



Corporate Governance Compliance Rating Report



Garanti Yatırım Ortaklığı A.Ş.

22 December 2017

Validity Period : 22.12.2017-22.12.2018

LIMITATIONS

This Corporate Governance Rating Report, issued by Kobirate Uluslararası Kredi Derecelendirme ve Kurumsal Yönetim Hizmetleri A.Ş. for Garanti Yatırım Ortaklığı A.Ş. is compiled;

in accordance with the criteria stated in CMB's Corporate Governance Communiqué, no II-17.1, published in the Official Gazette edition 28871 on 03.01.2014; as well as the CMB's board decision taken at the Board meeting on 01.02.2013, no 4 / 105.

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 edition 28871 on 03.01.2014.

The Rating Report issued by Kobirate Uluslararası Kredi Derecelendirme ve Kurumsal Yönetim Hizmetleri A.Ş. is based on 67 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.

Kobirate Uluslararası Kredi Derecelendirme ve Kurumsal Yönetim Hizmetleri A.Ş. 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).

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.

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

© All rights in this report belong to Kobirate Uluslararası Kredi Derecelendirme ve Kurumsal Yönetim Hizmetleri A.Ş. This report cannot be printed in writing and electronically, reproduced and distributed without our permission.

TABLE OF CONTENTS

1.	Sixth Period Revised Rating Result	3
2.	Company Profile and Changes within Last Year	7
3.	Rating Methodology	12
4.	Corporate Governance Compliance Rating Grades and Their Description	14





GARANTİ YATIRIM ORTAKLIĞI A.Ş.

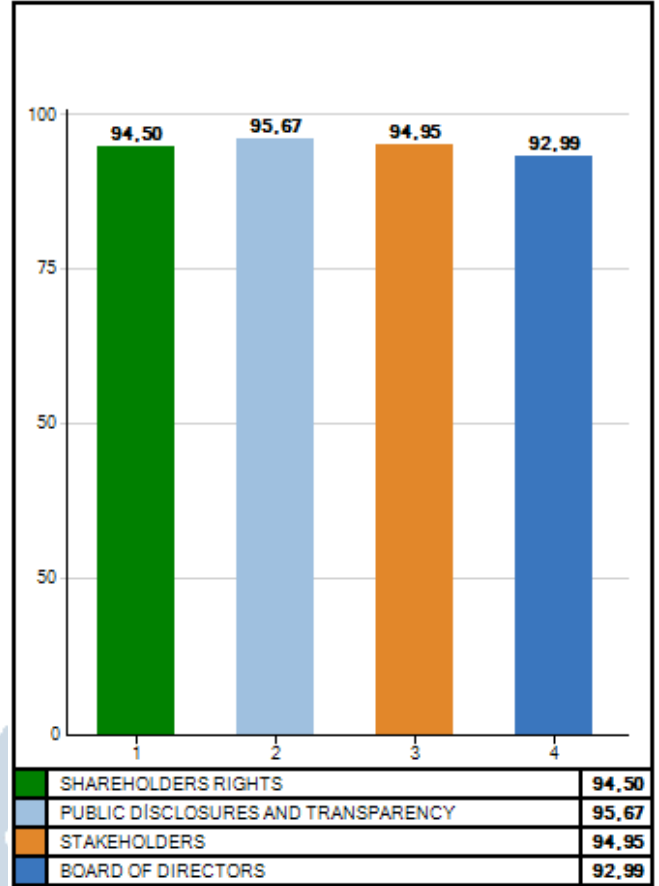
CMB CORPORATE GOVERNANCE PRINCIPLES COMPLIANCE GRADE

9.43

Kobirate Uluslararası Kredi Derecelendirme
ve Kurumsal Yönetim Hizmetleri A.Ş

Contact:

Serap Çembertaş (216) 3305620 Pbx
serapcembertas@kobirate.com.tr
www.kobirate.com.tr



1. SIXTH PERIOD REVISED RATING RESULT

The process of rating of compliance of **GARANTİ YATIRIM ORTAKLIĞI A.Ş.** with the Corporate Governance Principles is concluded in accordance with the Corporate Governance Compliance Rating Methodology developed by Kobirate Uluslararası Kredi Derecelendirme ve Yönetim Hizmetleri A.S., through onsite examinations of the documents, interviews held with executives and persons involved, examination of publicly disclosed information and through other comprehensive reviews, according to the Capital Markets Board's (CMB) Corporate Governance Principles Communiqué no II-17.1 published in the Official Gazette edition 28871 on 03.01.2014.

According to CMB Decision dated 16.01.2017 and numbered 1/3, Garanti Yatırım Ortaklığı A.Ş. is on BIST 3rd Group Companies list. The

Company has been rated by examination of 398 criteria specified in Corporate Governance Compliance Rating Methodology developed by Kobirate Uluslararası Kredi Derecelendirme ve Yönetim Hizmetleri A.S for "BIST Third Group Companies / Investment Partnerships". At the end of the rating process, which was conducted under the main headings of Shareholders, Public Disclosure and Transparency, Stakeholders and Board of Directors, Corporate Governance Compliance Rating Grade of Garanti Yatırım Ortaklığı A.Ş. is determined as **9.43**.

This result signifies that the company has largely achieved compliance with the CMB's Corporate Governance Principles. Possible risks for the company are determined and kept under control. Public Disclosure and

Transparency activities are at a high level. Rights of shareholders and stakeholders are being treated fairly. The structure and mode of operation of Board of Directors are in compliance with corporate governance principles, but there is still need for some improvements. The result shows that the Company highly deserves to be included in the BIST Corporate Governance Index.

- At the section of Shareholders, it is seen that Garanti Yatırım Ortaklığı A.Ş. has achieved a grade of **94.50**.

It has been determined that within the period of rating the Company has taken care to ensure usage of basic shareholder rights.

Relations with shareholders are managed by Investor Relations Department. Hasan Hüsnü GÜZELÖZ (Legal Consultant) is the Director of Department. Ali Akın EKMEKÇİ (Financial Affairs Director) works as the staff of department. The Department reports directly to the General Manager.

Investor Relations Department Director Hasan Hüsnü GÜZELÖZ has been appointed as a member of Corporate Governance Committee with Board of Directors decision dated 16.07.2014 and numbered 2014/10 and the appointment was disclosed to public with a Material Event Disclosure.

There is no regulation and practice at shareholders' right to obtain and review information to be cancelled or constrained by the Articles of Association and/or a decision by any corporate department. Disclosures for shareholders and public are conducted in accordance with the Company's "Disclosure Policy". The policy can be accessed on the corporate website.

The announcement for general assembly meeting on 30.03.2017 to discuss activities of 2016 was done properly, but the meeting was postponed due to insufficient majority. Postponed meeting was held on 28.04.2017. Invitation to the meeting was made properly through Turkish Trade Registry Gazette

dated 05.04.2017 and numbered 9299, Public Disclosure Platform and MKK e – general assembly system, 3 (three) weeks before the meeting.

Company's Articles of Association contains privileged shares, restricted to the election of Members of Board of Directors. According to the Articles of Association, A Group shares each have 1,000,000 (one million) voting rights, while B group shares each have 1 (one) vote in the election of Members of Board of Directors.

The document prepared for the General Assembly included information on distribution of Company shares, voting rights that shares bring and privileges in the voting right. It also included much information, which is required by corporate governance principles to be disclosed to shareholders and public.

TRY 1.729.767, 55 net distributable period profits were earned with the activities in 2016. Usage of this profit is described in section "ii. Dividend Distribution". Board's suggestion for dividend distribution and dividend distribution table was published on Public Disclosure Platform on the same day with the invitation for the general assembly.

- The Company has achieved a grade of **95.67** in the section of Public Disclosure and Transparency. Company's practices in Public Disclosure and Transparency continue with the same sensitivity.

The persons who are responsible for disclosure statements and have the authority of signature at Garanti Yatırım Ortaklığı are Chairman of Board of Directors / General Manager Mehmet Reha Tanör, Legal Consultant / Director of Investor Relations Department Hasan Hüsnü Güzelöz and Financial Affairs Director Ali Akın Ekmekçi'dir. These persons are charged with considering and monitoring everything related with public disclosure.

It has been determined that Company's corporate website www.gyo.com.tr and annual report are used effectively as means for public disclosure.

2016 independent audit has been conducted by DRT Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. (Member of Deloitte Touche Tohmatsu Limited). There were no situations in the report that the auditor avoided expressing opinion, expressed conditional opinion or withheld signature. Company officials have told us that no developments took place between the Company and independent audit company and its auditors that might damage independence and that there has been no legal conflict. With the suggestion of Audit Committee and approval of general assembly, it was decided for Akis Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. (a member of KPMG International Cooperative) to conduct 2017 audit.

▪ In the section of Stakeholders the Company has received the grade of **94.95**.

Compensation policy for employees has been prepared, presented to shareholders at the General Assembly and disclosed to public through the corporate website.

A detailed HR Regulation has been prepared for Company's employees. Procedures on recruitment, working conditions, disciplinary practices, powers and responsibilities of the staff, remuneration, health rights, leave rights, promotion, task alteration, dismissal, death, resignation and retirement have been developed and our impression is that the company sticks to these policies in practice. It is thought that principle of providing equal opportunities for people in equal positions has been respected both during the preparation and implementation of procedures and policies.

▪ In the section of Board of Directors, Garanti Yatırım Ortaklığı A.Ş. has achieved the grade of **92.99**.

The Board of Directors has described corporate strategic objectives. Posts of Chairman of the Board and General Manager are held by same person at Garanti Yatırım Ortaklığı. The reason for this situation, which has been continuing since the founding of the Company is explained to shareholders at the general assembly and in the annual report.

Possible damages to the company due to defects of Board of Directors Members while performing their duties are insured for an amount exceeding 25 % of company's capital. Public Disclosure Platform statement for this insurance, which is valid between 01.01.2017 and 31.12.2017, was issued on 12.12.2017.

There are 5 (five) members of the Board of Directors, including 1 (one) executive and 4 (four) non – executive members. 2 (two) of the non – executive members are independent, meeting the criteria specified by Corporate Governance Principles. There are no women members of the Board of Directors.

Audit Committee, Corporate Governance Committee, Nomination Committee and Early Detection of Risk Committee, all of which are referred by the principles, have been established. Due to the structure of the Board, a Separate Remuneration Committee has not been established. Duties of this committee are carried out by the Corporate Governance Committee. Mandates, working rules and membership structures of all committees have been determined by the Board of Directors and published on the corporate website. All members of the Audit Committee are independent Board Members. At the least, Chair persons of Corporate Governance and Early Detection of Risk committees are independent Board members. The General Manager has no assignments in any committee.

Board of Directors made 16 (sixteen) meetings in 2016 and 12 (twelve) meetings

as of November 2017. There is 1 (one) more planned meeting until end of the year.

Audit Committee monitors performance and effectiveness of company's accounting system, public disclosure of financial information, as well as working and efficiency of the independent audit and internal audit and control system. The Committee convened 7 (seven) times in 2016 and 5 (five) times as of November 2017. The Committee has 1 (one) more planned meeting until end of the year.

Corporate Governance Committee carries out duties, described by Corporate Governance Principles and reports to the Board of Directors on preventive / improving precautions for implementation of the principles. It also carries out duties of Remuneration Committee. The Committee held 5 (five) meetings in 2016 and 3 (three) as of November 2017. It has 1 (one) more planned meeting until the end of the year.

Nomination Committee assesses the nominations for independent candidates, focusing on the fact that whether the candidate has the criteria for being independent and sends its assessment in a report for approval of Board of Directors. The Committee held 2 (two) meetings in 2017. At the meeting on 10.03.2017, it determined candidates for independent members of board and sent their names to the board of directors. At its meeting on 15.12.2017:

- The committee prepared 2017 Board of Directors efficiency report, which covered structure, mode of operations and efficiency of the Board;
- The Committee prepared its recommendation on the subject of continuation of Woman Member of Board Policy, which was approved by the Board of Directors decision dated 04.02.2014, No 2014 / 2, with 2017 determined as the targeted year. The Committee recommended 2020 as targeted year.

It is learnt that both decisions will be presented to the Board at its planned meeting before the end of the year.

These activities of the Nomination Committee are seen as the reason for increased grade in this section.

Early Detection of Risk Committee works to detect risks early that may endanger the Company, its development and continuation, to implement precautions against these risks and to manage them. The committee reports its assessments to the Board. The report is also sent to the auditor. The Committee held 6 (six) meetings in 2016 and 5 (five) as of November 2017. The Committee has 1 (one) planned meeting until the end of the year.

Board of Directors Performance Assessment was conducted in 2016 in order to determine efficiency and productivity of Board activities. The Board also conducted Top Executives' Performance Assessment.

Remuneration Principles for Board Members and Top Executives have been determined and disclosed to public through corporate website.

2. COMPANY PROFILE AND CHANGES WITHIN LAST YEAR

A. Company Profile:



Company Name	: Garanti Yatırım Ortaklığı Anonim Şirketi
Company Address	: Maslak Mah. Atatürk Oto Sanayi 55. Sokak 42 Maslak No: 2 A Blok D: 270 (A1207) 34485 Sarıyer-İstanbul
Company Phone	: (0 212) 335 3095
Company Facsimile	: (0 212) 335 3230
Company Web Address	: http://www.gyo.com.tr/
Company E-Mail Address	: yo@gyo.com.tr
Date of Incorporation	: 9 July 1996
Registered Number	: 349050-260631
Paid in Capital	: TRY 32,000,000
Line of Business	: Management of capital market instruments portfolio
Company's Sector	: Investment Trust

Company's Representative in Charge of Rating:

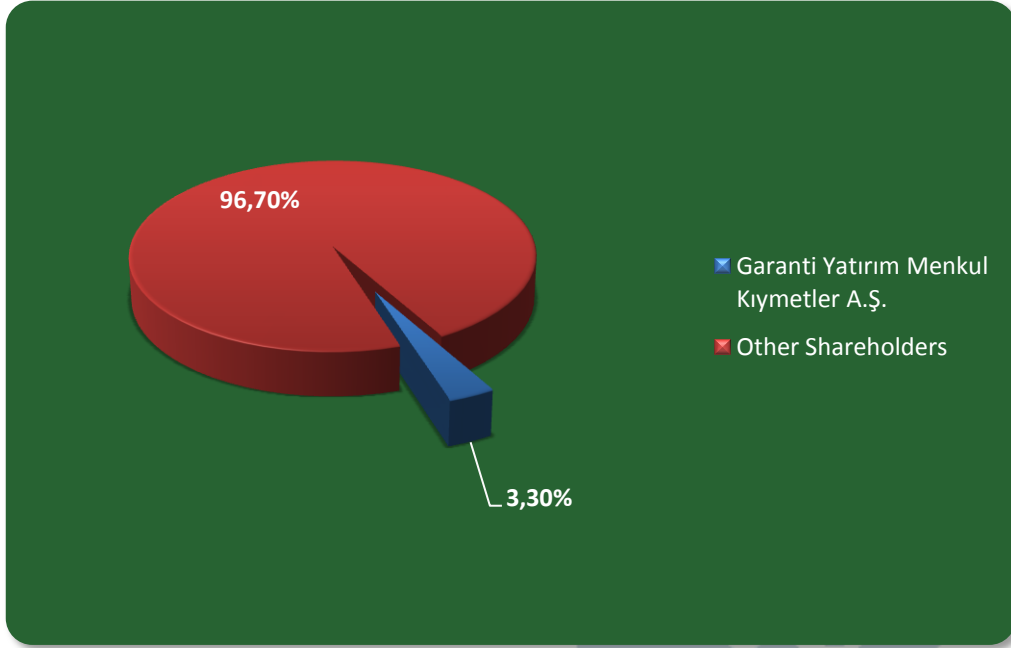
Ali Akın EKMEKÇİ

Financial Affairs Director

aekmekci@gyo.com.tr

(0212) 335 3095

Shareholder Structure



Shareholder Name	Share (TL)	Share (%)
Garanti Yatırım Menkul Kıymetler A.Ş.	1.057.205,30	3,30
Other Shareholders	30.942.793,03	96,70
Total	32.000.000,00	100,00

Source: www.kap.gov.tr

Board of Directors

Name/ Surname	Title
Mehmet Reha TANÖR	Chairman of Board/General Manager
Zeki ŞEN	Vice Chairman of Board
Mahmut KAYA	Board Member
Mustafa Sabri DOĞRUSOY	Board Member (Independent)
Remzi Murat RENA	Board Member (Independent)

Source: www.kap.gov.tr

BOARD COMMITTEES

Audit Committee

<i>Name Surname</i>	<i>Title</i>	<i>Position</i>
Remzi Murat RENA	Independent Board Member	Chairman
Mustafa Sabri DOĞRUSOY	Independent Board Member	Member

Corporate Governance Committee

<i>Name Surname</i>	<i>Title</i>	<i>Position</i>
Mustafa Sabri DOĞRUSOY	Independent Board Member	Chairman
Remzi Murat RENA	Independent Board Member	Member
Hasan Hüsnü GÜZELÖZ	IRD Director	Member

Nomination Committee

<i>Name Surname</i>	<i>Title</i>	<i>Position</i>
Remzi Murat RENA	Independent Board Member	Chairman
Mustafa Sabri DOĞRUSOY	Independent Board Member	Member

Early Detection of Risk Committee

<i>Name Surname</i>	<i>Title</i>	<i>Position</i>
Mustafa Sabri DOĞRUSOY	Independent Board Member	Chairman
Remzi Murat RENA	Independent Board Member	Member
Hasan Hüsnü GÜZELÖZ	IRD Director / Legal Consultant	Member

Top Management

<i>Name Surname</i>	<i>Title</i>
Mehmet Reha TANÖR	General Manager
Ali Akin EKMEKÇİ	Financial Affairs Manager

Investor Relations Department

<i>Name Surname</i>	<i>Title</i>	<i>Contact</i>
Hasan Hüsnü GÜZELÖZ	Investor Relations Department Director	0212 335 3095 yo@gyo.com.tr
Ali Akin EKMEKÇİ	Investor Relations Department Staff	0212 335 3095 aekmekci@gyo.com.tr

Balance-Sheet Comparison of Bank's Certain Selected Items for 9th Months of last two years

	2016/09 (TL)*	2017/09 (TL)*	(%)	2016/12(TL)
Current Assets	35.451.906	35.207.011	-0,69	35.614.094
Non - Current Assets	50.130	66.858	33,37	76.301
Total Assets	35.502.036	35.273.869	-0,64	35.690.395
Short Term Liabilities	137.996	151.738	9,96	147.957
Long Term Liabilities	142.566	116.764	-18,10	175.073
Equity	35.221.474	35.005.367	-0,61	35.367.365

Source: www.gvo.com.tr Summary Financial Statements for the period ending on 30.09.2016 and 30.09.2017

*Not Independently Audited

Income Comparison of Bank's Certain Selected Items for 9th Months of last two years

	2016/09 (TL)*	2017/09 (TL)*	Değişim %	2016/12(TL)
Income	59.323.187	53.242.225	-10,25	93.078.430
Gross Profit	3.507.625	3.727.411	6,27	4.455.082
Operational Profit	1.438.882	1.188.002	-17,44	1.653.275
Net Period Profit/Loss	1.648.298	1.188.002	-27,93	1.820.808

Source: www.gvo.com.tr Summary Financial Statements for the period ending on 30.09.2016 and 30.09.2017

*Not Independently Audited

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

- COLLECTIVE INVESTMENT PRODUCTS AND STRUCTURED PRODUCTS MARKET
- BIST CORPORATE GOVERNANCE / -BIST INVESTMENT TRUSTS

The Bottom and Peak Closing Values of Company's Shares traded on the BIST during last one year (01.12.2016/01.12.2017)

Bottom (TL)	Peak (TL)
0,53- (01.12.2016)	0,86- (19.10.2017)

Source: Garanti Yatırım Ortaklığı A.Ş.

B. Changes Within Last Year:

i. Changes in the Capital and Articles of Association:

According to our Company's material event disclosure dated 08.11.2017;

Board of Directors Decision dated 29.09.2017 and numbered 2017-10 stated that:

"In order to extend upper limit permission for registered capital, it has been decided unanimously to change previous version of Article 11 of Articles of Association, titled, "CAPITAL AND SHARES" with its new version below and to present the recommendation on this subject for the approval of shareholders at the first general assembly meeting." With its notification dated 29.11.2017, CMB extended Company's current TRY 100,000,000 upper limit permission for registered capital for 2013 – 2017 until 31.12.2021, reset the upper limit as TRY 100,000,000 and approved revision of Article 11 of Articles of Association, titled, "Capital and Shares". Material event disclosure about the approval was made on 01.12.2017.

ii. Dividend Distribution:

TRY 1,729,767.55 net distributable period profits have been earned as a result of activities in 2016. With the recommendation of the Board and approval of the General Assembly it has been decided to distribute TRY 1,500,000.00 cash dividend to shareholders. The distribution took place on 05.06.2017.

iii. Policies:

There were no changes in the policies (Disclosure Policy, Dividend Distribution Policy, Remuneration Policy, Employee Compensation Policy, Donation and Aid Policy, Repurchase of Shares Policy) during the rating period.

iv. Management and Organization:

It has been learned that there were no changes in Company's management and organization during the rating period.

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.

There are four basic principles of corporate governance in OECD Corporate Governance Principles. These 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 "implement or disclose", 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.

The methodology takes into consideration the criteria stated in CMB's Corporate Governance Communiqué, no II-17.1, published in the Official Gazette edition 28871 on 03.01.2014; as well as CMB's board decisions taken at Board meeting dated 01.02.2013, no 4 / 105.

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

In the process of rating, **398** different criteria are considered to measure the compliance of BIST third group firms/investment partnerships with the corporate governance principles.

These criteria are translated into Corporate Governance Rating Question Sets through Kobirate A.S.'s unique 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 has sent its notification dated 19.07.2013 and numbered 36231672-410.99 (KBRT) 452, on CMB decision dated 01.02.2013 and numbered 4/105 to our company, which required adding new questions into the methodology in order to ensure that good corporate governance principles, which go beyond meeting the minimum requirements of CMB issued good corporate governance principles – bringing 85 % of full points at most – will be included in the rating grade.

The 2014/2 revised corporate governance compliance rating methodology, created by our company, is restricted if the minimum conditions of corporate governance principles – declared in CMB Communiqué of Corporate Governance published on 03.01.2014 – are met and all criteria is evaluated within same category. In this case all criteria are restricted to 85 % of the full points that the related criterion would get in that subsection. Remaining 15 % is reached by using good practices - other than those determined by Corporate Governance Principles - that are internalized by the Company, apart from the criteria determined.

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.

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

GRADE	DEFINITIONS
9-10	<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 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.</p>
7-8,9	<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 eligible for inclusion in the BIST Corporate Governance Index.</p>
6-6,9	<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 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. Under these conditions, the Company is not eligible for inclusion in the BIST Corporate Governance Index.</p>

GRADE	DEFINITIONS
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, 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 appear to be at a level that might cause the investor to incur material losses.</p>