

# IETT GENERAL DIRECTORATE 2012-2013 SUSTAINABILITY REPORT

DESIGNING THE  
FUTURE OF PUBLIC  
TRANSPORTATION...





Gazed at you from a hilltop the other day, dear Istanbul,  
There's no place in you that I have been to and not fallen for,  
Sit as you please on the throne in my heart as long as I live,  
Even loving just a part of you is worth dying for.





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# ABOUT OUR REPORT

Our report is prepared compatible with the GRI A+ Application Level, and is based on Global Reporting Initiative G3.1 Sustainability Reporting Guideline, as preferred both in public and private sector reporting worldwide.

With this first sustainability report of ours built on the 142 year-old history of IETT General Directorate, we aim to convey to our stakeholders how we managed our services and activities, which shaped our economical, social and environmental performances in 2012-2013 period.

### Stakeholder Engagement

Throughout the report preparation process, we have looked into the expectations of our stakeholders from our organization while conducting sustainability strategy development meetings within our workgroup. We have given priority to the views of our employees and our customers in stakeholder communications within this framework, thanks to the sustainability awareness and employee satisfaction surveys, the details of which are available in the relevant chapters of our report. We aim to release this report periodically, and make it an important tool of communication to share the details of our activities in increasing our positive impacts today and in the future.

### Boundary Of Our Report

The information given in this report covers all of the services and activities IETT in Istanbul from January 1, 2012 to December 31, 2013 with no limitations, unless stated otherwise. The wordings “our organization” and “we” mean “IETT General Directorate” and/or “IETT employees”. The “Message to Our Stakeholders” section has Mr. Mumin Kahveci’s signature underneath as our new Director General appointed in the first half of 2014.

### The Principles Of Our Report

Our report has been prepared compatible with the GRI A+ Application Level, and is based on Global Reporting Initiative G3.1 Sustainability Reporting Guide, as preferred in both public and private sector reporting worldwide. We also present to our stakeholders in the appendix section, our Greenhouse Gas Assurance Report based on the independent limited verification carried out by SGS\*. [www.globalreporting.org](http://www.globalreporting.org)

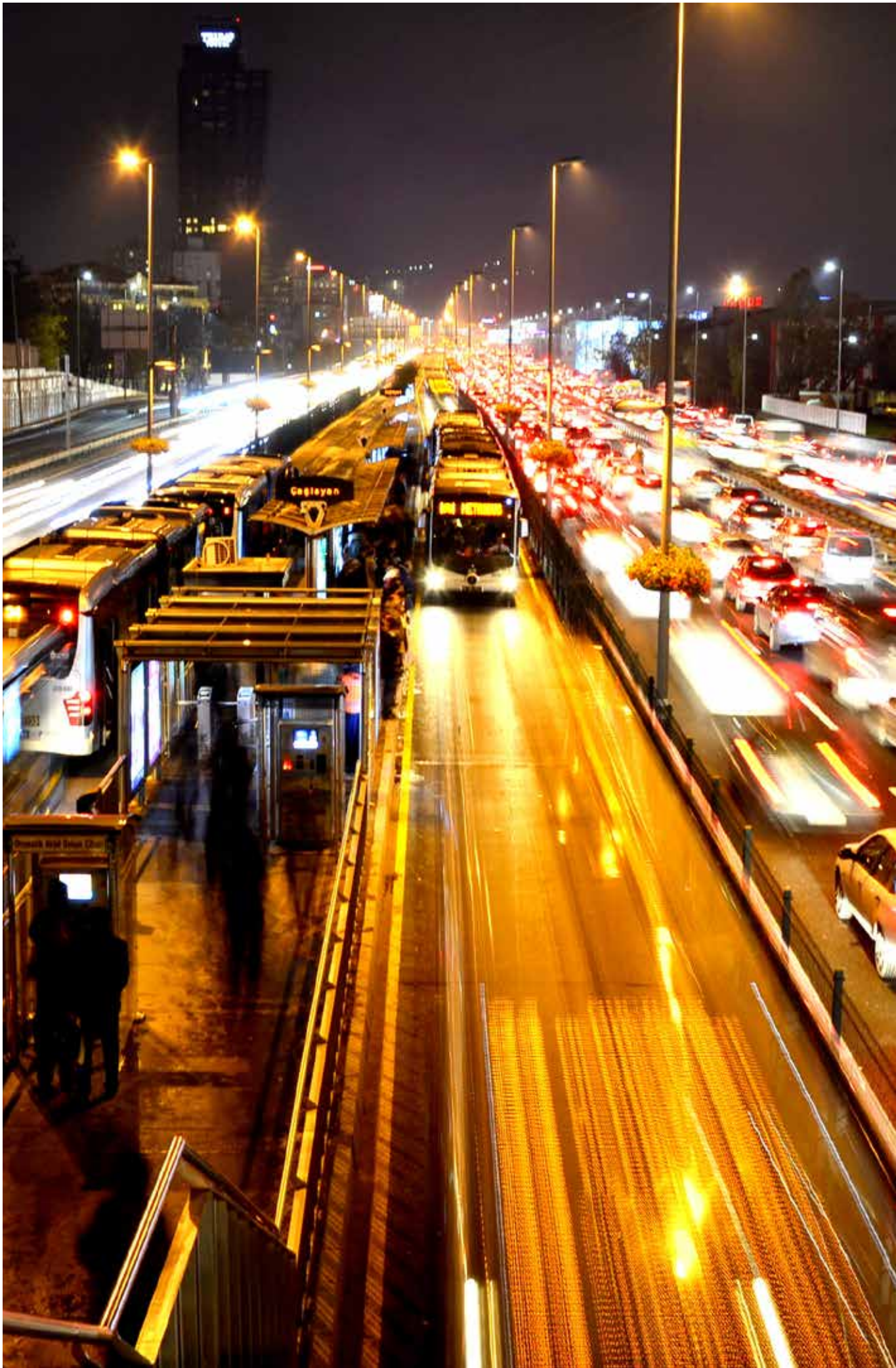
In addition to GRI’s principles of materiality, stakeholder inclusiveness, sustainability context and completeness, we have taken EFQM Excellence Model and AA1000 Accountability Stakeholder Engagement Standard Principles into account in stakeholder prioritization while preparing this report. [www.efqm.org](http://www.efqm.org)

The GRI index of our report has been prepared in reference to the UN Global Compact Principles. [www.unglobalcompact.org](http://www.unglobalcompact.org)

### Our Next Report

We plan to release our 2014-2015 sustainability performance report in the first half of 2016. Our report is available online bilingually in Turkish and English as PDF on our website [www.iett.gov.tr](http://www.iett.gov.tr)

YOUR VIEWS ARE  
IMPORTANT TO US!  
PLEASE SEND YOUR  
FEEDBACK AND  
SUGGESTIONS ABOUT  
OUR REPORT TO IETT  
SUSTAINABILITY  
REPORTING  
WORKGROUP AT  
[surdurulebilirlik@iett.gov.tr](mailto:surdurulebilirlik@iett.gov.tr)





# MESSAGES TO OUR STAKEHOLDERS

As IETT General Directorate empowered by 142 years of broad experience, we play a very important role in Istanbul with the objective of offering sustainable transportation service at international standards.

## MESSAGE FROM OUR MAYOR

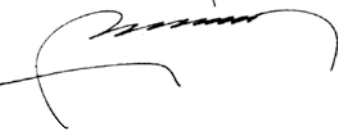
Dear Our Stakeholders,

5th largest metropolis in the world with a population in the excess of 14 million, Istanbul is followed very closely by the world’s other cities for our inspiring projects. Marmaray Eurasia Undersea Tunnel, the 3rd Airport, Kanal Istanbul and the Yavuz Sultan Selim Bridge possess qualities to connect not only Europe and Asia, but also the entire world’s access routes to the highest level.

Istanbul Metropolitan Municipality’s enterprises and subsidiaries serve the realisation of these projects in example collaboration, using the state of the art technologies. As Istanbul Metropolitan Municipality, we play an important role in providing our public with a quality, safe and uninterrupted service through IETT. Conscious of our public and environmental responsibilities, we take pride in accomplishing a first in our country’s public sector, and offering you **the first sustainability report of IETT with a content complying to the international standards**. In this report, you will find out about many innovative practices IETT has introduced in order to offer a world standard public transport service, which appeals to a larger portion of the society. Smart Bus, Smart Bus Stop, and Electronic Pass are among the many sustainable solutions thereof. Our Metrobus project received **The Best Public Transport Encouragement Award** from UITP The Union of International Public Transport. We are renewing our IETT fleet in order to raise the bar in the service comfort. IETT will continue to gain Istanbulites a total of 3,000 new environmental and disabled friendly buses. In 2013, IETT welcomed 1.2 billion passengers including the embedded privately owned public transport vehicles, thereby continuing to serve the public with uninterrupted quality transportation with contemporary solutions.

We will continue our endeavours in sustainability with the aim to take Istanbul even further and make her the best public transport city, especially with the 142 years of experience IETT brings on.

Sincerely,  
**Dr. KADİR TOPBAŞ**  
Istanbul Metropolitan Mayor



## MESSAGE FROM OUR DIRECTOR GENERAL

Dear Istanbulites,

The booklet you are holding is a new one of the many firsts we have substantiated in the 142-year-old IETT. It is a document through which we convey what IETT is planning and doing for the future, rather than how it got here today. We have the pleasure and pride of sharing with you, in this first sustainability report of ours, how we manage our impacts on the public and environment while running our affairs. Our vision in IETT is to be a leading organization, which facilitates the urban life and is capable of managing eco-friendly alternative energy resources. This vision inspired us to get on the road to initiate a big change and transformation in quality. **We have achieved to bring home 10 quality certifications within the last 3 and half years.** Our challenge in excelling in management systems are crowned with quality, environment, health and safety at work, information security, information technologies, customer satisfaction, customer relations centres, energy management and greenhouse gas verification certifications. We are conducting our operations with a totally quality focused approach in order to turn Istanbul into an exemplary city in the world in terms of public transport.

We operate 24/7 carrying 3 million 645 thousand passengers by 6,146 buses on 700 lines from point to point every day. The topics that came out during our strategic sustainability workgroup meetings and workshops were, the operational efficiency and sectorial development investments in the economical perspective, and the customer and employee satisfaction in the social perspective. Also, water, waste, energy and emission management issues appeared in the forefront as strategic priorities among the topics we were to be managing. Everyday we invest more into smart technology and information systems, which will enlighten IETT’s 2023 vision. The large communication network that we have built by employing smart technologies, such as in our Akyolbil Filo Management Centre from where we monitor and inspect the fleets of IETT and the private service providers, helps make Istanbul’s public transport more efficient and user friendly. IETT’s introduction of other practices such as Smart Bus Stops, Mobile IETT and Istanbulcard increased our passengers’ comfort immensely. Through our IETT Academy, we aim to eliminate all the negativities in the traffic, and increase satisfaction by dedicating more resources for employee training and development.

In 2013, we have initiated the smart bus era, where we started to serve our passengers with 1,705 brand new eco-friendly buses. Thanks to our sustainable environment policies, we continue full force to build long lasting systems to leave a more liveable world to the future generations. In order to achieve that, we are introducing green garages, which provide maximum waste recycling, can produce their own energy and which we can constantly monitor the energy production and consumption. Currently we have 305 CNG engine vehicles in our fleet, and we aim to increase this number even further in 2015. Our target in the new term is to develop our existing communication platforms, and to shape our strategic sustainability policies, improvement action plans and targets according to the feedback we hope to receive from you. Your questions and suggestions about the information provided in this report will help us create more value for you. So please take the opportunity and liberty to share your views and questions with us.

Sincerely,  
**MÜMİN KAHVECİ**  
Director General, IETT



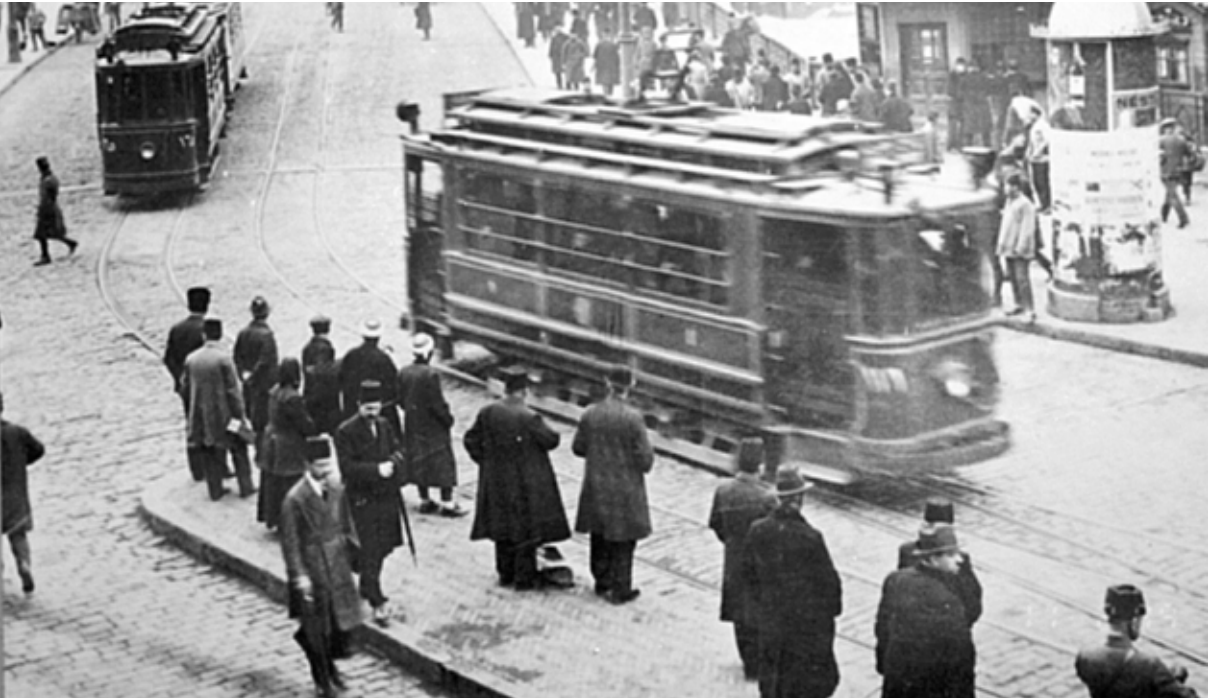
# ORGANISATIONAL PROFILE

We have been working 24/7 to offer an accessible and efficient public transport service to Istanbul, a metropolis, which sits on one of the most unique geographic locations in the world. We achieve this mission with our own modern bus fleet, tunnel and nostalgic trams, and also with the privately owned public transport service providers, which we are authorised to regulate.

## IETT FROM PAST TO PRESENT

Urban public transport in Istanbul has started back in 1869 with the organization of Dersaadet Tram Corporation (then Istanbul's official name) and the building of the Tunnel Facilities. The first horse-drawn tram was introduced in 1871. The Tunnel was inaugurated on January 17, 1875. 1913 saw the organization of Turkey's first electric power station in Silahatarağa, which was followed by a switch to the electric tram facilities in February 1914. First buses were purchased for Istanbul in 1926. After a period of administration under foreign companies, the electricity, tram and tunnel enterprises were nationalised in 1939, and with the Act No. 3645, they received the identity they carry today under the name of Istanbul Electricity Tram and Tunnel (IETT) General Directorate. The management of town gas distribution systems was also IETT's responsibility back in 1945. The entire electricity distribution and sales services were handed over to TEK (Electricity Enterprise of Turkey) by a new law in 1982. Town gas production and distribution was terminated in 1993 with the introduction of natural gas. In September 2007, the Metrobus service was in circuit, which was designed specifically for Istanbul, a totally new system for Turkey.

IN SEPTEMBER 2007 AT IETT, WE HAVE STARTED THE METROBUS SERVICE, WHICH WAS DESIGNED SPECIFICALLY FOR ISTANBUL, A TOTALLY BRAND NEW SYSTEM FOR TURKEY.



IN 2013, WE SERVED 1.2 BILLION PEOPLE BY BUS, METROBUS, TUNNEL, NOSTALGIC TRAM AND THE VEHICLES OF PRIVATELY OWNED PUBLIC TRANSPORT ENTERPRISES UNDER OUR SUPERVISION.

the city's current and future possible placement and expansion status, and prepare the access plans accordingly. Ensuring that these plans are followed in integration to the public transport vehicles under private ownership, we manage and supervise the entire public transport vehicle inventory within the city very efficiently and productively.

In 2013, IETT has served 1.2 billion people by bus, metrobus, tunnel, nostalgic tram and the vehicles of privately owned public transport providers under its supervision.

## CORE COMPETENCIES

The core competencies of IETT General Directorate are summed up under four titles: Regulator, Inspector, Stabiliser and Consultant. IETT top management decides on exercising these four competencies, which play the major roles in the realisation of the vision and the shaping up of the corporate strategies.

**Regulator:** IETT constantly reviews its line network in parallel to the increase in the demand of capacity across ever-growing and expanding Istanbul, and continues to serve the province by opening new lines accordingly. The entire line and route planning and scheduling of the privately owned public transport vehicles are also handled by IETT.

**Inspector:** IETT also measures the quality of all the services it regulates, and inspects the compliance of the operations to the agreements and the regulations.

**Stabiliser:** IETT acts as a stabiliser between all of the public transport service providers through its line and route planning and scheduling, in order to make sure that the fellow Istanbulites makes the most of public transport. It increases the use of seaway and railway transports by feeding them through intermodal transport integration. By providing higher capacity commuting via buses, IETT diminishes the need for lower capacity vehicles such as cars, shared cabs, and minibuses.

**Consultant:** An innovative pioneer with over 142 years of experience accumulation, IETT not only shares this wealth of information with the other public transport network operators in Istanbul and the municipalities nationwide, it also carries this accumulation beyond national borders by developing international relations.

AN INNOVATIVE PIONEER WITH 142 YEARS OF EXPERIENCE, IETT IS A LEADING ORGANIZATION CAPABLE OF OFFERING CONSULTANCY IN PUBLIC TRANSPORT ON BOTH NATIONAL AND INTERNATIONAL PLATFORMS.



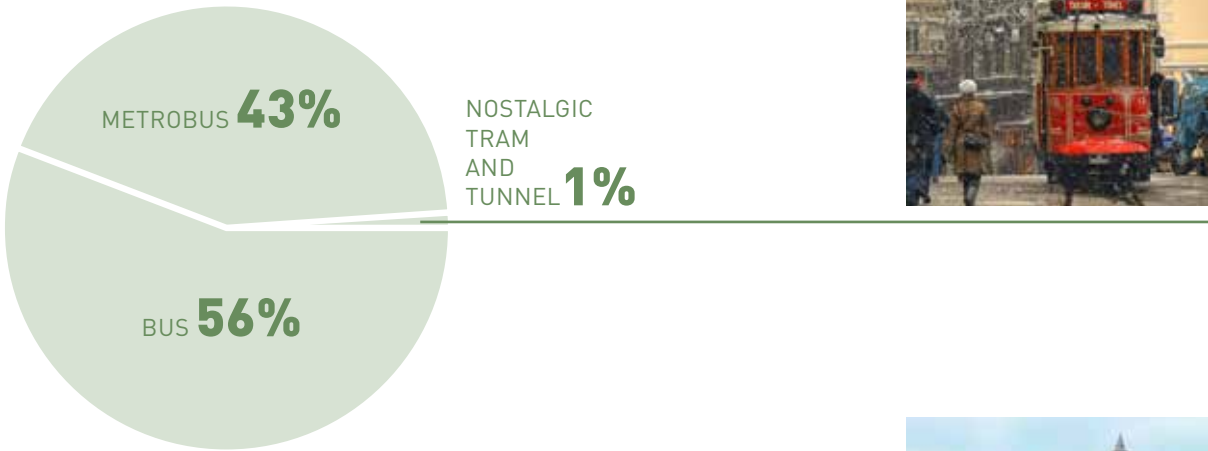
IETT IN FIGURES

COMMUTING STATISTICS SHOWS THAT THE 33% OF THE PUBLIC TRANSPORT ACROSS ISTANBUL OCCURS UNDER IETT'S CONTROL.

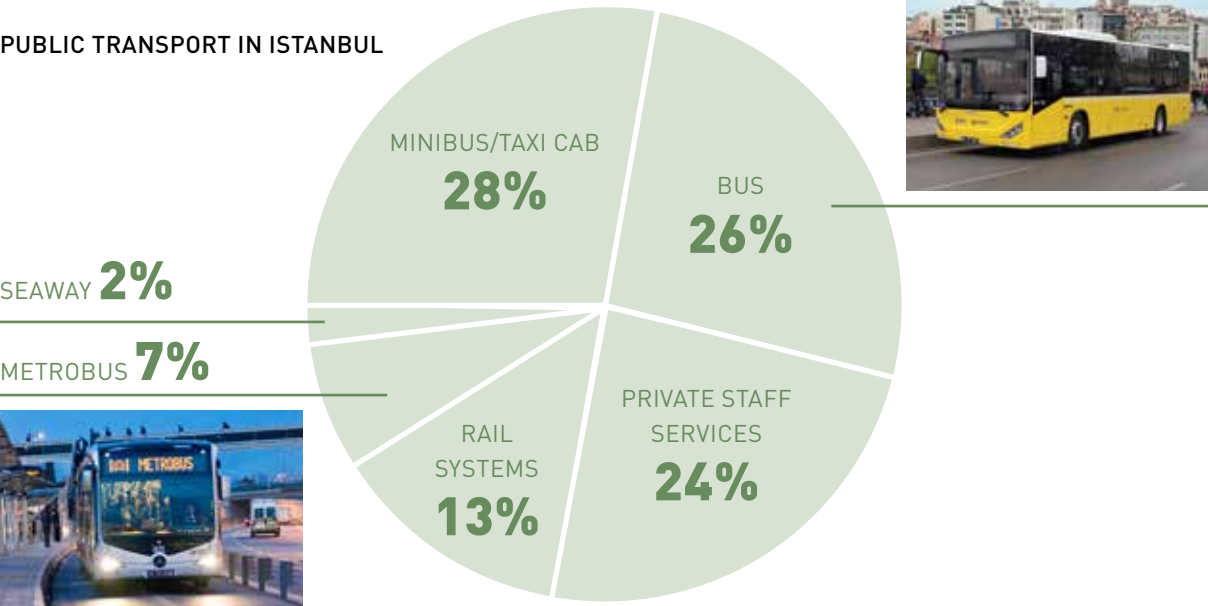
Our Main Service Vehicles

BUS	METROBUS	NOSTALGIC TRAMWAY	TUNNEL	YEAR
5,349 Vehicles (2,695 IETT and 2,654 private)	410 Vehicles 3,500 Journeys/day	3 Vehicles 14,600 Journeys/year	2 Vehicles 64,800 Journeys/year	2012
5.2 Million journeys/year 2,750,000 Passengers/day	750,000 Passengers/day	1,650 Passengers/day	14,000 Passengers/day	
5,611 Vehicles (2,524 IETT and 3,087 private)	535 Vehicles 8,906 Journeys/day	3 Vehicles 12,871 Journeys/year	2 Vehicles 69,280 Journeys/year	2013
5.4 Million journeys/year 2,845,000 Passengers/day	800,000 Passengers/day	1,370 Passengers/day	15,600 Passengers/day	

DISTRIBUTION OF IETT PASSENGERS



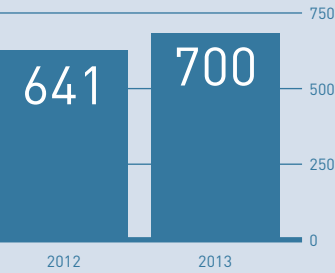
PUBLIC TRANSPORT IN ISTANBUL



SUSTAINABILITY PROFILE

ECONOMICAL

TRY 2,071,669,000  
2013 budget



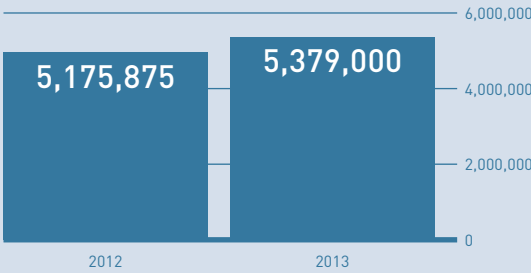
Number of our lines

170 Million KM

Distance we took in a year

39%

Budget spent on investments



Number of journeys we made

462 Million TRAVELS\*

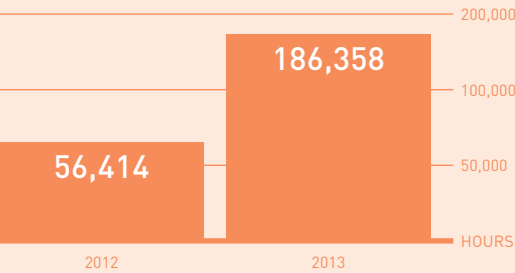
Passengers we carried

\*Covers the numbers of travels by IETT Bus, Metrobus, Tunnel and Nostalgic Tramway.

SOCIAL

5,024

All employees (Including Kiptaş)



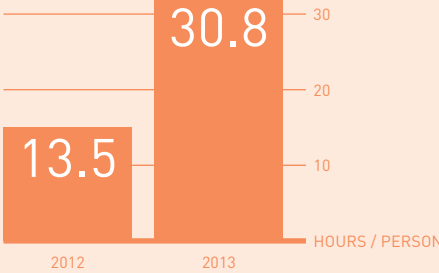
Training provided to our employees

11,574

Open and covered bus stops

3.5%

Female employment (Including Kiptaş)



Training provided to our employees

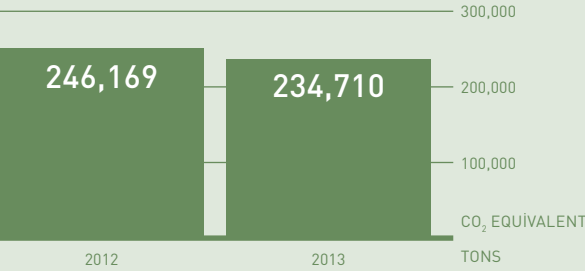
8%

Smart bus stops

ENVIRONMENTAL

1,705 NEW BUSES

Vehicles added to the fleet in 2013



Bus emissions

TRY 9.5 MILLION

CNG vehicle conversion investment

58.8 M³

Water consumption per vehicle

4.2 YEARS

Average age of our fleet

14%

Bus emission reduction rate

5%

Total emission reduction rate

65 BUSES

Vehicles converted from diesel to CNG

32%

Per vehicle water consumption reduction rate

Reduction rates are a result of a comparison between end of 2012 and end of 2013 figures.

The data provided in this page reflects figures as of December 31, 2013, unless stated otherwise.

AWARDS



AWARD NAME	GIVEN BY	YEAR
Grow With Public Transport – Business Model Innovation Award (IETT Vehicle Procurement and Operation Model)	UITP The Union of International Public Transport	2013
Platinum Award for Technological Quality and Excellence	OMAC Otherways Management Association Club	2013
Golden Ant Municipality Administration Awards – Transportation Award (Istanbulcard Project)	Union of Municipalities of Marmara	2012
Transportation Success Special Jury Prize (Metrobus)	OECD International Transport Forum	2011
Best Public Transportation Model Award (Metrobus)	59th UITP World Congress and Exhibition	2011
Turkey Call Centre Awards – Most Innovative Call Centre Award	IMI Conferences	2013
Turkey’s Firsts For The Deaf Award	IEF Federation Of The Deaf	2013
Human Resources Management Awards – Performance Management Finalist	PERYÖN Turkey Human Resources Management Association	2013
Turkish Call Centre Awards – The Most Commendable Call Centre Award	IMI Conferences	2012
Gold Medal	Turkish Red Crescent	2012
Ruban d’Honneur Award	European Business Awards	2013
National Champion (Green IETT Project)	Environment and Social Responsibility Category	
Teenager High-School Entrepreneurs Club and Environmental Activities Honour Certificate	UNEP United Nations Environment Program	2013
Sustainable Transportation Module Mention Award (Metrobus)	Transportation Research Arena - Sustainable Transportation Awards	2009



MEMBERSHIPS

ASSOCIATIONS, CHAMBERS AND UNIONS	IETT REPRESENTATIVE	RESPONSIBILITY
KalDer Turkish Foundation for Quality Management	Top Management	Achieving managerial excellence
IBBG International Bus Benchmarking Group	Strategy Development Head of Division	Monitoring key performance indicators, join relative meetings, communicate with other members
UITP The Union of International Public Transport	Strategy Development Head of Division	Participating in UITP's biennial congress and seize cooperation opportunities
MİKSEN Employers' Union of Local Administrations	Top Management	Signing union employment contracts and getting consultancy to prevent conflicts



# STRATEGY AND GOVERNANCE

As IETT, we offer eco-friendly, good quality and economic public service in Istanbul with our fair, responsible and participatory management approach and our stabilising role within the industry.

## MISSION, VISION AND VALUES

**OUR MISSION:** Regulating, controlling and planning public transport services in a way to cover even unapparent requirements; playing a stabilising role within the sector, concurrently managing the information accumulation on national and international fields.

**OUR VISION:** Being a leading organization, which makes urban life easier, which is environmentally conscious, and is able to manage alternative energy resources.

**OUR CORE VALUES**

**Fair:** IETT is an impartial organization, which abides by the rights and the laws in service fields. It does not deviate from the law and order while performing its activities, and does not discriminate among its stakeholders in any case.

**Dependable:** IETT does not compromise its dependability value. It serves its stakeholders with its entire resources continuously under all circumstances. It is fully aware of the responsibility of the passengers it carries, and complies with the code of service it promises to its stakeholders.

**Participatory:** IETT pays ultimate attention to the engagement of its stakeholders. It collaborates with various organizations, enterprises and stakeholders, and seeks the feedback from its passengers, employees, suppliers and collaborators in order to raise its service quality.

**Sensitive:** As an organization, IETT is very sensitive to the needs and expectations of all its stakeholders, and primarily of its passengers. It complies with all of the regulatory codes, develops projects in order to increase passenger satisfaction and decrease its impacts on the environment, protects the employees' health and safety essentially, and supports social responsibility projects.

**Innovative:** IETT acts with an innovative management mindset. It follows the technological advances, and pioneers changes and innovations to maximise satisfaction and minimise costs.



## INTERNAL STAKEHOLDER VIEW

**62%** of our employees who participated in the sustainability survey say that...

IETT CONDUCTS ALL ITS OPERATIONS IN LINE WITH ITS CORPORATE GOVERNANCE PRINCIPLES BEING TRANSPARENT, FAIR, ACCOUNTABLE AND RESPONSIBLE.

## CORPORATE GOVERNANCE

### ORGANISATION

IETT organisational structure comprises a Director General, 3 Deputy Director Generals, a Principal Clerk, a Chairman of Supervisory Board, an Internal Audit Unit, a Legal Bureau, 13 Heads of Division, and their 53 subordinate Directors of Branch.

**Director General:** The administrator who performs the planning, execution and audit in line with the Organization's mission and vision.

**Deputy Directors General:** The administrators who run the planning, execution and audit in line with the Organization's mission and vision on behalf of the Director General, and report to the Director General.

**Administrative Committee:** Advises executive units regarding the management's strategic plans and projects. It comprises Legal Adviser, Purchasing Director, Financial Services Director, and the head of relevant division to the purpose of the meeting, headed by the Director General, or a Deputy Director General appointed by the Director General.

**Advisory Unit:** The legal advisory who reviews the General Directorate's legal, administrative, financial, technical, security actions on behalf of the Director General for compliance to the laws, directives and codes.

**Executive Units:** The Heads of Divisions and Separate Directorates who execute what the mission and vision of the General Directorate dictate.

**Inspector Units:** Comprises the Chair of Supervisory Board and the Internal Inspector Unit, who check the operations and transactions carried out by the General Directorate for compliance to the regulations, on behalf of the Director General.

The Minister of Interior upon The Mayor's nomination appoints the IETT Director General to the post. The Governor of Istanbul upon recommendation by the Director General appoints The Deputy Director Generals to their posts. And the Mayor, upon nomination by Director General, appoints the Heads of Divisions and Directors. All the other officers and janitors are appointed directly by the Director General.

IETT REALISES ITS MISSION AND VISION THANKS TO ITS SOLID ORGANISATIONAL STRUCTURE AND PERFORMANCE-BASED AND RESULTS-ORIENTED ADMINISTRATIVE MINDSET.





Internal And External Audit

In municipalities, internal and external audit is compulsory by law. Audit involves compliance of works and transactions to the law, and financial and performance inspection. Internal and external audit is carried out according to the Public Financial Administration and Inspection Law. Besides that, the non-financial administrative actions of the municipalities are also inspected by the Ministry of Interior for their compliance to the law and integrity of the management. The organizations and administrations, which are subsidiaries of the municipalities are also subject to audit according to the same fundamentals.

Risk Management

The first standard of the Internal Audit Risk Evaluation component is the Planning and Scheduling, and the second standard is the Risk Evaluation. IETT aims to increase the maturity in risk management level by integrating corporate risk management with Strategic Plan, Performance Programme, Budget and other practices. The Internal Audit Monitoring and Direction Board biennial, or whenever it sees important, reviews the risks under the direction of Administrative Risk Coordinator and reports to the higher administration. The risks with a high chance of occurrence and high level of impact are defined as critical risks and high risks at IETT and are handled as risks, which will influence our strategic objectives and targets at the highest level.

ETHICS POLICY

We define our ethics policy, which embodies the foundational principles of corporate governance: fairness, transparency, accountability and responsibility, here at IETT as: "Exercising our duties within the frame of impartiality, honesty and fairness principles." We share our ethic principles in detail with all of our staff, in order to raise the reputation of our organization, and help our employees build healthier relationships among themselves as well as with other stakeholders. Although our employees have not received any special training on anti-corruption, our ethics policy, which all our employees are subject to, offers certain behaviours against corruption.

Our professional ethic principles are:

- 1. Commitment to the objective and mission
- 2. Complying with service standards
- 3. Conscience of public service in fulfilling duty
- 4. Conscience of serving people
- 5. Honesty and impartiality
- 6. Reputation and trust
- 7. Kindness and respect
- 8. Avoidance of conflict of interest
- 9. Avoidance of abusing the duty and the authority for gaining interest
- 10. The use of public property and resources
- 11. Avoidance of wastefulness
- 12. Avoidance of binding announcements and false declaration
- 13. Sharing information, transparency and engagement
- 14. Managers' Accountability
- 15. Relationships with former public officers
- 16. Declaration of wealth
- 17. Fair workload distribution
- 18. Reporting to authorities

If any IETT staff hears of or encounters an action or behaviour that is unethical and/or illegal, they report it to the Ethics Commission. The Ethics Commission protects the identity of the informer and takes all the necessary measures to make sure that the informers will not be offended.

STAKEHOLDER ENGAGEMENT

Our stakeholders are all the persons and corporate bodies with who IETT is in a relationship, and who may be impacted by our organization’s services and activities, and affect IETT’s reach for its strategic objectives and targets with their behaviour and decisions.

Each stakeholder group has a different area of interest, and therefore the way they interact with our organization differs from one group to another. In order to achieve an effective communication with our stakeholders, we have carried out stakeholder prioritisation meetings in every division within IETT, as part of our work for excellence. At the end of these meetings, we have prepared custom stakeholder matrices specific for each division. And we have also identified IETT’s stakeholders in detail in the Strategic Plan Preparation Guide, as Stakeholder Analysis was one of the inputs of Strategic Plan. With the results of the stakeholder prioritization works in mind in the reporting process, we grouped and prioritised our current stakeholders according to [AA1000 Stakeholder Engagement Standard Accountability Principles](#).

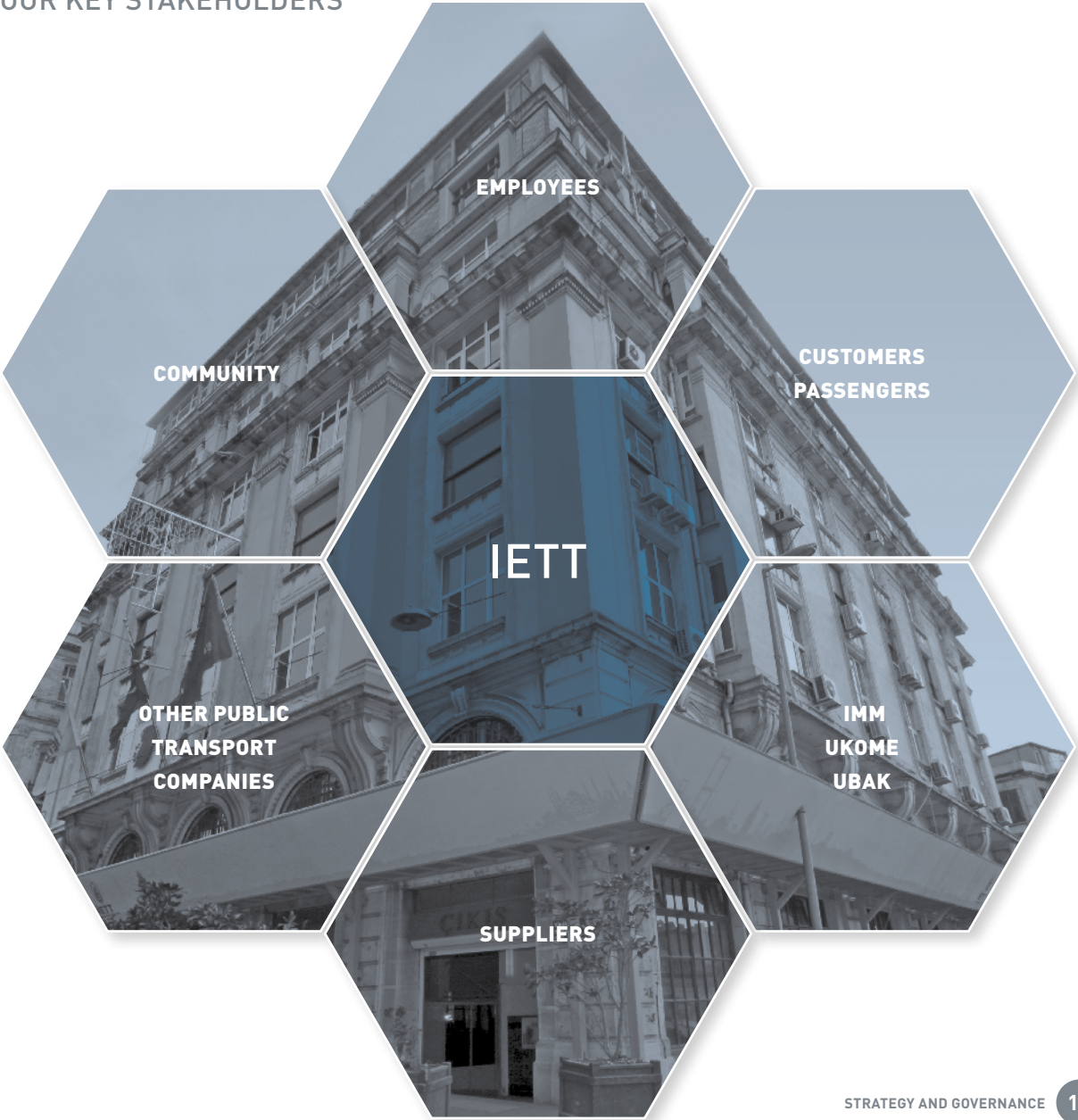
Within the frame of sustainability, the stakeholders we affect and can collaborate with to manage our impacts are the employees, customers/passengers, Istanbul Metropolitan Municipality - Transport Coordination Centre - The Ministry of Transport, suppliers, community (media, NGOs, universities etc.) and other public transport companies.

INTERNAL STAKEHOLDER VIEW

63% of our employees who participated in the sustainability survey say that...

IETT SUBSTANTIALLY MEETS THE EXPECTATIONS OF ITS KEY STAKEHOLDERS.

OUR KEY STAKEHOLDERS





IETT Communication Platforms

Bearing the fact in mind that different stakeholder groups with different interest areas and different expectations from IETT will have different opinions of our organization, we communicate with all of our key stakeholders, and inform them on various platforms about our activities to have their views on a wide range of topics including our sustainability impacts.

In the table below are our communication platforms for each stakeholder group, and our communication frequency with each stakeholder group. We shared the communication platforms with our own employees and results of their feedback in the [Employee Satisfaction](#) section in this report.

EXTERNAL STAKEHOLDERS		COMMUNICATION METHODS AND PLATFORMS	FREQUENCY
CUSTOMERS	Passenger	IMM (Istanbul Metropolitan Municipality) Beyaz Masa (White Table), Prime Ministry Public Communication Centre (BİMER), Perception Meetings, Passenger Complaint Form, Media Monitoring Analysis Form, e-mail, web site, Call Centre, via employees and face to face	Continuously
	Passenger	Customer Satisfaction Survey	1/year
	Dealer	Phone / e-mail / meetings	1/month
PUBLIC	IMM	Istanbul Metropolitan Municipality Coordination Meeting	1/week
	UKOME	Meetings	1/month
	UBAK	Legal Regulations	Continuously
SUPPLIERS	Suppliers	Suppliers Convention Supplier Survey	1/year
	Subcontractors	Corporate Reputation Survey Meetings	1/year Continuously
COMMUNITY	Media	Direct communication (interview, social media, e-mail)	Continuously
	NGOs	Corporate Reputation Survey	1/year
	Universities		
	Community	Corporate Reputation Survey Social media	1/year Continuously
OTHER PUBLIC TRANSPORT COMPANIES	Privately Owned	Meetings	Continuously
	Public Transport Companies		
	Other Industry Companies	TRANSIST Public Transport Week Symposium And Fair	1/year



External Stakeholder Views And Managing Expectations

In our excellence policy as IETT, we adopt and commit ourselves to an excellence mindset where meeting stakeholder expectations are the core. Just as in the strategic plan, we continued to compile stakeholder views during the sustainability reporting process, and learn different groups’ views on and expectations from the transport in Istanbul and the activities of the IETT General Directorate. The table below is a brief of the views collected and the actions taken:

EXTERNAL STAKEHOLDER VIEWS AND EXPECTATIONS

CUSTOMERS	The feedback we received from the customers is in the Customer Satisfaction section of this report.
PUBLIC	In Corporate Reputation Survey report, the public organizations express their expectation of a more effective transportation planning from IETT.
SUPPLIERS	What the suppliers expect from IETT first and foremost is to develop projects together while benefiting from the knowledge and experience Turkey’s largest urban public transport authority, IETT possesses. One of the major information sources of R&D activities is the feedback collected from the end users. As an organisation, which takes hundreds of thousands of kilometres of distance and carries millions of people everyday, IETT is a very important R&D field for its suppliers. Particularly during vehicle purchasing, we carry out product development activities with the suppliers in every phase of the manufacturing process. Thanks to a mandate in the new bus-purchasing model we have developed within our organization where the suppliers are required to undertake the service and maintenance of the vehicles for 5 years, we have created a more suitable ground for such R&D collaborations.

The most important expectation of the national suppliers from IETT in particular is the support for the national manufacturers. In order to increase employment, help reduce our country’s foreign trade deficit, and enable fellow national manufacturers to come up with higher quality and internationally competitive products, we provide a 15% price advantage in favour of the national manufacturers in tenders.The experience IETT has accumulated over decades has a very profound directing impact on the bus and spare parts manufacturers. The products IETT prefers to use are shown as reference within the sector. And for this reason, the suppliers expect from IETT to publish standards regarding the products it chooses, thereby raising the quality standard in the sector. We obtain an important portion of our main supply items from national suppliers. According to the total expenditure, the items we purchased mostly were: 1. Bus, 2. Fuel and 3. Spare parts in 2012; and 1. Fuel, 2. Spare parts and 3. Passenger Information Devices in 2013. While we support national manufacturers, we also prefer to select the materials and products we use from domestically manufactured ones as much as it is possible.

100% of the 1,705 new busses that joined our fleet over 2012-2013 period were purchased from national manufacturers, thereby increasing their manufacturing capacity, causing increase in employment rates within the automotive sector, and indirectly contributing to the Turkish economy.

COMMUNITY	In the outcome report of the Corporate Reputation Survey, the NGOs expressed their expectation that Privately Owned Public Transport Vehicles should be inspected more effectively. The details regarding these inspections are in the <a href="#">Operational Efficiency</a> section of our report.
OTHER PUBLIC TRANSPORT SERVICE COMPANIES	The managements of privately owned public buses (OHÖ), who offer services under IETT’s execution and inspection, express their expectations as establishing a new privately owned public transportation model, which will provide a healthy revenue and expense balance in order to offer a better quality, comfortable and sustainable service; to transform themselves from their current state of individual small business ownerships into a corporate structure in line with the decisions of IETT; to have an opportunity to adopt and apply IETT’s vehicle purchasing model in their affairs with the vehicle manufacturers.



**Improvement Activities With Stakeholder Engagement**

IETT substantiates the major portion of its strategic objectives and targets in cooperation with others. It manages the new system building and improvement activities with the cooperations established. It works with advisers who specialise in their respective subjects and brings to life innovative projects together with its stakeholders in order to support improvement in all service points.

COOPERATIONS	EXAMPLES OF IMPROVEMENT ACTIVITIES
Bus Manufacturers (BMC, Otokar, Karsan MAN, Temsa Global, Tezeller, Güleryüz) and Yıldız Technical University	Project to establish Turkish Motor Platform and Platform and initiate local engine production
Institution of Occupational Capability, TESK	Establish professional standard for metrobus and bus drivers
Privately owned public buses (ÖHO)	Abolish ticket sellers on the buses
YÖK (Council of Higher Education), MEB (Ministry of National Education), Ministry of Interior, Disability Services Administration	Establish web services for online centre
Yıldız Technical University	Develop Service Quality Measurement Model

STRATEGIC FRAMEWORK

IETT prepared its first strategic plan in 2007, and the second in 2012. The Regulation No. 5018; The Methods and Principles Regarding Strategic Planning in Governmental Administrations, which came in force in 2006 in order to have governmental administrations conduct their activities according to a plan, formed the legal ground IETT based these strategic planning activities on. The strategic plan of Istanbul Metropolitan Municipality, of which IETT is a part, is the starting point of our corporate strategic objective and targets. Istanbul Transportation Masterplan and the statistics issued by Turkish Statistical Institute (TÜİK), Istanbul Metropolitan Municipality and Energy Market Regulatory Authority (EPDK/EMRA), are the basis of information sources IETT uses while preparing its own plans. IETT takes into account many different parameters like population of Istanbul, journey specifications, employment, number of students, number of private vehicles, vehicle occupancy rate, fuel prices, etc. while carrying out planning studies such as the number of vehicles, routes, passenger profile, etc. In order to define its strengths and areas that are open to improvement, and determine performance targets, IETT has been carrying out benchmarking studies against its fellow counterparts, EGO of Ankara, and ESHOT of Izmir since 2010, and updating these studies annually. IETT has also carried out KPI (Key Performance Indicator) and Service Quality comparison studies with IBBG -International Bus Benchmarking Group member cities in 2011, and repeated these studies in 2012 and 2013.

EXCELLENCE POLICY

Since we have started to implement EFQM Excellence Model, which informs organizations of where they are in their journey to excellence, and help them spot where the bottlenecks are and figure out ways to overcome them, we have gained a continuous momentum in development and taken very important distances on the road to excellence. The fact that we were named as a finalist for the title award in the 22nd Quality Congress as Recognized For Excellence Awards in Turkey even though the EFQM Excellence Model was being applied within our organization for less than a year at the time, is a clear indicator of how fast IETT is climbing the stairs on the way to excellence.

Core Principles Of Our Excellence Policy

We hereby promise that we adopted the excellence policy where meeting stakeholder expectations is the essence, and will plan, review and improve our management systems according to the core concepts as listed below:

We are results oriented. We add value to our customers. We constantly learn and innovate. We increase our processes’ added value. We use resources effectively. We achieve by our employees. We set examples by our leaders. We form cooperations. We take responsibility for sustainability.

MANAGEMENT SYSTEMS

In 2009, we have started to implement project management practices where the way of conducting business was given a drastic overhaul, which supported the entrepreneurial spirit and teamwork here at IETT. We have founded new systems in all areas within the organization. In 2010, we have applied the process management implementation by defining all our activities in the form of workflows, which aimed to make our performances measurable. Within the same year, we have started to make IETT’s processes and documentation structures compatible with international management systems standards, which are subject to documentation audit. As IETT General Directorate, we have been applying the management systems listed below in accordance with the Integrated Management System (EYS), and working on improvement constantly. We have an Integrated Management System (EYS) Handbook prepared for the purpose of explaining the main structure of this management system and the interconnections within, and describing the relevant processes and standards. We have policies, which form an umbrella over the procedures, orders and the practices in IETT. The Quality and Corporate Development Directorate in the domain of Quality Documentation Management System publish all these policies. In addition to the policies with contents that directly support our management systems, we also have corporate risk policy.

ECONOMICAL



ISO 9001  
Quality Management  
System (2011)  
We have IETT  
Excellence Policy



ISO 20000-1 Information  
Technology Services  
Management System (2012)  
We have Information  
Technology Services  
Management System Policy



ISO 22301 Business  
Continuity Management  
System (2013)  
We have Business  
Continuity Management  
System Policy

ENVIRONMENTAL



ISO 14001 Environmental  
Management System  
(2011)  
Related policy is present  
in our Excellence Policy



ISO 50001 Energy  
Management System  
(2013)  
Related policy is present  
in our Excellence Policy



ISO 14064 Greenhouse  
Emission Standard  
Certification (2013)  
Related policy is present  
in our Excellence Policy

SOCIAL



OHSAS 18001 Occupational  
Health and Safety Manage-  
ment System (2011)  
Related policy is present  
in our Excellence Policy



ISO 10002 Customer  
Satisfaction Management  
System (2012)  
We have Customer  
Complaints Handling Policy



EN 15838 Customer  
Call Centre Policy (2012)  
We have Customer  
Communication  
Centre Policy



ISO 27001 Information Security  
Management System(2012)  
We have Information  
Security Management  
System Policy





Our Practices

**Management Development Practices:** EFQM Excellence Model, Quality Certifications, Kaizen, Innovation, Suggestion System, Benchmarking, The Empathy Week, The Corporate Report Card, Management Information System, Performance Management, Plan–Do–Check–Act (PDCA), Time Management Model, Fleet Management System,

**Cost Management Practices:** Line Bus Stop Optimisation, New Vehicle Acquisition Method, Garage Management Model, Emergency Intervention System, Tender Management Model, Documentation Management, Logistics Management, Energy Management, Waste Management, Stock Management, External Resource Utilisation, ERP (Enterprise Resource Planning), Project Monitoring System,

**Passenger (Customer) Satisfaction Practices:** Istanbulcard, Mobiett, Charge Station, Perception Management Meeting, Call Centre, Smart Bus Stops, Accessible Transport, Service Quality Measurement Model, Empathy Week, Third Party Supervision, Online Applications, In-vehicle Information, Passenger Information System, Customer Satisfaction Survey, Relationship Management Studies with NGOs.

**Employee Satisfaction Practices:** 5S (create quality work environment and maintain its continuity) Practices, Employee Health Scan, IETT Academy, Leadership Academy, Social Services for Staff, Hobby Clubs, Employee Satisfaction Survey.



WE ENGAGED OUR EMPLOYEES IN OUR REPORTING PROCESS BY THE SUSTAINABILITY AWARENESS SURVEY, WHICH WAS ACCESSIBLE BY ALL EMPLOYEES IN THE ORGANIZATION.



SUSTAINABILITY STRATEGY

The core policy and priority of IETT General Directorate is to realise the vision drawn in the 2013-2017 term strategic plan. In its second strategic plan term, IETT embraced an environmentally conscious approach, which is defined as **4E**, signifying **Energy, Economy, Efficiency, and Ecology**. This mindset is clearly expressed in our organization’s vision, and its excellence policy, and in its strategic objectives and targets. In line with the sustainability works, we have established a workgroup within IETT consisting of the heads of divisions, who worked with each other in coordination and carried out **sustainability workshops and meetings**, having stakeholder expectations in mind. In these meetings, we have defined our key stakeholders, and evaluated a comprehensive impacts list prepared to internationally accepted guidelines by our consultant, from both our stakeholders’ and our organization’s persectives in a two-phase process. Through this work, we have defined the sustainability topics, which we should primarily manage to serve the mutual interests of our organization and its stakeholders.

In the reporting process, we have also carried out a **sustainability awareness survey**, which was open to all of our employees, through which we have managed our employees’ engagement in the reporting process. The survey was published online and it contained questions from all of the sustainability topics that concerned the public transport sector. The two core aims of this survey are to increase sustainability awareness among our employees, and to have their views on the matter. We reflect the results of this survey on relevant sections here in our report under “Internal Stakeholder View” title. In addition to all that, we have benefited from the results of our 2013 surveys of **customer satisfaction** and **corporate reputation** when we were defining our strategic sustainability issues.

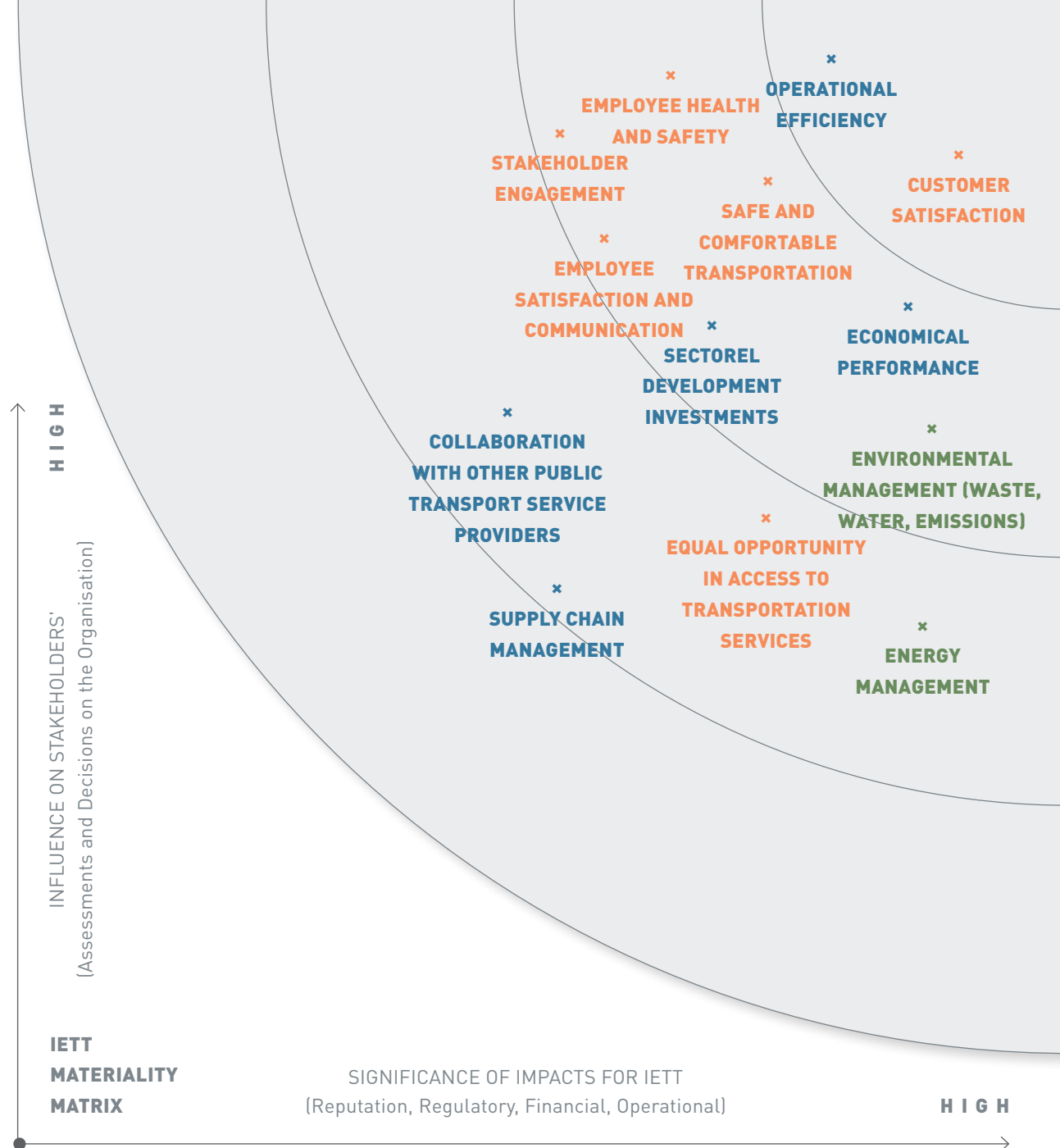
Our sustainability reporting workgroup looked into what strategic topic could be important for which stakeholder, and with which stakeholders we could cooperate for what improvement. In this evaluation, we also have taken the feedback we received through current communication platforms into account. We plan to benefit from the outcome of this work in monitoring the topics we will be using primarily in exchanging ideas with our stakeholders in the upcoming terms.

KEY STAKEHOLDERS VS MATERIAL SUSTAINABILITY ISSUES

TOPICS	EMPLOYEES	CUSTOMERS	SUPPLIERS	IMM/UKOME/UBAK	COMMUNITY	OTHER PUBLIC TRANSPORTION PROVIDERS
ECONOMICAL PERFORMANCE	✓		✓	✓		
SECTORAL DEVELOPMENT INVESTMENTS		✓	✓	✓	✓	✓
OPERATIONAL EFFICIENCY	✓	✓	✓	✓	✓	✓
COOPERATION WITH OTHER PUBLIC TRANSPORT SERVICE PROVIDERS		✓		✓	✓	✓
SUPPLY CHAIN MANAGEMENT	✓		✓	✓		
EMPLOYEE SATISFACTION AND COMMUNICATION	✓	✓		✓		
EMPLOYEE HEALTH AND SAFETY	✓	✓	✓	✓	✓	✓
CUSTOMER SATISFACTION	✓	✓	✓	✓		✓
SAFE AND COMFORTABLE TRANSPORTATION	✓	✓	✓	✓	✓	✓
EQUAL OPPORTUNITY IN ACCESS TO TRANSPORTATION SERVICES	✓	✓		✓	✓	✓
STAKEHOLDER ENGAGEMENT	✓	✓	✓	✓	✓	✓
ENERGY MANAGEMENT	✓	✓		✓	✓	✓
ENVIRONMENTAL MANAGEMENT (WASTE, WATER, EMISSIONS)	✓	✓	✓	✓	✓	✓

We have reviewed the strategically important topics for our organization separately under three groups as economical, environmental and social, and then prioritised them and placed them to build the **IETT Materiality Matrix**.





THE PRIMARY PURPOSE OF FORMING SUCH A MATRIX IS TO IDENTIFY CLEARLY THE STRATEGIC ISSUES IMPORTANT TO US AS WELL AS OUR STAKEHOLDERS, AND DETERMINE OUR SUSTAINABILITY PLANS AND TARGETS ACCORDINGLY.

At the top right of the table are the topics with higher priority as far as both our stakeholders and IETT are concerned that directly and essentially affect IETT's reputational, legal, financial and operational performance. These topics form the titles of this report's relevant chapters, in which we explain the organization's performance in detail supported by data.

The primary purpose of forming such a matrix is to identify clearly the strategic issues important to us as well as our stakeholders, and determine our sustainability plans and targets accordingly. In the upcoming terms, we plan to reach more stakeholders to exchange ideas and review our focus issues and set new targets in sustainability context.

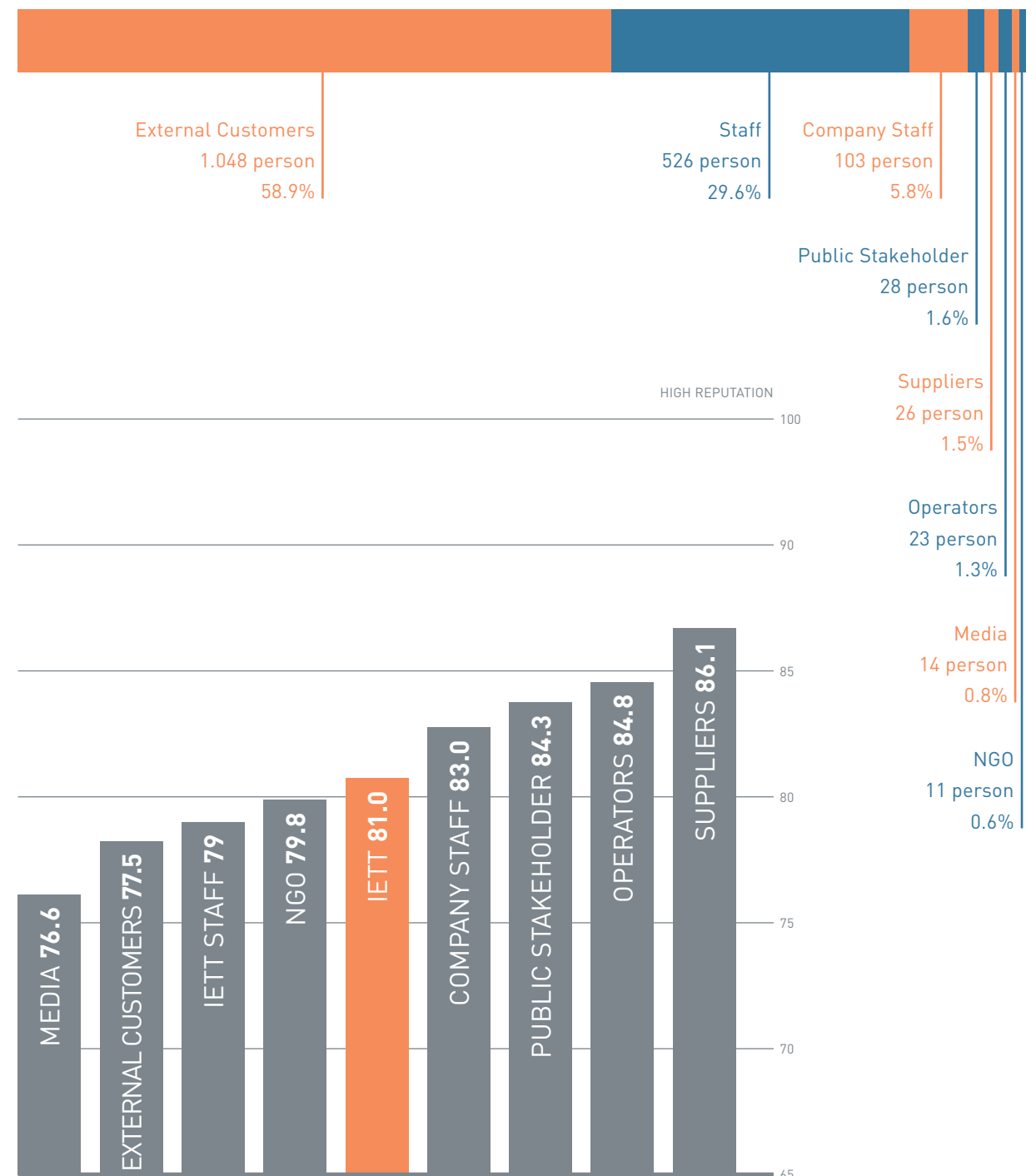
IETT RAISED ITS CORPORATE REPUTATION INDEX SCORE FROM 77.5 ON A 100 SCALE IN 2012, TO 81 IN 2013 AND MOVED UP TO THE FRONT AS A REPUTABLE PUBLIC ORGANIZATION.

### Corporate Reputation Survey

IETT carries out an annual Corporate Reputation Survey in order to offer more effective services to its customers and make permanent improvements in the light of its stakeholders' suggestions. Through this work that is carried out by independent research companies, the public's opinion of IETT and the belief and trust invested in the organization is investigated.

The stakeholders who took part in this research are the suppliers, operators, company staff, NGOs, government staff, external customers and the members of the press. The topics of the research are the management and the General Directorate staff, product/service quality, customer treatment, brand image, social responsibility, management mindset, work atmosphere, environmentalism, drivers and chiefs. 1,779 people participated in this survey in 2013.

### DISTRIBUTION OF PARTICIPANTS ACCORDING TO STAKEHOLDER GROUPS



IETT raised its Corporate Reputation Index score from 77.5 on a 100 scale in 2012, to 81 in 2013 and moved up to the front as a reputable public organization.



THE RESULTS WE TARGET TO REACH IN THE STRATEGIC PLAN WILL ENHANCE IETT'S POSITIVE IMPACTS IN TERMS OF SUSTAINABILITY. HENCE, OUR OVERALL CORPORATE STRATEGY IS PERFECTLY IN LINE WITH OUR SUSTAINABILITY STRATEGY.

## SUSTAINABILITY TARGETS

Strategic objectives are the conceptual expressions of the results IETT aims to reach. Fulfilling our vision will be possible through accomplishing these objectives. In contrast, the strategic targets are rather more specific and measurable sub-aims that serve the higher strategic objectives. We have identified our core competencies, Regulator, Inspector, Stabiliser and Consultant in our mission, and defined the 7 strategic objectives and related targets that will contribute to our aim of **being the leading organization** as it is manifested in our vision. We follow these objectives and targets via performance indicators, and secure the economical, social and environmental sustainability by turning them into action through performance programme.

The table below shows the direct connection between the objectives and targets in our second strategic plan, and the topics that came out in front at the sustainability strategy workshop. The results IETT targets to reach in the strategic plan have properties that will increase the positive impact our organization creates in terms of sustainability. Therefore, the corporate strategy of our organization is perfectly in line with its sustainability strategy.

OUR STRATEGIC OBJECTIVES	STRATEGIC TARGETS	OUR SUSTAINABILITY TOPICS
<b>OBJECTIVE 1</b> TO PERFECT MANAGEMENT SYSTEMS	<b>Target 1.1</b> Implement EFQM Excellence Model <b>Target 1.2</b> Expand Management System Development Activities <b>Target 1.3</b> Enable Information Management <b>Target 1.4</b> Reinforce Information System	Corporate Governance Cooperation With Other PublicTransport Service Providers Operational Efficiency Sectoral Development Investments
<b>OBJECTIVE 2</b> TO INCREASE MOTIVATION, SATISFACTION AND KNOW-HOW OF EMPLOYEES	<b>Target 2.1</b> Increase Rates Of Job Satisfaction, Engagement And Belonging <b>Target 2.2</b> Improve Working Conditions <b>Target 2.3</b> Support Education And Career Development <b>Target 2.4</b> Maintain Effective Internal Communication	Corporate Governance Employee Health And Safety Employee Satisfaction And Communication
<b>OBJECTIVE 3</b> TO MAINTAIN STABLE AND SOLID FINANCIAL STRUCTURE	<b>Target 3.1</b> Increase Resources And Use Them Efficiently <b>Target 3.2</b> Maintain Budget Balance	Corporate Governance Economical Performance Operational Efficiency Supply Chain Management Sectoral Development Investments
<b>OBJECTIVE 4</b> TO BE ENVIRONMENTALLY CONSCIOUS AND APPLY NEW TECHNOLOGIES	<b>Target 4.1</b> Reduce Emissions <b>Target 4.2</b> Use Alternative Energy Resources <b>Target 4.3</b> Save Energy And Natural Resources <b>Target 4.4</b> Manage Corporate Energy Consumption Effectively <b>Target 4.5</b> Raise Awareness About The Environment And Significance Of Natural Resources	Corporate Governance Sectoral Development Investments Environmental Management (waste, water, emissions) Energy Management
<b>OBJECTIVE 5</b> TO IMPROVE SERVICE QUALITY	<b>Target 5.1</b> Run Customer Relations Effectively <b>Target 5.2</b> Raise Service Comfort <b>Target 5.3</b> Execute Public Transport Services On Time <b>Target 5.4</b> Plan Transportation Network Across Istanbul <b>Target 5.5</b> Improve Physical Conditions <b>Target 5.6</b> Apply New Service Technologies	Corporate Governance Sectoral Development Investments Cooperation With Other PublicTransport Service Providers Customer Satisfaction Safe And Comfortable Transportation Equal Opportunity In Access To Transportation Services
<b>OBJECTIVE 6</b> TO MANAGE CORPORATE KNOW-HOW ACCUMULATION	<b>Target 6.1</b> Make Public Transportation Organizations <b>Target 6.2</b> Provide Public Transportation Authorities With Corporate Information.	Corporate Governance Sectoral Development Investments Cooperation With Other PublicTransport Service Providers
<b>OBJECTIVE 7</b> TO RAISE CORPORATE REPUTATION	<b>Target 7.1</b> Strengthen Corporate Perception <b>Target 7.2</b> Measure And Monitor PerceptionsOf Both Internal And External Stakeholders	Corporate Governance Sectoral Development Investments Supply Chain Management Employee Satisfaction And Communication Employee Health And Safety Communication With Stakeholders Customer Satisfaction Safe And Comfortable Transportation Equal Opportunity In Access To Transportation Services





# ECONOMIC PERFORMANCE

In IETT, the most significant part of our economic performance originates from our operational efficiency and our sectoral investments. We perpetuated our endeavors to increase our service quality by allocating 39% of our budget to technology and vehicle investments in 2013.

## OPERATIONAL EFFICIENCY

In the strategy workshop we have made with the participation of the Sustainability Workgroup, Operational Efficiency has come in the forefront in the matrix as the most important topic that needs to be managed in particular for both the vast majority of our stakeholders, and our organization. The main reason behind this is that maintaining operational efficiency within IETT is the prerequisite to the management of other prominent impacts in the matrix. Reaching our goals in topics like customer satisfaction, employee satisfaction, environment and energy management etc., directly depends on our success in operational efficiency. As far as maintaining the operational efficiency is concerned, we have many practices and equipment. We have identified the most effective ones according to a purpose and benefits analysis. The use of **Information Technologies** that serves every single one of these practices is vital for IETT to continue to be operational.



## INTEGRATED TRANSPORTATION SYSTEM

**Purpose:** To increase efficiency in transportation by payment, time and physical integration.

**Stakeholders who benefit from the system:**

Users of public transport, Istanbul Metropolitan Municipality, Ulaşım A.Ş., TCDD (State Railways of Republic of Turkey), IDO (Istanbul Sea Buses Administration), City Ferry Lines, privately owned public transport service providers (ÖHO and OAŞ)

**Benefits to IETT:** Bearing in mind the other transport modes while determining routes during line planning; reducing operational costs by maintaining integration at possible points.

**Benefits to our customers:** Ease of transfers between transport modes, reduced journey times.

## ELECTRONIC TICKET (ISTANBULKART)

**Purpose:** Enabling our passengers to use public transport services faster, safer and more comfortably.

**Stakeholders who benefit from the system:** All of the public transport authorities.

**Benefits to IETT:** Effective route planning thanks to the comprehensive journey logging in the electronic ticket domain.

**Benefits to our customers:** One card for all operators.



## INTERNAL STAKEHOLDER VIEW

**71%** of our employees who participated in the sustainability survey say that...

IETT OWNS SYSTEMS THAT ENABLE IT TO MANAGE PASSENGER TRANSPORTATION OPERATIONS WITH HIGH EFFICIENCY.

## MAIN FEEDER LINE MODEL

**Purpose:** Increasing the efficiency and effectiveness of bus operatorship in Istanbul.

**Stakeholders who benefit from the system:** Istanbul Metropolitan Municipality, Ulaşım A.Ş., TCDD (State Railways of Republic of Turkey) and the users of public transport.

**Benefits to IETT:** Reduction in operational costs as a result of efficient planning of bus routes in accession and integration to the other high-capacity transportation modes.

**Benefits to our customers:** Routes suitable for journey capacity and shortened journey times.



## DEALER MANAGEMENT SYSTEM

**Purpose:** Offering our passengers an accessible ticket sales system

**Stakeholders who benefit from the system:** Passengers

**Benefits to IETT:** Carrying out ticket sales and refill processes economically.

**Benefits to our customers:** Access to an Istanbulcard quickly and easily.

## METROBUS CONTROL CENTRE

**Purpose:** Activating vehicle tracking, fleet management and passenger information systems.

**Stakeholders who benefit from the system:** Passengers and employees

**Benefits to IETT:** Minimising round losses by addressing possible problems immediately.

**Benefits to our customers:** Having travel demands met thanks to the planned and realised journey tracking, and an uninterrupted service.

## IETT AND PRIVATELY OWNED PUBLIC TRANSPORT COMPANIES

All of the contractor companies who operate between points served are inspected according to the criteria outlined by our organization. The data collected from these inspections are analysed and the penalties are issued for the failures detected. These inspection activities lead to the development of the responsibility consciousness among the executors of processes and activities, as well as enabling a more effective process management. Besides the Service Quality Measurement Model, which inspects the points of contact with the customers, IETT developed a **3rd Party Inspection Model** based on EN 13816 public transport standards in 2013 in order to improve the quality of internal processes that enable the production of these services. This model opened all service points to inspection such as buses and metrobus, the nostalgic tram and tunnel system, the bus stops, terminal supervisor's office, the central hubs, the electronic ticket sales booths and the dealers etc. IETT controls the public transportation services that form the value chain and their support activities through Service Quality Measurement Model, 3rd Party Inspection, the Empathy Week and internal/external management systems audits, as well as inspecting privately owned public transport busses. IETT gives training courses to staff of private transport companies on a range of subjects such as public relations, communication, safe and smooth public transport etc., every year. In 2012, 1,138 ÖHO, Privately Owned Public Buses, and 1,208 Otobüs A.Ş. staff was given orientation training. In 2013, the same course was given to 800 privately owned public buses and 1,279 Otobüs A.Ş. staff. The number of staff who received safe and smooth public transport course was 225 in 2012, and an additional 161 in 2013. 3,087 vehicles, 934 of Otobüs A.Ş., and 2,153 of ÖHO, Privately Owned Public Buses, served approximately 750 million people in Istanbul in 2013, under IETT inspection.

3,087 VEHICLES, 934 OF OTOBÜS A.Ş., AND 2,153 OF ÖHO, PRIVATELY OWNED PUBLIC BUSES, SERVED APPROXIMATELY 750 MILLION PEOPLE IN ISTANBUL IN 2013, UNDER IETT INSPECTION.



COOPERATIONS WITH OTHER PUBLIC TRANSPORTATION SERVICE PROVIDERS

The cooperations IETT makes with other transportation service entities as the authority in rubber-tired public transport, serve the organization’s operational efficiency with their technology and knowledge sharing aspects, while also playing a role in IETT’s endeavors for its strategic targets.

We present the details of these collaborations in the table below.

OTHER PUBLIC TRANSPORTATION SERVICE PROVIDERS	AREAS OF COOPERATION	IMPACT ON OPERATIONAL EFFICIENCY	LINKS TO OTHER VEHICLES
BELBİM Istanbul Municipalities IT Energy Inc	Akyolbit system	In all stages	Smart transportation systems
İSBAK Istanbul Transportation Telecommunication and Security Technologies Inc	External passenger information screens	In all stages	Smart transportation systems
UITP Union of international Public Transport	International relations network, data comparison, seminars	In all stages	International meetings
EMBARQ Turkey Directorate	International relations network, data comparison, seminars	In all stages	International meetings
TUSSİDE Turkish Industrial Management Institute	Capacity increase of metrobus	In all stages	Optimization of Metrobus road
IMM - Istanbul Bus Inc. (OAS) IMM - Istanbul Transportation Inc. IMM - Privately Owned Public Transport Buses (ÖHO)	Common transportation authority view exchange, common projects	Provide integration of salary distribution electronic card	Bus, metro, tram
IMM - HAVATAŞ- Airport Shuttle Service Operator	Common transportation authority view exchange, common projects	Electronic card usage, data provision, reporting	Havataş
Public Transport Service Providers in Istanbul	Electronic card usage, common transportation authority view exchange, common projects	Electronic card fare collection method, reporting, electronic card usage, data provision,	Meetings, bus lines, new lines
IMM - İspark A.Ş.	Parking service	Electronic card usage, data provision, reporting	Parking lots
IMM - Istanbul Sea Buses Inc. IMM - Ferry Lines Inc. IMM - Mavitur, Dentur, Turyol Sea Transportation and Bosphorus Cruises	Common transportation authority view exchange, common projects	Electronic card usage, data provision, reporting	Sea transportation
UBAK - Ministry of Transport, Maritime Affairs and Communications	E-state public institutions transactions integration program partnership	E-state integration of online application	All transportation services



A SUSTAINABLE EVENT BY IETT

Transist

The international public transport symposium and fair, which brings the public transport sector together, Transist events are being organised in Istanbul by Istanbul Metropolitan Municipality and IETT every year since 2010. Public transport companies, academics, transport authorities, government officials and NGOs participate in a wide range of events to explore managing national and International Information accumulation, sharing information, developing public private partnership ventures and collaborations, bringing innovative ideas and solutions to current problems and raising the quality and service standards of the public transport. IETT officers have seats in the organisation and execution committees of the symposiums arranged under Transist. 2012 also saw the laying of the foundation of Turkish Engine Platform, and the agreement on the organisation of The Collective Mind Conference on Solution Proposals to Regional Problems. Information was exchanged in the areas of Energy, Efficiency, Ecology and Economy in Public Transport. In 2013, our nostalgic bus, Tosun, was introduced to the public and media. The collective mind conference that was scheduled in 2012 for the roadmap of Turkish Engine Platform was held. Information was exchanged on the management, production, service maintenance and mobility in public transport.

\* The symbol of IETT, the first Turkish trolleybus, Tosun, got together with Istanbulites again after 45 years, after coming back to life in the hands of IETT’s masters. Ever since hitting the road on the line number 87 between Edirnekapı and Taksim, Tosun has been serving twice a day, 9:10 in the morning and 15:30 in the afternoon, starting from Topkapı and going through Edirnekapı-Karagümrük-Fatih-Unkapanı-Şişhane-Taksim route.

SUSTAINABLE COLLABORATION BY IETT

Turkish Engine Platform

The Turkish Engine Platform was first conceived in 2013 in the leadership of IETT, in order to pave the road to the design and manufacturing of engines and the transmission systems utilising national resources. IETT and its stakeholders joined their forces and energies to contribute to the 2023 Vision of Turkey and develop national industry. With leading manufacturers such as BMC, Otocar, Karsan, MAN, Temsa Global, Tezeller, Güleriyüz and Yıldız Technical University present, they undersigned the Turkish Engine Platform Good Will Declaration on the November 29, 2012. Collective Mind Workshop, Decision Conference and Focus Group Workshop followed in 2013 as part of the Turkish Engine Platform works.



INTERNAL STAKEHOLDER VIEW\*

The facts that our manufacturers are able to meet the international market requirements possess the skills to manufacture flexibly and own a prolific qualified staff pool, give us an advantage over the manufacturers from other countries. Nationalising the engine and the transmission systems will increase profitability in the production, thereby strengthening our manufacturers in the international market even further.

\*The views of Mr. Hayri Baraçlı, the former IETT Director General, who was in charge during the reporting of the Engine Platform Project.



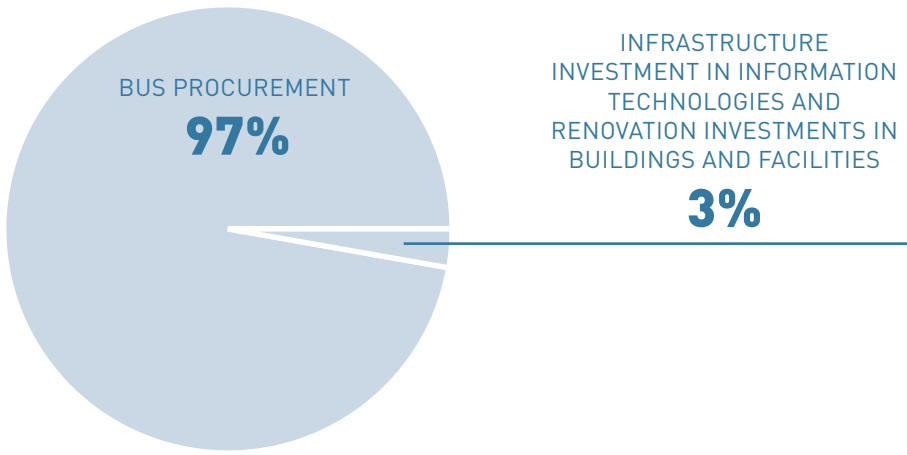


SECTORAL DEVELOPMENT INVESTMENTS

With its deeply public transport experience and expert human resources, which leads the way in its sector, IETT puts its signature on innovative and exemplary investments, while following the technological advances in its field and exploring innovative ventures. Even during the reporting process, IETT was investing into countless new systems, from fleet development to management systems to software, from the construction of new service units to the efficiency works.

DISTRIBUTION OF CAPITAL EXPENDITURES (2012-2013)

WE PUT OUR SIGNATURE ON INNOVATIVE AND EXEMPLARY INVESTMENTS IN IETT, WHICH LEADS THE WAY IN ITS SECTOR WITH ITS DEEP PUBLIC TRANSPORTATION EXPERIENCE AND EXPERT HUMAN RESOURCES.



BUS PROCUREMENT UNDER 5-YEAR SERVICE WARRANTY

Over the years 2011 and 2012, we have tendered 6 separate calls for bus acquisition in order to rejuvenate IETT’s bus fleet, and to serve our public with more comfortable, disabled and eco-friendly buses. We have added 1,705 new buses to our fleet. The purchasing conditions included a 5-year service-maintenance and spare parts warranty with unlimited mileage, and even any kind of operational costs at the garage were included. The new buses were manufactured in Turkey by Otokar, Karsan and Mercedes, at the newest standards as practiced in the EU contemporarily, equipped with air conditioning, in-car and out-of-car cameras, security and passenger information systems. 88% of our total investment in vehicles during the reporting period was in 2013.



METROBUS LINE

The Metrobus system was invested in and implemented back in 2007 as part of IETT’s plan to ease the intensive traffic load on the main routes in Istanbul, and providing the passengers a fast and comfortable ride. Since then, Metrobus has been a breath to the city life, and is still having many positive impacts on peoples’ lives from environmental point of view with the efficient journey conditions it offers. Spanning from Beylikdüzü to Söğütlüçeşme, the Metrobus route is 52 kilometres long with 45 stops, and carries around 800,000 people everyday on an 83-minute journey each way. Being the first and only intercontinental public transport system in the world, the Metrobus steps forward among its peers with its operation speed of 39 km/ph on average, and its high passenger capacity.



FLEET MANAGEMENT SYSTEM

Commanding all the vehicles from Akyolbil Fleet Management Centre allows us to track many vehicles simultaneously very efficiently. Thanks to the Akyolbil system, we are able to inspect the vehicles, spot the line-route-speed-bus stop violations immediately and most efficiently, and we can change their missions right there and then and redirect vehicles with ease. Currently there are 160 chiefs who have been working in our centre. The relevant units oversee Akyolbil system constantly and execute improvement works on the system via periodical meetings.

OUR ANNUAL SUPPLIERS CONVENTION IS AIMED AT EXCHANGING IDEAS BETWEEN OUR SUPPLIERS AND US, AND ESTABLISHING A COMMON SENSE FOR A HIGHER QUALITY AND RESPONSIBLE SUPPLY.

SUPPLY CHAIN MANAGEMENT

As IETT, we have been executing our operations and activities with our commitment to ISO 26000 Social Responsibility Guide in mind. To make sure that the services we outsource also come from responsible sources, we plan to include our suppliers in our ISO 26000 compliance works in the next term as well. We intend to prepare and publish a supplier guide containing core environmental and social promises, as part of our 2014 plans. This document will sit on principles supporting the statement “our suppliers guarantee their compliance to the social responsibility principles when engaging in activities with IETT.” Our Annual Suppliers Convention is aimed at exchanging ideas between our suppliers and ourselves and establishing a common sense for a higher quality and responsible supply.

We do not work with any suppliers, who do not fulfil their responsibilities for Social Security Authority (SGK) as part of our commitment to human rights monitoring. Our vehicle providers are responsible for fulfilling the obligations of the Integrated Management System in our technical brief as the guide of our cooperation, which also contains the mandatory clauses of OHSAS 18001-management system. Likewise, all the relevant documentation of our suppliers who give us service in our garages are subject to outside inspection. In the next reporting term, we will contemplate to include all of our suppliers from whom we purchase service in these inspections. The feedback we have received from our suppliers during this reporting period, and our relevant actions are available in the Stakeholder Engagement section of this report.



# SOCIAL PERFORMANCE

The health, safety and satisfaction of our workers and our passengers are the most important components of our social performance. Our endeavors to increase stakeholder satisfaction progressed in 2013, with practices such as the Leadership Academy we initiated for our employees, and the Istanbulcard we offered to our customers.

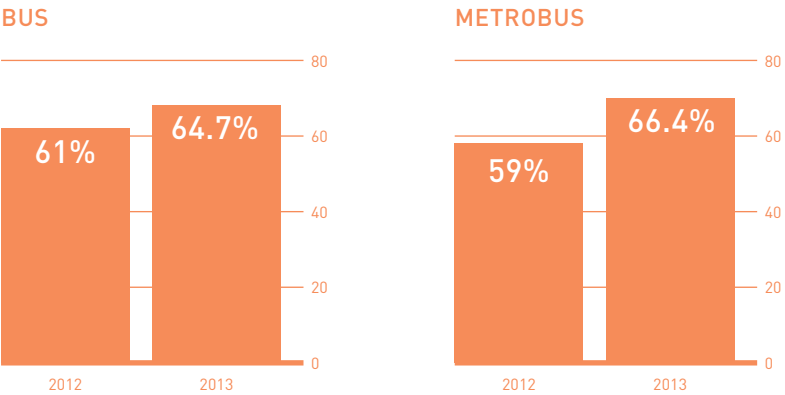
## CUSTOMER SATISFACTION

On the top of the core components list of our vision in IETT is to make the urban life easier by offering safe, economical and accessible services. We have identified 6 important strategic targets to serve our objective, which we defined as **improving service quality** in the 5-year strategic plan of IETT:

- 1. Running customer relations effectively
- 2. Raising service comfort
- 3. Executing public transport services on time
- 4. Planning the transportation network across Istanbul
- 5. Improving physical conditions
- 6. Applying new technologies in service

All of these targets have a critical role in increasing the satisfaction of our customers. On the other hand, we believe learning customers' expectations and acting on them is also crucial to improve customer satisfaction. The major platform where we brainstorm with our customers is the perception meetings. In those meetings, we receive feedback from our customers regarding their experience with the pilot run of the product being developed, and then reflect those feedbacks to the rearrangement and improvement in the design process. In order to evaluate our customers' perceptions of IETT and the services they receive from it, and note their expectations, we have been carrying out Customer Satisfaction Surveys via independent research companies since 2010. In a survey we commissioned in 2013, where 15 years of age and above 3,025 participants were sampled across 38 districts within the province, we have found out that the satisfaction rate increased by 6% among bus passengers, and 13% among Metrobus passengers.

### CUSTOMER SATISFACTION RATE



Some of the major factors in the customer satisfaction score increase are due to disabled-friendly air conditioned new busses purchased according to the results of the Customer Satisfaction and Customer Perception Surveys, improvements in number of smart buses and bus stops, driver trainings regarding communications and safe driving techniques, call centre and emergency intervention system and the implementations such as Empathy Week etc.

## INTERNAL STAKEHOLDER VIEW

**76%** of our employees who participated in the sustainability survey say that...

THE COMMUNICATION CHANNELS, THE INFRASTRUCTURE AND THE SYSTEMS THROUGH WHICH THE CUSTOMERS CAN SHARE THEIR OPINIONS AND SUGGESTIONS TO IETT ARE SUFFICIENT.



## A SUSTAINABLE PRACTICE BY IETT

### Empathy Week

In this practice that we started in the December of 2012, our managers and employees use public transport vehicles rather than using company cars or their private cars for a week, in order to empathize with the fellow passengers and to spot and note the areas in service points where there is room for improvement. This practice is arranged in the responsibility of the Service Improvement Directorate. Those who participate in the Empathy scheme register their findings and their recommendations by using the Employee Observation form in the Central Portal. And then all units start with the necessary works for the areas that are open for improvement. Over the course of reporting period, four Empathy weeks were arranged, on dates apart from each other, where 800 management staff and workers made observations. The results yielded that the most observation was done related with the in-vehicle occupancy and the information categories.

## SAFE AND COMFORTABLE TRANSPORTATION

It is a very crucial satisfaction point for the passengers to travel safely and comfortably when they travel with us; that our vehicles regularly serve them reliably in safety, speed and quality we have promised, and that our vehicles are accessible for all passengers whether disabled, overage, with children and foreign. Besides our passengers, the safety of passers-by on the routes we operate and other people in the community is a topic we look into in risk management here at IETT. Some of the practices we follow, which increase the customer satisfaction are the road safety works on Metrobus lane, safe driving, communication and foreign language courses given to our drivers, new vehicle investments, regular maintenance and cleansing of our vehicles, security surveillance camera systems on the buses etc.



**In-Vehicle Passenger Information System**  
In-Vehicle Passenger Information System is an important component of Akyolbil Project. This system comprises LCD monitor screens and loudspeakers, which are fitted in appropriate locations in the buses. Passengers are not just able to see where they are in the journey at any given time, but are also reminded aurally of the upcoming stops. The audio-visual nature of the system contributes to its accessibility immensely.



**“How Do I Get There?” Application**  
“How Do I Get There?” is a web based application, which shows fellow citizens what public transport solutions they can use to get from A to B within Istanbul, integrating all the public transport modes available in drawing routes on demand. The application is available on our official web site at [www.iETT.gov.tr](http://www.iETT.gov.tr) where the data provided by our organization is open to users’ queries in the form of alternative routes, line numbers, journey times, fares, timetable and stops en route.

NIGHT LINE	TOURISTIC LINE	RAMADAN LINE
8 Lines	2 Lines	7/24, 1 month
40 Vehicles	17 Vehicles	Between Beyazıt-Eyüp Sultan



**Istanbulcard Transportation Integration**  
The distribution and the fare management of the travel cards used in the public transport system across Istanbul (including buses, metro, ferry, trains, light rail, tram etc.) are managed by IETT. The contactless smart Istanbul card is preferred by a high number of passengers since 2009, helping them with easy to use, highly secure, economical journeys. There are around 3 million personalised cards, and 6 million anonymous cards in use in Istanbul today. Istanbulcard is designed to cater for four different demands and uses, namely discounted, free, full fare and personalised. In the mean time, a sales point network of dealers, sales booths and ticket machines spread and easily accessible in every corner of Istanbul make the urban travel easier for all passengers.

ISTANBULCARD PRIVATE		AUTOMATIC		ISTANBULCARD	ISTANBULCARD
TOP-UP DEALERS	TICKETMATICS	VENDING MACHINES	NETT SALES BOOTHS	ISTANBULCARD	APPLICATION CENTERS
2,029	194	145	58		15

## OFFERING EQUAL OPPORTUNITIES IN ACCESSING TRANSPORTATION SERVICES



Here at IETT, we try to project the necessities in serving people. We respect the disabled people’s right to have an access to their social life areas and make use of those areas independently on their own. To serve this right, we invest in vehicles that are suitable for disabled use, fitted with appropriate announcement and information systems, as well as offering practices that facilitate disabled citizens’ access to the metrobus stations and information centres.

**OUR OBJECTIVE IS TO BE ACCESSIBLE FOR EVERYONE WITH OUR SERVICE POINTS, FLEET, BUS STOPS, ELECTRONIC TRAVEL CARDS AND WEB SITE.**

**INTERNAL STAKEHOLDER VIEW**  
**70%** of our employees who participated in the sustainability survey say that...

**THE INFORMATION AND GUIDANCE ANNOUNCEMENTS GIVEN ON IETT WEB SITE AND IN/OUTSIDE THE BUSES ARE SUFFICIENT.**

**INTERNAL STAKEHOLDER VIEW**  
**75%** of our employees who participated in the sustainability survey say that...

**IETT IS AN ORGANIZATION, WHICH OFFERS EQUAL OPPORTUNITIES TO EVERY SINGLE MEMBER OF THE SOCIETY IN HAVING AN ACCESS TO ITS TRANSPORTATION SERVICES.**

**AS OF 2013-YEAR END, ALL OF THE BUSES IN OUR FLEET ARE MADE 100% ACCESSIBLE. 1,705 OF THE BUSES HAVE LOW-FLOORS, KNEELING FEATURE AND AUDIO-VISUAL INFORMATION SYSTEMS.**

Our target groups in accessibility context in addition to disabled citizens are people who are overage, pregnant, parents with babies in prams or walking young children, and people with temporary disabilities. Our Accessibility and Disabled Care Coordination Unit made a thorough list of areas where we fall short in terms of accessibility in our service buildings, fleet, bus stops and on our website in 2013 and sped up the improvement activities required. We have been working nonstop here at IETT to meet the demands of all passengers in time through facilities and practices such as our mobile application centre, processing of online card applications and the delivery of overage (above 60) customer cards to the bearers’ addresses, delivery of group student discount cards during the university registration process, buses with bicycle-holders, MobIETT app, Wi-Fi, Charge Units etc. Thanks to the CRM system and the call centre (153) facility, we are able to reply to every kind of request and requirement coming from our customers regarding urban travel immediately. IETT, as an organization of social state understanding, also provides transport service to areas that are not economically viable.

### SUSTAINABLE IMPLEMENTATIONS BY IETT

#### Smart Bus Stops

IETT General Directorate has completed the first phase of dynamic passenger information system by having 750 smart bus stops fitted in the field since 2009, in order to increase customer satisfaction through effective passenger briefing. The smart bus stops, an important component of the Akyolbil Scheme, are the bus stops fitted with a GPRS communication modem, an FM transmitter and a disabled recognition system and LCD pane to display the system messages to the passengers waiting. Through these smart bus stops, the passenger intensity in each stop can be tracked time based, which provides tremendously vital information to line/round scheduling and necessary line/stop optimisations to be made. Disabled citizens can hear what buses to arrive at the bus stop and their line numbers on the FM Radio at 107.9MHz, by simply having their free electroniccards read by the bus stop computer. Most mobile phones also have FM radio receiver feature today which can be handy for this purpose. As soon as the disabled electroniccard is read by the bus stop, the computer sends the information to the central system, which in turn informs the drivers of the presence of a disabled passenger at the bus stop before arrival. As of 2013 year end, there are 885 smart bus stops serving the public in Istanbul, 551 of which on the European side, and 334 on the Anatolian side.



#### MobiETT

Following the field fitting of the smart buses to the fellow Istanbulities’ benefit, the MobiETT app we introduced in August 2013 has been downloaded by in the excess of 370 thousand people. With the improvements and fixes carried out according to the feedback received from the users and passengers, the app has soon turned into a fully operational product for iOS and Android based smartphones. At the moment, the users can see where they are on the map and the nearest bus stops, and find answers to questions such as "which line numbers pass through which stop?, What time they are scheduled for?" and thereby enabling the users to plan their journey even before they go to the bus stop.





EMPLOYEE SATISFACTION

Our employees form the foundation of IETT’s success. In order to realise our strategic objective of **increasing our employees’ motivation, satisfaction and knowledge accumulation**, we have identified four goals;

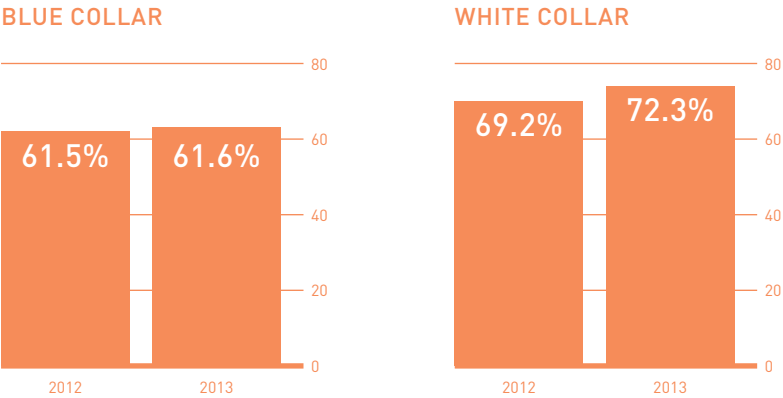
- 1. Increasing job satisfaction, engagement and belongingness rates
- 2. Improving work conditions
- 3. Supporting education and career development
- 4. Maintaining an effective internal communication

In order to reach these goals, we provide equal opportunity via performance based placement practices, celebrate successes, respect the diversity and heed effective communication.

Employee Satisfaction Survey

Every year since 2010, we have been commissioning independent research companies to carry out an employee satisfaction survey on all of our employees on our behalf. Our aim with this research is to gauge our employees’ motivation levels, their loyalty to the organization’s culture, their views on work conditions and management style, and identify the areas where there is a room for improvement and act on them accordingly. The participation rate to the Employee Satisfaction Survey in 2013 has been 86%.

GENERAL SATISFACTION RATE



Bringing to life projects, which increase employee engagement, encouraging innovative ideas within the organization, IETT Leadership Academy activities, rewarding the successful Performance Development System projects under a reward scheme from the beginning of 2013 on, and including the blue collar workers in Performance Development System have been important contributions that raised employee satisfaction rate. In addition to all those, practices such as increasing the training hours per person, the resources dedicated to training, and the communication channels toward the employees, sharing corporate and divisional performance reports with the employees on a regular basis, having the employees’ opinions during individual target setting process have all had a strong impact on the increase of our employees’ motivation.

INTERNAL STAKEHOLDER VIEW

**60%** of our employees who participated in the sustainability survey say that...

THE PERSONAL AND PROFESSIONAL DEVELOPMENT COURSES AND TRAINING THAT IETT PROVIDES FOR ITS EMPLOYEES ARE SUFFICIENT.

Agreement signed with the office workers’ union are the other legislative criteria IETT is bound by. Since our employees’ salaries are arranged according to these legislations, there are no differences between male and female employees’ basic pays. Also the performance bonuses distributed among the white-collar staff are arranged according to the procedures outlined in the Act No. 5393, as well as the results of the Performance Development System. While our employees can enjoy a 20% discount at the social facilities such as cafeterias, restaurants and sports halls etc. belonging to the Istanbul Metropolitan Municipality, the employees in different categories are provided with allowances relevant to their categories, independent from their regular pay.

Remuneration System

The remuneration scheme for our workers and top management is a governmental policy and is executed according to the relevant laws. Salaries of the white collar (office worker) staff is governed by the Civil Servants Act No. 657, as opposed to the salary scheme of the contracted staff, which is governed by the Municipalities Act No. 5393, while the salaries of the blue collar staff are governed by the Labour Act No. 4857. Additionally, the Collective Bargaining Agreement signed biennial with the field workers’ union, and the Social Stability Compensation



BENEFITS PROVIDED TO OUR EMPLOYEES

BENEFITS	WHITE COLLAR	BLUE COLLAR
Food allowance	-	✓
Social assistance	✓	✓
Employer’s Bonus	-	✓
State’s Bonus	-	✓
Clothing support (summer and winter)	-	✓
Staff Transport	✓	✓
Inspection card	✓	-
Childcare Support	✓	-
Ramadan Support	✓	✓
Foreign Language Compensation	✓	-
Education Support	✓	✓
Company Car	✓ (Depending on the position)	-
Company Mobile Phone	✓ (Depending on the position)	-
Free Quarters	✓ (Free Quarters Regulations apply)	-

Employment And Equal Opportunities

In 2013, IETT provided 7,235 jobs for white and blue-collar employees, including Kiptaş staff. Women take up 3.5% of this placement. The reason behind this low percentage of female recruitment is that the 87% consistence of blue collars in our total workforce. Otherwise, the number of female employees within our organization increases every year, including the executive staff as well. As for the disabled recruitment, IETT adopts the state policies. The rate of disabled white collar staff in our organization is above the threshold the law mandates. Since our blue collar staff consists of drivers and maintenance workers, our disabled recruitment rate in that

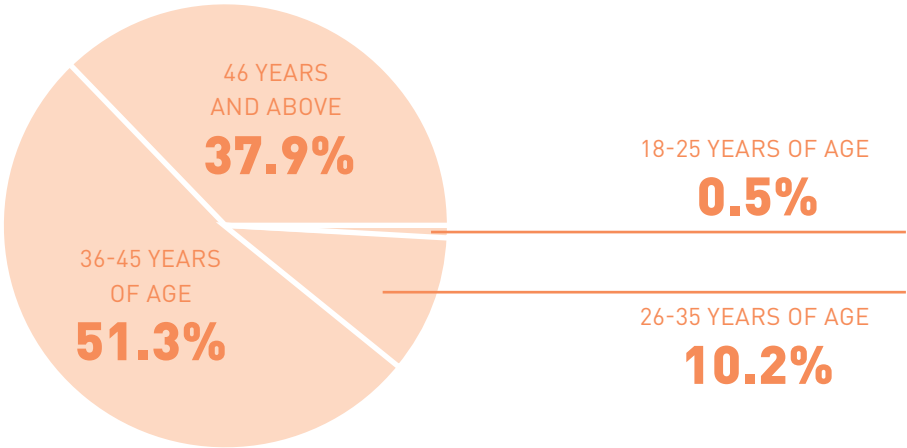
part is very close to the legal threshold. Because our services are offered locally, our staff recruitment is mainly from among the residents of Istanbul. We create an equal opportunities medium in IETT by means of a performance-based placement. With an approach prioritizing the worker’s potential, the management layers are no longer steps dependent on seniority. This approach opened the way for younger employees to be able to be managers, which made the average age of managers drop from 43.4 down to 39.2 during this reporting period.



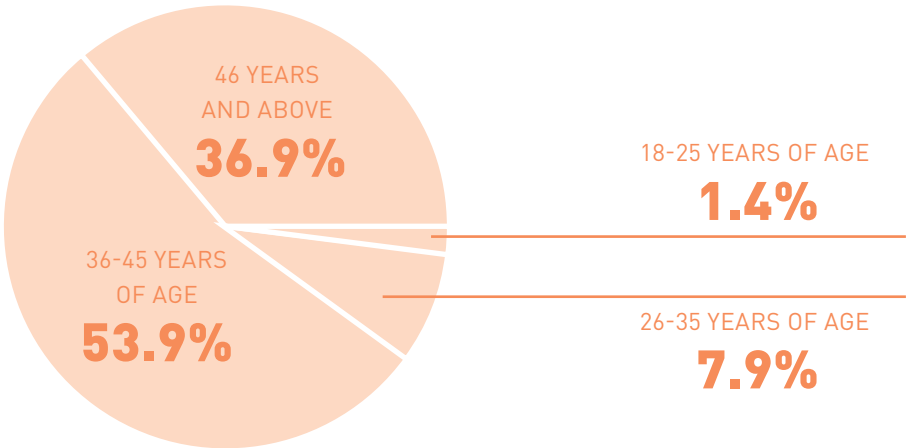


EMPLOYEES BY AGE GROUPS

2012



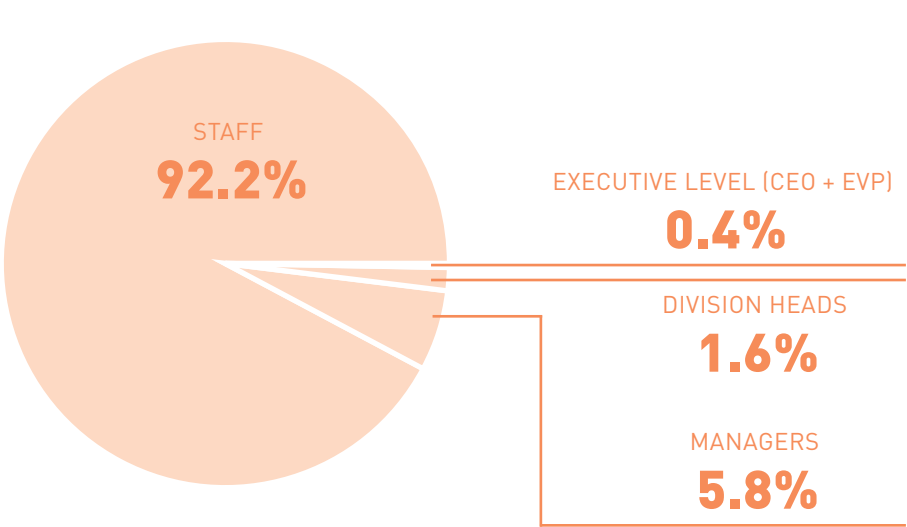
2013



In accordance with the employment policy of IETT, the rate of those bearing high school diploma, associate diploma and degree has increased compared to previous years, while the primary school graduate rate has reduced.

EMPLOYEES BY MANAGEMENT CATEGORY

2013



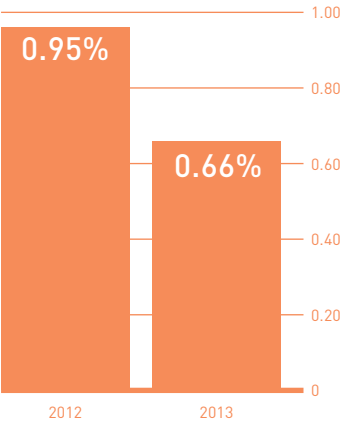
IN 2013, THE NUMBER OF EMPLOYEES WE PROVIDED TRAINING WITH INCREASED BY 44%, WHILE THE TOTAL TRAINING HOURS DOUBLED REACHING TO 186,358 HOURS.

Staff Turnover

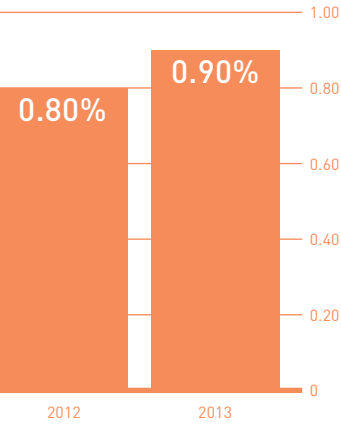
Staff turnover (excluding retired) that illustrates employee satisfaction and belongingness level at IETT turned out to be below targets. The improvements about working conditions, training and development scheme affected turnover rates positively. White-collar staff turnover is also improved by 30%.

TURNOVER RATE

WHITE COLLAR



BLUE COLLAR

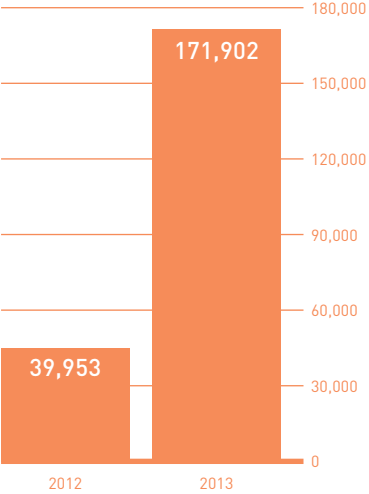


Training And Development Of Our Employees

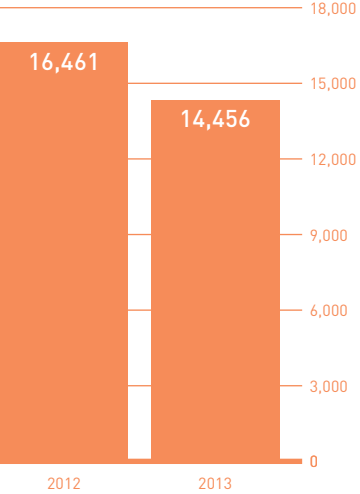
One of the objectives in our strategic plan is **to support training and career development**. The training requirements in IETT are identified in line with information received from ten different channels, around which the Annual Training Plan is formed. The Annual Training Plan contains the strategic target the training is to serve, the source and the target group of the training, and the methods of measurement and evaluation. It is reviewed on a monthly basis and the realisations are observed. Our drivers play an important role in actualization of our services in accordance with our objectives. **The Safe Travelling in Istanbul Project** was planned in 2009, implemented in 2010 and completed in May 2012. The EU-backed project was carried out in cooperation with the Governorship of Istanbul, IETT and Kültür University of Istanbul. 4,469 drivers in total participated in the two-day training sessions. The courses included the employee rights and responsibilities, teamwork, effective communication and customer relations, ethical behaviour principles, stress and time management, preventing health problems due to constant driving and treatment advices, etc. Some of the trainings given to our white collar staff during the reporting period have been; candidate officers basic training, leadership and management concepts, IETT management strategies, helping disabled staff develop their own provisions and capabilities etc., while the blue collar and other staff have received courses on safe and economical driving, individual and corporate approach to customer complaints, psychotechnic, hygiene, handling fire, and security, etc. We have improved our figures on training time allocated per employee significantly by combining different training media such as remote education (e-learning), bus simulators, advanced and safe driving training tracks in the IETT Academy project, which was initiated in 2013. The number of employees who received training at IETT rose by 44%, while the training hours increased by 2.3 times and reached 186,358 hours in 2013.

TRAINING HOURS

TECHNICAL TRAININGS



PERSONAL DEVELOPMENT TRAININGS





## SUSTAINABLE PRACTICES BY IETT

### IETT Academy

Planned to be a body from where all of our internal training would be administered, The IETT Academy was started in 2012 with the subsidy received from Istanbul Development Agency's Financial Support Scheme for Information-Centred Development aiming:

- To raise the service quality in public transport
- To increase customer satisfaction rate
- To reduce traffic intensity with the spread of public transport thereby contributing to the economy positively
- To reduce carbon emission that impacts the environment negatively
- And to train a large number of high-quality drivers in a short period of time by the use of e-training for the first time in the public transportation sector.

IETT Academy has under its roof:

- A simulation centre,
- A psychotechnic evaluation centre,
- A psychological health centre,
- A conference hall and classrooms.

### Leadership Academy

In order to introduce contemporary management techniques to our employees and ignite the formation of strategic mindset that would administer the organization with targets, we have provided 77 leader candidate staff with 10-day Leadership Trainings in Leadership Academy, during the reporting process. The trainings included topics such as strategic mindset and future-focused planning, management with targets, leadership and effective management, awareness and empathic approach and the manager's communication mastery.



**EACH EMPLOYEE AT IETT HAS A RIGHT TO BE A UNION MEMBER. 88.06% OF OUR WHITE-COLLAR STAFF, AND 99.89% OF OUR BLUE-COLLAR STAFF ARE UNION MEMBERS.**

### Human Rights

We express our human rights approach in our ethic policies under the honesty and impartiality clause as follows: **"Our staff may not discriminate anyone for their language, religion, philosophical belief, political view, race or gender or whatsoever reason while performing their duty and letting others benefit from our company's services. They may not engage into behaviour and practices that will be against human rights and freedoms or restricting thereof and preventing the opportunity equality."** Although no specific training under human rights title is provided to employees in IETT, information on workers' rights and working conditions is conveyed during occupational health and safety trainings. In IETT, the human rights compliances are reviewed under workers' rights and work conditions topics. During our reporting process, we did not receive any complaints regarding any discrimination act or human rights violation among our stakeholders, including our employees and the public. We do not have any operations with significant risk of child labour and forced labor. All of our employees serve in accordance with relevant laws and regulations. Our security staff is responsible for protecting human rights under ethic principles. We do not give a designated training about human rights.

### Union Activities

All union member employees of IETT fall under the coverage of collective bargaining agreements. The workforce excluded from this (3 people) has the right to benefit from the rights gained through the collective agreement by paying a monthly solidarity contribution. Everyone who works at IETT has a right to be a union member. 97.73% of the IETT employees are union members. Because of this wide participation, IETT management discusses the issues concerning the employees with the union officials and their workplace representatives. The relationships and communication platforms between the Union and IETT are structurally defined; two Organization Management Committee Meetings a year with white collar workers' unions, and High Committee meetings with the blue-collar workers' unions. As it is stated in the collective agreement for 2012-2014 terms, IETT fulfils its own legal responsibility in calling the parties for the meeting.

## A SUSTAINABLE IMPLEMENTATION BY IETT

### Performance Development System

We implemented the Performance Development System as a government sector first in 2012, where we identified the performance levels expected from the employees in order to accomplish IETT's strategic objectives. We provided that the individual targets set in the system were compatible with the targets and practices in the performance program. We matched the individual targets in Performance Development System with the strategic targets in accordance with the self-assessment work carried out in 2012, which made it very clear who in the organization would be working to achieve what strategic objective. We established the Performance Development System in order to identify and improve individual performance deficiencies. On the other hand, to reward the employees who display outstanding performance, we defined the Performance Assessment Process. In the Performance Development System formation process, we provided all of our employees a one-day course. Following the initial assessments conducted in 2012, we provided the directors, heads of divisions and other employees with feedback courses in November, in order to have a healthier feedback-reporting period. In the system, there are different assessment criteria and different weights for each staff category. We carry out assessments semiannually for white-collar employees, and annually for blue-collar staff. We are planning training programs for the staff, who mark 1 or 2 points on a 7-point scale during assessments in order to develop their competencies.

**IN ORDER TO IMPROVE INDIVIDUAL PERFORMANCE AND REWARD THE EMPLOYEES WHO DISPLAY OUTSTANDING PERFORMANCE, WE ESTABLISHED PERFORMANCE DEVELOPMENT SYSTEM IN IETT.**

## EMPLOYEE COMMUNICATIONS

One of our objectives in our strategic plan is to maintain an **effective internal communication**. We increase the variety of internal communication platforms in order to make sure that we use a common language among the staff at IETT, announce and share all departments' activities in commonly accessible channels for everyone. We achieve internal communication via central portal web site, announcements and declarations, e-mails, billboards, informational billposters, internal bulletins (Bizim Durak/Our Stop) and CCTV broadcast. In an endeavour to increase the employees' motivation, lower the job stress, socialise outside the working hours and to introduce employees from different departments to each other and bond them, the hobbyists clubs were brought to life: Diving, Trekking, Photography, Music, Book and Theatre. Along with our white and blue-collar employees, even the subcontractor company employees' interest and participation in social activities increased in this reporting period. We encourage our employees to take all of their holidays as much as the law allows, for we would like to see them being successful in their lives outside their work as much as they are at work. White-collar staff's weekly work period is forty hours; therefore they do not have any weekend shifts. In order to help our blue-collar workers maintain a healthy work -home life balance, we speeded up the sixth day working hours and overtime hours improvement activities in the past four years, and we got good results. In order to encourage blue collars to take up their holidays and time-offs, we have implemented a plus-point-to-time-off-takers scheme in Performance Development System in 2013.

### I HAVE AN IDEA! SUGGESTION SYSTEM

With the adage "every opinion is valuable" in mind, we have placed a suggestion system and near-miss boxes all around in IETT, to collect our staff's views and evaluate their suggestions. The suggestion system is one of the foundational slabs of the creativity and innovation culture within IETT. The suggestion system that started as an encouragement to develop individual ideas in 2012 was reviewed and restructured in 2013 to be a structure that caters a flow of information for the innovation management. In this new structure, we targeted to reply to these suggestions faster via suggestion coordinators. In this practice, the most innovative suggestions and the best kaizen suggestions are chosen by the coordinators, and conveyed to the top management. The individuals or teams who get the most point at the end of the year are awarded. Every suggestion is replied to by a thank you email, and is informed in every phase of the process. The name **I Have An Idea!** was coined during a Survey Management Module where we were receiving our employees' opinions on certain issues.

## INTERNAL STAKEHOLDER VIEW

**65%** of our employees who participated in the sustainability survey say that...

**THE COMMUNICATION CHANNELS IN IETT THROUGH WHICH THE EMPLOYEES CAN SHARE THEIR VIEWS AND SUGGESTIONS WITH THEIR SUPERIORS AND THE TOP MANAGEMENT ARE SUFFICIENT.**





#### INTERNAL STAKEHOLDER VIEW

**65%** of our employees who participated in the sustainability survey say that...

**IETT TAKES NECESSARY MEASURES SUFFICIENT TO OVERSEE AND SECURE HEALTH AND SAFETY OF ITS EMPLOYEES.**

## OCCUPATIONAL HEALTH AND SAFETY

We have been working by OHSAS 18001 Standard since 2010 for our employees' health and safety of workplace. We finally got OHSAS 18001 Certificate in September 2011. 25 staff completed 300 hours of C Grade Occupational Health and Safety Certified Expert program in 2011 and 2012. By reorganizing Health Operations Department that report to HR and Training Division, we established Occupational Health and Safety (OHS) Department. In 2013, 14 of our engineers got OHS Expert program trainings.

We pay utmost attention to reduce the accidental and illness related risks associated with our employees during public transport services and maintenance and repair activities of our fleet. We constantly aware our employees through trainings organized by Human Resources and Training Division on topics such as; occupational health and safety, basic first aid, fire security, natural disasters and emergency situations, threats in traffic, safe and economical driving.

Training plays a very crucial role in establishing a safe and healthy workplace. OHS trainings are provided to all blue-collar workers at least once a year to reduce accidents. In addition, by corrective and preventive activities and 'almost' feedbacks from employees, we secure system continuity. We regularly measure voice, light, noise, and exhaust emissions at the garages besides the routine occupational safety audits.

At our healthcare service facilities in all service buildings, there are 21 healthcare staff and 5 doctors working. We aim to raise awareness among employees about being overweight and obese by the help of our new expert dietician who started working with IETT in 2013.



## IETT WORKPLACE HEALTHCARE PRACTICES

PREVENTIVE HEALTHCARE PRACTICES	Emergency intervention in emergency situations
	Physical examination, dressing, injection, blood tests
	Arranging medical treatment or referring in necessary cases and arranging rest
	Arranging personal health reports and protocols
WORKPLACE HEALTHCARE PRACTICES	Job entry-termination examination
	Periodical examinations
	Preventive immunity vaccinations
	Health education and advice
	Dietician support
	Psychological support



The Workplace Health and Safety Committee meetings, which are held monthly at our garages are attended by garage managers and IETT's Occupational Health and Safety officers, as well as the union representatives on behalf of the employees. These representatives are announced as employee representative in every department and given training before they carry out their duties. By this way, a 100% employee representation is maintained in Occupational Health and Safety meetings in IETT. In line with the collective agreement, IETT promises to have its employees go through a regular health check.

When we look at the work accidents that occurred in IETT garages in 2012-2013, we see 76 incidents across 12 garages, and 67% of these are first aid kit level incidents. In the 2013 reporting period, two full time psychologists began to work at IETT. As their first duty, they held interviews with drivers who were involved in an accident. In the mean time, the mobility chiefs were given a Psychological Health Awareness in the Workplace training.

We target to have periodical health examination performed on staff, who work in the high risk classes, as part of the sickness prevention and risk control processes. Thanks to the systematic follow ups according to OHSAS 18001 principles in the reporting period, the periodical health examination rate has reached to 100%. The Occupational Health and Safety indicators of IETT regarding the 2012-2013 terms are available in **Social Performance Indicators** section of our report.



# ENVIRONMENTAL PERFORMANCE

With our vision to be the environmentally-sensible leading organization that makes urban life easier while managing alternative energy resources, we keep our environmental responsibility in the foreground and adopt sustainability as part of our culture at IETT.

THANKS TO OUR ENVIRONMENT POLICY THAT WE INTEGRATED IN OUR SERVICE LIFE CYCLE, WE INVEST AND ESTABLISH SYSTEMS IN IETT TO LEAVE A LIVEABLE WORLD FOR FUTURE GENERATIONS. IN 2013, OUR LOW CARBON VEHICLE RATIO RAISED TO 100%.

## ENVIRONMENTAL MANAGEMENT

In order to be an environmentalist public institution that creates value for our country and the world and implement innovative projects; IETT established the Energy and Environment Management Directorate in 2012. Under the supervision of this directorate, we defined 5 important strategic targets that serve IETT's strategic objectives of being environmentally conscious and implementing new technologies:

- 1- Managing institutional energy consumption effectively,
- 2- Reducing emissions,
- 3- Use alternative energy sources,
- 4- Saving energy and natural resources.
- 5- Creating awareness about the significance of the environment and natural resources

By means of our efficient environment and waste management model, we were qualified for ISO14001 Environment Management System Quality Certificate in 2011. We identified the risks associated with this standard and planned the necessary actions. In addition to our activities we developed to meet basic resource and energy needs such as oil, electricity, water and gas in more efficient and economical methods; we handle environment protection, waste recovery and disposal operations in our Corporate Energy and Environment Management model context.

We defined our priority material sustainability topics at sustainability workshops and prepared 4E environmental sustainability framework.

### 4E Sustainability Framework

In the management philosophy of IETT named 4E, we define each E as;

**Energy:** Shifting to renewable energy resources

**Economy:** Reducing costs

**Efficient:** Resting on efficiency

**Ecological:** Environmentally conscious

Each encounter to protect environment stands out both with economical and social aspects. These four components of our environment management approach, directly support the 7 strategic objectives in our Strategic Plan.

IN 2013, WE REDUCED OUR WATER CONSUMPTION BY 6% AT ADMINISTRATIVE BUILDINGS AND 19% AT GARAGES BY MEANS OF EFFICIENCY INCREASE IN TREATMENT PLANTS.

## WATER MANAGEMENT

When we identified that water consumption is excessive at the 9 (4 at Asian, 5 at European sides) garages of IETT due to maintenance and cleansing operations; we established the first treatment plant in our industry, Ayazağa Garage Chemical Waste Treatment Plant in 2011.

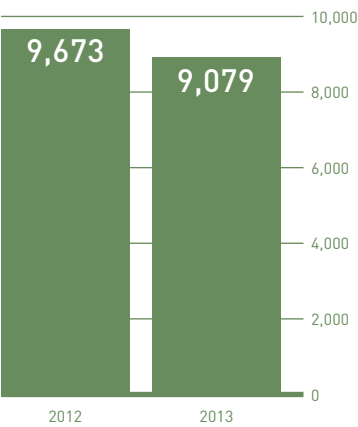
By reusing 144,115 m<sup>3</sup> treated water from bus maintenance and cleansing operations in 2012 and 149,696 m<sup>3</sup> in 2013, we contributed to efficient use of global resources. According to ISKI standards, this saving amount is the equivalent of the annual water consumption of a settlement with 1,000 families of 4 people.

As an environmentally conscious citizen, we established and activated 10 treatment plants in 2001-2012 period. 5 industrial wastewater treatment plants and 1 grease capturing unit were activated in 2001-2009 period and 2 industrial wastewater treatment plants and 2 grease capturing units were activated in 2009-2012 period.

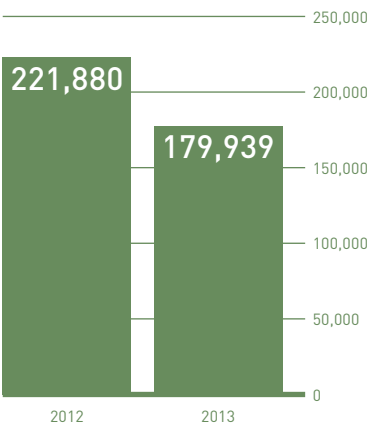
Industrial wastewater from maintenance and bus cleansing operations is discharged to sewer system after physical and chemical treatment. All 10 plants own Discharge Quality Control Licences specified by ISKI Procedure of Wastewater Discharge into Sewer System. Also, our wastewater discharge amount is within the limits of this procedure.

## WATER CONSUMPTION (1,000 m<sup>3</sup>/year)

### ADMINISTRATIVE BUILDINGS



### GARAGES



By reducing water consumption per employee, we saved 6% at administrative buildings and by means of efficiency increase at treatment plants, we reduced our water consumption by 19% at the garages.





WE ACCOMPLISHED 83% VALUE ADDED WASTES INCREASE BY THE WASTE MANAGEMENT SYSTEM WE DEVELOPED AT IETT. WE ALSO WORK ON GENERATING ELECTRICITY FROM WASTE GREASE.

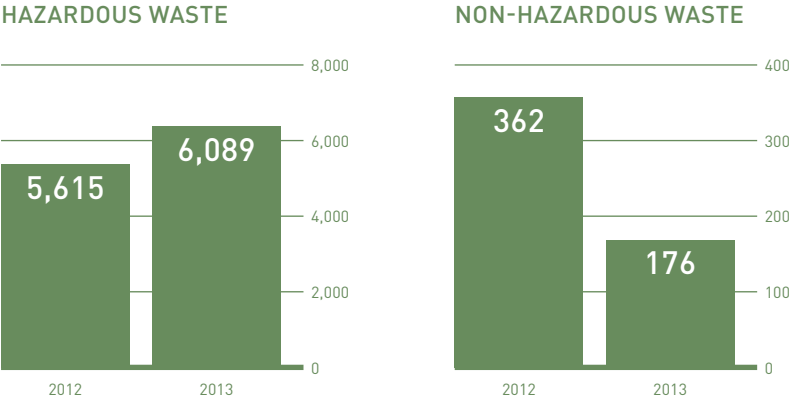
WASTE MANAGEMENT

We planned waste management process under ISO 14001 Environment Management System scheme. In this context, we began to establish contracts and protocols with waste disposal companies to dispose all our hazardous and non-hazardous waste created by our operations. As IETT, we renovated our waste storage areas and developed our own waste management system. Now, we are able to recover 80% of waste engine grease that amount to 400 thousand kilograms yearly. Some of our waste can be reused in industries as raw material due to their contents such as tires. By recovering waste, we prevent our potential damage and contribute to our country’s economy. Each year, 180-200 thousand tons of tires are disposed in Turkey. We know how important it is to recover and recycle tires for the economy and environment. Hence, we maintain the reuse of tires and save them becoming waste by applying recoating techniques. We accomplished 83% increase in value added wastes by the waste management system we developed. We also continue working on electricity generation technologies from waste engine grease.

The amount of waste grease dropped in the reporting period because new buses added to the fleet do not need grease replenishment soon due to their advanced technologies. Our hazardous waste amount increased by 8% because of the increase in number of tires at the end of their economic cycles. On the other hand, our non-hazardous waste reduced by 51%.



WASTES (1,000 tons)



INTERNAL STAKEHOLDER VIEW

63% of our employees who participated in the sustainability survey say that...

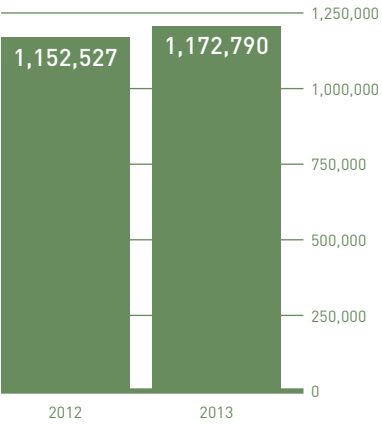
IETT’S ACTIVITIES FOR ECONOMIC AND EFFICIENT USE OF NATURAL RESOURCES ARE SUFFICIENT.



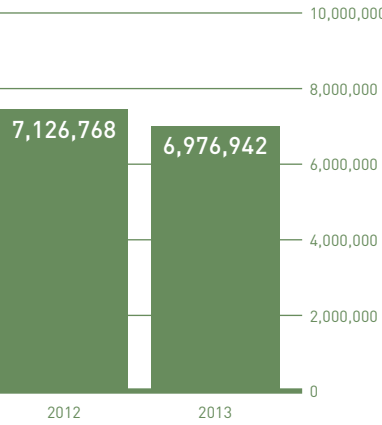
WE REDUCE OUR ENVIRONMENTAL IMPACTS BY INCREASING THE NUMBER OF NEW BUSES THAT USE CNG TECHNOLOGY.

ELECTRICITY CONSUMPTION (kWh)

ADMINISTRATIVE BUILDINGS



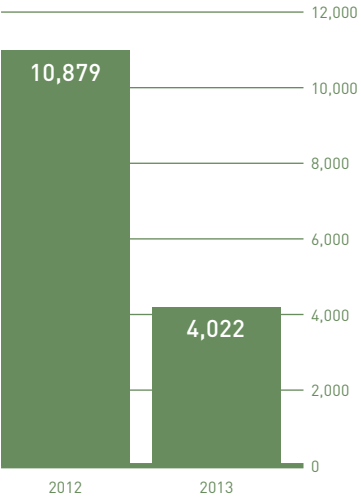
GARAGES



Electricity consumption per employee reduced in 2013 thanks to increased awareness in energy efficiency and use of energy saving devices. In total, electricity consumption reduced by 10% in 2013.

ENERGY CONSUMPTION

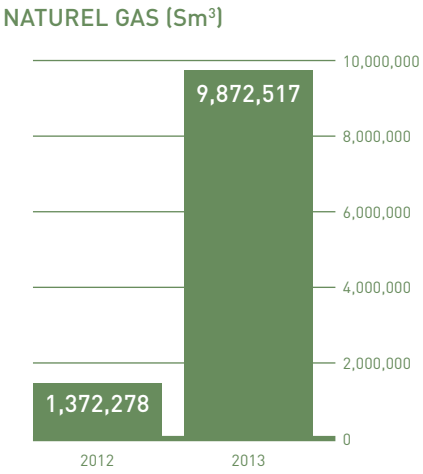
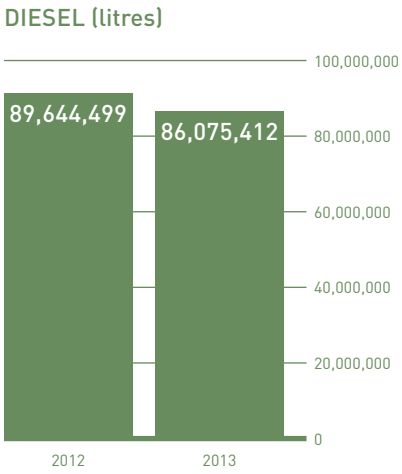
GASOLINE (litres)



By ending the use of petrol operated service vehicles and terminating the use of petrol in component cleansing at Engine Renovation Facility, our petrol consumption reduced by 63%. The gasoline used in 2013 was for the generators.



ENERGY CONSUMPTION



THE FASTEST AND ECONOMICAL WAY TO REDUCE CARBON EMISSIONS IS TO TAKE PREVENTIVE ACTIONS ABOUT ENERGY EFFICIENCY. WE REDUCED FUEL CONSUMPTION BY 3,575,944 LITRES IN 2013 BY SMART DRIVING TECHNIQUES AND FUEL EFFICIENCY ACTIVITIES.

By adding alternative fuel operated vehicles to the fleet and pulling some of the diesel vehicles out of service, our diesel consumption reduced by 4%.

Natural gas consumption increased dramatically due to increase in the number of new buses that use CNG in the fleet.

A SUSTAINABLE IMPLEMENTATION BY IETT  
Energy Efficiency By Smart Driving Techniques (Eco-Driving)

One of the major expenses of IETT is fuel cost that amount to approximately TRY 300 million yearly. Hence, even small improvements in fuel expenditures have high impacts on saving. The basic factors that affect a vehicle’s fuel consumption are acceleration, aerodynamics, brake system, gravity and friction. Besides, the age of vehicle, occupancy rate, influence of Istanbul road conditions and the way of driving all impact the amount of fuel consumption. The results of the study to explore energy efficiency in public transport and impacts of ecodriving on fuel efficiency reveal that

84.8% of the potential improvements in this context can be achieved by making smoother acceleration, slowing down and turns. Statistics show that an IETT bus covers approximately 1.93 km route with 1 litre diesel. By making a 3-5% improvement using smart driving techniques; a bus would cover 2-2.12 km with 1 litre diesel.

IETT aims to reduce driving errors and uses this opportunity to provide bus drivers with trainings on smart driving techniques. These trainings include topics on engine and vehicle technology, emission gas and energy consumption, driver attitude and habits, driving technique and vehicle control, driving techniques under various conditions, basics of economical driving, devices at the buses and their roles.IETT reduced its oil consumption by 3,575,944 litres in 2013 by utilising smart driving technique and fuel efficiency activities.

A SUSTAINABLE PROJECT BY IETT  
Green Garage Project

We plan to initiate a green garage project that will set an example worldwide as part of our objective to leave a liveable world for future generations. A group of IETT officers organized a technical site tour at the West Ham garage at London, UK for benchmarking. The group explored green garage technologies such as; effective and high quality heat insulation, wind power, biomass recovery, green roof implementation, natural ventilation and lighting systems. We plan this green garage to meet most of its energy need from power generated from renewable resources such as wind and sun. Also we aim this garage to have cogeneration and natural lighting systems, biomass tanks and installations for reusing rainwater via rainwater storage. It will be possible to see systems such as green roof implementation, building structure that maximizes the utilization of daylight, grey water systems where rain water is collected, drained and used in vehicle cleansing.

Project tender phase is ready to initiate for the first garage in which the land designation is completed. We also plan the new IETT Head Office Building that will be constructed at Kağıthane district and the hangar and service buildings at the green garage to have LEED Energy Certificate.

INTERNAL STAKEHOLDER VIEW

65% of our employees who participated in the sustainability survey say that...

THE IETT VEHICLES ARE SUFFICIENTLY ECO-FRIENDLY IN TERMS OF EXHAUST GAS RELEASE.

WE PUBLISH PUBLIC TRANSPORT AND PRIVATE CAR CARBON EMISSION CALCULATOR ON OUR WEBSITE TO INCREASE SOCIAL AWARENESS ABOUT CARBON FOOTPRINT AND ENCOURAGE PUBLIC TRANSPORT USAGE.

EMISSIONS MANAGEMENT

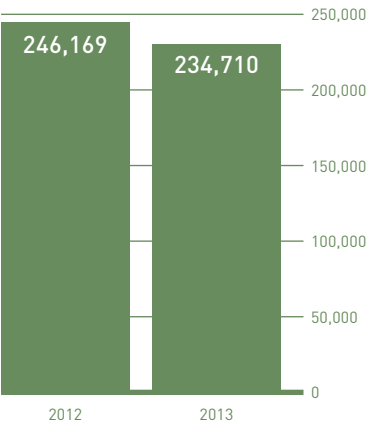
Emissions management; the most essential component of the fight against climate change that threatens many countries as well as global development, is an indispensable part of IETT’s environment management system. IPCC Intergovernmental Panel On Climate Change reports reveal the fact that greenhouse gas emissions, the major cause of global climate change, are created mainly by human activities and specifically use of fossil fuels such as coal.

Regulation on Monitoring Greenhouse Gas Emissions that became effective in 2012 forms the basis for developing climate protection policies and practices necessary for fighting against climate change in Turkey. Although this regulation does not include public transportation sector directly, at IETT, we started the calculations and reporting in ISO 14064-1 framework in 2011 to be able to gauge greenhouse gas emissions produced from all operations and thereby developing projects to reduce it. We take into account 4 administrative and service buildings and 15 parking, maintenance and repair garages of IETT when calculating our greenhouse gas emissions. We also include the daily operations of each vehicle in the calculation of emissions. The values we monitor help us develop precautions to reduce emissions.94% of the total greenhouse gas emissions produced by IETT result from fuel consumption of the vehicles. Other sources of emissions are electricity consumption, air conditioning at the buses and offices, water

consumption and business travels, office equipment and waste that produce small amounts of emissions. In order to reduce fuel consumption and related emissions, IETT pays utmost attention to check tire pressure before each travel, provide drivers with environmentally conscious driving techniques trainings, choose appropriate tires and change engine grease regularly during periodical vehicle maintenance.To be able to gauge exhaust emissions of our vehicles on our own, we got TS12047 Authorized Vehicle Service Centre Qualification Certificate and Exhaust Emission Measurement Qualification Certificate from Environment and Urbanization Provincial Directorate. In addition, by means of mobile emission devices procured for of each garage, we are able to inspect emissions in the field and measure exhaust emissions of privately owned public transport buses (ÖHO) at yearly physical examinations since 2013.



BUS AND METROBUS ORIGINATED GREENHOUSE GAS EMISSIONS (CO<sub>2</sub> equivalent tons)



Due to increased fleet number, reduced average age of fleet and new energy efficient vehicles, we achieved a 5% reduction in greenhouse gas emissions produced by vehicles in the reporting period.

SUSTAINABLE IMPLEMENTATION BY IETT

IETT Forest

Reports of IPCC Intergovernmental Panel On Climate Change list deforestation as one of the major factors that cause global climate change. As a sign of sensitivity in reducing greenhouse gas emissions, IETT sowed 2,000 pine, cypress, acacia and ash tree saplings in the 10 thousand square metres field of the old mine at Kemerburgaz Akpınar Village, thereby creating the IETT Forest in memory of the 140th anniversary.



Carbon Footprint Calculation Module

Carbon footprint is measured in unit carbon dioxide and it is the scale of environmental damage caused by greenhouse gas amount that human activities produce (source: vikipedi). IETT developed the Carbon Footprint Calculation Module to raise awareness and attract attention in the essence of public transportation and the environmental damage caused by using private cars. The module published on the official website for use of Istanbul citizens aims to promote public transportation and reduce carbon emissions produced by traveling at Istanbul.



Supporting Clean Energy Investment

In order to reduce its impacts on climate change, IETT offsets its carbon footprint from publishing Bizim Durak (Our Stop) magazine with the credits of myclimate Türkiye’s carbon reduction projects with Gold Standard certificate. So, IETT supported the construction of a wind farm and 6 wind turbines and helped the provision of clean energy to more than 100 thousand people with.

Project Of Converting Diesel Engines To CNG Engines

CNG (pressurised natural gas) Engine Conversion Project is initiated by IETT firstly to reduce exhaust emissions and secondly to reduce administrative costs by using natural gas, which is an economic fuel. In the context of this project, the engine conversion of 100 0345 buses having level Euro 2 exhaust emission measures to 100% CNG type began at Hasanağa Garage. The decision to convert 120 buses is made and 65 of them are completed in 2013. IETT’s investment in this project amounted to approximately TRY 9.5 million in the reporting period.



Other Practices

IETT shortens the distance taken without passengers named as dead kilometres through studies held on the basis of allocating bus routes to garages, thereby reducing fuel consumption by 2% minimum. IETT makes vehicle procurement decisions with the objective of noise free environment and happy community. Therefore, IETT ensures that the noise level in and around a bus is kept below 80dB(A) in accordance with the restrictions demanded from producers. Thanks to exhaust discharge systems established at the garages, IETT protects its employees’ health and renders greenhouse gas harmless. It also measures exhaust emissions of public buses, and carries out inspecting and regulating tasks related with EU norms on emissions.

APPENDIX

PERFORMANCE INDICATORS TABLES

ECONOMICAL PERFORMANCE INDICATORS

ECONOMIC VALUE DISTRIBUTED TO STAKEHOLDERS	UNIT	2012	2013	GRI
Administration and capital expenditures (supplier payments, etc.)	TRY 1,000	824,615	1,421,232	EC1
Benefits provided to financial institutions (interest, etc.)	TRY 1,000	91,411	40,031	EC1
Benefits provided to employees (wages, social security payments, etc.)	TRY 1,000	405,224	405,880	EC1
Benefits provided to the community (donations, sponsorships, etc.)	TRY 1,000	2,054	2,445	EC1
Other (lending)	TRY 1,000	239	302	EC1
FINANCIAL ASSISTANCE RECEIVED FROM GOVERNMENT	UNIT	2012	2013	GRI
Revenues from KİTs (public economic enterprises) and state-owned banks	TRY 1,000	11,887	15,725	EC4
Donations and aids provided by other government administrations	TRY 1,000	391,264	388,125	EC4

SOCIAL PERFORMANCE INDICATORS

WORKFORCE	UNIT	2012	2013	GRI
Total	Number	6,802	7,235	LA1
White Collar (Officers) - Female	Number	211	237	LA1
White Collar (Officers) - Male	Number	644	677	LA1
Blue Collar - Female	Number	23	20	LA1
Blue Collar (Including Kıptaş) - Male	Number	5,924	6,301	LA1
BY CONTRACT	UNIT	2012	2013	GRI
White Collar Full-time / Permanent - Female	Number	187	218	LA1
White Collar Full-time / Permanent - Male	Number	568	656	LA1
White Collar Contractor - Female	Number	24	19	LA1
White Collar Contractor - Male	Number	76	21	LA1
Blue Collar- Female	Number	23	20	LA1
Blue Collar- Male	Number	5,924	6,301	LA1
BY GENDER	UNIT	2012	2013	LA1
Male	Number	5,136	4,767	LA13
	Rate	95.6%	94.9%	LA13
Female	Number	234	257	LA13
	Rate	4.4%	5.1%	LA13
BY AGE (KİPTAŞ NOT INCLUDED)	UNIT	2012	2013	GRI
18-25 Years	Number	29	68	LA13
	Rate	0.5%	1.4%	LA13
26-35 Years	Number	549	396	LA13
	Rate	10.2%	7.9%	LA13
36- 45 Years	Number	2,756	2,706	LA13
	Rate	51.3%	53.9%	LA13
46 Years and above	Number	2,036	1,854	LA13
	Rate	37.9%	36.9%	LA13
BY MANAGEMENT CATEGORY	UNIT	2012	2013	GRI
Executive Level (CEO and EVPs)	Number	4	4	LA13
	Rate	0.5%	0.4%	LA13
Division Heads	Number	14	15	LA13
	Rate	1.6%	1.6%	LA13
Managers	Number	53	53	LA13
	Rate	6.2%	5.8%	LA13
Staff	Number	784	849	LA13
	Rate	91.7%	92.2%	LA13
OTHER GROUPS	UNIT	2012	2013	GRI
Disabled	Number	189	185	LA13
	Rate	%3,5	%3,7	LA13
DISTRIBUTION OF FEMALE EMPLOYEES	UNIT	2012	2013	GRI
Executive Level (CEO and EVPs)	Number	0	0	LA13
	Rate	0.0%	0.0%	LA13
Division Heads	Number	0	0	LA13
	Rate	0.0%	0.0%	LA13
Managers	Number	4	5	LA13
	Rate	1.9%	2.1%	LA13
Staff	Number	207	232	LA13
	Rate	98.1%	97.9%	LA13



		TOTAL WORKFORCE		FEMALE EMPLOYEES		
OCCUPATIONAL HEALTH AND SAFETY TRAININGS	UNIT	2012	2013	2012	2013	GRI
Total OHS trainings	Hours	3,080	12,230	220	454	LA7
Employees who took OHS trainings (engineers)	Number	14	2,044	1	104	LA7
OHS training hours [1,340 people]	Average Hours	220	6	220	4.4	LA7

ACCIDENTS (BLUE-COLLAR STAFF)	UNIT	2012	2013	2012	2013	GRI
All except first aid level minor injuries	Number/Year	23	28	0	0	LA7
With Fatality	Number/Year	1	0	0	0	LA7
Reportable*	Number/Year	11	13	0	0	LA7
Accident Frequency**	Rate	2.3	2.5	0	0	LA7

LOST DAYS (BLUE COLLAR STAFF)	UNIT	2012	2013	2012	2013	GRI
Caused by work related accidents	Days/Year	7,897	186	0	0	LA7
Occupational illness frequency rate	Number/Year	0	0	0	0	LA7
Days of absence ***	Days/Year	33	22	N/A	N/A	LA7

**\* Reportable:** A work related accident when more than 3 days of absence is involved.

**\*\*Accident Frequency:** Number of accidents in one million hours worked.

**AF**=Total number of accidents / (Total number of employeesx300 daysx7.5 hrs) - (Total number of days of absence x7.5 hrs) x 1,000,000

**Fatal Accidents:** Calculated as 7,500 lost days.

**\*\*\*** Days of absence numbers are given without gender distinction.

**N/A:** Not Available

EMPLOYEES WHO TOOK MATERNAL LEAVE (2012-2013)	TOTAL	FEMALE	MALE	GRI
Employees eligible for maternal leave	63	19	44	LA15
Employees who took maternal leave	63	19	44	LA15
Employees who returned to their jobs after maternal leave	100% & 63	100% & 19	100% & 44	LA15
Employees who returned to their jobs and worked for at least 12 months after maternal leave	62	19	43	LA15

TRAININGS PROVIDED TO EMPLOYEES	UNIT	2012	2013	GRI
Total training hours	Hours	56,414	186,358	LA10
Total number of employees trained	Number	4,187	6,038	LA10
White collar	Average Hours	38.30	23.04	LA10
Blue Collar	Average Hours	3.91	15.33	LA10

TRAININGS BY TYPE	UNIT	2012	2013	GRI
Technical trainings	Hours	39,953	171,902	LA10
Personal Development Trainings	Hours	16,461	14,456	LA10

Total training hours include trainings of White and blue collar staff and company staff.

No information is available about trainings by gender. Hence the numbers are given only by white and blue-collar averages.

## ENVIRONMENTAL PERFORMANCE INDICATORS

DIRECT ENERGY CONSUMPTION				
BY PRIMARY ENERGY SOURCE	UNIT	2012	2013	GRI
Natural Gas	Sm³	1,372,278	9,872,517	EN3
	GJ	52,503	377,722	EN3
Diesel	Litres	89,644,499	86,075,412	EN3
	Tons	79,335	76,177	
	GJ	3,437,586	3,300,749	EN3
Gasoline	Litres	10,879	4,022	EN3
	Tons	8	3	
	GJ	358	134	EN3
<b>TOTAL</b>	<b>GJ</b>	<b>3,490,447</b>	<b>3,678,605</b>	<b>EN3</b>

INDIRECT ENERGY CONSUMPTION				
BY PRIMARY ENERGY SOURCE	UNIT	2012	2013	GRI
Electricity	kWh	10,954,046	10,115,947	EN4
	GJ	39,435	36,417	EN4

TOTAL WATER CONSUMPTION	UNIT	2012	2013	GRI
Water (Municipal)	1,000 m³/year	348,805	313,334	EN8

WASTE WATER DISCHARGE	UNIT	2012	2013	GRI
Waste Water Discharge (Sewer System)	1,000 m³/year	144,115	149,696	EN21

DIRECT AND INDIRECT GREENHOUSE GAS EMISSIONS	UNIT	2012	2013	GRI
Direct CO <sub>2</sub> Emissions*	1,000 t	262,457	262,939	EN16
Indirect CO <sub>2</sub> Emissions**	1,000 t	5,233	4,855	EN16
<b>Total CO<sub>2</sub> Emissions</b>	<b>1,000 t</b>	<b>267,690</b>	<b>267,794</b>	<b>EN16</b>

WEIGHT OF WASTE BY TYPE AND DISPOSAL METHOD				
BY TYPE	UNIT	2012	2013	GRI
Hazardous Waste	1,000 t	5,615	6,057	EN22
Non-hazardous waste (save wastewater)	1,000 t	362	176	EN22
<b>Total Waste</b>	<b>1,000 t</b>	<b>5,977</b>	<b>6,233</b>	<b>EN22</b>

BY DISPOSAL METHOD	UNIT	2012	2013	GRI
In Field Storage				
(temporary storage area up to 180 days)	1,000 t	6	6	EN22
Licensed Disposal and Recovery Companies	1,000 t	4,669	5,183	EN22
Disposal (by regular storage, burning etc.)	1,000 t	1,308	1,050	EN22
<b>Total Waste Disposed</b>	<b>1,000 t</b>	<b>5,977</b>	<b>6,233</b>	<b>EN22</b>

## GRI CONTENT INDEX

## PROFILE DISCLOSURES

GRI	STRATEGY AND ANALYSIS	REFERENCES & COMMENTS	REPORTED
1.1.	Statement from the most senior decision-maker	Pages 4-5	Fully
1.2.	Key impacts, risks, and opportunities	Page 24	Fully

GRI	ORGANIZATIONAL PROFILE	REFERENCES & COMMENTS	REPORTED
2.1.	Name of the organization	Page 60	Fully
2.2.	Primary brands, products, and/or services	Pages 6-7	Fully
2.3.	Operational structure	Page 13	Fully
2.4.	Location of headquarters	Page 60	Fully
2.5.	Countries of operation	Turkey	Fully
2.6.	Ownership	Pages 6-7	Fully
2.7.	Markets served	Istanbul	Fully
2.8.	Scale and size	Pages 8-10. IETT is a non-profit government institution under Istanbul Municipality.	Fully

		No shareholders. Asset is given as budget on page 12. Financial tables are given on pages 67-72 of IETT 2013 Annual Report, which is in Turkish and located on our IETT web site. <a href="http://www.IETT.gov.tr/webimage/IETT_FAALIYET_2013_FINAL_SMALL.pdf">http://www.IETT.gov.tr/webimage/IETT_FAALIYET_2013_FINAL_SMALL.pdf</a>	
2.9.	Significant changes	No significant changes.	Fully
2.10.	Awards	Pages 10-11	Fully

GRI	REPORT PARAMETERS	REFERENCES & COMMENTS	REPORTED
3.1.	Reporting period	Page 2	Fully
3.2.	Date of previous report	This is the first report.	Fully
3.3.	Reporting cycle	Every 2 years	Fully
3.4.	Contact	Page 60	Fully
3.5.	Defining content	Pages 21-23	Fully
3.6.	Boundary of the report	Page 2	Fully
3.7.	Limitations	Page 2	Fully
3.8.	Basis for reporting entities	Pages 2, 6-7	Fully
3.9.	Data measurement techniques	Page 19	Fully
3.10.	Re-statements	This is the first report.	Fully
3.11.	Changes	This is the first report.	Fully
3.12.	GRI content index	Pages 53-57	Fully
3.13.	Assurance	Page 58	Fully

GRI	GOVERNANCE & COMMITMENTS	REFERENCES & COMMENTS	REPORTED
4.1.	Governance structure	Page 13	Fully
4.2.	Chairman	Does not exist. IETT is a public institution.	Not
4.3.	Unitary board	Does not exist. IETT is a public institution.	Not
4.4.	Mechanisms for recommendations	Not applicable. IETT is a public institution.	Not
4.5.	Compensation and performance	Not applicable. IETT is public institution.	Not
4.6.	Conflicts of interest	Page 14. Included in ethics guideline.	Fully
4.7.	Qualifications	Pages 13, 40	Fully
4.8.	Mission and values	Page 12	Fully
4.9.	Overseeing sustainability	Pages 14, 24	Fully
4.10.	Evaluating sustainability	Evaluation of sustainability performance is directly linked with realization of strategic objectives and targets.	Fully

4.11.	Precautionary approach	Page 14	Fully
4.12.	External principles	Page 2	Fully
4.13.	Memberships in associations	Page 11	Fully
4.14.	Stakeholder groups	Pages 15-18	Fully
4.15.	Basis for selecting stakeholders	Pages 15-18	Fully
4.16.	Approaches to stakeholder engagement	Pages 16-18	Fully
4.17.	Key topics from stakeholders	Pages 17-18, 22	Fully

DISCLOSURES ON MANAGEMENT APPROACH

GRI G3.1	ECONOMIC PERFORMANCE	REFERENCES & COMMENTS	REPORTED
DMA EC	Economic Performance	Pages 17, 24, 30, 37, 51. Analysis of impacts of climate change does not exist. To be reported in 2016.	Partially
	Market Presence	Pages 17, 24, 30, 37, 51	Fully
	Indirect Economic Impacts	Pages 17, 24, 30, 37, 51	Fully
GRI G3.1	ENVIRONMENTAL PERFORMANCE	REFERENCES & COMMENTS	REPORTED
DMA EN	Materials	Pages 8, 24, 30, 45, 52	Fully
	Energy	Pages 19, 24, 47-48, 52	Fully
	Water	Pages 19, 24, 52	Fully
	Biodiversity	Not relevant. All IETT facilities are located within the city boundaries of Istanbul.	Not
	Emissions, Effluents and Waste	Pages 24, 49-53	Fully
	Products and Services	Pages 19, 24, 46-50	Fully
	Compliance	Page 13. We operate in line with Turkish laws and regulations.	Fully
	Transport	Pages 19, 24, 49	Fully
	Overall	Pages 19, 24, 50	Fully
GRI G3.1	SOCIAL PERFORMANCE (EMPLOYEES)	REFERENCES & COMMENTS	REPORTED
DMA LA	Employment	Pages 24, 39, 51	Fully
	Labor/Management Relations	Pages 19, 24, 40	Fully
	Occupational Health and Safety	Pages 19, 24, 42-43, 52	Fully
	Training and Education	Pages 24, 35-41, 52	Fully
	Diversity and Equal Opportunity	Pages 24, 37-38	Fully
	Equal Remuneration for Women and Men	Pages 24,37	Fully
GRI G3.1	SOCIAL PERFORMANCE (HUMAN RIGHTS)	REFERENCES & COMMENTS	REPORTED
DMA HR	Investment and Procurement Practices	Pages 24, 31, 40	Fully
	Non-discrimination	Pages 14, 24, 40	Fully
	Freedom of Association and Collective Bargaining	Pages 24, 40	Fully
	Child Labor	Pages 24, 40	Fully
	Forced and Compulsory Labor	Pages 24, 40	Fully
	Security Practices	Pages 24, 40	Fully
	Indigenous Rights	Pages 24, 40	Fully
	Assessment	Pages 24, 40	Fully
	Remediation	Pages 24, 40	Fully
GRI G3.1	SOCIAL PERFORMANCE (SOCIETY)	REFERENCES & COMMENTS	REPORTED
DMA SO	Community	Pages 32-34	Fully
	Corruption	Pages 14, 24	Fully
	Public Policy	Pages 28-29	Fully
	Anti-competitive Behavior	Pages 6-7	Fully
	Compliance	Pages 17, 57. We operate in line with Turkish laws and regulations.	Fully
GRI G3.1	SOCIAL PERFORMANCE (PRODUCT RESPONSIBILITY)	REFERENCES & COMMENTS	REPORTED
DMA PR	Customer Health and Safety	Pages 19, 24, 32-35	Fully
	Product and Service Labeling	Pages 19, 24, 32-35	Fully
	Marketing Communications	Pages 24, 32-35	Fully
	Customer Privacy	Pages 19, 24, 33	Fully
	Compliance	No significant fines for non-compliance. We operate in line with Turkish laws and regulations.	Fully


PERFORMANCE INDICATORS

UNGC	GRI	ECONOMIC PERFORMANCE	REFERENCES & COMMENTS	REPORTED
ECONOMIC PERFORMANCE				
	EC1 (Core)	Direct economic value generated and distributed	Pages 17, 37, 51	Fully
	EC2 (Core)	Financial implications due to climate change	As analyses on risks and opportunities due to climate change are not complete, we plan to report and report it in detail by 2016.	Not
	EC3 (Core)	Organization's defined benefit plan obligations	Page 37. All IETT employees have social security.	Fully
	EC4 (Core)	Significant financial assistance received from government	Page 51	Fully
MARKET PRESENCE				
1	EC5 (Add)	Ratios of standard entry level compared to local minimum wage	Page 37. Minimum wages are the same at all locations in Turkey.	Fully
	EC6 (Core)	Policy, practices and proportion of spending on local suppliers	Pages 17, 31. (Local is national)	Fully
	EC7 (Core)	Procedures for local hiring	Page 46	Fully
INDIRECT ECONOMIC IMPACTS				
	EC8 (Core)	Impact of infrastructure investments and services for public benefit	IETT completely invests and serves for public benefit. The whole report as reference.	Fully
	EC9 (Add)	Indirect economic impacts	Page 46	Fully
UNGC	GRI	ENVIRONMENTAL PERFORMANCE	REFERENCES & COMMENTS	REPORTED
MATERIALS				
8	EN1 (Core)	Materials used by weight or volume	Page 69. As IETT is a service company, substantial amounts of materials are not used. Only water could be included in this category.	Fully
8-9	EN2 (Core)	Percentage of materials used that are recycled input materials	Page 45. Use of recycled water.	Fully
ENERGY				
8	EN3 (Core)	Direct energy consumption by primary energy source	Page 52	Fully
8	EN4 (Core)	Indirect energy consumption by primary source	Page 52	Fully
8-9	EN5 (Add)	Energy saved due to conservation and efficiency improvements	Pages 47-48	Fully
8-9	EN6 (Add)	Energy-efficient or renewable energy based products and services, and reductions in energy requirements	Page 48	Fully
6, 8-9	EN7 (Add)	Initiatives to reduce indirect energy consumption and reductions achieved	Page 47	Fully
WATER				
8	EN8 (Core)	Total water withdrawal by source	Page 52	Fully
8	EN9 (Add)	Water sources significantly affected by withdrawal of water	No water resources are significantly affected.	Fully
8-9	EN10 (Add)	Percentage and total volume of water recycled and reused	Page 45	Fully
BIODIVERSITY				
8	EN11 (Core)	Location and size of land owned, leased, managed in protected areas and areas of high biodiversity value	IETT does not own such locations.	Not
8	EN12 (Core)	Description of significant impacts of activities, products, and services on biodiversity	Not applicable. All IETT facilities are located within the city boundaries of Istanbul.	Not
8	EN13 (Add)	Habitats protected or restored	Not applicable. All IETT facilities are located within the city boundaries of Istanbul.	Not
8	EN14 (Add)	Strategies for managing impacts on biodiversity	Not applicable. All IETT facilities are located within the city boundaries of Istanbul.	Not
8	EN15 (Add)	Number of IUCN Red List species	Not applicable. All IETT facilities are located within the city boundaries of Istanbul.	Not
EMISSIONS, EFFLUENTS AND WASTE				
8	EN16 (Core)	Total direct and indirect greenhouse gas emissions by weight	Pages 49, 53	Fully
8	EN17 (Core)	Other relevant indirect greenhouse gas emissions by weight	Pages 49, 53	Fully
7-9	EN18 (Add)	Initiatives to reduce greenhouse gas emissions and reductions achieved	Page 49	Fully
8	EN19 (Core)	Emissions of ozone-depleting substances by weight	Insignificant amount of such emissions are not monitored.	Fully
8	EN20 (Core)	NOx, SOx, and other significant air emissions by type and weight	Insignificant amount of such emissions are not monitored.	Fully
8	EN21 (Core)	Total water discharge by quality and destination	Page 52	Fully
8	EN22 (Core)	Total weight of waste by type and disposal method	Pages 46, 50	Fully
8	EN23 (Core)	Total number and volume of significant spills	Our operations do not create any significant spills.	Fully
8	EN25 (Add)	Water bodies and related habitats significantly affected by organization's discharges of water and runoff	The water used is discharged into municipal sewage; no direct impacts.	Fully



UNGC	GRI	ENVIRONMENTAL PERFORMANCE	REFERENCES & COMMENTS	EPORTED
PRODUCTS AND SERVICES				
7-9	EN26 (Core)	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation	Pages 46-50	Fully
8-9	EN27 (Core)	Percentage of products sold and their packaging materials that are reclaimed by category	Our products or services are not provided in packages.	Fully
COMPLIANCE				
8	EN28 (Core)	Monetary value of significant fines for non-compliance with environmental laws and regulations	No cases of non-compliance with environmental laws and regulations.	Fully
TRANSPORT				
8	EN29 (Add)	Significant environmental impacts of transporting products and other goods and materials used for the organization's operations, and transporting members of the workforce	Page 49	Fully
OVERALL				
7-9	EN30 (Add)	Total environmental protection expenditures and investments by type	Page 50	Fully
UNGC GRI SOCIAL PERFORMANCE (EMPLOYEES) REFERENCES & COMMENTS REPORTED				
EMPLOYMENT				
	LA1 (Core)	Total workforce by employment type, employment contract, and region	Page 51	Fully
6	LA2 (Core)	Total number and rate of employee turnover by age group, gender, and region	Page 39. Turover by gender data does not exist. We plan to report on this by 2016.	Fully
	LA3 (Add)	Benefits provided only to full-time employees	Page 37	Fully
	LA15 (Core)	Return to work and retention rates after parental leave, by gender	Page 52	Fully
LABOR/MANAGEMENT RELATIONS				
1-3	LA4 (Core)	Number and percentage of employees covered by collective bargaining agreements	Page 40	Fully
	LA5 (Core)	Minimum notice period(s) regarding significant operational changes	Page 40	Fully
OCCUPATIONAL HEALTH AND SAFETY				
1	LA6 (Add)	Percentage of total workforce represented in occupational health and safety committees	Pages 42-43	Fully
1	LA7 (Core)	Injuries, occupational diseases, working days lost, absentee rate and work-related fatalities	Page 52	Fully
1	LA8 (Core)	Preventive healthcare counseling and training regarding serious diseases	Pages 42-43	Fully
1	LA9 (Add)	Health and safety topics covered in agreements with trade unions	Pages 42-43	Fully
TRAINING AND EDUCATION				
	LA10 (Core)	Average hours of training per year per employee by employee category	Pages 39, 52	Fully
	LA11 (Add)	Skills management and lifelong learning programs	Page 40	Fully
	LA12 (Add)	Percentage of employees receiving regular performance and career development reviews	Page 41	Fully
DIVERSITY AND EQUAL OPPORTUNITY				
1, 6	LA13 (Core)	Diversity in senior management and employee structure	Page 51	Fully
EQUAL REMUNERATION FOR WOMEN AND MEN				
1, 6	LA14 (Core)	Ratio of basic salary of male and female employees	Page 37	Fully
UNGC GRI SOCIAL PERFORMANCE (HUMAN RIGHTS) REFERENCES & COMMENTS REPORTED				
INVESTMENT AND PROCUREMENT PRACTICES				
1-2-3-4-5-6	HR1 (Core)	Investment agreements that include human rights clauses	We do not have any Investment agreements that include human rights clauses.	Fully
1-2-3-4-5-6	HR2 (Core)	Suppliers that have undergone screening on human rights	Page 31	Fully
1-2-3-4-5-6	HR3 (Add)	Employee training on human rights	Page 40	Fully
NON-DISCRIMINATION				
1-2, 6	HR4 (Core)	Incidents of discrimination and actions taken	Page 40	Fully
FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING				
1-3	HR5 (Core)	Operations with significant risk concerning the freedom of association and collective bargaining	Page 40	Fully
CHILD LABOR				
1-2, 5	HR6 (Core)	Operations with significant risk for incidents of child labor and measures taken	Page 40	Fully

UNGC	GRI	SOCIAL PERFORMANCE (HUMAN RIGHTS)	REFERENCES & COMMENTS	REPORTED
FORCED AND COMPULSORY LABOR				
1-2,4	HR7 (Core)	Operations with significant risk for incidents of forced and compulsory labor	Page 40	Fully
SECURITY PRACTICES				
1-2	HR8 (Add)	Percentage of security personnel trained on human rights	Page 40	Fully
INDIGENOUS RIGHTS				
1-2	HR9 (Add)	Incidents of violations involving rights of indigenous people	Page 40	Fully
ASSESSMENT				
	HR10 (Core)	Percentage and total number of operations that are subject to human rights reviews	Page 40, %100	Fully
REMEDIATION				
	HR11 (Core)	Number of grievances related to human rights filed and resolved by formal mechanisms	Page 40	Fully
UNGC GRI SOCIAL PERFORMANCE (SOCIETY) REFERENCES & COMMENTS REPORTED				
COMMUNITY				
	S01 (Core)	Impacts of entering, operating, exiting on local communities and regions	Pages 32-34	Fully
	S09 (Core)	Operations with significant potential or actual negative impacts on local communities	Pages 32-34	Fully
	S010 (Core)	Prevention and mitigation measures with significant potential or actual negative impacts on local communities	Pages 32-34	Fully
CORRUPTION				
10	S02 (Core)	Business units analyzed for corruption risks	We have not rendered such an analyses.	Fully
10	S03 (Core)	Employee training regarding anti-corruption	Page 14	Fully
10	S04 (Core)	Actions taken in response to incidents of corruption	No cases or incidents of corruption took place.	Fully
PUBLIC POLICY				
All	S05 (Core)	Public policy participation and lobbying	Pages 28-29	Fully
ANTI-COMPETITIVE BEHAVIOR				
	S07 (Add)	Number of legal actions for anti-competitive behavior	No cases or incidents of anti-competitive behaviour.	Fully
COMPLIANCE				
	S08 (Core)	Monetary value of fines for non-compliance with laws	Due to some deficiencies on social security detections in the garages, total of TRY 22,319 fine was accrued.	Fully
UNGC GRI SOCIAL PERFORMANCE (PRODUCT RESPONSIBILITY) REFERENCES & COMMENTS REPORTED				
CUSTOMER HEALTH AND SAFETY				
1	PR1 (Core)	Life cycle stages in which health and safety impacts of products and services are assessed	Pages 32-35	Fully
1	PR2 (Add)	Incidents of non-compliance with regulations concerning health and safety of products	No cases or incidents of non-compliance with regulations concerning health and safety of products	Fully
PRODUCT AND SERVICE LABELING				
	PR3 (Core)	Principles and measures related to product and service information and labeling	Our products and services are not subject to labeling.	Fully
	PR4 (Add)	Incidents of non-compliance with regulations concerning product information and labeling	No cases or incidents of non-compliance with regulations concerning product information and labeling	Fully
	PR5 (Add)	Customer satisfaction practices	Pages 32-35	Fully
MARKETING COMMUNICATIONS				
	PR6 (Core)	Programs for compliance with laws, standards related to marketing communications	We operate in line with Turkish laws and regulations	Fully
	PR7 (Add)	Incidents of non-compliance with regulations related to marketing communications	No cases or incidents of non-compliance with regulations related to marketing communications.	Fully
CUSTOMER PRIVACY				
1	PR8 (Add)	Number of substantiated data protection complaints by customers	No complaints by customers on data protection.	Fully
COMPLIANCE				
	PR9 (Core)	Significant fines for non-compliance concerning the provision and use of products and services	No fines for non-compliance concerning the provision and use of products and services.	Fully



### VERIFICATION STATEMENT

**İstanbul Elektrik Tramway ve Tünel İşletmeleri Genel Müdürlüğü (İETT) – 2012**

**Executive Summary**  
SGS is the world's leading inspection, verification, testing and certification company. Recognized as the global benchmark for quality and integrity, we employ more than 75,000 people and operate a network of over 1,500 offices and laboratories around the world. SGS was contracted by İstanbul Elektrik Tramway ve Tünel İşletmeleri Genel Müdürlüğü (İETT) to carry out the verification of its GHG inventory for the period of 01/01/2012 – 31/12/2012 against the requirements of ISO 14064-1:2006. The conduct of the verification was aimed to meet the requirements of ISO 14064-3:2006, Specification and guidance for the validation and verification of greenhouse gas assertions.

**Roles and Responsibilities**  
The management of İETT is responsible for the organization's GHG information system, the development and maintenance of records and reporting procedures in accordance with that system, including the calculation and determination of GHG emissions information and the reported GHG emissions in its GHG Inventory. It is SGS' responsibility to express an independent GHG verification opinion on the emissions as provided in the İETT's GHG Assertion for the period 01/01/2012 – 31/12/2012.

**Scope and Objective of Verification**  
This engagement covers verification of emissions from anthropogenic sources of greenhouse gases included within the organization's boundary and meets the requirements of ISO 14064-1:2006 including the principles of Relevance, Completeness, Consistency, Accuracy and Transparency.

- The organizational boundary was established following the Operational Location/boundary of the activities in Turkey
- Physical infrastructure, activities, technologies and processes of the organization: operation and maintenance of Public Transportation vehicles (Body and paint shop, engine overhaul and maintenance activities of vehicles, administrative buildings), park garages, operation of tram and subway, tram maintenance workshop, subway maintenance workshop.
- GHG sources, sinks and/or reservoirs included:

Scope 1 - stationary combustion, mobile combustion, fugitive emissions;  
Scope 2 - purchased electricity

- Types of GHGs included: CO<sub>2</sub>, N<sub>2</sub>O, CH<sub>4</sub> and HFCs

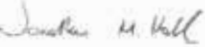
**Level of Assurance and Materiality**  
SGS undertook the verification with the objective of providing a reasonable level of assurance to which a 5% materiality limit was applied to the overall GHG inventory. Uncertainty inherent in the methodology utilised is not taken into consideration in terms of the level of assurance or materiality. SGS planned and performed the work to obtain the information, explanations and evidence that we considered necessary to provide a reasonable level of assurance that the CO<sub>2</sub> equivalent emissions for the period 01/01/2012 – 31/12/2012 are fairly stated. As such the team of assessors undertook the verification exercise, by review of objective evidence, to independently review:


- The GHG Inventory Accounting system design - well-defined data flow and set of control activities
- Whether the CO<sub>2</sub> equivalent emissions are as declared by the organization's CO<sub>2</sub> equivalent assertion
- That the data reported are accurate, complete, consistent, transparent and free of material error or omission.

**Methodology**  
İETT (İstanbul Elektrik Tramway ve Tünel İşletmeleri Genel Müdürlüğü) has commissioned an independent verification by SGS of reported CO<sub>2</sub> equivalent emissions arising from their activities, to establish conformance with the requirements of ISO 14064-1:2006 within the scope of the verification as outlined below. Data and information supporting the CO<sub>2</sub> equivalent assertion were historical in nature and proven by evidence. SGS' approach is risk-based, drawing on an understanding of the risks associated with modelling GHG emission information and the controls in place to mitigate these risks. Our examination included assessment, on a sample basis, of evidence relevant to the voluntary reporting of GHG emission data, calculations and reporting processes from the corporate to facility level.

The assessment included a desk review and site visits to the İETT head office in Istanbul and their operation and maintenance facilities for the Public Transportation vehicles specified above.

**Verification Opinion**  
The GHG information for the period 01/01/2012 – 31/12/2012 disclosing gross emissions of 267,690 metric tonnes of CO<sub>2</sub> equivalent are verified by SGS to a reasonable level of assurance, consistent with the agreed verification scope, objectives and criteria. Based on the information provided and the results of the verification SGS concludes with reasonable assurance that the presented CO<sub>2</sub> equivalent assertion is materially correct and is a fair representation of the CO<sub>2</sub> equivalent data and information, and is prepared following the requirements of ISO 14064-1:2006. This statement has been drafted in English. Should any discrepancies exist between the English version and its translation, the English version shall prevail.

**Authorised by**  
  
**Jonathan Hall,**  
Business Manager



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## Statement

# GRI Application Level Check

GRI hereby states that **İETT General Directorate** has presented its report “Sustainability Report 2012-2013” to GRI’s Report Services which have concluded that the report fulfills the requirement of Application Level A+.

GRI Application Levels communicate the extent to which the content of the G3.1 Guidelines has been used in the submitted sustainability reporting. The Check confirms that the required set and number of disclosures for that Application Level have been addressed in the reporting and that the GRI Content Index demonstrates a valid representation of the required disclosures, as described in the GRI G3.1 Guidelines. For methodology, see [www.globalreporting.org/SiteCollectionDocuments/ALC-Methodology.pdf](http://www.globalreporting.org/SiteCollectionDocuments/ALC-Methodology.pdf)

Application Levels do not provide an opinion on the sustainability performance of the reporter nor the quality of the information in the report.

Amsterdam, 12 September 2014



**Ásthildur Hjaltadóttir**  
Director Services  
Global Reporting Initiative



The “+” has been added to this Application Level because İETT General Directorate has submitted (part of) this report for external assurance. GRI accepts the reporter’s own criteria for choosing the relevant assurance provider.

*The Global Reporting Initiative (GRI) is a network-based organization that has pioneered the development of the world’s most widely used sustainability reporting framework and is committed to its continuous improvement and application worldwide. The GRI Guidelines set out the principles and indicators that organizations can use to measure and report their economic, environmental, and social performance. [www.globalreporting.org](http://www.globalreporting.org)*

**Disclaimer:** Where the relevant sustainability reporting includes external links, including to audio visual material, this statement only concerns material submitted to GRI at the time of the Check on 5 September 2014. GRI explicitly excludes the statement being applied to any later changes to such material.



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