

Sustainability Bulletin

May 2024

JCR Eurasia Rating
Economic Research



IFRS and EFRAG Published Interoperability Guide

ISSB, a division of the IFRS Foundation responsible for developing the IFRS S1 and IFRS S2 standards, and EFRAG, which develops the ESRS, published a guide on the interoperability of sustainability standards.



The guide aims to prevent the confusion that arises for institutions that want to report in accordance with both standards. It is anticipated that the guide will increase efficiency in climate-related disclosures.

EU Commission Postponed the CSRD Reporting

The EU Commission announced that it has postponed a number of regulations for the implementation of the Corporate Sustainability Reporting Directive (CSRD). According to the Council's statements, the sector-specific sustainability disclosures required to be made within the scope of CSRD and the reporting of companies outside the EU have been postponed for 2 years.



**Council of the
European Union**



CSRD, which came into force at the beginning of 2024, is implemented as a directive for companies to report sustainability-related risks, opportunities and related issues within the scope of European Sustainability Standards (ESRS).

ISSB Publishes Digital Taxonomy

The International Sustainability Standards Board (ISSB) published the digital IFRS Sustainability Disclosure Taxonomy with the aim of making sustainability reporting more efficient by users.



The taxonomy will allow investors and financing providers of companies to access data and make detailed analysis and comparisons. Additionally, dialogue between companies and stakeholders will be more efficient.

The EU Oppose to Greenwashing in the Airline Sector

According to ESGtoday, the EU Commission and consumer authorities took action against 20 airlines that were found to have made misleading sustainability statements. The investigation focuses on airlines' statements that they neutralize their emissions from flights with carbon certificates and sustainable aviation fuels.



Describing the airlines' practices as greenwashing and misleading customers, the Commission and the Consumer Protection Cooperation Network (CPC) have called on airlines to bring their practices into line with EU consumer law.

PMI Project Launched

The Ministry of Environment, Urbanization and Climate Change announced the launch of the "Türkiye Carbon Market Development (PMI) Project". The project, which also includes the Emission Trading System (ETS), will be carried out under the initiative of the World Bank.



TÜRKİYE CUMHURİYETİ
ÇEVRE, ŞEHİRCİLİK VE
İKLİM DEĞİŞİKLİĞİ BAKANLIĞI

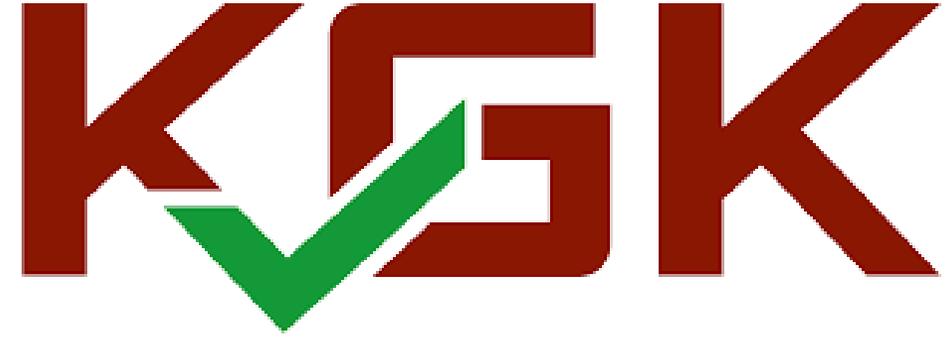


According to the information in Yeşil Büyüme, the Project consists of the following 5 main headings:

- **Shaping decisions regarding the national ETS design,**
- **Developing a local carbon credit system that will provide flexibility to ETS participants,**
- **Establishing a strategy for participation in international carbon markets,**
- **Developing communication strategies regarding carbon pricing,**
- **Establishing the necessary infrastructure for the carbon pricing mechanism.**

POA Published the Draft Guide on the Sector-Based Implementation of TSRS S2

The Public Oversight Authority (POA), the executive of Türkiye Sustainable Reporting Standards (TSRS), has published a guiding guide for companies to help implement TSRS S2, which covers "Climate-Related Disclosures".

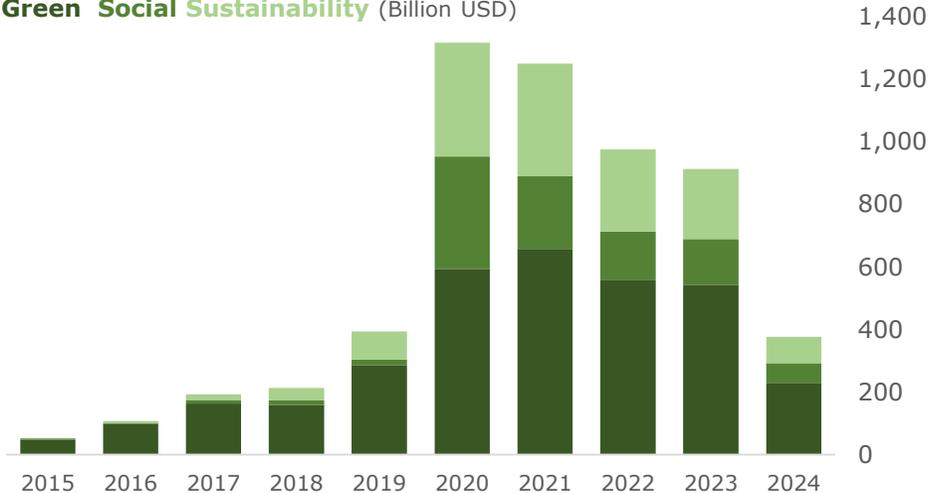


Kamu Gözetimi Kurumu

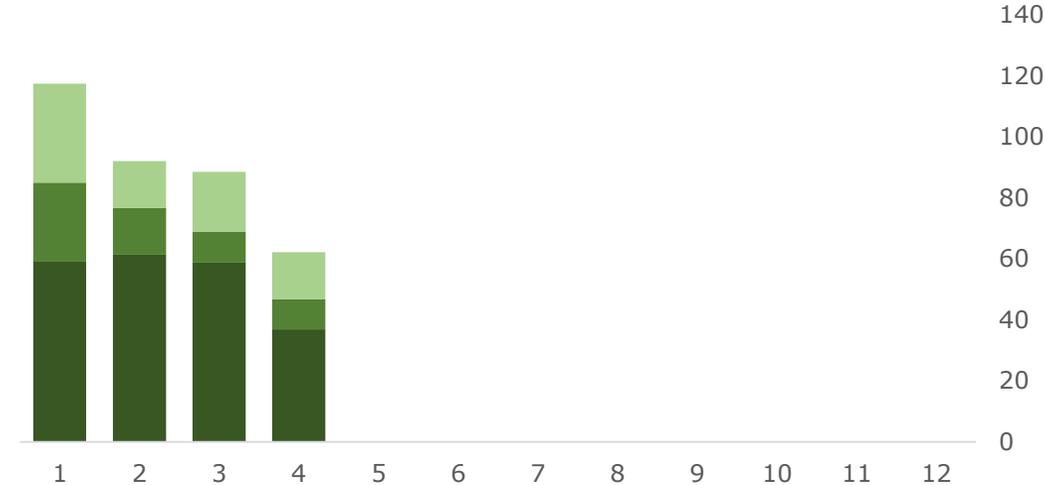
Covering 68 sectors, the "Guide on the Sector-Based Implementation of TSRS S2" includes sector-based disclosure issues and metrics to be referenced. The Guide in question is still at the draft stage and open for comment.

Sustainable Bond Market

Sustainable Bond Issues
Green Social Sustainability (Billion USD)



Monthly Sustainable Bond Issues in 2024
Green Social Sustainability (Billion USD)



Sectoral Breakdown of Monthly Sustainable Bond Issues in 2024
Financials Government Activity Technology Industrials Others (Billion USD)

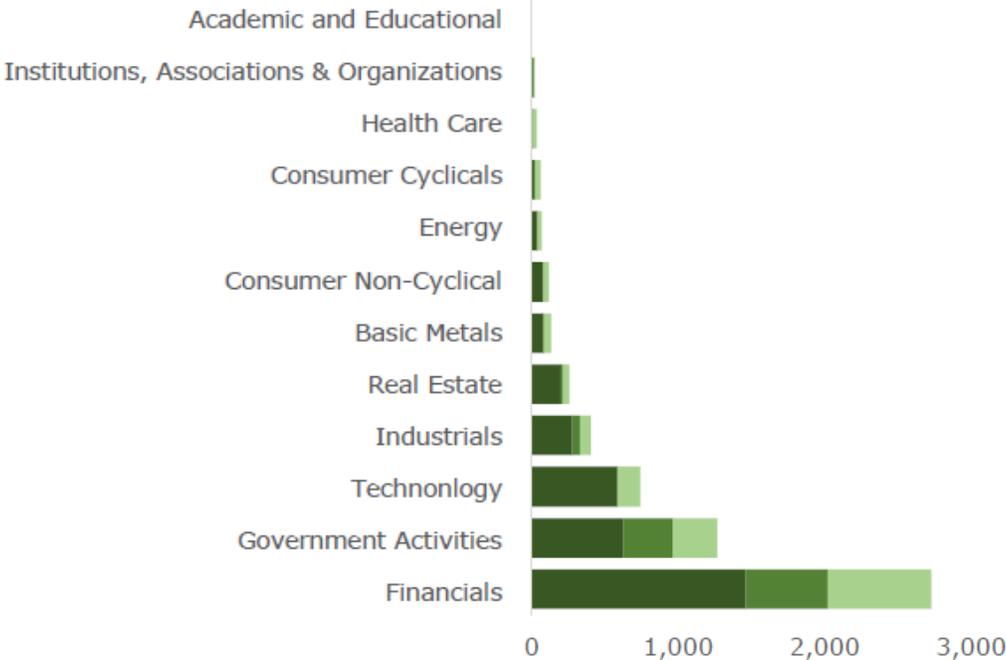


Source: JCR-ER, Refinitiv

Sustainable Bond Market

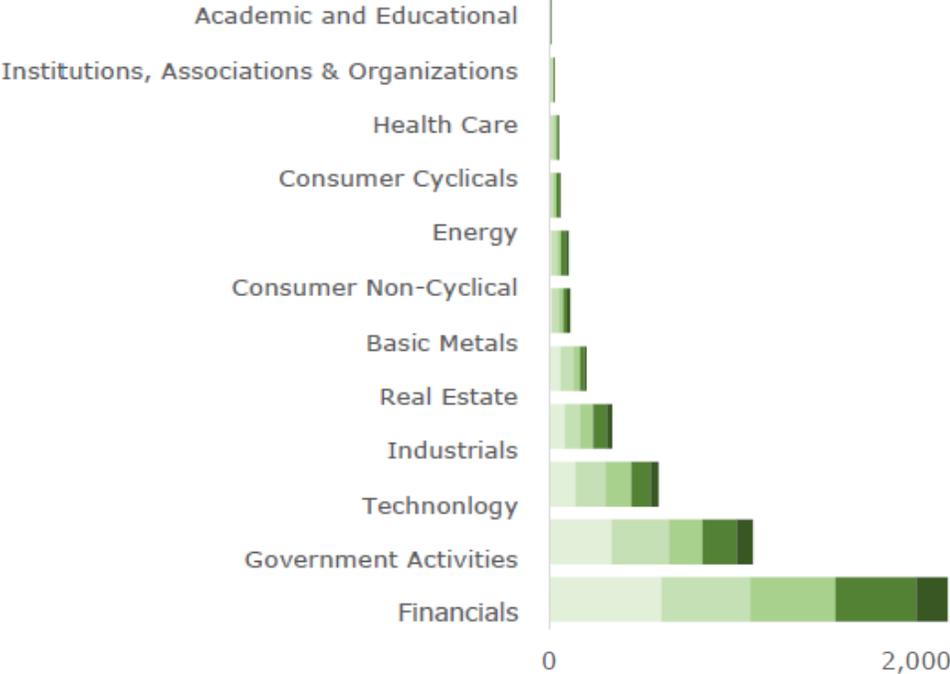
Sustainable Bond Issuance Sector-Bond Breakdown in 2006-2024 Period

Green Social Sustainability (Billion USD)



Sustainable Bond Issue Sector-Year Breakdown in 2020-2024 Period

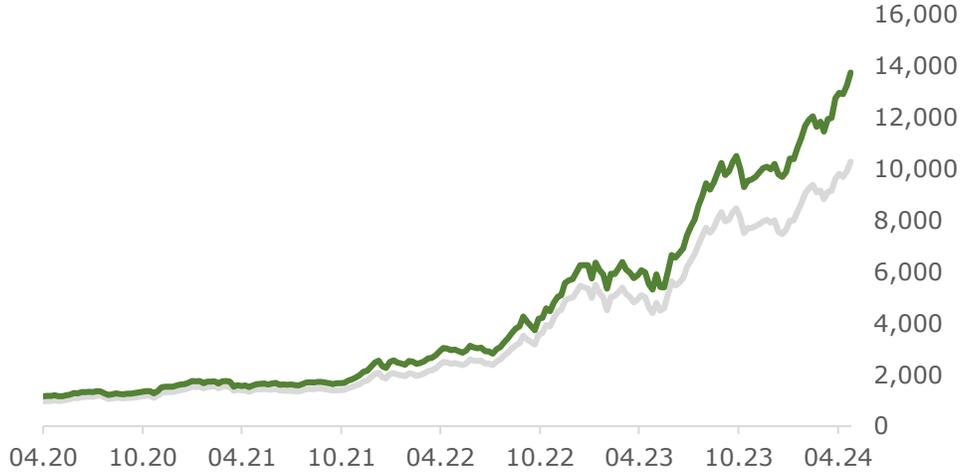
2024 2023 2022 2021 (Billion USD)



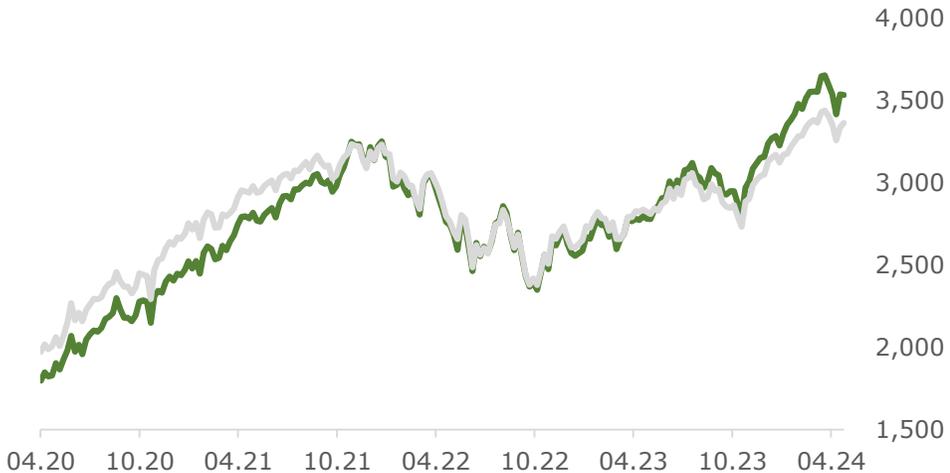
Source: JCR-ER, Refinitiv

Sustainability Indices

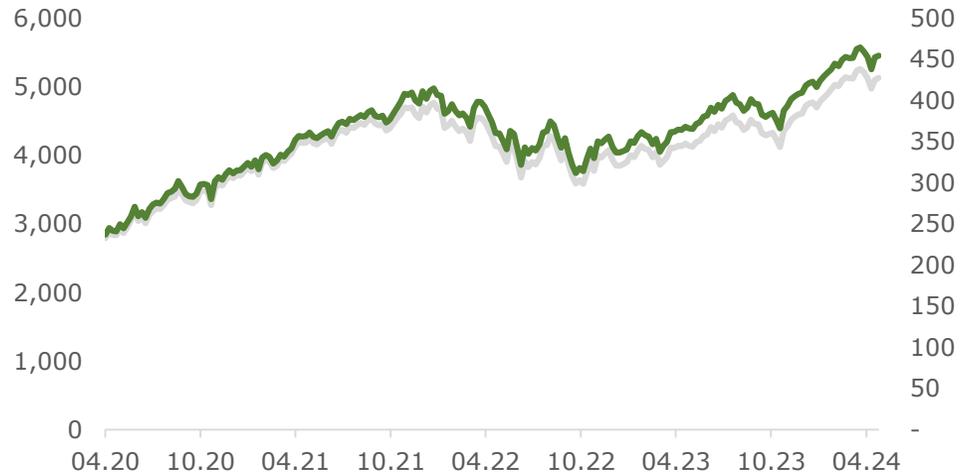
BIST Sustainability Index
BIST100



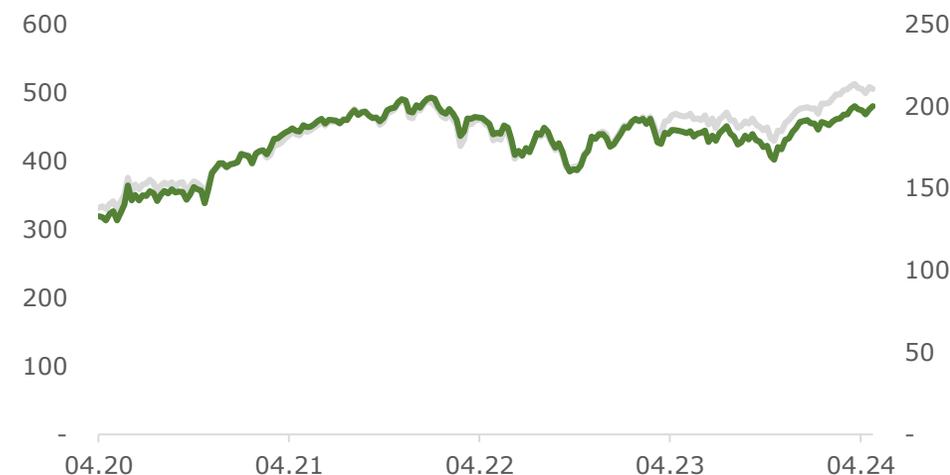
KLD400 Social Index
MSCI Global Index



SP500 Sustainability (Right Axis)
SP500 Index (Left Axis)



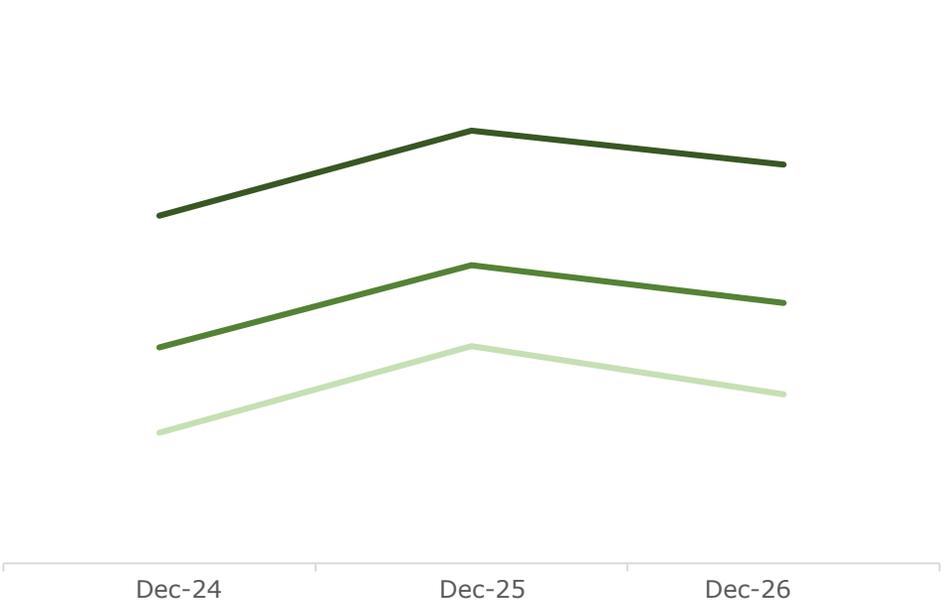
Stoxx Global ESG Leader Index (Right Axis)
STOXX600 Index (Left Axis)



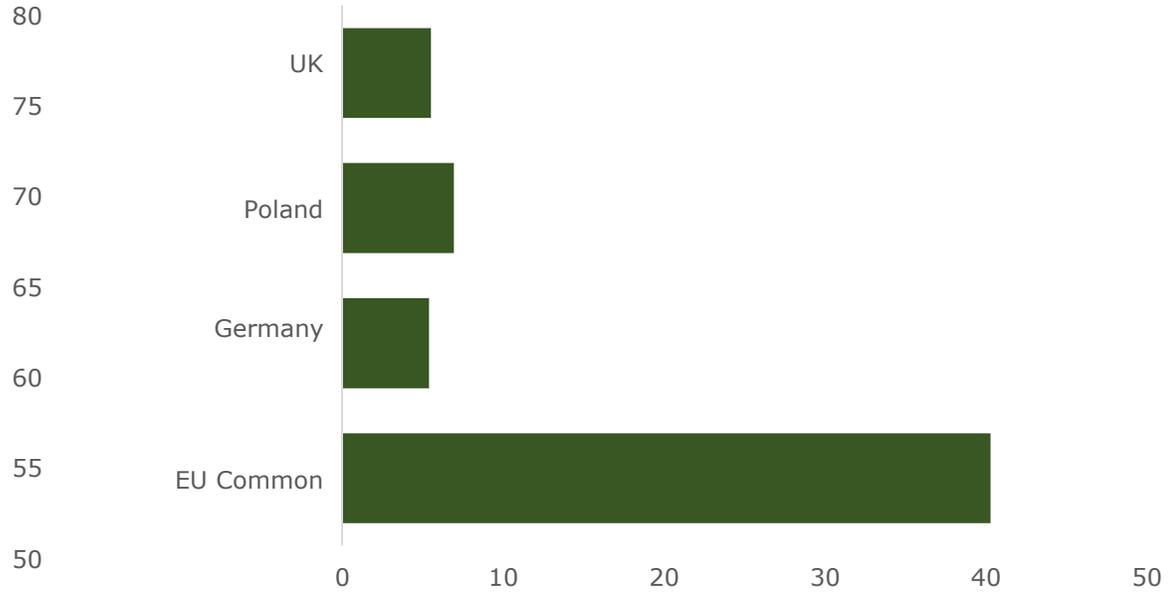
Source: JCR-ER, Refinitiv

Carbon Market

Carbon certificate prices is around 70 EUR/t.
30 April 2024 28 March 2023 28 February 2024



The amount of carbon certificates to be auctioned in the next month is 58 million tons.
Auctioned Carbon Certificates (EUR/t)



Source: JCR-ER, Refinitiv



Economic and Analytical Research

JCR Avrasya Derecelendirme A.Ş.

Maslak Mah.
Taşyoncası Sok.
No:1/F F2 Blok Kat:2
34485 Sarıyer/İstanbul
Türkiye

info@jcrer.com.tr
Tel +90 212 352 56 73-74
Faks +90 212 352 56 75

www.jcrer.com.tr

This report has been prepared by JCR Avrasya Derecelendirme A.Ş. using information obtained from publicly available sources and is for informational purposes only. The report is not prepared and should not be construed as providing advice or financial advice on the buying or selling of any financial instrument. The report does not reflect the institutional approach of JCR Avrasya Derecelendirme A.Ş., but reflects the personal opinions and evaluations of the experts who prepared the report. JCR Avrasya Derecelendirme A.Ş. does not guarantee the accuracy of the information contained in this report and reserves the right to make changes in this report and the information contained therein. JCR Avrasya Derecelendirme A.Ş. is not responsible for any direct or indirect damages arising from the use of this report and the information contained therein. This report is copyrighted by JCR Avrasya Derecelendirme A.Ş. and may not be reproduced, distributed or published, in whole or in part, for any purpose, by any person without the written permission of JCR Avrasya Derecelendirme A.Ş. All rights reserved.