



## KAMUYU AYDINLATMA PLATFORMU

# ÇATES ELEKTRİK ÜRETİM A.Ş. Sustainability Compliance Report 2023 - Annual Notification

### Summary

Sustainability Compliance Report

Related Companies

Related Funds

	Company Compliance Status				Explanation	Report Information on Publicly Disclosed Information (Page number, menu name on the website)
	Yes	Partial	No	Not Applicable		
<b>Sustainability Compliance Report</b>						
<b>A. GENERAL PRINCIPLES</b>						
<b>A1. Strategy, Policy and Goals</b>						
A1.1. The prioritised environmental, social and corporate governance (ESG) issues, risks and opportunities have been determined by the Company's Board of Directors.	X				It is disclosed in the 2022 Sustainability Report.	2022 Sustainability Report - Pages 21-25
A1.1. The ESG policies (Environmental Policy, Energy Policy, Human Rights and Employee Policy etc.) have been created and disclosed to the public by the Company's Board of Directors.		X			The relevant policies are included on the website and in the 2022 Sustainability Report.	<a href="https://www.cates.com.tr/politikalar/index.html">https://www.cates.com.tr/politikalar/index.html</a>
A1.2. The short and long-term targets set within the scope of ESG policies have been disclosed to the public.		X			It is disclosed in the 2022 Sustainability Report, without specifying the period.	2022 Sustainability Report - Page 18
<b>A2. Implementation/Monitoring</b>						
A2.1. The responsible committees and/or business units for the implementation of ESG policies and the senior officials related to ESG issues in the Company and their duties have been identified and disclosed to the public.	X				It is disclosed in the 2022 Sustainability Report.	2022 Sustainability Report - Pages 16,17
A2.1. The activities carried out within the scope of policies by the responsible committee and/or unit have been reported to the Board of Directors at least once a year.	X				The activities that have been performed are presented to the Board of Directors periodically through the HSE and Sustainability Committee.	2022 Sustainability Report - Pages 16,17
A2.2. In line with the ESG targets, the implementation and action plans have been formed and disclosed to the public.		X			In the 2022 Sustainability Report, priority areas have been identified. In the 2023 Sustainability Report, more detailed information will be shared.	2022 Sustainability Report - Pages 21-25
A2.3. The Key ESG Performance Indicators (KPI) and the level of reaching these indicators have been disclosed to the public on yearly basis.			X		Levels of achieving KPIs on a yearly basis are not shared.	
A2.4. The activities for improving the sustainability performance of the business processes or products and services have been disclosed to the public.	X				It is disclosed in the 2022 Sustainability Report.	2022 Sustainability Report - Pages 30-37
<b>A3. Reporting</b>						
A3.1. The information about the sustainability performance, targets and actions have been given in annual reports of the Company an understandable, accurate and sufficient manner.	X				It is disclosed in the 2023 Activity Report.	
A3.2. The information about activities which are related to the United Nations (UN) 2030 Sustainable Development Goals have been disclosed to the public.	X				It is disclosed in the 2022 Sustainability Report.	2022 Sustainability Report - Pages 22,23
					The Company has not become	

<p>A3.3. The lawsuits filed and/or concluded against the Company about ESG issues which are material in terms of ESG policies and/or will significantly affect the Company's activities, have been disclosed to the public.</p>	X			<p>a party to any lawsuit. The management approach and related statements regarding regulatory compliance are disclosed in the 2022 Sustainability Report.</p>	<p>2022 Sustainability Report - Pages 17, 30-32, 36, 37</p>
<b>A4. Verification</b>					
<p>A4.1. The Company's Key ESG Performance metrics have been verified by an independent third party and publicly disclosed.</p>	X			<p>Greenhouse gas calculations have been verified. It is disclosed in the 2022 Sustainability Report.</p>	<p>2022 Sustainability Report - Page 31</p>
<b>B. ENVIRONMENTAL PRINCIPLES</b>					
<p>B1. The policies and practices, action plans, environmental management systems (known by the ISO 14001 standard) and programs have been disclosed.</p>	X			<p>It is disclosed in the 2022 Sustainability Report.</p>	<p>2022 Sustainability Report - Pages 26-33</p>
<p>B2. The environmental reports prepared to provide information on environmental management have been disclosed to the public which is including the scope, reporting period, reporting date and limitations about the reporting conditions.</p>	X			<p>It is disclosed in the 2022 Sustainability Report.</p>	<p>2022 Sustainability Report - Page 1</p>
<p>B4. The environmental targets within the scope of performance incentive systems which included in the rewarding criteria have been disclosed to the public on the basis of stakeholders (such as members of the Board of Directors, managers and employees).</p>		X		<p>Environmental targets included in the relevant reward systems are not disclosed to the public.</p>	
<p>B5. How the prioritised environmental issues have been integrated into business objectives and strategies has been disclosed.</p>	X			<p>It is disclosed in the 2022 Sustainability Report.</p>	<p>2022 Sustainability Report - Pages 16,17, 21-25</p>
<p>B7. The way of how environmental issues has been managed and integrated into business objectives and strategies throughout the Company's value chain, including the operational process, suppliers and customers has been disclosed.</p>	X			<p>It is disclosed in the 2022 Sustainability Report.</p>	<p>2022 Sustainability Report - Pages 16,17</p>
<p>B8. Whether the Company have been involved to environmental related organizations and non-governmental organizations' policy making processes and collaborations with these organizations has been disclosed.</p>	X			<p>It is disclosed in the 2022 Sustainability Report.</p>	<p>2022 Sustainability Report - Pages 39-43</p>
<p>B9. In the light of environmental indicators (Greenhouse gas emissions (Scope-1 (Direct), Scope-2 (Energy indirect), Scope-3 (Other indirect), air quality, energy management, water and wastewater management, waste management, biodiversity impacts)), information on environmental impacts is periodically disclosed to the public in a comparable manner.</p>	X			<p>It is disclosed in the 2022 Sustainability Report.</p>	<p>2022 Sustainability Report - Pages 30-33</p>
<p>B10. Details of the standard, protocol, methodology, and baseline year used to collect and calculate data has been disclosed.</p>	X			<p>It is disclosed in the 2022 Sustainability Report.</p>	<p>2022 Sustainability Report - Pages 30-33</p>
<p>B11. The increase or decrease in Company's environmental indicators as of the reporting year has been comparatively disclosed with previous years.</p>	X			<p>The last 3-year progress of environmental performance indicators other than greenhouse gas emissions was shared in the 2022 Sustainability Report.</p>	<p>2022 Sustainability Report - Pages 30-33</p>
<p>B12. The short and long-term targets for reducing the environmental impacts have been determined and the progress compared to previous years' targets has been disclosed.</p>			X	<p>The company has initially issued a Sustainability Report for the reporting year 2022. This benchmark will be included in future reports in</p>	

				the upcoming years.	
B13. A strategy to combat the climate crisis has been created and the planned actions have been publicly disclosed.			X	A climate crisis mitigation strategy has not been developed.	
B14. The programs/procedures to prevent or minimize the potential negative impact of products and/or services on the environment have been established and disclosed.		X		It is disclosed on the website and in the 2022 Sustainability Report.	2022 Sustainability Report - Pages 20,26,27
B14. The actions to reduce greenhouse gas emissions of third parties (suppliers, subcontractors, dealers, etc.) have been carried out and disclosed.			X	No activities are being carried out for third parties regarding the subject.	
B15. The environmental benefits/gains and cost savings of initiatives/projects that aims reducing environmental impacts have been disclosed.	X			It is disclosed in the 2022 Sustainability Report.	2022 Sustainability Report - Pages 30-33
B16. The data related to energy consumption (natural gas, diesel, gasoline, LPG, coal, electricity, heating, cooling, etc.) has been disclosed as Scope-1 and Scope-2.			X	The total values of Scope 1 and 2 emissions have been disclosed to the public in a verified manner. However, the breakdown of these values has not been disclosed.	2022 Sustainability Report - Pages 31
B17. The information related to production of electricity, heat, steam and cooling as of the reporting year has been disclosed.			X	These data have been considered within the measurements of carbon and water footprint. However, the breakdowns have not been disclosed to the public.	2022 Sustainability Report - Pages 31, 32
B18. The studies related to increase the use of renewable energy and transition to zero/low carbon electricity have been conducted and disclosed.			X	No work has been done on this matter.	
B19. The renewable energy production and usage data has been publicly disclosed.			X	The company does not generate renewable energy. Usage data for renewables has not been disclosed to the public due to incomplete information regarding the exact proportion.	
B20. The Company conducted projects about energy efficiency and the amount of reduction on energy consumption and emission achieved through these projects have been disclosed.			X	Efforts are underway within the company to increase energy efficiency, but this data has not been disclosed to the public.	
B21. The water consumption, the amount, procedures and sources of recycled and discharged water from underground or above ground (if any), have been disclosed.	X			It is disclosed in the 2022 Sustainability Report.	2022 Sustainability Report - Page 32
B22. The information related to whether Company's operations or activities are included in any carbon pricing system (Emissions Trading System, Cap & Trade or Carbon Tax).			X	The company is not part of any carbon pricing scheme. This information has not been disclosed to the public.	

B23. The information related to accumulated or purchased carbon credits within the reporting period has been disclosed.			X	Since there are no accrued or purchased carbon credits, this information has not been shared.	
B24. If carbon pricing is applied within the Company, the details have been disclosed.			X	There is no publicly disclosed carbon pricing activity within the Company.	
B25. The platforms where the Company discloses its environmental information have been disclosed.	X			2022 Sustainability Report is publicly available.	
<b>C. SOCIAL PRINCIPLES</b>					
<b>C1. Human Rights and Employee Rights</b>					
C1.1. The Institutional Human Rights and Employee Rights Policy has been established in the ligh of the Universal Declaration of Human Rights, ILO Conventions ratified by Turkey and other relevant legislation. The policy and the officials that responsible for the implementation of it have been determined and disclosed.		X		It is disclosed in the Human Resources Policy on the website.	<a href="https://www.cates.com.tr/politikalar/insan-kaynaklari-politikasi.html">https://www.cates.com.tr/politikalar/insan-kaynaklari-politikasi.html</a>
C1.2. Considering the effects of supply and value chain, fair workforce, improvement of labor standards, women's employment and inclusion issues (gender, race , religion, language, marital status, ethnic identity, sexual orientation, gender identity, family responsibilities, union activities, political opinion, disability, social and cultural differences, etc., such as non-discrimination) are included in its policy on employee rights.		X		It is disclosed in the Human Resources Policy on the website.	<a href="https://www.cates.com.tr/politikalar/insan-kaynaklari-politikasi.html">https://www.cates.com.tr/politikalar/insan-kaynaklari-politikasi.html</a>
C1.3. The measures taken for the minority rights/equality of opportunity or the ones who are sensitive about certain economic, environmental, social factors (low income groups, women, etc.) along the supply chain have been disclosed.	X			It is disclosed in the 2022 Sustainability Report.	2022 Sustainability Report - Pages 39-43
C1.4. The developments regarding preventive and corrective practices against discrimination, inequality, human rights violations, forced and child labor have been disclosed.	X			It is disclosed in the 2022 Sustainability Report.	2022 Sustainability Report - Page 38
C1.5. Investments in employees (education, development policies), compensation, fringe benefits, right to unionize, work/life balance solutions and talent management are included in the employee rights policy.		X		It is disclosed in the Human Resources Policy on the website.	<a href="https://www.cates.com.tr/politikalar/insan-kaynaklari-politikasi.html">https://www.cates.com.tr/politikalar/insan-kaynaklari-politikasi.html</a>
C1.5. The mechanism for employee complaints and resolution of disputes have been established and related solution processes have been determined.	X			It is disclosed in the Code of Ethics and Code of Conduct document on the website and in the 2022 Sustainability Report.	2022 Sustainability Report- Page 19 <a href="https://www.cates.com.tr/politikalar/etik-kurallar-ve-calisma-ilkeleri.html">https://www.cates.com.tr/politikalar/etik-kurallar-ve-calisma-ilkeleri.html</a>
C1.5. The activities carried out within the reporting period which related to ensure employee satisfaction have been disclosed.			X	Efforts are underway to ensure employee satisfaction, and this metric is being measured; however, these efforts have not been disclosed to the public.	
C1.6. The occupational health and safety policies have been established and disclosed.	X			It is disclosed in the Human Resources Policy on the website.	2022 Sustainability Report - Page 38 <a href="https://www.cates.com.tr/politikalar/insan-kaynaklari-politikasi.html">https://www.cates.com.tr/politikalar/insan-kaynaklari-politikasi.html</a>
C1.6. The measures taken for protecting health, preventing occupational accidents and related statistics have been disclosed.		X		All information other than the accident statistics is disclosed in the 2022 Sustainability Report.	2022 Sustainability Report - Page 36
C1.7. The personal data protection and data security policies have been established and disclosed.	X			It is disclosed on the website.	<a href="https://www.cates.com.tr/kvkk.html">https://www.cates.com.tr/kvkk.html</a>

C1.8. The ethics policy have been established and disclosed.	X			It is disclosed on the website.	<a href="https://www.cates.com.tr/politikalar/etik-kurallar-ve-calisma-ilkeleri.html">https://www.cates.com.tr/politikalar/etik-kurallar-ve-calisma-ilkeleri.html</a>
C1.9. The studies related to social investment, social responsibility, finansal inclusivity and access to finance have been explained.		X		Partially disclosed in the 2022 Sustainability Report.	2022 Sustainability Report - Page 40-45
C1.10. The informative meetings and training programs related to ESG policies and practices have been organized for employees.		X		Training sessions are organized to inform employees about HSE policies and practices. While general information about the conducted sessions has been shared, detailed breakdowns of the trainings have not been provided.	2022 Sustainability Report - Page 5
<b>C2. Stakeholders, International Standards and Initiatives</b>					
C2.1. The customer satisfaction policy regarding the management and resolution of customer complaints has been prepared and disclosed.			X	Although customer satisfaction is not measured, the company's activities are always based on absolute customer satisfaction	
C2.2. The information about the communication with stakeholders (which stakeholder, subject and frequency) have been disclosed.		X		This information has been partially addressed in the 2022 Sustainability Report.	2022 Sustainability Report - Page 20, 21, 40
C2.3. The international reporting standards that adopted in reporting have been explained.	X			It is disclosed in the 2022 Sustainability Report.	2022 Sustainability Report - Page 1
C2.4. The principles adopted regarding sustainability, the signatory or member international organizations, committees and principles have been disclosed.	X			It is disclosed in the 2022 Sustainability Report.	2022 Sustainability Report - Pages 5,20
C2.5. The improvements have been made and studies have been carried out in order to be included in the Borsa Istanbul sustainability indices and/or international index providers.			X	No additional development or work has been conducted on this matter specifically.	
<b>D. CORPORATE GOVERNANCE PRINCIPLES</b>					
D1. The opinions of stakeholders have been sought in the determination of measures and strategies related to sustainability field.	X			It is disclosed in the 2022 Sustainability Report.	2022 Sustainability Report - Pages 16,17
D2. The social responsibility projects, awareness activities and trainings have been carried out to raise awareness about sustainability and its importance.	X			It is disclosed in the 2022 Sustainability Report.	2022 Sustainability Report - Pages 39-43