Türkiye Corporate Environmental Outlook: From Disclosure to Delivery

What CDP and UN Global Compact data reveal about environmental management, business resilience and the next phase of corporate action in Türkiye

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Evidence base: CDP Türkiye 2025 Climate and Nature Report (May 2026) and UN Global Compact Türkiye 2025 Communication on Progress Analysis (2026).

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Executive summary

Türkiye approaches COP31 with a substantial, though uneven, foundation for corporate environmental action. The two reports examined here offer different perspectives on that foundation. The CDP Türkiye 2025 Climate and Nature Report reveals a relatively mature cohort of companies with established disclosure and risk-management capabilities, including internationally recognised leaders. The UN Global Compact Türkiye 2025 Communication on Progress (CoP; not to be confused with COP31, the climate conference) analysis examines a different group of participating companies, showing widespread adoption of environmental policies alongside clear differences between large companies and small and medium-sized enterprises (SMEs). Neither dataset represents all businesses in Türkiye. Read together, however, they offer an evidence-based assessment of current strengths and persistent gaps.

The two reports point to the same underlying picture: leadership is growing, but implementation remains uneven. Environmental policy ownership and emissions measurement are established among a substantial group of companies, yet the depth of transition planning, the quality of target validation, value-chain coverage, and the ability to manage physical climate and nature risks lag behind. As a result, the question for COP31 is how to extend credible implementation beyond leading companies without assuming that reporting itself demonstrates impact.

Five findings stand out. First, Türkiye has a broad and fast-growing leading group: the number of Turkish companies on a CDP A List rose from three in 2021 to 45 in 2025, and five of the 27 Triple A companies worldwide are Turkish[1]. Second, greenhouse gas (GHG) accounting is progressing faster than verified targets or documented emissions reductions across every segment. Third, water is where Turkish companies most clearly lead European and global peers, consistent with high physical exposure as well as management attention; rising withdrawals show why policy ownership alone is insufficient. Fourth, biodiversity, forests and plastics remain less integrated than climate in management practice, even though stated nature policies are already more common than among peers. Fifth, the gap between large companies and SMEs presents a challenge for extending environmental action across value chains, highlighting the need for practical support rather than additional reporting requirements alone.

Behind these findings lies a common pattern. Compared with Global Compact participants in Europe and worldwide, Turkish companies are more likely to set direction, through water policies, adaptation plans and executive pay linked to environmental results, and less likely to check it through annual review of target progress. Their boards also include a smaller share of independent members. This gap between commitment and verification will matter more as Türkiye's regulatory framework tightens. Mandatory Türkiye Sustainability Reporting Standards (TSRS), the Climate Law and the regulations establishing the Emissions Trading System and Türkiye's Green Taxonomy make reliable environmental data the basis for regulatory compliance, carbon pricing, financial decision-making and access to sustainable finance.

The priority is therefore to close the gap between commitment and delivery: make existing disclosure decision-useful; set credible and appropriately verified goals; connect transition and adaptation plans to investment; focus water action on local exposure and outcomes; build traceable nature-related management; and give suppliers the tools, incentives and time required to participate. COP31 offers a timely platform to communicate this agenda, but implementation will depend on company decisions and sustained collaboration after the conference.

[1] These results describe the disclosing population rather than the wider economy.

1. Purpose, evidence and limits

This paper draws on two separate analyses; it does not combine their datasets into a single statistical sample. CDP assesses company disclosures using issue-specific questionnaires, detailed environmental indicators and, for some analyses, scores. The UN Global Compact CoP questionnaire asks participants about commitments, policies, actions and reported performance across the Ten Principles. Their populations, definitions, denominators and validation processes differ. We therefore compare patterns and implications, rather than using percentages as directly interchangeable measurements of the same business population.

Understanding the two datasets

Evidence source	Coverage relevant to this paper	What it can and cannot tell us
CDP Türkiye 2025	151 companies disclosed on climate change; 92 are included in the detailed water analysis and eight in the forests analysis. Globally, more than 22,000 companies disclosed through CDP.	Detailed environmental management, risks, targets and reported performance for a selected disclosure population. Module samples are not interchangeable, and the small forests sample requires particular restraint.
UN Global Compact Türkiye CoP 2025	250 participating Turkish companies: 167 large companies and 83 SMEs; global comparison encompasses 11,435 companies.	A cross-sectional view of self-reported policy, practice and measurement, including size differences. Participants are not a representative sample of the Turkish economy; responses are not independently assured as a dataset.

Financial estimates require particular care. CDP's opportunity values, risk impacts and related costs are company-reported forward-looking estimates, not audited realised investment returns. Observed differences between scored groups are associations within the disclosed sample; they do not demonstrate that scoring causes superior financial performance. The same care applies to survey intentions: a plan to introduce a policy in the next two years is not evidence that it has already been implemented. [CDP, methodology and pp. 6–9, 24–27; UNGC, methodology and executive summary, pp. 10–14.]

Neither report provides a breakdown by sector, so differences between, for example, heavy industry, finance and services cannot be assessed here. One rule applies throughout: policy ownership, plans and stated intentions indicate management attention, not environmental outcomes. Later sections apply this rule without repeating it for each figure and concentrate instead on what the evidence does show.

A fast-changing reporting and policy setting

The CDP series describes a system in motion. CDP has operated in Türkiye since 2009 through the Sabancı University Corporate Governance Forum; 20 companies responded on climate in 2011, against 151 in 2025. Quality has risen faster than participation: Turkish companies on at least one CDP A List increased from three in 2021 to 45 in 2025. Most of the improvement is therefore recent, and it coincided with rising investor expectations and EU regulatory pressure on exporters. [CDP, p. 22 and scoring discussion.]

The regulatory environment is also shifting towards mandatory requirements. The Türkiye Sustainability Reporting Standards (TSRS), based on the standards of the International Sustainability Standards Board (ISSB), have applied to defined companies since 2024. Türkiye's first Climate Law was enacted in 2025, followed by the publication of the Emissions Trading System and Green Taxonomy regulations in 2026, supporting the country's 2053 net-zero target. The Emissions Trading System pilot phase covers 2026–2027, while the EU Carbon Border Adjustment Mechanism (CBAM) entered its definitive phase in January 2026, increasing the

importance of verified emissions data for Turkish exporters. CDP data suggest that companies are partly prepared: their disclosures show 83% overall alignment with TSRS, reaching 98% for governance and risk management but 79% for strategy, metrics and targets, while 63% of respondents expect to be covered by carbon pricing within three years. Data originally collected through voluntary disclosure will increasingly support regulatory compliance and financial decision-making. [CDP, TSRS and carbon pricing analyses; Sources 4 to 6.]

2. A strong institutional foundation with uneven reach

Both reports indicate that environmental management has moved beyond a marginal corporate responsibility activity for many responding companies. CDP reports that among scored companies in Türkiye, 33% reached Leadership in climate change, 43% in water security and 35% in forests; the combined Management and Leadership shares were 82%, 87% and 70% respectively. Five Turkish companies achieved a Triple A score across climate, water and forests, nearly a fifth of the 27 worldwide. [CDP, pp. 6–9, 14–19.]

The CoP analysis supports the picture of increasingly established environmental governance, but it also expands the view. Energy and resource-use policies were reported by 84% of responding Turkish companies, as were waste policies, against global figures of 73% and 71% respectively. Climate policy ownership reached 76% in the Turkish sample, while water policy ownership reached 74%. [UNGC, environment chapter, pp. 60–61; executive summary, p. 14.]

The picture changes when results are broken down by company size. In the CoP sample, 86% of large companies reported a climate policy against 57% of SMEs. For water policy, the corresponding figures were 86% and 48%; for nature and biodiversity policies, 67% and 33%. These are sizeable gaps within a single dataset and question framework. They suggest that a credible national corporate agenda must account for substantial differences in resources, technical capacity and access to implementation support. [UNGC, pp. 60–61.]

What this means

The scored group is not a handful of champions. With 82% of climate respondents at the Management or Leadership level and only 3% at the entry Disclosure level, there is a broad, competent middle behind the leaders, and its rapid growth since 2021 suggests that investor and trade pressure is translating into management practice. It would nonetheless be misleading to describe the entire Turkish business community as equally prepared. A more defensible formulation is that an advanced and expanding group has established management infrastructure, with broader but uneven diffusion of environmental policies across responding companies. Building on this infrastructure is promising; extending it beyond the companies already equipped to report is a separate task.

How Türkiye compares with Europe and the world

The CoP analysis allows a direct comparison with participants elsewhere. The benchmarks show where Turkish companies lead and where they trail.

Indicator (CoP participants)	Türkiye	Europe	Global
Have a water policy	74%	52%	53%
Treat water as a material issue	61%	30%	36%
Adaptation plan with physical risk assessment	32%	17%	19%
Executive pay linked to environmental performance	44%	25%	28%

Indicator (CoP participants)	Türkiye	Europe	Global
Have a nature and biodiversity policy	56%	42%	42%
Have started measuring Scope 3 emissions	68%	62%	55%
Review climate target progress at least annually	59%	75%	73%
Independent members (share of board seats)	28%	39%	42%

Source: UN Global Compact Türkiye 2025, environment and governance chapters.

The pattern is consistent, and it adds a dimension that the Turkish figures alone do not show. Turkish companies are more likely than peers to set direction through policies, plans and incentives, especially where physical exposure is high, as with water and adaptation. They are less likely to review progress against targets each year, and independent members hold a smaller share of their board seats. These indicators record whether a practice is in place, not how well it works: a link between executive pay and environmental results, for example, says nothing about the size, design or effect of the incentive. And board independence is a general governance measure, not a measure of the quality of oversight on environmental matters. Within these limits, the governance that launches environmental action appears stronger than the governance that checks it, which mirrors the distance between commitment and verified delivery that runs through the rest of this paper.

3. Climate: measurement maturity is not the same as transition delivery

CDP's detailed sample indicates substantial coverage of emissions disclosure. Its report states that all companies in the relevant climate analysis disclosed Scope 1 and 2 emissions (direct emissions and those from purchased energy), 98% reported Scope 3 (all other value-chain emissions), and verification reached 95% for Scope 1 and 2 and 88% for Scope 3. Within that same analytical population, 70% reported a 1.5°C-aligned transition plan, while 62% had net-zero targets and 12% had net-zero targets validated by the Science Based Targets initiative (SBTi). The existence of a plan or target says little about its scientific robustness, coverage or implementation, which is what independent validation tests. [CDP, pp. 8–9.]

The CoP data provide a different baseline. In the Turkish sample, 91% measured Scope 1 emissions; 78% reported location-based Scope 2 measurement and 71% market-based Scope 2 measurement. For Scope 3, 45% reported full measurement and a further 23% partial measurement, so 68% had initiated measurement. Comparable figures were 62% for Europe and 55% globally for having begun Scope 3 measurement. This is meaningful progress, but far from comprehensive value-chain measurement across all participating companies. [UNGC, pp. 69–70.]

The large-company–SME divide is pronounced. Among large CoP respondents, 57% had fully measured Scope 3 and 23% partly measured it, while only 20% of SMEs reported full measurement and 57% reported none. Basic accounting diverges too: large-company measurement of Scope 1 was 94%, against 75% for SMEs. These differences show why supplier data requests need to be proportionate and supported by a clear pathway to improving underlying data, rather than producing unverified estimates solely to satisfy customers. [UNGC, pp. 69–70.]

CDP also shows substantial differences in the use of management tools. Internal carbon pricing was reported by 84% of CDP Leading companies[2] and 35% of Lower-Level performers; 87% of Leading companies reported a 1.5°C-aligned transition plan compared with 55% of Lower-Level performers. Ninety-seven per cent of Leading

[2] In this paper, "Leading companies" follows CDP's definition of companies scoring A or A–; "Lower-Level performers" refers to the other companies in the relevant CDP comparison group.

companies link executive pay to environmental results. Sixty per cent of Leading companies reported a year-on-year decline in combined Scope 1 and 2 emissions, versus 32%. This pattern is consistent with stronger implementation among Leading companies, although the comparison cannot establish causation or describe economy-wide emissions trends. [CDP, pp. 8–9, 26–31.]

Energy data reveal a similar gap between progress and implementation. Renewable energy consumption was reported by 80% of CDP respondents, up from 41% in 2019, while 59% of UN Global Compact participants reported increased investment in renewable energy, compared with 42% in both Europe and the global sample. However, electricity-related emissions increased among CDP respondents, fossil fuels continue to account for the majority of total energy consumption, and only 33% of CDP respondents include a commitment to phase out fossil fuel expansion in their transition plans. This matters for COP31's electrification agenda: renewable adoption is expanding, but it has not yet translated into a consistent reduction in fossil energy dependence across reporting companies. [CDP, pp. 8–9 and climate module; UNGC, executive summary, p. 14.]

What this means

Measurement has probably advanced faster because it is what investors, customers and CBAM ask for first, and verification is now routine among CDP respondents. Validated targets and fossil phase-out commitments require costlier and less reversible choices, so they lag. Internal carbon prices are today mostly shadow prices used for analysis. They are not the same as the costs a national Emissions Trading System will impose, but they can help companies assess their exposure to potential regulatory carbon costs and prepare investment decisions accordingly.

What should change

More meaningful transition planning would connect an emissions baseline to sector-relevant emissions-reduction measures, investment budgets, expected energy demand, implementation milestones and accountability. Companies should explain which reductions are achieved within operations, which depend on purchased energy and which depend on supplier and customer action. External target validation can improve credibility where applicable, but it cannot substitute for implementation. The primary test is whether the organisation can document capital deployment and changes in measured emissions over time.

4. Water: management attention is rising alongside physical exposure

Water is a particularly important area of overlap between the two reports, and the one in which Turkish companies most clearly lead their peers. As the comparison in Section 2 shows, CoP participants in Türkiye are considerably more likely than European and global peers to have a water policy (74% against 52% and 53%) and to treat water as a material issue. [UNGC, environment chapter, pp. 60–61.]

CDP adds an exposure-and-outcomes perspective. In its water analysis, 82% of companies sourced water from water-stressed areas; for 66%, more than half of withdrawals originated in such areas. Eighty per cent reported water-related targets. Yet total withdrawals in the analysed sample increased by 16%, with growing groundwater use contributing to the trend. The CDP report also flags uneven treatment practices and an increase in untreated discharges. High policy adoption and target setting coexist with significant operational challenges. [CDP, pp. 8–9 and water module.]

These CDP figures describe the analysed water-reporting companies, not all companies or the country's aggregate freshwater balance. The reported increase in total withdrawals should not automatically be interpreted as deteriorating water efficiency without consistent production, facility and scope information. Nevertheless, the combination of water-stress exposure and growing volumes makes water resilience a high-priority business issue.

What this means

Türkiye's lead on water is consistent with greater exposure. In a Mediterranean economy facing heat and drought, water is likely to be treated as a business-continuity issue, although these comparisons cannot show that exposure explains the higher adoption. Management remains focused on withdrawal volumes at individual sites: only 46% of CDP water respondents fully monitor the water they recycle or reuse, and 42% monitor emissions to water at all sites. [CDP, water module.] The growing reliance on groundwater is an early warning about resilience, not only an efficiency question, because groundwater is often the reserve that buffers drought.

Companies therefore need to move beyond facility-level withdrawal targets alone. A basin-informed approach should identify material sites and suppliers; assess seasonal availability, competing demands and groundwater dependency; prioritise efficiency and reuse; and track water-quality outcomes. The relevant unit of risk is often a catchment or shared water system, not simply a corporate total. A business can improve its average water intensity while still increasing exposure in a highly stressed location.

5. Nature: awareness is expanding faster than management depth

Both reports show that companies are paying more attention to environmental issues beyond greenhouse gases, although progress differs by topic. CoP policy ownership for nature and biodiversity reached 56% in Türkiye, above the European and global figure of 42%, and Turkish participants publish their biodiversity policies more often than peers (80% against 56% in Europe and 54% globally). Adoption is much higher among large companies (67%) than SMEs (33%). [UNGC, pp. 60–61.]

CDP identifies a deeper integration gap. Its 2025 analysis found environmental risk-management process coverage of 36% for biodiversity, 24% for plastics and 11% for forests, compared with near-universal processes for climate. In biodiversity, 32% of companies used biodiversity indicators; in plastics, only 34% had relevant targets. For the forests analysis, just 13% assessed deforestation- and conversion-free status and 38% reported active steps to increase deforestation- and conversion-free volumes. The detailed forests module comprises only eight companies, so these percentages should be read as descriptive for a very small sample, not as population estimates. [CDP, pp. 8–9, 24–25 and issue modules.]

Part of this difference reflects the complexity of nature-related assessment: ecological impacts and dependencies vary strongly by location, land use, commodity and supply-chain position, and measurement is harder than applying a common greenhouse gas unit. Companies can nevertheless face operational disruptions and procurement exposure through ecosystem decline without those dependencies appearing clearly in conventional corporate risk registers.

Circularity, closely linked to the plastics findings above, shows a similar gap between policy and practice. Waste policies are reported by 84% of CoP participants and 59% apply recycling measures, but only 18% invest in alternative materials; in CDP, 34% have plastics targets and the elimination of single-use plastics is almost absent. Effort is concentrated on managing waste rather than on redesigning products and materials. [UNGC, environment chapter; CDP, plastics module.]

What this means

The two reports show an instructive contrast. Turkish companies state nature commitments more often than their peers, yet few have the processes to manage nature-related risk. This resembles the earlier path of climate management, in which policies came before processes, and it suggests that the climate toolkit of risk processes, targets, supplier engagement and incentives is waiting to be extended to nature; a lack of interest is

not the problem. The most immediate bottleneck is location data: only 12% of CDP respondents hold location data for all facilities, the starting point for any credible assessment of proximity to sensitive ecosystems.

A pragmatic approach would begin with a focused materiality screen: identify priority commodities, high-impact activities and locations; examine land-conversion exposure, ecosystem dependencies and protected or sensitive areas where relevant; introduce traceability and supplier due diligence where meaningful; and develop a limited set of decision-useful metrics before expanding disclosure. No single biodiversity indicator will describe every sector or supply chain.

6. Investment, financial risk and value creation

CDP also compares the financial risks and opportunities reported by Leading companies (those scoring A or A−) and Lower-Level performers. Within the relevant financial-analysis sample, Leading companies reported an estimated USD 12.88 billion in financial effects from environmental opportunities against USD 3.23 billion in estimated costs to realise them, an indicative ratio of about 4 to 1. Lower-Level performers reported USD 2.58 billion of potential financial effects against USD 36.99 billion in costs, meaning estimated costs were roughly 14 times the reported opportunity value. Together, the two groups reported USD 15.46 billion in opportunity value and USD 40.22 billion in costs to realise it. Calculated from these totals, leaders account for 83% of the combined opportunity value (USD 12.88 billion of 15.46 billion) and 8% of the combined costs (USD 3.23 billion of 40.22 billion); CDP does not report these shares directly.[3] [CDP, pp. 26–27.]

These values are neither independently verified returns nor a causal estimate of the profitability of sustainability spending. The analysis compares groups that differ on many dimensions, using prospective values identified and estimated by companies. The data may reveal a greater ability among leaders to identify commercially relevant opportunities, but it is inappropriate to claim that each dollar invested in environmental action actually generated four dollars of realised profit.

The report also describes a markedly different relationship between estimated response costs and identified financial risk. Leading companies reported a cost-to-risk ratio of 0.43, versus 5.88 for Lower-Level performers. This compares estimated response costs with the financial impacts of reported risks; it does not show that leaders face fewer risks. [CDP, pp. 26–27.]

The CoP renewable-investment figure noted in Section 3 (59% of participating Turkish companies) points to broad activity, but the measure does not state the value of investment, generation mix, actual emissions avoided or commercial return. [UNGC, executive summary, p. 14.]

What this means

These differences may reflect variation in how companies identify and quantify opportunities, alongside differences in company size, sector, project characteristics and reporting practices. The figures do not show which investments companies actually made. They are, however, consistent with the leaders' wider use of the tools described in Section 3, such as internal carbon pricing and scenario analysis; how much of the gap such tools could close cannot be established from these data.

Environmental disclosure becomes financially useful when physical and transition risks can be connected to investment screening, expected operating costs, asset planning, procurement and business continuity. Companies should distinguish avoided losses, cost savings, revenue opportunities, capital requirements and

[3] These ratios are calculated from group totals, so they are effectively weighted by the size of each company's reported values, and a few large reporters can drive them. The published comparison does not show whether opportunity values and costs refer to the same time horizon, or whether every company in a group reports both. A per-company (simple average) ratio would be a useful robustness check, but it cannot be calculated from the published report.

potential stranded-asset exposure, and clearly separate expected from realised values. Project-level financial assessment is more reliable than a single headline “green return” claim.

7. Adaptation and operational resilience

Adaptation deserves the same management attention as emissions reduction. Exposure to heat, drought, flooding and other physical changes can alter production continuity, insurance costs, logistics and the reliability of suppliers. This is especially relevant where water dependence is significant.

CDP data show that respondents are well equipped to identify climate-related risk and are directly exposed to it. All CDP respondents have a process for identifying climate-related dependencies, impacts, risks and opportunities, and 95% apply scenario analysis, 77% using scenarios at 1.5°C or below. Scenario outputs inform strategy and financial planning at 86% of companies and assessments of business-model resilience at 75%. These figures cover climate scenario analysis in general, not physical-risk analysis alone. Exposure is substantial: 35% of water respondents report that all their facilities are exposed to water-related risk. Yet only 12% of companies can provide location data for all facilities, which limits site-level assessment of physical hazards. [CDP, pp. 32–41.]

The CoP analysis offers a useful indication of the uneven development of adaptation capability. In the Turkish sample, 32% reported an adaptation plan that included physical climate risk assessments, well above the European (17%) and global (19%) figures, and 30% reported one containing physical-risk scenario analysis. Among large companies these shares were 41% and 40%; among SMEs they were 14% and 8%. Forty-nine per cent of SMEs said they planned to prepare an adaptation plan within two years. This last figure measures intention rather than completed resilience measures. [UNGC, p. 73.]

What this means

Adaptation is a second area, after water, in which Türkiye is ahead of peers in planning, again consistent with high physical exposure. The two datasets also show a gap within that lead. Among CDP respondents, risk processes and scenario analysis are close to universal, while among CoP participants only about a third have an adaptation plan built on physical risk assessment. The samples differ, but the contrast suggests that tools for identifying and analysing climate risk are more widespread than plans to manage physical risk. The gap between large companies and SMEs is among the widest in relative terms: SMEs are about a third as likely as large companies to have an adaptation plan and a fifth as likely to use physical-risk scenarios. Plans are also not yet clearly linked to investment. Because SMEs supply the large companies, their limited resilience is also a risk to the larger companies’ own continuity.

Adaptation planning should be site-specific and tested against operational decisions. A company may conduct scenario analysis without acting on the vulnerabilities it identifies. Evidence of delivery would include prioritised facility upgrades, supplier contingency arrangements, water-security projects, revised maintenance and design standards, and assessments of the distribution of risks across workers, surrounding communities and supply chains. Progress metrics should track coverage of high-risk operations and completed resilience investments rather than merely the presence of a plan.

8. The business-system gap: bringing value chains and SMEs into implementation

Both sources show that value-chain action has not advanced as far as company-level policies and management systems. In the CoP analysis, the share of environmental policies extending to suppliers and the value chain

was typically in the 33%–42% range across topics. In CDP, engagement on climate (98% of respondents) was far more established than engagement on plastics (18%) and forests (10%). These percentages use different questions and populations and should not be compared numerically; they nevertheless support the same directional conclusion. Because SMEs form much of the supply base of large companies, the size gap described in Section 2 and the value-chain gap are largely the same problem seen from two sides. [UNGC, executive summary, p. 14; CDP, pp. 8–9.]

The supplier challenge is not simply a matter of compliance. Large purchasing companies can require detailed emissions or traceability data from suppliers that lack the tools, time, staff or capital to produce them. Repeated, inconsistent requests create administrative costs without necessarily improving measurement quality. Conversely, suppliers may have practical operational opportunities, such as energy efficiency, process improvements and reduced losses, but lack financing or technical advice.

A stronger value-chain approach should establish shared minimum data requirements, recognise credible equivalent formats, phase in expectations proportionately and provide usable feedback to suppliers. Smaller companies should be judged on credible progress from an appropriate baseline rather than held immediately to the same disclosure detail as large multinational companies.

For suppliers, implementation may depend as much on access to appropriately structured finance and predictable purchasing relationships as on reporting capability. A supplier may know what to do, and the investment may make economic sense, yet it may still lack finance with a suitable maturity or confidence that orders will continue. Large buyers and lenders can support investment through longer-term contracts, technical assistance and financing arrangements tied to measurable improvements, which also strengthens the resilience of the buyers' own supply chains.

Equally, supplier action should connect to environmental materiality. For climate, priority categories can be identified using Scope 3 screening. For water, risks often cluster geographically and should be addressed at relevant facilities and basins. For forests and land use, priority commodities and origin traceability may be more important than collecting a generic company-wide policy statement.

9. Where the two reports agree

The CDP and CoP data were collected separately, with different questionnaires, samples and definitions. The recurring patterns across the two reports provide a useful basis for qualitative synthesis, but they are not independent confirmation: the samples may overlap, and both rely on voluntary participation and self-reporting, which can produce similar selection effects. The table places the findings side by side without combining them.

Theme	CDP Türkiye 2025	UN Global Compact Türkiye 2025	Shared reading
Water	82% source from stressed areas; 80% have water targets	74% have a water policy (Europe 52%, global 53%)	Strongest area in both, consistent with exposure
Emissions measurement	All disclose Scope 1 and 2; 98% report Scope 3; 95% verified	91% measure Scope 1; 68% have started Scope 3	Measurement is mature; value-chain depth is next
Target credibility	12% have SBTi-validated net-zero targets; 33% commit to fossil phase-out	59% review target progress annually (Europe 75%, global 73%)	Pledges run ahead of validated, tracked targets
Value chain	98% engage the value chain on climate, against 18% on plastics and 10% on forests	Supplier coverage of policies 33% to 42%	Practice weakens at the company boundary

Theme	CDP Türkiye 2025	UN Global Compact Türkiye 2025	Shared reading
Nature	Risk processes: 36% biodiversity, 24% plastics, 11% forests	56% have a biodiversity policy (Europe and global 42%)	Policy and intent ahead of operating process
Incentives	97% of Leading companies link pay to environmental results	44% link pay (Europe 25%, global 28%)	Pay links more common than among peers; design and effect not measured

Source: CDP Türkiye 2025; UN Global Compact Türkiye 2025. Samples and definitions differ, so values are shown side by side and not combined.

The reports agree on direction even where levels differ, and they complement each other: CDP shows what leading companies do and what they estimate it is worth, while the CoP analysis shows how far the wider community, including SMEs, follows.

10. What these findings mean for COP31

COP31 provides an opportunity to anchor discussions about corporate climate ambition in the experience of implementation. The Presidency's Action Agenda, with a flagship goal of electrifying 35% of final energy demand by 2035 and priorities on zero waste and climate-resilient cities, depends directly on the corporate capabilities described here. [Source 3.] The reports reveal that a base of environmental data and management practices already exists. The policy and business question is how to make that information more useful for investment and operational decisions, and how to extend the capacity to act to companies and supply chains currently less equipped to do so.

The first message is that disclosure readiness is not the same as economy-wide transition. Strong scores among CDP respondents and favourable CoP policy indicators are encouraging, but neither by itself establishes the pace of national decarbonisation or economy-wide resilience. A credible COP31 message should acknowledge progress without treating selected disclosure samples as a proxy for the entire economy.

The second message is that mitigation, adaptation, water and nature cannot be treated as unrelated reporting workstreams. Investment in a new production process may lower energy demand while shifting water use; a sourcing decision may change emissions, land-use pressure and exposure to drought. Corporate decision-makers need integrated analysis, not necessarily a merged disclosure questionnaire. The value of the CDP and CoP data is that they already show where decisions and measurement need to improve.

The third message is that implementation requires appropriate enabling conditions. Companies operate under capital, technology, skills and information constraints that vary markedly by size and sector. Improving financeability, data interoperability and accessible technical support may do more for small suppliers than multiplying overlapping disclosure requests. This is not an argument for weaker accountability; it is a case for measuring progress through feasible, consistent and material indicators.

11. Priorities for corporate action

The recommendations below focus on companies, reflecting the scope of the two reports. The pace of implementation also depends on enabling conditions, including how the Emissions Trading System and Green Taxonomy are put into practice, access to transition finance and technical support for SMEs. Those conditions rest largely with public authorities and financial institutions. The priorities address the gaps identified in the reports, recognising that meaningful progress requires time, investment and coordination.

Priority	Near-term action by companies	Evidence of progress
1. Make data decision-useful	Map material climate, water and nature exposures to assets, suppliers and financial planning. Resolve major data gaps before adding low-value metrics.	Documented investment/risk decisions informed by environmental data; improved completeness and consistency.
2. Strengthen climate transition execution	Link target pathways to identified measures, owners, capital budgets and interim milestones. Seek independent target assessment where applicable.	Investment deployed; implemented measures; consistent changes in absolute and intensity emissions.
3. Prepare for physical risks	Identify the highest-exposure sites and value-chain dependencies; stress-test operations and integrate resilience measures into business continuity.	High-risk site coverage; completed interventions and performance against resilience milestones.
4. Advance location-specific water stewardship	Prioritise facilities in stressed basins, review withdrawals and discharge quality, and consider reuse and shared catchment conditions.	Withdrawals, reuse and discharge outcomes in stressed basins; credible basin-related actions.
5. Build proportionate nature management	Screen significant dependencies and impacts; focus traceability on material commodities and locations and introduce relevant indicators.	Coverage of material supply chains/sites, traceability and substantiated mitigation measures.
6. Enable supplier participation	Simplify requests, offer technical support and align procurement incentives with achievable improvement.	Supplier participation and verified improvement, not just the number of questionnaires returned.
7. Test the financial case	Distinguish expected benefits from realised returns; incorporate risks and opportunities into capital allocation and project review.	Documented business cases and follow-up of realised costs, savings and risk reduction.

Effective governance is essential to turning environmental commitments into action. Companies need clear responsibilities, adequate resources and regular reviews of progress against targets. CoP data indicate that Turkish participants are less likely than their international peers to review progress on climate targets at least annually. Strengthening board-level oversight and linking performance reviews to investment decisions would help address this gap and improve accountability.

12. Conclusion

The two reports show progress alongside clear gaps. UN Global Compact data show that participating Turkish companies perform above European and global averages in several areas, including water policies, climate adaptation plans and linking executive remuneration to environmental performance. However, they are less likely to review progress against climate targets at least annually. CDP findings also show a growing group of environmental leaders, supported by relatively strong reporting and management practices. Yet progress remains uneven, particularly among SMEs, suppliers and companies addressing broader nature-related risks. These findings reflect the companies covered by the two reports and should not be interpreted as representative of the entire Turkish business community.

Together, the reports suggest that Türkiye has a strong foundation for corporate environmental management, but that commitments are not yet translating into measurable results. Climate management is more advanced than broader nature-related practices, while gaps remain in target verification, value-chain engagement and implementation. As Türkiye strengthens its regulatory framework through TSRS, the Climate Law, the Emissions Trading System and the Green Taxonomy, reliable environmental data and effective management will matter more for compliance, investment and business resilience.

COP31 provides an opportunity to demonstrate how this progress can translate into practical action. Priorities include stronger board-level oversight, regular reviews of environmental targets, greater use of independently validated emissions targets, improved location-specific assessment of water and nature risks, and more effective support for suppliers and SMEs. Ultimately, progress should be assessed not only through better reporting, but through measurable emissions reductions, improved water management in stressed areas and stronger environmental performance across value chains. Demonstrating such progress would give COP31 in Antalya a meaningful contribution to the wider discussion on turning environmental commitments into action.

Sources and methodological notes

1. CDP Türkiye. CDP Türkiye 2025 Climate and Nature Report, published May 2026. Evidence used from the 2025 Overview (report pages 6–9), snapshots and scoring discussion, methodology and analytical sample (pages 24–25), financial comparison (pages 26–27), and climate, water and nature issue analyses. Financial figures are prospective company estimates and sample sizes vary by theme.
2. UN Global Compact Türkiye. UN Global Compact Türkiye 2025 İlerleme Bildirimi Analizi (Communication on Progress Analysis), published 2026. Evidence used from the methodology and executive summary (pages 10–14), and environment chapter (particularly pages 60–61, 69–73 and 80–82). CoP indicators are respondent self-reports, and their denominators may vary by question.
3. COP31 Presidency. Action Agenda announcement, Bonn, 9 June 2026.
4. Public Oversight, Accounting and Auditing Standards Authority (KGK). Board Decision on the scope of application of the Türkiye Sustainability Reporting Standards (TSRS), Official Gazette no. 32414 (1st repeated issue), 29 December 2023; and Procedures and principles on the scope of application of the TSRS, Official Gazette no. 32957, 16 July 2025.
5. Ministry of Environment, Urbanisation and Climate Change. Regulation on the Türkiye Green Taxonomy, Official Gazette no. 33380, 24 September 2026.
6. Grand National Assembly of Türkiye. Climate Law No. 7552, Official Gazette no. 32951, 9 July 2025.
7. Ministry of Environment, Urbanisation and Climate Change. Regulation on the Türkiye Emissions Trading System, Official Gazette no. 33353, 27 August 2026.

Interpretation rule: Similar words such as “policy”, “target”, “measurement”, “transition plan”, “risk assessment” and “leadership” do not imply identical questionnaire definitions across CDP and CoP. All cross-source analysis in this paper is qualitative synthesis, not statistical correlation, merged sample analysis or causal inference. Percentages refer only to the sample and question indicated in their cited source. Small modules, notably CDP forests, are used conservatively.

Türkiye Corporate Environmental Outlook: From Disclosure to Delivery

What CDP and UN Global Compact data reveal about environmental management, business resilience and the next phase of corporate action in Türkiye

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