

# Corporate ESG Rating Certificate for GDZ

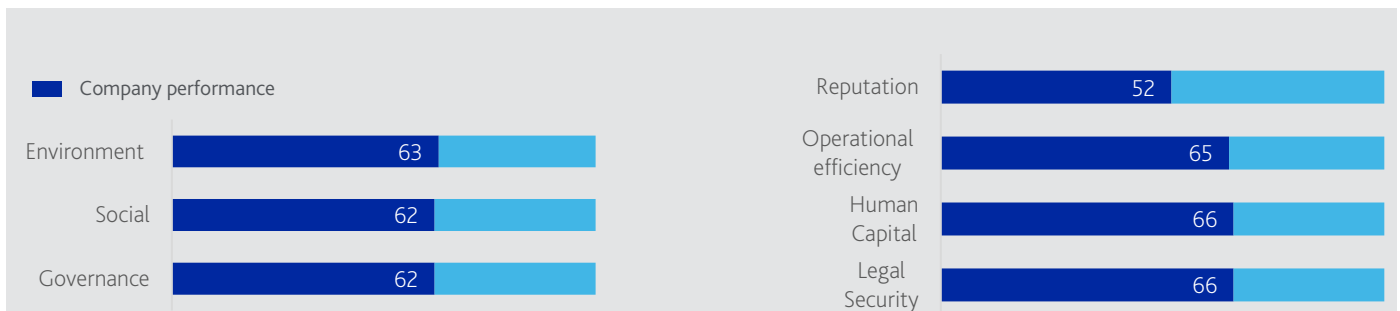
GDZ Elektrik Dağıtım A.Ş. has solicited us to conduct an independent ESG and sustainability rating.

As of July 2022, GDZ Elektrik Dağıtım A.Ş. (GDZ) obtains an A1 rating, based on an overall score of 62/100. GDZ displays a strong capacity and willingness to integrate ESG factors into its strategy, operations, and risk management, with Robust results achieved on managing reputational risks, and Advanced results concerning operational efficiency, human capital, and legal security risks.



*Preliminary note: We assessed GDZ Elektrik Dağıtım A.Ş. (GDZ) at its request in line with our standard rating methodology. This assessment results in an absolute score of 62/100. Since GDZ is not part of our listed issuers universe, this assessment, which benefits from an active dialogue with the company, is not presented in a ranking against these other listed companies, as they may not have benefited from such dialogue. Therefore, the relative A1 Rating serves an indicative purpose only.*

## ESG AND RISKS MANAGEMENT PERFORMANCE (.../100)



## KEY TAKEAWAYS

**Impacts:** GDZ displays a Limited energy transition score (42/100). The main environmental (greenhouse gas emissions, net electricity losses) indicators show positive results, with social (health and safety, turnover, diversity) indicators showing mixed results.

**Risks:** GDZ's risk management system appears comprehensive, covering its most material ESG risks. The company displays Advanced capacity to safeguard and enhance its operational efficiency, human capital cohesion, and legal security, while Robust scores are observed on factors that could affect its reputation.

**Management:** GDZ appears to proactively integrate ESG factors into its governance bodies, strategy, and operations. Its approach is supported by commitments, environmental and health and safety targets, and adequate means and processes addressing most of the material challenges. The absence of controversies strengthens our assurance on the company's management of its relationships with stakeholders.

This issuer-solicited corporate ESG rating was produced using research about GDZ from our database as well as interviews with GDZ's General Manager (CEO), 11 managers, 1 external consultant, and 1 employee representative from GDZ, conducted on July 6<sup>th</sup> and 7<sup>th</sup> 2022.

Our 18-page assessment report was delivered on 22/08/2022, covering 6 domains and 22 sustainability drivers. It is structured around 3 key pillars:

1. The social and environmental impacts of GDZ's products and services, its strategy for the future, and its ability to invest in and create sustainable value;
2. GDZ's capacity to identify and mitigate its ESG risks and to preserve and increase the value of its strategic assets (including reputation, human capital, operational efficiency and legal security);
3. The strategic and operational integration of social responsibility topics in GDZ's governance, operations and reporting, including the balance and dynamics of stakeholder relationships.

Our analysis aims to inform investors, asset managers and other relevant stakeholders of the nature, weighting, and level of integration of ESG factors by GDZ, as well as its ability to identify and mitigate related risks.

## GDZ Elektrik Dağıtım A.Ş.

Electric & Gas Utilities Emerging Market  
July 2022

Established in 2005, GDZ Elektrik Dağıtım A.Ş. is a Turkish electricity distribution company with a private license. It serves two provinces of Turkey: İzmir and Manisa. GDZ has a concession agreement with the Turkish state, which expires in 2036.

London, August 22<sup>nd</sup>, 2022

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