



Corporate Governance Compliance Rating Report

Darüssafaka
1863 **SOCIETY**

Darüşşafaka Society

29 December 2022

Validity Period 29.12.2022-29.12.2023

LIMITATIONS

The Corporate Governance Compliance Rating Report, prepared by Kobirate Uluslararası Kredi Derecelendirme ve Kurumsal Yönetim Hizmetleri A.Ş. on Darüşşafaka Cemiyeti, has been prepared in accordance with the Corporate Governance Principles Compliance Rating Methodology based on the CMB's Corporate Governance Principles.

The Corporate Governance Compliance Rating Report issued by Kobirate Uluslararası Kredi Derecelendirme ve Kurumsal Yönetim Hizmetleri A.Ş. is based on 113 copies of documents, data and files electronically transmitted by the concerned Non-Governmental Institution, 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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DARÜŞŞAFAKA CEMİYETİ

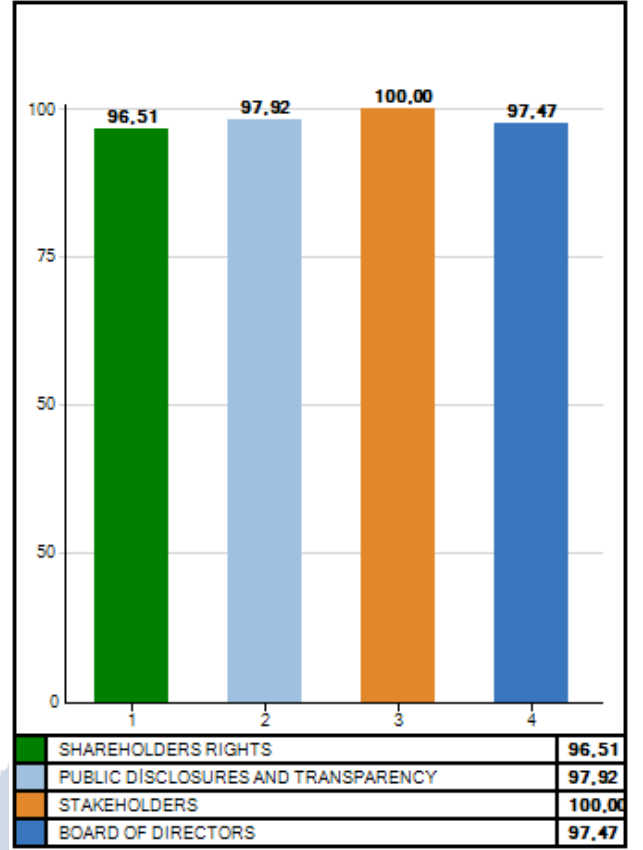
CMB CORPORATE GOVERNANCE PRINCIPLES COMPLIANCE GRADE

9.77

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1. REVISED RATING SUMMARY

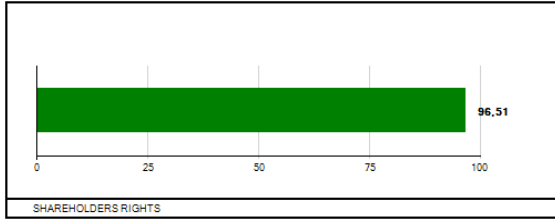
This report of rating of compliance of Darüşşafaka Cemiyeti with the Corporate Governance Principles is concluded through onsite examinations of the documents and information open to public, interviews held with executives and persons involved, and of other examinations and observations. The study has 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 Corporate Governance Communiqué numbered II-17.1 published in the Official Gazette dated 03.01.2014 and numbered 28871 has been taken as basis.

The rating study was carried out under the headings of Shareholders, Public Disclosure and Transparency, Stakeholders and the Board of Directors. Darüşşafaka Cemiyeti's Corporate Governance Compliance Rating Score has been

revised upwards as **9.77**, according to the methodology prepared by Kobirate Uluslararası Kredi Derecelendirme ve Kurumsal Yönetim Hizmetleri A.Ş. for "Non-Governmental Organizations" within the framework of the above headings and as a result of examining and evaluating 302 criteria.

This result indicates that Darüşşafaka Cemiyeti complies significantly with the Corporate Governance Principles published by the Capital Markets Board; it has established a consciousness and culture of responsibility towards its members, benefactors, beneficiaries, and all other stakeholders and society, and its activities related to transparency and disclosure are at a high level; its internal control systems have been established and are functioning, and the structure and working principles of its Board of Directors are in line with the Corporate Governance Principles.

- In the Shareholders section, the rating of Darüşşafaka has been confirmed as **96.51**.



In the examinations made on the records and in the discussions with the officials, it has been understood that the corporate governance principles are carefully observed in exercising all rights related to the stakeholders by the Society.

Membership relations at Darüşşafaka Are carried out by Mr. Tevfik SÖZBİR. It has been observed that the aforementioned executives are at a sufficient level with the knowledge and experience required by the task, and play an active role in protecting and facilitating the use of membership rights, especially the right to obtain and review information. The member registry is also followed by the same employee, and it has been observed that these records are organized and up-to-date.

Any data that might affect the exercise of members' rights are currently at disposal of members on the society's internet website. The "Disclosure Policy" approved by the Board of Directors is published on the Society's corporate website, and the members' right to receive information is explained in detail within the scope of this policy. The right to receive and review information has been extended to include beneficiaries, donators and all strata of society, not just members.

The date of 26.03.2022 was determined for the general assembly meeting where the activities of 2021 will be discussed and the general assembly call was duly made. The meeting was postponed to 02.04.2022 due to insufficient number of participation.

The invitation to the assembly was announced in a national newspaper dated 03.03.2022 and announced on the website of the Society. In

addition, invitations, agenda and attachments were sent to all members by e-mail.

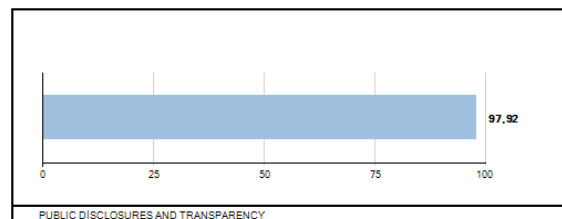
It is stipulated by Article 18 of the Society's Bylaws that members who have paid all their dues and do not owe any dues until the end of the previous year can attend the General Assembly. Within the scope of this article, it has been determined that 111 members from 477 Darüşşafaka Cemiyeti Members, who do not owe dues as of 31.12.2021, attended the general assembly meeting.

Again, according to Article 26 of the Society's Bylaws, each member has only one voting right, and in accordance with the relevant laws, regulations and the Society's Bylaws, each member can exercise their right to vote personally by attending the meeting.

As a result of the examination of the prepared documents and minutes, it was understood that the members were properly informed about the agenda items before the General Assembly, all members were given the right to speak while the agenda items were being discussed, and the necessary opportunity was provided to discuss all aspects of the issues.

All of the full and substitute members of the board of directors and the majority of the regular and substitute members of the supervisory board attended the general assembly meeting.

- In the Public Disclosure and Transparency section, the society's rating was revised as **97.92**.



The institution has created its disclosure policy and disclosed it to the public. The Disclosure Policy was presented to the attendees as the 11th item of the agenda at the General Assembly held on 06.04.2019.

Many up-to-date information about the Society and its activities, which are listed in the principles and that members, benefactors, beneficiaries and all stakeholders may need, are available on the website.

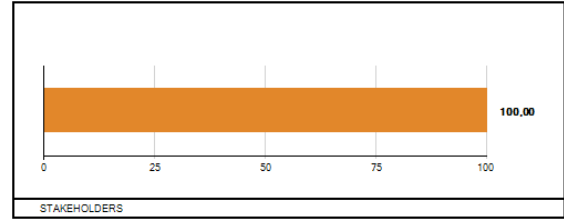
On the other hand, the corporate website is constantly being updated. Within this framework, in order for the institution to get to know its benefactors better, the Insider application tries to learn the usage habits of the benefactors, and CRM applications are developed with this data.

Integrated annual reports contain detailed information about the activities of the Society and to inform all stakeholders and are prepared in a very comprehensive manner. The integrated annual report for 2021 won the "Platinum" awards in 5 different categories (Non-profit Organizations Annual Report, Design-Cover, Holistic Design, Interior Design, Content) at the Marcom Awards.

The independent external audit of the financials of the Society and its Affiliates for 2021 was made by KPMG Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. and no negative opinion was stated in the report. It has been learned from the 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.

The auditing and reporting of the financial statements for the year 2022 are carried out by KPMG Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş., with the recommendation of the Audit Committee and the approval of the Board of Directors.

▪ In the Stakeholders section, the rating of Darüşşafaka has been confirmed as **100.00**.



In 2021, the infrastructure of the ERP (Enterprise Resource, Planning) system was prepared, the Quality Management System studies were completed, and ISO 9001: 2015 Quality Management System and ISO 27001: 2013 Information Security Management System certificates were obtained.

Within the scope of "Digital Transformation Program";

The Software Technologies Unit was established under the Deputy Secretary General of Information Technologies and Digital Transformation. A "Digital Transformation Ambassador" profile has been created to cover all organizations within the institution. In addition to their current duties within the institution, ambassadors take an active role in issues such as digital needs, new ideas, project communication and product ownership within the units.

The Digital Transformation Program is also followed by the "Digital Transformation Commission" under the Board of Directors. At the commission meetings held regularly, the project timeline, scope and alternative solutions are evaluated according to criteria such as cost/benefit analysis.

A process has been developed to digitally follow the personnel recruitment and firing processes and to help automate user operations.

Enterprise Risk Management, Failure Mode Impact Analysis (FMEA) method has started to be implemented. The work conducted on a process basis (Process FMEA) is carried out by all units within the Society. FMEA work is conducted through an online accessible application on a digital platform.

A step has been taken to start using audit software regarding internal audit activities, and it is planned to carry out audit activities in a digital environment in the following period.

A total of 11,602 hours and an average of 82.3 man/hours of training were provided in the 2021-2022 academic year on education and development, which is one of the most important elements for human resources.

A “Reputation and Perception Research” was conducted under the consultancy of a company operating in the field of market research, in order to determine how Darüşşafaka is perceived by the general public and stakeholders, and to determine the motivations and barriers to donating.

The fieldwork of the research project, of which target audience consisted of the general public, individual, institutional, and potential benefactors, academics, those studying at Darüşşafaka, NGO representatives and university students, was carried out in April - August 2022. When the interview results are evaluated, it is seen that Darüşşafaka Cemiyeti has built a very high level of trust in all stakeholders.

There is a comprehensive code of ethics that all members, management, and employees have to comply with, and necessary information has been provided for those concerned to act in accordance with these rules.

There is an “Ethics Committee” in the Society that monitors compliance with ethical rules. The system created in the communication section of the Society's website is active in order to provide applications from outside the institution to the Ethics Committee, and applications are also received through this system. In accordance with the Ethics Committee 2022 Action/Event Plan, the ethics committee applications were collected and presented to the committee on a monthly basis, the ethical survey boxes were replaced with new boxes protected in accordance with the confidentiality conditions, and the ethical representatives were determined. Seminars on

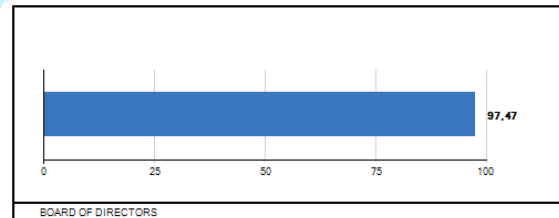
Ethical Principles were held in November 2022 by the Chairman of the Ethics Committee throughout the Society. In 2022, the Society's Ethics Committee ordinary meetings were held on 07.04.2022, 05.08.2022 and 01.12.2022. An ethical survey was prepared for all employees during the year, the results of the survey were collected and the results were evaluated at the meeting held on 01.12.2022. The results of this survey will be presented to the board of directors together with the report of the Ethics Committee.

Members of the board of directors sign statements that certify their awareness of the conflict of interest policy and specify any conflicts they may or are assumed to be involved in. Likewise, employees sign a document stating that they have read and understood the ethical principles and conflict of interest policy together with the documents signed at the beginning of the job, and this document is kept in the personnel file.

The developments presented under the Stakeholders heading also reflect the corporate sustainability approach of the Darüşşafaka Cemiyeti and are disclosed to the public in an integrated annual report.

The Society has fully complied with the principles with its practices under this main heading.

- In the Board of Directors section, the rating of Darüşşafaka was revised as **97.47**.



This grade indicates that the Society complies very well with the CMB's Corporate Governance Principles.

In the Board of Directors of the Society, 8 (eight) female and 7 (seven) male members serve as permanent members, and the gender

ratio is 53% in favor of female members. The ratio was 50% with 10 (ten) members each, including alternate members. The fact that the "Rate of Female Members in the Board of Directors" in the Board was above the ratio specified in the principles constituted the reason for the grade increase in this main heading.

It has been determined that the Board of Directors has defined its strategic goals in order to achieve the goals set in the Society's Bylaws. This purpose of the Society can be presented in a clear, informative and motivating way for various stakeholders, including members, beneficiaries, benefactors, volunteers, employees, media and all layers of society. An internal control mechanism has been established and it has been ensured that it works effectively.

As per the Bylaws, the Board of Directors is elected by the General Assembly by secret ballot, as 15 (fifteen) full and 5 (five) substitute members. In this framework, the number of members of the board is sufficient for the members of the board of directors to carry out productive and constructive work, and for the formation and organization of commissions (committees) effectively. Again, in Article 29 of the Bylaws, there is the statement "Re-election is held every year instead of one-third of the Members of the Board of Directors in accordance with the provision of Article 27, the member whose term has expired can be re-elected". In accordance with this article, 1/3 of the Board of Directors of the Society is re-elected every year.

Each member has one voting right at the Board of Directors. There are no veto powers for any member.

The duties of Chairman of the Board of Directors and General Secretary are carried out by different people.

The Board of Directors convened 38 (thirty-eight) times in 2021 and took 69 (sixty-nine) decisions. As of November 2022, 39 (thirty-

nine) meetings were held and 62 (sixty-two) decisions were taken.

It has been observed that the Audit, Corporate Governance and Early Detection of Risk Committees (Commissions) referred to in the Principles have been established, and the working principles have been prepared as written documents.

- **The Audit Commission** held 3 (three) meetings in 2021 and made the same number of presentations to the board of directors. As of November 2022, 4 (four) meetings and the same number of presentations were held.

Internal Audit:

The Internal Audit Unit established within the Society performs audits in accordance with all legal and in-house legislation and regulations, prepares reports in accordance with international internal audit standards and works independently of the Board of Directors, independent of all units. Risk management, control and corporate governance processes are audited independently and objectively through internal audits. The Internal Audit Unit also creates value by raising the awareness of managers and employees regarding internal and external risks and as a "consultant" that offers suggestions.

The Internal Audit Unit carried out a total of 8 (eight) audits in 2021, 8 (eight) reports to the Audit Committee and 3 (three) reports to the Board of Directors.

As of November 2022, it has made 8 (eight) audits and reported 9 (nine) times to the Audit Committee and 7 (seven) times to the Board of Directors.

- **The Corporate Governance Commission** held 3 (three) meetings in 2021 and made 5 (five) presentations to the Board of Directors. As of November 2022, it held 5 (five) meetings and made 2 (two) presentations to the Board of Directors, and 1 (one) meeting will be held in December.

The Corporate Governance Commission measured the performance of the Darüşşafaka

Board of Directors in the field of corporate governance in 2021 and presented the outputs of the study to the Board of Directors and relevant parties in March 2022.

- ***The Early Detection of Risk Commission*** was established in 2020 as a sub-committee of the Corporate Governance Commission and started to work under the name of "Early Detection of Risk Committee".

In the meeting of the Board of Directors dated 08.03.2022 and numbered 2022/11, it was decided to structure the current committee as a "Commission", considering its importance for the Society and current macro conditions and to adopt the "Darüşşafaka Cemiyeti Early Detection of Risk Commission Regulation on Formation, Duties, Working Procedures and Principles" prepared in this framework.

The Commission convened 5 (five) times in 2021 and made the same number of presentations to the board of directors. As of November 2022, it met 2 (two) times and reported the meeting results to the board of directors.

In addition to these three main commissions listed in the principles, 5 (five) separate commissions and specialty committees have been established to support the effective and dynamic management of the Society. The commissions and the number of meetings held and presentations made to the Board of Directors as of November 2022 are as below;

- Training Commission 7 (seven) meetings and the same number of presentations,

- Donation Communication and Resource Development Commission held 5 (five) meetings and 3 (three) presentations,

- Asset Management Commission held 4 (four) meetings and 2 (two) presentations,

- Student Selection, Registration and Admission Commission held 2 (two) meetings and 1 (one) presentation,

- Residences and Residence Governance Commission held 3 (three) meetings and 1 (one) presentation.

2. INTRODUCTION OF THE NON-GOVERNMENTAL ORGANIZATION



Title of the NGO : Darüßsafaka Cemiyeti
Address of the NGO : Darüßsafaka Mah. Darüßsafaka Cad. No:5/9 34457
Maslak Sarıyer/İSTANBUL

Phone number of the NGO : (0212) 939 2800
Fax number of the NGO : (0212) 276 5011
Website of the NGO : www.darussafaka.org

Date of Incorporation : 1863
The province where the NGO Center is Located : İstanbul

Line of Business of the NGO : Education

NGO's Representative in Charge of Rating:

Burçak KARAKAYA

Deputy Secretary General

burcak.karakaya@darussafaka.org

(0212) 939 2811

GOVERNING BODIES AND COMMISSIONS AS OF THE REPORT DATE

***Darüşşafaka Cemiyeti Board of Directors
(2022-2023)***

Name/ Surname	Title
Oğuz Güleç (DŞ'72)	Chairman
Erman Süsler (DŞ'75)	Deputy Chairman
Zeynep Necipoğlu	Deputy Chairman
Cem Şipal (DŞ'82)	Treasurer
Mustafa U. Demirci (DŞ'71)	Member of Board of Directors
Mehmet Erkin	Member of Board of Directors
Prof. Dr. Esra Ekmekçi Çalıcıoğlu	Member of Board of Directors
Z. Ceylan Kabadayıoğlu	Member of Board of Directors
Dr. Serpil Tunçer (DŞ'79)	Member of Board of Directors
Prof.Dr. Feryal Çelikel	Member of Board of Directors
P. Nesrin Bayazıt (DŞ'79)	Member of Board of Directors
Ş. Binnur Karademir	Member of Board of Directors
Müge Ören	Member of Board of Directors
Eşref Biryıldız (DŞ'73)	Member of Board of Directors
Vedat Bayrak (DŞ'74)	Member of Board of Directors
İ.Hayri Cem (DŞ'78)	Associate Member of Board of Directors
Burak İ. Çetinceker (DŞ'02)	Associate Member of Board of Directors
Cengiz Gözükara (DŞ'82)	Associate Member of Board of Directors
Büşra Giray (DŞ'14)	Associate Member of Board of Directors
Necla Özel (DŞ'95)	Associate Member of Board of Directors

***Board of Supervisors
(2021-2024)***

Name/ Surname	Title
A.Kamil Uzun	Chairman of Board of Supervisors
Zafer Boztuna (DŞ'77)	Member of the Board of Supervisors
Süleyman Morbel (DŞ'90)	Member of the Board of Supervisors
M. İsmail Özürücü (DŞ'69)	Associate Member of Board of Supervisors
A. Engin Ergüden	Associate Member of Board of Supervisors
Aydın Yağcı	Associate Member of Board of Supervisors

***Darüşşafaka Cemiyeti Court of Honour
(2021-2024)***

Name/ Surname	Title
Mithat Günay Yazgıç (DŞ'58)	Member of Court of Honour
Halit Yurdal Tilki (DŞ'59)	Member of Court of Honour
Ergün Bankoğlu (DŞ'59)	Member of Court of Honour
Davut Ökütçü (DŞ'65)	Member of Court of Honour
Prof.Dr. Lütfü Telci	Member of Court of Honour

Directors of the Darüşşafaka Cemiyeti and its Affiliated Institutions

Name/ Surname	Title
Suat Çetin	General Secretary
Av. Dr. İnci Ercan	Chief Legal Counsel
Burçak KARAKAYA	Business Development, Residence and Testament Donations Dep. Sec. Gen.
Gökhan Tarhan	IT and Digital Transformation. Dep. Sec. Gen.
Doğan Sözer	Operation and Financial Affairs Dep. Sec. Gen.
Levent Çolakoğlu	Facility Services Dep. Sec. Gen.
Ebru Arpacı	DEK General Manager
Nilüfer Kavaklı	DEK High School Principal
Şule Uyar	DEK Middle School Principal
Muhammet Erken	DEK Living Space Manager
Dr. Can Bostancı	Chief Physician and Director of Maltepe Special Care Unit
İ. Enez Arslan	Yakacik Residence Institution Manager
Zeynep Ellidokuz	Şenesenevler Residence Institution Manager
Neval Erkmen	Urla Residence Institution Mng. and the Urla Group Coordinator
Tugay Koralay	Urla Yaşam Institution Manager
Nilgün Eken	Donation Management and Benefactor Relations Manager
Lale İlalan	Corporate Communications Manager
H. Boğaçhan Akyar	Human Resources and Internal Communication Department Manager
Burcu E. Dönmez	Internal Audit Manager
Y. Cenk Erdem	Purchasing and Warehouse Fixture Management Department Mng.
Levent Üzümcüoğlu	Real Estate Unit Manager
Yasin Kaya	Financial Affairs Unit Manager
Güney Ateş	Budget and Financial Reporting Manager
Ö. Kubilay Karaman	Information Technology Manager
D Yusuf Demirci	Software Technologies Unit Manager
Ömer S. Şahin	Security and Civil Defense Manager
Öznur Tekebaş	Support Services Manager
Mehmet Eken	Warehouse Fixtures Manager
Selim Bayram	Maltepe Facility Services Manager
M. Kadir Düzkeya	Urla Facility Services Manager

COMMISSIONS (COMMITTEES) OF THE BOARD OF DIRECTORS

Audit Commission

Cem Şipal (Chairman)
Erman Süsler
Cengiz Gözükara
Büşra Giray
İlknur Anadol Kamper

Corporate Governance Commission

Prof. Dr. Esra Ekmekçi Çalicioğlu (Chairman)
Zeynep Necipoğlu
Mustafa U. Demirci
P. Nesrin Bayazıt
Binnur Karademir
Eşref Biryıldız
Vedat Bayrak
Sevhan Gök Kahya

Early Detection of Risk Commission

Müge Ören (Chairman)
Erman Süsler
Burak İ. Çetinçeker
Cengiz Gözükara
Ahmet D. Erelçin
Necla Özel
Beşir Özmen

Donation Communication and Resource Development Commission

Zeynep Necipoğlu (Chairman)
Prof. Dr. Esra Ekmekçi Çalicioğlu
P. Nesrin Bayazıt
Ş. Binnur Karademir
Mustafa U. Demirci
Eşref Biryıldız
Vedat Bayrak
Melek Eyigünlü

Asset Management Commission

Mehmet Erktin (Chairman)
Cem Şipal
Burak İ. Çetinçeker
Ahmet D. Erelçin
Bülent Topbaş
M. Hakan Tahiroğlu
Murat Ergin
Duygu Çağman

Student Selection, Registration and Admission Commission

Mustafa U. Demirci (Chairman)
Erman Szler
Davut kt
Z. Ceylan Kabadayiođlu
P. Nesrin Bayazit
Mge ren
Břra Giray
Necla zel
Beřir zmen
M. Hakan Tahirođlu
Betl Oran Akan
Mjde Sme

Education Commission

Erman Szler (Chairman)
Mustafa U. Demirci
Z. Ceylan Kabadayiođlu
Serpil Tuner
Feryal elikel
ř. Binnur Karademir
Mge ren
Betl O. Akan
Vedat Bayrak
Arife Dogutan
T. İř Bankası Representative

Residences and Residence Governance Commission

Erman Szler (Chairman)
Zeynep Necipođlu
Serpil Tuner
Feryal elikel
Burak İ. etineker
Necla zel

Darřřafaka Culture and History Commission

Serpil Tuner (Chairman)
Necla zel
Z. Ceylan Kabadayiođlu
Beřir zmen

Digital Transformation Commission

Z. Ceylan Kabadayiođlu (Chairman)
İ. Hayri Cem
Břra Giray
M. Hakan Tahirođlu
Ahmet D. Erelin
Bekir Kara
Eřref zlkl
İlhan Bađren
Haluk nal

**Comparison of Darüşşafaka Cemiyeti's Consolidated Financial Position Statements
For The 12th Months of The Last Two Years in Selected Items**

(TL)	2020/12	2021/12	Change %
Total Current Assets	338,324,142	736,534,003	117.70
Total Fixed Assets	1,197,935,924	1,455,808,447	21.53
Total Assets	1,536,260,066	2,192,342,450	42.71
Total Short-Term Liabilities	39,650,707	56,713,669	43.03
Total Long-Term Liabilities	80,838,446	152,026,440	88.06
Total Net Assets	1,415,770,913	1,983,602,341	40.11

Source: Darüşşafaka Cemiyeti 2021 Independent Audit Report

(TL)	2020/12	2021/12	Change %
Net Income from Activities	166,159,087	355,544,996	113.98
Net Income before Financial Income and Expenses	173,708,836	388,067,502	123.40
Pre-Tax Activity Result	195,346,402	477,392,309	144.38
Net Activity Result	195,344,546	477,808,374	144.60

Source: Darüşşafaka Cemiyeti 2021 Independent Audit Report

Brief History of Non-Governmental Organization

“Cemiyet-i Tedrisiyye-i İslamiye”, a society aiming to provide Islamic education, was established on 30 March 1863, upon an imperial order of the Sultan, by Yusuf Ziya Pasha, Gazi Ahmed Muhtar Pasha, Vidinli Tefrik Pasha, Sakızlı Ahmet Pasha, and Ali Naki Effendi. The purpose of establishment was to support education of needy and orphaned children. The society, whose members comprised of many Ottoman pashas and intellectuals, constituted the very first non-governmental organization of Turkey in the field of education.

In 1868, construction of the building designed by the Italian architect Barironi and blueprinted by the chief architect of Dolmabahçe Palace, Ohannes Balyan, began on a plot purchased by help of a donation from Sultan Abdülaziz. The school building is the first building designed as an education complex of this size, suitable for the education of girls and boys under the same roof, with facilities far ahead of the times.

The Charter of the Society, dated 25 March 1872, stated clearly that the Society would attach great importance to love of nation and national dedication, and so its members would comprise of people, who have internalized these concepts. The Charter also specified that the school would provide education to children not older than 10 years, that all the expenses of those children would be covered by the Society, that both an administrative and an educational board would be established, and that a headmaster and a headmistress would be appointed. (It was no earlier than 1965 when Nazima Antel was appointed, that the school had a headmistress, and the admission of the first female students was in 1971.)

In 1873, Darüşşafakar'ül İslamiye, as a free boarding school designated with special status, started its first academic term with its 54 students, along with a first lecture given by Captain Mustafa Effendi. The curriculum comprised the syllabi of primary, secondary, and high schools, and was more qualified than the one prepared by the Ministry of Education. The syllabus for the last 2 of the 8 years in the school, was prepared in accordance with the program of College Education. For this reason, Darüşşafaka graduates were deemed college graduates until 1894. In addition, last year in Darüşşafaka was called "Telegram-Science School", for and Darüşşafaka was then known as a telegram-science school between the years 1873-1894.

In 1881, Darüşşafaka celebrated its first graduates. Eight people who were the first graduates of the school were recruited by the Ministry with the efforts of the Post and Telegraph Minister İzzet Efendi, a member of the Society. By then, 125 students were studying at Darüşşafaka.

Until this date, there had been no high schools in the country other than Darüşşafaka, Galatasaray, and the military high schools. Many intellectuals of the time served as voluntary instructors in Darüşşafaka, during the 1880s, and until the mid-1990s. These included poet Namık Kemal, state chronicler Abdurrahman Şeref Bey, Manyasizade Mustafa Refik Bey, Babanzade Naim Bey, composer Zekai Effendi, Ahmet Mithat Effendi, painter Agah Effendi, Selim Sırrı (Tarcan), poet Yahya Kemal (Beyatlı), historian Yusuf Akçura, Tahir Olgun, and painter Ali Rıza Hoca. Additionally, lots of important artists, scientists and scholars were Darüşşafaka graduates (such as mathematicians Salih Zeki and Mehmet İzzet, financier Hasan Ferit, journalist Ahmet Rasim, author İsmail Safa, historian Osman Nuri Ergin, educator Ali Kami Akyüz, who later served as the headmaster of Darüşşafaka between 1920 and 1940, and painter Mahmut Cûda), and most of them later served as instructors in Darüşşafaka for many years.

In 1888, the members of the Society were prevented from coming together, as holding meetings of any kind was banned. Meetings were on hold. Darüşşafaka was in financial difficulty. Abdülhamit took Darüşşafaka under his protection. The state then initiated the practice for each company, which has been granted privileges, to provide financial support to Darüşşafaka, and so this practice ended the financial difficulty.

In 1903, due to a resistance movement arising among students, the Ottoman Empire seized control of the school, and eventually, the administration of the school was attached to the Ministry of Education. It put an end to the situated practice of intellectuals volunteering as instructors. Cemiyet-i Tedrisiye-i İslamiye (Ottoman Association of Education) was disbanded. Turned into a public school, Darüşşafaka deviated from its original purpose. Some of the notables' children, and some children who actually had parents were accepted to the School as well. It continued as such until the second constitutionalist period

II. the proclamation of the second constitutional monarchy, former members of the Society and Darüşşafaka graduates came together. The members of the Cemiyet-i Tedrisiye-i İslamiye, along with the famous politicians of the time, came together under the chairmanship of the Grand Vizier, And the Society began to work again.

First thing to do, was to apply Ministry of Education for taking over the School's administration back, and their request was met the same year.

The Law on Unification of Education dated 1924, aimed at unifying and secularizing the education system. It also put an emphasis on the concept of Turkish nationality. The Board of the Society decided they would make significant amendments in accordance with this Law The School became a full-time private high school, and followed curriculum of the public schools. Thereafter, the School was called

“Darüşşafaka High School”. Those amendments were accepted by the Ministry of Education; thus, Istanbul University and other universities began admitting Darüşşafaka graduates along with graduates of public high schools without an examination.

In 1927, with the purpose of training primary school teachers, a separate “teachers class”, at the level of the senior class of the Teaching Schools, was opened. The first group graduated in 1929. The class was closed in 1930, upon the request of the Ministry.

By 1931, the graduates had mostly chosen to study on the fields of science in the university. So, the School had only science classes. The literature class was opened in 1931.

In 1935, the Society changed its name as “Turkish Teaching Institution”. In 1939, 83 children, who went through the Erzincan earthquake and who fulfilled the conditions to study at Darüşşafaka, were admitted to the School. Isbank undertook all expenses of those children and pay to the Society. This exemplary behavior of Darüşşafaka was found applaudable.

Until that year, Darüşşafaka students, as the students of public high schools, had the right to repeat a year, but the Society decided it would best to put an end to this practice, so that more qualified students, with the awareness of how much money and time were invested in their education, could be raised. Starting from 1940, the students who failed in the class started to be expelled from the school with a compulsory certificate.

Prime Ministers holding office during the 40s (Recep Peker who was also a member of the Society, Hasan Saka, and Şemseddin Günaltay) were closely interested in the school. They focused mainly on the acceptance of female students to the School, and their governments supported Darüşşafaka.

In 1945, Darüşşafaka started providing English courses in addition to French courses.

In 1949, a student dormitory in Fatih named Atabinen was provided to Darüşşafaka graduates studying at university.

In the season 1950-1951, Darüşşafaka High School Basketball Team became champion among the high schools in Istanbul. Thus, basketball became active in Darüşşafaka. and Darüşşafaka Sports Club started to offer Basketball branch in addition to football and volleyball. The amateur Basketball team started playing in the leagues in 1961, won the championship cup several times after that, and even raised successful players for the national team.

The Society adopted the name “Darüşşafaka Cemiyeti” with a charter amendment.

Poet and writer Sait Faik Abasıyanık passed away. His mother, Makbule Abasıyanık, donated the copyright of his books and some of his assets to Darüşşafaka Cemiyeti, as per his wish. She also initiated the “Sait Faik Story Award” (1955), to be given each year on his death anniversaries (11 May) to the favorite storybook of the previous year.

The Award, given in cooperation with Yapı Kredi Bank from 2003 to 2011, started to be given in cooperation with Isbank as of 2012.

His house in Burgazada was transformed into a museum by Darüşşafaka (1964).

The academic year 1955-1956 was significant for Darüşşafaka. The school obtained a college status offering education in English. It introduced a two-year prep class, and science and mathematics courses started to be given in English.

In 1957, Darüşşafaka started to hold its entrance exam in Ankara, İzmir, and Adana, in addition to Istanbul.

In 1958, investment policies were remarkably modified, in order to obtain more sustainable sources of income, and secure Darüşşafaka's future. A shopping mall called "Darüşşafaka Complex" in Halaskargazi Street in Şişli was constructed in line with this purpose, and was put into service by Prime Minister Adnan Menderes.

In 1964, the School began admitting financially disadvantaged students whose fathers are alive, too. This practice ended in 1976.

The Board of Directors took the decision to switch to coeducation in 1969. In the 1971-72 academic year, female students also started to study at Darüşşafaka.

The renovated five-storey school building, with its conference hall, sports hall, modern kitchen, dining hall, laboratories, and lodgings, was put into service by President Cevdet Sunay.

Children of soldiers martyred in the Cyprus Peace Operation were accepted to Darüşşafaka with no requirement of examination.

Darüşşafaka celebrated its first female graduates.

Darüşşafaka Cemiyeti was exempted from all kinds of tax, fee, and other financial obligations with Law no 3685, published in the Official Gazette on 5 December 1990.

In 1992, it was decided to move out of the facilities in Fatih, and construct residences for donators, so that they would spend their older ages in a safe, healthy environment. Part of the treasury's land in Maslak Balabandere, which had been allocated for the Ministry of Defense, and which was about to be handed on to Istanbul Metropolitan Municipality, was transferred to the Society. A competition was organized to decide on the architectural Project. The jury selected the Project of MSc. Architect Dr. Fatih Gorbon. The construction of Maslak Campus began.

As Darüşşafaka Schools' new campus in Maslak was put into service. The 120-year-old building in Fatih was sold to Ziraat Bank.

In 1997, "Darüşşafaka Yakacık Residence" was put into service as the first example of the "residences" project, which was decided as a new donation and finance model based on creating a new donation flow to Darüşşafaka and providing people with high financial means to a peaceful and comfortable life in their old age. The sport complex in Maslak was completed and opened the same year.

In 1998, the book "The History of Darüşşafaka 1863-1994" was published following detailed research, in cooperation with Economic and Social History Foundation of Turkey.

41 students, living though the earthquake of 17 August, were accepted to the School with no examination. In addition, in the 1997-2007 period, a total of 78 martyred soldiers and police children were admitted to the school without an examination.

In 2003, Darüşşafaka hosted 108 students, who lived through the Bingöl earthquake, for a while.

In 2004 and 2005, Maltepe Residence, Şenesenevler Residence, Darüşşafaka Physical Therapy and Rehabilitation Center, and Maltepe Special Care Unit opened their doors to Darüşşafaka donators.

Fundamental changes took place regarding both the Society and the School administration:As a result of several meetings held with the participation of the administrators of both the Society and the School, teachers, representatives of both the students and the Parent-Teacher Association, and experts in the field of education, a 5-year strategic plan for the years 2007 to 2012 was developed with the purpose to improve the School further.

Urla Residence started operating in İzmir.

Darüşşafaka Elementary School started organizing a column-writing competition in the memory of journalist and writer Ahmet Rasim, who was both a graduate and a teacher of Darüşşafaka, among the elementary schools in Istanbul.

In 2008, in order to deepen the practice of the principle of equal opportunity in education and to increase the success of students in rural areas, whose opportunities are limited compared to big cities, but who have high talent, in Darüşşafaka entrance examinations, the exam system based on knowledge measurement was changed to an examination system based on intelligence, talent and creativity, and the number of provinces where the examination was held was increased.

Darüşşafaka started “Darüşşafaka Seeks for its Parents” program, as well as annual donation campaigns within the Darüşşafaka family.

The project “81 Students from 81 Provinces” was initiated in cooperation with Isbank, and the first students accepted within this scope began studying at Darüşşafaka.

After the tragic event in Mardin Bilge Village in 2009, it opened its doors to five children who met the conditions.

To ensure Darüşşafaka broadens its horizon in the globalizing world, the High Advisory Board was established with the participation of opinion leaders of the society.

A social responsibility project called “From Dreams to Reality” was initiated in cooperation with Procter & Gamble Turkey.

The Law no 6009, enabling the use of the school campus for commercial purposes provided the educational activities are not disrupted, was published in the Official Gazette on August 1, 2010. A number of studies were initiated in order to strengthen the principles of corporate governance.

Darüşşafaka Educational Institutions Regulation, Ministry of National Education Darüşşafaka Elementary School Regulation, and Ministry of National Education Darüşşafaka High School Regulation were separately approved by Ministry of National Education Board of Education and Discipline on 13 September 2011.

In memory of Nazima Antel, the first headmistress of Darüşşafaka, the School began granting “Nazima Antel Awards” to students who achieved success in the field of English in out-of-school activities.

As it was the 40th year after the first-time female students were accepted to the School, female Darüşşafaka graduates started the campaign “Daçka Girls 40th Year”, with the purpose of collecting TL 1,000,000, education expense of ten girls for ten years .

The purpose article of the Charter was amended on 14 April 2012, in the extraordinary general assembly, to which President Recep Tayyip Erdogan participated as the natural president of Darüşşafaka Cemiyeti. With this amendment, it became possible for students who have lost their mothers to be accepted to Darüşşafaka, as well as the students who have lost their fathers. The term “Turkish-Islamic children” in the relevant article was replaced with “citizen of the Republic of Turkey”. A new article, on the ideal qualifications of individuals Darüşşafaka wants to raise, was added to the Charter.

In addition to the 3rd grade primary school students whose fathers passed away, students whose mothers are not alive were accepted for the first time in the Darüşşafaka Entrance Examination.

Due to the 4+4+4 practice in the education system, 4th grade primary school students have started to be admitted to the Darüşşafaka Entrance Examination as of the 2013-2014 academic year.

In line with its transparency approach, Darüşşafaka Cemiyeti became the first non-governmental organization to have an independent rating company (Kobirate Uluslararası Kredi Derecelendirme ve Kurumsal Yönetim Hizmetleri A.Ş) authorized by the Capital Markets Board perform a corporate governance compliance rating in 2013. In this rating study, the compliance grade was announced as 8.4.

In 2014;

Strategic plan of 2015-2020 was prepared.

Darüşşafaka Techno-Entrepreneurship Youth Center was opened.

Started giving scholarships to university students who are not Daarüşşafaka graduates.

Increased its corporate governance principles compliance rating from 8.4 to 8.64.

In 2015;

First steps were taken in accordance with the strategic plan of 2015-2020.

The focus was on receiving regular donations. Within this framework, a donation campaign was launched with the slogan “Not all expenses are essential, but education is”.

Increased its corporate governance principles compliance rating from 8.64 to 9.08.

Darüşşafaka Cemiyeti was granted the “special consultative status” by ECOSOC (UN Economic and Social Council).

An independent research firm was asked to conduct Darüşşafaka Reputation Research.

In 2016;

Increased its corporate governance principles compliance rating from 9.08 to 9.29.

The campaign with the slogan “Not all expenses are essential, but education is” won the Golden Effie Prize in CSO (Civil Society Organization) Category.

In 2017;

Increased its corporate governance principles compliance rating from 9.29 to 9.43.

The "81 Students from 81 Cities" project, which was implemented on September 3, 2008, in cooperation with Türkiye İş Bankası and the Society, celebrated its 10th year anniversary. The project celebrated its first graduates to university in 2017. In addition, the documentary titled "Darüşşafakalıyız Biz", prepared by beIN İz TV, by Türkiye İş Bankası about the project was recognized and appreciated by the public.

The traditional Islamic Memorial Service ceremony was carried out in Ankara and Izmir, in addition to Istanbul.

Darüşşafaka Cemiyeti received the Felis Award with the donation story of "Klas Hamal" Mehmet Ateş, who makes his living as a porter in Kocaeli's Kandira district, and the new communication campaign prepared with the volunteer support of 4129Grey.

Darüşşafaka Robotics Club won the "Chairman's Award", which is the most prestigious award at the FIRST Robotics Competition San Francisco Regional Tournament, which it participated in this year in the USA, and was entitled to participate in the FRC World Championship held in Houston, also won the "Team Spirit" award in the World Championship.

Four students from the DŞMakers Club represented Turkey in the science fair called "Canada Wide Science Fair" held in Canada and where the world's bright young scientists compete with two projects they developed for the disabled, namely "Mind Controlled Smart Home" and "Remote Board Control with Gloves" and won two gold medals.

In 2018;

Increased its corporate governance principles compliance rating from 9.43 to 9.50.

The year 2018, in which the 155th anniversary of the Darüşşafaka Cemiyeti was celebrated, hosted many events. The prominent of them was the Darüşşafaka Roof Talks organized under the title of "Small Stories on Big Topics". Nearly 1,000 participants from all over Turkey followed the all-day event, which was held at the TIM Exhibition Center on October 24.

Famous pianist and composer Fazıl Say gave a recital at İş Sanat Culture Center on April 6 for the 155th anniversary of its foundation.

Darüşşafaka Robot Club "Sultans of Turkey", which is a pioneer in this field as the first high school robot club in Turkey, won the "Chairman's Award", the most prestigious award of the "FIRST Midwest Regional" robot competition held by the FIRST Foundation on April 4-7 in Chicago, USA.

Darüşşafaka Basketball Team became the EuroCup Champion.

In 2019;

Increased its corporate governance principles compliance rating from 9.50 to 9.54.

Talha Çamaş (DŞ'69), who had been the Chairman of the Board of Directors at Darüşşafaka for six years, handed over his duties to M. Tayfun Öktem (DŞ'82).

Having received the "Engineering Inspiration Award" which was received by a Turkish team for the first time at the First Robotics Competition in the USA, Darüşşafaka Robotics Club was entitled to go to the grand finals to be held in Houston in 2020 with the support of the American Aerospace Agency (NASA), without participating in any qualifying rounds.

A strategic plan has been prepared for the period 2020-2025.

In 2020;

Increased its corporate governance principles compliance rating from 9.54 to 9.63; and then to 9.66 with the revised report prepared in the same year.

ISO 9001:2015 Quality Management System certificates were obtained for the Society and all affiliated institutions.

ISO 27001:2013 Information Security Management System certification studies have been completed. As of 23.12.2020, the necessary inspections were completed, and the certificate was awarded.

In 2021;

Increased its corporate governance principles compliance rating from 9.66 to 9.74.

The Digital Transformation Project was launched and the Digital Transformation Commission was established.

About 1000 identified risks were classified by the Early Detection of Risk Committee.

The Darüşşafaka Young Board was established. The Board consists of ten full and five substitute members to be elected among graduates who are younger than 30 years old. The term of office of the Board is three years and its members will be renewed at the end of this period.

The "2020 Integrated Report", the first integrated report of Darüşşafaka Cemiyeti, received two first ranks(Platinum) and one second rank (Gold) awards in 3 categories at the MarCom Awards, which is described as the world's largest participation competition.

In 2022;

Increased its corporate governance principles compliance rating from 9.74 to 9.77.

M. Tayfun Öktem (DŞ'82), who had been the Chairman of the Board of Directors since 2019, handed over his duty to Oğuz Güleç (DŞ'72).

Within the scope of the Digital Transformation Project, the Digital Transformation Commission started its works.

An independent research company was made to conduct Darüşşafaka Cemiyeti Reputation and Perception research and Darüşşafaka Educational Institutions Strategy research.

Within the scope of Corporate Governance and risk studies, FMEA (Failure Model Effect Analysis) study was initiated.

The logos of all institutions were registered.

Pandemic Works

After the Covid-19 pandemic, which poses a threat to the whole world, was also seen in our country, necessary precautions were taken by making preparations following the recommendations of experts in schools and residences from the first day. Before the first case was seen, necessary protective measures were started to be applied at the entrance and exit to the Center of Society, schools, and residences. It has been learned that since the pandemic continued in 2022, the measures are still being implemented with care.

Brief Information about the Activities of the Non-Governmental Organization

Darüşşafaka Cemiyeti, one of Turkey's most rooted non-governmental organizations, has been offering the most advanced education opportunity of the age, under the roof of Darüşşafaka Educational Institutions, since 1863 to talented and financially disadvantaged children, whose father or mother is not alive. Darüşşafaka, which has continued to exist with the support of individuals, institutions, and organizations since the day it was founded, supports the education of nearly 1000 students with full scholarship, boarding and college level every year with the income it earns. The Society, which offered educational opportunities to financially disadvantaged but talented children whose fathers were deceased at its inception, expanded its scope of service with a constitutional amendment on April 14, 2012, defining its purpose as "to educate financially disadvantaged and talented children whose father and/or mother are not alive in accordance with contemporary educational principles both domestically and abroad, to cultivate confident, lifelong learners who embrace universal values and are raised as conscientious and responsible leaders aware of their duties and responsibilities to their country and society."

"Darüşşafaka Cemiyeti has launched Darüşşafaka Residences, Urla Yaşam Private Nursing Home and Care Center, Maltepe Ömran and Yahya Hamuluoğlu Physical Therapy and Rehabilitation Center, and Maltepe Special Care Unit, with the aim of ensuring the perpetuation of the principle of "equal opportunity in education" that has been maintained for a century and a half at Darüşşafaka Educational Institutions, providing more children with access to this educational opportunity, and opening the doors of Darüşşafaka's "nest of compassion" to philanthropists who are dedicated to its mission.

These institutions within Darüşşafaka, which transform the donations of our country's people into educational opportunities that will add value to our children, are important donation resources created to offer our children a bright future. The common goal of all is to provide more children with contemporary education opportunities by creating new resources.

Affiliates of the Darüşşafaka Cemiyeti

<i>Affiliated Companies</i>	<i>Subject of Activity/Status</i>	<i>Shareholding Ratio (%)</i>
DAÇKA Eğitim Araştırma Tanıtım Organizasyon Hizmetleri A.Ş.	Organization Services	100

<i>Commercial enterprise</i>	<i>Subject of Activity/Status</i>	<i>Shareholding Ratio (%)</i>
Darüşşafaka Cemiyeti İktisadi İşletmesi	Physical therapy and rehabilitation and Private Nursing Home and Care Services	100

Darüşşafaka Cemiyeti with Numbers

As of 31.12.2020 Number of Registered Members:	1002
As of 31.12.2021 Number of Registered Members:	975
As of 01.12.2022 Number of Registered Members:	959

As of 31.12.2020 Total Number of Benefactors:	161,095 (Individual and Corporate)
As of 31.12.2021 Total Number of Benefactors:	191,834 (Individual and Corporate)
As of 01.12.2022 Total Number of Benefactors:	189,074 (Individual and Corporate)

Number of Students As of the 2021-2022 Academic Year (As of 201.12.2022)

	High school	Secondary school	Total
School Size	394	451	845
Total Girls	193	197	390
Total Boys	201	254	455

Number of Employees of Educational Institutions As of 01.12.2022:

Officer	Person
Manager	20
Genel Müdür	1
Manager	3
Deputy Manager	10
Coordinator	6
Teacher	129
Teacher Aide	54
Academic Trainers	19
Administrative Staff	34
Other Personnel	91
TOTAL	347

Number of Benefactors Staying in Residences as of 01.12.2022 (on a unit basis):

Residence	Person
Yakacik Residence	83
Maltepe Residence	108
Şenesenevler Residence	71
Urla Residence	190
TOTAL	452

Number of Employees of Residence and Health Institutions as of 01.12.2022:

Unit	Profession	Administrative	Total
Yakacik Residence	20	18	38
Maltepe Residence	31	25	56
Şenesenevler Residence	10	14	24
Urla Residence	30	32	62
Special Care Unit	30	7	37
FTR Center	18	8	26
Urla Yaşam Unit	63	9	72
TOTAL	202	113	315

Number of Employees of the Society Center As of 01.12.2022

Position	Person
Secretary General and Deputy Secretary General	4
Member of Board of Directors	2
Resource Development, Donation and Communication	29
Financial affairs	4
Purchasing	6
Facility and Support Services	6
Human Resources and Internal Communication	7
Real estate	5
Foundations	1
Information Technologies	6
Internal Audit	1
Office of Chief Legal Counsel and Law Office	4
Ankara Office	1
Darüşşafaka Museum	1
Sait Faik Abasıyanık Museum	2
TOTAL	79

Total Number of People Working in the Institution As of 01.12.2022

Units	Person
Society Center	75
Ankara Office	1
Darüşşafaka Museum	1
Sait Faik Abasıyanık Museum	2
Darüşşafaka Educational Institutions	347
Yakacik Residence	38
Maltepe Residence	56
Şenesenevler Residence	24
Urla Residence	62
Special Care Unit	37
FTR Center	26
Urla Yaşam Unit	72
TOTAL	741

Source: Darüşşafaka Cemiyeti

3. RATING METHODOLOGY

The Corporate Governance Compliance Rating is a system which audits whether or not the organisations' 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 Organization for Economic Cooperation and Development approved and published the OECD Principles of Corporate Governance at the Council of Ministers. Since then, the principles have become an international reference for decision makers, investors, shareholders, and companies around the world. The principles were revised in 2002 and brought into line with the present.

In Turkey, the Capital Markets Board (CMB) has undertaken the studies on Corporate Governance. The CMB first established the Corporate Governance Principles in 2003, then revised and published it in 2005. Finally, the Board revised the Corporate Governance Principles in December 2011/February 2012 with the Communiqués Series: IV No: 56 and Series: IV No: 57. At last, on January 3, 2014, the principles were revised and published. The principles are grouped under four main headings, namely: the Shareholders, Public Disclosure and Transparency, Stakeholders and the Board of Directors.

Apart from the CMB, the Regulation on the Corporate Governance Principles of Banks published in the Official Gazette dated 01.11.2006 and numbered 26333 in the BRSA and the rules required to be implemented by the banks are gathered in this regulation.

Kobirate Uluslararası Kredi Derecelendirme ve Kurumsal Yönetim Hizmetleri A.Ş. (Kobirate A.Ş.) carries out its Corporate Governance Rating with a system that is based on the Corporate Governance Principles

of the Capital Markets Board (SPKKYI). The firms are analyzed under four main headings in this system according to CMB CGP. These are Company's Shareholder Structure, Management Structure, Shareholders, Public Disclosure and Transparency, Stakeholders and Board of Directors.

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

During this analysis, 302 different criteria are taken into account in order to measure the compliance of the Non-Governmental Organization with the corporate governance principles. These criteria have been transformed into Corporate Governance Rating Question Sets specific to Kobirate A.Ş. and the answers to these questions are received electronically from companies or banks. The responses received are reviewed and rechecked by rating experts and analysts, and a report with the results is submitted to the Kobirate Corporate Governance Rating Committee for a 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 no compliance with CMB's Corporate Governance Principles, in any sense, in the existing weak structure.

In this sense, in reaching the total score, the following weight is taken into consideration at the rates adopted by the Capital Markets Board in the Corporate Governance Principles:

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

and the final score is achieved accordingly.

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

GRADE	DEFINITIONS
9-10	<p>The NGO 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 NGO might be exposed are recognized and controlled effectively. Interests of the members are fairly considered. 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.</p>
7-8,9	<p>The NGO achieved a significant compliance with to 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 NGO may be exposed are identified and can be managed. Interests of the members are fairly considered. 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.</p>
6-6,9	<p>The NGO 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 NGO may be exposed are identified and can be managed. Benefits of the members are taken care of, but 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.</p>

GRADE	DEFINITIONS
4–5,9	<p>The NGO has minimally complied 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 NGO is exposed to are not properly identified and are not under control. Members' rights, Public disclosure and transparency, Stakeholders' rights, Board of Directors' structure and working conditions require significant improvements in line with corporate governance principles.</p>
< 4	<p>The NGO 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 NGO might be exposed are not identified and cannot be managed. The NGO is not responsive to the Corporate Governance Principles at all levels. The rights of the members, public disclosure and transparency, the rights of stakeholders and the structure and working conditions of the board of directors contain significant weaknesses.</p>

