

# CGE SUSTAINABILITY EVALUATION CENTER's

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Statement of the Code of Conduct for ESG  
Ratings and Data Products Providers

March 2026

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## **Introduction**

CGE Evaluation operates as an ESG rating provider, delivering ESG rating products through a structured, AI-based assessment platform that combines automated analytical tools with defined methodologies. The International Capital Market Association's (ICMA) Code of Conduct for ESG Ratings and Data Products Providers (the "Code") has been acknowledged by CGE Evaluation, which supports the Code's goals of encouraging transparency, integrity, and high standards in the ESG rating process.

This Statement of Application explains how CGE Evaluation applies the principles of the Code in relation to its ESG rating products, including where, how, and to what extent the Code applies, taking into account CGE's business model and operating structure. This Statement describes the rationale and the arrangements in place and is reviewed periodically and updated on a yearly basis. In addition, this Statement applies to CGE Evaluation's ESG rating products, since CGE Evaluation acts as an ESG rating provider within the meaning of the ICMA Code of Conduct.

## **Brief Information on CGE Evaluation**

CGE Evaluation is a sustainability technology and expertise company established in Technopark Istanbul. It aims to provide rating, evaluation, reporting, and ESG data management in sustainability and all related areas through an AI-based ESG platform that combines 29 years of experience in corporate governance, environmental, and social impact analysis with technology.

CGE Evaluation is a joint-stock company. Annual general meetings are held, and shareholders are informed about developments. The board of directors is authorized by the shareholders every three years.

The board of directors informs shareholders about company activities, market and competitive structure, international expansions, customers, and financial structure once a year, and in extraordinary general meetings in case of emergencies. They communicate

work and developments related to alignment with company strategies, ensure new decisions are made, and implement them.

CGE Evaluation primarily provides services through its platform in the areas of sustainability rating, corporate governance evaluation, supply chain sustainability evaluation, and carbon footprint reporting. CGE Evaluation is included in ICMA's list of external reviewers and provides second-party opinion reporting on green/social/sustainable bond and sukuk issuances.

**Our mission** is to provide reliable, independent, and internationally recognized sustainability ratings and advanced assessments in all areas of sustainability, shedding light on the effective management of environmental, social, and governance risks to organizations and ensuring high performance.

**Our Vision** is to be a leading global assessment center in the Eurasian region, offering advanced analysis and rating services in all areas of corporate sustainability for a sustainable economy and business world.

Our Values:

- **Working Towards a Sustainable World:** Contributing to the implementation of the United Nations SDGs and guiding organizations towards risk reduction to ensure our planet remains habitable for future generations.
- **Reliability:** We secure our clients' information with our infrastructure, advanced security measures, and adherence to ethical principles. We meticulously adhere to confidentiality principles. We ensure the currency and validity of our methodology by creating processes that align with international regulations.
- **Protecting Competencies and Talents:** We provide services as a reliable business partner with our experienced and competent employees and solution partners in all areas of sustainability. We invest in the competency development of our employees and ensure their commitment. We consider it our duty to encourage mutual learning and teamwork.

- **Ensuring Independence and Compliance:** We see adherence to our ethical values as the most important element of our corporate culture. With our transparent, traceable, and accountable work processes and methodology, we prevent conflicts of interest and ensure compliance with internal and external stakeholder expectations, laws, and regulations.
- **Innovation:** We proactively monitor innovative solutions to ensure our rating and reporting infrastructure is aligned with best technologies and practices, contribute to the development of our infrastructure, prioritize new product and service development, and ensure the integration of our expertise with technology and innovative solutions.
- **Customer Value:** We serve our customers in continuously improving their sustainability performance and provide suggestions to support them in achieving success through a growth-oriented approach. We value providing reliable, high-quality, and excellent service to ensure long-term collaborations with our customers.

CGE Evaluation's services are as follows:

**1) ESG Rating:** Independent assessment and scoring of organizations' ESG performance based on evidence, using publicly available data and/or data provided by the organization, and providing recommendations for weaknesses.

**2) Second-Party Opinion Reporting (SPO):** Analysis and reporting of how well financial instruments or financing frameworks align with sustainability principles such as the UN SDGs and ICMA's and local country guidelines, and the extent to which the issuer contributes to long-term sustainable development.

**3) Net Zero Assessments with CGE Carbonmeter:** Providing an independent and comparable opinion on the strength of organizations' carbon emission reduction plans compared to the global net-zero path, developing recommendations for greenhouse gas reduction, and monitoring progress over the years.

**4) Supply Chain ESG Assessment:** Independent assessment and reporting of the ESG and carbon management of the supply chain to ensure the strengthening of the value chain and the fulfillment of sustainable development goals.

**5) ESG Data Management:** In order to ensure objectivity, reliability, traceability, and verifiability in our services such as ESG rating, data product providing, carbon management, and supply chain ESG assessment, company-specific information and documents collected from firms or publicly available sources are categorized and classified, then securely stored within the CGE database under the company admin section as controlled documents for up to five years, with updates conducted every five years.

**In addition to these core activities,** we have products that offer in-depth analyses and assessments in all sub-categories of ESG. All our products are structured for independent evaluation, reporting of results, and monitoring of progress.

## 1. Principle on Good Governance

<b>ICMA Code of Conducts Requirements</b>
<b>1.1 Principle</b>
ESG ratings and data products providers should ensure appropriate governance arrangements are in place that enable them to promote and uphold the Principles and overall objectives of the Code of Conduct.
<b>1.2 Context</b>
The purpose of this Principle is to ensure that ESG ratings and data products providers have appropriate governance and oversight arrangements in place necessary in connection with this Code of Conduct.
<b>1.3 CGE Evaluation Good Governance Actions</b>
<b>1.3.1 Organizational Structure of CGE Evaluation</b>  CGE has established a clear organizational structure that aligns with company strategies and promotes competence, transparency, accountability, and ethical business practices. Our governance framework is consistent with the principles outlined in this Code of Conduct and supports effective implementation at various levels. The roles and responsibilities are summarized below.  <b>Board of Directors:</b> CGE Evaluation's Board of Directors consists of 3 members, elected and authorized for a 3 years term. Board members are specialists in sustainability, corporate governance, finance, and business development. The board meets at least 4 times a year. Diversity is ensured on the board.  Through the following committees, the board monitors the effectiveness of management and stakeholder expectations, risks and opportunities, and takes necessary action in a timely manner: <ul style="list-style-type: none"><li>▪ ESG Rating Committe</li><li>▪ Compliance Committe</li></ul>

- Independent Review Panel

Responsibilities of the Board of Directors and Committees are as follows:

- Defining company strategies and objectives and securing necessary resources.
- Evaluating company risks and opportunities and ensuring necessary actions are taken.
- Ensuring compliance with ethical values and preventing conflicts of interest.
- Ensuring compliance with standards and legal regulations.
- Ensuring system and human resources competency development.
- To ensure and supervise the effective functioning of the committees affiliated with the board in terms of the effectiveness of monitoring and decision-making processes.

**ESG Rating Committee:** The ESG Rating committee is chaired by a board member who is experienced ESG and consists of two independent experts with experience in finance and corporate governance on the advisory board; the ESG Rating director serves as the committee's secretary.

Responsibilities of The ESG Rating Committee include:

- Approving the methodology and any significant updates.
- Reviewing and resolving disputes or escalations related to ratings.
- Ensuring alignment with regulatory requirements and industry best practices.
- Attending board meetings and informing the board about changes, compliance, and rating activities.
- Providing official statements and representation on ESG Ratings.

**Risk and Compliance Committee:** The committee consists of a board member as chairperson, a lawyer and an independent expert with experience in internal auditing on the advisory board. The Committee meets at least semi-annually (and on an ad hoc basis where

required) to review consolidated risk registers, critical risks, mitigation action plans and key risk indicators, and to escalate material matters to the Board.

Responsibilities of the Risk and Compliance Committee include:

- Monitoring, evaluating, and ensuring compliance with CGE Evaluation's Ethical Principles, Personal Data Protection Law and the ICMA's ESG Rating and Data Provider Code of Conduct.
- Assuming critical corporate and compliance risks and ensuring necessary actions are taken.
- Monitoring compliance-related developments and legal changes and ensuring their integration into company practices and policies.
- Auditing compliance and proactively identifying potential risks, ensuring necessary actions are taken, and preventing the occurrence of risks.
- Evaluating feedback from internal and external sources regarding compliance and ensuring that necessary decisions and actions are taken to facilitate feedback.

**The Independent Review Panel:** Members include external experts, academics, and industry representatives who are not directly involved in the rating process.

Responsibilities of The Independent Review Panel involves:

- Conducting periodic reviews of the methodology to ensure its relevance and effectiveness.
- Providing recommendations for improvement based on emerging trends and stakeholder feedback
- Monitors adherence to regulatory requirements and internal policies, including conflict-of-interest management.

Responsibilities of The General Manager include:

- Conducting periodic reviews of the methodology to ensure its relevance and effectiveness.
- Providing recommendations for improvement based on emerging trends and stakeholder feedback.
- Monitors adherence to regulatory requirements and internal policies, including conflict-of-interest management.
- To ensure business processes and employee competency development and adaptation to change.
- To ensure that performance, risks, and opportunities are managed, monitored, and reported.

Responsibilities of The ESG Rating Manager includes:

- To ensure that companies' ESG ratings are carried out in compliance with CGE policies and procedures, standards, and regulations.
- To conduct evidence-based and objective evaluations of ESG assessments and reports, and to provide high-quality and reliable reports and value-added suggestions in line with CGE Evaluation's policies and procedures.
- To ensure that the necessary ESG data for evidence-based scoring is securely stored in the client admin panel.
- To prevent activities that may lead to conflicts of interest.
- To monitor developments in sustainability issues (corporate governance, social and economic) and ensure their inclusion in products and services.
- To ensure that experts working on ESG scoring have up-to-date knowledge and develop their competencies.
- To evaluate employee performance and motivate them for good performance.
- To evaluate customer requests and demands, consider appropriate requests, and make decisions on requests falling within the committees' areas of responsibility and provide notification to the customer.
- Retaining skilled employees, ensuring employee satisfaction and loyalty.

Responsibilities of The Climate Manager involves:

- CGE Carbonmeter aims to support customers on their decarbonization journey by measuring company and product carbon footprints based on evidence and in accordance with relevant standards, and by defining and reporting reduction targets and activities in line with the 2050 net-zero goal.
- To ensure that companies' carbon footprints measurement are carried out in compliance with CGE policies and procedures, up to date international standards, and regulations.
- To ensure that the necessary Carbon calculation data for evidence-based scoring is securely stored in the client admin panel.
- To prevent activities that may lead to conflicts of interest.
- To monitor developments in decarbonization standards, regulations and parameters, and ensure their inclusion in products and services.
- To ensure that experts working on carbon measurement have up-to-date knowledge and develop their competencies.
- To evaluate employee performance and motivate them for good performance.
- To evaluate customer requests and demands, consider appropriate requests, and make decisions on requests falling within the committees' areas of responsibility and provide notification to the customer.
- Retaining skilled employees, ensuring employee satisfaction and loyalty.

Responsibilities of The IT Manager are as follows,

- To ensure the CGE Evaluation ESG platform operates in an up-to-date, reliable, and secure manner.
- To ensure that data is protected on servers compliant with ISO 27001 information security standards.
- To ensure that the platform and its ESG products are always up-to-date and operational, ready for use.

- Working with ESG Rating and Climate executives to ensure data quality integration and develop methodologies.
- To ensure that data is classified in a processable manner.
- To ensure that experts working on IT issues have up-to-date knowledge and develop their competencies.
- To evaluate employee performance and motivate them for good performance.
- Retaining skilled employees, ensuring employee satisfaction and loyalty.

Responsibilities of The Business Development Manager involve:

- Creating marketing and sales plans
- Conducting new customer interviews and managing customer relationships
- Managing social media and the website.
- To ensure that experts working on business development issues have up-to-date knowledge and develop their competencies.
- To evaluate employee performance and motivate them for good performance.
- Retaining skilled employees, ensuring employee satisfaction and loyalty.

Responsibilities of The Admin Manager include:

- Managing the company's administrative and financial affairs. Ensuring that legal reporting is done accurately and on time.

Responsibilities of CGE's Specialists are as follows:

- To perform their duties in a timely manner and at the expected quality level, in accordance with CGE's policies and procedures, as well as applicable national and international standards and regulations.
- To act with independence, objectivity, and integrity in the performance of their duties, ensuring compliance with conflict-of-interest requirements, information security obligations, and CGE's ethical principles.

- To safeguard and uphold the reputation and professional standing of CGE.

CGE ensures that personnel involved in the determination, publication and oversight of ESG ratings follow the Principles of the ICMA Code through (i) mandatory onboarding and annual refresher training, and (ii) binding internal policies including the Code of Ethics, Conflict of Interest Policy, and Information Security & Confidentiality rules. Compliance with these policies is monitored by the Compliance Committee and escalations are handled via defined governance channels. ESG Rating determinations are performed by the ESG Rating team under the ESG Rating Manager; oversight is provided by the ESG Rating Committee and Compliance Committee; and periodic independent challenge is provided by the Independent Review Panel.

### 1.3.2 Risk Management and Risk Monitoring

CGE considers effective risk management and oversight as a core element of its governance framework and as an enabler for the consistent application of the ICMA Code of Conduct Principles. To this end, CGE has adopted a Corporate Risk Management Policy and Procedure aligned with ISO 31000 and informed by the COSO Internal Control Framework, covering strategic, operational, financial and compliance risks across all business processes.

#### *i. Risk governance and oversight*

The Board of Directors sets and approves the Company's risk policies and risk appetite, reviews the corporate risk profile, and evaluates the effectiveness of the risk management system based on periodic reporting. A dedicated Risk and Compliance Committee operates at senior level, chaired by a Board member and supported by the General Manager and executive management. The Committee meets at least semi-annually (and on an ad hoc basis where required) to review consolidated risk registers, critical risks, mitigation action plans and key risk indicators, and to escalate material matters to the Board.

*ii. Risk management process and records*

CGE operates a structured risk management cycle consisting of risk identification, analysis, treatment, implementation/control and reporting. Risks are documented through standardized risk assessment forms, consolidated into a corporate risk inventory and risk map, and monitored through key risk indicators. Outcomes of committee reviews are documented in signed meeting minutes and follow-up tracking of action plans.

*iii. Internal control*

An internal control function coordinates periodic control testing and monitoring activities across departments in line with an annual plan, reports findings to risk owners and senior management, and provides consolidated updates to the Risk and Compliance Committee and the Board where relevant.

*iv. Internal audit*

The internal audit activity is conducted either by a qualified internal auditor or by an independent external auditor with relevant competence and experience. Internal audit provides assurance on the adequacy and effectiveness of the risk management system and internal controls, performs audits at least annually based on an audit plan, and reports findings and improvement recommendations to the Risk and Compliance Committee for oversight and follow-up.

**1.4 Outcomes**

Appropriate governance arrangements ensure ESG ratings and data products providers are well-positioned to operationalize this Code of Conduct appropriately and ultimately enable appropriate management of conflicts of interest, ensure appropriate and transparent procedures, as well as support competent personnel and sufficient resources.

**2. Principle on Securing Quality (Systems and Controls)**

<b>ICMA Code of Conducts Requirements</b>
<b>2.1 Principle</b>
ESG ratings and data products providers should adopt and implement written policies and procedures designed to help ensure the issuance of high quality ESG ratings and data products.
<b>2.2 Context</b>
The purpose of this Principle is to ensure that ESG ratings and data products providers operate internal arrangements designed to ensure they can provide high quality ESG ratings and data products. Without appropriate policies and procedures established, maintained and followed consistently, there is a risk that reliability and quality of the relevant product (ESG rating or data product) could be affected. It would also impact on the ability of users to make an informed decision.
<b>2.3 CGE Evaluation Quality Assurance and Systems of Control</b>
CGE Evaluation has adopted and implemented a documented Quality Assurance framework designed to ensure the consistent issuance of high-quality ESG ratings and data products. The framework operates across the entire ESG rating lifecycle and includes preventive, detective, and corrective controls embedded within CGE’s documented methodology and governance structure.
<b>2.3.1 Documented Methodology and Process Controls</b>
The ESG rating process is governed by a formally documented methodology that defines: <ul style="list-style-type: none"> <li>• Data sources and validation rules</li> <li>• Indicator scoring logic</li> <li>• Weighting and aggregation methodology</li> <li>• Normalization techniques</li> <li>• Quality assurance checkpoints</li> </ul>

All analysts are required to adhere strictly to the ESG Rating Methodology. Updates to the methodology are subject to formal approval by the ESG Rating Committee.

### 2.3.2 Methodology Adherence

- Analysts are required to adhere strictly to the ESG Rating Methodology, including the criteria, scoring, and aggregation processes.
- Regular training sessions are conducted to ensure that analysts are familiar with the methodology and any updates.

### 2.3.3 Multi-Layer Review Structure

To ensure reliability and accuracy:

- All data used in the rating process is subject to validation and cross-checking against multiple sources
- Discrepancies are investigated and resolved before scoring is finalized
- Evidence documentation is retained within the platform
- Automated system checks and manual analytical review are applied.

### 2.3.4 Independent Oversight and External Validation

CGE applies a structured review hierarchy:

- Peer review of scoring, weight application, and calculations
- Internal analytical review prior to publication
- External validation or third-party review when necessary
- Incorporation of stakeholder feedback
- Periodic review of methodology and controls by the Independent Review Panel

This layered control system ensures objectivity, methodological consistency, and prevention of individual bias.

### 2.3.5 Error Detection and Corrective Actions

CGE maintains a structured error management mechanism:

- Identified errors are documented
- Root cause analysis is conducted
- Corrective measures are implemented
- Preventive measures are introduced to avoid recurrence

Where applicable, rating revisions are transparently communicated.

### 2.3.6 Periodic Review and Continuous Improvement

The ESG Rating Methodology is subject to:

- Annual formal review
- Regulatory impact assessment
- Benchmarking and calibration exercises
- Stakeholder consultation

Quality assurance mechanisms are reviewed periodically as part of governance oversight.

The Quality Assurance and Review process is a critical component of CGE's ESG Rating Methodology, ensuring that the ratings are accurate, consistent, and reliable. This section outlines the measures taken to maintain the highest standards of quality, including internal controls, periodic reviews, and stakeholder engagement.

**Internal Quality Control Processes:** To ensure the integrity of the ESG ratings, robust internal quality control processes are implemented at every stage of the rating process.

## 2.4 Outcome

Through the establishment, maintenance and adherence to appropriate policies and procedures concerning ESG ratings or data products processes, the risk of adverse impacts to the consistency or quality of ESG ratings or data products is mitigated and the ability of users to make informed decisions will be improved.

### 3. Principle on Conflicts of Interest

<b>ICMA Code of Conducts Requirements</b>
<b>3.1 Principle</b>
<p>ESG ratings and data products providers should adopt and implement written policies and procedures designed to help ensure their decisions are independent, free from political or economic interference, and appropriately address actual or potential conflicts of interest that may arise from, among other things, the ESG ratings and data products providers' organisational structure, business or financial activities, or the financial interests of the ESG ratings and data products providers and their officers and employees.</p> <p>ESG ratings and data products providers should identify, avoid or appropriately manage, mitigate and disclose actual or potential conflicts of interest that may compromise the independence and integrity of the ESG ratings and data products providers' operations.</p>
<b>3.2 Context</b>
<p>The purpose of this Principle is to ensure that ESG ratings and data products providers operate internal arrangements designed to avoid and, if identified, to address any potential conflicts of interest appropriately. Without appropriate policies and procedures being established, there is a risk that the independence, integrity, reliability and credibility of the ESG ratings or data products providers' operations could be undermined.</p>
<b>3.3 CGE Evaluation Conflict of Interest Management Actions</b>
<p>CGE Evaluation has adopted and implemented a documented Conflict of Interest Policy designed to ensure that ESG ratings and data products are issued independently and free from political, economic, commercial, or personal interference. The framework addresses actual, potential, and perceived conflicts of interest arising from organisational structure, fiscal interests, commercial relationships, and employee activities.</p> <p>3.3.1 Conflict of Interest Policies</p>

To maintain the independence and objectivity of the ESG ratings, robust conflict-of-interest policies are in place:

- **Disclosure Requirements:** All employees and committee members are required to disclose any potential conflicts of interest, including financial or personal relationships with rated entities.
- **Segregation of Duties:** Clear separation of roles between rating analysts, review teams, and business development to prevent undue influence.
- **Independent Oversight:** The Risk and Compliance Committee meets four times a year and when there is any application, monitors compliance with the conflict-of-interest policy and investigates any reported issues.

### 3.3.2 Structural Safeguards and Separation of Activities

To protect rating independence:

- ESG rating activities are functionally separated from commercial and business development activities.
- Rating analysts and decision-makers are not involved in sales negotiations.
- CGE does not provide consultancy services to entities for which ESG ratings are issued for public or third-party disclosure purposes.
- Compensation structures are not linked to rating outcomes.

These safeguards prevent economic or commercial pressure from influencing rating decisions.

### 3.3.3 Disclosure and Declaration Mechanisms

CGE applies mandatory conflict-of-interest disclosure requirements:

- All board members, committee members, employees, and external experts are required to disclose actual or potential conflicts of interest.

- Conflict of Interest Declaration Forms are signed during onboarding and updated when necessary.
- External partners and contractors are contractually bound to comply with CGE’s Conflict of Interest Policy.

#### 3.3.4 Identification, Assessment and Mitigation Procedures

Where a potential conflict is identified:

- The matter is escalated to the Compliance Committee.
- A formal assessment is conducted.
- Mitigation measures are determined, including recusal from decision-making, reassignment of responsibilities, or termination of engagement if necessary.
- All conflicts and mitigation decisions are recorded in a Conflict Register.

#### 3.3.5 Oversight and Governance

The Compliance Committee oversees conflict management and maintains the conflict register. Material cases may be escalated to the Board of Directors.

The Independent Review Panel provides additional oversight to ensure the integrity of rating decisions.

#### 3.3.6 Transparency and Public Disclosure

CGE’s Conflict of Interest Policy is publicly available on its website at [www.cgeevaluation.com](http://www.cgeevaluation.com).

Where appropriate, stakeholders are informed of relevant conflicts and mitigation measures to preserve transparency and trust. This Principle is further supported by CGE’s Conflict of Interest Policy and annual independence declaration process.

### **3.4 Outcome**

Through establishment, maintenance and adherence to appropriate policies and procedures that address actual or potential conflicts of interest, the risk of undermining the independence, integrity, reliability and credibility that informs the issuance of an ESG rating or data product is mitigated.

#### 4. Principle on Transparency

<b>ICMA Code of Conducts Requirements</b>
<b>4.1 Principle</b>
ESG ratings and data products providers should make adequate levels of public disclosure and transparency a priority for their ESG ratings and data products, including their methodologies and processes to enable the users of the product to understand what the product is and how it is produced, including any potential conflicts of interest and while maintaining a balance with respect to proprietary or confidential information, data and methodologies.
<b>4.2 Context</b>
Ensuring transparency of methodologies and processes that underpin ESG ratings and data products should enable all users and stakeholders to have a reasonable understanding of how each provider defines and compiles their respective ESG ratings and data products. Improved transparency on methodologies and processes would enhance overall trust in such ratings and data products.
<b>4.3 CGE Evaluation Transparency Management Actions</b>
CGE Evaluation has adopted and implemented a transparency framework designed to ensure that users of ESG ratings and data products are provided with sufficient, clear, and accurate information to understand how ratings are developed, derived, and maintained.  Transparency is embedded in CGE's ESG Rating Methodology, governance framework, and public disclosure practices.

#### 4.3.1 Commitment to Transparency

Transparency is essential for ensuring that stakeholders, including investors, companies, and regulators, can understand and trust the ESG ratings. Our commitment to transparency is reflected in the following principles:

- **Openness:** Providing clear and comprehensive information about the methodology, criteria, and processes.
- **Accessibility:** Making disclosures readily available to all stakeholders through public channels.
- **Accountability:** Ensuring that the methodology and results are subject to review and validation by independent parties.

#### 4.3.2 Disclosure of Methodology

To ensure transparency, the following aspects of the ESG Rating Methodology are disclosed to stakeholders:

##### *i. Methodology Document*

- A detailed document outlining the ESG Rating Methodology, including the framework, criteria, and scoring process, is made publicly available.
- The document is regularly updated to reflect changes and improvements to the methodology.

##### *ii. Criteria and Indicators*

- The specific Environmental, Social, and Governance (ESG) criteria and indicators used in the rating process are disclosed.
- Weightings assigned to each criterion and indicator are explained, along with the rationale for their selection.

##### *iii. Data Sources*

- The types of data used (quantitative and qualitative) and the sources of data (e.g., company disclosures, third-party databases) are clearly identified.
- Any limitations or assumptions related to data collection and validation are disclosed.

#### *iv. Scoring and Aggregation*

- The scoring methodology, including the scale and benchmarks used, is explained in detail.
- The process for aggregating scores and calculating the final ESG rating is transparently described.

Key methodological assumptions, data limitations, and potential constraints that may impact rating outcomes are disclosed to prevent misinterpretation of ESG ratings.

#### 4.3.3 Public Availability of Rating Criteria

To ensure accessibility, the following measures are taken to make the rating criteria and results available to stakeholders:

##### *i. Public Website*

- A dedicated section on CGE Evaluation's website provides access to the ESG Rating Methodology, criteria, and related documents.
- The website also includes FAQs, case studies, and examples to help stakeholders understand the methodology.

In addition to methodology transparency, CGE publicly discloses its governance structure, committee responsibilities, and conflict of interest management framework to ensure institutional transparency.

## *ii. Rating Reports*

- Detailed reports for each rated company are published to relevant stakeholders, providing a breakdown of scores across the Environmental, Social, and Governance pillars.
- Reports include insights into strengths, areas for improvement, and peer comparisons.

## *iii. Stakeholder Engagement*

- Regular webinars, workshops, and consultations are conducted to engage with stakeholders and explain the methodology.
- Feedback from stakeholders is actively sought and incorporated into the methodology and disclosure practices.

### 4.3.4 Explanation of Rating Changes and Updates

To maintain transparency and accountability, the following measures are taken to explain changes to ratings and methodology:

#### *i. Rating Change Notifications*

- Companies and stakeholders are notified of any changes to their ESG ratings, along with a detailed explanation of the reasons for the change.
- Notifications include information on updated data, changes in methodology, or other relevant factors.

#### *ii. Methodology Updates*

- Any updates or revisions to the ESG Rating Methodology are communicated to stakeholders in advance.
- The rationale for changes, including feedback from stakeholders and emerging trends, is clearly explained.

### *iii. Version Control*

- A version control system is used to track changes to the methodology and ensure that stakeholders have access to the most current version.
- Previous versions of the methodology are archived and made available for reference.

### 4.3.5 Handling of Confidential Information

While transparency is a priority, the following measures are taken to protect confidential information:

#### *i. Data Privacy*

- Confidential or proprietary information provided by companies is handled in accordance with data privacy regulations and internal policies.
- Only aggregated or anonymized data is disclosed in public reports.

#### *ii. Non-Disclosure Agreements (NDAs)*

- Where necessary, NDAs are signed with companies to protect sensitive information while still allowing for transparency in the rating process.

### **4.4 Outcome**

The purpose of this Principle is to ensure that ESG ratings and data products providers are transparent about the methodologies and processes that underpin their ESG ratings and data products, while maintaining a balance with respect to proprietary or confidential information, data and methodologies. To promote market-wide confidence in ESG ratings and data products, all users and stakeholders need to have a reasonable understanding of how each provider defines and compiles their respective ESG ratings and data products. Improved transparency on methodologies and processes would enhance overall trust in such ratings and data products.

**5. Principle on Confidentiality (Systems and Controls)**

<b>ICMA Code of Conducts Requirements</b>
<b>5.1 Principle</b>
ESG ratings and data products providers should adopt and implement written policies and procedures designed to address and protect all non-public information received from or communicated to them by any entity, or its agents, related to their ESG ratings and data products, in a manner appropriate in the circumstances.
<b>5.2 Context</b>
The purpose of this Principle is to ensure that ESG ratings and data products providers operate internal arrangements designed to ensure they can manage and protect non-public information appropriately. Without appropriate policies and procedures being established, there is a risk that reliability and credibility of the ESG ratings or data products providers could be undermined.
<b>5.3 CGE Evaluation Handling of Confidential Information</b>
While transparency is a priority, the following measures are taken to protect confidential information:
<p><i>i. Data Privacy and Restricted Use</i></p> <ul style="list-style-type: none"> <li>- Confidential or proprietary information provided by companies is handled in accordance with data privacy regulations and internal policies.</li> <li>- Only aggregated or anonymized data is disclosed in public reports.</li> </ul>
<p><i>ii. Non-Disclosure Agreements (NDAs)</i></p> <ul style="list-style-type: none"> <li>- Where necessary, NDAs are signed with companies to protect sensitive information while still allowing for transparency in the rating process.</li> </ul>
<p><i>iii. Access Restriction and Internal Controls</i></p> <ul style="list-style-type: none"> <li>- Access to non-public information is restricted to authorized personnel strictly on a need-to-know basis.</li> </ul>

- Access rights are defined through role-based authorization within the CGE ESG platform.
- IT systems operate in accordance with ISO 27001 information security principles (as stated under Governance and IT Manager responsibilities in the Handbook).

*iv. Personnel Confidentiality Obligations*

- All employees, committee members and external experts sign confidentiality and conflict-of-interest declarations prior to involvement in rating activities.
- Unauthorized disclosure of confidential information constitutes a disciplinary breach.

*v. Secure Data Handling and Storage*

- ESG data and supporting documents are stored within the secured CGE digital infrastructure.
- Data transmission, storage and processing are performed in compliance with applicable data protection regulations.

**5.4 Outcome**

Through the establishment, maintenance and adherence to appropriate policies and procedures concerning ESG ratings or data products processes, the risk of infringing on the non-public nature of information that may underpin the issuance of ESG ratings or data products is mitigated.

**6. Principle on Engagement (Systems and Controls)**

**ICMA Code of Conducts Requirements**

**6.1 Principle**

ESG ratings and data products providers should regularly consider whether their information gathering processes with entities covered by their products lead to efficient information procurement for both the providers and these entities. Where potential

improvements to information gathering processes are identified, ESG ratings and data products providers should consider what measures can be taken to implement them.

Where feasible and appropriate, ESG ratings and data products providers should respond to and address issues flagged by entities covered by their ESG ratings and data products and by users while maintaining the independence and integrity of these products

## **6.2 Context**

The purpose of this Principle is to ensure that ESG ratings and data products providers operate internal arrangements that provide forward visibility to covered entities as to what to expect from their assessment processes. Without appropriate policies and procedures being established, there is a risk that procurement of information that underpins ESG ratings or data products providers could be inefficient and lack credibility.

## **6.3 CGE Evaluation Engagement Framework**

CGE Evaluation maintains engagement arrangements throughout the ESG rating lifecycle to support efficient information gathering and to address issues raised by covered entities and users, while preserving the independence and integrity of its ESG ratings.

### **6.3.1 Information Gathering and Evidence Collection**

- The rated entity uploads documents and supporting evidence to the CGE system to substantiate responses provided during the assessment process.
- CGE conducts internet and social media scanning using the CGE Web Evidence™ tool to collect sustainability-related positive and negative news and corroborate responses.
- Publicly available documents are collected using the CGE Document Evidence™ tool and incorporated into the assessment, including SWOT elements linked to scoring where relevant.

### **6.3.2 Opportunity for Company Review and Data Validation**

- Prior to finalizing the rating, companies are given the opportunity to review and validate their data.

- Stakeholder feedback is considered to improve data accuracy and relevance.

#### 6.3.3 Stakeholder Feedback and Methodology Consultation

- CGE conducts stakeholder engagement activities (e.g., webinars, workshops and consultations) to explain the methodology and gather feedback.
- Where applicable, proposed methodology changes are subject to public comment periods so stakeholders may provide input.

#### 6.3.4 Issues Flagged by Entities and Users: Complaints Handling

- CGE maintains a formal complaints handling process through which stakeholders may raise concerns regarding potential errors, inconsistencies, or fairness issues in the ESG rating process or outcomes.
- Complaints are acknowledged, assessed, investigated and resolved according to defined steps and timelines.
- If the complainant is not satisfied, the matter may be escalated to the ESG Rating Committee for further review and a final decision.

### **6.4 Outcome**

Through the establishment, maintenance and adherence to appropriate policies and procedures concerning ESG ratings or data products processes, the risk of inefficiencies or of relying upon incomplete or inaccurate information in procuring the information that may underpin the issuance of ESG ratings or data products are mitigated.

## Closing Statement

CGE Evaluation has adopted the ICMA Code of Conduct for ESG Ratings and Data Products Providers and applies its Principles to its ESG rating activities in a manner proportionate to its business model and operating structure.

CGE remains committed to maintaining and further enhancing its governance, quality control, transparency, confidentiality, and engagement arrangements in line with the objectives of the Code. This Statement of Application will be reviewed periodically and updated, as appropriate, to reflect developments in CGE’s ESG rating methodologies, organisational arrangements, and evolving market practices.

## Annual Review

This annual statement of application of the Code fo Conduct for ESG rating and data providers will be updated on annually by March of each year and published on the CGE Evaluation’s website.

Version	Date	Amended details	Signatory party	Document Signed by:
1.0	02.03.2026	Creation of document	Behiye Tülin Seçen (President of the Board)	