

Galata Wind Enerji A.S.

Corporates | Utilities - Non US | **Turkiye** | Entity Rating

Rating Type	Rating ^a	Score	Analysis Type
Entity	2	78	Full Entity
Framework	Not Applicable	Not Applicable	Not Applicable

^a Rating of 1-5, where 1 is the strongest. Date Rating and score assigned: 20 October 2025.

Note: For Framework, analysis types can be green, social, sustainability, sustainability-linked, conventional, or other.

Key Rating Drivers

- Sustainable Fitch has affirmed Galata Wind Enerji A.S.'s (Galata) Entity Rating at '2'. This reflects the contribution of the company's business activities to climate change mitigation, as a pure-player renewable energy generation company in Türkiye.
- Galata's environmental profile continues to be supported by strong policies covering key environmental material issues, comprehensive environmental reporting and a net-zero emissions commitment. The company's worsening trends in carbon emissions and natural resource management over the past four years remain constraining factors for a higher rating.
- The absence of employee or contractor fatalities, permanent disabilities or serious injuries over the past three years supports the rating. The rating is limited by the lack of an internal audit function, which is performed by the parent entity, and by the limited transparency on management remuneration, which is not commonly reported in Türkiye.

Source: Sustainable Fitch



Sustainable Fitch assigns the pure-player label to companies whose business is intrinsically or strategically focused on environmental or social advancements. We find Galata meets the criteria to be an environmental pure player. For more information on our pure-player label, see Appendix 6 of the Sustainable Fitch Rating Methodology.

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The Entity – Highlights

Galata is a pure-player renewable electricity producer headquartered in Uskudar, Istanbul, operating wind and solar power plants across Türkiye. Established in 2006 and acquired by Dogan Sirketler Grubu Holding A.S. (Dogan Holding) on 29 June 2012, its shares have traded on Borsa Istanbul since 22 April 2021. The company generated about TRY2.36 billion in revenue in 2024 (around USD82 million at year-end exchange rates).

Galata operated with 68 employees at end-2024 and managed three wind power plants, two solar power plants and one hybrid solar power plant, with a total installed capacity of 297.2MW, up from 290MW in 2023. The 7.2MW increase came from commissioning Phase 1 of the Taşpınar power plant (9.4MW in December 2023 and an additional 7MW in June 2024), bringing the plant to 16.4MW, operational by end-2024.

The company generates carbon reduction certificates linked to its solar and wind power plants, certified under the Gold Standard and Verified Carbon Standard by VERRA, which has resulted in the avoidance of 460,000tCO₂ emissions in 2024, up from 411,000tCO₂ in 2023. However, due to low voluntary market prices, no carbon credit sales were realised in 2024.

Galata also specialises in designing and installing rooftop solar power systems as well as researching energy storage and battery technologies and electric vehicle charging stations through its wholly owned subsidiary, Sunflower Solar.

We grant Galata the pure-player label as its business activities of power generation by wind and solar plants have a substantial positive environmental impact by directly contributing to climate change mitigation, and none of its activities have negative impacts on the environment or society.

We continue to view Galata's environmental profile, rated as '2', as good. The company shows excellent performance in policies, disclosure of emissions and natural resource metrics, and risks and incident treatment. There was a positive development in several environmental metrics in 2024 relative to 2023, though the deterioration or limited improvement across most metrics over the past four years, largely driven by rapid expansion of renewable power assets, has constrained achievement of a higher rating.

We continue to view Galata's social profile, rated as '2', as good. Positive drivers include effective enforcement of human and labour rights, evidenced by zero fatalities and no permanent disabilities among employees and contractors over the past three years, and an absence of evidence of negative social incidents. Constraints include a still male-dominated workforce, though this is typical for the sector and is improving versus the prior review, and a high reported gender pay gap.

We continue to view Galata's governance profile, rated as '2', as good. Performance remains strong in financial reporting and tax management, and the board composition is relatively balanced. Constraints persist, including the absence of an internal audit function at the subsidiary level (with audit activities performed by the parent), the lack of disclosure on the CEO pay ratio, and limited detail on management remuneration components.

Galata's sustainability strategy is grounded in a double materiality assessment aligned with Türkiye Sustainability Reporting Standards (TSRS) and European Sustainability Reporting Standards (ESRS), embedding impact and financial materiality into governance. Its priorities are capacity growth (targeting 576.8MW by 2027 and 1,000MW by 2030), efficiency optimisation and carbon management via verified credits.

Decarbonisation targets include eliminating Scope 1 emissions by end-2025, keeping emission intensity at or below 0.00198tCO₂e/MWh, and zeroing Scope 2 emissions via International Renewable Energy Certificates (I-RECs) from 2024. Galata's overarching commitment is to reach net zero across Scopes 1, 2 and 3 emissions. This commitment is currently materialised in operational net-zero targets covering Scopes 1 and 2 by 2030. It intends to set Scope 3 reduction targets from 2029 onwards, with execution starting in 2030.

Galata's annual sustainability reporting references international standards including the Global Reporting Initiative (GRI), the Sustainability Accounting Standards Board (SASB) sector-specific guidance, and the Task Force on Climate-related Financial Disclosures (TCFD), which we consider in line with market best practices. The inaugural report (2022) aligned with the GRI and SASB guidance. The 2023 report advanced preparations for the Corporate Sustainability Reporting Directive (CSRD) and ESRS by expanding disclosures and obtaining limited assurance from an external auditor on key environmental and social metrics.

In 2024, Galata further aligned its reporting with the CSRD and ESRS, enhanced its TCFD-aligned climate risk and governance disclosures, broadened coverage of double materiality and extended external assurance. Despite its relatively recent entry into non-financial reporting, we view Galata's reporting practices as strong and improving, which is positively reflected in our assessment.

Galata's core business supports contributions to UN Sustainable Development Goals (SDGs) 7 (affordable and clean energy) and 13 (climate action), which it references in its sustainability reporting alongside the actions taken to advance these goals.

The company outlines qualitative initiatives (eg project development and operational efficiency programmes) and reports quantitative measures such as installed capacity growth, renewable generation, emissions intensity and decarbonisation targets. It also notes secondary contributions to additional SDGs through workforce, community and governance initiatives, albeit to a lesser extent.

Source: Sustainable Fitch, Galata sustainability report 2024, TSRS report 2024, annual report 2024

Entity Analysis

Broader Perspective on Sector

Sector Trajectory	Sustainable Fitch's view
Short Term	- The renewable energy generation subsector is poised for substantial growth in the short term, driven primarily by escalating global commitments to reduce carbon emissions and transition to a low-carbon economy. Governments worldwide are implementing policies and incentives to support renewable energy projects, such as tax credits, feed-in tariffs and renewable energy certificates. These regulatory frameworks are creating a fertile environment for investment in wind, solar and other renewable energy sources. - Additionally, technological advancements are rapidly reducing the costs associated with renewable energy generation. Innovations in solar panel efficiency, battery storage and grid integration are making renewable energy more competitive with traditional fossil fuels. The growing consumer and corporate demand for sustainable energy solutions creates further market opportunities, as more entities commit to achieving net-zero emissions by 2030. - The renewable energy generation subsector faces several significant challenges despite this promising outlook. One of the foremost issues is the intermittency of renewable energy sources such as wind and solar, which can lead to instability in energy supply. This necessitates substantial investments in energy storage solutions and grid infrastructure to ensure reliability and efficiency. - Another challenge is the regulatory and permitting hurdles that can delay the deployment of renewable energy projects. Navigating the complex landscape of local, national and international regulations can be time-consuming and costly. - The sector is also facing increased competition, both from within the renewable energy sector and from traditional energy companies diversifying their portfolios. This competitive pressure could squeeze profit margins and make it harder for smaller companies to thrive. Supply chain disruptions, as seen during global events such as the Covid-19 pandemic, can also pose risks to the timely availability of critical components such as solar panels and wind turbines. - From a sustainability perspective, the renewable energy generation subsector presents both significant opportunities and challenges. On the environmental front, the shift towards renewable energy is crucial for mitigating climate change and reducing GHG emissions. - However, social and governance considerations must also be addressed. The development of large-scale renewable energy projects can sometimes lead to social conflicts, particularly regarding land use and community displacement. Ensuring transparent, inclusive and fair practices in project development is essential for maintaining the social licence to operate. - Governance challenges include ensuring ethical supply chains, particularly

Broader Perspective on Sector

Sector Trajectory	Sustainable Fitch's view
	concerning the sourcing of materials such as rare earth metals, which are critical for renewable technologies but often associated with human rights abuses and environmental degradation. Companies that proactively address these sustainability concerns will build resilience and trust with stakeholders in the short term leading up to 2030.
Long Term	- We expect the renewable energy generation subsector to continue its robust expansion past 2030, fuelled by the ongoing global imperative to combat climate change and achieve sustainable development goals. Long-term commitments from governments and international bodies to phase out fossil fuels and achieve net-zero emissions by mid-century will likely result in incremental policy support and financial incentives for renewable energy projects. - Technological innovations will continue to play a pivotal role, with advancements in energy storage, smart grid technologies and next-generation renewable energy sources, such as advanced PV and offshore wind, enhancing efficiency and reducing costs. The increasing electrification of various sectors, including transportation and industry, will also drive up demand for renewable energy. - We expect emerging markets to become significant participants in the renewable energy sector, offering new growth opportunities as they leapfrog traditional energy infrastructure in favour of cleaner alternatives. - Despite the long-term growth prospects, the renewable energy generation subsector will face enduring challenges that need to be addressed to sustain its trajectory. One of the primary challenges will be the integration of high levels of renewable energy into the global energy grid, which requires sophisticated management and substantial investments in grid modernisation and energy storage solutions. - The sector will also need to navigate potential resource constraints, particularly concerning the availability of materials essential for renewable energy technologies, such as lithium, cobalt and rare-earth elements. These constraints could lead to supply chain vulnerabilities and increased competition for resources. - The environmental footprint of renewable energy infrastructure, including land use and habitat disruption, will need careful management to avoid negative biodiversity impacts. The evolving regulatory landscape, with increasingly stringent environmental and social governance requirements, will necessitate continuous adaptation and compliance efforts from renewable energy companies.

Source: Sustainable Fitch

Entity Analysis

Broader Perspective on Company

Sector Trajectory	Sustainable Fitch's view
Short Term	- Galata has a clear short-term strategy focused on expanding installed renewable capacity to 576.8MW in 2027 and over 1,000MW by 2030, and is actively taking steps to achieve this through domestic capacity increases and international project development. - By end-2024, Galata's total installed capacity reached 297.2MW (246.7MW wind, 50.5MW solar). The company commissioned 16.4MW of solar through Phase 1 of the Taşpinar hybrid solar power plant in two tranches (9.4MW in December 2023 and 7MW in June 2024). Phase 2 construction reached the final stage in late 2024, with completion and commissioning taking place in 1Q25. - The Taşpinar wind power plant's capacity increase was completed in late 2023, and the Mersin wind power plant's 39MW extension progressed to the final stage of turbine installations and was completed in 1Q25. As a result, Galata had a total installed capacity of 354.2MW at end-2Q25. - Internationally, Galata established Galata Wind Energy Global BV in the Netherlands and is negotiating with two companies to develop around 300MW of PV projects in Europe. Activities were initially planned for 2024, but the annual report notes ongoing negotiations, with completion in 2025–2026 and commissioning targeted for 2026–2027. - These investments come with associated sustainability challenges, particularly increased emissions and environmental footprint from expanding operations. Constructing new power plants is especially energy- and resource-intensive. The company has developed robust environmental policies to minimise waste, energy consumption, carbon emissions and other negative environmental impacts, but has yet to achieve the desired reductions. The coming years will be crucial for addressing these challenges and harnessing opportunities for improvement. - Galata's short-term social strategy focuses on community engagement, promoting social awareness and creating a positive impact on the communities where it operates.
Long Term	- The company's overarching long-term goal is achieving net zero across all operations, covering Scopes 1, 2 and 3 emissions. - Galata is promoting several levers of action to meet this ambitious goal. For Scope 1, actions include phasing out fossil fuel use at sites, switching to low-carbon models of emergency generators, and converting the vehicle fleet to electric vehicles. In 2024, the company achieved a 28.82% reduction in direct mobile combustion emissions by replacing 13 fossil-fuel vehicles with electric vehicles. - For Scope 2, Galata has zeroed market-based Scope 2 emissions for 2024 through I-REC certificates and continues to implement maintenance and performance optimisation and energy-efficiency measures, supported by supervisory controls, data acquisition and predictive maintenance, with an

Broader Perspective on Company

Sector Trajectory	Sustainable Fitch's view
	aim to keep emission intensity at or below 0.00198tCO₂e/MWh through 2026. - The reduction of Scope 3 emissions will prove more challenging, as these emissions lie outside the operational control of Galata. However, Galata advanced supply chain decarbonisation in 2024 by preparing a procurement policy, a supply chain management procedure (to be enacted in 2025), a mandatory code of ethics for suppliers, an ESG risk assessment tool, and a self-assessment questionnaire for critical and high-risk suppliers. - Targets include introducing audit mechanisms for high-risk suppliers and critical supplier monitoring in 2026, addressing transition, physical, social and reputational risks across the supply chain. - Galata's long-term social strategy focuses on building trust through transparent communication and stakeholder dialogue platforms, contributing to local economic and social development and sustaining community programmes. - The company emphasises inclusivity in community initiatives and seeks long-term partnerships with NGOs and local governments to address community needs effectively and support sustainable development, while embedding employee participation through training and volunteering. Galata invested a total TRY21.8 million into social investments in community programmes in 2024. This approach supports securing the social license to operate. - We positively view engaging in partnerships with key community stakeholders to balance and mitigate the challenges that the expansion in Galata's operations will bring.

Source: Sustainable Fitch

Entity Analysis

Business Activities

Company Material

Core Contributions

Environmental

Sustainable Fitch's View

Social

Power generation

Rating 2

- This business activity includes the revenue from the core economic activity of electricity generation from the wind and solar power plants of Galata across Türkiye. It generates revenue from the sale of electricity to clients as well as from the sale of verified carbon credits in voluntary markets.
- It also includes revenue from design of solar power systems and their installation on the roofs of residences, schools, workplaces, gas stations and factories, which is conducted through its subsidiary Sunflower Solar.

Share percent

Represents 100% of revenue.

- We regard Galata as a pure player in the energy sector since its core economic activities are strategically focused on environmental advancements supporting the energy transition of the Turkish market.
- This business activity has an overall positive environmental impact as electricity generation from wind and solar power are widely regarded as reliable renewable sources that directly contribute to the energy transition to low-carbon and more sustainable energy systems through climate change mitigation.
- Türkiye's power sector is a major source of energy-related CO2 emissions, driven by the continued dominance of coal and natural gas. International Energy Agency analyses show that additional wind and solar lower system CO2 emissions and combustion-related air pollutants by displacing fossil fuel generation, with the largest gains when coal is on the margin.
- Lasting emissions reductions will depend on curbing coal use, integrating variable renewables to minimise curtailment and strengthening grids to capture the full environmental benefits.
- Galata plays a key role in the decarbonisation of Türkiye by scaling up renewable energy production.
- Galata had 246.7MW of wind power installed capacity at end-2024, across three onshore wind farms: Şah (105MW), Mersin (62.7MW) and Taşpınar (79MW). It also had 50.5MW of solar power installed capacity across three solar PV farms: Erzurum (24.7MW), Çorum (9.4MW), and Taşpınar hybrid (16.4MW).
- In 2024, revenue from wind electricity sales was TRY2.1 billion (about 89% of total sales), and revenue from solar electricity sales was TRY260.2 million (about 11%).
- The EU taxonomy of sustainable activities recognises the substantial contribution of electricity generation from wind and solar PV technologies towards the climate change mitigation environmental objective.
- This recognition is reflected in the fact that these types of assets are not required to meet specific substantial contribution criteria, such as a carbon intensity threshold or other exclusionary criteria.
- These are outlined under the EU taxonomy categories 4.3

- The generation of electricity has positive social impact, particularly in terms of providing access to energy.
- Renewable energy sources such as wind and solar face the challenge of intermittency, which can affect the stability and reliability of the energy supply, but they also offer benefits in other critical areas. Notably, wind and solar electricity generation greatly reduce air pollution compared to fossil fuel-based energy sources. This reduction in air pollution leads to improved public health outcomes, addressing a major social drawback of traditional fossil fuels.
- Galata has hybrid operations combining wind and solar, and storage-integrated projects in the pipeline, which help mitigate curtailment and intermittency by increasing availability and supporting grid stability.
- Specifically, the Taşpınar wind power plant was converted to a combined renewable energy plant, with the first 16.4MW phase of its hybrid solar power plant commissioned at the beginning of 2024; additional hybrid capacity is planned in phases with targets of 350MWh–410MWh of storage, and a 60MW storage-integrated solar power plant in Ankara, aiming for 2026–2030 commissioning.
- This business activity positively contributes to SDG 7.

Entity Analysis

Business Activities			
Company Material		Sustainable Fitch's View	
Core Contributions		Environmental	Social
Power generation			
Rating	2		
		“electricity generation from wind power” and 4.1 “electricity generation from solar photovoltaic technology”. - Consequently, we can confirm that all of Galata's power plants substantially contribute to the climate change mitigation environmental objective. - Galata generated 459,614tCO2e of verified carbon credits in 2024. However, no carbon credit sales were realised that year due to unfavourable voluntary market prices; accordingly, reported revenue from carbon certificate sales was zero in 2024.	
Source: Galata annual report 2024		Source: Sustainable Fitch, based on Galata sustainability report 2024, TSRS report 2024, annual report 2024	

Entity Analysis

Environmental View

Rating: 2

Profile	Sustainable Fitch's View	Rating
Policies	- We consider the company's environmental policies to be good, and superior to those of peers we have assessed. - The company has an environmental management system certified under ISO 14001:2015 and an energy management system certified under ISO 50001:2018 for all its plants and head office, as part of an integrated management system, which is a good market practice. - Galata actively monitors water consumption and has committed to sustainable resource management, including reducing water use at all operational centres; however, a comprehensive water management system framework beyond these measures is not detailed. - The company's approach to biodiversity and land use remains strong. Its biodiversity policy aligns with the Kunming-Montreal Global Biodiversity Framework and the 2030 European Biodiversity Strategy. In 2024, biodiversity actions included academic collaboration with Akdeniz University and the placement of 50 bird nests and 30 bat nests at the Taşpınar wind power plant with periodic monitoring and reporting. Galata has committed to not operating in protected natural areas or habitats with high ecological value. - Galata monitors waste generation and disposal at all project sites through centralised environmental management, implements circular economy principles, and holds zero-waste certificates for wind power plants. Waste management systems are regularly audited under ISO 14001; life-cycle and circular economy strategies were defined and updated through 2023 and 2024. Practices include safe handling and disposal of hazardous waste by authorised agencies and pursuing recycling routes for materials consistent with sector guidance.	1
Disclosure	- Our view is that the environmental disclosures at the company level are comprehensive. The company regularly monitors its most relevant environmental metrics showcasing its evolution for the past three years. - The company reports its 2024 absolute Scope 1 emissions as 543tCO₂e, location-based Scope 2 emissions as 829CO₂e, market-based Scope 2 emissions as 0tCO₂e, and Scope 3 emissions as 118tCO₂e. - Scope 3 coverage at Galata Wind represents a material perimeter for an electric utility under the Science Based Targets initiative guidance, which identifies category 3 (fuel and energy-related activities) as most significant. Galata Wind reports across categories 1 (purchased goods and services), 3, 4 (upstream transportation and distribution), 5 (waste generated in operations), 6 (business travel) and 7 (employee commuting). - The company reports that its market-based Scope 2 emissions are zero through the use of I-REC certificates for 2024. - Its absolute emissions metrics are complemented by intensity measures, including total GHG emission intensity per energy produced at 0.00198tCO₂e/	1

Environmental View

Rating: 2

Profile	Sustainable Fitch's View	Rating
	MWh in 2024, and intensity by revenue. - Galata's natural resource disclosure is comprehensive. The company provides absolute metrics for energy consumption (2,780MWh in 2024), with 85.8% from fossil fuel sources; water consumption (738m³ in 2024); and waste generation (19,700kg in 2024), broken down by hazardous and non-hazardous as well as the recycling rate (0%). - These are complemented by intensity metrics such as energy intensity (27.6GJ/MW of installed capacity, in 2024) and waste intensity (0.07t/MW of installed capacity in 2024).	
Evolution	- Galata has achieved improvements across most environmental metrics in 2024 versus 2023, which is a promising development. However, the trend across the four years from 2021 to 2024 continues to depict a majority of increases, driven mostly by the expansion of renewable energy projects, which have been factored into our assessment. - Its Scopes 1 and 2 emissions increased steadily across the period, rising in 2022, accelerating in 2023 and growing again in 2024. Scope 3 emissions rose sharply through 2023 (up 501% versus 2021 and 13% vs 2022), then dropped significantly in 2024 (down 74% versus 2023, and 71% versus 2022), though are still 55% higher than in 2021. As a result, its total emissions dipped slightly in 2024 versus 2023 (6% decrease) but remain much higher than in 2021 and 2022 (85% increase versus 2021; 22% increase versus 2022). - Despite this negative trend in carbon emissions, Galata's absolute carbon footprint remains relatively low, owing to its status as a renewable energy pure player. - Its operational resource use in 2024 is lower than in 2023 but remains considerably higher than 2021, except for water consumption. Total energy consumption edged down (3.5% decrease to 2,780MWh) and is higher than 2022 (30% increase versus 2,150MWh) and 2021 (60% increase versus 1,750MWh); water use fell (6.9% decrease to 738m³) and is lower than 2022 (14.5% decrease versus 863m³) and roughly in line with 2021 (4.6% decrease versus 773m³). Waste normalised sharply after an exceptional 2023 (40% decrease to 19.7t), though it remains 11% above 2022 and 109% above 2021. - The primary driver behind the increase in these metrics has been the expansion of Galata's operations, mainly through investments in renewable energy plants. This is beneficial for the transition of the Turkish energy market and contributes to climate change mitigation, but also has an associated environmental footprint, especially during the construction phase of these renewable energy projects.	3
Targets and Supply Chain	Galata has an overarching net-zero goal across Scopes 1, 2 and 3 emissions for all its operations, which is positively reflected in our assessment; in 2024, the company emphasised an operational net-zero 2030 roadmap with near-term	2

Entity Analysis

Environmental View

Rating: 2

Profile	Sustainable Fitch's View	Rating
	elimination of Scope 1 emissions by end-2025 and market-based zeroing of Scope 2 emissions, while Scope 3 calculation and monitoring and reduction programmes are prioritised for 2025–2026. • We consider verifying decarbonisation targets under the Science Based Targets initiative, which Galata has not done, as best practice. • Galata has other relevant environmental targets supporting its sustainability strategy, updated in 2024, such as increasing renewable energy installed capacity to 576.8MW by 2027 and to 1,000MW by 2030; achieving a 15% energy-efficiency improvement by 2025 and transitioning to using 100% renewable energy in all its processes by 2025. • The company also upholds general commitments to reduce its environmental impact by protecting biodiversity, reducing waste and water consumption, mitigating pollution and supporting sustainable development, but these are not backed by specific, time-bound targets. • The company is positively progressing towards meeting the installed capacity targets, as it has increased its renewable energy installed capacity to 297.2MW in 2024 from 290.2MW in 2023 and 269MW in 2022. However, the negative evolution in carbon emissions, reflected in the “Evolution” section of this report, implies that the prospects of meeting the emissions targets has worsened. • Galata promotes environmental due diligence throughout the supplier chain through its procurement policy and supply chain management procedure. Galata screens suppliers using ESG criteria and requires all partners to follow a supplier code of ethics. High-risk suppliers must complete a self-assessment and will be subject to audits starting in 2026 to check compliance. If issues are found, suppliers are required to implement corrective action plans within agreed timelines, and Galata may suspend or terminate contracts if problems are not resolved. • These measures are part of a supply chain procedure prepared in 2024 and rolling out from 2025 to strengthen environmental and social standards across vendors and contractors, and while the process is not yet fully implemented, we expect to assess it positively once it is in place and evidenced through outcomes (eg completed corrective actions and effective audits).	
Risks and Incident Treatment	• We found no evidence suggesting Galata has caused or been involved in any major environmental incidents in the past three years, which is positively reflected in the environmental profile.	1

Source: Sustainable Fitch, based on Galata sustainability reports (2024, 2023, 2022), TSRS report 2024, annual report 2024

Entity Analysis

Social View

Rating: 2

Profile	Sustainable Fitch's View	Rating
Human Rights	- Galata incorporates human rights principles across its business processes, guided by the Universal Declaration of Human Rights and the UN Guiding Principles on Business and Human Rights, and operates mechanisms to prevent violations. It has a dedicated human rights policy. - Galata has been a UN Global Compact signatory since 2022, reflecting its commitment to human rights and responsible business conduct.	1
Labour Rights	- Galata's approach to labour rights is comprehensive, focusing on fair treatment, non-discrimination, employee engagement, supportive work conditions, and effective mechanisms for addressing and resolving complaints, such as whistleblowing mechanisms. - Galata's employee rights policy is publicly disclosed and affirms compliance with the Universal Declaration of Human Rights and relevant Turkish legislation and International Labour Organization conventions ratified by Türkiye. - Galata's employee turnover rate decreased to 7% in 2024 from 16% in 2023, which we assessed positively. - Galata implements an ISO 45001:2018-certified occupational health and safety management system across all its operations. Over the past three years, Galata reports no work accidents or work-related injuries among employees or contractors, and lost time injury frequency rate and near miss frequency rate are both disclosed as zero across sites. This safety record supports a positive assessment of occupational health and safety (OHS) policy enforcement. - In 2024, one employee passed away due to a heart attack, which was not work-related or accident-related and is therefore not counted as a workplace fatality.	1
Diversity	- The rating for this section has been primarily driven by the low performance in gender diversity. However, Galata operates in a sector with structurally low female representation and the company's performance aligns with sector norms while showing positive momentum in management representation and targeted initiatives. - Galata has a male-dominated workforce, with women only accounting for 27.9% of the workforce in 2024, which is slightly below the average 32% women representation in the renewable energy sector, according to the International Renewable Energy Agency (IRENA). The company has set a goal to increase female representation by 3%, and is taking steps to meet this target, as evidenced by the increase from 26.8% in 2023. - Galata's management, on the other hand, showcases a more balanced profile, with women accounting for 45% of managers; this positively deviates from the 28% female management representation in the sector, according to IRENA. This compares favourably both within energy and also against broader Turkish market indicators, where eg women's representation among BIST 50 board members rose from 12.2% in 2016 to 19.4% in 2024.	4

Social View

Rating: 2

Profile	Sustainable Fitch's View	Rating
	Galata is pursuing targeted steps to improve gender representation: widening hiring pipelines for technical roles, setting team-level targets aligned with the 3% goal, and pairing high-potential women with senior mentors through the women's leadership development programme.	
Community and Customers	- The company has anchored customer satisfaction in its vision, and has a customer satisfaction policy and a customer satisfaction management system certified under ISO 10002:2018, which is positive from sustainability perspective. - The company does not disclose a customer satisfaction rate; the 2024 sustainability performance indicators list customer satisfaction rate as not applicable. Galata follows a business-to-business model rather than business-to-consumer, so we view reporting customer satisfaction as less material. - Galata's community engagement strategy centres on sustainable practices and social development, built on transparency, inclusivity and long-term partnerships. The company collaborates with NGOs, local authorities and stakeholders, and runs corporate volunteering via the positive energy ambassadors platform across four themes: equal opportunity in education, gender equality, ecological protection and animal rights. - In 2024, Galata donated TRY19.7 million (0.83% of revenue), with allocations to municipalities, foundations and associations (including Yuvam Dünya), sports clubs, and education scholarships and institutions.	2
Targets and Supply Chain	- Galata's social strategy includes increasing women's participation across engineering and management, supporting local employment at plant sites, and expanding corporate volunteering via the positive energy ambassadors programme. - The company frames several social objectives as general commitments (eg diversity, equity and inclusion prioritisation; local hiring; and community engagement principles). - Galata does not have any specific time-bound targets or management remuneration links tied to social KPIs. - Galata promotes social due diligence across its supply chain through policies and procedures prepared in 2024 and rolling out from 2025 including extending ISO 45001:2018 OHS to outsourced services, requiring an OHS commitment letter and introducing a supplier code of ethics.	3
Risks and Incident Treatment	We found no evidence that Galata has been involved in any externally reported social incidents over the past three years.	1
Source: Sustainable Fitch, based on Galata sustainability reports (2024, 2023, 2022), TSRS report 2024, annual report 2024		

Entity Analysis

Governance View

Rating: 2

Profile	Sustainable Fitch's View	Rating
Financials and Reporting	- The company prepares its consolidated financial statements by applying the Turkish Accounting Standards and the Turkish Financial Reporting Standards published by the Public Oversight, Accounting, and Standards Authority. - There is no information in the remarks of the external auditors that suggests any wrongdoing surrounding Galata's financials, which has been positively reflected in our assessment.	1
Top Management and Control	- Galata operates a traditional two-tier structure: the board of directors defines strategy, manages risks, oversees performance and ensures adherence to governance principles, while an executive board handles day-to-day operations and executes the strategy. - We consider the top levels of Galata's governance to be broadly balanced, though there is scope to improve gender diversity – currently three of 11 directors are women – and national diversity, as all directors are Turkish. - Strengths include diversity of professional background and expertise, with board members spanning business and management, ESG and sustainability, and technical and operational domains. - There are two independent directors on the board; increasing this share could enhance oversight and strengthen checks and balances. - The roles of chair and CEO are separated, supporting good governance. The board has no direct employee representation, but the company has appointed an employee representative to gather information and report periodically to the CEO and/or chief financial officer. - The board is supported by an audit committee composed solely of independent directors, which is a solid foundation. However, Galata has not yet set up its own internal audit unit, which we view negatively. Instead, risk-based assessments and reviews of systems and processes are performed by a Doğan Holding internal audit staff member who reports directly to the audit committee.	3
Remuneration	- The corporate governance committee at Galata (which also serves as the nomination and remuneration committee) drafts and oversees directors' and senior management remuneration policies. Policies are approved annually by the general assembly. The committee comprises three members, including an independent chair and two non-executive directors. - The company maintains a remuneration policy; board and executive compensation includes fixed salary, bonuses and performance-based incentives. However, the specific remuneration break-up (eg fixed versus variable components, short- versus long-term incentives, and any sustainability-linked metrics) and their weightings are not disclosed, which limits transparency. - Galata reports the aggregate benefits granted to board members and senior management in its annual report. However, the company does not disclose the CEO pay ratio and does not indicate that a calculation has been performed. Salary	5

Governance View

Rating: 2

Profile	Sustainable Fitch's View	Rating
	information for the management is not commonly reported in Türkiye.	
Risk Management	- We deem Galata's risk management system to be comprehensive. Galata's framework identifies, assesses and mitigates risks across financial, operational, strategic, information technology and cyber, climate, OHS and regulatory compliance. It is embedded in an ISO-integrated management system and aligned with the Committee of Sponsoring Organizations of the Treadway Commission enterprise risk management standard, with risks prioritised, control effectiveness evaluated and processes reviewed by the early detection of risk committee and reported to the board. - In 2024, the company expanded non-financial risk integration, conducted double materiality workshops and TSRS- and ESRS-aligned analyses, and linked risk scores to financial impact modelling and budgeting. - Galata has policies covering anti-competitive practices, corruption and bribery within its ethics and compliance system. In 2024, ethics oversight continued under the audit committee with 0% notifications of anti-bribery breaches and zero ethics-related reports to the board. - Galata self-reported two corporate governance incidents, one in 2023 and one in 2022, involving monetary sanctions for non-compliance with laws and regulations. These incidents are primarily related to regulatory breaches concerning their wind power plants. In January 2022, the Energy Market Regulatory Authority (EMRA) accused the Mersin plant and Şah plant of exceeding their allocated electrical output, leading to a decision by Enerji Piyasaları İşletme A.Ş. to recover the total cost of the wind power plants. - The company filed lawsuits resulting in the Ankara Administrative Court nullifying the EMRA's decisions. However, in November 2023, EMRA issued the same rulings, prompting the company to file additional lawsuits, in which the administrative court annulled the decisions in favour of the company. - Financially, lawsuits filed against the company amounted to TRY282,000 in 2020 and increased significantly in the following years, reaching TRY1.2 million by end-2022, before decreasing to TRY950,000 by end-2023 and TRY576,000 by end-2024. Despite these challenges, no direct administrative or judicial sanctions were imposed on the company or its management body for unlawful practices during the reporting periods of 2022, 2023 and 2024, aside from the regulatory decisions, which were contested and partially nullified. - Overall, while facing regulatory scrutiny and potential financial liabilities, the company has actively engaged in legal actions to challenge the regulatory decisions, showing a proactive stance in addressing these issues. We will monitor this issue.	1
Tax Management	Galata's tax management strategy involves leveraging legal tax benefits and adhering to regulatory requirements to optimise its tax liabilities, which is not	1

Entity Analysis

Governance View

Rating: 2

Profile	Sustainable Fitch's View	Rating
	inherently negative. - Galata recently set up a Dutch subsidiary, Galata Wind Energy Global BV, to support international expansion. The Netherlands can be perceived as a tax haven, though this entity was established to manage European investments and has EUR1 million in capital. - Galata signed agreements with two companies for the development of 300MW of PV projects in Europe. Activities were initially planned for 2024, but the annual report notes ongoing negotiations, with completion in 2025–2026 and commissioning targeted for 2026–2027. Its active role in directing investments and signing project agreements indicates it operates as an active subsidiary, which mitigates tax-evasion concerns and supports the governance profile.	
Source: Sustainable Fitch, based on Galata sustainability reports (2024, 2023, 2022), TSRS report 2024, annual report 2024		

Relevant UN Sustainable Development Goals - Entity

7.2 By 2030, increase substantially the share of renewable energy in the global energy mix



13.2 Integrate climate change measures into national policies, strategies and planning



Source: Sustainable Fitch, UN

Note: Sustainable Fitch evaluates the relevant UN Sustainable Development Goals at the entity level by considering direct contributions, not generic support.

Appendix A: Key Terms

Term	Definition
Debt Types	
Green	Proceeds will be used for green projects and/or environmental-related activities as identified in the instrument documents. The instrument may be aligned with ICMA Green Bond Principles or other principles, guidelines or taxonomies.
Social	Proceeds will be used for social projects and/or social-related activities as identified in the instrument documents. The instrument may be aligned with ICMA Social Bond Principles or other principles, guidelines or taxonomies.
Sustainability	Proceeds will be used for a mix of green and social projects and/or environmental and social-related activities as identified in the instrument documents. The instrument may be aligned with ICMA Sustainability Bond Guidelines or other principles, guidelines, taxonomies.
Sustainability-linked	Financial and/or structural features are linked to the achievement of pre-defined sustainability objectives. Such features may be aligned with ICMA Sustainability Bond Guidelines or other principles, guidelines or taxonomies. The instrument is often referred to as an SLB (sustainability-linked bond) or SLL (sustainability-linked loan).
Conventional	Proceeds are not destined for any green, social or sustainability project or activity, and the financial or structural features are not linked to any sustainability objective.
Other	Any other type of financing instrument or a combination of the above instruments.
Term	Definition
Standards	
Transition	A term applied to green, social, sustainable or sustainability-linked instruments, only when the purpose of the debt instrument is to enable the issuer to achieve a climate change-related strategy according to Fitch criteria or methodology.

Term	Definition
ICMA	International Capital Market Association. The “ICMA” credential on page 1 refers to alignment with ICMA’s Principles and Guidelines: a series of principles and guidelines for green, social, sustainability and sustainability-linked (or KPI-linked) instruments.
EU Taxonomy Alignment	Sustainable Fitch follows a series of steps to determine a green instrument’s alignment with the EU taxonomy. First, we determine if eligible projects within each UoP category are eligible under an EU taxonomy category. Then we determine if all eligible projects under the UoP align with the relevant substantial contribution criteria (SCC), do no significant harm criteria (DNSH) and minimum safeguard (MS) criteria as established by the taxonomy. The taxonomy alignment metric indicates the percentage of UoP categories that are fully aligned with all three pillars of the taxonomy. In line with EU guidance, we do not assess any remaining steps if we could not confirm the previous step, eg we do not assess DNSH and MS alignment if we could not confirm alignment with the SCC.
Other Terms	
Labelled instrument	Green, social, sustainability and sustainability-linked types of debt.
Short term	Within five years.
Long term	At least six years away.
Entity’s business activity overlap with use of proceeds	The share of the entity’s total business activities that can use proceeds from the debt instrument in question.
NACE	An industry standard classification system for economic activities in the EU, based on the United Nations’ International Standard Industrial Classification of All Economic Activities (ISIC).
Source: Sustainable Fitch, ICMA, UN, EU Technical Expert Group	

Applicable Methodology, Policies and Procedures

Methodology and SUF Rating and Score Definitions

Solicitation

Status	Solicited
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The Ratings were solicited and assigned or maintained by Sustainable Fitch at the request of the rated entity.	
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