

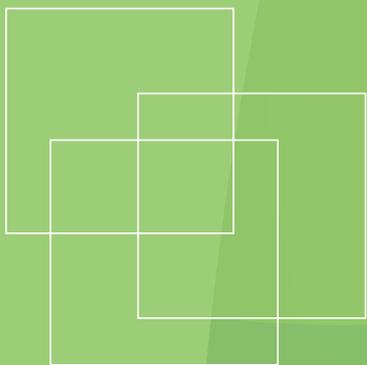


International  
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Organization

# **DECENT WORK IN THE GREEN ECONOMY**

## **BUSINESS CASES FROM TURKEY**

ILO Office for Turkey



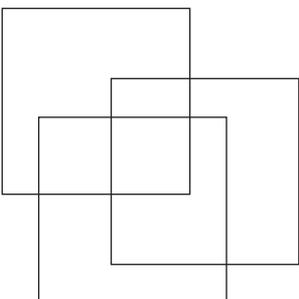


International  
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**DECENT  
WORK IN THE  
GREEN  
ECONOMY**

**BUSINESS  
CASES FROM  
TURKEY**



**ILO Office for Turkey  
2015**

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## EXECUTIVE SUMMARY

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In the Green Jobs Report<sup>1</sup>, prepared jointly by UNEP and ILO, green jobs are defined as jobs that contribute to preserving and enhancing the quality of the environment in the agricultural, manufacturing, research and development, administrative as well as services sectors. Green jobs are considered to embrace a higher potential to develop more just, inclusive and in general more decent jobs; and thus they are considered to support the sustainability of activities and raise life standards through the newly created employment.<sup>2</sup>

The Project Decent Work in the Green Economy (Turkey, Mexico and China 2013 - 2014) realised by the International Labour Organization (ILO), aims at contributing to the creation of green jobs for women and men as a means to poverty reduction and social inclusion through the strengthening of national green economy initiatives. In Turkey, the project's immediate objective is to improve the ability of governments and social partners to assess the scope for green jobs and to formulate, monitor and review relevant gender sensitive policies and programmes.

This report, which is written as part of the project, aims to contribute to the knowledge sharing and analysis that will lead into the shaping of inclusive green jobs strategies for decent work promotion in Turkey's transition to a greener economy. The methodology used to assess each of the companies presented in this report was in-depth face-to-face interviews with representatives in charge of sustainability or relevant fields, with an objective to showcase green implementations undertaken in each of these companies. The companies interviewed and presented in this study are: Eczacıbaşı Construction Materials Industry and Trade, Boyner Group, Schneider Electric, Arçelik, Pastoral Vadi Organic Eco Farm, Recydia Hereko, Soyak Holding, Ekol Lojistik and Siemens.

The findings of the study, presented in this report, reveal that the transition of enterprises towards a greener business model is not easy, yet necessary for companies to reduce their impact on the environment and keep their leading positions in their respective sectors. The outcomes of the study also show that the ownership of both the senior management as well as all the employees is of great importance during this transformation phase, while collaborations with other organizations, including the government and the NGOs also plays significant importance. It can also be noted that enterprises undertaking greening efforts also are in need of incentives provided by the government, as well as motivation gained thanks to awards given and visibility achieved.

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<sup>1</sup> [http://www.unep.org/PDF/UNEPGreenjobs\\_report08.pdf](http://www.unep.org/PDF/UNEPGreenjobs_report08.pdf)

<sup>2</sup> International Labour Organisation (ILO) Report, Geneva, 2010. A Skilled Workforce for Strong, Sustainable and Balanced Growth.

## INTRODUCTION

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A green economy is described by UNEP, as a more equitable and sustainable economy and society, aiming to protect the environment for the current and the following generations.<sup>3</sup> Meanwhile, the Green Jobs Report<sup>4</sup>, prepared jointly by UNEP and ILO, defines green jobs as jobs that contribute to preserving and enhancing the quality of the environment in the agricultural, manufacturing, research and development, administrative as well as services sectors. These jobs play an important role in the preservation of ecosystems and biodiversity as well as reducing energy, water and material consumption by generating energy-efficient strategies, to overall help reduce the carbon footprint in the economy and minimize all kinds of waste and pollution in general. By this definition, green jobs also need to be decent work, which offer adequate wages, safe working conditions, job security, reasonable career prospects, and worker rights.

The notion of green growth, came up in the agenda officially in March 2015, Seoul, Environment and Development Ministers Conference. Within this conference, Asia Pacific countries decided to act on the way to “Green Growth”. In the framework of the notion of green growth, it was highlighted that environment and economy should be integrated into government’s policies in the light of sustainability. Furthermore, the importance of economic growth and eco-efficiency were also highlighted. By this means, the concept of green growth has started to be seen as a recipe for today’s economic turbulences especially following the 2008 financial crisis (Green Growth Leaders, 2011). Green growth can be defines as a people oriented growth model that underlies protection of environment and efficient use of resources in the light of equal economy and social & environmental development.<sup>5</sup> Day by day, with the concept of green growth, the idea that environmental sustainability policies have a negative impact on the economy and employment has started to change. Instead, it is understood that these policies may in fact represent essential tools that could provide a structural transformation in economies, where unemployment is a consistent problem. Indeed, green jobs can broaden employment areas, create decent jobs and thus contribute to human development.

It is expected that a lot more green jobs will be created in the near future both in developed as well as developing countries. A global transition to a low carbon and sustainable economy may be an engine for economic development generating numerous green job opportunities in various sectors of the economy.<sup>6</sup> This transition, however, will be possible if it is accompanied by greater awareness, changes established in the relevant policy framework and even more importantly, if special attention and focus can be given to the important role of enterprises in this process. It can be said that enterprises have the potential to act as the main driver both for the creation of employment directly or indirectly and for boosting social and environmental investments.<sup>7</sup> At the same time, their operations contribute to resource depletion, pollution and climate change.

Following the United Nations Conference on Sustainable Development (UNCSD) 2012, the awareness, know-how and technical capacity with regards to green jobs has been increasing worldwide considerably.<sup>8</sup> Increasing number of studies and reports have begun to mention the potential of a green economy in efforts to protect the planet as well as creating new job areas; and hence increasing employment level in the world. In this context, the research conducted and evidence provided showcases that a transition towards a greener economy can lead to a significant gain in employment.

In Turkey, although the concepts of green economy and green jobs are fairly new, they have started to be discussed more widely. The transition towards a more sustainable and a greener economy is very relevant for Turkey given that it currently makes us of only a little portion of its vast potential in renewable energy resources and imports almost all of the natural gas and oil that it utilizes from abroad, and thus prone to volatilities in supplier markets. Moreover,

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<sup>3</sup> UNEP, 2011, Towards a Green Economy: Pathways to Sustainable Development and Poverty Eradication, [www.unep.org/greeneconomy](http://www.unep.org/greeneconomy)

<sup>4</sup> <http://www.kalkinma.gov.tr/Lists/Uzmanlk%20Tezleri/Attachments/376/Ye%C5%9Fil%20%C4%B0%C5%9Fler%20ve%20T%C3%BCrkiyede%20Yenilenebilir%20Enerji%20Alan%C4%B1daki%20Potansiyeli.pdf>

<sup>5</sup> International Labour Organisation (ILO), 2013. Green Enterprises Brief.

<sup>6</sup> Allen, C., Clouth, S., 2012. A Guide to the Green Economy. UN Division for Sustainable Development.

<sup>7</sup> International Labour Organisation (ILO), 2013. Green Enterprises Brief.

<sup>8</sup> Allen, C., Clouth, S., 2012. A Guide to the Green Economy. UN Division for Sustainable Development.

Turkey's working age population is expected to increase each year by over 800.000 until 2020. In Turkey, where the unemployment rate is high and working-age population is increasing, it is of crucial importance that new and qualified work areas are created.

The Project Decent Work in the Green Economy (Turkey, Mexico and China 2013 - 2014) realised by the International Labour Organization (ILO), aims at contributing to the creation of green jobs for women and men as a means to poverty reduction and social inclusion through the strengthening of national green economy initiatives. To achieve this overarching goal, it combines the building of an expanded knowledge base at international level, with the implementation of tailor made training and research initiatives, in support of policy making at national level. In Turkey, the project's short-term objective is to improve the ability of governments and social partners to assess the scope for green jobs and to formulate, monitor and review relevant gender sensitive policies and programmes.

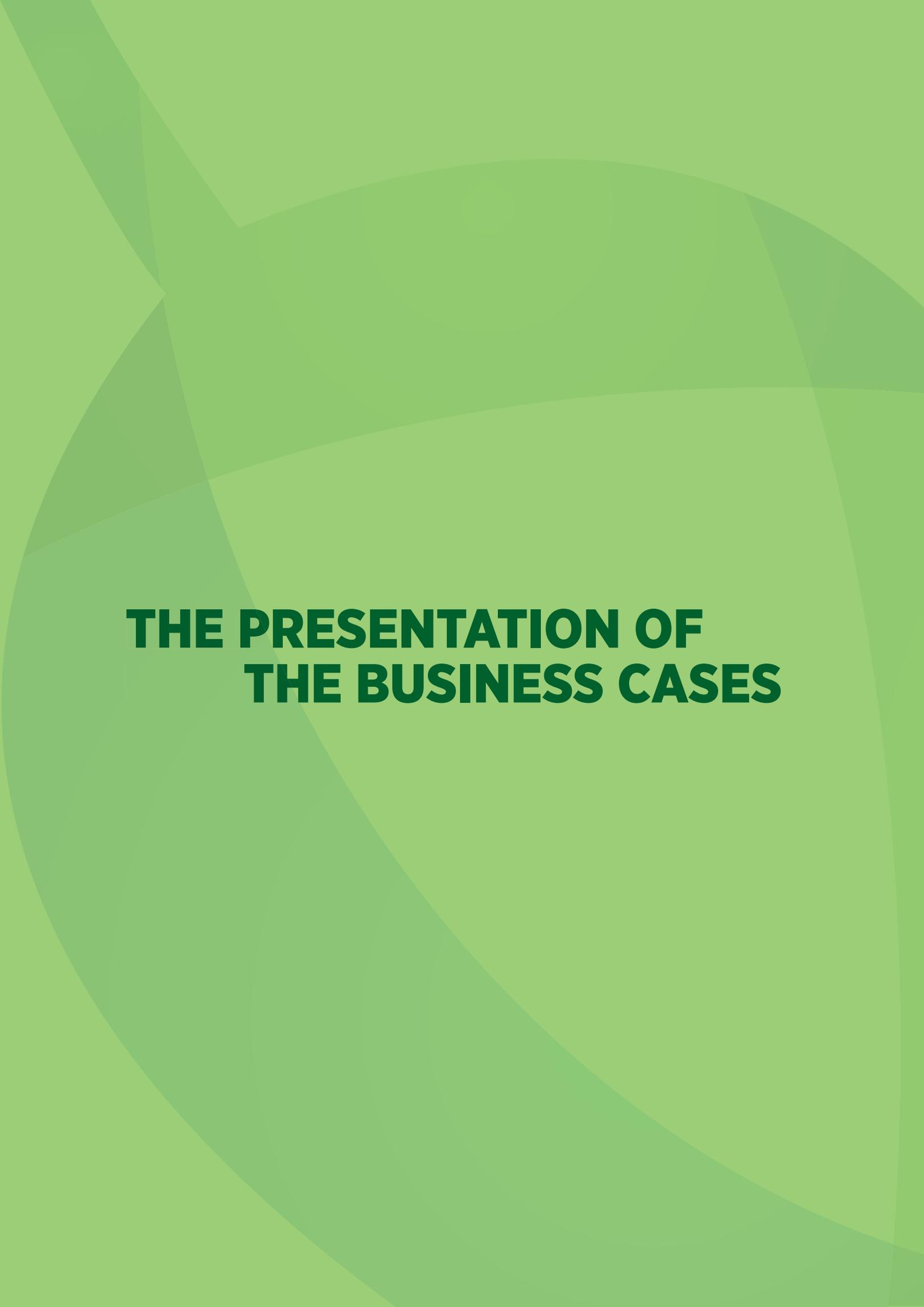
This Report, which is written as part of this project, aims to contribute to the knowledge sharing and analysis that will lead into the shaping of inclusive green jobs strategies for decent work promotion in the transition to a greener economy in Turkey. Whilst enterprises need guidance on how to move towards greener and more resource efficient production systems, policy makers need to be informed about the role of enterprises in this transition process so that the necessary policy framework can be put in place accordingly. This report while focusing on the experiences of some enterprises in Turkey, aims to shed light to policy makers how enterprises can be a major engine for change; they can create employment and can have a significant positive impact on the environment.

The findings of the study, presented in this report, reveal that the green transformation faces many obstacles in Turkey where the transition to a green economy is just emerging. It also shows that although there are some obstacles in the transition, it is inevitable for enterprises in order to decrease environment damages and to protect enterprises' leadership within the sector. This situation points to the need to raise awareness and revise the existing legal structure in order to provide companies with facilitating mechanisms. Even though Turkey has a long way to go in this field, companies that can be said to be leading the way provide vital information regarding the current situation and can offer guidance for the future.

## THE METHODOLOGY OF THE STUDY

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The methodology used to assess each of the companies presented in this report was in-depth face-to-face interviews with representatives in charge of sustainability or relevant fields in each company. The interviews had a semi-structured characteristic, as guiding questions were used during each interview; yet the companies were also allowed to focus on the issues that matter most to them in more detail. The guiding questions can be found under Annex I. The companies interviewed and discussed in this report are: Eczacıbaşı Construction Materials Industry and Trade, Boyner Group, Schneider Electric, Arçelik, Pastoral Vadi Organic Eco Farm, Recydia Hereko, Soyak Holding, Ekol Lojistik and Siemens. The details of each interview held can be found in the Annex II section of the report.



# **THE PRESENTATION OF THE BUSINESS CASES**

# ECZACIBAŞI CONSTRUCTION MATERIALS INDUSTRY AND TRADE INC.

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## I. AN OVERALL LOOK TO THE COMPANY

Eczacıbaşı Group, which was founded in 1942, is a Turkish industrial group with 41 companies and 12.115 employees. Eczacıbaşı's core sectors are building products, healthcare and consumer products. Additionally, the Group is active in finance, information technology, welding technology, mining, and property development. The Eczacıbaşı Group's mission is to be a pioneer of modern lifestyles that are healthy, of high quality and sustainable. Accordingly, the Group encourages each of its companies to surpass established standards and raise consumer benchmarks of products and service quality.

Eczacıbaşı Construction, which has a total of 2.500 employees as of 2013, was founded in the mid-1950s. Ceramics, sanitary products, washing basins and armatures can be listed among the Company's major products. The company's well-known bathroom products brand Vitra & Artema, have big market share in Europe.

With the motto "Sustainability is Our Business", Eczacıbaşı Construction's mission is to maintain a balance between the requirements of business life, daily life and the sustainability of natural resources; while its vision is to produce designed products "for the environment and for future; to preserve natural resources; and for sustainable societies". Eczacıbaşı Construction holds various certificates and awards in the field of environmental management, including energy efficiency and the sustainable use of raw materials.

In 2014, Eczacıbaşı Construction was granted six awards;

- "Sustainability Encouragement Award" in the Third International Green Buildings Summit
- "Encouragement Award" in Large-scale Organizations Category
- "Large-scale Organization Award in Stone-Soil Sector Category" given by the Kocaeli Chamber of Industry
- "First Prize in Environment and Sustainability Awards" given by İstanbul Chamber of Industry
- First Prize both in Turkey and Europe on Administration Category within the European Union Environment Awards given by Eczacıbaşı Construction.

Besides, namely, the "Construction Product Award" granted to "Watersmart Water free Urinal" in 2012; the ISO Sustainable Eco-Friendly Products and Practices award granted to "2,5/4 Litres Water Closet" Project in 2012 in the branch of Large-Scale Organizations; and the ISO Sustainable Eco-Friendly Products and Practices award granted to "Energy Recycling in Sanitary Ware Kilns Project" in 2013 in the branch of Large-Scale Organizations are among the numerous awards received by the company.

In addition, in 1998, Eczacıbaşı Construction received a 14001 Environmental Management Systems<sup>9</sup> Certificate, making it the first company in Turkey and the second in the globe in this sector. In 2010, the company maintained its pioneer position with the TS ISO 50001 Energy Management Systems<sup>10</sup> certificate received. Holding OHSAS 18001 Occupational Health and Safety Management Systems<sup>11</sup> Certificate for Armature Manufacturing Facilities, Eczacıbaşı Construction has been the first sanitary stoneware manufacturer to receive EPD Type III Environmental Product Declaration on the global scale.

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<sup>9</sup> The ISO 14000 series is an Environmental Management Standard developed by the ISO Standards Committee TC207. This series is designed so as to cover all environmental issues related to organizations and is a source for organizations to prioritize environmental effects and to manage and control them. The ISO 14001 Environmental Management System is essentially a management model established on the basis of risk analyses and geared to reducing the use of natural resources and minimizing harm to soil, water and air.

<sup>10</sup> The ISO 50001:2011 standard is published by the ISO in June 2011 and entered into force in Turkey in December 2011 as TS ISO 50001. The ISO 50001 ensures that organizations develop their action plans, set targets to reduce their energy consumption, identify energy performance indicators and keep the records of these.

<sup>11</sup> Besides determining requirements in relation to occupational health and safety, the OHSAS 18001 is also an international standard in compliance with quality and environment standards. The primary objective of the OHSAS 18001 is to eliminate or minimize relevant risks in the organization in the light of occupational health and safety legislation and to provide and manage a safe and healthy working environment.

## II. THE GREEN TRANSFORMATION

Being a public-held corporation, Eczacıbaşı Construction denotes that both the stock market and the investors have expectations regarding green practices. Especially regarding international tenders, companies are more demanding in the field of sustainability; hence the “Blue Life” product line was born out of this demand and self-necessity.

Eczacıbaşı Construction has started sustainability transformation in the mid-2000s. Although the process started long ago, as of 2006 – with the ratification of UN Global Compact – the word “sustainability” has started to appear more in the corporate culture, whereas, “sustainable development” started to be mentioned more in detail in company’s reports.

In Eczacıbaşı Construction, the transition to a more green process was designed the way that includes all departments. However, since “construction” sector is one of the biggest carbon footprints sector, in Turkey, 40% of carbon emissions arise from buildings. In this regard, one of the priorities of the Eczacıbaşı Group is not only in the production platform. Its approach is to dispose this insight into all procedure including marketing, sales, finance, customer relations, communication, logistic and exposure. As an additional to Eczacıbaşı Group’s certificates and awards, it produced the sustainable green sanitary product line called the “Blue Life”, developed under Vitra and Artema brands, as well as its ongoing practices of minimizing energy use, natural resource use and carbon emission in manufacturing, design and management processes. All these practices aim at leaving a “blue planet” to next generations. Having the motto “For a blue planet”, the Blue Life product line includes, but is not limited to, planet friendly products such as self-cleaning urinals, water loss preventing refills and water consumption minimizing bathtubs. Besides, the Vitra Plant in Bozüyük, Bilecik has been the first among its peers to hold a TS 50001<sup>12</sup> Energy Management System certificate in Turkey. Bearing in mind that energy consumption is quite dense in all phases of ceramic fabrication, and that sustainable manufacturing requires efficient use of energy resources, Eczacıbaşı Construction has managed to reduce its energy consumption by 5.5% in 2010. Thus, all investments and improvements made within the last 15 years have led to a total of 50% energy saving. Moreover, Eczacıbaşı Construction managed 35% water saving by waste water treatment and 15% energy saving by reducing firing temperature in 3 years. The energy produced from chimney waste has been used in heating water.

Also in 2013, Eczacıbaşı Construction manufactured the first armature to receive the European Water Label in Turkey. This label can be considered to be the water version of an energy efficiency classification for products. The same year, Eczacıbaşı Construction prepared the “Green Bathroom Concept” catalogue, presenting products to reduce water prints and to maintain water quality, and assessing buildings as to their environmental effects. Bathroom concepts depicted in the catalogue stand as a guide for architects and engineers as well as customers. Savings made with these products are presented in the catalogue in order to inform and raise awareness of the architects and engineers in this respect. Within a period of 5 months - the catalogue managed to be downloaded 87.000 times from the company’s website.

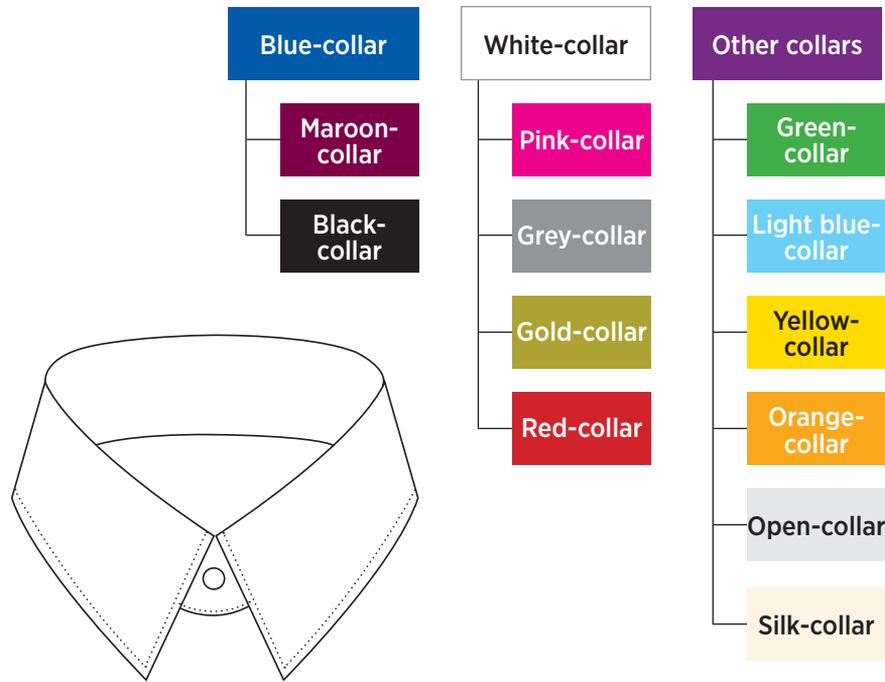
Besides designed green products, Eczacıbaşı Construction also places great emphasis on green logistics and related projects, as it uses railway transportation where possible and a combination of land-maritime-railway transportation where not feasible.

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<sup>12</sup> The ISO 50001:2011 standard is published by the ISO in June 2011 and entered into force in Turkey in December 2011 as TS ISO 50001. The ISO 50001 ensures that organizations develop their action plans, set targets to reduce their energy consumption, identify energy performance indicators and keep the records of these.

### III. IMPACTS ON EMPLOYMENT, SKILLS DEVELOPMENT AND EXTERNAL RELATIONS

Eczacıbaşı Construction carries a belief that green collar jobs constitute a work area different from all others, in the sense that these green jobs and practices are all-encompassing and crosscutting. In other words, going green should not be considered as a separate work area but shall involve each and every work process at a company.



In parallel to this approach, Eczacıbaşı Construction has established a Sustainability Department, which has been designed to work together with all the other departments. The Sustainability Department is a distinguishing feature of Eczacıbaşı Construction.

Before the establishment of the Sustainability Department, there were already employees working on environmental issues in Eczacıbaşı Construction. With the onset of its green transformation process, especially those workers involved in this field achieved improved perspectives as well as more elaborated titles. For instance, environment managers received an additional task and title: “sustainability representative”. Hence, this process has increased their responsibilities and allowed them to become more visible within and outside the company, as well as bringing a career advantage. As explained by Eczacıbaşı Construction, in the supply chain, workers with a specific interest in sustainability and green practices and who are prone to such jobs are able to develop new ideas and projects.

In addition to the influence of Eczacıbaşı Construction greening process on all its in-house work processes and employees, all companies in the supply chain and all affiliated agencies are also indirectly influenced. Indeed, there is an increasing demand for companies, as well as professional experienced in similar processes, including architects, engineers and other co-operating experts. With respect to this, Eczacıbaşı Construction delivers training courses about green buildings to professionals.

During the transformation process at Eczacıbaşı Construction, working conditions of the employees have also been improved, such as the “flexitime” approach and improvements in women employment policy. In Eczacıbaşı Construction, when there is a tie between two applicants, women are preferred and placed.

#### IV. COMPANY PERSPECTIVE

The Eczacıbaşı Construction Materials says, in relation to green practices, best outcomes can be achieved by acting in line with the needs of the company and its units, and underlines that it makes progress in all projects by following this strategy. When this work is conducted parallel to needs and marketing strategies, it becomes easier for employees to see the need for sustainable practices and to commit to this.

Such company units as environment and energy are more receptive to the idea of transformation for their very nature and issues involved, and thus hold leading positions in this regard while other units have been more cautious to this idea. Accepting that it is not so easy to change any operating system, the Eczacıbaşı Construction stresses the need to be tolerant given the difficulty of transformation, making relevant decisions and putting them in practice when specific units are concerned. The Eczacıbaşı Construction Materials also believes that this process of transformation can be possible only persons concerned uphold the idea and are committed to. Here, the point that must be kept in mind is that “imposing” change at a moment is not a correct approach and transformation must proceed gradually by ensuring that all employees are fully engaged in. This is actually what the Eczacıbaşı Construction Materials is doing: Realizing transformation with gradual but firm steps.

In the future, Eczacıbaşı Construction aims to develop projects based on the company's strategies and focusing on sustainability issues. Moreover, having more employees who adopt this approach to their daily practices is another priority in the company. According to Eczacıbaşı Construction, the transformation requires a holistic approach as well as the ownership of and authorizing of staff.

## BOYNER GROUP

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### I. AN OVERALL LOOK TO THE COMPANY

Boyner Group was established in 1952, along with the founding of the distinguished textile manufacturer Altınyıldız Textile and Garment Factories, today titled Boyner Perakende ve Tekstil Yatırımları A.Ş. The Boyner Family launched the Beymen brand in 1971 and retail activities continued with the establishment in 1981 of Çarşı, which was initially created to market end-of-line products and then quickly transformed into a multi store department store.

Boyner, today, is composed of Altınyıldız Textile and Garment - focusing on wool textiles industry; Boyner Retail Stores - leading in non-food and non-electronics mass merchandising; Beymen Retail Stores pioneer in luxury retail; AY Brand Stores - including the brands Network, Fabrika, Que, Beymen Business, Divarese and T-box; and BYN Real Estate Development companies, MORHIPO and BR Brand Stores in e-commerce area.

Boyner produces woollen in its affiliated organization Altınyıldız and ready-made garments are also produced in this same plant. It is an integrated plant established on a 85.000 m2 area in the Çerkezköy industrial zone, with 1.721 employees in total (1.380 blue collar workers).



One of the most prominent characteristics of Boyner is its “Unconditional Customer Happiness” concept launched back in 1987, which aims to focus on and give primacy to people. In this regard, the company’s vision is to provide decent working conditions and comfortable working spaces for its workers. It is important to underline that this approach is not only limited to its 10.000 employees but also to all its supply chain.

Boyner follows the approach that it has responsibility towards all its workers and suppliers and an obligation to provide at least the minimum legal requirements to everyone in its supply chain. Thus, having employed the slogan “absolute customer satisfaction is our sustainability promise”, Boyner was listed among best Turkish employers - “Great Place to Work”; and was granted with “Equal Opportunities” special prize both in 2013 and 2014. According to “Great Place to Work” survey, 93% of all employees are “proud to work at Boyner and recommends to do so”.

### II. COMPANY’S ENVIRONMENTAL SENSITIVITY AND ITS EFFORTS TO COMBAT CLIMATE CHANGE

The Boyner Group is implementing projects geared to using lesser amounts of raw and supplementary materials, energy and water to reduce the negative impact of its goods and services on environment and it continued measuring the effects of these projects in 2014 as well. The Group’s environmental sensitivity holds true not only in the performance of the company but also in the context of supply chain. In this context, the company has since 2013 been following its suppliers’ energy, water and waste management policies to check their compliance with the relevant legislation.

Also, with its project “turn it into good” launched in 2014, the Boyner Group included its customers in the process and designed and implemented a project, in cooperation with Lokman Hekim Foundation that incorporated recycling and re-use issues.

The Boyner group is active in the sector of textiles where production entails large amounts of water consumption. The Group is aware that energy and water saving and efficiency is crucial in business processes. In this context, Altınyıldız, a part of the Boyner group, has its water treatment facility and cogeneration facilities of 5 megawatt generating its own electricity and heat energy. Altınyıldız is also trying to minimize its water use and waste water

through a “clean water” project. The project makes it possible to recycle and use the initial water used 4 times after that. Simultaneously, wastes are returned to the industry after having been purified from chemical substances. The focal point here is human beings and environmental health. The Altinyıldız Textiles and Garment Industry was the first in its sector to calculate its carbon footprint by ISO14064-1 Scope 3 standard in 2011 and to identify its emission reduction targets. Having conducted standard compliance work with BSI in 2011 and 2014, Altinyıldız shares its outcomes with all stakeholders with its reports.

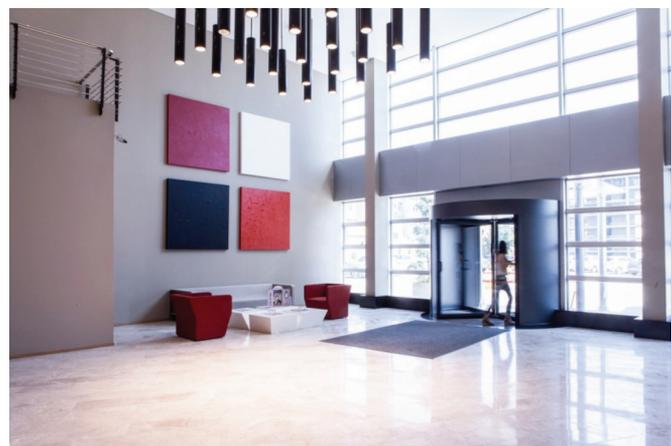
In this context, shortfalls identified following social and environmental performance measurements are covered through relevant action plans and further plans are made aiming at continuous improvement.

The Boyner Group Company Boyner Büyük Mağazacılık is engaged in CDP<sup>13</sup> reporting since 2012 and it is implementing, since 2013, the “Green Office Project” of the WWF in its central office. In 2014, the central office of Boyner Büyük Mağazacılık was awarded green office certificate by the WWF. The Boyner Group is applying innovative solutions in its energy, water and carbon policies that would have their medium and longer term impact on the company while, at the same time, including its employees in the process of developing and implementing suggestions and solutions, which will also contribute to their satisfaction with their work and employment.

The team called “Green Team” in Boyner Büyük Mağazacılık is set up as comprising “communication agents” working to develop ideas and suggestions geared to changing employees’ daily routine consumption behaviour. The Green Team works on the basis of volunteerism aiming to enhance environmental awareness. In this context, for example, employees bring in their own glasses instead of using paper glasses in the office and act sensitively in relation to inter-office water and energy use. With its Green Team, Boyner carries this environmental awareness and sensitivity to its department stores on the occasion of June 5<sup>th</sup> World Environment Day.

### III. IMPACTS ON EMPLOYMENT, SKILLS DEVELOPMENT AND EXTERNAL RELATIONS

The Boyner attaches specific importance to the issue of human rights. Rights of employees and development of a culture of democracy at workplaces are of great importance in this respect. The Group is keen about translating the rights of workers into life in line with all relevant legislation including ILO Conventions that Turkey is a party to. Employees working in one of the Boyner organizations called Altinyıldız Textile and Garment A.Ş. are members to union and enjoying union rights. Moreover, it adopts a fair approach in all “Human Resources” processes and policies, such as recruitment, promotion, rotation and pricing, thus providing equal opportunities. Therefore, any discrimination based on race, colour, gender, religion, marital status, sexual orientation, gender identity, political view or attachment, ethnic identity, health condition, domestic responsibilities, union activity or membership, physical disability or age is not tolerated. Boyner also utilizes clearly defined critical success factors and remunerations and certificates to measure Human Resources Management performance. In other words, Boyner evaluates herself with 81 metrics in every three months and with employees’ survey annually in terms of demographic changes, staff turnover, equality, efficiency and HR activities’ efficiency.



<sup>13</sup> Carbon Disclosure Project



raising awareness among companies in its supply chain, as well as its in-house green activities.

Moreover, since 1975, the Altinyıldız Textile and Garment A.Ş. provides a kindergarten facility for the factory workers and it believes this is crucial for work-life balance. Research shows that women employment tends to be significantly lower in industrial zones or outskirts of the city, unless decent childcare services are provided. In Boyner, trainings are done in line with the company's vision, mission, values and objectives - in administrative and operational fields -with respect to sustainability and prevalence principles to achieve the best business results. Hence, the trainings aim at improving the efficiency of individuals, teams and the organization as a whole as well as having employees acquire new skills. All employees attend orientation training, occupational health and safety training and on-the-job training. In 2013, the total number of staff, who received these training, is 1.243. Besides, as of 31 December 2013, 1.576 employees were employed within the Altinyıldız Textile and 331 people were recruited in 2013.

Boyner is a member of Climate Platform and Business World Sustainability Development Association which was established by Turkish Industrialists and Businessmen Association (TÜSİAD) and Regional Environment Center (REC Turkey). In this regard, it has an active role in working groups on energy, water, eco labelling and accountable consumption. Also, Boyner became the side of Declaration on Energy Efficiency in Building" that was declared by the Business World and Sustainable Development Association in 2011. In 2014, it took place as a best practice in Turkish publication of the association and in the World Business Council for Sustainable Development publication. In order to provide sustainability, Boyner highlights that especially in Turkey, in all investments environment friendly products, that uses low water and chemicals, have to be manufactured.

In addition, Boyner has become a member of the Green Office Program of WWF-Turkey in 2013. Boyner received the green office diploma in 4 June 2014 from WWF-Turkey for practicing Green Procurement Principles, reducing carbon footprints and involving employees in the process. This program aims to raise awareness in employees regarding carbon emissions, energy saving, renewable resources, efficient use of natural resources and adjusting daily life practices. In this process, Boyner has reached its objective of bringing down its emissions through reducing its carbon footprints by 16%, water footprints by 17%, and has become the first to receive the "Green Office" diploma in the textile sector. Within the Carbon Reduction Project, Boyner has also been producing reports since 2 years.

Last but not least, Boyner believes that for the transformation to green economy, NGOs also bear great responsibility in order to highlight the best practices and increase social awareness accordingly. It emphasizes that with the light of NGOs' studies, the process will go further with the increase in social awareness that will lead consumers to be more sensitive on green products and services.

#### IV. COMPANY PERSPECTIVE

Boyner pursues a strategy that encourages all employees to question themselves on “how it would be possible to improve the process”. Hence, the company works for an innovation culture that creates new entrepreneurs both for the employees and for the environment. In this regard, it encourages its employees to think and express their feelings anytime without making any discrimination. By this way, it creates a floor for its employees to become agents of the “transformation”.

# SCHNEIDER ELECTRIC

## I. AN OVERALL LOOK TO THE COMPANY

Schneider Electric is a European multinational corporation that is specialized in electricity distribution, automation management and produces installation components for energy management. The company is headquartered in Rueil-Malmaison, France, and is also based at the World Trade Center of Grenoble. It can be argued that the roots of the company are in the iron, steel and armaments factories of Schneider-Creusot and other industrial concerns. Schneider Electric has been active in the Turkish market for 26 years.

In Turkey, moving on with the slogan “We provide innovative and technology integrated solutions”, Schneider Electric aims to ensure that “safer, more secure, more efficient and more conductive energy” are provided. In that regard, Schneider Electric gives primacy to people and other beings, as well as providing safe power and integrated solutions to ensure energy efficiency especially to hotels and hospitals, where energy consumption is critical.

## II. THE GREEN TRANSFORMATION



Schneider Electric has adopted the motto “Energy efficiency is in our DNA” globally. In other words, “energy efficiency” is the reason for being and the aim of the establishment of the company. The company therefore develops innovative and greener practices. Hence, using the colour green in the company’s logo is a deliberate act. Since the 2000s, emphasis has been on “energy management” issues, and been placed on producing technological solutions. These solutions aim to ensure cost reductions whilst supplying continuous and uninterrupted power access for customers.

Offering many innovative solutions for green buildings, energy efficiency, sustainable energy and smart grids, Schneider Electric has managed to ensure energy savings in those facilities and buildings where the automated solutions have been provided.

Schneider Electric Manisa Plant is the first plant to achieve the BREEAM Green Building Certificate in the in-use category given to buildings. In addition, Schneider Electric’s Çayırova Transformer Plant is the first to achieve LEED Gold Green Building Certificate given by USGQB at the global level. This facility was granted such a certificate due to its measures to prevent environmental pollution, practices to improve life quality of users, and the promotion of energy efficiency.

Schneider Electric follows a holistic management approach and provides solution offers and products that contribute to energy savings in all levels of the energy chain. As a result, it ensures energy efficiency by up to 30%. Due to conduction and distribution losses in the electricity network, 1KWhs of use in a building requires 3KWhs of energy production. Schneider Electric manages to save three units of production capacity when one unit of efficiency is obtained.

According to Schneider Electric, the below stated systems are used together to ensure savings by 30%:

<b>%30</b>	<b>+%10-15</b> <b>Productive devices and productive installment</b> Equipments with low consumption, insulated buildings	<b>+%5-15</b> <b>Optimal use of insulation and equipments</b> Shut down of equipments if there is no need of, adjustment to optimal level of engines and heating systems.	<b>+%2-8</b> <b>Monitoring and development programs</b> A routine maintenance program, intervention in case of measurement and deviation

Additionally, Schneider Electric provides measurement, distant monitoring and control systems to help customers realize their objectives in saving energy as well as providing the necessary information for them to meet their targets.

Meanwhile, Schneider Electric aims to raise awareness on efficient energy consumption through its “Energy University” training programme. Those who complete the program receive a certificate showing their level of expertise. Energy University is globally accessible and so far 2.500 people have registered in Turkey. Meanwhile, the total number of registrations globally is 60.000 people.



Schneider Electric also has a separate practice called Eco-buildings, where they develop building management systems aimed at more automated solutions for commercial buildings, office spaces, hospitals, schools and shopping malls.

Schneider Electric has significant work being undertaken globally in the area of “smart grid technologies”. Although smart grids are a considerably a recent field of work and technology, they are however advancing rapidly in the globe. Even though at the moment the necessary infrastructure to implement smart grids is not existent in Turkey, Schneider Electric is nevertheless in close contact with universities in that regard. Given the challenges at the moment in terms of advancing such technologies and bringing the market in Turkey, the studies and research being undertaken are expected to develop such technologies in the near to medium term.

### III. IMPACTS ON EMPLOYMENT, SKILLS DEVELOPMENT AND EXTERNAL RELATIONS



Schneider Electric denotes that the company creates employment both in sales - marketing the solution offers - and in technical staff working on implementation. At the company, there is a project team that is implementing and ensuring the smooth running of these solutions. It is possible to say that besides direct employment concerned, the Schneider Electric creates a significant impact on supply chain as well.

Having an in-house energy efficiency department, Schneider Electric is the first to receive an energy efficiency consultancy certificate among its peers. Schneider Electric is also running a training and awareness raising programme thanks to its identity as an “Energy Efficiency Counselling Company”. In that regard, in-house teams visit plants and facilities to make free measurements and producing reports accordingly.

As part of its efforts to provide employee satisfaction, Schneider Electric runs a project called the Cool Site whereby employees are expected to evaluate their work environments by addressing three questions. These are: i) Does the company provide you with the necessary services to ease your life? ; ii) To what extent does the company ensure a cooperating environment?; iii) Are you working in a building in which you are proud of the products and solutions? The answers provided by the employees are then collected and an evaluation is made with the contribution of each location supervisor. For an office to be regarded as a cool site, it has to be a comfortable and preferable environment, in terms of health conditions and ergonomic factors. Once an office is selected as a cool site, it does not mean that

progress will stop. On the contrary, it is an ever on-going process, where all offices are obliged to renew and develop. In addition to the Cool Site Project, Schneider Electric undertakes semi-annual voluntary audits, in order to assess itself in aspects such as trainings provided, relations with management and health conditions in the office. Following the audits, improvements are made accordingly, with respect to the feedback received.



Schneider Electric also places great emphasis on actively working on and ensuring fluent communication from bottom to top and top to bottom at the company. In this regard all tools are utilized, and all necessary channels are established. Using in-house social media is beneficial in this process. Schneider Electric stresses that ensuring an environment where comments and ideas are not filtered and expressed freely has a strong positive influence on employee satisfaction.

#### IV. COMPANY PERSPECTIVE

Schneider Electric has underlined that the support from the senior management is a significant issue for companies to ensure and implement sustainability and successful green practices. Without the necessary support from and ownership of management, the success of the process may not be ensured and commitment of staff maintained. In this regard, it is of utmost importance that the ideas and suggestions of workers are heard and that the right communication channels from bottom to top be established and used very cautiously. Although satisfaction surveys are run biannually, it is also critical to receive momentary feedback from staff. Therefore, establishing in-house e-mail groups; using social media; daily, weekly or monthly meetings are important to ensure ownership of the staff.

Even though companies are fulfilling their duties as much as they can in adopting more sustainable business models, yet, in order to ensure a smooth running process, government's support is a mandate. Regarding buildings, there are many aspects that are mandatory, and that are regulated with laws. Schneider Electric claims that auditing practices for new, as well as existing buildings should be mandatory especially for commercial organizations. Further, the process may accelerate if incentives are provided as well as making them mandatory.

Among future prospects of Schneider Electric are reducing turnover rates and improving employee satisfaction. Biannually Schneider Electric goes through a voluntary audit. These audits assess many aspects such as training, relations with management, health conditions in the office, etc. Improvements are made accordingly, with respect to the feedback received.

## ARÇELİK A.Ş.

### I. AN OVERALL LOOK TO THE COMPANY

Today, the Arçelik A.Ş. supplies goods and services in over 130 countries with its 25,000 employees worldwide; 14 production facilities located in Turkey, Romania, Russia, China and South Africa; sales and marketing offices in 25 countries and its 10 brands (Arçelik, Beko, Grundig, Blomberg, Elektrabregenz, Arctic, Leisure, Flavel, Defy and Altus). The company also launched its refrigerator plant in Thailand in January 2015.

The Arçelik A.Ş. has, in Turkey, the lead position in white goods, flush, air-conditioner and LCD TV and it is the third largest company in Europe in the sector of white goods. The company is the leading market actor with brands Arctic in Romania and Defy in South Africa. The global white goods brand Beko is the one enjoying highest increases in market share in Europe for the last 7 years.

Moving ahead from the vision “Respectful to the World, Respected in the World”, the Arçelik A.Ş. is enlarging its global organization, continuing to develop environment-friendly technologies and acting in line with the principle of sustainability by using all resources in most efficient way.

As a result of its 24 years long R&D work, the Arçelik A.Ş. develops environment-friendly, innovative and life-standard supporting goods that are “silent” as well as energy and water efficient. The Company protects its technology through patent applications. The Arçelik A.Ş. has a share of over one-third in patent applications made from Turkey to the World Intellectual Property Organization (WIPO) and it is one of the first 200 companies in terms of international patent applications for the last 5 years.

With its 60 years of knowledge and experience, the Arçelik A.Ş. also works for “sustainable development” with its pioneering activities in social and environmental issues besides its economic benefits to countries where it is active in such fields as employment, growth and value added.

### II. GREEN TRANSFORMATION IN THE COMPANY

Today the Arçelik A.Ş. is one of the leading actors of the world in the sector of white goods with its energy efficient and environmentally sensitive products and manufacturing facilities.

It is known that 95% of carbon emissions from white goods occur while they are used. Given this, the Company focuses in its R&D work on projects geared to keeping CO<sup>2</sup> emission at minimum level while these goods are used. By putting innovative technologies into practice, it designs environment-friendly, high quality, innovative, energy and water efficient and globally pioneering goods that improve the life standards of customers.

As a result of its efforts in energy efficiency and an indicator of the importance it attaches to this issue, the Arçelik A.Ş. presented a refrigerator prototype with A energy level in a fair organized in Paris in 1996, following coming into force of the first regulation relating to energy-saving goods in Europe in 1995.

In line with the EU legislation on electrical and electronic household appliances the Arçelik A.Ş. started using labels indicating low energy consumption on its goods long



before such labels were held compulsory in Turkey. To inform the public about goods offering class “A” energy performance and their labels, the first “A Team” products of Turkey were developed by the Arçelik in 2001. Today the Arçelik A.Ş. markets, as leading goods in energy efficiency, washing machines 50% more efficient than the class A+++, laundry drying machines and dishwashers 10% more efficient than energy level A+++, refrigerators 30% more efficient than A+++ and ovens at A++ level, one of the first in its kind in Europe.

Cooling gasses that do not contribute to ozone depletion are used in all refrigerators produced by Arçelik A.Ş. plants. So far 37 million refrigerators have been produced with hydrocarbon based cooling gas (R600a) with lowest global warming effect (greenhouse effect).

The ATLETE (Appliance Testing for Energy Label Evaluation) is a project led by the EU Commission with the active role of the European Committee of Domestic Equipment Manufacturers (CECED). The project tests and checks energy efficiency classes of refrigerators and washing machines in the EU market and announce results to the public. In 2012, 3 refrigerators with brand Beko and in 2014, 3 Beko washing machine models were found as fully confirming to what is declared in their energy labels. The Arçelik is one of the few European companies whose energy label declarations are confirmed for all goods tested.

The Arçelik keeps working on environment and energy management systems, efficient utilization of natural resources, reducing wastes at the source, reclamation and curbing greenhouse gas emissions during its manufacturing processes. The Arçelik approach to environment and sustainability is incorporated into all processes. As a result, the company ranked first in the Turkish programme of “European Union Environment Awards”, one of the most prestigious platforms of the EU in relation to environment in 2010 and made it to the top 2 in the European Programme.

In the context of environmental management, the Arçelik A.Ş. was granted in 1996 the first ISO 14001 Environmental Management System (EMS) Certificate. Its Environmental Management System is annually checked with reference to the ISO 14001 Standard both internally and through accredited external auditors.

In 2010, the Arçelik A.Ş. started to pursue a new strategy based upon a new roadmap in relation to the environment, energy efficiency and climate change including the revision of its targets in carbon emissions. As the first step in this new strategy, the company has based its greenhouse gas emission inventory, which is recorded since 2006, upon the ISO 24064-1 Greenhouse Gas Emissions Calculation and Reporting Standard. Greenhouse gas emission inventories of the Company are supervised annually by an independent and accredited institution and confirmed on the basis of “reasonable assurance.”

Further in line with this strategy, the Arçelik A.Ş. became a member of the Climate Platform in Turkey in 2011 in cooperation with Regional Environment Centre (REC)-Turkey and TÜSİAD to support efforts in stopping climate change and transition to low carbon economy. At present the Company is the leader and speaker of this platform. The Company signed the “2°C Declaration” that draws attention to efforts related to climate change in order to contribute to awareness building in the issue and its effective management. The Company participated at CEO level to 2011 Durban and 2012 Doha World Climate Conferences and joined two different sessions where Arçelik’s work in this area was discussed. The Company also participated to the World Climate Conference held in Warsaw in 2013 and closely followed developments related to climate change. The Arçelik A.Ş. assumed active tasks in working groups under the Ministry of Environment and Urbanization prior to the World Climate Conference 2014 held in Lima.

According to the Harvard Business Review, the Carbon Disclosure Project (CDP) is the most prestigious and wide ranging environmental initiative in the world that publishes and presents to the public and international investors information on how climate change, water depletion and de-forestation risks are managed. On the Turkish side of this global project, the Arçelik was given the “Carbon Transparency Leadership Award” in 2012, and in 2013, this status was further consolidated when the company was awarded as “CDP Performance Leader in Turkey.” In 2014,

by obtaining the “A performance score” which is the highest in CDP Performance Scaling, the Company made it to the “Global A List: CDP Climate Performance Leaders Index 2014” that includes companies with top level performance worldwide in CDP. So Arçelik was the first company in Turkey in its sector to be included in this list.

Starting from 2012, the Company has, in the context of its activities in Turkey, its ISO 50001 Energy Management System (EMS) Certificate that leans on how efficiently energy is used. As of 2014, its plants in Romania, Russia and China have their ISO 50001 Energy Management System certificates.

Each year projects on energy efficiency are launched in all Arçelik enterprises to promote energy efficiency in production processes. There are more than 900 such projects within the last 5 years. With the projects launched since 2010, the total energy saved in Arçelik plants reached 402,374 GJ while the reduction in greenhouse gas emission is by 42,000 tons of CO<sub>2</sub>.

Ensuring efficiency in water use is another area which is attached special importance in recent years. For example, with the project launched in the washing machine plant with the financial support of İstanbul Development Agency, a facility was phased in for regaining of the biological treatment plant exit water and storm water. With the project, process water is supplied to the dyeing plant and pure water to those sections where processes require such water, both adding up to 105,000 m<sup>3</sup> of water saved annually. In cooperation with the Environmental Engineering Department of İstanbul Technical University (İTÜ) and with the support of TÜBİTAK TEYDEB, the cooking devices department launched a project on water recycling, minimization and integrated water management. The project envisages a process to recycle water used in manufacturing and 110,000 m<sup>3</sup> of water saving.



The Arçelik A.Ş. has since 2012 been using electricity from renewable resources in its plants. The General Directorate of Arçelik A.Ş. ‘s, its 5 Turkish enterprises’ and 17 regional offices’ electricity have been procured from the renewable energy resources in 2014.

The Arçelik A.Ş will support the preparation phase of the “Efficient Appliances and Equipment Global Partnership Programme” that is being implemented by the United Nations Environment Programme (UNEP). In the context of this programme, which is a “first” in global terms, the Arçelik A.Ş. and its South African partner Defy will contribute to the development of energy efficiency and environmental policies in transition to energy efficient household type refrigerators, establishment of testing laboratories and a system for product control.

### III. IMPACTS ON EMPLOYMENT, SKILLS DEVELOPMENT AND NON-CORPORATE RELATIONS

Competent and highly skilled human resources are the basis of Arçelik’s privileged status in the sector and sustainable strategy of growth that supports its global voyage. Given this, the Company promotes practices that contribute to further development of its human resources, pays attention to effective use of feedback channels and introduces policies to include its employees in decision making processes.

The most important factor that made Arçelik A.Ş. the leader of the sector in terms of technology and innovation is the performance of its R&D unit which was set up 24 years ago with a fine vision. Presently, the Arçelik A.Ş. has 7 R&D centres and over 1,000 R&D workers at these centres, METU Teknokent and R&D design office in Taiwan.

The Arçelik A.Ş. established an Energy and Environment Department to follow works in these areas closer and in more detail. Today, there are energy experts/managers and environmental engineers/experts in all manufacturing

site. The Company tries to offer safer and peaceful working environments to its employees, develops occupational safety and health systems and ensures improvement in daily practices. The Safety and Health Centre of the Company was established for this purpose. Further, safety and health experts are employed in every plant of the Company. The staff consists of well trained and certified experts.

Besides its manufactured goods, the Arçelik A.Ş. adopts an environmentalist approach in all processes from procurement to distribution. In both production and other processes, there are a range of projects on environmental management and mitigation of environmental impact, energy management and increasing efficiency, efficient utilization of resources, evaluation of climate change risks and opportunities and reduction of greenhouse gas emissions.

In 2013, the Company launched the “Scope 3 Emission Calculation (Logistics) Project” to calculate greenhouse gas emissions from transportation activities within the country. The inventory of domestic greenhouse gas emissions developed in line with the ISO 14064-1 Standard was confirmed in 2014 at limited assurance level by an independent and accredited institution.

Moreover, in order to convey its accumulated information in the field of energy efficiency in production to its side industries, in 2013 the Arçelik A.Ş. organized training in energy efficiency for 50 side industry companies and developed energy efficiency projects with these companies.

The company attaches specific importance to purchasing and procurement chains in improving its performance in terms of sustainability. For this purpose, only those companies acting in line with business ethics, quality standards and environmental sensitivity are included in Company’s procurement pool, and training and cooperation activities geared to improving the sustainability performance of procurers continue throughout the process.

To contribute to sustainable development, the Arçelik A.Ş. supports the social responsibility project “Vocational Schools: An Issue for the Country” that is being implemented by Koç Holding since 2006. A team of 28 comprising employees, authorized sales agencies and services assumed as volunteers the role of “Vocational School Coaches” supporting the personal development and academic performance of students as their role models. Under the project, 1,283 scholarships have been granted.

The Arçelik A.Ş. is convinced that activities in the field of education and training have the highest potential value added in social development. The Company developed, in this context, the “Electrical Household Appliances Technical Services Programme” that strengthens the relationship between vocational training and employment and targets training manpower well informed of developments in the sector and associated new technologies. This is the first in the sector in establishing and maintaining training-employment relationship.

Under the project, Arçelik Laboratories equipped with high technology measurement devices in the branch of electrical household appliances were established in 9 provinces including İstanbul, Diyarbakır, Trabzon, İzmir, Ankara, Bursa and Tatvan in the school year 2011-2012. The curriculum used in laboratories was developed jointly with the Ministry of National Education and teachers were trained in Arçelik Academy. In 2014, 460 students and 54 teachers in 9 schools benefited from trainings delivered under Arçelik Electrical Household Appliances Technical Training Programme.

The aim is to train these students to be competent as technicians in white goods and air conditioner group of products. The programme also offers internship opportunities to students in the Company and successful students who are willing to work in authorized service units and company can be certified and employed. In 2013, the schools in İstanbul and Diyarbakır gave their first graduates and 17 of these graduates plus 18 others graduating in 2014 are now employed in Arçelik services.

#### IV. COMPANY'S APPROACH TO SUSTAINABILITY AND MANAGEMENT MODEL

In the context of its sustainability approach, the Company conducts its activities by taking due account of their social, economic, environmental and ethical dimensions, follows these dimensions by integrating them into corporate targets and manages corporate activities in the light of sustainable policies and strategies. It considers sustainability related risks and opportunities as well as stakeholder expectations as important inputs in its activities.

The highest body in charge of sustainability management in the Company is the Sustainability Board. The Board that includes top management of the Company has the mission of determining sustainability and climate change policies and strategies, mainstreaming these policies and strategies with work processes, following and improving performance. The Sustainability Board is supported by other units including those in charge of environment, energy, green chemistry, human rights, business ethics and value chain.

Aiming to present its priorities, practices and outcomes in the field of sustainability in a transparent and effective way, the Arçelik A.Ş. publishes, since 2007, a separate annual report titled "Sustainability Report."

The Arçelik A.Ş. attaches importance to companies' informing their investors about institutional sustainability policies and practices. In this context, the Company comes to the fore with its successful performance in Stock Market İstanbul (BIST) Sustainability Index which was launched in 2014 with the inclusion of 15 firms.

# PASTORAL VADI ORGANIC ECO FARM

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## I. AN OVERALL LOOK TO THE COMPANY

The Pastoral Valley Ecologic Life Ranch engaged in eco-agriculture and eco-tourism (agro-tourism) with social projects in this field was established in Yanıklar village of Fethiye by architect Ahmet Kizen, who translated this idea and model into life. The ranch extends over a land of about 160 acres at the bottom of a valley surrounded by pine forests. In the valley where organic farming, ecologic life and tourism are melted in a pot, stone, wood and adobe houses designed through an ecological architecture approach offer boarding for 12 months of the year. The Pastoral Valley is designed to give the taste of “return to village” for those who want to leave behind the stress of urban life and technology in a natural, quiet and peaceful environment. By focusing on economic, social and ecological principles, the Valley established a system in which money is used only for sustainability purposes and maintains this system.



Pastoral Vadi is a branch of the Buğday Association for Supporting Ecological Living and has been established as a part of the TaTuTa project (agriculture-tourism-barter). The core of the model applied in Pastoral Vadi focuses on the local population. Thus, the employees of Pastoral Vadi are local people and it also hosts volunteers from all over the world.

Pastoral Vadi aims to maintain a system which can hold the locals and the volunteers all together in a horizontal relationship. In this regard, there is no any discrimination within the Pastoral Vadi like employees lunch, employees rooms etc. In fact, one of the most important parts of this model is that it relies on mutual dialogue. When there is a conflict or a clash in opinions, communication constitutes the key to resolve problems.

## II. THE GREEN TRANSFORMATION

According to Ahmet Kizen, the founder of Pastoral Vadi, all the forestland in the Aegean and Mediterranean regions have been assigned to touristic facilities, via an incentive law which came into action during the 80s. Mass tourism that has developed with the approval of the incentive law has resulted in the urban transformation of coastal and rural areas. He also highlights that locals have started abandoning their traditions and cultural life styles with the surging of such “cultural erosion”. Having witnessed these processes, he began thinking about an economic model that would make the locals continue staying in their own villages and not be concerned with selling their land, and in which they could both make a living and sustain their social relationships.

In this context, in 2010, a project called “Sustainable Life in Yanıklar Village” was initiated by the South Anatolian Development Agency. This project aimed at preserving the social and ecological life, and the cultural wealth. By preventing the conversion of the region into a mass tourism area or the construction of villas and urban complexes it helped protect the biodiversity and trained the local population.

Ecological agriculture is among the major practices carried out at Pastoral Vadi. Apart from plantations, various types of fruits and vegetables, tarhana, noodles, jams and pickles are produced. As part of the project called “My Garden”, these produces are delivered in packages to those who visit and participate in Pastoral Vadi. However, this project is not published on the internet or in the media in order to ensure that it does not become industrial or commercial.

Ecological architecture is regarded as an essential approach at Pastoral Vadi. Including stone and adobe houses in the first place, there is a modern day modelling of traditional rural architecture. The Pastoral Valley with its adobe

meeting room, stone manor and wooden bungalows strictly excludes concrete buildings.

In addition, at Pastoral Vadi, waste is separated into different elements. While organic waste is sorted for the animals, the remaining waste is composted. Pastoral Vadi not only ensures all crops are grown according to organic farming principles, including chemical-free and pesticide-free methods, but also puts absolute effort to instruct and lead the local people and neighbouring farmers in such approaches. Moreover, it contains a chemical-free and naturally occurring pond on its land.

Pastoral Vadi also owns an open kitchen. The local people who work in the kitchen prepare and serve traditional food that goes with their customs and culture. The food is cooked over a traditional wooden fire and hot water for the houses is provided by running the water through copper pipes which encompass the tandoori oven.



Pastoral Vadi has faced many difficulties in the course of its development, relying solely on its own resources and without receiving any support or incentives. The establishment has overcome many drawbacks, especially when introducing this particular model to the public and handling of the comfort of guests. For instance, the conditions of a farm stay, its proximity to the barn and the possibility of a bad odour have been among other issues. As a matter of fact, certain questions concerning dry leaves that are not picked up and left on the ground and the absence of grass fields have been addressed. Guests

have been told that it's possible to live hand in hand with nature in a respectful manner. In this specific example, they were informed how dry leaves that stay on the ground help the ecosystem.

### III. IMPACTS ON EMPLOYMENT, SKILLS DEVELOPMENT AND EXTERNAL RELATIONS

At Pastoral Vadi, the local people and the villagers are employed. Apart from the workers, there are volunteers at Pastoral Vadi who come from all different parts of the globe. At Pastoral Vadi, the employees and volunteers constantly share experiences and learn from each other at many different levels and regarding many aspects, ranging from local cuisine to language. Pastoral Vadi desires to bring together local and foreign visitors, and employees to create a sociable environment. While employees practice their foreign language, volunteers get the opportunity to learn about agricultural practices from the local employees. The establishment aims to increase its agricultural practices and thereby employment. Besides, Pastoral Vadi promotes the sales of the local crops by the villagers inside the marketplace of its establishment.

At Pastoral Vadi, there is a horizontal management strategy where everyone is treated equally. Hence, everyone at Pastoral Vadi cooks together, shares meals and lives together. Mr. Kizen has noted that when there is a struggle faced at Pastoral Vadi, the problem is always tried to be dealt with by everyone communicating and sharing ideas and opinions and having an equal say.



#### IV. COMPANY PERSPECTIVE

Due to its closed geography by mountains on the west and east, Pastoral Vadi doesn't receive adequate sunlight in the winter time and hence considers installing a Micro-Hydroelectric Power Plant on the water nearby. The eco-farm wishes to demonstrate once the project is realized that such micro-energy applications make no ecological damage, yet a faulty execution could bring along many problems.



Pastoral Vadi also has future plans of producing its own vinegar, soap and cleaning products. The establishment wants to develop this project as soon as possible and the operations have begun already. One other future plan of Pastoral Vadi includes installing a Francis Turbine by making use of the 7 meter elevation difference between the farm and the canal nearby. As a result, up to 20 kWh of energy is expected to be produced. Another project is to build an underground cold store and conserve the produce in there.

In the meantime, Pastoral Vadi also states that there are loopholes in the current laws regarding agrotourism.

Pastoral Vadi supports the idea that the government should facilitate these processes through legislation for those local people who wish to enhance their agricultural practices and carry out small-scale touristic activities. The establishment thinks such processes should therefore be made easier to a villager or a farmer who wants to build a mud-brick house in the rural region. Accordingly, Pastoral Vadi emphasizes the importance of providing certain facilitations for locals if they ever want to rent out their rooms and host guests. The establishment considers it significant that the villagers are granted with incentives and exemptions to be able to sustain and continue their lives and local activities. Furthermore, Pastoral Vadi asserts that the land in the region they reside in, whether under pressure or not, has to be preserved and that they can only accomplish this if their model is conducted by all residents. Hence, it has been suggested that if the surrounding areas fall for mass tourism, Pastoral Vadi will be left alone in its efforts and won't be able to sustain these operations on its own since this particular model can only be carried out collectively. In this context, Pastoral Vadi cares to cooperate with the neighbouring farmers who intend to sell their produce, and support them.

# RECYDIA HEREKO ISTANBUL 1 WASTE MANAGEMENT, TRANSPORTATION, LOGISTICS, ELECTRICITY PRODUCTION INDUSTRY AND TRADE, INC.

## I. AN OVERALL LOOK TO THE COMPANY

Recydia Hereko (Recydia) is a company which conducts fully automated sorting and recovery operations for the mechanical and biological processes of municipal waste. The company produces domestic waste derived fuel for facilities which have a secondary fuel combustion license. Founded in 2009, the facility has a capacity of processing 2000 tons/day and serves as a Mechanical Biological Processing and Recycling Facility within the İstanbul Kömürçüoda Landfill. Recydia does not receive any support from the municipality of İstanbul or the state and was established solely with its own capital which approximated 52 million of Euros and operates through the build-operate-transfer model provided by İSTAÇ. Preceding the founding of Recydia there used to already exist a mechanical processing facility which could only conduct manual recovery. This facility closed-down when its maintenance failed. After staying shut down for a year, Recydia bought this facility and founded the Mechanical Biological Processing and Recycling Facility with 2000 tonnes/day capacity where 300 people were employed.



Recydia features as the largest facility in Europe due to its processing capacity. With its mechanic pre-treatment, mechanic final-treatment and fully automated recovery systems, the company carries on waste-recovery and processing functions with machines of the most innovative and advanced technology. The fully-automated recovery technology accelerates operations as well as making them safer and healthier compared to manual recovery. Furthermore, Recydia invested in the first Bio-drying plant in Turkey and is running the facility successfully.

## II. THE GREEN TRANSFORMATION

Each year there is increase both in the amount of biodegradable wastes arriving to sanitary landfill areas for ultimate disposal and also of packaging wastes mixed with biodegradable wastes. According to the Recydia the main reason for this is that packaging wastes are not separated in houses from others and that mixed packaging wastes collected



from streets are not separated and sent directly to landfill areas by many waste collection centres (WCC). The Recydia also stresses that it is too costly to decompose wastes manually by firms having their WCC license since types of packaging materials vary and mixed with organic wastes (at least by 30%). The Recydia asserts that firms with WCC license should be encouraged to collect packaging wastes separately and trained in this. Another responsibility of these firms is to collect packaging wastes separately, transport them in different containers and deliver to such organizations as the Turkish Research, Development and Training Foundation of Plastics Industrialists (PAGÇEV)

and Turkish Environmental Training Foundation (TÜRÇEV). This enables WCC licensed firms to get quota revenue proportional to the amount of wastes they deliver. This requires, however, both knowledge and supervision in this area and a budget for different waste containers. Yet, WCC-licensed firms are mostly low budgeted enterprises.

The Recydia is engaged in efforts to separate and recycle packaging waste that would otherwise remain mixed with other wastes without any possibility of recycling. By ensuring the separation of these wastes before their final disposal and their recycling, the Recydia contributes to avoiding any resort to additional resource use and thus to mitigating pressures over natural resources.

With these efforts the Recydia contributes to reduction in the volume of wastes in sanitary landfill areas, limitation of further enlargement of existing areas and postponement of need for new sanitary landfill areas. An indirect contribution consists of steps taken to reduce methane and CO<sub>2</sub> emissions from sanitary landfills as a result of minimization of the volume of wastes in these areas.

### III. IMPACTS ON EMPLOYMENT, SKILLS DEVELOPMENT AND EXTERNAL RELATIONS

The company has generated indirect employment of 1500 to 2000 people, including its service providers and suppliers. In addition, a group of 200 people is being employed directly at Recydia, such as administrative and technical staff and blue-collar workers. Besides, Recydia has received consultancy services and support from local and foreign expert individuals and institutions during its planning and execution phases.

For Recydia, the training of its staff is of great importance. In this regard, Recydia continuously works towards improving the educational status of its staff employed at the management of facilities, as well as their know-how and skills. As a result of these educational exercises, it has been observed that productivity has increased and employers have developed business-related competences. It has also observed that reducing job-related accidents is directly proportional to the advancing level of knowledge and skills of the employers.

Moreover, in cases where the qualifications of blue collar workers do not meet with the requirements, Recydia prefers to educate these workers and develop their competence rather than not taking in their applications. In fact, illiterate workers are taught to write and read and are then hired into their positions. The company finds it important to install signs and expressions neatly in the work field in order to provide occupational safety. The comprehension and interpretation of these signs and expressions by workers is often tested and controlled for the safety of all. In this way, the company helps build a stronger bond between workers and their employer as they feel more confident and care for their job better.

Recydia takes part as one of the founding members of the Whole Waste Management and Environment Association (TAYÇED) along with other leading companies in the waste management sector of Turkey. The association works in developing projects in waste management and collaborates with NGO's and other institutions and incorporations for the improvement of current practices.



Recydia not only works to improve the physical and social conditions of its sector, but also collaborates with other institutions and incorporations on this subject matter and provides the required information flow. As a strict compliant of its legal liabilities, Recydia also investigates how to raise these standards even further. The feedbacks they receive on their operations are positive, and suggestions are received consistently through their system.

### IV. COMPANY PERSPECTIVE

In Turkey while the costs to invest in a facility for waste recovery and waste processing for conversion into energy are high, incentives and tax conveniences are also not provided. Recydia thus highlights that it would be impossible for it to survive if it weren't for a strong and big capital that supported the company through all those aforementioned practices.

According to the Regulation on Package Waste Control<sup>14</sup>, in which the TATs (Collecting and Recovery Facility) are regulated, to be able to receive an incentive funding from the state, waste has to be collected separately from households; in other words, waste recovery at the source is required. Companies with a TAT license, which are

<sup>14</sup> Under the Regulation on the Control of Packaging Wastes, collection points are defined as "spaces created at sales points easily visible to consumers for the purpose of storing packaging wastes separately and to inform consumers in this regard."

supposed to put this into practice, are able to benefit from the regulation and receive incentives accordingly. However, because Recydia isn't able to benefit from an incentive funding, it suggests that other companies that plan to perform such large scale recovery operations will be hindered to accomplish this. It is yet crucial that such major and effective practices are carried out in cities like Istanbul.

Recydia also believes that mechanical biological waste processing facilities are environmentally more beneficial and sustainable when compared to other disposal methods. However, state aid and incentives are critical to provide the sustainability of such facilities.

Recydia also has noted that waste management practices, such as the ones carried out by Recydia, constitute a benefit for the Turkish economy. However if the necessary incentives are not given to companies, then it will not be possible for them to exist given all the above mentioned costs involved in the process.

# SOYAK HOLDING

## I. AN OVERALL LOOK TO THE COMPANY

Founded in 1961, Soyak Holding (Soyak) believes that one important approach for sustainability is to construct green buildings given that the urbanization rate is expected to rise from 76% in 2010 to 79% in 2015; urban population is expected to increase from 55.7 million to 61 million and this is expected to be accompanied by a demand of housing between 550 thousand. Therefore, it is vital to respond to this housing demand in a sustainable manner.



Soyak operates in four fields: real estate, energy, cement and casting. The group began global climate change practices at the beginning of the 2000s. In this context, Soyak received consultancy services from England to determine the compliance of its operations in 2007. It published “sustainable life” report and distributed it accordingly in the same year. Then in 2011, Soyak obtained the ISO 14064 Certificate to track greenhouse gas emission within the corporation and was awarded the SA 8000 Certificate for the establishment of its Social Responsibility Management System. Soyak also established a Social Responsibility Management System and was awarded the SA 8000 Certificate which aims to guarantee the basic rights of workers.

## II. THE GREEN TRANSFORMATION

Nowadays, companies are seeking competition through innovation and differentiation strategies to be able to survive in the future. Therefore, financial sustainability comes across as a very important factor. In this context, Soyak aims to contribute to a better future and sustainable development by promoting practices respectful to the environment and society values and become a leader in offering long-lasting services.

Soyak initiated its Sustainable Life approach in the beginning of the 2000s. With its current 1500 employees, Soyak discusses projects to support sustainable living and prioritizes these in both their know-how and activities. Reducing carbon-dioxide emission and usage of energy and water is one of the priorities of Soyak. Besides, Soyak aims to develop projects in several areas, such as management of surface waters, using recycled materials, utilization of renewable and clean energy resources, efficient waste management, installing insulation mechanisms against pollution, educating stakeholders for environmental management and improving the health and well-being of individuals.

Within the framework of sustainability, Soyak highlighted that its eco-friendly buildings are the most important product of the company. According to some researches, 40% of the world’s energy consumption and 30% of the world’s water consumption originate from buildings. In addition, if human life is considered then the need for buildings, which consumes less resource, energy and which is more environmental-friendly comes into prominence. Against this background, Soyak places great emphasis to the factors that affect human health directly, such as interior ventilation quality, natural lighting, heating and humidity control and waste management inside whilst



planning its buildings. As a matter of fact, international studies reveal that the residents and employers of environmental-friendly buildings are less likely to get ill.

The Soyak Holding Building was accorded the ‘LEED certificate in the category of standing buildings’ for a variety of merits including mass transportation, reduced light pollution, efficiency in energy and water use, control and reduction of greenhouse gas emissions, procurement of environment-friendly materials,

waste recycling and improved quality of indoor life. In the first month of 2013, the Soyak took the first step in the sector by launching the low-interest ‘Green Housing Loan’ with special advantages in cooperation with Yapı Kredi Bank. The Soyak was also the first in Turkey as a holding to be awarded the SA 8000 certificate that very few companies have in Turkey in the context of guaranteeing the fundamental rights of its employees.

Besides constructing green buildings and engaging in energy efficient practices in these buildings, the Soyak also attaches specific importance to awareness building activities. In this line, the Company significantly reduced the number of its employees using their private cars in commuting by encouraging the use of mass transportation and bussing services. According to the survey on alternative transportation conducted with the users of the building, 70% of persons working in the central building of Soyak Holding do not commute with their private cars. In addition, light pollution is prevented by replacing all outdoor lamps by models designed so as not to give their light to sky at night and water saving by 40% is realized by selecting plumbing equipment and systems in line with those articles of the LEED related to the reduction of use water and waste water. In outdoor landscape arrangements domestic plants and water saving irrigation methods were selected that led to 80% saving in irrigation water. The policy of ‘Green Hygiene’ was developed for the building and its surroundings to protect building users and service personnel from chemicals that disturb air quality harm human health and parts of the building.

### III. IMPACTS ON EMPLOYMENT, SKILLS DEVELOPMENT AND EXTERNAL RELATIONS

Green offices can provide more favourable spaces for employees to work in. In accordance with this approach, Soyak initiated a voluntary program called the ‘Green-Collared Employee’. In this context, a good-will agreement was prepared for the voluntary participation of the personnel in order to earn the green collared employee title. This agreement, which also the CEO of Soyak Holding, Dr. M. Emre Çamlıbel signed, states that participants have to agree to adopt certain responsibilities both in their work and personal lives. These responsibilities include using rechargeable batteries instead of regular ones, preferring recycled packaging, and choosing cloth bags instead of plastic bags. Those who sign the agreement become a Green-Collar Employee and must track their carbon footprint. Measurements are carried out each year and those successful Green-Collared Employees who reduce their carbon footprint the most are awarded.

Soyak also evaluates personnel satisfaction and their participation in voluntary programs. The Smart Stars Corporate Social Responsibility Project, which was initiated at the March of 2014, received 30 corporate volunteers who adjusted their office hours accordingly and as a result 245 hours of voluntary service was generated within the project. Besides, 85 people signed in the Green-Collared Employee project voluntarily. The participation and desire of staff to be actively and consciously involved in these sustainability activities points to the fact that steps are being taken in the right direction.

### IV. COMPANY PERSPECTIVE

Soyak mentions that in 2050, 66% of the world’s population will be living in cities, which represents 7 out of 10 people. Soyak remarks that the importance of sustainable living manifests itself parallel to the demands of cities. Furthermore, Soyak suggests that environmental sustainability activities have been influencing business models, and as a result, society and the economy and will be too in the future. Only those companies which embrace and adopt the sustainable life approach and create such business models will thus be able to survive, Soyak adds. Conducted studies conclude that companies which care about corporate social responsibility projects are sustainable and much more preferred.

Soyak mentions the importance of incentives and enforcements within the scope of green buildings. In this respect, Soyak believes that incentive systems for social responsibility projects will make it easier for other organizations to include this topic in their standardized procedures and overall help to raise awareness.

# EKOL LOJİSTİK

## I. AN OVERALL LOOK TO THE COMPANY

Ekol was founded in 1990 and has adopted an ambitious aim to become a leading brand in Europe. Today it has achieved a combined structure to offer 3<sup>rd</sup> Party Logistics Service (3PL)<sup>15</sup> globally, offering tailor made solutions for a variety of customer expectations.

Ekol offers its customers transportation, warehouse management, customs clearance, foreign trade and supply chain management solutions. Ekol provides the highest service quality of different transportation and loading requirements for industries. Its distribution centers are equipped with state-of-the-art technology in Turkey and Europe and it has a new and environment friendly fleet. Ekol also has storage areas exceeding 100.000 m<sup>2</sup> in Germany, Romania, Italy, Bosnia, France, Greece, Hungary, Spain and Ukraine. Since 2014, Ekol has a total of 3,940 workers that are employed in Turkey, of which 2,740 are blue-collar and the remaining 1,200 are white-collar workers.



Ekol designs and offers supply chain solutions and integrated logistics services to its customers in numerous sectors and in countries thanks to its qualified human resources and applications of advanced technology.

## II. THE GREEN TRANSFORMATION

Protecting nature and the environment is among Ekol's most fundamental and vital duties. Therefore, Ekol has adopted the motto "logistics for a better world" which guides its business operations. This motto is an indication of how Ekol places importance on developing environmental awareness. In that respect, it is extremely attentive to the issue of green logistics which covers the industry's environmental implementations. While it gives support to any effort to raise public awareness, it ensures that environmental risks that may occur during its operations are identified and eliminated in accordance with the legal legislation.

In addition, Ekol, which has more than 3,000 vehicles as part of its fleet, is aware that it can reduce its impact on the environment mostly through reduction of its fuel emissions. Hence, Ekol prioritizes activities in improving its supply chain and process management.

By ensuring the most effective use of resources, intermodal transportation which can be regarded as the "mass transportation" of the logistics sector demonstrates Ekol's sensitivity to environmental problems at every stage of its operations.



The service process starts by notifying Ekol offices about the order and continues with the determination of service type, vehicles and the route in line with the characteristics of goods to be transported and client preferences. Ro-ro loadings are in İstanbul, Mersin and İzmir ports and after maritime transportation goods arrive at

Trieste in Italy. Goods are then dispatched to various destinations on train, land or sea. The Ekol also has the means of transportation called "speedy." This vehicle looking like a delivery car can reach Germany in 36 hours with two

<sup>15</sup> 3<sup>rd</sup> Party Logistics Service (3PL) means to transfer a company's material management or product distribution another company partially or totally. In other words, it means company's traditional logistic activities are carried out by external resources or resources.

drivers which, according to the Ekol, saves considerable amount of fuel relative sending the same cargo by plane. It means reduction of emissions by 74%.

Under the project to minimize the global harm of its vehicles travelling to all parts of Europe to ensure smooth working of trade, the Ekol renewed all trucks in its fleet as of the end of 2011 in compliance with EURO 5 standards. The Ekol states that it gradually reduces NO, (nitrogen oxide), CO (carbon monoxide), HC (hydrocarbons) and particle emissions in line with the EURO 5. According to the Ekol, training vehicle users in driving is as important as making vehicles efficient and environment-friendly.

### III. IMPACTS ON EMPLOYMENT, SKILLS DEVELOPMENT AND EXTERNAL RELATIONS

Indeed, an important objective of Ekol is to provide the drivers with required trainings to ensure that they consume the least possible amount of fuel. Ekol provides regular trainings to all of its drivers in key points, such as safe and economic driving and defensive driving techniques on a heavy vehicle Simulator, as well as other vocational trainings, on-the-job trainings, and trainings on cargo safety.

Ekol, which joined WWF-Turkey's Green Office Program at the end of 2010, received its Green Office Diploma in 2013 and has been the first in its sector in Turkey in this regard. The Green Office program, a savings and improvement program for offices, comes into prominence as a part of the strategic approach of the WWF-Turkey to reduce human pressure and ecological footprint on natural resources. The Green Office program provides participating companies with the opportunity to evaluate their office resources systematically, identify their savings criteria and develop their own environmental management systems in their offices. Ekol plans and implements initiatives with respect to waste management and savings in terms of electricity and paper consumption within the framework of the program. The activities focus on improving the awareness of employees.

### IV. COMPANY PERSPECTIVE

The company's efforts to closely follow the latest trends in the world, in the area of sustainability and climate change, have played a big role in its transition to a "greener" business model.

Ekol recognizes that the world's resources are running out at a fast pace. Hence, it argues that green business models and enabling sustainable work practices are not a luxury but a necessity. "It is not sufficient to only focus on waste management; managing all processes sustainably is a must" Ekol adds.

Although the company is employing all measures to reduce its fuel use by using best available technologies and most efficient transport modes, still, logistic companies are faced with a challenge of waiting very long hours at custom gates. The company argues that this causes unwanted working hours and an unnecessary amount of fuel is used, emitting big amounts of carbon. Ekol, in this regard, points out the importance of exemptions or facilitations provided to logistic companies to carry out their custom duties in a faster manner to avoid such circumstances.

# SIEMENS

## I. AN OVERALL COMPANY OUTLOOK

Having its central offices in Berlin and Munich, the AG is an international company in technology distinguished in engineering for 165 years with its perfection, innovation, quality and reliability. The company is active in over 200 countries and focuses on electrification, automation and digitalization. The Siemens is one of the leading producers of energy and resource efficient technologies and also among global leaders in such areas as off-shore wind turbines, supply of combined cycle turbines for energy production and energy transmission.

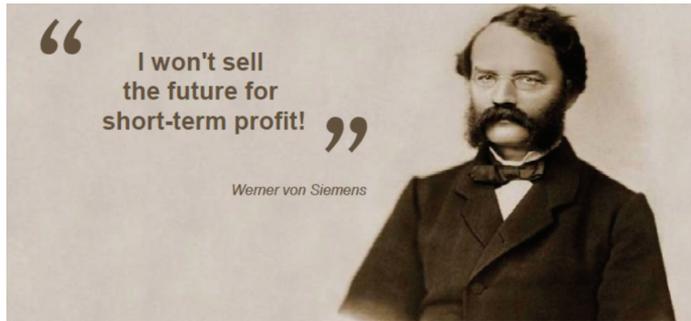


The story of the company starts in 1847 when Werner von Siemens launched his small workshop; today, it is one of the most recognized companies in the world with its organizations in more than 200 countries.

While celebrating its 160th year in Turkey, Siemens has about 3,000 staff and employees in the country. In line with its sustainability strategy, Siemens focuses, in addition to economic and social dimensions of its operation, on enlarging its portfolio of environment-friendly goods and reducing carbon dioxide emissions of these goods.

## II. GREEN TRANSFORMATION OF THE COMPANY

Werner von Siemens, the founder of the company underlined the importance of company's fulfilment of its responsibilities to its employees, society and the nature starting from the very first day. Starting from this early phase, the vision and target of the company has been maintaining its leading position in markets, developing innovative technologies and operating with a vision that foresees the future. The statement "I won't sell the future for short-term profit" by Werner von Siemens, the founder, epitomizes the vision of sustainability



that was upheld even in early years.

For the Siemens, sustainability means acting responsibly for future generations and making achievements in economic, social and environmental areas. One of the largest producers in the world, the Siemens states that it derives over 40% of its total turnover from green goods.

Acting in awareness in regard to such needs as more modern and efficient urban infrastructures, IT and communication Technologies, better quality housing and education, and basic services including water and electricity, the Siemens tries to find solutions to problems that the world is destined to face. With its solutions to problems related to realizing sustainable urban development, the Siemens encourages alternative sources of energy and ensuring efficiency in energy use, energy efficient buildings and vehicles, measures to reduce traffic jam and Co2 emissions, recycling of water and wastes, filtering of environmentally harmful substances and new Technologies holding carbon dioxide.

The Siemens states that its clients have substantially reduced carbon dioxide emissions through its products and systems covered by its portfolio of environment-friendly goods. The Siemens went beyond its emission reduction targets in the past years and now targets reduction of CO2 emissions of its business partners by 300 million tons in the coming period.

The Siemens has its important initiatives in relation to green buildings as well. In this context, the production facility that started operating in Gebze Organized Industrial District in 2009 was the first in Turkey to be awarded the “golden” green building certificate (LEED Gold). The Siemens states that they considered criteria with six major categories to be awarded the certificate. The criteria are as follows: Sustainable spaces, water efficiency, energy and atmosphere, materials and resources, inner space quality and innovation in design. The company says there were already keen at the beginning about energy and water use and they tried to apply the principle “We are responsible for our environment” as a matter of corporate policy in other headings.

The Siemens Gebze Facility that also aims at creating safe and healthy environments for its employees saved substantially in energy costs thanks to much more efficient utilization of natural resources. In this context, energy saving by 30% is targeted through various efficient and innovative technology applications related to the facility, illumination, heating, cooling and ventilation. Also, preference of low water consuming domestic plants instead of imported ones, transition to drip from sprinkle irrigation system and use of water from biological treatment system in landscape arrangements have led to 30% saving in water use.

One of the successes pointing out to the leading position of the Siemens in global sustainability efforts is the score it gets in Dow Jones Sustainability Index. In 2014, the Siemens got 93 points out of 100 and made it to the top among 350 industrial companies in Dow Jones Sustainability Index which confirmed its top status a year ago.

The Siemens further analyses energy efficiency in more than 100 of its locations worldwide to minimize carbon footprint and is engaged in efforts to improve its operations so as to make them more energy efficient and environment friendly.

### III. EFFECTS ON EMPLOYMENT, SKILL BUILDING AND EXTRA-CORPORATE RELATIONS

There is a “Sustainability Office” at the headquarters of the company headed by an authorized Sustainability Director. In the same office there are also authorized officials representing departments of the company. This is because company’s sustainability concept remains above specific departments and crosscuts them all. In the office of the company in Turkey there is a Sustainability Leader, Tuğrul Günel, appointed by Hüseyin Geliş, Executive Director of Siemens-Turkey and CEO of the company. The office in Turkey regards sustainability not only as a matter related to environmental and social dimensions but also in terms of ensuring the financial sustainability of the company.

The Siemens says it tries to ensure that each of its employees contributes to the society and environment. Additionally, the company thinks that not only its direct employees but also procurers are considered from this point of view. Working with hundreds of procurers, the Siemens has developed a “code of conduct” and prefers to work only with those procurers who comply with this code. Hence, the Company enlarges its sphere of influence including a wider circle of individuals and business areas. The Siemens awards procurers acting in line in the context of its activity “Procurers’ Day.”

The Siemens is one of the 7 companies that founded the Supply Chain Management Association (TEDAR) for the purpose of underlining the importance of the functions of supply chain in Turkey, establishing relevant cooperation and delivering necessary trainings in the context of corporate social responsibility. The Siemens continues to collaborate with universities in this field while, at the same time, targeting to contribute to the development of SMSEs in Turkey and more procurement from Turkey. The company has rich experience in procurement and supply chain which it wishes sharing with others in Turkey and stresses that leadership in this area is important in the context of its social responsibility concept.

The Siemens established a technology centre in Kartal, İstanbul, where it hosts trainees, delivers training and awards certificates with respect to different branches of specialization. Moreover, supporting science and learning together with schools, universities and research organizations is defined as a part of the Siemens culture. As one of the worldwide leaders in electrical and electronic engineering, the Siemens targets establishing a bridge between

theoretical and practical information and supporting exchange of ideas. With the project “Professionals of the Future” developed for this purpose, it offers youth opportunities of scholarship, internship and flexible employment. The Siemens staff at human resources department organize Career Festivals to inform youth about internship opportunities.

#### IV. COMPANY PERSPECTIVE

Environmental protection, health management and occupational safety are the important components of Siemens’s business strategy. In the system shortly called EHS Management (Environmental Protection, Health Management and Safety Management) focal points include protection of natural resources, supporting the health status and potential of employees and ensuring safe working conditions. These components reflect the foundation of Company’s activities and constitute an inherent part of its strategy.

The Siemens adopted perfection, innovativeness and responsible business as values to reach the highest possible performance with most precious ethic values. With the first one, the Company seeks to be the best not only today but also find the path leading to sustained development and carries out its activities accordingly. Innovativeness has been one of the pillars of success since the foundation of the Company and it is still the driving force of its strategy. The Siemens actively contributes to the culture of transparency, reliability and responsible behaviour. The Siemens upholds its ethical approach in all activities; gathers with its employees and business partners accordingly and does not allow business outcomes to take precedence over ethic rules and Siemens policies.

The Siemens is convinced that social, economic and environmental factors must be addressed together by companies when sustainability is concerned. And the most important value in achieving this is cooperation with company employees and other organizations.

The Siemens believes that firstly mentality and associated behaviour must change for a sustainable future and makes efforts to resort to all available resources and solutions to ensure this. The Siemens further adds that it will keep fulfilling its responsibilities to contribute to Turkey’s sustainable social development including in culture, arts and education.

## CONCLUSIONS

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**All of the interviewed companies underlined the importance of the senior management to adopt green activities and sustainable practices.** It was widely believed that green activities can only be implemented if a certain budget is allocated. In this context, if the senior management does not adopt for a sustainable approach, the impossibility of sparing budget for this was emphasized. It was a common opinion that educating and motivating employees is more possible in cases where the senior management adopts for such sustainable processes. In this regard, raising the awareness of senior representatives of companies in Turkey would hence be an important step to motivate more companies into taking measures towards a greener business model. This may include courses, trainings and studies undertaken that are specifically aimed at CEOs or CFOs of corporations.

**It was also noted by almost all companies that it is crucial the whole personnel be involved in understanding, internalizing and embracing sustainable practices.** Various methods, to help employers adopt such processes were pointed out. Some of these include developing social media tools or inter-corporate systems where employees can discuss and express their opinions and suggestions, while other examples include the establishment of voluntary teams within companies to act as agents or facilitators of behavioural change among workers. In addition, determining personal targets for each employee; and establishing competitions and award systems are amongst strategies to enable employees to be involved in the process.

**Most companies stressed that the transition towards a green business model is not easy. Yet, they expressed the importance of providing employees and company departments the necessary time to adapt to and internalize new green production processes.** The transition towards green processes was identified as a long path in which both employees and corporations need to transform and develop appropriate business models to progress in confidence. It is of utmost importance to educate the employers, provide their adopting of the process and motivate them. Impositions such as “We will proceed this way further on” are considered as disincentive approaches, complicating the success of the process and obstructing the adopting of the topic. In this scope, some of the companies recognize that for some departments it is more challenging to make adjustments in an on-going system and hence the process will be carried out slowly, letting the new approach spread gradually throughout the whole company.

**Most of the companies emphasized that acquiring awards for their green activities is significantly important in terms of providing continued motivation.** Obtaining national or international award programs is a key for the motivation of employees. Such awards help to depict the reasons and outcomes of the implemented activities as well as providing the senior management and the employees with patience and stamina.

**All of the companies reported on green office activities.** They emphasized that green office activities are considered as the most tangible way of moving towards a green business model. In other words, green office activities are crucial in helping employers see the “impacts and benefits of such processes”. In this way, office workers can use and adapt these implementations in their daily lives and as a result experience the outcomes of their recently changed behaviours. Also, it was observed that solid steps and short or mid-term adaptations help employers embrace the transition process and motivate them through it. In addition, in some cases it was argued that green offices provide favourable spaces as well as comfortable and healthy environments for employees. This also has a high impact on ensuring the satisfaction of workers.

**Companies that carry out especially manufacturing activities think that in addition to their green operations it is also critical for both their consumers and suppliers to adopt a sustainable and green practice approach to create as much impact as possible.** It can be argued that leading companies that aspire to influence other companies in the sector are thus working on changing the approaches of their suppliers and customers. These companies are aware that raw material usage and procurements have to be carried out sustainably. In this context, there are companies that make agreements with suppliers only if a contract is signed to ensure that both parties comply by green principles. Some companies choose each year the most sustainable supplier and reward them accordingly. Another example of such approach is educating sub-industrial companies and then employing their

services. All companies that guide their suppliers into a more sustainable and greener approach provide a significant impact in the process by creating a multiplier effect.

**Almost all the interviewed companies are aware that sustainability is a horizontal approach that should be crosscutting all departments and divisions in a company.** All companies state that green activities and sustainability in general, is a subject that concerns the entire company. Indeed, these activities cannot be carried out by employing several people and isolating them from the others. On the contrary, this is only possible if all of the departments and employees adopt the process. Companies that have an in-house sustainability division or office state that it is ideal to allocate one representative of each department in this division. Accordingly, departments such as procurement, accounting, marketing and logistics, should also participate in the process.

**Companies recognized the need to reduce the significant negative impacts arising from their logistics operations.** It is possible to emphasize that all interviewed companies recognize that owning just a green office is not adequate to create green enterprises. Consequently, companies that have important logistical operations and transportation services assert that it is impossible to ignore the impact of these activities on the environment and that all operations need to be regulated either voluntarily or by rules defined by companies. In this regard, many companies are directing their clients and suppliers into using railway, maritime or road transportation with efficient vehicles that use the latest technology rather than air transportation. A company, active in the logistics sector, underlined the importance of transitioning into intermodal transportation. This means cargos are carried by the best possible combinations using the most efficient transportation modes. This method, if utilized by more companies, can significantly reduce the negative impacts of transportation services.

**Almost all of the companies stated that the transition towards a greener process is an obligation, not a luxury and emphasized that the necessity of this transformation will keep on growing in the future.** Nearly all companies think that only sustainable ones will survive in the future and that's why green activities are indispensable. This means that companies are aware that having access to abundant resources will in fact depend on how sustainable and green their practices are. In this regard one of the companies highlights that customers and investors also have expectations regarding green practices and that international tenders, investors are even more demanding in the field of sustainability. Another company underlines the financial gains of achieving sustainability in business operations.

**Besides, it was observed that pioneering and long-established companies feel that they need to lead in this process to further carry on such practices and maintain their leading positions in the market.** These companies agree that carrying green practices further depends mainly on the private sector, and specifically on certain leading companies. In this context, these responsible companies state that they will be undertaking this role and organizing themselves to perform awareness and educational activities to further improve skills in this area.

**Some of the companies have created direct as well as indirect green jobs and consider this to be very crucial.** Whether the companies are creating new green employment or putting forth efforts to make their already existing employment greener, they are all however very much aware that green practices have an important employment potential. Especially big corporations recognize that they can make a difference by influencing their customers, suppliers or by implementing new facilities for recycling or energy saving. In addition to this, some companies emphasize the importance of raising the appropriate skill levels by giving trainings, cooperating with local or foreign consultants and academicians or collaborating with relevant institutions.

**Many of the interviewed companies accentuated that partnerships are critical.** A big portion of the companies believe that green projects developed and performed with NGOs and public institutions help accelerate the process. The reason is that stakeholders in this area agree that reciprocal learning is very important and that this can raise the impact even more. In this scope, some companies also believe that NGOs bear great responsibility in this process in reaching out to the public and in motivating other companies to take part in green activities through the promotion of best practices. It is also believed that if NGOs can contribute in raising awareness amongst the public, towards

preferring greener enterprises, which in turn can result in an increase in the utilization of greener products and services on a national scale.

**Finally, all companies agreed that incentives are vital in this field.** Indeed, they asserted the importance of incentives, independent of the sector and the size of the company. Incentives provided can certainly motivate companies innovate green practices and help facilitate progress. In this respect, some of the companies argue that in order to ensure a smooth transition, government support is needed. Incentives provided by the government are not only important financially but also increase the motivation of the companies to engage in corporate sustainability projects. Companies argue that the government should facilitate these processes through legislation, especially when the laws and regulations are not sufficient.

## ANNEX I

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International Labour Organization (ILO)  
Decent Work in the Green Economy - Business Cases from Turkey

### COMPANY QUESTIONNAIRE

August-September 2014

The below questionnaire has been prepared by ILO, with the contribution of S360, in the scope of the Green Jobs and Employment Project. As part of the Project, more information is aimed to be collected regarding the processes and implementations of companies that are selected as “good practices”, by the Project Team. Following the interviews realised with the selected companies, these “good practices” will be gathered and a report will be prepared, which then will be shared with the public.

For additional questions or detailed information, you may contact the Project Consultant,  
Yaprak Kurtsal: yaprak.kurtsal@s360.com.tr

#### PART I

##### INFORMATION ABOUT THE COMPANY

- 1- The Name of the Person Answering the Questionnaire:
- 2- His/her Position:
- 3- The Name of the Company:
- 4- The Date of Establishment of the Company:
- 5- The Date of Interview:
- 6- The area/sector the Company is operating in:
- 7- In this area/sector, are there any characteristics/qualifications that differentiate your Company from the other ones? If yes, please elaborate:
- 8- What is the total number of your workers:

#### PART II

##### GREEN PRACTICES

- 9- In your Company, have you put any “new”, “innovative” and “greener” implementation or process into place? If yes, please explain:
- 10- What have been the key driving forces/motivations behind your decision to put in place an implementation as such? What were the targets set by your Company while making these changes?
- 11- Before initiating such practice/implementation, have you experienced any bottlenecks, such as environmental challenges/shortage of resources/extra costs/inefficiency related problems? Please explain:
- 12- Did your Company overcome these challenges? In what sense the “new implementation” or the “process” that you have put into practice played a role in overcoming these problems? In this context, please explain the technological, operational or managerial strategies that you have planned/implemented:
- 13- Following this implementation, has any direct or indirect employment been created? Please explain:
- 14- If yes, what percentage of the total employees of the Company, does the created “green jobs” constitute?
- 15- What percentage of the total transaction volume of the Company, is constituted by the green jobs?
- 16- Following the green implementation, have you obtained any improvement in the working conditions of the employees? Have you observed or experienced any changes in the level of employee satisfaction?

17- Could you please elaborate on any other positive or negative results of the implementation?

18- How much did the strategies that you have developed, play a part in your success? In the case that the targetted succes was not established, what, in your opinion were the reasons for it?

19- What are your lessons learnt from the process?

20- During this process/transition, did your Company need any support/contribution in any areas? Please explain:

### **PART III**

#### **TARGETS AND RECOMMENDATIONS FOR FORTHCOMING PERIODS**

21- What are the Company's targets and strategies in the scope of the area of implementation?

22- In this context, what would be your recommendations be, for the Companies, which are planning to design "innovative" and "green" implementations?

23- Please share your opinion on what kind of support/incentives can or should the Government provide to the Companies.

## ANNEX II

THE NAME OF THE COMPANY INTERVIEWED	THE PERSON/PEOPLE INTERVIEWED AND THEIR POSITIONS AT THE COMPANY	THE DATE OF THE INTERVIEW	THE ADDRESS OF THE COMPANY
<b>ECZACIBAŞI CONSTRUCTION</b>	Cihan Koral Malak, Innovation and Sustainable Development Manager  Damla Paşalar, Innovation and Sustainable Development Expert	27 August 2014	Levent, İstanbul
<b>BOYNER GROUP</b>	Aysun Sayın, Corporate Social Responsibility Manager	4 September 2014	Maslak/Şişli, İstanbul
<b>SCHNEIDER ELECTRIC</b>	Onur Basat, Recruitment and Employer Brand Relations Manager	5 September 2014	Ataşehir, İstanbul
<b>ARÇELİK</b>	Fatih Özkadı, Energy and Environment Manager	9 September 2014	Sütlüce, İstanbul
<b>PASTORAL VADI ORGANIC ECO FARM</b>	Ahmet Kizen, Founder	21 October 2014	Yanıklar Köyü, Fethiye
<b>RECYDIA HEREKO</b>	Mustafa Eryurt, Quality, Environment and OSH Manager	30 September 2014	Kömürcüoda/Şile, İstanbul
<b>SOYAK HOLDİNG</b>	F. Fatma Çelenk, Corporate Communications Coordinator	Through mail and phone call due to	Mecidiyeköy, İstanbul
<b>EKOL LOJİSTİK</b>	Enise Ademoğlu, Management Systems Development Manager	25 September 2014	Sultanbeyli, İstanbul
<b>SIEMENS</b>	Tuğrul Günal, Supply Chain Director & Sustainability Responsible  Esra Kent Çakıroğlu, Financial Services Strategy Manager  Buket Yaman, Media and Public Relations Expert	26 September 2014	Gebze, İstanbul









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