



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



*Vakıf B Tipi Menkul Kıymetler  
Yatırım Ortaklığı A.Ş.*

17 January 2014

Validity Period : 17.01.2014-17.01.2015

## LIMITATIONS

This Corporate Governance Rating Report issued by Kobirate International Credit Rating and Corporate Governance Services Inc (herein after called "KOBIRATE") for Vakıf B Tipi Menkul Değerler Yatırım Ortaklığı A.Ş. (herein after called "Company") is compiled in accordance with the Corporate Governance Principles Compliance Rating Methodology prepared by Kobirate on the basis of the Corporate Governance Principles issued by the CMB in 2005 and modified with a communiqué on Dec.2011, Series:IV,No:56, on Feb.2012, Series IV, No: 57 and Feb.2013 Series: IV, No:63, which are approved by the CMB with its letter of 24.04.2009, no. 5347.

The Rating Report issued by Kobirate is based on 67 copies of documents, data, files transmitted by the concerned firm electronically, including data open to general public and examinations made by our rating experts on site.

Kobirate has formulated its Ethical Rules according to the Banking Act, the CMB and BRSA Directives on the Operations of Rating Companies, generally accepted ethical rules of the IOSCO and OECD including generally accepted ethical customs, which is shared with the public through its Internet website ([www.kobirate.com.tr](http://www.kobirate.com.tr)).

Although rating is an assessment based on numerous data, it is consequently the institutional opinion of Kobirate formed accordingly to the methodology disclosed.

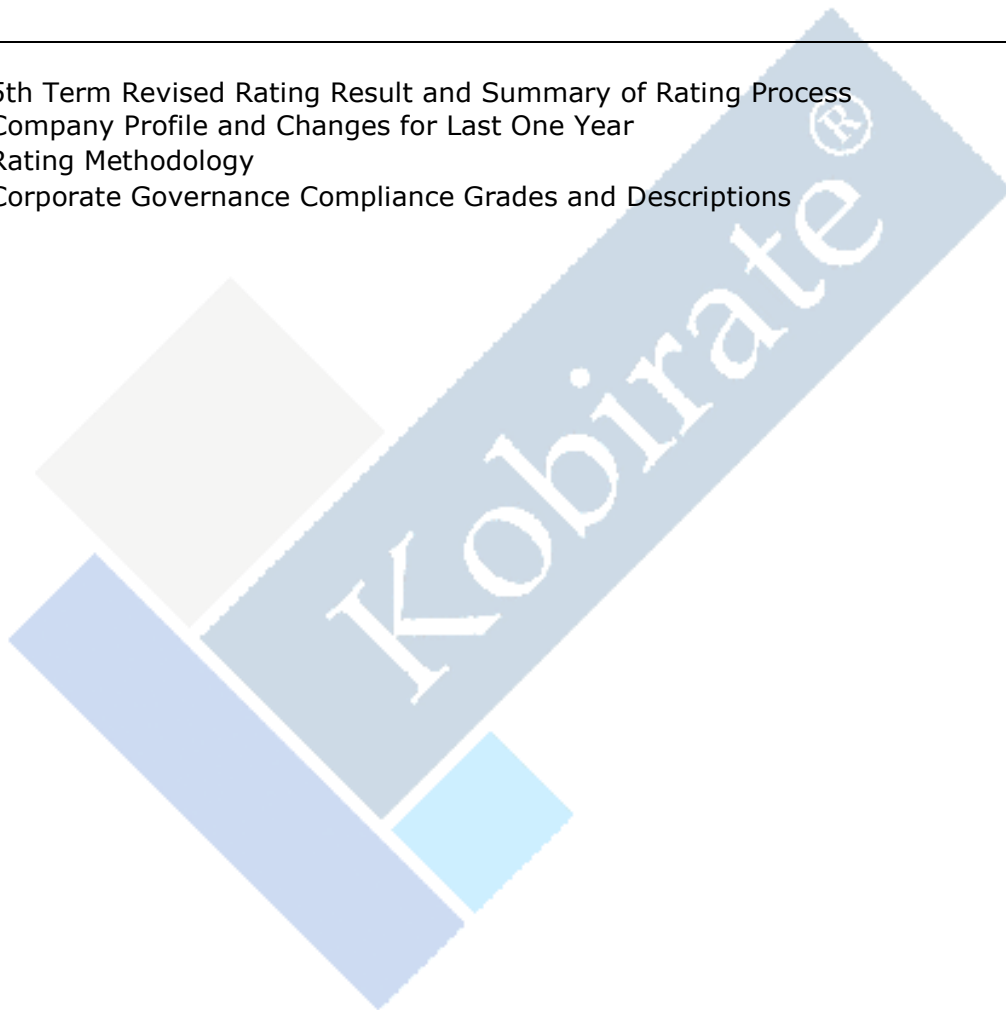
The rating grade does not constitute a recommendation to purchase, to hold or to dispose any kind of borrowing instrument. KOBIRATE may not be held liable for any losses incurred or investments made to the company referring to this report.

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**Vakıf B Tipi Menkul Kıymetler  
Yatırım Ortaklığı A.Ş.**

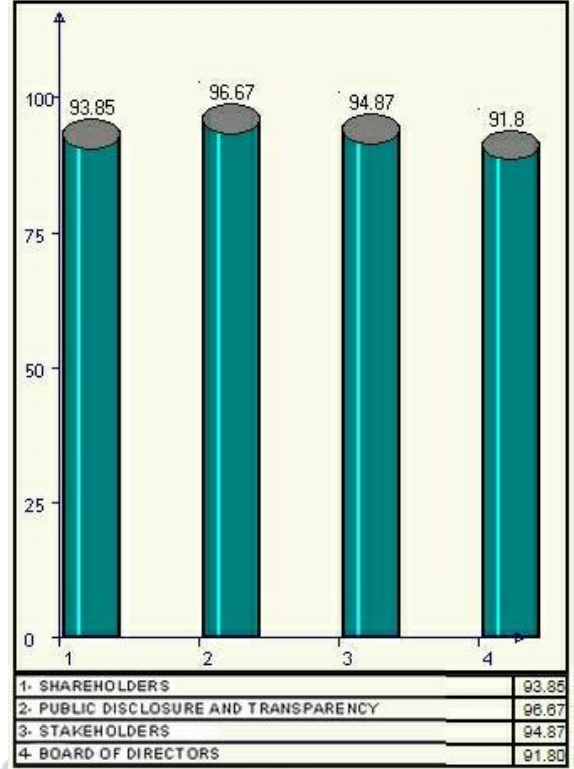
**CORPORATE GOVERNANCE  
COMPLIANCE RATING**

**9.4**

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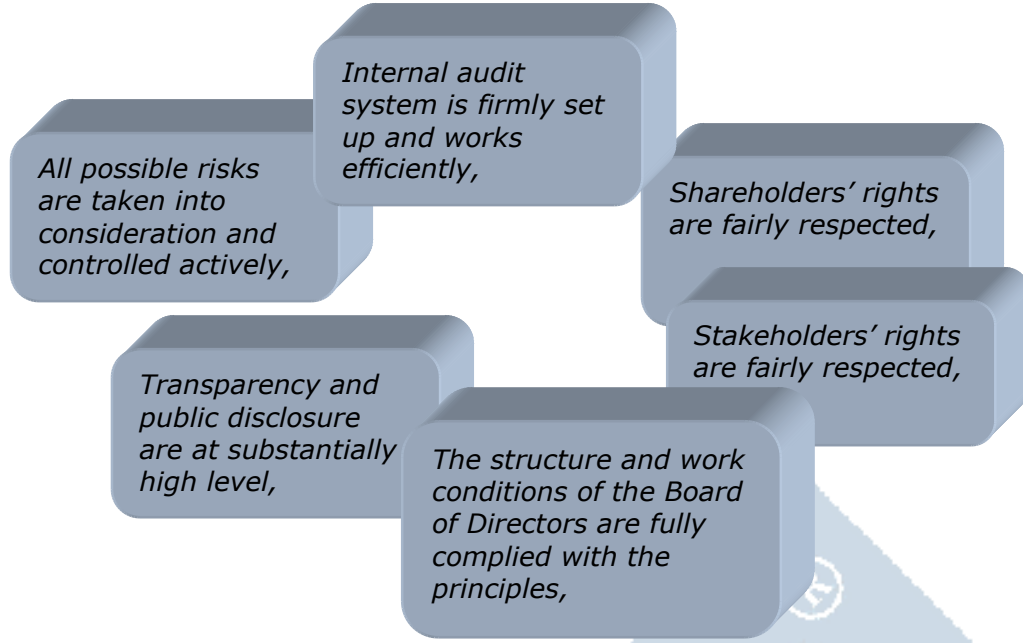
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## 1. 5TH TERM REVISED RATING RESULTS AND SUMMARY OF RATING PROCESS

At the end of onsite examinations of the documents, interviews held with executives and persons involved, and of other reviews, rating process of the Corporate Governance Compliance Rating Grade of **VAKIF B TİPİ MENKUL KIYMETLER YATIRIM ORTAKLIĞI A.Ş.** is revised as **9.40**. This result signifies that the company has achieved a significant compliance with the CMB's Corporate Governance Principles and it expresses that the company highly deserves being on the BIST Corporate Governance Index.

**The main impact of revised rating result is the efforts of both Board of Directors and Executives eagerly decisive approaches to comply with the principles and focusing on the fields needed to be improved.**



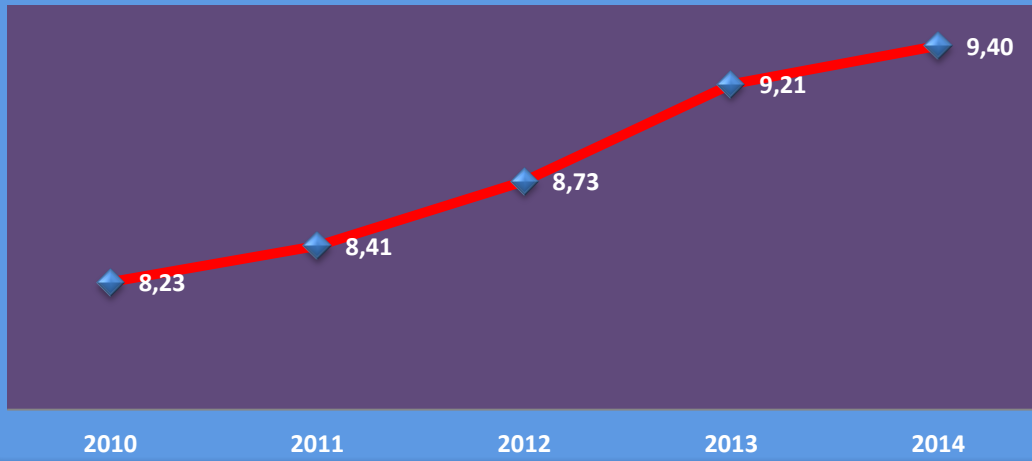
**VAKIF B TİPİ Menkul Kıymetler Yatırım Ortaklığı A.Ş** Board of Directors and Executives are highly motivated for complying the corporate governance principles. The company focuses on the areas which are needed to be improved and for the last year, the principles have been internalized and enhancements applied decisively.

Hence the rating grade of company has been upgraded as follow :

**Basic Factors for Upgrading:**

- On the article of association;
  - ✓ Broadening amendment on 29th item on behalf of minority shareholders' rights that they may propose to add any agenda item for general assembly,
  - ✓ And at the same item, the company put on emphasis with an amendment on shareholders' rights allowing them demanding assignment of a private auditor from general assembly.
- Revision and general assembly approval of Dividend Policy,
- Revision and general assembly approval of Public Disclosure Policy and Ethical Rules,
  - Revision of Human Resources Directive complying with principles,
  - General assembly's approval of Donation Policy,
  - Evidences that all committees work vigorously with a stronger effectiveness,
  - Evaluations by Board of Directors about effectiveness and performances of the committees once in a year.

### PROGRESS OF GRADE



<b>MAIN SECTORS</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
<b>Shareholders</b>	78.57	82.00	84.00	90.77	93.85
<b>Public Disclosure and Transparency</b>	87.80	88.30	90.43	95.00	96.67
<b>Stakeholders</b>	83.33	85.37	90.24	92.31	94.87
<b>Board of Directors</b>	77.86	79.74	84.31	89.34	91.80
<b>TOTAL</b>	8.23	8.41	8.73	9.21	9.40

## 2. COMPANY PROFILE AND CHANGES FOR LAST ONE YEAR



<b>Company Name</b>	: <b>VAKIF B TİPİ MENKUL KIYMETLER YATIRIM ORTAKLIĞI A.Ş.</b>
<b>Company Address</b>	: Ebulula Mardin Caddesi Park Maya Sitesi F2/A Blok Akatlar Beşiktaş İstanbul
<b>Company Phone</b>	: (0212) 3523560 (8 Hat)
<b>Company Facsimile</b>	: (0212) 3523559
<b>Company Website</b>	: <a href="http://www.vkbyo.com.tr">www.vkbyo.com.tr</a>
<b>Company E-Mail Address</b>	: <a href="mailto:vkbyo@vkbyo.com.tr">vkbyo@vkbyo.com.tr</a>
<b>Time of Incorporation</b>	: 13.06.1991
<b>Trade Registry Number</b>	: 275459-2230741
<b>Scope of Business</b>	: Portfolio management of capital market instruments
<b>Company's Sector</b>	: Securities Investment Trust

### **Company's Representative In Charge of Rating:**

A. Sunay Gürsu  
Vice President

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### Shareholding Profile of Company

Shareholder's Title	Capital TL	Share per %
Vakifbank Pers.Priv.Soc.Sec.Serv.Foundation	2.332.476,40	15,55 %
T. Vakıflar Bankası TAO	1.763.098,39	11,75%
Güneş Sigorta A.Ş.	1.649.999,90	11,00%
T. Vakıflar Bankası TAO Employees Pension and Health Assistance Fund Foundation	1.210.487,74	8,07%
Vakıf Emeklilik A.Ş.	1.199.990,96	8,00%
Other	6.843.946,60	45,63%
<b>TOTAL</b>	<b>15.000.000,00</b>	<b>100,00%</b>

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

### Board of Directors

Name/Surname	Title	Independent/Non Independent
Halim Kanatcı	Chairman of the Board	Non independent
Ali Fuat Taşkesenlioğlu	Deputy Chairman	Non independent
Serhad Satoğlu	Board Member/General Manager	Non independent
Rıfki Durgun	Board Member	Independent
Yahya Bayraktar	Board Member	Independent

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

The firm operates in the field of Securities Investment business. It is traded in BIST's Corporate Governance Index since 2009.

### Balance Sheet Comparison of Company's Selected Items as of Third Quarters of the Last Two Years

	2012/09	2013/9	( % )
Current Assets	14.426.085-	13.707.913-	-4,98
Fixed Assets	71.217-	49.999-	-29,80
Total Assets	14.497.302-	13.757.912-	-5,10
Short Term Liabilities	230.849-	395.401-	71,28
Long Term Liabilities	73.762-	103.320-	40,07
Equity Capital	14.192.691-	13.259.191-	-6,58

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



**Comparison of Certain Items in Company's Income Statement as of Third Quarters of the Last Two Years**

	2012/09	2013/09	( % )
Sales Revenues	39.792.909-	74.134.203	89,91
Cost of Sales (-)	(38.273.977)	(74.157.157)	93,75
Gross Main Operating P/L	1.518.932-	(22.954)	-98,50
Operations Profit/Loss	1.073.035-	1.140.416-	6,24
Pre Tax Profit/Loss	445.761-	(1.164.125)	-160,98
Net Profit/Loss for the Period	445.761-	(1.164.125)	-160,98
Sales Revenues	445.761-	(1.164.125)	-160,98

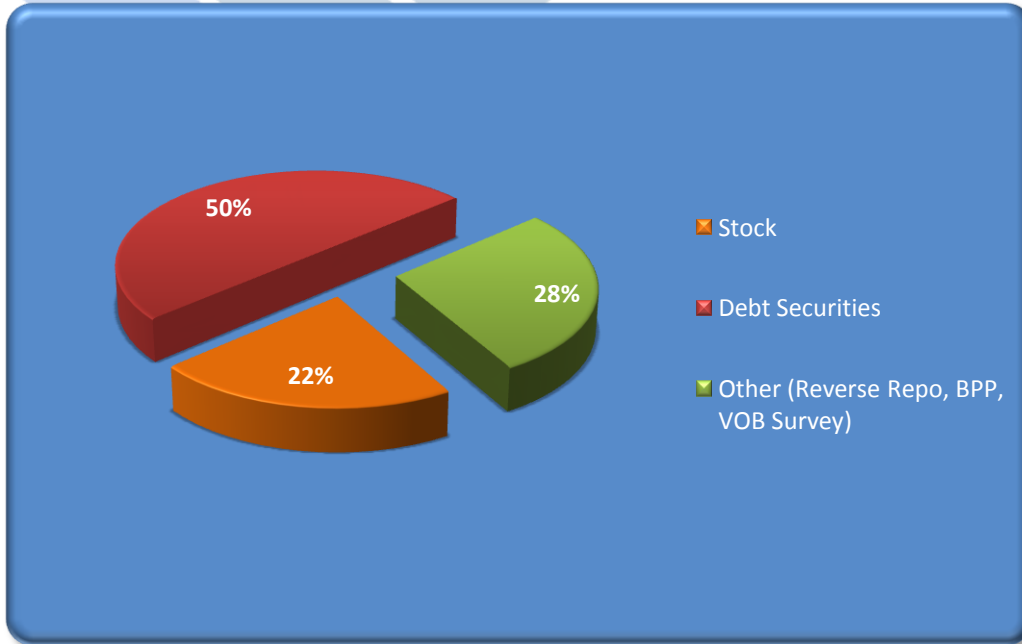
Source : www.kap.gov.tr

**The Closing Peak and Bottom Values of Company Shares in ISE during Last Year Day Ends**

Bottom (TL)	Peak (TL)
0,68 (27.12.2013)	1,47 (07.02.2013)

Source : Vakıf B Tipi Menkul Kıymetler Yatırım Ortaklığı A.Ş.

**Distribution of the Company's Portfolio as of 14.01.2013**



Source : www.kap.gov.tr

## **Last 1 Year Changes in Company**

- Since the current year's profit 662.175,51 TL has been deducted for previous years' losses, on general assembly dated 10.4.2013 non-profit distribution has been offered together with its grounds to shareholders' approval for the year 2012,

- Meanwhile, many items in articles of association have been amended according to the regulations of CMB on Corporate Governance Principles and TTL no.6102,

- Halim Kanatçı, Ali Fuat Taşkesenlioğlu, Serhad Satoğlu, Rifkı Durgun and Yahya Bayraktar have been assigned as members of board. Chairman of Board is Halim Kanatçı. Rifkı Durgun and Yahya Bayraktar are independent members of board according to CMB's criterias for independency.

- On the first Board meeting after the general assembly, duty assignment has been as follow and announced on PDP dd.10.04.2014.

- 1) Halim KANATCI, Chairman of Board,
- 2) Ali Fuat TAŞKESENLİOĞLU, Deputy Manager,
- 3) Halim KANATCI, Rifkı DURGUN and Ayşe Sunay GÜRSU, Corporate Governance Committee members,
- 4) Rifkı DURGUN ve Yahya BAYRAKTAR, Audit Committee member,
- 5) Ali Fuat TAŞKESENLİOĞLU, Board member liable for Internal Auditing.

### 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.

In 1999, the Economic Cooperation and Development Organization (OECD) approved at the Meeting of Ministers and published the Corporate Governance Principles, Since then, these principles have been regarded as international references for the decision – makers, investors, shareholders and companies throughout the world. In 2002, these principles were revised and accommodated to the present situation.

As for Turkey, the Capital Market Board (CMB) has undertaken the duties for the Corporate Governance. The CMB established the Corporate Governance Principles first in 2003, later in 2005, it revised and published the principles. The last revision is done on Dec. 2011 and Feb. 2012 with Communiqué Serial: IV, No: 56 and Feb.2013 Serial: IV No: 63 respectively by the Board. The principles are grouped under four main headings namely: the Shareholders, Public Disclosure and Transparency, Stakeholders and the Board of Directors.

Besides the CMB, by the Directive on Bank's Corporate Governance Principles, promulgated in Official Gazette of 01.11.2006, No: 26333, the BRSA introduced the rules required to be complied with by Banks.

Kobirate International Credit Rating and Corporate Governance Services Inc (Kobirate Inc) achieves the Corporate Governance Compliance Rating by a system identically based on the Corporate Governance Principles of the Capital Market Board (CGPCMB).Through this system, the firms are analyzed under four main headings of the Public Disclosure and Transparency, Shareholders, Stakeholders and the Board of Directors in accordance with the CGPCMB).

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

In this analysis, 286 different criteria are considered to measure the compliance of firms whose shares are traded on BIST with the corporate governance principles. Such criteria are translated into the Kobirate A.S.'s unique Corporate Governance Rating Questionnaire and the firms' and banks' responses to which are received electronically. The responses are analyzed and reexamined by the rating experts and analysts, reexamined and turned into a reported with results which is submitted to Kobirate Corporate Governance Rating Committee for final decision.

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 unsatisfactory compliance with CMB's Corporate Governance Principles in the existing structure.On this context, in order to reach the total grade, the following rates as adopted from the Corporate Governance Principles of the Capital Market Board on 01.02.2013 date and 4/105 numbered meeting are applied;

- Shareholders %25
- Public Disclosure and Transparency %25
- Stakeholders %15
- Board of Directors %35

**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>	<p>The Company achieved a 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 recognised 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.</p>
<b>7-8,9</b>	<p>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. Benefits of the shareholders are fairly taken care of. Public Disclosure and transparency are at high levels. Interests of the stakeholders are equitably 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 obviously eligible for inclusion in the BIST Corporate Governance Index.</p>
<b>6-6,9</b>	<p>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 operate, however, improvement is required. Potential risks that the Company may be exposed are identified and can be managed. The interest 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. Under these conditions, the Company is not eligible for inclusion in the BIST Corporate Governance Index.</p>

GRADE	DEFINITIONS
<b>4-5,9</b>	<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 true 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 the stakeholders, public disclosure, transparency, 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>
<b>&lt; 4</b>	<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 appears to be at a level that might cause the investor to incur material losses.</p>