.53.1.84) Plan for achieving target, and progress made to the end of the reporting year

As part of our commitment to achieving net zero emissions, we have set specific targets to reduce our Scope 1, 2, and 3 emissions over a 10-year period. Our target for Scope 1 and 2 emissions focuses on a 54.6% reduction from our 2023 baseline by 2033. This goal aligns with the Science-Based Targets Initiative (SBTi) and includes transitioning to renewable energy sources and enhancing energy efficiency efforts. 97.8% of our Scope 3 emissions come from the "Scope 3 Category 11: Use of Sold Products." To support this goal, we are increasing our production of low-carbon vehicles, including electric and CNG-powered models. Additionally, we have implemented vehicle lightweighting initiatives to enhance fuel efficiency. We are committed to continuing these efforts in the coming years to achieve our net zero objectives.

(7.53.1.85) Target derived using a sectoral decarbonization approach

Select from:
☑ No
[Add row]

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

Select all that apply
☑ Net-zero targets
☑ Other climate-related targets

(7.54.2) Provide details of any other climate-related targets, including methane reduction targets.

Row 1

(7.54.2.1) Target reference number

Select from:
☑ Oth 1

(7.54.2.2) Date target was set

12/30/2021

(7.54.2.3) Target coverage

Select from:
☑ Site/facility

(7.54.2.4) Target type: absolute or intensity

Select from:

☑ Absolute

(7.54.2.5) Target type: category & Metric (target numerator if reporting an intensity target)

Waste management

☑ Percentage of total waste generated that is recycled

(7.54.2.7) End date of base year

12/30/2021

(7.54.2.8) Figure or percentage in base year

6

(7.54.2.9) End date of target

12/30/2030

(7.54.2.10) Figure or percentage at end of date of target

4.2

(7.54.2.11) Figure or percentage in reporting year

5.7

(7.54.2.12) % of target achieved relative to base year

16.6666666667

(7.54.2.13) Target status in reporting year

Select from:

☑ Underway

(7.54.2.15) Is this target part of an emissions target?

No

(7.54.2.16) Is this target part of an overarching initiative?

Select all that apply

☑ Other, please specify **:**It is a target followed internally within the scope of the 2030 Sustainability Goals.

(7.54.2.18) Please explain target coverage and identify any exclusions

Our target applies only to our main factory because waste production is significantly higher there compared to our Çayırova branch. Therefore, the target does not cover the entire organization but focuses on our operations at the main location. The Çayırova branch is excluded as its waste production is at a lower level.

(7.54.2.19) Target objective

The purpose of our target is to reduce contaminated waste generated per unit in production activities by 30% by 2030, compared to the 2021 baseline. This goal aligns with Anadolu Isuzu's commitment to minimizing non-recyclable waste generation through our Environmental Management System. By focusing on separating waste at the source and delivering non-recyclable waste to licensed companies, we aim to contribute to effective raw material and resource management. Additionally, waste reduction projects, aligned with the Zero Waste Regulation, help us prevent methane emissions in landfills and support our broader sustainability efforts, positively impacting both the environment and human health.

(7.54.2.20) Plan for achieving target, and progress made to the end of the reporting year

Anadolu Isuzu implements a department-based waste inventory management system in order to incorporate the different departments at its plants into the waste reduction efforts. The roll out of waste reduction projects within the organization continued to have a positive impact on the efforts to reduce the amount of waste per unit. Anadolu Isuzu realized a 5% improvement in hazardous and contaminated waste consumption per unit compared to 2021 figures.
[Add row]

(7.54.3) Provide details of your net-zero target(s).

Row 1

(7.54.3.1) Target reference number

Select from:

☑ NZ1

(7.54.3.2) Date target was set

12/30/2023

(7.54.3.3) Target Coverage

Select from:

☑ Organization-wide

(7.54.3.4) Targets linked to this net zero target

Select all that apply

☑ Abs3

(7.54.3.5) End date of target for achieving net zero

12/30/2050

(7.54.3.6) Is this a science-based target?

Select from:

☑ Yes, we consider this a science-based target, but we have not committed to seek validation of this target by the Science Based Targets initiative within the next two years

(7.54.3.8) Scopes

Select all that apply

☑ Scope 1

☑ Scope 2

☑ Scope 3

(7.54.3.9) Greenhouse gases covered by target

Select all that apply

☑ Methane (CH4)
☑ Nitrous oxide (N2O)
☑ Carbon dioxide (CO2)
☑ Perfluorocarbons (PFCs)
☑ Hydrofluorocarbons (HFCs)
☑ Sulphur hexafluoride (SF6)
☑ Nitrogen trifluoride (NF3)

(7.54.3.10) Explain target coverage and identify any exclusions

Our commitment to sustainability is deeply integrated into our business model and strategy, influencing various aspects of our operations. We incorporate sustainable principles throughout our investment decisions, operational practices, governance structure, and decision-making processes. This comprehensive approach ensures that sustainability is embedded across our organization. Our ongoing efforts focus on the linear reduction of Scope 1 and 2 emissions, reflecting our commitment to minimizing the environmental impact of our operations. At the same time, we actively engage in research and development projects and investments aimed at achieving our targets for Scope 3 emissions. These comprehensive initiatives are guiding us toward our goal of becoming a net zero company.

(7.54.3.11) Target objective

Our strategic objective for achieving net zero emissions is to align with global climate goals and demonstrate our commitment to sustainability. Reaching net zero emissions by 2050 involves a structured approach to reduce our total emissions by 54.6% by 2033. This target is integrated into our overall business strategy, which prioritizes investments in energy efficiency and the adoption of renewable energy sources such as solar power. To achieve this goal, the company commits to comprehensive emission reduction strategies across all operations.

(7.54.3.12) Do you intend to neutralize any residual emissions with permanent carbon removals at the end of the target?

Select from:

☑ Yes

(7.54.3.13) Do you plan to mitigate emissions beyond your value chain?

Select from:

☑ No, and we do not plan to within the next two years

(7.54.3.14) Do you intend to purchase and cancel carbon credits for neutralization and/or beyond value chain mitigation?

Select all that apply

☑ Yes, we plan to purchase and cancel carbon credits for beyond value chain mitigation

(7.54.3.15) Planned milestones and/or near-term investments for neutralization at the end of the target

In line with our sustainability principles and as outlined in our climate transition plan, we commit to reducing our total emissions, including Scope 1, Scope 2, and Scope 3, by 50.4% by 2033, based on 2023 levels, and to achieving net zero emissions by 2050. Consequently, our investment decisions are rigorously aligned with sustainability considerations, providing us with a strong assurance on our path to carbon neutrality. We are increasing our use of renewable energy in our electricity consumption and implementing energy reduction initiatives. Additionally, we are intensifying our efforts in the production of low-carbon vehicles. We anticipate that these investments and ongoing improvements will lead to significant reductions in our emissions. These efforts aim to minimize our environmental impact. We are committed to implementing sustainable practices and technologies, thereby contributing to a greener and more responsible world.

(7.54.3.17) Target status in reporting year

Select from:

☑ Underway

(7.54.3.19) Process for reviewing target

Our process for reviewing our net zero emissions target includes conducting an annual carbon footprint assessment to monitor our sustainability goals. These assessments allow us to evaluate how well we are achieving our emissions reduction targets and make any necessary improvements. We continuously review the reductions achieved through our energy efficiency initiatives and investments in renewable energy. Additionally, we are committed to steadily increasing our production of low-carbon vehicles and pursuing innovative projects to progress toward our targets.
[Add row]

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

Select from:

☑ Yes

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

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	*0*	*`Numeric input*
To be implemented	*4*	*300.51*
Implementation commenced	*2*	*130.74*
Implemented	*7*	*3253.16*
Not to be implemented	*0*	*`Numeric input*

[Fixed row]

(7.55.2) Provide details on the initiatives implemented in the reporting year in the table below.

Row 1

(7.55.2.1) Initiative category & Initiative type

Low-carbon energy consumption

☑ Solar PV

(7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

3027

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply

☑ Scope 2 (location-based)

☑ Scope 2 (market-based)

(7.55.2.4) Voluntary/Mandatory

Select from:

☑ Voluntary

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

4155230

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

22054643

(7.55.2.7) Payback period

Select from:

☑ 4-10 years

(7.55.2.8) Estimated lifetime of the initiative

Select from:

☑ 11-15 years

(7.55.2.9) Comment

Solar power plant initiative.

Row 2

(7.55.2.1) Initiative category & Initiative type

Energy efficiency in buildings

☑ Building Energy Management Systems (BEMS)

(7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

125.46

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply

☑ Scope 1

(7.55.2.4) Voluntary/Mandatory

Select from:

☑ Voluntary

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

749270

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

1977432

(7.55.2.7) Payback period

Select from:

☑ 1-3 years

(7.55.2.8) Estimated lifetime of the initiative

Select from:

☑ 11-15 years

(7.55.2.9) Comment

Energy monitoring initiative.

Row 3

(7.55.2.1) Initiative category & Initiative type

Energy efficiency in production processes
☑ Reuse of steam

(7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

45.74

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply
☑ Scope 1

(7.55.2.4) Voluntary/Mandatory

Select from:
☑ Voluntary

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

275859

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

1791894

(7.55.2.7) Payback period

Select from:
☑ 4-10 years

(7.55.2.8) Estimated lifetime of the initiative

Select from:
☑ 11-15 years

(7.55.2.9) Comment

Economizer usage.

Row 4

(7.55.2.1) Initiative category & Initiative type

Energy efficiency in production processes
☑ Smart control system

(7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

41.61

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply
☑ Scope 1

(7.55.2.4) Voluntary/Mandatory

Select from:
☑ Voluntary

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

240503

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

100000

(7.55.2.7) Payback period

Select from:
☑ <1 year

(7.55.2.8) Estimated lifetime of the initiative

Select from:
☑ 11-15 years

(7.55.2.9) Comment

Heat exchanger system usage.

Row 5

(7.55.2.1) Initiative category & Initiative type

Energy efficiency in production processes
☑ Machine/equipment replacement

(7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

7.46

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply

☑ Scope 2 (location-based)

☑ Scope 2 (market-based)

(7.55.2.4) Voluntary/Mandatory

Select from:

☑ Voluntary

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

45007

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

150000

(7.55.2.7) Payback period

Select from:

☑ 4-10 years

(7.55.2.8) Estimated lifetime of the initiative

Select from:

☑ 11-15 years

(7.55.2.9) Comment

Elimination of air leaks.

Row 6

(7.55.2.1) Initiative category & Initiative type

Energy efficiency in production processes

☑ Process optimization

(7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

4.98

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply

☑ Scope 2 (location-based)

☑ Scope 2 (market-based)

(7.55.2.4) Voluntary/Mandatory

Select from:

☑ Voluntary

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

31752

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

5000

(7.55.2.7) Payback period

Select from:

☑ <1 year

(7.55.2.8) Estimated lifetime of the initiative

Select from:
☑ 11-15 years

(7.55.2.9) Comment

Treatment plant blower working time optimization.

Row 7

(7.55.2.1) Initiative category & Initiative type

Energy efficiency in buildings
☑ Heating, Ventilation and Air Conditioning (HVAC)

(7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

0.91

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply
☑ Scope 2 (location-based)
☑ Scope 2 (market-based)

(7.55.2.4) Voluntary/Mandatory

Select from:
☑ Voluntary

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

7214

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

7000

(7.55.2.7) Payback period

Select from:
☑ <1 year

(7.55.2.8) Estimated lifetime of the initiative

Select from:
☑ 11-15 years

(7.55.2.9) Comment

HVAC pump commissioning.
[Add row]

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

Row 1

(7.55.3.1) Method

Select from:
☑ Dedicated budget for other emissions reduction activities

(7.55.3.2) Comment

7 projects were implemented to reduce our electricity consumption in 2023. A total of 3253.16 tCO2e emissions were prevented with initiatives such as solar power plant, energy monitoring, economizer, apparatus systems, elimination of air leaks, optimization of treatment plant blower working time, and use of HVAC pumps. [Add row]

(7.74) Do you classify any of your existing goods and/or services as low-carbon products?

Select from:

☑ Yes

(7.74.1) Provide details of your products and/or services that you classify as low-carbon products.

Row 1

(7.74.1.1) Level of aggregation

Select from:

☑ Product or service

(7.74.1.2) Taxonomy used to classify product(s) or service(s) as low-carbon

Select from:

☑ The EU Taxonomy for environmentally sustainable economic activities

(7.74.1.3) Type of product(s) or service(s)

Power

☑ Lithium-ion batteries

(7.74.1.4) Description of product(s) or service(s)

Anadolu Isuzu manufactures electric passenger vehicles with lithium-ion batteries. The prominent features of Anadolu Isuzu's electric vehicles include being environmentally friendly, high performance, quiet operation, low operating costs and advanced technology.

(7.74.1.5) Have you estimated the avoided emissions of this low-carbon product(s) or service(s)

Select from:

☑ Yes

(7.74.1.6) Methodology used to calculate avoided emissions

Select from:

☑ Other, please specify **:**Internal

(7.74.1.7) Life cycle stage(s) covered for the low-carbon product(s) or services(s)

Select from:

☑ Use stage

(7.74.1.8) Functional unit used

tCO2e per heavy duty vehicle lifetime

(7.74.1.9) Reference product/service or baseline scenario used

tCO2e per ICE heavy duty vehicle lifetime

(7.74.1.10) Life cycle stage(s) covered for the reference product/service or baseline scenario

Select from:

☑ Use stage

(7.74.1.11) Estimated avoided emissions (metric tons CO2e per functional unit) compared to reference product/service or baseline scenario

549.645

(7.74.1.12) Explain your calculation of avoided emissions, including any assumptions

Our calculation of avoided emissions is based on the difference in emissions during vehicle use. We calculated the emissions caused by our electric vehicles during their lifetime and the emissions of our diesel-consuming vehicles during use. Then we calculated the difference as the emissions prevented by our electric vehicles. Therefore, we took an attribution approach to estimation. Emission factors are obtained from DEFRA, 2023 emissions factors database for diesel and national inventory for electricity.

(7.74.1.13) Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year

4.54

Row 2

(7.74.1.1) Level of aggregation

Select from:

☑ Product or service

(7.74.1.2) Taxonomy used to classify product(s) or service(s) as low-carbon

Select from:

☑ The EU Taxonomy for environmentally sustainable economic activities

(7.74.1.3) Type of product(s) or service(s)

Other

☑ Other, please specify **:**CNG fuel

(7.74.1.4) Description of product(s) or service(s)

Anadolu Isuzu manufactures vehicles with CNG which cause lower emission than diesel.

(7.74.1.5) Have you estimated the avoided emissions of this low-carbon product(s) or service(s)

Select from:

☑ Yes

(7.74.1.6) Methodology used to calculate avoided emissions

Select from:
☑ Other, please specify :Internal

(7.74.1.7) Life cycle stage(s) covered for the low-carbon product(s) or services(s)

Select from:
☑ Use stage

(7.74.1.8) Functional unit used

tCO2e per heavy duty vehicle lifetime

(7.74.1.9) Reference product/service or baseline scenario used

tCO2e per ICE heavy duty vehicle lifetime

(7.74.1.10) Life cycle stage(s) covered for the reference product/service or baseline scenario

Select from:
☑ Use stage

(7.74.1.11) Estimated avoided emissions (metric tons CO2e per functional unit) compared to reference product/service or baseline scenario

109.58

(7.74.1.12) Explain your calculation of avoided emissions, including any assumptions

Our calculation of avoided emissions is based on the difference in emissions during vehicle use. We calculated the emissions caused by our CNG vehicles during their lifetime and the emissions of our diesel-consuming vehicles during use. Then we calculated the difference as the emissions prevented by our electric vehicles. Therefore, we took an attribution approach to estimation. Emission factors are obtained from DEFRA, 2023 emissions factors database.

(7.74.1.13) Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year

2.72
[Add row]

(7.75) Provide tracking metrics for the implementation of low-carbon transport technology over the reporting year.

Row 1

(7.75.1) Activity

Select from:
☑ Heavy Duty Vehicles (HDV)

(7.75.2) Metric

Select from:
☑ Sales

(7.75.3) Technology

Select from:
☑ Battery electric vehicle (BEV)

(7.75.4) Metric figure

1.02

(7.75.5) Metric unit

Select from:

☑ % of total sales

(7.75.6) Explanation

In line with Anadolu Isuzu's goal to expand their product range with zero-emission vehicles, they continue their studies to develop electric models. Batteries constitute one of the most important aspects of developing and popularizing electric vehicles. The R&D Department is working on the development of innovative, long-lasting batteries and long-range charging products that contribute to the zero-emission vehicle strategy.

Row 2

(7.75.1) Activity

Select from:

☑ Heavy Duty Vehicles (HDV)

(7.75.2) Metric

Select from:

☑ Sales

(7.75.3) Technology

Select from:

☑ Other, please specify **:**Vehicle using CNG

(7.75.4) Metric figure

0.69

(7.75.5) Metric unit

Select from:

☑ % of total sales

(7.75.6) Explanation

In line with Anadolu Isuzu's goal to expand their product range with environmentally friendly vehicles, they continue their efforts to develop CNG (Compressed Natural Gas) models. CNG technology plays a key role in reducing emissions, and the company's R&D Department focuses on improving engine efficiency and fuel systems to support the transition to lower-carbon vehicles.
[Add row]

(7.79) Has your organization canceled any project-based carbon credits within the reporting year?

Select from:

☑ No

C9. Environmental performance - Water security

(9.1) Are there any exclusions from your disclosure of water-related data?

Select from:
☑ No

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

Water withdrawals – total volumes

(9.2.1) % of sites/facilities/operations

Select from:
☑ 100%

(9.2.2) Frequency of measurement

Select from:
☑ Daily

(9.2.3) Method of measurement

Water withdrawals volumes are read from the meters daily.

(9.2.4) Please explain

The amount of water drawn by our central factory and Çayırova branch is read by meters daily and a daily analysis form is filled in.

Water withdrawals – volumes by source

(9.2.1) % of sites/facilities/operations

Select from:
☑ 100%

(9.2.2) Frequency of measurement

Select from:
☑ Daily

(9.2.3) Method of measurement

Water withdrawals volumes are read from the meters daily.

(9.2.4) Please explain

The amount of water drawn by our central factory and Çayırova branch is read by meters daily and a daily analysis form is filled in. At the main facility, some of the water is extracted from a well, while the rest is purchased via tanker. Invoices are tracked for the amount purchased by tanker. At our Çayırova branch, some of the water is sourced from the municipal network, while the remainder is drawn from a well. Both quantities are monitored using separate meters.

Water withdrawals quality

(9.2.1) % of sites/facilities/operations

Select from:
☑ 100%

(9.2.2) Frequency of measurement

Select from:
☑ Quarterly

(9.2.3) Method of measurement

Chemical and biological water analysis are made.

(9.2.4) Please explain

Water samples are taken from wells at 3-month intervals and brought to Kocaeli Public Health Provincial Directorate. Chemical and biological analysis is carried out by Kocaeli Public Health Provincial Directorate to measure the quality of the water drawn. In addition, the control of the water we draw from the network is carried out in laboratories by taking samples at regular intervals by the Kocaeli Water and Sewerage Administration General Directorate. The quality control of the tanker water we purchase is carried out by the seller.

Water discharges – total volumes

(9.2.1) % of sites/facilities/operations

Select from:

☑ 100%

(9.2.2) Frequency of measurement

Select from:

☑ Daily

(9.2.3) Method of measurement

Water discharge volumes are read from the meters daily.

(9.2.4) Please explain

The amount of water discharged from our central factory and Çayırova branch is read by meters daily and a daily analysis form is filled in.

Water discharges – volumes by destination

(9.2.1) % of sites/facilities/operations

Select from:

☑ 100%

(9.2.2) Frequency of measurement

Select from:

☑ Daily

(9.2.3) Method of measurement

Water discharge volumes are read from the meters daily.

(9.2.4) Please explain

The amount of water discharged from our central factory and Çayırova branch is read by meters daily and a daily analysis form is filled in. All of the wastewater coming out of our Central Factory goes to the advanced biological wastewater treatment plant. The wastewater coming out of our Çayırova branch is discharged into the sewer system. These amounts are monitored separately by meters located in two locations.

Water discharges – volumes by treatment method

(9.2.1) % of sites/facilities/operations

Select from:

☑ 100%

(9.2.2) Frequency of measurement

Select from:

☑ Daily

(9.2.3) Method of measurement

Water discharge volumes are read from the meters daily.

(9.2.4) Please explain

The wastewater generated at our main facility is discharged into the İSKİ Tuzla Collector after treated at our onsite wastewater treatment plant. After this collector, the water goes to an advanced biological wastewater treatment plant. The wastewater from our Çayırova branch is discharged into the sewer system. Wastewater in sewer system is treated in central wastewater treatment plant of the located city. These amounts of discharged water that is treated are regularly measured with meters at the discharge points and recorded.

Water discharge quality – by standard effluent parameters

(9.2.1) % of sites/facilities/operations

Select from:

☑ 100%

(9.2.2) Frequency of measurement

Select from:

☑ Daily

(9.2.3) Method of measurement

Monitoring carried out in the Continuous Wastewater Monitoring Center located at our water outlet points and in the laboratory located in our treatment facility. In Çayırova branch, the discharged water is analysed by the municipality regularly.

(9.2.4) Please explain

There is a continuous wastewater monitoring cabin in the outlet system in our central factory, which performs instant analysis before discharge. Samples taken from the outlet water during the day are also tested in the laboratory in our treatment facility. In Çayırova branch, the discharged water is analyzed by the municipality regularly.

Water discharge quality – emissions to water (nitrates, phosphates, pesticides, and/or other priority substances)

(9.2.1) % of sites/facilities/operations

Select from:

☑ 100%

(9.2.2) Frequency of measurement

Select from:

☑ Yearly

(9.2.3) Method of measurement

The wastewater samples taken are analyzed annually by accredited laboratories.

(9.2.4) Please explain

Wastewater samples taken from the chemical treatment outlet and wastewater discharge point are sent to accredited laboratories and analyzed. It is mandatory to do it annually and analysis is done in impartial laboratories appointed by the state and the report results are entered into the wastewater information system of the Ministry of Environment and Urbanization. These measurements are made for both of our facilities.

Water discharge quality – temperature

(9.2.1) % of sites/facilities/operations

Select from:

☑ 100%

(9.2.2) Frequency of measurement

Select from:

☑ Daily

(9.2.3) Method of measurement

Water discharge quality is monitored from the meters daily.

(9.2.4) Please explain

There is a continuous wastewater monitoring cabin in the outlet system, which performs instant analysis before discharge. This analysis also includes temperature measurement.

Water consumption – total volume

(9.2.1) % of sites/facilities/operations

Select from:

☑ 100%

(9.2.2) Frequency of measurement

Select from:

☑ Daily

(9.2.3) Method of measurement

Water consumption volumes are read from the meters daily.

(9.2.4) Please explain

The amount of water consumed in our central factory and Çayırova branch is read by meters daily and a daily analysis form is filled in.

Water recycled/reused

(9.2.1) % of sites/facilities/operations

Select from:

☑ Not relevant

(9.2.4) Please explain

There is no recycled or reused water in our facility.

The provision of fully-functioning, safely managed WASH services to all workers

(9.2.1) % of sites/facilities/operations

Select from:
☑ 100%

(9.2.2) Frequency of measurement

Select from:
☑ Yearly

(9.2.3) Method of measurement

Analysis is performed yearly by taking samples from the well water used.

(9.2.4) Please explain

Analysis is carried out once a year within the scope of TÜBİTAK (The Scientific and Technological Research Council of Türkiye) "Regulation on Water for Human Consumption". It is determined that it complies with the Food Codex Annex-1 Drinking Water Limit Values.
[Fixed row]

(9.2.2) What are the total volumes of water withdrawn, discharged, and consumed across all your operations, how do they compare to the previous reporting year, and how are they forecasted to change?

Total withdrawals

(9.2.2.1) Volume (megaliters/year)

63.12

(9.2.2.2) Comparison with previous reporting year

Select from:
☑ Higher

(9.2.2.3) Primary reason for comparison with previous reporting year

Select from:
☑ Mergers and acquisitions

(9.2.2.4) Five-year forecast

Select from:
☑ About the same

(9.2.2.5) Primary reason for forecast

Select from:
☑ Increase/decrease in business activity

(9.2.2.6) Please explain

In 2023, Anadolu Isuzu completed the acquisition of its carcass facility (Çayırova branch). There has been an increase in total water withdrawals due to this new facility. We think that these amounts will remain about the same in the coming years with the increase/decrease changes in our business activities.

Total discharges

(9.2.2.1) Volume (megaliters/year)

44.55

(9.2.2.2) Comparison with previous reporting year

Select from:
☑ Higher

(9.2.2.3) Primary reason for comparison with previous reporting year

Select from:

☑ Mergers and acquisitions

(9.2.2.4) Five-year forecast

Select from:

☑ About the same

(9.2.2.5) Primary reason for forecast

Select from:

☑ Increase/decrease in business activity

(9.2.2.6) Please explain

In 2023, Anadolu Isuzu completed the acquisition of its carcass facility (Çayırova branch). There has been an increase in total water discharges due to this new facility. We think that these amounts will remain about the same in the coming years with the increase/decrease changes in our business activities.

Total consumption

(9.2.2.1) Volume (megaliters/year)

18.57

(9.2.2.2) Comparison with previous reporting year

Select from:

☑ Higher

(9.2.2.3) Primary reason for comparison with previous reporting year

Select from:

☑ Mergers and acquisitions

(9.2.2.4) Five-year forecast

Select from:

☑ About the same

(9.2.2.5) Primary reason for forecast

Select from:

☑ Increase/decrease in business activity

(9.2.2.6) Please explain

In 2023, Anadolu Isuzu completed the acquisition of its carcass facility (Çayırova branch). There has been an increase in total water consumption due to this new facility. We think that these amounts will remain about the same in the coming years with the increase/decrease changes in our business activities.
[Fixed row]

(9.2.4) Indicate whether water is withdrawn from areas with water stress, provide the volume, how it compares with the previous reporting year, and how it is forecasted to change.

(9.2.4.1) Withdrawals are from areas with water stress

Select from:

☑ Yes

(9.2.4.2) Volume withdrawn from areas with water stress (megaliters)

63.12

(9.2.4.3) Comparison with previous reporting year

Select from:
☑ Higher

(9.2.4.4) Primary reason for comparison with previous reporting year

Select from:
☑ Mergers and acquisitions

(9.2.4.5) Five-year forecast

Select from:
☑ About the same

(9.2.4.6) Primary reason for forecast

Select from:
☑ Increase/decrease in business activity

(9.2.4.7) % of total withdrawals that are withdrawn from areas with water stress

100.00

(9.2.4.8) Identification tool

Select all that apply
☑ WRI Aqueduct

(9.2.4.9) Please explain

Both of our facilities are located in Kocaeli, and we used the WRI Aqueduct tool to analyze the water stress levels of the areas where our facilities are situated. This analysis revealed that both facilities are located in regions with high water stress, and all the water used by our facilities is sourced from these high-stress areas. The water consumption at both facilities is monitored daily using water meters and reported regularly. Therefore, there is no exclusion or estimation in the reported volumes; all data is accurate and based on direct measurements. The scope of the assessment is full coverage; a comprehensive analysis of both facilities was conducted, and all water withdrawal points were fully evaluated. The WRI Aqueduct tool is one of the most suitable tools for determining water stress, and the

assessments made using this tool are updated regularly. Therefore, the evaluation of water stress for the regions where our facilities are located is continuously kept up-to-date.
[Fixed row]

(9.2.7) Provide total water withdrawal data by source.

Fresh surface water, including rainwater, water from wetlands, rivers, and lakes

(9.2.7.1) Relevance

Select from:
☑ Not relevant

(9.2.7.5) Please explain

Fresh surface water, including rainwater, water from wetlands, rivers, and lakes is not used in our facilities.

Brackish surface water/Seawater

(9.2.7.1) Relevance

Select from:
☑ Not relevant

(9.2.7.5) Please explain

Brackish surface water/Seawater is not used in our facilities.

Groundwater – renewable

(9.2.7.1) Relevance

Select from:

☑ Relevant

(9.2.7.2) Volume (megaliters/year)

48.34

(9.2.7.3) Comparison with previous reporting year

Select from:

☑ About the same

(9.2.7.4) Primary reason for comparison with previous reporting year

Select from:

☑ Mergers and acquisitions

(9.2.7.5) Please explain

We monitor the amount of water we withdraw through our water bills and by taking measurements with the meters installed at our facilities. Our groundwater consumption is nearly the same as last year because the newly added branch does not rely on groundwater. A decrease of 0.93% has been observed. We would only expect a much lower or much higher change if the variation exceeds the 50% threshold. We do not anticipate any significant changes in future trends of this withdrawal amount.

Groundwater – non-renewable

(9.2.7.1) Relevance

Select from:

☑ Not relevant

(9.2.7.5) Please explain

Non-renewable groundwater is not used in our facilities.

Produced/Entrained water

(9.2.7.1) Relevance

Select from:
☑ Not relevant

(9.2.7.5) Please explain

Produced/Entrained water is not used in our facilities.

Third party sources

(9.2.7.1) Relevance

Select from:
☑ Relevant

(9.2.7.2) Volume (megaliters/year)

14.78

(9.2.7.3) Comparison with previous reporting year

Select from:
☑ Much higher

(9.2.7.4) Primary reason for comparison with previous reporting year

Select from:
☑ Mergers and acquisitions

(9.2.7.5) Please explain

In our 2023 reporting year, the Çayırova branch was added to our operations. As a result, the amount of water we withdraw from third-party sources has increased compared to 2022. We track the amount of water withdrawn through our water bills and also monitor it with the meters installed at our facilities. Our water consumption from third-party sources is higher than last year due to the new branch. Additionally, there was a capacity increase at our central location in 2023. We generally source water from the local municipal supply, but we also purchase water via tanker trucks. We would expect a much lower or much higher change only if the variation exceeds the 50% threshold. We do not anticipate any significant changes in future trends of this withdrawal amount.
[Fixed row]

(9.2.8) Provide total water discharge data by destination.

Fresh surface water

(9.2.8.1) Relevance

Select from:
☑ Not relevant

(9.2.8.5) Please explain

Water used in our facility is not discharged into fresh surface water.

Brackish surface water/seawater

(9.2.8.1) Relevance

Select from:
☑ Not relevant

(9.2.8.5) Please explain

Water used in our facility is not discharged into brackish surface water/seawater.

Groundwater

(9.2.8.1) Relevance

Select from:

☑ Not relevant

(9.2.8.5) Please explain

Water used in our facility is not discharged into groundwater.

Third-party destinations

(9.2.8.1) Relevance

Select from:

☑ Relevant

(9.2.8.2) Volume (megaliters/year)

44.55

(9.2.8.3) Comparison with previous reporting year

Select from:

☑ Much higher

(9.2.8.4) Primary reason for comparison with previous reporting year

Select from:

☑ Mergers and acquisitions

(9.2.8.5) Please explain

The wastewater generated at our main facility is discharged into the İSKİ Tuzla Collector after treated at our onsite wastewater treatment plant. After this collector, the water goes to an advanced biological wastewater treatment plant. The wastewater from our Çayırova branch is discharged into the sewer system. The amounts of

discharged water are regularly measured with meters at the discharge points and recorded. Compared to 2022, an increase in the amount of discharged water has been observed. The main reason for this is the addition of the Çayırova branch as a second location in 2023. Additionally, the increase in the number of vehicles produced at our main facility has led to higher water consumption and, consequently, more water being discharged. We would expect a much lower or much higher change only if the variation exceeds the 50% threshold.
[Fixed row]

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

Tertiary treatment

(9.2.9.1) Relevance of treatment level to discharge

Select from:
☑ Not relevant

(9.2.9.6) Please explain

Tertiary treatment is not carried out.

Secondary treatment

(9.2.9.1) Relevance of treatment level to discharge

Select from:
☑ Relevant

(9.2.9.2) Volume (megaliters/year)

44.55

(9.2.9.3) Comparison of treated volume with previous reporting year

Select from:

☑ Much higher

(9.2.9.4) Primary reason for comparison with previous reporting year

Select from:

☑ Mergers and acquisitions

(9.2.9.5) % of your sites/facilities/operations this volume applies to

Select from:

☑ 100%

(9.2.9.6) Please explain

At the Anadolu Isuzu factory, which has been operational since its establishment, there are two different wastewater treatment systems: one for industrial and one for domestic wastewater. Industrial wastewater is treated in a continuous chemical treatment facility, while domestic wastewater is treated using a biological treatment process based on a sequential batch reactor principle. Our facility uses secondary treatment. As Anadolu Isuzu, we operate with environmental responsibility in the automotive sector. To minimize the environmental impact of the wastewater generated from our production processes, we have an advanced treatment facility. Our wastewater discharges fully comply with the discharge standards set by the Turkish Environmental Law and related regulations. Discharges are made according to the parameters specified in these regulations. Secondary treatment is sufficient for the characteristics of the discharged wastewater to meet the required parameters. To continuously monitor discharge parameters, we use a Continuous Wastewater Monitoring System, ensuring that our discharges are always within legal limits. In the reporting year, the amount of treated water has increased compared to 2022. The increase is due to the addition of a new branch and capacity expansion at our central location in 2023, which has resulted in higher wastewater volumes. It is expected that with future capacity increases in our treatment facility, the amount of treated water will also increase. We describe changes as much higher or much lower only if the volume change exceeds the 50% threshold.

Primary treatment only

(9.2.9.1) Relevance of treatment level to discharge

Select from:

☑ Not relevant

(9.2.9.6) Please explain

Secondary treatment is carried out.

Discharge to the natural environment without treatment

(9.2.9.1) Relevance of treatment level to discharge

Select from:
☑ Not relevant

(9.2.9.6) Please explain

Secondary treatment is carried out.

Discharge to a third party without treatment

(9.2.9.1) Relevance of treatment level to discharge

Select from:
☑ Not relevant

(9.2.9.6) Please explain

Secondary treatment is carried out.

Other

(9.2.9.1) Relevance of treatment level to discharge

Select from:
☑ Not relevant

(9.2.9.6) Please explain

No other treatment is carried out.
[Fixed row]

(9.2.10) Provide details of your organization’s emissions of nitrates, phosphates, pesticides, and other priority substances to water in the reporting year.

(9.2.10.1) Emissions to water in the reporting year (metric tons)

0.04

(9.2.10.2) Categories of substances included

Select all that apply

☑ Priority substances listed under the EU Water Framework Directive

(9.2.10.3) List the specific substances included

Mercury Cadmium Lead Nickel

(9.2.10.4) Please explain

The wastewater discharged by our facility contains pollutants such as mercury, cadmium, lead and nickel. However, the levels of these pollutants are within the permitted limits determined by the relevant regulations. The pollutants originate from our production and treatment processes. The discharged water is carefully managed to prevent it from affecting the surrounding communities and creating negative effects in regions exposed to water stress. Our facilities are located in the Marmara Basin, which is an area exposed to water stress. Strict environmental standards are followed in order to minimize environmental impacts. We effectively treat our wastewater with our existing treatment plant and we continue to work on the installation of an additional treatment plant. This new plant will increase our wastewater treatment capacity and ensure more effective management of pollutants. In addition, samples are taken before the water from our wastewater treatment plant is discharged and these samples are subject to detailed analysis in laboratories. These analyses are carried out regularly to ensure that the pollutants remain within legal limits and are a part of our environmental protection and management plans. Our detailed plans for managing pollutants are set out in section 2.5.1 and include regular testing and compliance audits.
[Fixed row]

(9.3) In your direct operations and upstream value chain, what is the number of facilities where you have identified substantive water-related dependencies, impacts, risks, and opportunities?

Direct operations

(9.3.1) Identification of facilities in the value chain stage

Select from:

☑ Yes, we have assessed this value chain stage and identified facilities with water-related dependencies, impacts, risks, and opportunities

(9.3.2) Total number of facilities identified

2

(9.3.3) % of facilities in direct operations that this represents

Select from:

☑ 100%

(9.3.4) Please explain

We define the term “facility” as each physical location where manufacturing and operational activities are conducted. For reporting purposes, we do not aggregate facility data; each facility is reported separately to accurately reflect the specific risks and opportunities associated with its operations. Anadolu Isuzu operates two primary facilities: the headquarters, a vehicle manufacturing facility that uses water in its manufacturing processes and houses a wastewater treatment plant, and the Çayırova branch, which was added in 2023 and focuses solely on carcass production and limits water consumption to domestic uses. We have identified significant water-related dependencies, impacts, risks and opportunities in our direct operations, primarily at our headquarters facility. This facility is located in the Marmara Basin, a water-stressed region that inherently creates high water risks due to its geographic location. The Çayırova branch, despite being located in a water-stressed Marmara Basin, has a much lower water-related risk profile due to limited water use for domestic purposes rather than manufacturing processes. The impact of this facility on water resources is minimal, reflecting its role in our broader operations. Although 100% of our facilities are located in areas with high intrinsic water risk, this risk represents a manageable portion of our overall operations, as the main facility's wastewater treatment plant significantly mitigates the environmental impact. In addition, we are evaluating opportunities with our wastewater recovery projects and capacity increase and water efficiency studies in our production processes.

Upstream value chain

(9.3.1) Identification of facilities in the value chain stage

Select from:

☑ Yes, we have assessed this value chain stage and identified facilities with water-related dependencies, impacts, risks, and opportunities

(9.3.2) Total number of facilities identified

2

(9.3.4) Please explain

We define the term “facility” as each physical location where manufacturing and operational activities are conducted. For reporting purposes, we do not aggregate facility data; each facility is reported separately to accurately reflect the specific risks and opportunities associated with its operations. Anadolu Isuzu operates two primary facilities: the headquarters, a vehicle manufacturing facility that uses water in its manufacturing processes and houses a wastewater treatment plant, and the Çayırova branch, which was added in 2023 and focuses solely on carcass production and where water consumption is limited to domestic uses. With respect to our upstream value chain, we have identified significant water-related dependencies, impacts, risks, and opportunities at our primary suppliers’ facilities. In 2023, a training brochure was distributed to primary suppliers, followed by a survey to assess water risks. Suppliers who monitor water risks and report their Water Footprints account for 20% of our primary suppliers operating in high water risk regions. These suppliers received Sustainable Supply Chain Awareness Training to assess and manage water-related risks. At the corporate level, the inherent risks at our facilities are largely affected by their location in water-stressed basins such as the Marmara Basin. Although 100% of our facilities are located in areas with high inherent water risk, this risk represents a manageable portion of our overall operations, as the main facility’s wastewater treatment plant significantly mitigates the environmental impact. In addition, we are evaluating opportunities with our wastewater recycling projects and capacity increase and water efficiency studies in our production processes.
[Fixed row]

(9.3.1) For each facility referenced in 9.3, provide coordinates, water accounting data, and a comparison with the previous reporting year.

Row 1

(9.3.1.1) Facility reference number

Select from:
☑ Facility 1

(9.3.1.2) Facility name (optional)

Central Factory

(9.3.1.3) Value chain stage

Select from:

☑ Direct operations

(9.3.1.4) Dependencies, impacts, risks, and/or opportunities identified at this facility

Select all that apply

☑ Dependencies

☑ Impacts

☑ Risks

☑ Opportunities

(9.3.1.5) Withdrawals or discharges in the reporting year

Select from:

☑ Yes, withdrawals and discharges

(9.3.1.7) Country/Area & River basin

Turkey

☑ Other, please specify **:**Marmara

(9.3.1.8) Latitude

40.876456

(9.3.1.9) Longitude

29.401518

(9.3.1.10) Located in area with water stress

Select from:

☑ Yes

(9.3.1.13) Total water withdrawals at this facility (megaliters)

60.01

(9.3.1.14) Comparison of total withdrawals with previous reporting year

Select from:
☑ Higher

(9.3.1.15) Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

0

(9.3.1.16) Withdrawals from brackish surface water/seawater

0

(9.3.1.17) Withdrawals from groundwater - renewable

48.3

(9.3.1.18) Withdrawals from groundwater - non-renewable

0

(9.3.1.19) Withdrawals from produced/entrained water

0

(9.3.1.20) Withdrawals from third party sources

11.71

(9.3.1.21) Total water discharges at this facility (megaliters)

41.75

(9.3.1.22) Comparison of total discharges with previous reporting year

Select from:

☑ Much higher

(9.3.1.23) Discharges to fresh surface water

0

(9.3.1.24) Discharges to brackish surface water/seawater

0

(9.3.1.25) Discharges to groundwater

0

(9.3.1.26) Discharges to third party destinations

41.75

(9.3.1.27) Total water consumption at this facility (megaliters)

18.26

(9.3.1.28) Comparison of total consumption with previous reporting year

Select from:

☑ Higher

(9.3.1.29) Please explain

Water is drawn from the well at the Central Factory. The amount of water drawn is constantly monitored by meters. In cases where well water is insufficient, water is supplied by tankers from a third party organization. This water is also measured by passing through meters. Water discharge is the amount of water discharged into the municipality's sewer system, measured by meters. Therefore, the values we provide are not estimates. The difference between the amounts of water discharged and drawn is calculated, and the amount of water consumed due to evaporation and use in the process is also determined. Annual changes of less than 5% are considered "about the same", changes between 5% and 20% are considered "higher/lower", and changes above 20% are considered "much higher/lower". Water consumption increased by 10% in 2023. The uncertainty percentage of the values we provide is 5% due to the uncertainty rate in water meters. Various improvement studies have been carried out in our facility for water management. A two-unit filter system has been installed for emergencies that may occur in the water tank. The current status of the wells has been analyzed, maintenance and cleaning works have been carried out. In addition, it is planned to build a garden irrigation line with water collected from the siphonic system. A recycling facility has been budgeted for the treated wastewater from the newly commissioned wastewater treatment plant.

Row 2

(9.3.1.1) Facility reference number

Select from:

☑ Facility 2

(9.3.1.2) Facility name (optional)

Çayırova Branch

(9.3.1.3) Value chain stage

Select from:

☑ Direct operations

(9.3.1.4) Dependencies, impacts, risks, and/or opportunities identified at this facility

Select all that apply

☑ Dependencies

☑ Impacts

☑ Risks

☑ Opportunities

(9.3.1.5) Withdrawals or discharges in the reporting year

Select from:

☑ Yes, withdrawals and discharges

(9.3.1.7) Country/Area & River basin

Turkey

☑ Other, please specify **:**Marmara

(9.3.1.8) Latitude

40.805388

(9.3.1.9) Longitude

29.375603

(9.3.1.10) Located in area with water stress

Select from:

☑ Yes

(9.3.1.13) Total water withdrawals at this facility (megaliters)

3.11

(9.3.1.14) Comparison of total withdrawals with previous reporting year

Select from:

☑ This is our first year of measurement

(9.3.1.15) Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

0

(9.3.1.16) Withdrawals from brackish surface water/seawater

0

(9.3.1.17) Withdrawals from groundwater - renewable

3.11

(9.3.1.18) Withdrawals from groundwater - non-renewable

0

(9.3.1.19) Withdrawals from produced/entrained water

0

(9.3.1.20) Withdrawals from third party sources

0

(9.3.1.21) Total water discharges at this facility (megaliters)

2.8

(9.3.1.22) Comparison of total discharges with previous reporting year

Select from:

☑ This is our first year of measurement

(9.3.1.23) Discharges to fresh surface water

0

(9.3.1.24) Discharges to brackish surface water/seawater

0

(9.3.1.25) Discharges to groundwater

0

(9.3.1.26) Discharges to third party destinations

2.8

(9.3.1.27) Total water consumption at this facility (megaliters)

0.31

(9.3.1.28) Comparison of total consumption with previous reporting year

Select from:

☑ This is our first year of measurement

(9.3.1.29) Please explain

Çayırova Plant is located in Marmara Basin. Water supply is provided from 2 sources: mains water and well water. The consumption amount is the sum of these two. Measurements and monitoring are carried out with meters. Water consumption in this settlement is not used in the production process. It is used in personal use, vehicle washing, garden irrigation and fire tanks. Water drawn from underground is used in the fire tank, and water drawn from the network is for personal use. Water discharge amounts are also read with the help of meters at the exit points. Water consumption occurs due to evaporation and is determined by the difference between our total water withdrawal and discharge amounts. Annual changes of less than 5% were accepted as "about the same". Annual changes between 5% and 20% were accepted as "higher"/"lower". Annual changes over 20% were accepted as "much higher"/"much lower". This facility was commissioned by Anadolu Isuzu in 2023 and there is no water consumption data for the previous year. The uncertainty percentage of the values we provide is 5% due to the uncertainty rate in water meters.
[Add row]

(9.3.2) For the facilities in your direct operations referenced in 9.3.1, what proportion of water accounting data has been third party verified?

Water withdrawals – total volumes

(9.3.2.1) % verified

Select from:

☑ 76-100

(9.3.2.2) Verification standard used

It has been verified according to the "ISO 14046:2014 Environmental management - Water footprint Standard" by an accredited third-party verification body. All data has been verified with reasonable assurance level.

Water withdrawals – volume by source

(9.3.2.1) % verified

Select from:

☑ Not verified

(9.3.2.3) Please explain

Only water withdrawals – total volumes, water discharges – total volumes and water discharges – quality by standard water quality parameters has been third party verified.

Water withdrawals – quality by standard water quality parameters

(9.3.2.1) % verified

Select from:

☑ Not verified

(9.3.2.3) Please explain

Only water withdrawals – total volumes, water discharges – total volumes and water discharges – quality by standard water quality parameters has been third party verified.

Water discharges – total volumes

(9.3.2.1) % verified

Select from:

☑ 76-100

(9.3.2.2) Verification standard used

It has been verified according to the "ISO 14046:2014 Environmental management - Water footprint Standard" by an accredited third-party verification body. All data has been verified with reasonable assurance level.

Water discharges – volume by destination

(9.3.2.1) % verified

Select from:

☑ Not verified

(9.3.2.3) Please explain

Only water withdrawals – total volumes, water discharges – total volumes and water discharges – quality by standard water quality parameters has been third party verified.

Water discharges – volume by final treatment level

(9.3.2.1) % verified

Select from:

☑ Not verified

(9.3.2.3) Please explain

Only water withdrawals – total volumes, water discharges – total volumes and water discharges – quality by standard water quality parameters has been third party verified.

Water discharges – quality by standard water quality parameters

(9.3.2.1) % verified

Select from:
☑ 76-100

(9.3.2.2) Verification standard used

It has been verified according to the "ISO 14046:2014 Environmental management - Water footprint Standard" by an accredited third-party verification body. All data has been verified with reasonable assurance level.

Water consumption – total volume

(9.3.2.1) % verified

Select from:
☑ Not relevant

(9.3.2.3) Please explain

Only water withdrawals – total volumes, water discharges – total volumes and water discharges – quality by standard water quality parameters has been third party verified.
[Fixed row]

(9.5) Provide a figure for your organization’s total water withdrawal efficiency.

	Revenue (currency)	Total water withdrawal efficiency	Anticipated forward trend
	15175000000	*240415082.38*	*It is expected to improve water withdrawal efficiency based on our target.*

[Fixed row]

(9.13) Do any of your products contain substances classified as hazardous by a regulatory authority?

	Products contain hazardous substances	Comment
	Select from: ☑ No	*Our products contain no hazardous substances.*

[Fixed row]

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

(9.14.1) Products and/or services classified as low water impact

Select from:

☑ Yes

(9.14.2) Definition used to classify low water impact

Our company implements a comprehensive assessment process to determine the water footprint of products and services and classify them as "low water impact". This process covers our entire value chain from raw material production to production processes, logistics and consumption stages. In our water footprint calculations, the amount of water is expressed as water consumption per unit of product and compared with the determined threshold values. In addition, the quality of the water is evaluated in terms of compliance with wastewater discharge standards. Internationally accepted standards such as the ISO 14046 Water Footprint Standard and the water footprint calculation methods developed by the Global Water Institute (GWI) are used in water footprint calculations. These standards are an important reference point in terms of consistency and reliability of calculations. The threshold values determined for our products classified as "low water impact" were determined by taking into account sector averages, best practices and international standards. For example, as of 2023, water consumption per vehicle in our central factory was 10.04 m³, and water consumption per carcass in our Çayırova Factory was 4 m³. This data is regularly monitored to track and improve our water consumption targets within the company. As a result, we adopt a sensitive approach to water resource sustainability and continuously monitor the water footprint of our products and services to achieve our water efficiency targets.

(9.14.4) Please explain

Our company performs water footprint calculations to classify our products and services as 'low water impact'. This process covers all stages of our value chain and focuses on water quantity and water quality. In terms of quantity, water consumption per unit of product is compared to certain threshold values, while water quality is assessed according to wastewater discharge standards. Internationally accepted references such as ISO 14046 and GWI water footprint standards are used in this classification. Water consumption data of our products are regularly monitored and used to support our water efficiency goals.
[Fixed row]

(9.15) Do you have any water-related targets?

Select from:
☑ Yes

(9.15.1) Indicate whether you have targets relating to water pollution, water withdrawals, WASH, or other water-related categories.

	Target set in this category
Water pollution	*Select from:*

	Target set in this category
	☑ Yes
Water withdrawals	*Select from:* ☑ Yes
Water, Sanitation, and Hygiene (WASH) services	*Select from:* ☑ Yes
Other	*Select from:* ☑ Yes

[Fixed row]

(9.15.2) Provide details of your water-related targets and the progress made.

Row 1

(9.15.2.1) Target reference number

Select from:

☑ Target 1

(9.15.2.2) Target coverage

Select from:

☑ Organization-wide (direct operations only)

(9.15.2.3) Category of target & Quantitative metric

Water withdrawals

☑ Reduction in withdrawals per unit of production

(9.15.2.4) Date target was set

12/30/2021

(9.15.2.5) End date of base year

12/30/2021

(9.15.2.6) Base year figure

5.1

(9.15.2.7) End date of target year

12/30/2030

(9.15.2.8) Target year figure

3.1

(9.15.2.9) Reporting year figure

4.5

(9.15.2.10) Target status in reporting year

Select from:

☑ Underway

(9.15.2.11) % of target achieved relative to base year

30

(9.15.2.12) Global environmental treaties/initiatives/ frameworks aligned with or supported by this target

Select all that apply

☑ Sustainable Development Goal 6

(9.15.2.13) Explain target coverage and identify any exclusions

Our goal to reduce water consumption includes the entire organization, including both the Central Factory and the Çayırova branch. This goal focuses on reducing the amount of water consumed per unit produced. The goal applies to both facilities, and there are no exclusions. Our main production facility is located in the Marmara Basin, and since this region has water dependencies and potential risks related to water, our goal also aligns with our water-related responsibilities.

(9.15.2.14) Plan for achieving target, and progress made to the end of the reporting year

Various steps have been planned to achieve our goal. In the 2023 reporting period, 30% progress has been achieved. In this context, in addition to our existing wastewater treatment plant, a new recovery plant is planned to be established for the recovery of treated wastewater. In addition, a new irrigation line will be established to use the water collected from the siphonic system for garden irrigation. Our progress is linear and progress is made towards this goal in certain stages each year.

(9.15.2.16) Further details of target

Our target is to reduce water consumption per unit by 40% by the end of 2030, using 2021 as the base year. In the reporting year of 2023, we achieved our target by 30% by reducing water consumption per unit from 5.1 m³ to 4.5 m³. This progress is in line with our planned linear course and coincides with the expected progress rate. Our target is important for the purpose of managing our organization's water-related dependencies, impacts and risks. Increasing water efficiency and reducing water consumption contribute to our environmental sustainability goals and minimize operational risks related to water. In this way, we aim to manage uncertainties related to future water resources by reducing our dependencies on water. The target is fiscal year-focused, compatible with our fiscal year and calendar year, and is an internally determined target. Sectoral standards and scientific approaches were taken into account when determining the target and base year. This target is part of a broader sustainability strategy and will help our organization effectively manage its water-related dependencies and risks.

Row 2

(9.15.2.1) Target reference number

Select from:

☑ Target 2

(9.15.2.2) Target coverage

Select from:
☑ Organization-wide (direct operations only)

(9.15.2.3) Category of target & Quantitative metric

Water pollution
☑ Increase in the proportion of wastewater that is safely treated

(9.15.2.4) Date target was set

12/30/2022

(9.15.2.5) End date of base year

12/30/2022

(9.15.2.6) Base year figure

75

(9.15.2.7) End date of target year

12/30/2030

(9.15.2.8) Target year figure

50

(9.15.2.9) Reporting year figure

17.4

(9.15.2.10) Target status in reporting year

Select from:

☑ Achieved

(9.15.2.11) % of target achieved relative to base year

230

(9.15.2.12) Global environmental treaties/initiatives/ frameworks aligned with or supported by this target

Select all that apply

☑ Sustainable Development Goal 6

(9.15.2.13) Explain target coverage and identify any exclusions

Our goal is for the wastewater we discharge to meet the discharge criteria and to achieve pollutant levels lower than these criteria. According to regulations, the suspended solids discharge criterion is 350 mg/L. We aim to improve this value to 50 mg/L by targeting a treatment efficiency that is 85% better than the discharge standard, reaching a zero discharge quality.

(9.15.2.15) Actions which contributed most to achieving or maintaining this target

We successfully completed the renovation of our wastewater treatment facility at our central location. During this process, we modernized our existing system to develop a more effective treatment process. As a result of this renovation, we exceeded the discharge criteria and significantly reduced the pollutant levels in our wastewater. In this way, we have also contributed to our goal of achieving zero discharge quality, demonstrating a more environmentally responsible approach.

(9.15.2.16) Further details of target

During the study, the highest values obtained from measurements of our wastewater in 2022 and 2023 were considered. In 2022, the highest suspended solids concentration measured was 75 mg/L, while in 2023, this value dropped to 17.4 mg/L. As a result, we achieved our goal and reached a treatment efficiency of over 85% for zero discharge quality.

Row 3

(9.15.2.1) Target reference number

Select from:

☑ Target 3

(9.15.2.2) Target coverage

Select from:

☑ Organization-wide (including suppliers)

(9.15.2.3) Category of target & Quantitative metric

Water, Sanitation, and Hygiene (WASH) services

☑ Other WASH, please specify :Increasing WBCSD Self-Assessment Tool for WASH Score

(9.15.2.4) Date target was set

12/30/2023

(9.15.2.5) End date of base year

12/30/2023

(9.15.2.6) Base year figure

61

(9.15.2.7) End date of target year

12/30/2030

(9.15.2.8) Target year figure

90

(9.15.2.9) Reporting year figure

61

(9.15.2.10) Target status in reporting year

Select from:

☑ New

(9.15.2.11) % of target achieved relative to base year

0

(9.15.2.12) Global environmental treaties/initiatives/ frameworks aligned with or supported by this target

Select all that apply

☑ Sustainable Development Goal 6

(9.15.2.13) Explain target coverage and identify any exclusions

Access to safe drinking water, sanitation, and hygiene is crucial for human health and well-being. Anadolu Isuzu uses the Water, Sanitation, and Hygiene Access Assessment Tool (WASH) from the World Business Council for Sustainable Development (WBCSD) to evaluate its performance. According to this assessment, Anadolu Isuzu's score in 2023 was 61%. The company aims to improve this score to 90% by 2030 through appropriate enhancements.

(9.15.2.14) Plan for achieving target, and progress made to the end of the reporting year

To achieve the target of increasing the assessment score from 61% to 90% by 2030, Anadolu Isuzu has developed a comprehensive plan that includes implementing best practices in water management, enhancing sanitation facilities, and promoting hygiene awareness among employees.

(9.15.2.16) Further details of target

The objective of the target is to improve Anadolu Isuzu's performance in providing safe drinking water, sanitation, and hygiene. To achieve this, the company aims to raise its assessment score from 61% to 90% by 2030. This plan includes implementing best practices in water management, enhancing sanitation facilities, and

promoting hygiene awareness among employees. Through regular assessments and infrastructure investments, Anadolu Isuzu seeks to enhance its sustainability practices and contribute positively to the health and well-being of its employees and the communities it serves.
[Add row]

C11. Environmental performance - Biodiversity

(11.2) What actions has your organization taken in the reporting year to progress your biodiversity-related commitments?

(11.2.1) Actions taken in the reporting period to progress your biodiversity-related commitments

Select from:

☑ Yes, we are taking actions to progress our biodiversity-related commitments

(11.2.2) Type of action taken to progress biodiversity- related commitments

Select all that apply

☑ Land/water protection

☑ Education & awareness

[Fixed row]

(11.3) Does your organization use biodiversity indicators to monitor performance across its activities?

	Does your organization use indicators to monitor biodiversity performance?
	Select from: ☑ No, we do not use indicators, but plan to within the next two years

[Fixed row]

(11.4) Does your organization have activities located in or near to areas important for biodiversity in the reporting year?

Legally protected areas

(11.4.1) Indicate whether any of your organization's activities are located in or near to this type of area important for biodiversity

Select from:

☑ Not assessed

(11.4.2) Comment

N/A

UNESCO World Heritage sites

(11.4.1) Indicate whether any of your organization's activities are located in or near to this type of area important for biodiversity

Select from:

☑ Not assessed

(11.4.2) Comment

N/A

UNESCO Man and the Biosphere Reserves

(11.4.1) Indicate whether any of your organization's activities are located in or near to this type of area important for biodiversity

Select from:

☑ Not assessed

(11.4.2) Comment

N/A

Ramsar sites

(11.4.1) Indicate whether any of your organization's activities are located in or near to this type of area important for biodiversity

Select from:

☑ Not assessed

(11.4.2) Comment

N/A

Key Biodiversity Areas

(11.4.1) Indicate whether any of your organization's activities are located in or near to this type of area important for biodiversity

Select from:

☑ Yes

(11.4.2) Comment

Anadolu Isuzu operates a production facility in Şekerpınar, Kocaeli, Turkey, situated near a sensitive ecological area. The organization actively assesses its environmental impact, particularly on biodiversity, and implements physical controls to protect local habitats, including land, air, and water. While there are potential negative impacts on biodiversity from wastewater, waste, and air pollutants generated by production, Anadolu Isuzu has established mitigation measures. Wastewater is treated on-site and subsequently at the ISKI Advanced Biological Treatment Plant, ensuring compliance with environmental regulations and protecting aquatic life. Air quality is monitored every two years, with emissions from the facility consistently meeting legal limits. Overall, Anadolu Isuzu prioritizes environmental stewardship and adheres to regulations set by the Ministry of Environment, Urbanization, and Climate Change to minimize its ecological footprint.

Other areas important for biodiversity

(11.4.1) Indicate whether any of your organization's activities are located in or near to this type of area important for biodiversity

Select from:
☑ Not assessed

(11.4.2) Comment

N/A
[Fixed row]

(11.4.1) Provide details of your organization’s activities in the reporting year located in or near to areas important for biodiversity.

Row 1

(11.4.1.2) Types of area important for biodiversity

Select all that apply
☑ Key Biodiversity Areas

(11.4.1.4) Country/area

Select from:
☑ Turkey

(11.4.1.5) Name of the area important for biodiversity

Marmara Basin

(11.4.1.6) Proximity

Select from:

☑ Up to 5 km

(11.4.1.8) Briefly describe your organization’s activities in the reporting year located in or near to the selected area

Anadolu Isuzu’s production facility is located in Şekerpınar, Kocaeli, Turkey. The production takes place near a sensitive area, according to KBA. Anadolu Isuzu assesses its environmental impact including biodiversity especially where the production facility is. Habitats (land, air, water) are protected with the physical controls Anadolu Isuzu conducts.

(11.4.1.9) Indicate whether any of your organization’s activities located in or near to the selected area could negatively affect biodiversity

Select from:

☑ Yes, but mitigation measures have been implemented

(11.4.1.10) Mitigation measures implemented within the selected area

Select all that apply

☑ Physical controls

(11.4.1.11) Explain how your organization’s activities located in or near to the selected area could negatively affect biodiversity, how this was assessed, and describe any mitigation measures implemented

Wastewater, waste and air pollutants arising from production operations are analysed according to the parameters specified in the regulations. The wastewater generated during the operations is treated at the wastewater treatment plant in the factory and discharged to the sewer. After the sewage, it is treated again at the ISKI Advanced Biological Treatment Plant and discharged to the seas. As Anadolu Isuzu, we have not encountered a situation that negatively affects aquatic life. The legal limits specified for Vehicle Factories (Factories Producing Automobiles, Trucks, Tractors, Minibuses, Bicycles, Motorcycles and Similar Vehicles) and water pollution control regulation table 18.2, published by the Ministry of Environment, Urbanization and Climate Change of Turkey, are complied. To prevent air pollution within the sphere of influence of our enterprise, measurements are made every 2 years at the parameters specified by the Industrial Air Pollution Control Regulation. The pollutant parameters coming out of the chimneys are measured and are below the legal limits.
[Add row]

C13. Further information & sign off

(13.1) Indicate if any environmental information included in your CDP response (not already reported in 7.9.1/2/3, 8.9.1/2/3/4, and 9.3.2) is verified and/or assured by a third party?

	Other environmental information included in your CDP response is verified and/or assured by a third party
	Select from: ☑ Yes

[Fixed row]

(13.1.1) Which data points within your CDP response are verified and/or assured by a third party, and which standards were used?

Row 1

(13.1.1.1) Environmental issue for which data has been verified and/or assured

Select all that apply

☑ Water

(13.1.1.2) Disclosure module and data verified and/or assured

Environmental performance – Water security

☑ Emissions to water in the reporting year

(13.1.1.3) Verification/assurance standard

Water-related standards

☑ Other water verification standard, please specify :ISO 14046

(13.1.1.4) Further details of the third-party verification/assurance process

We calculate our water footprint to understand our water usage across operations, assess environmental impact, and identify opportunities for conservation and efficiency.

(13.1.1.5) Attach verification/assurance evidence/report (optional)

Anadolu İsuzu-1562-2024-0254-Su Ayak İzi Sertifika ve Rapor.pdf

Row 2

(13.1.1.1) Environmental issue for which data has been verified and/or assured

Select all that apply

☑ Climate change

(13.1.1.2) Disclosure module and data verified and/or assured

Environmental performance – Climate change

☑ Base year emissions

(13.1.1.3) Verification/assurance standard

Climate change-related standards

☑ ISO 14064-3

(13.1.1.4) Further details of the third-party verification/assurance process

We conduct annual carbon footprint calculations, which are verified by third-party organizations each year. For the base year 2023, our Scope 1, Scope 2 (market and location-based), and Scope 3 emissions have been verified at a reasonable assurance level.

(13.1.1.5) Attach verification/assurance evidence/report (optional)

ANADOLU ISUZU 2023 Yılı GHG Verification Statement.pdf
[Add row]

(13.2) 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.

(13.2.1) Additional information

As Anadolu Isuzu, we diligently submit our waste declaration to the Ministry of Environment, Urbanization, and Climate Change every year. We classify the waste we generate, determine its quantities, and dispose of it using sustainable methods. This process is crucial for meeting our legal obligations and minimizing our environmental impact. By increasing our recycling rates, we contribute to the efficient use of resources and help achieve our environmental protection goals.

(13.2.2) Attachment (optional)

2023 Atık Beyanı.pdf
[Fixed row]

(13.3) Provide the following information for the person that has signed off (approved) your CDP response.

(13.3.1) Job title

CEO

(13.3.2) Corresponding job category

Select from:
☑ Chief Executive Officer (CEO)
[Fixed row]

(13.4) Please indicate your consent for CDP to share contact details with the Pacific Institute to support content for its Water Action Hub website.

Select from:
☑ No