



# DECLARATION OF INDEPENDENCE

## To the Board of Directors of Albaraka Türk Katılım Bankası A.Ş.

### In accordance with my Independent Board Membership and pursuant to Capital Markets Board's Corporate Governance Principles;

As a Member of the Board of Directors of Albaraka Türk Katılım Bankası A.Ş. (Company)

- I have not been in the Membership of the Board of Directors of the Bank for more than a total of six years in the last 10 years,
- Among myself, my spouse and blood relatives and relatives by marriage up to second-degree; there is no one having employment relation in executive position to undertake significant tasks and responsibilities in the last five years in the bank, at partnerships who have control or significant influence on the management or control of the bank, entities who own the management control of these partnerships or have more than 5% of the capital or voting rights or privileged shares jointly or severally and have not established any significant commercial relation,
- In the past five years, I was not a shareholder (5% and above) or an employee in executive positions to assume material duties and responsibilities, particularly including roles in Company audits (tax audit, legal audit and internal audit), ratings, and consultancy, nor did I serve as a board member, in the companies to and from which the Company extensively sold or purchased services or products as per the contracts signed, and during periods where products or services were purchased or sold,
- I do have the professional training, knowledge, and experience that will help me properly carry out the tasks and duties I will assume as a result of being an Independent Member of the Board of Directors,
- I do not work full-time at public institutions and organizations, as of the date I am nominated to the Board of Directors and for the duration of my term in case of my election,
- I have strong ethical standards, occupational reputation and experience to make positive contributions to the activities of the bank, to protect my objectivity in conflicts of interest between the bank stakeholders, and to decide independently considering the rights of the stakeholders,
- I am able to allocate time for the corporation's business to follow up on the activities of the corporation and duly fulfill the allocated duties;
- I have not served/will not serve as an independent member of the Board of Directors in more than three of the companies under the management control of the Company or the shareholders who control the management of the Company, and in more than five of the companies listed on the stock exchange,
- I have not been registered and announced on behalf of the legal person elected as a Member of the Board of Directors. and I can fully satisfy the requirements of the duties I assume; that therefore, I shall fulfill my membership to the Board of Directors, as an Independent Member of the Board of Directors.

Sincerely

Akram "Mark" Yassin



# STATEMENT OF COMPLIANCE WITH CORPORATE GOVERNANCE PRINCIPLES

Albaraka Türk Katılım Bankası A.Ş. ("Albaraka Türk" or "Bank") is subject to the Corporate Governance Principles attached to Corporate Governance Communiqué ("Communiqué") number II-17.1 published by CMB according to the relevant articles of the Turkish Commercial Code, Banking legislation, Capital Market Board ("CMB") legislation since 2007 the public offering is made until today. Albaraka Türk is also subject to the management structure, process and principle provisions determined by the "Regulation on the Banks' Corporate Governance Principles" published by Banking Regulation and Supervision Agency ("BRSA"). Determining its vision as being the Best Participation Bank of the World, Albaraka Türk has adopted the Corporate Governance Principles as the basic corporate value and demonstrated due diligence to comply with the mandatory principles. Besides, it continues its studies for compliance with the principles which are not mandatory.

Within the framework of Corporate Governance Communiqué regulations number II-17.1, the election for the independent member of the Board of Directors is made at the general assembly meeting in 2012. Moreover, in order to comply with the same communiqué and Turkish Commercial Code number 6102, the Articles of Incorporation, of the Bank were reviewed and submitted to the General Assembly of 2012 where it was approved. Updated information of the Bank is offered to the service of all our stakeholders at Albaraka Türk website and Investor Relations tab in the same site.

Within the scope of efforts to comply with the Corporate Governance Principles, the Corporate Governance Committee ("Committee") was established in 2007 to monitor and evaluate compliance with the relevant principles. The committee has been merged with the Sustainability Committee by the decision of the Board of Directors dated 22.12.2022 and renamed as the Corporate Governance and Sustainability Committee. The Committee has made studies on improvement of the Bank's corporate governance implementations. Information on the activities of the Committee

coordinating the activities of the Investor Relations and Sustainability Department is given in detail in the section entitled "Bank Committees" of the annual report. The Investor Relations and Sustainability Department continues its activities as a separate unit.

Albaraka Türk has been subject to Corporate Governance Rating since 2010. On May 17, 2023, DRC Derecelendirme Hizmetleri A.Ş. determined the Corporate Governance Rating of Albaraka Türk Participation Bank as 9.25. As the note for compliance with CMB Corporate Governance Principles is over the Threshold Point of 7, Albaraka Türk is included in Borsa Istanbul Corporate Governance Index since 2010.

Compliance notes that the Bank has received in four main categories are as follows:

| Category                           | Weight (%) | Note |
|------------------------------------|------------|------|
| Shareholders                       | 25         | 9.29 |
| Public Disclosure and Transparency | 25         | 9.30 |
| Stakeholders                       | 15         | 9.20 |
| Board of Directors                 | 35         | 9.20 |

Albaraka Türk's rating, which was 9.14 out of 10 last year, increased to 9.25 this year, following the analysis made in the report under 4 headings: Shareholders, Public Disclosure, Transparency and the Board of Directors. It has been pointed out that the financial statements, annual reports and material disclosures are at the level of global practices, together with the public disclosure and transparency policy implemented by Albaraka Türk, which has substantially complied with the Corporate Governance Principles published by the CMB. In the report, where the Public Disclosure and Transparency score was evaluated as 9.30, the Stakeholders Section score was 9.20. In the report, which is stated to be in high compliance with the legislation, articles of association and internal regulations created to ensure the exercise of the rights of the shareholders of the partnership, it is emphasized that the relations with the stakeholders, which are managed according to the policies determined within the framework of the corporate governance principles, are above the local standards. It was noted that the Bank takes active and proactive measures to ensure customer satisfaction regarding the products and services it offers, and that customers' wishes, demands and suggestions on all matters are served on the "Let's Solve Problems" platform, which operates on a 24/7 basis. There has been no conflict of interest between the stakeholders within the period due to the corporate governance principles of which compliance is not provided.

### **Corporate Governance Principles Form and Compliance Report**

In line with the decision dated January 10, 2019 No. 2/49 of the Capital Markets Board, our practices regarding voluntary principles and our current corporate governance process within the scope of the Corporate Governance Communiqué numbered II-17.1 have been specified in our Corporate Governance Compliance Report (URF) and the Corporate Governance Information Form (KYBF).

Corporate Governance Compliance Report (URF) and

Corporate Governance Information Form (KYBF)

can be accessed from the Public Disclosure Platform via the following links:

URF: <https://www.kap.org.tr/tr/sirket-bilgileri/ozet/2414-albaraka-turk-katilim-bankasi-a-s>

KYBF: <https://www.kap.org.tr/tr/cgif/4028e4a240f2ef4c014106a1c5ef016d>

### **Sustainability Principles Compliance Framework**

The Sustainability Principles Compliance Framework can be accessed from the Public Disclosure Platform via the link below:

<https://www.kap.org.tr/tr/sirket-bilgileri/ozet/2414-albaraka-turk-katilim-bankasi-a-s>