

# Galata Wind Enerji AS

Renewable Power Production Turkey IST:GWIND.E

## ESG Risk Rating

# 19.9

Updated Jun 10, 2022

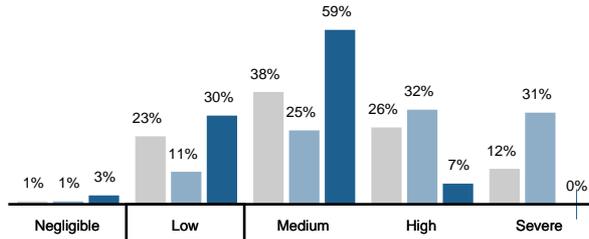
Not  
available

Momentum

## Low Risk



## ESG Risk Rating Distribution



## ESG Risk Rating Ranking

UNIVERSE	RANK	PERCENTILE
	(1 <sup>st</sup> = lowest risk)	(1 <sup>st</sup> = lowest risk)
Global Universe	3526/14758	25th
Utilities INDUSTRY	80/675	13th
Renewable Power Production SUBINDUSTRY	29/86	34th

## Peers Table

Peers (Market cap \$0.0 - \$0.0bn)

Peers (Market cap \$0.0 - \$0.0bn)	Exposure	Management	ESG Risk Rating
1. Energy Development Corp	31.2 Low	39.0 Average	19.8 Low
2. TerraForm Global, Inc.	30.7 Low	37.4 Average	19.8 Low
3. Galata Wind Enerji AS	35.0 Medium	45.5 Average	19.9 Low
4. Genneia SA	30.0 Low	35.2 Average	20.1 Medium
5. Azure Power Solar Energy Pvt Ltd.	30.0 Low	34.6 Average	20.2 Medium

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## ESG Risk Analysis

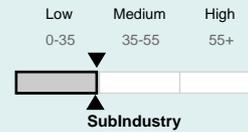
Exposure refers to the extent to which a company is exposed to different material ESG Issues. The exposure score takes into consideration subindustry and company-specific factors such as its business model.

### ESG Risk Exposure

**35.0**  
**Medium**

Not available  
Momentum

Beta = 1.00



In FY2021, 84.6% of Galata Wind's revenues derived from wind energy electricity sales and 11.5% from solar energy generation. Any potential quality or safety incident, such as solar plants fires or wind turbine collapses, can result in operational disruptions, repair costs and notable reputational damages. In addition, the company is involved in all project phases, from construction to plant operation and maintenance. These activities typically imply the acquisition and repurposing of large surfaces of land, which may trigger community opposition and potential project delays. Furthermore, the efficiency and performance of Galata Wind's wind and solar farms is dependent on its experienced administrative staff and qualified technical personnel. Poor hiring and retention schemes, or failure to support a diverse workforce may expose the company to skill shortage and business disruptions.

The company's overall exposure is medium and is similar to subindustry average. Human Capital, Community Relations and Product Governance are notable material ESG issues.

Management refers to how well a company is managing its relevant ESG issues. The management score assesses the robustness of a company's ESG programs, practices, and policies.

### ESG Risk Management

**45.5**  
**Average**

Not available  
Momentum



In recent years, Galata Wind did not publish any relevant ESG reports. In addition, the company does not publicly disclose a whistleblower programme, and its environmental policy is assessed as weak. Furthermore, available evidence indicates none of the variable components of executive remuneration is linked to sustainability performance targets. However, the company has board level oversight for ESG issues, which is in line with best practice in what regards ESG governance.

The company's overall management of material ESG issues is average.

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## Material ESG Issues

These are the Material ESG Issues driving the ESG Risk Rating.

Issue Name	ESG Risk Exposure	ESG Risk Management	ESG Risk Rating	Contribution to ESG Risk Rating
	Score   Category	Score   Category	Score   Category	
Corporate Governance	9.0 High	46.2 Average	<b>4.8 Medium</b>	24.3%
Community Relations	6.0 Medium	25.0 Average	<b>4.7 Medium</b>	23.3%
Business Ethics	4.0 Medium	32.5 Average	<b>2.8 Low</b>	13.9%
Human Capital	4.0 Medium	37.5 Average	<b>2.6 Low</b>	12.9%
Product Governance	5.0 Medium	63.3 Strong	<b>2.2 Low</b>	10.8%
Occupational Health and Safety	4.0 Medium	56.5 Strong	<b>2.0 Negligible</b>	9.9%
Land Use and Biodiversity	3.0 Low	67.6 Strong	<b>1.0 Negligible</b>	4.9%
<b>Overall</b>	<b>35.0 Medium</b>	<b>45.5 Average</b>	<b>19.9 Low</b>	<b>100.0%</b>

## Events Overview

Identify events that may negatively impact stakeholders, the environment, or the company's operations.

### Category (Events)

**5 Severe (0)**

**4 High (0)**

**3 Significant (0)**

**2 Moderate (0)**

**1 Low (0)**

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## Events Overview

Identify events that may negatively impact stakeholders, the environment, or the company's operations.

## Category (Events)

**None (16)**

Access to Basic Services

Accounting and Taxation

Anti-Competitive Practices

Bribery and Corruption

Business Ethics

Community Relations

Data Privacy and Security

Intellectual Property

Labour Relations

Land Use and Biodiversity

Lobbying and Public Policy

Marketing Practices

Occupational Health and Safety

Quality and Safety

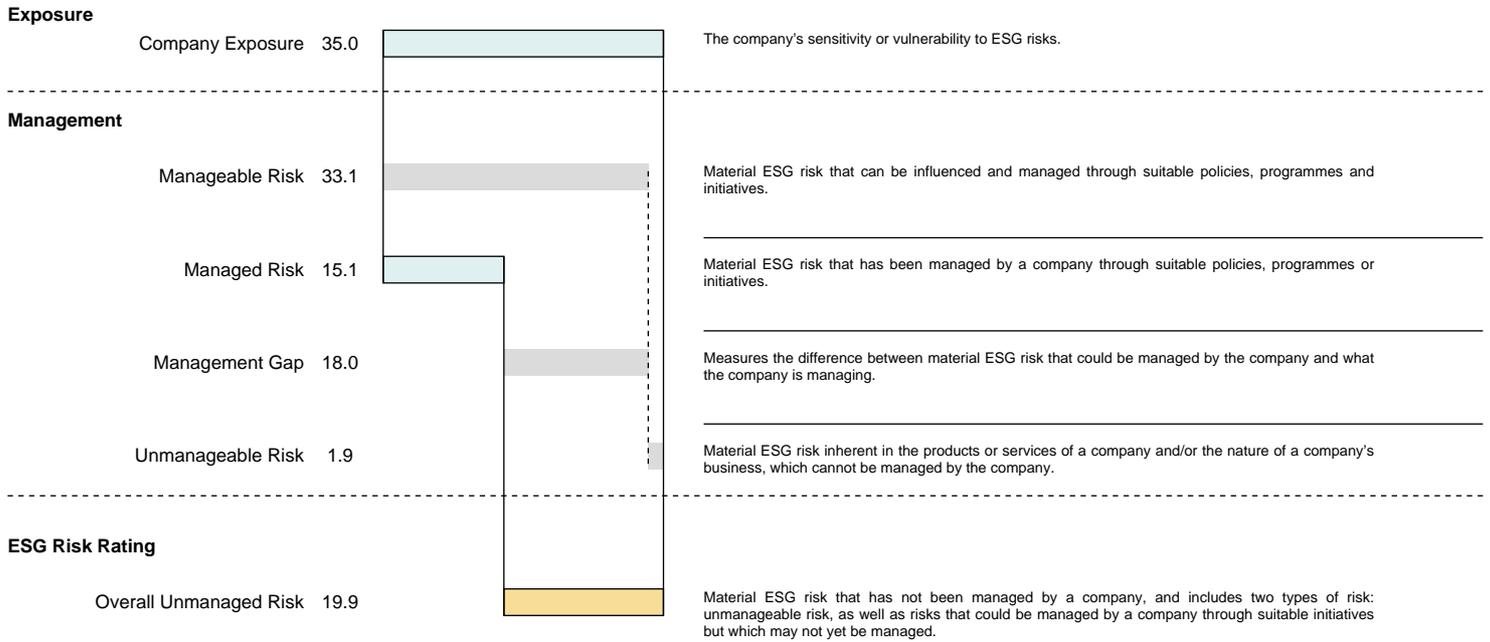
Sanctions

Society - Human Rights

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## Risk Decomposition



## Momentum Details

Not available due to a lack of comparable historical information.

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## GLOSSARY OF TERMS

### Beta (Beta, $\beta$ )

A factor that assesses the degree to which a company's exposure deviates from its **subindustry's** exposure on a **material ESG issue**. It is used to derive a company-specific issue exposure score for a material ESG issue. It ranges from 0 to 10, with 0 indicating no exposure, 1 indicating the subindustry average, and 10 indicating exposure that is ten times the subindustry average.

### Corporate Governance Pillar

A pillar provides a signal about a company's management of a specific Corporate Governance issue.

### ESG Risk Category

Companies' **ESG Risk Rating scores** are assigned to five ESG risk categories in the **ESG Risk Rating**:

-  **Negligible risk:** enterprise value is considered to have a negligible risk of material financial impacts driven by ESG factors
-  **Low risk:** enterprise value is considered to have a low risk of material financial impacts driven by ESG factors
-  **Medium risk:** enterprise value is considered to have a medium risk of material financial impacts driven by ESG factors
-  **High risk:** enterprise value is considered to have a high risk of material financial impacts driven by ESG factors
-  **Severe risk:** enterprise value is considered to have a severe risk of material financial impacts driven by ESG factors

Note that because ESG risks materialize at an unknown time in the future and depend on a variety of unpredictable conditions, no predictions on financial or share price impacts, or on the time horizon of such impacts, are intended or implied by these risk categories.

### ESG Risk Rating Score (Unmanaged Risk Score)

The company's final score in the **ESG Risk Rating**; it applies the concept of **risk decomposition** to derive the level of **unmanaged risk** for a company.

### Event Category

Sustainalytics categorizes events that have resulted in negative ESG impacts into five event categories: Category 1 (low impact); Category 2 (moderate impact); Category 3 (significant impact); Category 4 (high impact); and Category 5 (severe impact).

### Event Indicator

An indicator that provides a signal about a potential failure of management through involvement in controversies.

### Excess Exposure

The difference between the company's **exposure** and its **subindustry** exposure.

### Exposure

A company or **subindustry's** sensitivity or vulnerability to ESG risks.

### Idiosyncratic Issue

An issue that was not deemed material at the **subindustry** level during the **consultation process** but becomes a **material ESG issue** for a company based on the occurrence of a Category 4 or 5 event.

### Manageable Risk

Material ESG risk that can be influenced and managed through suitable policies, programmes and initiatives.

### Managed Risk

Material ESG Risk that has been managed by a company through suitable policies, programmes and initiatives.

### Management

A company's handling of ESG risks.

### Management Gap

Refers to the difference between what a company has managed and what a company could possibly manage. It indicates how far the company's performance is from best practice.

### Management Indicator

An indicator that provides a signal about a company's management of an ESG issue through policies, programmes or quantitative performance.

### Material ESG Issue

A core building block of the **ESG Risk Rating**. An ESG issue is considered to be material within the rating if it is likely to have a significant effect on the enterprise value of a typical company within a given **subindustry**.

### Subindustry

Subindustries are defined as part of Sustainalytics' own classification system.

### Unmanageable Risk

Material ESG Risk inherent from the intrinsic nature of the products or services of a company and/or the nature of a company's business, which cannot be managed by the company if the company continues to offer the same type of products or services and remains in the same line of business.

### Unmanaged Risk

Material ESG risk that has not been managed by a company, and includes two types of risk: **unmanageable risk**, as well as risks that could be managed by a company through suitable initiatives, but which may not yet be managed (**management gap**).

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