



2022 Greenhouse Gas Emissions Report

January 1st to December 31st



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Introduction

In 2021, we released our first ever Sustainability Report. The report outlined Teknosa's strong commitment to creating a decarbonized future, with sustainability at the core of our purpose.

As Teknosa, we recognized the importance of reducing our own environmental impact and pledged to implement more sustainable practices within our internal operations. We emphasized the significance of individual actions taken by our employees each day to contribute to the company's sustainability goals. We are dedicated to pushing the boundaries and developing innovative, eco-friendly sustainability solutions. Our goal is to expand our impact and contribute to a greener and more sustainable future.

To actively involve our customers in creating a positive impact, we have introduced "sustainability walls" in our new-concept stores. These walls serve as a platform to inspire and encourage our customers to take action for a better world.

We operate in the SES (Solar Energy Systems) field through our pioneering brand, iklimsa, which focuses on air conditioning solutions. This step reinforces our commitment to environmental friendly practices and sustainable technologies.

To ensure transparency and accountability, we reported our progress towards science-based targets for reducing greenhouse gas emissions in accordance with The Climate Pledge and the Science Based Targets initiative (SBTi). Moreover, we followed the GHG Protocol Corporate Accounting and Reporting Standard framework for measuring and reporting its greenhouse gas emissions.



For more information on Teknosa's sustainability initiatives, read **[Teknosa_Sustainability Report-2021.pdf](#)**





About Teknosa

Founded in 2000 as part of Sabancı Holding, Teknosa İç ve Dış Ticaret A.Ş. has been traded on BIST (Borsa İstanbul) since 2012. The company is driven by the philosophy of "Technology for Everyone," aiming to provide easy access to technology and deliver a delightful shopping experience to its customers anytime and anywhere.

Teknosa collaborates closely with its stakeholders and leverages its widespread presence, superior service quality, product diversity, and dynamic, innovative corporate structure to advance in the industry. Sustainability is a key focus for the company as it continues to add value to society and all stakeholders.

After 22 years in the industry, Teknosa operates in two main groups: Retail/e-commerce and its dealer network. Its retail stores, online channels, and the brand İklimsa in the air conditioning and SES (Solar Energy Systems) sectors offer consumer electronics, imaging products, information technology, telecom products, and household appliances.

As the first to introduce technology markets to Turkey, Teknosa takes pride in being the most accessible technology retail chain with a broad network of stores, teknosa.com, and mobile platforms. It takes pride in its omnichannel model, integrating digital and physical channels to meet customers' expectations.

Teknosa is committed to creating the largest service ecosystem in electronic products in Turkey and undergoing digital transformation across the supply chain, product delivery, and after-sales services.

Highlights



- In 2022, Teknosa's total Scope 1&2 carbon emissions decreased 24% from the 2021 baseline.

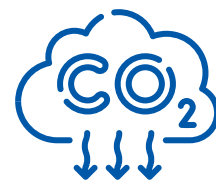


- The total net change of Scope 1&2 greenhouse gas (GHG) emissions in 2022 versus 2021 was 2.684,87 metric tons of CO₂e.



- Teknosa is on track to meet its 2030 target of a 42% reduction in emissions.

Our Emission Reduction Targets



In parallel with the "**Net Zero Emission**" target of Sabancı Group, we are committed to achieving the goal of Net-Zero by 2050 in all our operations.

Science-Based Targets

We have set a GHG reduction target which is aligned with science-based targets to address our greenhouse gas emissions and contribute to global climate goals. Teknosa's base year is 2021, and target year is 2030. By 2030, we aim to achieve a 42% reduction in our absolute Scope 1 and Scope 2 emissions compared to 2021 levels. This signifies our commitment to actively reducing our direct and indirect emissions from our operations and energy consumption. In 2023, we will pledge our commitment to the SBTi target. We have a clear vision to become a net-zero by the year 2050.

In addition to addressing our direct and indirect emissions, we have also committed to reducing our absolute Scope 3 emissions. Scope 3 emissions encompass indirect emissions associated with activities outside of Teknosa's operational control, such as emissions from the use of its products by customers and other stakeholders.



Our Way to Zero Emissions

Our commitment to sustainability is founded on the belief that effective management requires accurate measurement. In 2021, we took our first step on the sustainability journey by creating a comprehensive greenhouse gas inventory aligned with the GHG Protocol. This inventory encompasses both direct and indirect emissions, setting the groundwork for Teknosa’s ambitious goal of achieving net-zero emissions by 2050.

Figure 1 illustrates Teknosa’s annual greenhouse gas emission inventory, incorporating emissions from Scope 1, Scope 2, and Scope 3 sources. The stages in our value chain are clearly depicted, highlighting the key areas relevant to the company’s business model. By prioritizing specific categories within this value chain, we aim to efficiently address and minimize our environmental footprint.

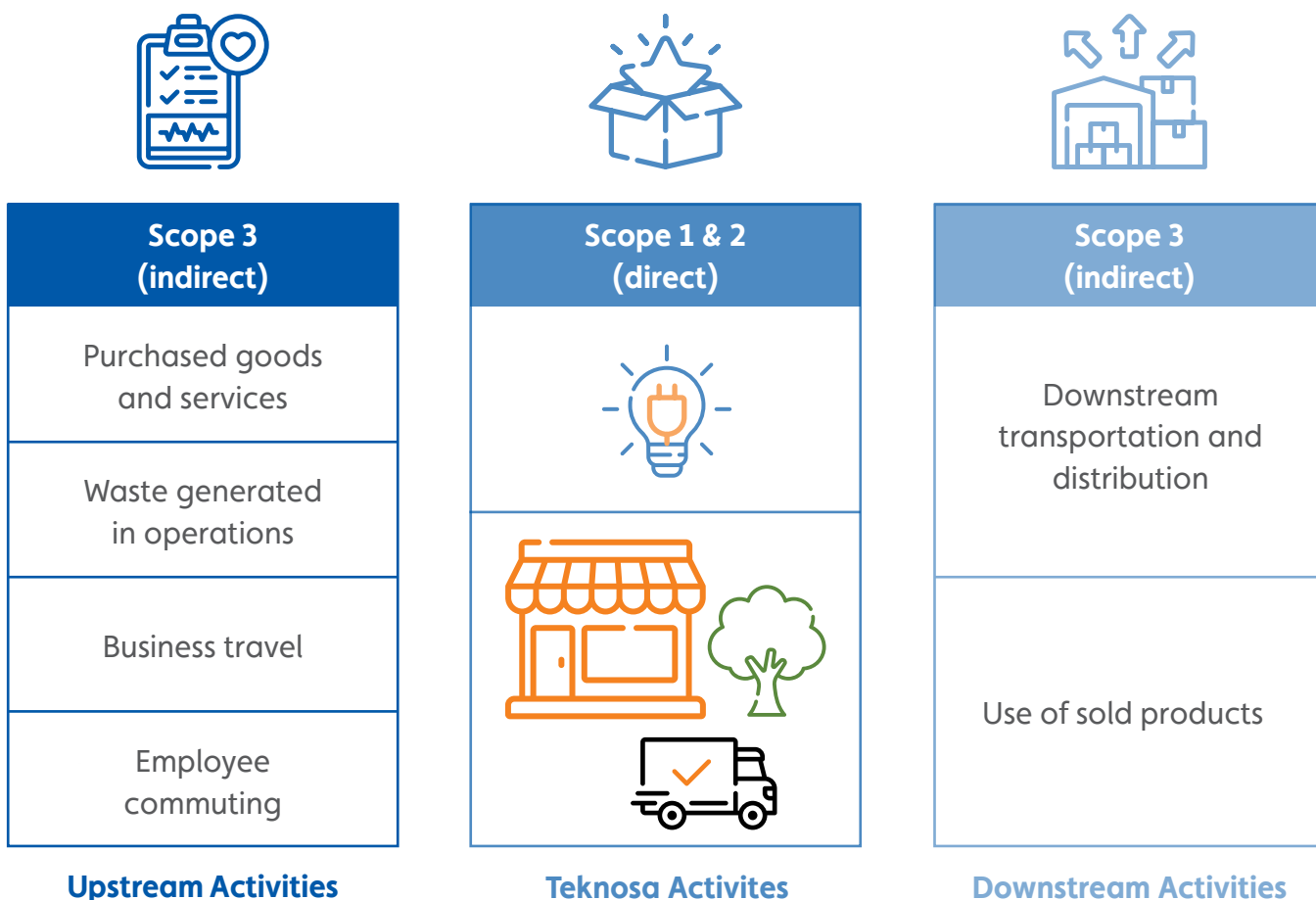


Figure 1. Scope 1, 2 & 3 Emissions Reporting Framework



We are taking a proactive approach to address climate change, adopting a comprehensive time horizon from 2020 to 2050 for scenario analysis in line with the goal of achieving Net Zero Emissions (NZE) by 2050. To support our climate scenario, we are referencing credible global sources such as the IPCC Special Report on Global Warming of 1.5°C and the IEA's Energy Perspectives.

In order to keep global climate change within the 1.5°C limit, we have devised a multi-faceted net-zero strategy with five major categories: supplier engagement, procurement policy and choice, customer engagement, product/service design, and business model. Within each category, specific levers have been identified to achieve our carbon reduction targets. These levers have been chosen based on financial viability, emission reduction impact, operational feasibility, and the potential for positive reputation impact.

Teknosa's net-zero strategy is well-structured, with a focus on driving positive environmental change at various stages of their operations. By implementing these levers, we aim to make significant progress towards our emission reduction targets while remaining financially viable and earning a positive reputation for their commitment to sustainability.

Teknosa's renewable energy consumption is targeted to be 50% in 2025 and 100% in 2045. To transition towards renewable energy sources, Teknosa is considering options such as acquiring renewable energy certificates (RECs), entering into Power Purchase Agreements (PPAs) for on-site and off-site renewable energy installations, and implementing self-generation of renewable energy.

To reduce carbon emissions related to logistics, Teknosa is exploring low-carbon alternatives like electrification, renewable natural gas (RNG), and hydrogen. We are committed to working closely with suppliers, with a significant portion already committed to Science-Based Targets initiative (SBTi). This collaboration is expected to drive emission reduction efforts in the long term.

GHG Inventory

Scope 1 and Scope 2 Emissions

Scope 1 emissions are **direct emissions** from sources owned or operated by the company. This includes emissions from facilities owned or leased by the company, as well as emissions from company-owned vehicles. For example, if Teknosa operates its facilities or owns vehicles, the emissions from these sources fall under Scope 1. An instance of Scope 1 emissions at Teknosa includes the emissions produced from the use of natural gas at their facilities.

On the other hand, Scope 2 emissions refer to **indirect emissions** that result from the generation of energy purchased by the company. These emissions arise from the production of electricity and other energy sources that Teknosa procures to power its locations and operations.

The target boundary for measuring Scope 1 and Scope 2 emissions

- Physical Locations
 - Various physical locations where Teknosa operates. This encompasses all properties, including those leased from third parties.
 - The boundary also covers the headquarters, warehouse, Iklimsa Regional Directorates and stores.
- Owned Or Long-Term-Leased Vehicles



Scope 3 Emissions

Scope 3 emissions are considered to be all other indirect greenhouse gas emissions that are not included in Scope 1 and Scope 2. These emissions originate from sources that are not owned or controlled by the company but are associated with its activities and operations. One of the significant sources of Scope 3 emissions is the emissions generated across the company's supply chain.

When evaluating options for Scope 3 emission the end-to-end value chain needs to be analyzed through the lens of 15 GHG categories.

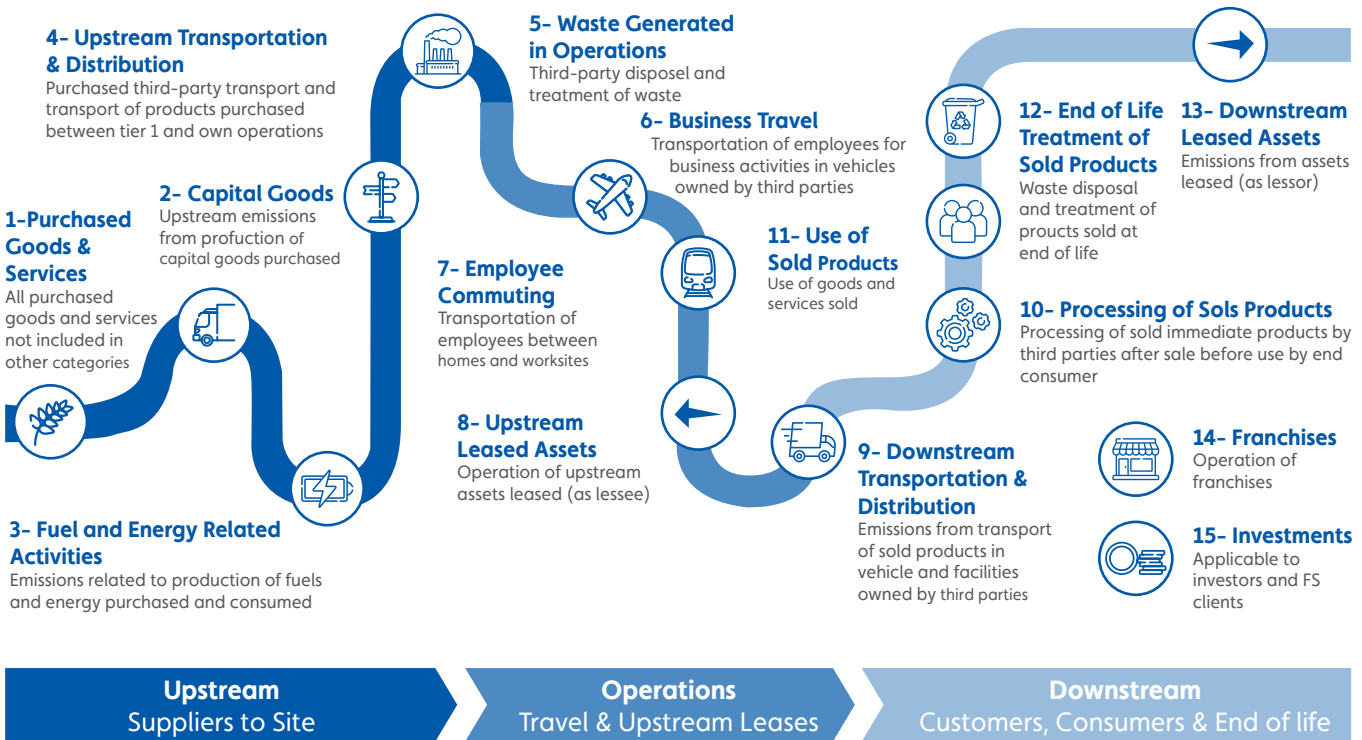


Figure 2. GHG categories



Teknosa's Scope 3 inventory includes emissions resulting from activities throughout our value chain. While these emissions can be more challenging to track, they represent the largest portion of Teknosa's total emissions, making them a priority for action and reduction efforts.

The Scope 3 emissions are divided into specific categories, and only those considered relevant to Teknosa's value chain are reviewed and calculated. In the 2022 GHG inventory, Scope 3 emissions categories, Categories 2, 3, 4, 8, 10, 12 and 13 were excluded. These categories were found to be not applicable or important to Teknosa's value chain.

The categories included in Teknosa's GHG Inventory for Scope 3 emissions are as follows:



- Teknosa's Upstream Scope 3 Categories:
 - Category 1: Purchased Goods and Services
 - Category 5: Waste generated in operations
 - Category 6: Business Travel
 - Category 7: Employee Commuting



- Teknosa's Downstream Scope 3 Categories:
 - Category 9: Downstream Transportation and distribution
 - Category 11: Use of Sold Products

GHG Emissions Targets and Results

Table 1. SBTi GHG Emissions Targets by 2030

GHG Emissions (tCO ₂ e)	Base Year (2021)	Science Based Aligned Targets (2030)
Scope 1+2 Emissions	10.971,68	6.370,16

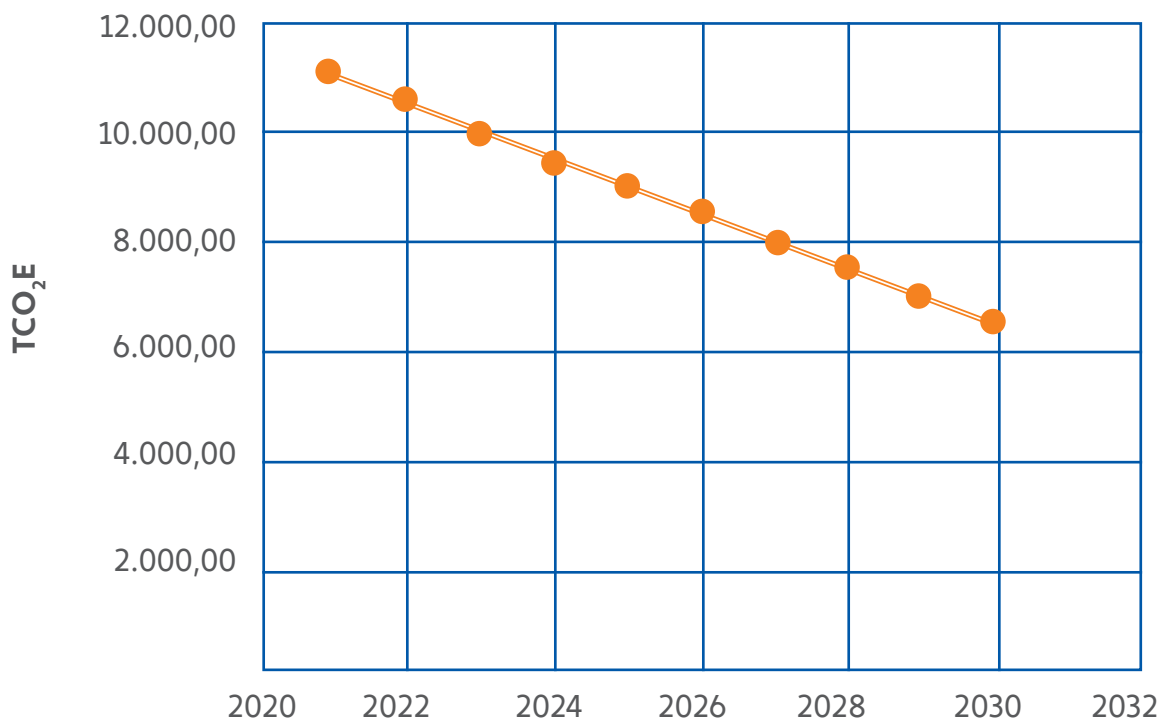


Figure 3. Scope 1 & Scope 2 Emission Targets

Environmental Performance

We have made progress in reducing our Scope 1+2 carbon emissions, achieving a 24% decrease from 2021 to 2022. Despite increased production to meet market demands in 2022, we remained focused on our emission reduction targets and successfully lowered our carbon footprint.

In 2022, we continued our efforts to reduce employee commuting by implementing innovative company programs. Teknosa embraced a hybrid model for remote working, allowing employees to work remotely whenever possible, further reducing the need for daily commuting.

Table 2. Percentage Breakdown of 2022 GHG Scope 1&2 Emissions

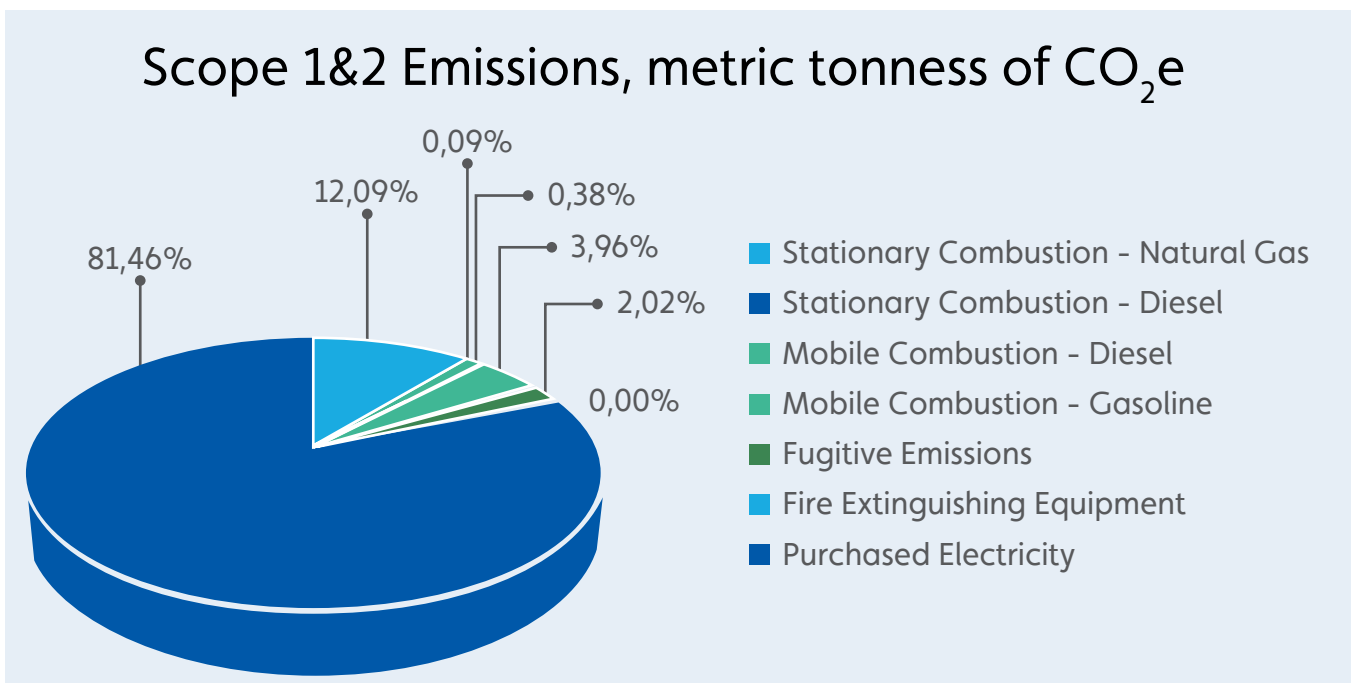
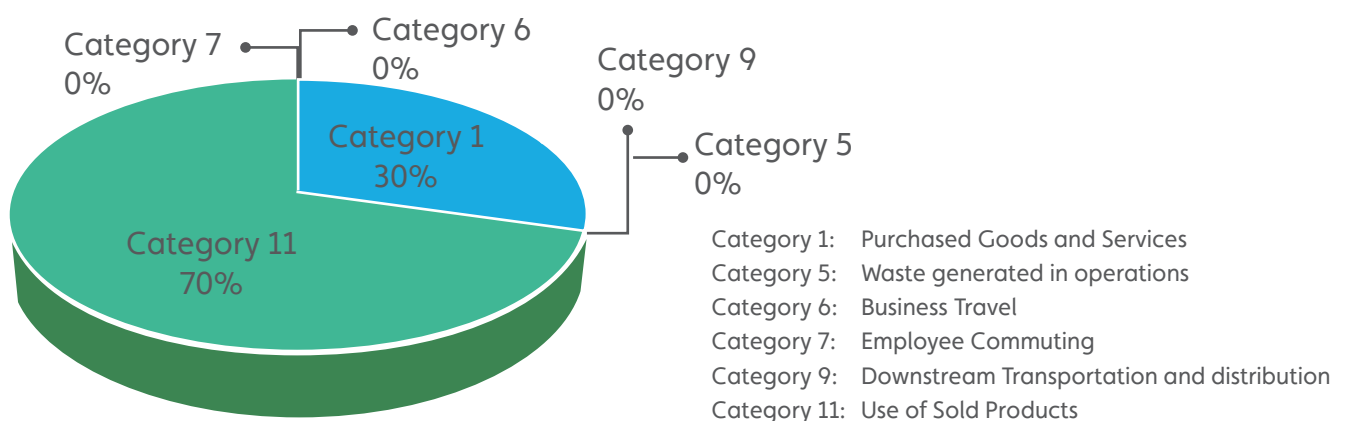


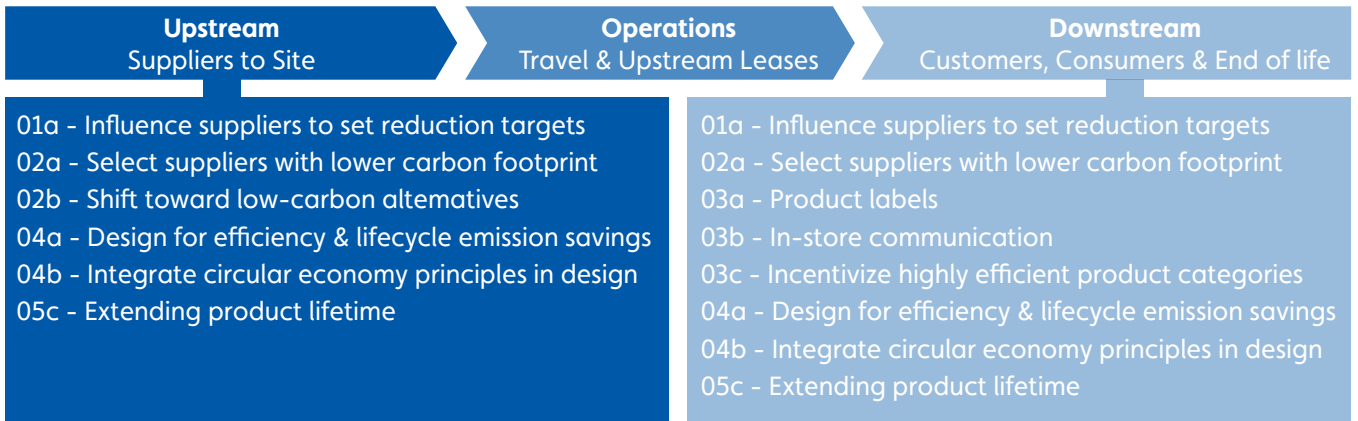
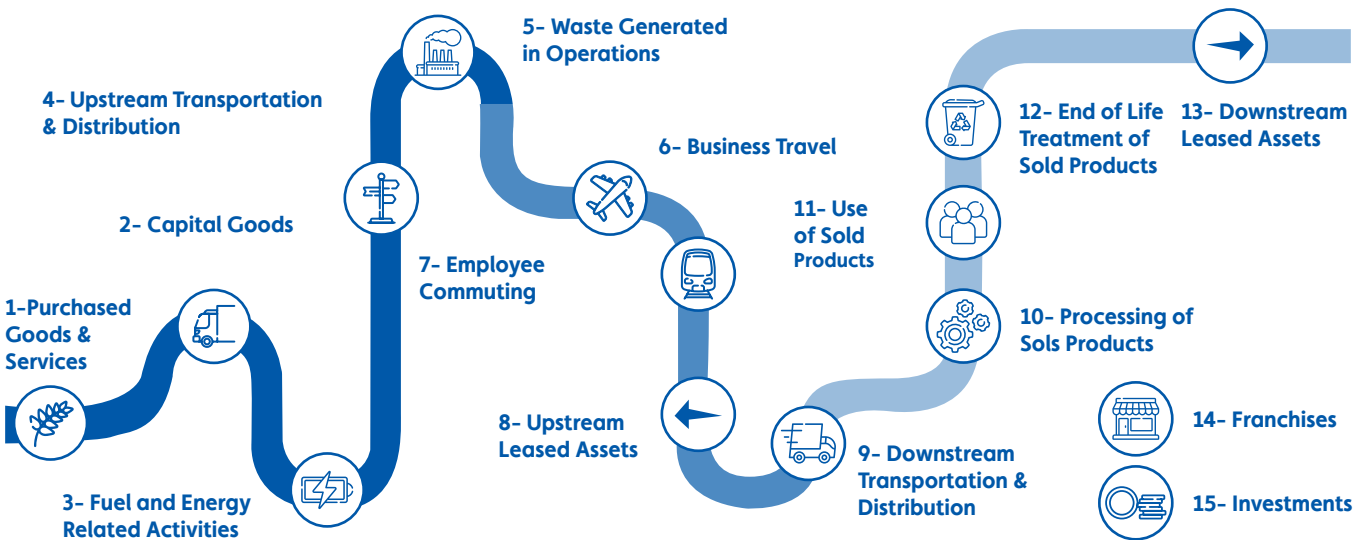
Table 3. Percentage Breakdown of 2022 GHG Scope 3 Emissions



Committed to an Emission-Free and Sustainable Tomorrow

Teknosa is dedicated to building a decarbonized and thriving future. We firmly believe that data intelligence plays a pivotal role in driving sustainability goals forward.

The first edition of Teknosa’s Greenhouse Gas Emissions Report represents a significant milestone for our company, coinciding with our 23th year in business. The report illustrates the progress we have made in aligning with science-based targets for reducing emissions. We remain committed to enhancing the sustainability of our operations and maintaining transparency in reporting our advancements. Through our commitment, innovation, and data-driven approach, we are poised to play a crucial role in creating a more sustainable and environmentally responsible future.





LEGAL WARNING

The data, information and analyzes in the Teknosa Sustainability Report (Report) are provided for informational purposes only using sources and information believed to be accurate and reliable during the reporting period. It is not intended to form the basis for any investment decision. The Company, its directors, employees and all other persons and institutions contributing to the Report cannot be held responsible for any damages that may arise due to the use of the information contained in this Report. All rights of the report are reserved by Teknosa.

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