



## ***Corporate Governance Compliance Rating Report***



***Turcas Petrol A.Ş.***

28 February 2023

Validity Period: 28.02.2023-28.02.2024

## LIMITATIONS

This Corporate Governance Rating Report, issued by Kobirate Uluslararası Kredi Derecelendirme ve Kurumsal Yönetim Hizmetleri A.Ş. for Turcas Petrol Anonim Şirketi;

Has been prepared by considering Communiqué Amending the "Corporate Governance Communiqué (II-17,1) (II-17,1.a)" published in the Official Gazette No. 31262 on 02 October 2020 by the Board, as well as regulations regarding the voluntary sustainability principles compliance framework and the board decisions taken at the CMB's board meeting dated 01.02.2013 and numbered 4/105 in addition to the criteria specified in the "Corporate Governance Communiqué No. II-17.1" of the Capital Markets Board published in the Official Gazette dated 03 January 2014 and numbered 28871.

The criteria, established for the companies whose shares are traded at BIST, are organized separately as First Group, Second Group and Third Group companies and investment partnerships, taking into consideration the group distinctions stated by CMB's Corporate Governance Principles in Item 2 - Article 5 of communiqué no II-17.1, published in the Official Gazette on 03.01.2014.

The Corporate Governance Compliance Rating Report issued by Kobirate Uluslararası Kredi Derecelendirme ve Kurumsal Yönetim Hizmetleri A.Ş. is based on 106 copies of documents, data and files transmitted by the concerned firm electronically, including data open to general public and examinations made by our rating experts on site.

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Although rating is an assessment based on numerous data, it is consequently the institutional opinion of Kobirate Uluslararası Kredi Derecelendirme ve Kurumsal Yönetim Hizmetleri A.Ş. formed accordingly to the methodology disclosed.

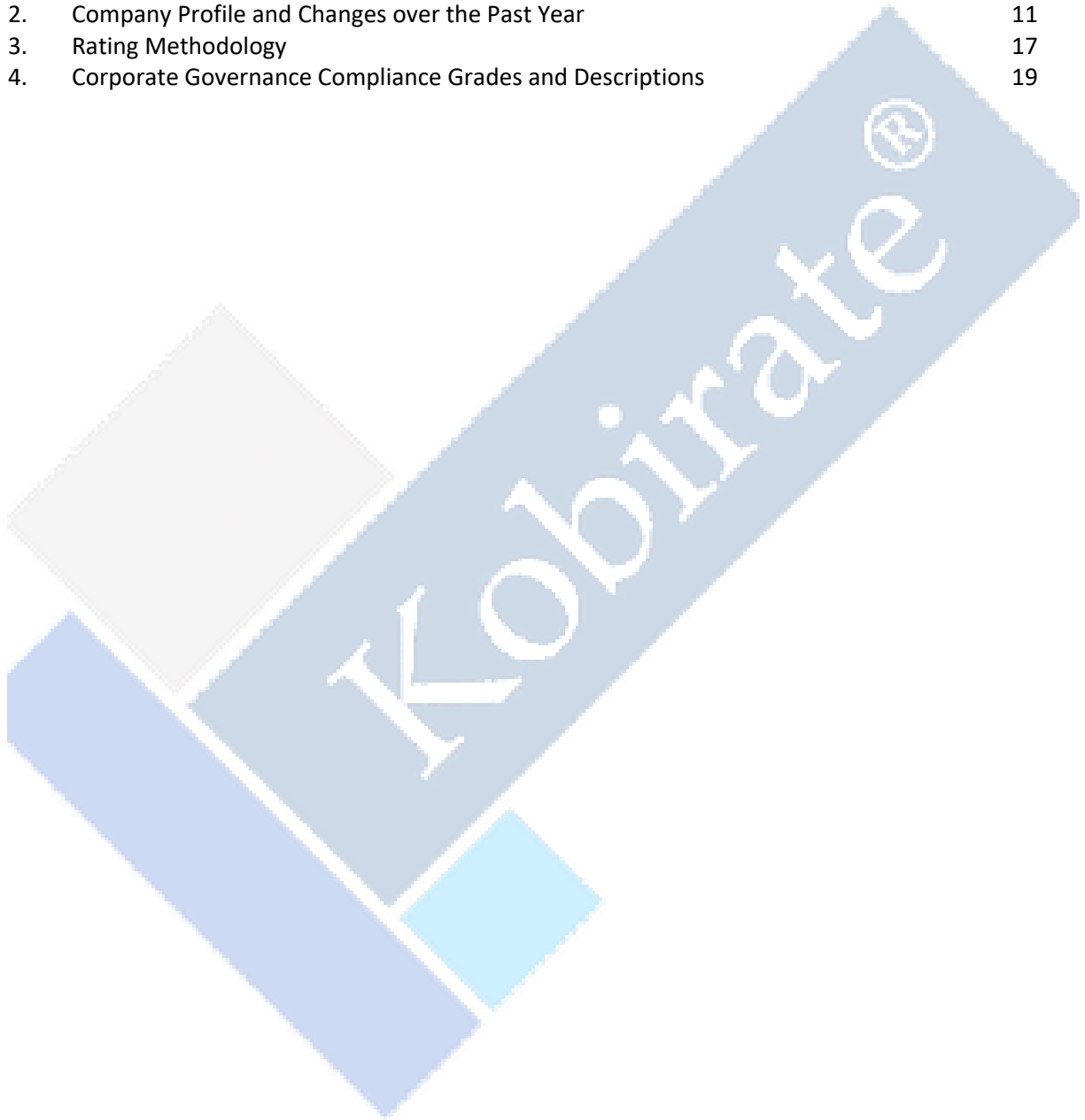
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## TABLE OF CONTENTS

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1.	Term Fourteen Revised Rating Result	3
2.	Company Profile and Changes over the Past Year	11
3.	Rating Methodology	17
4.	Corporate Governance Compliance Grades and Descriptions	19





## TURCAS PETROL A.Ş

CMB CORPORATE GOVERNANCE  
PRINCIPLES COMPLIANCE GRADE

BIST FIRST GROUP

9.60

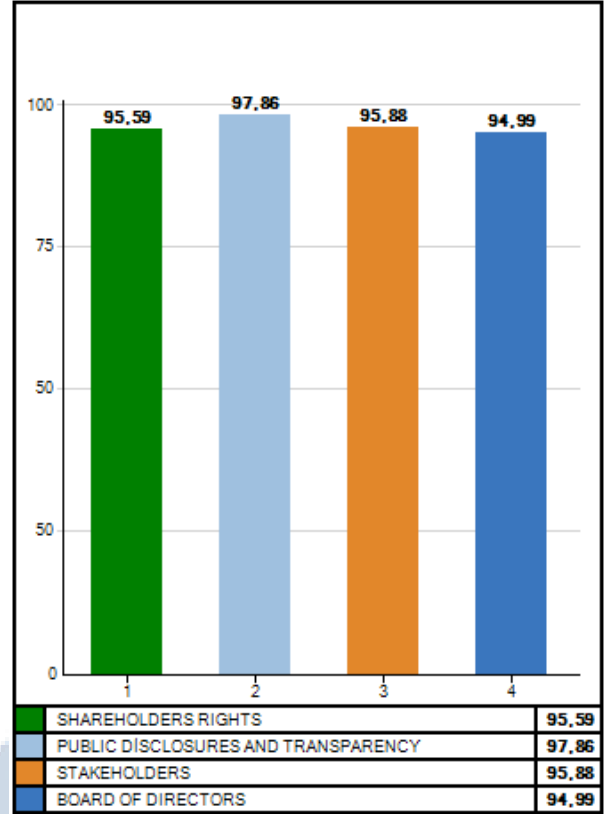
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### 1. TERM FOURTEEN REVISED RATING RESULT

This report of rating of compliance of Turcas Petrol A.Ş. with the Corporate Governance Principles is concluded through onsite examinations of the documents and information open to public, interviews held with executives and persons involved, and of other examinations and observations. The study has been held in accordance with the Corporate Governance Compliance Rating Methodology developed by Kobirate Uluslararası Kredi Derecelendirme ve Kurumsal Yönetim Hizmetleri A.Ş.

In the methodology and rating process, the criteria specified in the Corporate Governance Communiqué of the Capital Markets Board, numbered II-17.1, published in the Official Gazette dated 03.01.2014 and numbered 28871 and Communiqué Amending the Corporate Governance Communiqué (II-17,1) published in the Official Gazette dated 02 October 2020 and

numbered 31262 by the Board (II-17,1.a), and the regulations regarding the voluntary sustainability principles compliance framework were taken as basis.

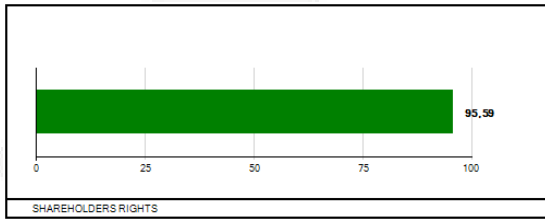
According to the Capital Markets Board's decision dated 12.01.2023 and numbered 2/51, Turcas Petrol A.Ş is included in the BIST First Group Companies list. The Company has been evaluated through examination of 456 criteria described in Kobirate Uluslararası Kredi Derecelendirme ve Kurumsal Yönetim Hizmetleri A.Ş.'s methodology of "BIST 1st Group Companies".

At the end of examination of criteria under the main headings of Shareholders, Public Disclosure and Transparency, the Stakeholders and the Board of Directors, Corporate

Governance Compliance Rating Grade of Turcas Petrol A.Ş. has been revised as **9.60**.

This result shows that the Company largely complies with the Corporate Governance Principles announced by the Capital Markets Board. Potential risks that the Company may be exposed are identified and can be managed. The level of public disclosure and transparency are high. Rights of the shareholders and stakeholders are treated fairly. Sustainability efforts continue with improvement in accordance with the compliance. Composition and operational conditions of the Board complies significantly with the Corporate Governance Principles. In conclusion, this rating indicates that the Company highly deserves to be included in the BIST Corporate Governance Index.

- In the Shareholders section, the rating of Turcas has been confirmed as **95.59**.



Investor Relations Department activities are conducted under coordination and supervision of Mr. Erhan İLHANTEKİN (Finance Director- CFO), by Mr. Mert GÖKNAR (Finance Director) and Mr. Arif ŞAHİN (Corporate Finance and Investor Relations Manager) Mr. İLHANTEKİN has Capital Market Activities Level-3 and Corporate Governance Rating Licenses and has been serving as a Corporate Governance Committee Member since 04.06.2012 in accordance with the Communiqué No. II-17.1 of the Capital Markets Board.

Regular reports are made to the Board of Directors and the Corporate Governance Committee regarding the activities carried out by the Investor Relations Department. The department submits its detailed analyzes on share performance and liquidity every week, and the comprehensive reports on the

activities and corporate governance principles of the company quarterly to the Board of Directors. In 2022, a total of 4 (four) reports were submitted to the Board of Directors in April, July, October and December.

Shareholders' right to obtain information and to examine is not cancelled or restricted by the Articles of Association or any department of the Company. The company carries out its disclosures to the shareholders and the public in accordance with the "Disclosure Policy". The said policy is published on the corporate website of the company. During the monitoring period, it was determined that the company showed due diligence in exercising its fundamental shareholding rights.

The General Assembly meeting to discuss operations of 2021 took place on 11.05.2022. The invitation to the meeting was duly made 21 days before in the Turkish Trade Registry Gazette (TTRG) dated 19.04.2022 and numbered 10562 and Dünya Gazetesi dated 20.04.2022, on the Public Disclosure Platform (PDP) on 19.04.2022, on the Central Registry Agency e-general assembly system (EGAS) and the corporate website of the company.

An informative document on the agenda items of the general assembly was prepared and published on the Public Disclosure Platform and the corporate website of the company. The information document was found to be quite explanatory within the framework of the general assembly agenda items and the additional explanations made within the scope of the Capital Markets Board regulations.

To the General Assembly, Ms. Banu AKSOY (Vice Chairman of the Board of Directors), Mr. Saffet Batu AKSOY (Member of the Board Directors and CEO) and Mehmet Timuçin TECMEN (Member of the Board of Directors) attended physically, and Mr. Erdal AKSOY (Chairman of the Board) attended electronically. On the other hand, Mr. Erkan İLHANTEKİN (Finance Director-CFO) and Ms.

Eda YÜKSEL (CLO-Legal Director) and the representative of the independent audit firm were also present.

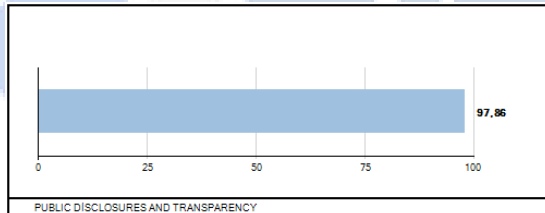
Compliance of Turcas with the legislation and principles in the general assembly practices is at a very good level.

According to the company's profit distribution table and the consolidated financial statements dated 31.12.2021, which was prepared in accordance with the Capital Markets Board (CMB) regulations and independently audited from the activities of 2021, and legal records prepared according to the TPL, there was no distributable profit.

In the general assembly held on 11.05.2022, while discussing the 6th item of the agenda, the reasons for not making profit distribution were presented to the attendant.

The profit distribution decision of the Board of Directors and the profit distribution table were published on the Public Disclosure Platform within the time allowed by the legislation.

▪ In the Public Disclosure and Transparency section, the company's rating was revised as **97.86**.



The officials in the Company who are charged with disclosures and have the authority for signature are: Finance Director (CFO) Mr. Erkan İLHANTEKİN and Accounting Manager Mr. Engin ÇAYLAN. The named persons have been assigned to maintain and monitor all kinds of issues related to public disclosure.

Turcas was included in the BIST First Group companies list by the Capital Markets Board as a result of its 2022 activities. It has been observed that the shareholders of the

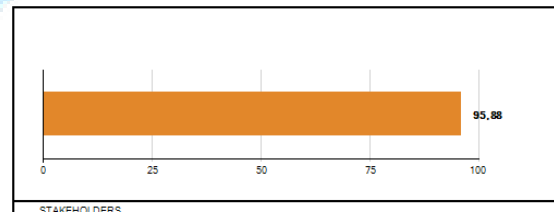
company in the aforementioned group comply with all the principles that must be followed within public disclosure. In this context, it continues to disclose financial statement notifications and all material event disclosures, which are required to be disclosed to the public in accordance with the Capital Markets legislation, simultaneously in English, in addition to Turkish, on the Public Disclosure Platform.

It has been determined that both the corporate website of the company, [www.turcas.com.tr](http://www.turcas.com.tr), and the annual activity reports are used effectively as public disclosure tools in accordance with the criteria listed in the principles.

Company's independent audit for 2021 was conducted by Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. (A member firm of Ernst & Young Global Limited). There are no cases where the independent audit avoided expressing opinion, expressed opinion with conditions or avoided signature in the reports. It has been learned from company officials that no event took place with the independent audit company or with its auditors that could damage this company's independence and there was no legal conflict with it.

It has been decided that the 2022 audit will be carried out by the same company with the recommendation of the audit committee and the approval of the general assembly.

▪ In the Stakeholders section, the company's rating has been revised to **95.88**.



The company has a very detailed Human Resources Policy, which is determined in accordance with contemporary norms. The processes established within the scope of

Human Resources Policies include written procedures that emphasize the principles of efficiency based on objective criteria to protect the rights of both the company and the employees during the recruitment process and during the training and career path of the recruited employees.

The "Compensation Policy" for employees has been prepared and disclosed to the public via the corporate website.

Some organizations and arrangements have been made in order to ensure the participation of company employees in the management. Within this scope;

In order to carry out activities that will support the corporate culture, increase the communication and motivation of the employees and provide efficiency in the business processes, the Internal Communication Group was established with the corporate identity of Synergic Movements. In the Internal Communication Group, which has started to carry out its activities since 2014 and has the experience, knowledge and skills that will provide added value in the formation and development of the projects, an "Employee Representative" is appointed in order to receive the expectations of the employees through the representative channel and share them with the team.

The "*Employee Engagement and Satisfaction Survey*" is conducted regularly every 2 (two) years. In addition, the "*Internal Customer Satisfaction and Organizational Compliance Survey*" is also conducted every year, and these two surveys were last conducted in 2022.

At Turcas, Quality Management is handled under the headings of efficiency, business continuity, performance monitoring and continuous improvement, while Environmental Management is handled under the headings of waste management, natural resource management, climate change and energy, and legal compliance. "Turcas Petrol

Quality Policy" was approved on 03.05.2017 and entered into force. Developments in management system standards are followed and policies are constantly reviewed with developments.

By internalizing the United Nations Sustainable Development Objectives (SDO), Turcas implements its sustainability strategy and corporate social responsibility activities in line with global goals. Among these determined objectives, the focus is on "Quality Education", "Gender Equality", "Accessible and Clean Energy", "Partnerships for Purposes".

Corporate Social Responsibility activities are included in detail both in the annual reports and on the corporate website.

#### **Sustainability;**

The company states that the "human and environment-centered sustainable growth principle" is at the core of its business strategy. Within the framework of this strategy, Turcas has publicly declared that;

- It is making long-term, future-oriented investments, as one of the deep-rooted energy companies in Turkey,
- It adopts adding value to the society in which it lives as its main responsibility in all its investments,
- It strives to make its services create added value for the country's economy, be innovative and environmentally-friendly,
- It considers the principle of Corporate Social Responsibility as the basis of sustainable growth,
- It adopts a responsible, ethical and transparent management approach.

It has compiled its sustainability approach under following headings:

- Environmental Policy
- Quality Policy
- Occupational Health and Safety (OHS) Policy
- Risk management

- Corporate Governance
- Corporate Social Responsibility

Accordingly, the company has also publicly announced its commitments on certain issues.

### 1. Environmental Policy

While conducting its activities in Turcas Petrol A.Ş. and its subsidiaries, it declares that it will exhibit an approach based on effective and continuous improvement by complying with all legal requirements within the framework of environmental legislation and environmental standards and practices.

It has committed to "complying with all environmental legislation obligations to which it is subject due to its activities,

Giving importance to recycling, working hard to minimize the pollution that may arise from its activities and preventing it at its source,

Continuously improving its performance in the direction of protecting the environment within the framework of the principle of sustainability,

Reducing natural resource consumption by ensuring efficient use of energy, water, and recycled materials,

Continuing its efforts to raise environmental awareness in order for its employees and subcontractors to act environmentally sensitive in their activities,

Managing the wastes, in order to their recycling in a way that does not harm the environment."

### 2. Quality Policy

It is stated that Turcas Petrol A.Ş. and its subsidiaries have adopted a Corporate Quality Culture that aims to achieve Business Excellence, based on the Total Quality Management Philosophy and process

approach, in line with the vision and mission of the company.

In order to achieve business excellence by applying the Quality Management System with full participation, it has committed to;

"Constantly reviewing, improving and developing all processes, Showing maximum effort for the company to reach its goals by increasing efficiency, performance and profitability, Fulfilling its legal obligations with a focus on Sustainability and Total Quality in all its activities, adopting the principle of continuous improvement, Ensuring effective communication with all stakeholders arising from its activities, Encouraging all its employees to work towards preventing risks and creating opportunities, and making maximum efforts to improve quality awareness through training and practice."

### 3. Occupational Health and Safety (OHS) Policy

It is declared that Turcas Petrol A.Ş. and its Subsidiaries will work without compromising the measures and practices regarding Occupational Health and Safety, and their practices will be managed as the most critical processes of the business.

In line with the "human-centered sustainable growth principle", which is at the core of our business strategy, it has committed to;

"Determining the dangers of unsafe situations and behaviors in the areas of activity and making an effective risk assessment in order to minimize the possible risks of occupational accidents,

Taking the necessary measures to eliminate the risks of work accidents and occupational diseases, maintaining a safe working environment, and achieving the goal of "Zero Serious Injury Accident",



In order to ensure continuous development, investigating and report the root causes of every situation that carries a health and safety risk, communicating and consulting with its employees, providing resources, and monitoring performance development through inspections and audits,

Implementing practices and contributing to their development so that employees, subcontractors, suppliers, visitors and other stakeholders act in accordance with the procedures, communiqués and instructions regarding the legal regulations regarding Occupational Health and Safety,

Developing the Occupational Health and Safety Management System, based on the principle of continuous improvement, through discussions with the employees."

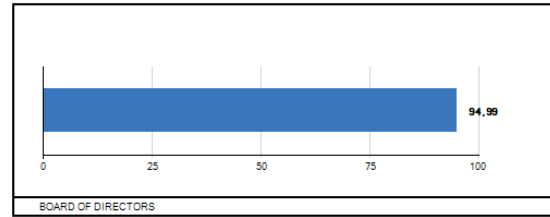
In line with the sustainability principles - the Human Rights and Employee Rights Principle, the "Turcas Code of Ethics and Compliance with the Legislation Policy" has been established, but the Board of Directors decision has not been taken yet and has not been announced on the corporate website.

Turcas has included the sustainability principles compliance framework in its 2021 annual report pursuant to the "Communiqué Amending the Corporate Governance Communiqué (II-17.1)" published in the Official Gazette dated 02.10.2020 and numbered 31262.

The company has been working with an expert consultancy firm since December 2022 in order to improve its activities in the field of sustainability, to communicate activities in this field more effectively and to issue the Turcas Sustainability Report as a result of these.

Turcas continues to develop and maintain its practices in this section.

- In the Board of Directors section, the rating of Turcas was revised as **94.99**.



In the meetings with the company officials and the examinations made on the Board of Directors' Decision Book, it has been determined that the Board continues its activities actively, effectively and regularly. It has been observed that the Board of Directors internalizes the corporate governance principles, adopts an open approach to improvement and development, and displays a proactive attitude in compliance with the principles.

It has been determined that the Board and the Committees continue their work regularly in the meetings with the company officials and the examinations made on the Decision Books of the Board of Directors and Committees.

The Board of Directors has defined the strategic objectives of the company. The duties of Chairman of the Board of Directors and General Manager are carried out by different people. In accordance with the principle of clear separation of the powers of the chairman of the board of directors and the chief executive officer/general manager, the duties of the board of directors and the chairman are clearly listed in Articles 14 and 16 of the Company's articles of association. On the other hand, the duties of the chairman of the board of directors, members and the general manager are defined in detail in the regulation that regulates the working principles of the board of directors. These duty descriptions largely comply with the principles.

The Board of Directors is formed with 7 (seven) members; including 1 (one) Chairman and 6 (six) members. 4 (four) members of the Board are non-executive members. 2 (two) of these members are independent according to the criteria listed in the Corporate Governance Principles.

It was ensured that there were 2 (two) female members in the Board, and compliance with the CMB's recommendation to appoint 25% female members in the Board of Directors was ensured.

The Audit Committee, the Corporate Governance Committee, and the Early Detection of Risk Committee, which are stated in the Principles, have been established. The duties, working principles and the members of the committees have been determined by the Board of Directors, approved as written documents, announced to the public and published on the corporate website of the company. All Audit Committee Members are Independent Board Members. The chairmen of the Corporate Governance and Early Detection of Risk Committees are Independent Board Members, and the Chief Executive Officer/General Manager did not take part in these committees.

The Board of Directors convened 4 (four) times in 2022, in April, July, October and December.

The secretariat of the Board is conducted by the CLO-Legal Director, Ms. Eda YÜKSEL.

In 2022, the Audit and Corporate Governance Committees held 4 (four) meetings and the Early Detection of Risk Committee held 6 (six) meetings and presented their reports on the meeting results to the Board of Directors.

Due to the structure of the Board of Directors, a separate Nomination Committee and Remuneration Committee have not been established, and the duties of these committees are carried out by the Corporate Governance Committee.

The "Remuneration Principles" of the members of the board of directors and executives with administrative responsibility, as the "Remuneration Committee" of the Corporate Governance Committee, were written down and published on the corporate website of the company.

The secretariats of the committees were established and their job descriptions were prepared.

The secretariat of the Audit Committee is carried out by CFO-Finance Director Mr. Erkan İLHANTEKİN and CLO-Legal Director Ms. Eda YÜKSEL, while the secretariat of the Corporate Governance Committee and Early Detection of Risk Committee is carried out by the Corporate Finance and Investor Relations Manager Mr. Arif ŞAHİN.

The Company's Board Members and Senior Executives are insured against the damages they may cause to the company due to their faults during their duties. The material disclosure regarding the topic was announced on the Public Disclosure Platform on 17.08.2022.

It has been observed that the principle of not using stock options or payment plans based on the company's performance is complied with in the remuneration of the Independent Members of the Board of Directors, and the wages of these members are determined to the extent that they protect their independence.

It has been learned that the Company has not lent or extended loan to any member of board or top executive or made available any credit under personal loan through any third person or provided securities such as surety in favor of them.

The Board of Directors makes its autocriticism and performance evaluation on the basis of both board members and executives with administrative responsibility. In 2014, autocriticism and performance evaluation were made for the board of directors for the first time, and the data obtained were evaluated. The performance evaluation for 2022 was made in December 2022 and it was learned that the outputs obtained would be evaluated at the first board meeting to be held in 2023.

In the annual report, the wages paid to the members of the board of directors and senior executives and all other benefits provided are explained with a distinction between the board of directors and senior executives. In accordance with the Corporate Governance Communiqué No. II-17.1, it would be appropriate to disclose this statement on a person-to-person basis.



## 2. COMPANY PROFILE AND CHANGES OVER THE PAST YEAR

### A. Company Profile:



<b>Company Name</b>	: Turcas Petrol Anonim Şirketi
<b>Company Address</b>	: Ahi Evran Caddesi No: 6 Aksoy Plaza Kat:7 34398 Maslak-Sarıyer / İstanbul
<b>Company Phone</b>	: (0212) 2590000 / 17 lines
<b>Company Fax Number</b>	: (0212) 2590019
<b>Company's Web Address</b>	: <a href="http://www.turcas.com.tr">www.turcas.com.tr</a>
<b>Company E-Mail Address</b>	: IR@turcas.com.tr
<b>Date of Incorporation</b>	: 07/03/1980
<b>Registered Number</b>	: 171118
<b>Paid-in Capital</b>	: 255,600,000 TL
<b>Line of Business</b>	: National and international activities and investments for exploration, production, transportation, distribution, storage, import, export and trade in the energy sector and its sub-branches such as fuel distribution, electricity, and natural gas.
<b>Company's Sector</b>	: Financial Institutions / Holdings and Investment Companies

#### **Company Representatives Related to Rating**

**Erkan İLHANTEKİN**

Finance Director (CFO)

[erkan.ilhantekin@turcas.com.tr](mailto:erkan.ilhantekin@turcas.com.tr)

0(212) 259 0000/1270

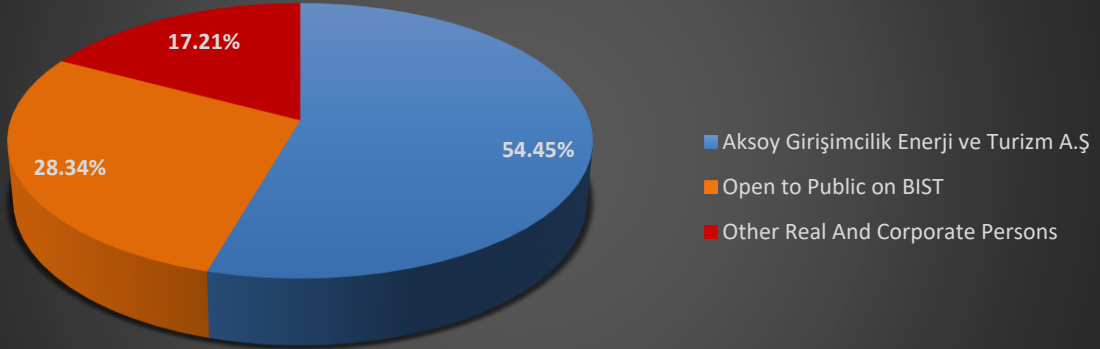
**Mert GÖKNAR**

Finance Director

[mert.goknar@turcas.com.tr](mailto:mert.goknar@turcas.com.tr)

0(212) 259 0000/1243

## Shareholding Structure



### TURCAS Petrol A.ř Shareholding Structure (31.12.2022)

Shareholder Name	Amount of Capital (TL)	Ratio (%)
Aksoy Giriřimcilik Enerji ve Turizm A.ř.	139,175,891.75	54.45
Open to public on BIST	72,443,661.95	28.34
Other Real and Corporate Persons	43,980,446.30	17.21
Total	255,600,000.00	100

Source [www.turcas.com.tr](http://www.turcas.com.tr)

### Real and Legal Persons Owning the Capital Indirectly (31.12.2022)

Shareholder Name	Amount of Capital (TL)	Ratio (%)
Saffet Batu AKSOY	48,683,329	19.05
Banu AKSOY	48,683,329	19.05
Erdal AKSOY	40,676,738	15.91
Aksoy Enternasyonal Ticaret A.ř.	1,080,259	0.42
Aksoy Giriřimcilik Enerji ve Turizm A.ř.	570,299	0.22
Ayře Belkis AKSOY	562,197	0.22

Source: [www.kap.gov.tr](http://www.kap.gov.tr)

### Aksoy Giriřimcilik Enerji ve Turizm A.ř. Quality of Shareholder Structure (31.12.2022)

Shareholder Name	Amount of Capital (TL)	Ratio (%)
Saffet Batu AKSOY	243,575,547	34.8
Banu AKSOY	243,575,547	34.8
Erdal AKSOY	204,587,996	29.2
Aksoy Enternasyonal Ticaret A.ř.	5,433,279	0.8
Ayře Belkis AKSOY	2,827,631	0.4
TOTAL	700,000,000	100

Source [www.turcas.com.tr](http://www.turcas.com.tr)

### Board of Directors

<i>Name/ Surname</i>	<i>Title</i>	<i>Executive/Non-Executive</i>
Erdal AKSOY	Chairman	Executive
Banu AKSOY	Deputy Chairman	Executive
S.Batu AKSOY	Member of the Board of Directors and CEO	Executive
Matthew J. BRYZA	Member of Board of Directors	Non - Executive
M. Timuçin TECMEN	Member of Board of Directors	Non - Executive
Lale ERGİN	Independent Member of Board of Directors	Independent/Non-Executive
Emre DERMAN	Independent Member of Board of Directors	Independent/Non-Executive

Source: [www.kap.gov.tr](http://www.kap.gov.tr)

### Company Executive Committee

<i>Name/ Surname</i>	<i>Title</i>
S. Batu AKSOY	Chairman of the Committee, Member of the Board of Directors, and CEO
Erdal AKSOY	Chairman
Banu AKSOY	Deputy Chairman
Erkan İLHANTEKİN	Finance Director (CFO)
Eda YÜKSEL	Legal Director (CLO)
Elif Kirankabeş	Human Resources Director

Source: [www.turcas.com.tr](http://www.turcas.com.tr)

### Committees Formed Within Board of Directors

#### AUDIT COMMITTEE

<i>Name/ Surname</i>	<i>Title</i>
Emre DERMAN	Independent Member of Board of Directors - Chairman of the Committee
Lale ERGİN	Independent Member of Board of Directors - Member

Source: [www.kap.gov.tr](http://www.kap.gov.tr)

#### CORPORATE GOVERNANCE COMMITTEE

<i>Name/ Surname</i>	<i>Title</i>
Lale ERGİN	Independent Member of Board of Directors - Chairman of the Committee
M. Timuçin TECMEN	Member of Board of Directors - Member
Matthew J. BRYZA	Member of Board of Directors - Member
Erkan İLHANTEKİN	Finance Director (CFO) -Investor Relations Department Officer -Member

Source: [www.turcas.com.tr](http://www.turcas.com.tr)

#### Early Detection of Risk Committee

<i>Name/ Surname</i>	<i>Title</i>
Emre DERMAN	Independent Member of Board of Directors / Chairman of the Committee
Banu AKSOY	Deputy Chairman of the Board of Directors -Member
M. Timuçin TECMEN	Member of Board of Directors - Member

Source: [www.turcas.com.tr](http://www.turcas.com.tr)

### Investor Relations Department

Name Surname	Title	Contact
Erkan İLHANTEKİN	Finance Director (CFO) Investor Relations Department Manager	0(212) 259 0000/1270 <a href="mailto:erkan.ilhantekin@turcas.com.tr">erkan.ilhantekin@turcas.com.tr</a>
Mert GÖKNAR	Finance Director	0(212) 259 0000/1243 <a href="mailto:mert.goknar@turcas.com.tr">mert.goknar@turcas.com.tr</a>
Arif ŞAHİN	Corporate Finance and Investor Relations Manager	0(212) 259 0000/1238 <a href="mailto:arif.sahin@turcas.com.tr">arif.sahin@turcas.com.tr</a>

Source: [www.turcas.com.tr](http://www.turcas.com.tr)

### Comparison of some items of the Company's Summary Consolidated Balance Sheet for the 9th months of the last two years (TL)

	2021/09	2022/09	Change % (09/2021-09/2022)	2021/12
Current Assets	245,310,107	297,270,127	21.18	576,614,573
Fixed Assets	1,183,539,559	1,597,256,535	34.95	987,309,443
Total Assets	1,428,849,666	1,894,526,662	32.59	1,563,924,016
Short-Term Liabilities	249,709,310	146,369,680	-41.38	785,375,120
Long-Term Liabilities	771,314,389	373,012,061	-51.64	587,635,526
Equity	407,825,967	1,375,144,921	237.19	190,913,370

Source: [www.kap.gov.tr](http://www.kap.gov.tr)

### Comparison of some items of the Company's Summary Consolidated Income Statement for the 9th months of the last two years (TL)

	2021/09	2022/09	Change (%) 09/2021-09/2022	2021/12
Revenue	56,665,627	-	-	-
Cost Of Sales (-)	(20,736,218)	-	-	-
Operational Profit or Loss	15,003,127	(82,184,511)	-447.78	(19,982,114)
Profit/(Loss) Before Taxes	60,854,103	1,007,382,280	1,555.41	(41,555,946)
Net Profit/Loss	67,382,864	1,061,755,548	1,475.71	(80,099,366)

Source: [www.kap.gov.tr](http://www.kap.gov.tr)

### The Market where the Capital Market Instrument is Traded and the Indexes that the Company is Included

**BIST Code:** TRCAS

**Market where the Capital Market Instrument is Traded:** BIST STAR

**The Indices in Which It Is Traded:** BIST CORPORATE GOVERNANCE / BIST FINANCIALS / BIST PARTICIPATION 100 / BIST ISTANBUL / BIST ALL SHARES-100 / BIST STARS / BIST HOLD. AND INVESTMENT / BIST ALL SHARES / BIST PARTICIPATION ALL SHARES

Source [www.kap.org.tr](http://www.kap.org.tr)

**The Peak and Bottom Closing Values of the Company Stock in the BIST for the Last One Year  
(22.02.2022-22.02.2023)**

<b>Bottom (TL)</b>	<b>Peak (TL)</b>
<b>4.60- (03.03.2022)</b>	<b>24.52- (27.10.2022)</b>

Source: Turcas Petrol A.Ş

**Information Related to the Subsidiaries, Financial Fixed Assets and Financial Investments**

<b>Trade name</b>	<b>Line of Business</b>	<b>Paid in/Issued Capital</b>	<b>Company's Share in Capital</b>	<b>Currency</b>	<b>Company's Share in Capital (%)</b>	<b>The Nature of the Relationship with the Company</b>
<b>SHELL&amp;TURCAS PETROL A.Ş</b>	Petroleum Products	528,117,660	158,435,298	TRY	30.00	DIRECT SUBSIDIARY
<b>RWE &amp; TURCAS GÜNEY ELEKTRİK ÜRETİM A.Ş.</b>	Electricity Generation	1,162,620,765	348,786,230	TRY	30.00	DIRECT SUBSIDIARY
<b>ATAŞ ANADOLU TASFIYEHANESİ A.Ş.</b>	Fuel Oil Storage	8,400,000	420,000	TRY	5.00	FINANCIAL INVESTMENT

Source: www.kap.gov.tr

**B. Changes in the Company in the Last Year:**

**i. Changes in Capital, Shareholding Structure and Articles of Association**

During the monitoring period, no changes were made in the capital and shareholding structure of the company and in the articles of association.

**ii. Profit Distribution:**

In accordance with the decision of the Board of Directors dated 12.04.2022 and numbered 2022/05, in the Dividend Distribution Table prepared on the basis of the financial statements dated 31 December 2021 prepared in accordance with the Tax Procedure Law and the consolidated financial statements prepared in accordance with the regulations of the Capital Markets Board and passed the independent audit, it has been decided to submit the proposal for non-distribution of profit to the approval of the shareholders at the Ordinary General Assembly of 2021, since there is no "Net Distributable Profit" due to Net Period Loss and Previous Years' Losses.

The aforementioned proposal was discussed as the 6th item of the agenda at the general assembly held on 11.05.2022 and was accepted unanimously.



The decision of the board of directors regarding the profit distribution and table of the profit distribution were announced to the public on 13.04.2022 and with a material disclosure before the general assembly invitation.

**iii. Policies:**

No changes were made in the policies proposed by the Capital Board during the monitoring period.

**iv. Relationships with Mergers, Affiliates and Subsidiaries:**

During the monitoring period (28.02.2022-27.02.2023), there were no changes in the subsidiaries and affiliates of the company that would affect the company's activities or cause a change in the shareholding ratio.



### 3. RATING METHODOLOGY

The Corporate Governance Compliance Rating is a system which audits whether or not the firm's management structures and management styles, the arrangements for shareholders and stakeholders and the process of informing in transparency and accuracy are performed in accordance with the modern corporate governance principles and which assigns a grade corresponding to the existing situation.

Organization for Economic Co-operation and Development (OECD) established a working group in 1998 in order to assess member countries' opinions on corporate governance and to prepare some non – binding principles.

The fact that principles are open to change in time was also accepted at this work. Although at first these principles were focused on the companies whose shares were quoted in stock exchange, it was emphasized by OECD that it would be also useful to implement these principles in public enterprises and companies whose shares were not quoted in stock exchange.

In 1999, OECD Corporate Governance Principles were approved at the OECD Meeting of Ministers and published. Since then, these principles have been regarded as international references for the decision – makers, investors, shareholders, companies, and stakeholders throughout the world.

Since their approval, these principles kept the concept of corporate governance on the agenda and became guidelines for the laws and regulations in OECD members, as well as other countries.

In OECD Corporate Governance Principles, corporate governance is based on four basic principles, which are fairness, transparency, accountability and responsibility.

Turkey has been closely monitoring these developments. A working group, established within TUSIAD in 2001, prepared the guide, titled, "Corporate governance: The best implementation code". Then CMB issued "Capital Market Board Corporate Governance Principles" in 2003 and updated it in 2005, 2010, 2012, 2013 and 2014 according to international developments in this field.

Obligation to comply with CMB's Corporate Governance Principles, based on the principle of "comply or explain", and to declare it became part of companies' lives in 2004. Putting the Declaration of Compliance to Corporate Governance in the annual reports became obligatory the following year.

The principles are grouped under four main headings, namely: the Shareholders, Public Disclosure and Transparency, Stakeholders, and the Board of Directors.

The Corporate Governance Compliance Rating Methodology has been prepared by Kobirate A.Ş. for companies whose shares are traded on BIST, banks, investment partnerships and non-quoted companies;

By considering Communiqué Amending the "Corporate Governance Communiqué (II-17,1) (II-17,1.a)" published in the Official Gazette No. 31262 on 02 October 2020 by the Board, as well as regulations regarding the voluntary sustainability principles compliance framework and the board decisions taken at the CMB's board meeting dated 01.02.2013 and numbered 4/105 in addition to the criteria specified in the "Corporate Governance Communiqué No. II-17.1" of the Capital Markets Board published in the Official Gazette dated 03 January 2014 and numbered 28871.

In this analysis, the full compliance of work flow and analysis technique with KOBİRATE A.Ş.'s Ethical Rules is considered.

**456** criteria are used in the rating process for BIST 1st Group Companies in order to measure the compliance of firms with corporate governance principles. These criteria are transformed into "Corporate Governance Rating Question Sets" through Kobirate A.Ş.'s software.

The weighting scheme for the four main sections in the new Corporate Governance Compliance Rating, determined by CMB's memorandum dated 12.04.2013 and numbered 36231672-410.99 (KBRT)-267/3854, is applied completely by Kobirate A.Ş. The weightings are as below:

**Shareholders 25 %**

**Public Disclosure and Transparency 25 %**

**Stakeholders 15 %**

**Board of Directors 35 %**

CMB decision dated 01.02.2013 and numbered 4/105 states that in case the minimum requirements of corporate governance principles are met, 85 % of full points can be given at most for that principle and it is required to add new questions / methods into the methodology in order to ensure that good corporate governance principles, which go beyond meeting the minimum requirements are included in the rating grade. Our company has been informed about this requirement by CMB notification dated 19.07.2013 and numbered 36231672-410.99 (KBRT) 452.

In the 2014/2 revised corporate governance compliance rating methodology, created by our company, the grade that can be given to a related criterion in that subsection for meeting minimum requirements of corporate governance principles, stated by CMB Communiqué of Corporate Governance published on 03.01.2014 is restricted to 85 % of the full points. A rating is made with a system that completes the section grades up to 100 by the company's compliance and implementation of the corporate governance practices, which include the good

implementation and internalization of the criteria determined in the corporate governance principles, and the different good corporate governance practice criteria determined by our company.

The grade to be assigned by the Corporate Governance Rating Committee to the firm ranges between 0-10. In this scale of grade, "10" points mean excellent, full compliance with CMB's Corporate Governance Principles while grade "0" means that there is no compliance with CMB's Corporate Governance Principles, in any sense, in the existing weak structure.

**4. KOBİRATE ULUSLARARASI KREDİ DERECELENDİRME VE KURUMSAL YÖNETİM HİZMETLERİ  
A. Ş. CORPORATE GOVERNANCE RATING GRADES AND DESCRIPTIONS**

<b>GRADE</b>	<b>DEFINITIONS</b>
<b>9-10</b>	The Company achieved substantial compliance with to the Corporate Governance Principles issued by the Capital Market Board. Internal control systems are established and are operational. Any risks to which the Company might be exposed are recognized and controlled effectively. The rights of the shareholders are impartially taken care of. The level of public disclosure and transparency are high. Interests of the stakeholders are fairly considered. The structure and the working conditions of the Board of Directors are in full compliance with the Corporate Governance Principles. The Company is eligible for inclusion in the BIST corporate governance index.
<b>7-8,9</b>	The Company complied considerably with the Corporate Governance Principles issued by the Capital Market Board. Internal control systems are in place, and operational, although some improvements are required. Potential risks, which the Company may be exposed are identified and can be managed. The rights of the shareholders are impartially taken care of. Public Disclosure and transparency are at high levels. Interests of the stakeholders are fairly considered. Composition and operational conditions of the Board comply with the Corporate Governance Principles. Some improvements are needed in compliance with the Corporate Governance Principles even though they do not constitute serious risks. The company is eligible for inclusion in the BIST Corporate Governance Index.
<b>6-6,9</b>	The Company has moderately complied with the Corporate Governance Principles issued by the Capital Market Board. Internal Control systems at moderate level have been established and operated, however, improvement is required. Potential risks that the Company may be exposed are identified and can be managed. The interests of the shareholders are taken care of although improvement is needed. Although public disclosure and transparency are taken care of, there is need for improvement. Benefits of the stakeholders are taken care of, but improvement is needed. Some improvement is required in the structure and working conditions of the Board.

<b>GRADE</b>	<b>DEFINITIONS</b>
4-5,9	<p>The Company has minimum compliance with the Corporate Governance Principles issued by the Capital Market Board. Internal control systems are in place at a minimum level, but are not full and efficient. Potential risks that the company is exposed to are not properly identified and are not under control. Substantial improvements are required to comply with the Corporate Governance Principles in terms of the benefits of both the shareholders and stakeholders, public disclosure, transparency, and the structure, and working conditions of the Board. Under the current conditions, the Company is not eligible to be listed in the BIST Corporate Governance Index.</p>
< 4	<p>The Company has failed to comply with the Corporate Governance Principles issued by the Capital Market Board. It also failed to establish its internal control systems. Potential risks that the company might be exposed are not identified and cannot be managed. The company is not responsive to the Corporate Governance Principles at all levels. There are major weaknesses in the interest of the shareholders and the stakeholders, public disclosure, transparency, structure and working conditions of the Board and they are at a level that might cause the investor to incur material losses.</p>