



KUVEYTTÜRK

KUVEYT TURKISH PARTICIPATION BANK

CORPORATE GOVERNANCE POLICY

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PURPOSE AND SCOPE

The objective of the Corporate Governance Policy (Policy) is to regulate principles and standards regarding corporate governance of Kuveyt Türk Participation Bank and to regulate procedures and guidelines within this framework.

The Policy covers all operations and consists of all activities and transactions executed at the Bank's conducted at head office, domestic and foreign branches and subsidiaries as well as all of the executives and employees at every level, provided that the regulations of the related country do not conflict with the standards of this Policy.

The Bank oversees conducting of this Policy in its subsidiaries.

GROUND

This Policy was prepared on the bases of 19/10/2005 dated and 5411 numbered Banking Law (Law), 1 November 2006 dated Regulation on Banks' Corporate Governance Principles published by Banking Regulation and Supervision Agency (BRSA) and international best practices concerning corporate governance.

DEFINITIONS

Bank: Kuveyt Türk Katılım Bankası A.Ş

Law: 19/10/2005 dated and 5411 numbered Banking Law

Policy: Corporate Governance Policy

CORPORATE GOVERNANCE PRINCIPLES

The Policy's basic principles are below:

Accountability

We are liable to prove the correctness and bear the responsibilities of the decisions made before shareholders and the Bank's legal entity.

Integrity

In provision of service and conducting our duties, we are committed to the principle of integrity in our all relations with our employees, partners/shareholders, stakeholders and customers and all other people and legal entities.

Transparency

We shall report all financial and non-financial information about the Bank to the public in time, properly, completely in an understandable and accessible way, while preserving the balance between transparency and protection of the interests of the firm in determining the commercial secrets.

Reliability

With an awareness that the foundation of banking lies in reputation and reliability, while giving clear, true and understandable information to its employees, shareholders, stakeholders, customers and everybody we are in relation with, we shall provide customer services in time, thoroughly and in accordance with the promises.

Fairness

In observance of the principle ‘basis of the success is respect to people’, we shall not discriminate anybody due to his/her gender, ethnicity, thought or behaviour in our all relations with the main partners, shareholders, customers and third parties of real or legal persons.

Confidentiality

In our services and activities, we shall not share the financial or non-financial information of our employees, partners, shareholders or any third party we have a relation, with anybody or institution, unless it is legally required.

Compliance

We shall comply with all international norms and regulations and standards of national legislations that we are bound with, such as Banking Code.

Observance of Public Good, Respect to Environment and Responsibility

In our all services and activities, together with profitability of the firm, we support social and cultural events in observance of public good and respect to environment and pay respect to regulations with regard to environment, customers and public health.

In that regard, Kuvveyt Turk formed a ‘Committee of Corporate Governance’ in order to ensure the compliance with Corporate Governance Principles; to monitor the relevant activities carried, to improve the practices and to advice the Board on the issue.

‘Kuvveyt Turk Corporate Governance Policy’ is so formed that the Board can sustainably protect the rights and interests of all share and stakeholders, partners, customers, employees and savers, in the lights of the Bank’s objectives, legislations, interest-free banking principles, the founding charter, in-house regulations and general banking ethic rules.

Kuvveyt Turk shares information with the nature of no-commercially secret that has relevance for stake and share-holders on its internet site. Moreover, the firm web portal was formed to improve the internal communication in the Bank and inform the employees quickly when needed.

Information that are under the supervision of the Directorate of Investors Relations and Foreign Organization and Corporate Governance Committee, to be published and regularly updated on the internet are as follows:

1. Registry of Commerce Information
2. Latest Partnership and Management Structure
3. Latest Version of Articles of Association
4. Yearly Activities Report, Periodical Financial Tables and Independent Audit Report
5. Credit Rating Institutions Reports
6. Monthly Economy Reports
7. Form of Voting by Proxy
8. Social Responsibility Projects

Other than these information, Bank’s vision, mission statement and aims, firm history, Corporate Governance Principles, Subsidiaries and Partnerships and news and events about Kuvveyt Turk are to be published on the portal.

EFFECTIVENESS

This Policy shall become effective with the Board of Directors' approval. This Policy's provisions are executed by the Corporate Governance Committee.

Any subsequent changes and updates depending on the then applicable conditions of the Policy shall be effective upon the approval by the Board of Directors.