



Corporate Governance Compliance Rating Report



Turcas Petrol A.Ş.

21 February 2025

Validity Period: 21.02.2025-21.02.2026

LIMITATIONS

This Corporate Governance Rating Report, issued by Kobirate Uluslararası Kredi Derecelendirme ve Kurumsal Yönetim Hizmetleri A.Ş. for Turcas Petrol A.Ş.

has been prepared by considering Communiqué Amending the "Corporate Governance Communiqué (II-17,1) (II-17,1.a)" published in the Official Gazette No. 31262 on 02 October 2020 by the Board, as well as regulations regarding the voluntary sustainability principles compliance framework and the board decisions taken at the CMB's board meeting dated 01.02.2013 and numbered 4/105 in addition to the criteria specified in the "Corporate Governance Communiqué No. II-17.1" of the Capital Markets Board published in the Official Gazette dated 03 January 2014 and numbered 28871

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 on 03.01.2014.

The Corporate Governance Compliance Rating Report issued by Kobirate Uluslararası Kredi Derecelendirme ve Kurumsal Yönetim Hizmetleri A.Ş. is based on 106 copies of documents, data and files transmitted by the concerned firm electronically, including data open to 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).

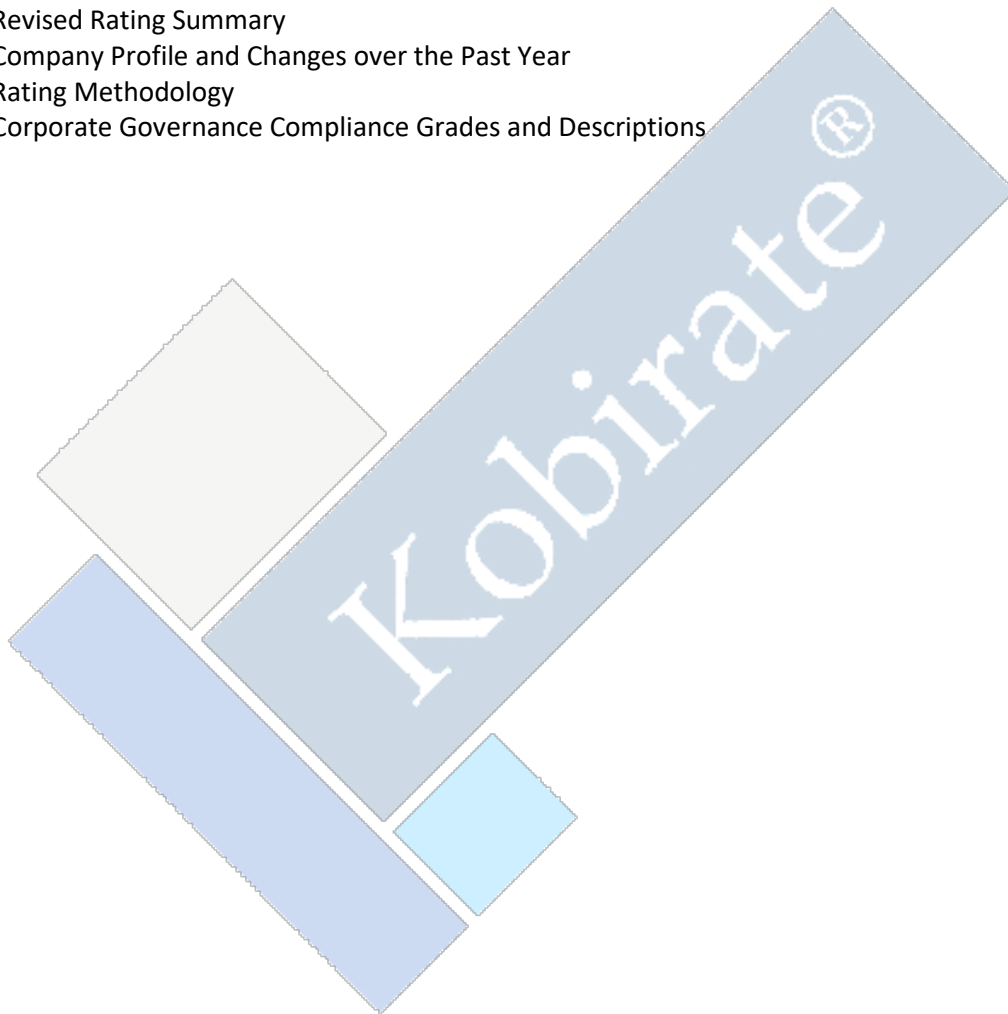
Although the rating is an assessment based on numerous data, it is consequently the institutional opinion of Kobirate Uluslararası Kredi Derecelendirme ve Kurumsal Yönetim Hizmetleri A.Ş. formed according to the methodology disclosed.

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

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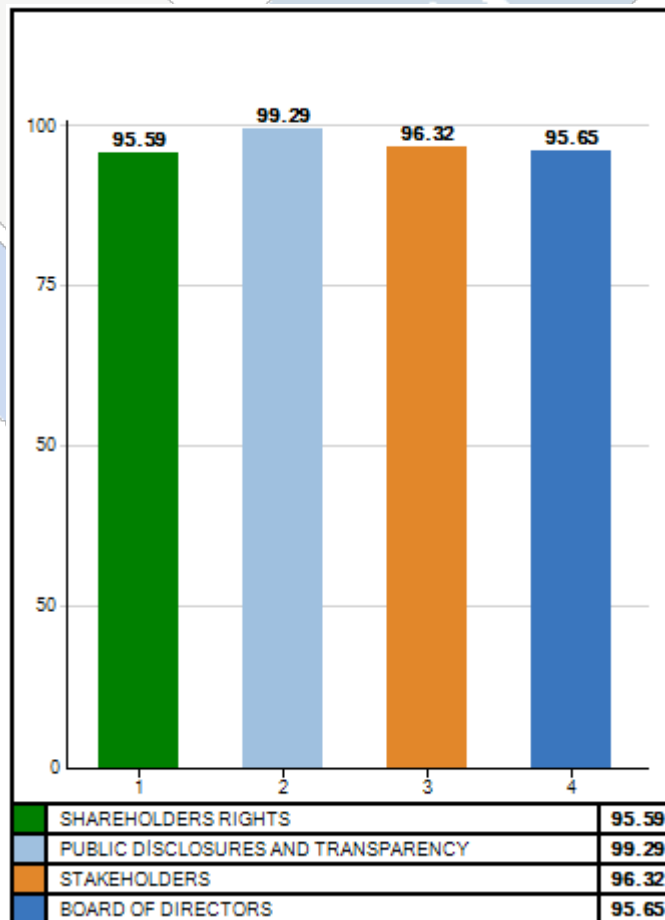
Turcas Petrol A.Ş.

1. RATING RESULT

BIST FIRST GROUP COMPANY

CMB CORPORATE GOVERNANCE
PRINCIPLES COMPLIANCE GRADE

9.66





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Nermin Z. UYAR

(License Number: 702999)

2. REVISED RATING SUMMARY

This report of rating of compliance of Turcas Petrol A.Ş. with the Corporate Governance Principles is concluded through onsite examinations of the documents and information open to the public, interviews held with executives and persons involved, and 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, in addition to the Capital Markets Board's Corporate Governance Communiqué No. II-17.1, the Communiqué Amending the "Corporate Governance Communiqué (II-17.1) (II-17.1.a)" published by the Board has been considered in addition to the regulations regarding the voluntary sustainability principles compliance framework and the board decisions taken at the CMB's board meeting dated 01.02.2013 and numbered 4/105.

According to the decision of the Capital Markets Board dated 16.01.2025 and numbered 3/76, Turcas Petrol A.Ş. is in the BIST 1st Group Companies list. The Company has been evaluated through examination of 456 criteria described in Kobirate Uluslararası Kredi Derecelendirme ve Kurumsal Yönetim Hizmetleri A.Ş.'s methodology of "BIST 1st Group Companies". At the end of the examination of criteria under the main headings of Shareholders, Public Disclosure and Transparency, the Stakeholders and the Board of Directors, the Corporate Governance Compliance Rating Grade of Turcas Petrol A.Ş. has been revised as **9.66**.

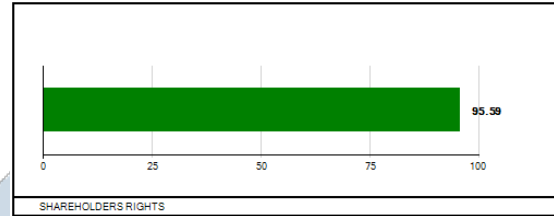
This result shows that the Company has achieved very high compliance with the Corporate Governance Principles issued by the Capital Market Board. Potential risks that the Company may be exposed to are identified and can be managed. The level of public disclosure and transparency is high. The rights of the shareholders and stakeholders are treated fairly. The structure and working

conditions of the board of directors are widely compliant with corporate governance principles.

When the activities of Turcas Petrol A.Ş. for the last one year are examined, it is seen that it has been maintaining its compliance with Corporate Governance Principles.

In conclusion, this rating indicates that the Company highly deserves to be included in the BIST Corporate Governance Index.

▪ In the Shareholders section, the rating of Turcas Petrol has been confirmed as **95.59**.



During the reviewing period, it has been observed that the company continues its activities in the field of informing the shareholders and exercising their fundamental shareholder rights with the same sensitivity and efficiency. It is understood that the harmonious cooperation of the Investor Relations Unit with the Corporate Governance Committee is effective in the correct and effective exercise of the rights of the shareholders.

Investor Relations Department activities are carried out under the coordination and supervision of Erkan İLHANTEKİN (Finance Director- CFO), by Mr. Mert GÖKNAR (Finance Director) and Mr. Arif ŞAHİN (Corporate Finance and Investor Relations Manager) Mr. İLHANTEKİN has Capital Market Activities Level-3 and Corporate Governance Rating Licenses and has been serving as a Corporate Governance Committee Member since 04.06.2012 in accordance with the Communiqué No. II-17.1 of the Capital Markets Board.

Regular reports are made to the Board of Directors and the Corporate Governance Committee regarding the activities carried out

by the Investor Relations Department. The department submits its detailed analyses on share performance and liquidity every week and comprehensive reports on the activities and corporate governance principles of the company quarterly to the Board of Directors. In 2024, a total of 4 (four) reports were submitted to the Board of Directors in March, June, September and December.

Shareholders' right to obtain information and to examine is not canceled or restricted by the Articles of Association or any department of the Company.

The company carries out its disclosures to the shareholders and the public in accordance with the "Disclosure Policy". The said policy is published on the corporate website of the company. During the monitoring period, it was determined that the company showed due diligence in exercising its fundamental shareholding rights.

The General Assembly meeting to discuss operations of 2023 took place on 15th of May, 2024. The invitation to the Ordinary General Assembly meeting was published on the Public Disclosure Platform (PDP) and the Central Registry Agency e-general assembly system (EGAS) on 22nd April, 2024, and in the Turkish Trade Registry Gazette (TTRG) dated 22nd April, 2024 and numbered 11067. The meeting invitation was made at least 3 (three) weeks before the meeting date as stipulated by the principles.

In the general assembly Information Document, which is submitted to the shareholders for review along with the meeting invitation, detailed information is given about the distribution of company shares, the voting rights granted by the shares and the voting privileges. In addition, whether the shareholders have a request to add an item to the agenda and the information that is required to be announced to the shareholders and the public in the corporate governance principles are also included.

Executives and auditors who are authorized to brief participants on special subjects and answer their questions have attended the general assembly meeting. The meeting was attended by Mr. Erdal AKSOY (Chairman of the Board), Ms. Banu AKSOY (Vice Chairman of the Board of Directors), Mr. M. Timuçin TECMEN (Member of the Board of Directors), Mr. Emre DERMAN (Independent Board Member), and Mr. S. Batu AKSOY (Member of the Board of Directors and CEO). On the other hand, Mr. Erkan İLHANTEKİN (Finance Director-CFO), Ms. Eda YÜKSEL (CLO - Legal Director), Mr. Mert GÖKNAR (Finance Director) and the Representative of the Independent Audit Company were present.

Turcas also held an extraordinary general assembly on December 10, 2024. Upon reviewing the extraordinary general assembly processes, it was determined that the invitation was made three weeks before the meeting date, all documents related to the information memorandum and meeting agenda were made available for shareholders' review within the legal timeframe, and the meeting was attended by the board of directors, senior executives, other managers who could answer agenda-related questions, and a representative of the independent audit firm.

The company obtained a net distributable period profit of 369,088,621.00 TL from its activities in 2023, according to the unconsolidated financial statements prepared within the framework of CMB legislation. According to the financial statements prepared in accordance with the TPL, there is no distributable profit since a loss of (166,129,562.47) TL occurred.

The reason for not distributing profits was provided to the shareholders at the general assembly.

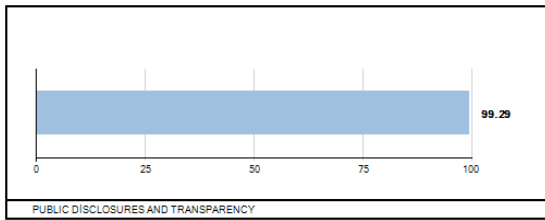
At the extraordinary general assembly held on December 10, 2024, it was decided to distribute a dividend advance of 145,000,000 TL to the shareholders, and the profit share

amount was transferred to the shareholders' accounts as of December 27, 2024.

Details regarding the extraordinary general assembly meeting and the distribution of the dividend advance are provided in the "ii. Profit Distribution" section of our report.

The profit distribution proposal of the board of directors and the profit distribution table were published on the Public Disclosure Platform on the same day as the invitation to the general assembly.

▪ In the Public Disclosure and Transparency section, the company's rating was revised to **99.29**.



Under this main heading, the developments that justified Turcas Petrol's rating upgrade include:

In the Annual and Interim Activity Reports;

- Inclusion of information on the terms of office (start and end dates) and any changes in the roles of the chairman, members, and executive members serving on the board of directors,
- Inclusion of the assessment and board evaluations regarding whether the company's capital has been depleted or if it is in a state of excessive indebtedness, along with any proposed measures to improve the company's financial structure, if applicable.

It has been determined that Turcas Petrol's works on public disclosure and transparency are in compliance with legal regulations and corporate governance principles. Annual reports are rich in content and contain sufficient information about the activities.

The corporate website (www.turcas.com.tr) is updated regularly, and the website is being used as an active and effective platform for

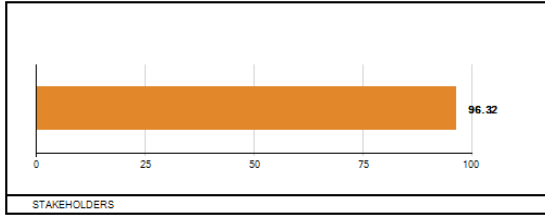
disclosure to the public. All information and documents that the public, investors and other interested parties want to access are published on the corporate website of the company for the last five (5) years. It has been observed that this information is consistent with the disclosures made in accordance with the provisions of the relevant legislation and does not contain contradictory and incomplete information. The corporate website is designed as a convenient, easily accessible structure.

The officials in the Company who are charged with disclosures and have the authority for signature are: Mr. Erkan İLHANTEKİN (Finance Director-CFO) and Mr. Engin ÇAYLAN (Accounting Manager). The named persons have been assigned to maintain and monitor all kinds of issues related to public disclosure.

The independent external audit for 2023 was carried out by BDO Denet Bağımsız Denetim ve Danışmanlık A.Ş. (Member BDO International Network). There are no cases where the independent audit avoided expressing opinion, expressed opinion with conditions or avoided signature in the reports. It has been learned from company 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.

For the independent external audit of the accounts and transactions of the 2024 operating year within the framework of the Capital Markets legislation, the Turkish Commercial Code and the relevant legislation, the same company was elected with the recommendation of the audit committee and the approval of the general assembly.

▪ In the Stakeholders section, the company's rating has been confirmed as **96.32**.



It is concluded that Turcas Petrol protects stakeholders' rights, which are specified in regulations and mutual contracts. The impression is that in case of lack of any regulation, the company respects stakeholders' rights within goodwill rules and the company's reputation. It has been observed that many internal regulations were prepared to this end.

The company has a very detailed Human Resources Policy, which is determined in accordance with contemporary norms. The processes established within the scope of Human Resources Policies include written procedures that emphasize the principles of efficiency based on objective criteria to protect the rights of both the company and the employees during the recruitment process and during the training and career path of the recruited employees.

The Compensation Policy for employees has been prepared and disclosed to the public via the corporate website.

In order to carry out activities that will support the corporate culture, increase the communication and motivation of the employees and provide efficiency in the business processes, the Internal Communication Group was established with the corporate identity of Synergic Movements. In the Internal Communication Group, which has started to carry out its activities since 2014 and has the experience, knowledge and skills that will provide added value in the formation and development of the projects, an "Employee Representative" is appointed in order to receive the expectations of the employees through the representative channel and share them with the team.

"Employee Experience and Loyalty Research" are learnt to have been carried out based on the belief that it is important to identify the needs, expectations and factors that increase motivation of employees in order to strengthen the corporate structure and achieve sustainable success. Employee experience has started to be measured through "Pulse Surveys" published on the Digital Employee Experience Platform, and actions have been initiated based on the results.

It has been determined that the Company runs training programs to increase the knowledge, talents and experience of its employees and that it has prepared training policies.

As of 31.12.2024, 37 people were employed in Turcas and the company is not a party to any collective labor agreement.

Turcas declares that it strives to continuously improve its corporate social responsibility efforts, promote long-term partnerships and contribute to positive change for a better world, in line with the United Nations Sustainable Development Goals. Within the framework of its business strategy, it states that it sees the Corporate Social Responsibility Principle as the mainstay of sustainable growth and that it adopts adding value to the society it lives in as its primary responsibility in all its investments. Its Corporate Social Responsibility Studies, which are grouped under the headings of Training, Equality and Collaborations, can be accessed through the annual activity report, sustainability report and corporate website.

Sustainability;

Turcas states that the "human and environment-centered sustainable growth principle" is at the core of its business strategy. Within the framework of this strategy, Turcas has publicly declared that;

- It is making long-term, future-oriented investments as one of the deep-rooted energy companies in Turkey,

- It adopts adding value to the society in which it lives as its main responsibility in all its investments,
- It strives to make its services create added value for the country's economy, be innovative and environmentally friendly,
- It considers the principle of Corporate Social Responsibility as the basis of sustainable growth,
- It adopts a responsible, ethical and transparent management approach.

It has compiled its sustainability approach under the following headings:

- Environmental Policy
- Quality Policy
- Occupational Health and Safety (OHS) Policy
 - Risk management
 - Corporate Governance
 - Corporate Social Responsibility

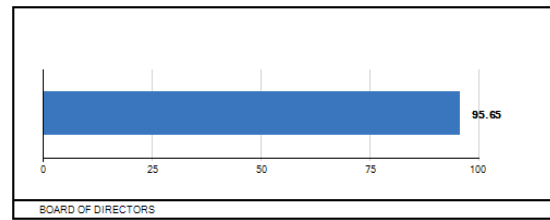
Accordingly, the company has also publicly announced its commitments on the issues below.

1. Environmental Policy
2. Quality Policy
3. Occupational Health and Safety (OHS) Policy

In line with the sustainability principles - the Human Rights and Employee Rights Principle, the "Turcas Code of Ethics and Compliance with the Legislation Policy" has been established and announced on the corporate website.

The company's "Sustainability Report," which reflects its environmental, social, and governance (ESG) performance in 2023 and aims to provide information on its sustainability goals and related plans for the upcoming periods, was published on the corporate website in November 2024.

- In the Board of Directors section, the rating of Turcas Petrol was confirmed as **95.65**.



In the interviews with the relevant officials and the examinations of some selected board decisions, it was determined that the board continues its work actively, effectively and regularly. It has been observed that the Board of Directors internalizes the corporate governance principles, adopts an open approach to improvement and development, and displays a proactive attitude.

It has been determined that the Committees continue their work regularly in the meetings with the company officials and the examinations made on the Decision Books of the Committees.

The Board of Directors has described the corporate strategic objectives and determined necessary human and financial resources.

The duties of the Chairman of the Board of Directors and General Manager are carried out by different people. In accordance with the principle of clear separation of the powers of the chairman of the board of directors and the chief executive officer/general manager, the duties of the board of directors and the chairman are clearly listed in Articles 14 and 16 of the Company's articles of association. On the other hand, the duties of the chairman of the board of directors, members, and the general manager are defined in detail in the regulations that regulate the working principles of the board of directors. These duty descriptions largely comply with the principles.

Company's Board of Directors is formed with 8 (eight) members; including 1 (one) Chairman and 7 (seven) members. The requirement of having at least 5 (five) members to form the Board has been met and the number of Board Members found sufficient to serve effectively

and constructively and to form and efficiently organize activities of committees.

5 (five) Board members are non – executives, while 3 (three) of them are executives. 3 (three) members are independent members who satisfy the independence criteria laid down by the Corporate Governance Principles.

Upon reviewing the processes for determining independent board members;

- The Nomination Committee prepares an evaluation report on the independence of the candidate for the election of independent members and submits it to the Board of Directors,

- The board of directors elects independent members within the framework of the nomination committee's report,

- It has been determined that the report prepared regarding the selected candidate, including the candidate's resume, independence declaration, and the board of directors' decision, was submitted to the Capital Markets Board 60 days before the general assembly meeting, and no negative opinion was issued by the Board.

All members of the board of directors are elected to serve for 3 (three) years.

There are 2 (two) female members on the Board of Directors, which corresponds to 25% of the number of members. This structure complies with the "not less than 25%" criterion determined by the CMB as the rate of female members on the board of directors.

In order for the Board of Directors to fulfil its duties and responsibilities soundly, Audit Committee, Corporate Governance Committee and Early Detection of Risk Committees have been established.

The duties, working principles and the members of the committees have been determined by the Board of Directors, approved as written documents, announced to the public and published on the corporate website of the company. The formation of the

committees complies with the criteria listed in the corporate governance principles. The company's general manager/chief executive officer has not been appointed within the committee structures.

The Board of Directors convened 4 (four) times in 2024, in March, June, September and December. The secretariat of the Board is carried out by the CLO-Legal Director, Ms. Eda YÜKSEL.

In 2024, the Audit and Corporate Governance Committees held 4 (four) meetings and the Early Detection of Risk Committee held 6 (six) meetings and presented their reports on the meeting results to the Board of Directors.

Due to the structure of the Board of Directors, a separate Nomination Committee and Remuneration Committee have not been established, and the duties of these committees are carried out by the Corporate Governance Committee.

The secretariats of the committees were established, and their job descriptions were prepared.

The Secretariat of the Audit Committee is carried out by Mr. Erkan İLHANTEKİN (Finance Director-CFO) and Ms. Eda YÜKSEL (CLO - Legal Director), while the secretariat of the Corporate Governance Committee and the Early Detection of Risk Committee is carried out by Mr. Arif ŞAHİN (Corporate Finance and Investor Relations Manager).

As in previous years, internal audit activities were carried out in 2024 by outsourcing. The relevant organization carried out internal audit processes with each department/unit manager in line with the audit calendar spread throughout the year and submitted the completed reports to the Audit Committee on December. It presented the consolidated report of all Departments to the Audit Committee in December.

In the examinations made on the documents, it was observed that the meeting records of

both the Board and the Committees were kept regularly.

insurance and disclosed on the Public Disclosure Platform on 05th September 2024.

Remuneration Principles for the Members of the Board of Directors and Senior Executives have been determined and disclosed to the public on the Company's corporate website.

It has been seen that actions have been taken in compliance with the principle, which states that stock-options or payment plans based on corporate performance should not be used for remuneration of independent members of board. The emoluments of independent directors are sufficient to protect their independency.

It has been learned that the Company has not lent or extended loan to any member of board or top executive or made available any credit under personal loan through any third person or provided securities such as surety in favor of them.

The Board of Directors conducts self-criticism and performance evaluations on the basis of both the board, its members, and the managers, who have administrative responsibilities. The performance evaluation for 2024 was carried out in December and it was learned that the results obtained will be evaluated at the first board meeting to be held in 2025.

However, there is no practice of rewarding or dismissing the members of the board of directors based on their performance.

In the annual report, the wages paid to the members of the board of directors and senior executives and all other benefits provided are explained with a distinction between the board of directors and senior executives. In accordance with the Corporate Governance Communiqué No. II-17.1, it would be appropriate to disclose this statement on a person-to-person basis.

The damages to be caused to the company by the faults of the members of the board of directors during their duties are covered by

3. COMPANY PROFILE AND CHANGES OVER THE PAST YEAR

A. Company Profile:



Company Name	: Turcas Petrol A.Ş.
Company Address	: Maslak Mah. AOS 55. Sk. 42 Maslak A Blok No 2 İç Kapı No 7 Sarıyer / İstanbul
Company Phone	: 0(212) 259 0000/17 lines
Company Fax Number	: 0(212) 259 0019
Company's Web Address	: www.turcas.com.tr
E-mail Address	: IR@turcas.com.tr
Date of Incorporation	: 07/03/1980
Trade Registry Number	: 171118
Paid-in Capital	: 255,600,000 – TL
Field of Activity of the Company	: National and international activities and investments for exploration, production, transportation, distribution, storage, import, export and trade in the energy sector and its sub-branches such as fuel distribution, electricity and natural gas.
The Sector in Which It Operates	: Financial Institutions / Holdings and Investment Companies

Company Representatives Related to Rating

Erkan İLHANTEKİN

Finance Director (CFO)

erkan.ilhantekin@turcas.com.tr

0(212) 259 0000/1270

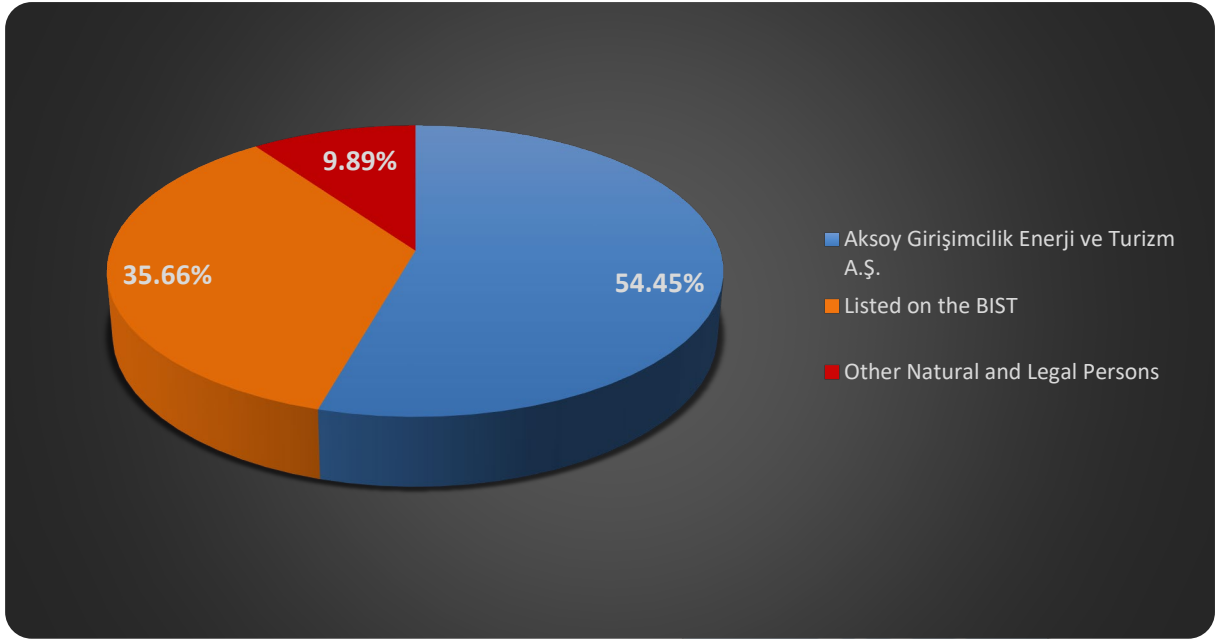
Mert GÖKNAR

Finance Director

mert.goknar@turcas.com.tr

0(212) 259 0000/1243

**TURCAS Petrol A.Ş Shareholding Structure
(31.12.2024)**



Shareholder Name	Amount of Capital (TL)	Ratio (%)
Aksoy Girişimcilik Enerji ve Turizm A.Ş.	139,175,891.75	54.45
Listed on the BIST	91,147,972.11	35.66
Other Natural and Legal Persons	25,276,136.15	9.89
Total	255,600,000.00	100

Source: www.kap.org.tr

Real and Legal Persons Owning the Capital Indirectly (31.12.2024)

Shareholder Name	Amount of Capital (TL)	Ratio (%)
S. Batu AKSOY	48,428,348.46	18.95
Banu AKSOY	48,428,348.44	18.95
Erdal AKSOY	40,676,738.34	15.91
Aksoy Girişimcilik Enerji ve Turizm A.Ş.	1,080,259.30	0.42
Ayşe Belkıs AKSOY	562,197.21	0.22

Source: www.kap.org.tr

Aksoy Girişimcilik Enerji ve Turizm A.Ş. Shareholding Structure (31.12.2024)

Shareholder Name	Amount of Capital (TL)	Ratio (%)
S. Batu AKSOY	243,575,547	34.8
Banu AKSOY	243,575,547	34.8
Erdal AKSOY	204,587,996	29.2
Aksoy International Dış Ticaret A.Ş.	5,433,279	0.8
Ayşe Belkıs AKSOY	2,827,631	0.4
TOTAL	700,000,000	100

Source: www.turcas.com.tr

Board of Directors

<i>Name/ Surname</i>	<i>Title</i>	<i>Executive/Non-Executive</i>
Erdal AKSOY	Chairman	Executive
Banu AKSOY	Deputy Chairman	Executive
S. Batu AKSOY	Member of the Board of Directors and CEO	Executive
M. Timuçin TECMEN	Member of Board of Directors	Non - Executive
Matthew J. BRYZA	Member of Board of Directors	Non - Executive
Lale ERGİN	Independent Member of Board of Directors	Non - Executive
Timothy James FORD	Independent Member of Board of Directors	Non - Executive
Markus Christian SLEVOGT	Independent Member of Board of Directors	Non - Executive

Source: www.kap.org.tr

Company Executive Committee

<i>Name/ Surname</i>	<i>Title</i>
S. Batu AKSOY	Chairman of the Committee, Member of the Board of Directors and CEO
Erdal AKSOY	Chairman
Banu AKSOY	Deputy Chairman
Erkan İLHANTEKİN	Finance Director (CFO)
Eda YÜKSEL	Legal Director (CLO)
Elif KIRANKABEŞ	Human Resources Director
Mert GÖKNAR	Finance Director

Source: www.turcas.com.tr

Committees Formed Within Board of Directors

AUDIT COMMITTEE

<i>Name/ Surname</i>	<i>Title</i>
Lale ERGİN	Independent Member of Board of Directors - Chairman of the Committee
Markus Christian SLEVOGT	Independent Member of Board of Directors - Member

CORPORATE GOVERNANCE COMMITTEE

<i>Name/ Surname</i>	<i>Title</i>
Timothy James FORD	Independent Member of Board of Directors - Chairman of the Committee
Lale ERGİN	Independent Member of Board of Directors - Member
M. Timuçin TECMEN	Member of Board of Directors - Member
Matthew J. BRYZA	Member of Board of Directors - Member
Erkan İLHANTEKİN	Finance Director (CFO) - Investor Relations Department Officer - Member

Early Detection of Risk Committee

<i>Name/ Surname</i>	<i>Title</i>
Markus Christian SLEVOGT	Independent Member of Board of Directors / Chairman of the Committee
Banu AKSOY	Deputy Chairman of the Board of Directors -Member
M. Timuçin TECMEN	Member of Board of Directors - Member

Source: www.kap.org.tr

Investor Relations Unit

<i>Name Surname</i>	<i>Title</i>	<i>Contact</i>
Erkan İLHANTEKİN	Finance Director (CFO) Investor Relations Department Officer	0(212) 259 0000/1270 erkan.ilhantekin@turcas.com.tr
Mert GÖKNAR	Finance Director	0(212) 259 0000/1243 mert.goknar@turcas.com.tr
Arif ŞAHİN	Corporate Finance and Investor Relations Manager	0(212) 259 0000/1238 arif.sahin@turcas.com.tr

Comparison of some selected items of the Company's Balance Sheet for the last two year-end and nine months periods (*)

	2023/09	2024/09	Change % (09/2023-09/2024)	2023/12
Current Assets	330,348,786	494,617,811	50	546,826,127
Trade Receivables	438,132	428,695	- 2	658,223
Fixed Assets	2,039,423,824	9,470,553,843	364	9,370,106,923
Total Assets	2,369,772,610	9,965,171,654	321	9,916,933,050
Short-Term Liabilities	212,833,592	23,957,813	- 89	329,008,847
Long-Term Liabilities	333,850,658	3,965,186	- 99	245,935,403
Paid-in capital	255,600,000	255,600,000	-	255,600,000
Equity	1,823,088,360	9,937,248,655	445	9,341,988,800

Source: Turcas Petrol A.Ş. Financial Statements and Independent Auditor Reports for the Periods 01.01.2023-31.12.2023, 01.01.2023-30.09.2023 and 01.01.2024-30.09.2024

Comparison of some items of the Company's Summary Income Statement for the year-ends of the last two years and nine months periods (*)

	2023/09	2024/09	Change (%) (09/2023-09/2024)	2023/12
Revenue	-	-	-	-
Cost Of Sales (-)	-	-	-	-
Operational Profit or Loss	(176,516,733)	98,103,043	156	(138,778,149)
Income from investment activities	427,060,595	218,768,608	- 49	371,919,416
Financial Investments Accounted by Equity Method Profit/(Losses)	58,808,393	368,613,072	527	590,737,522
Profit/(Loss) Before Taxes	328,309,460	615,603,365	88	790,399,927
Net Profit/Loss	319,885,798	595,062,998	86	826,374,169
Earnings Per Share	1.252	2.328		3.233

Source: Turcas Petrol A.Ş. Financial Statements and Independent Auditor Reports for the Periods 01.01.2023-31.12.2023, 01.01.2023-30.09.2023 and 01.01.2024-30.09.2024

(*) In its announcement on November 23, 2023, the Public Oversight, Accounting, and Auditing Standards Authority (KGK), and in line with the Capital Markets Board (CMB) decision dated December 28, 2023, numbered 81/1820, it was decided that issuers and capital market institutions preparing their financial statements in accordance with Turkish Accounting Standards / Turkish Financial Reporting Standards must apply the provisions of TAS 29 "Financial Reporting in Hyperinflationary Economies" when preparing their financial statements as of December 31, 2023. The Company's financial statements dated December 31, 2023, have been restated in accordance with TAS 29 – Financial Reporting in Hyperinflationary Economies ("TAS 29") to reflect changes in the general purchasing power of the functional currency. TAS 29 requires that financial statements prepared in the currency of a hyperinflationary economy be stated in the measuring unit current at the balance sheet date and that the previous period's financial statements be restated accordingly. Therefore, the company's financial statements as of December 31, 2022, have been restated to reflect purchasing power as of December 31, 2023.

Subsidiaries, Financial Fixed Assets and Financial Investments

Trade name	Line of Business	Paid in/Issued Capital	Company's Share in Capital	Currency	Company's Share in Capital (%)	The Nature of the Relationship with the Company
SHELL&TURCAS PETROL. A.Ş	Petroleum Products	528,117,660	158,435,298	TRY	30.00	DIRECT SUBSIDIARY
RWE & TURCAS GÜNEY ELEKTRİK ÜRETİM A.Ş.	Electricity Generation	1,162,620,765	348,786,230	TRY	30.00	DIRECT SUBSIDIARY
ATAŞ ANADOLU TASFIYEHANESİ A.Ş.	Fuel Oil Storage	8,400,000	420,000	TRY	5.00	FINANCIAL INVESTMENT

Source: www.kap.org.tr

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

BIST Code

: TRCAS

Market where the Capital Market Instrument is Traded

: BIST STAR

The Indices in which it is included

: BIST HOLD AND INVESTMENT / BIST 500 / BIST STARS / BIST FINANCIALS / BIST ISTANBUL / BIST CORPORATE GOVERNANCE / BIST ALL SHARES / BIST ALL SGHARES-100

The Peak and Bottom Closing Values of the Company's Stock in the BIST in the Last One Year Period (12.02.2024-12.02.2025)

Bottom (TL)	Peak (TL)
20.65 (20.11.2024)	31.38 (16.04.2024)

Source: Turcas Petrol A.Ş

B. Changes in the Company in the Last Year:

i. Changes in Capital and Articles of Association

During the reviewing period, there were no changes in the company's articles of association or capital structure.

ii. Profit Distribution

- The Board of Directors' decision dated April 22, 2024, numbered 2023/06, regarding the net profit/loss for the period resulting from the company's activities in 2023 is as follows:

"Based on the financial statements dated December 31, 2023, prepared in accordance with the Turkish Commercial Code and the Tax Procedure Law, as well as the independently audited, non-consolidated financial statements prepared in compliance with the Capital Markets Board regulations, it has been determined that due to past years' losses recorded in the statutory accounts, there is no 'Net Distributable Profit' in the Profit Distribution Table. Therefore, it has been decided to propose the non-distribution of dividends for the approval of shareholders at the upcoming Ordinary General Assembly."

The relevant proposal was discussed and approved as item 6 of the agenda at the ordinary general assembly held on May 15, 2024.

- The Company's Material Disclosure, dated June 11, 2024, is as follows:

"On April 18, 2024, our company publicly shared its independently audited financial statements and notes for the period covering January 1, 2023 – December 31, 2023, as part of the initial application of TAS 29 "Financial Reporting in Hyperinflationary Economies" ("TAS 29").

An inadvertent error has been identified in the calculation and accounting of the deferred tax base arising from the adjustments under TMS 29 in the financial statements of RWE & Turcas Güney Elektrik Üretim A.Ş., in which our Company holds a 30% stake and consolidates using the equity method, for the 2023 fiscal year.

The effects of this error, made inadvertently, have been retrospectively corrected and reflected in the financial statements in accordance with TAS 8, "Accounting Policies, Changes in Accounting Estimates, and Errors." Detailed information regarding this adjustment and its impact on our Company's 2023 financial statements is presented in our financial report covering the period 01.01.2024–31.03.2024, published on June 11, 2024, specifically in the balance sheet (under the "December 31, 2023 – Restated" column) and in Note 2.6. This adjustment has affected our Company's financial statements prepared in accordance with Turkish Financial Reporting Standards ("TFRS") as of December 31, 2023, but has not led to any changes in the financial statements prepared in accordance with the Tax Procedure Law ("TPL") as of the same date. Pursuant to the decision of our Company's Board of Directors dated April 22, 2024, since there was no "Net Distributable Profit" due to prior years' losses in the statutory records under TPL, it was proposed that no dividends be distributed, and this proposal was approved at the Ordinary General Assembly held on May 15, 2024. Therefore, since this adjustment does not affect our Company's statutory records under TPL, it does not alter the decision not to distribute dividends based on the financial statements as of December 31, 2023."

- Within the framework of these developments, Turcas Petrol adopted the following resolutions at its Extraordinary General Assembly held on December 10, 2024:

Agenda Item 3: Information was provided regarding the necessity of reissuing the 2023 Board of Directors' Annual Report, Independent Audit Report, and financial statements, which were approved at the Ordinary General Assembly held on May 15, 2024, and the requirement for the General Assembly to approve the revised versions of these reports and statements. To elaborate:

The 2023 Board of Directors' Annual Report, Independent Audit Report, and financial statements of our Company were approved at the Ordinary General Assembly on May 15, 2024. However, it was later identified that an inadvertent error occurred in the calculation and accounting of the deferred tax base resulting from adjustments within the scope of TAS 29 in the financial statements of RWE & Turcas Güney Elektrik Üretim A.Ş. for the 2023 fiscal year. The effects of this error have been retrospectively corrected and reflected in the financial statements of RWE&Turcas Güney Elektrik Üretim A.Ş. in accordance with TAS 8, "Accounting Policies, Changes in Accounting Estimates, and Errors." Detailed information regarding this adjustment and its impact on Turcas

Petrol's 2023 financial statements was disclosed to the public in the financial report covering the period 01.01.2024 – 31.03.2024, published on June 11, 2024, specifically in the balance sheet (under the "December 31, 2023 – Restated" column) and in Note 2.6. Furthermore, these adjustments were also presented in the Restated Board of Directors' Report, Restated Independent Audit Report, and Restated Financial Statements for the 2023 fiscal year, published on the Public Disclosure Platform (PDP) on June 14, 2024. The said adjustment has increased the net profit for the period from TRY 369,088,621, which was approved at the Ordinary General Assembly held on May 15, 2024, for the period 01.01.2023 – 31.12.2023, by TRY 457,285,548, bringing it to a total of TRY 826,374,169. Additionally, the "Investments Accounted for Using the Equity Method" item in the company's balance sheet, along with "Total Assets," increased by the same amount (TRY 457,285,548). Due to these revisions, the "Restated Board of Directors' Annual Report" for the 2023 fiscal year, which was published on PDP on June 14, 2024, was once again submitted for approval at the Extraordinary General Assembly held on December 10, 2024, and was duly approved by the shareholders.

Agenda Item 4: The summary of the Restated Independent Audit Report for the 2023 fiscal period was read, opened for discussion, and approved.

Agenda Item 5: The Restated Financial Statements (Balance Sheet and Income Statements) for the 2023 fiscal period were read, opened for discussion, and approved.

Agenda item 6: As the Board of Directors' Annual Report, Independent Audit Report, and financial statements for the 2023 fiscal year were revised, the Board Members needed to be discharged individually for the company's activities in 2023. They were discharged following the vote.

Agenda item 7: The offsetting of the Previous Years' Profits amounting to TRY 248,412,945.56, calculated before the inflation accounting adjustment in the financial statements dated December 31, 2023, prepared in accordance with the Tax Procedure Law, against the Previous Years' Losses was submitted for approval. It was resolved to offset the entire Previous Year' Profits against the Previous Year' Losses. As a result of the offsetting, the balance of previous years' profits was approved as 0 (zero) TRY, while the balance of previous years' losses was approved as TRY (130,915,230.46).

Agenda Item 8: At the Ordinary General Assembly Meeting of our company held on May 15, 2024, it was decided not to distribute dividends since no "Net Distributable Profit" was generated in the Profit Distribution Table prepared for the period ending 31.12.2023. Although the Restated Financial Statements affected the financial statements prepared in accordance with the Turkish Financial Reporting Standards (TFRS), no net distributable profit was generated according to the Tax Procedure Law (TPL). Therefore, it was announced to the shareholders that no dividends would be distributed based on the Restated Financial Statements for 2023.

According to the Agenda Items 9 and 10, however, it was resolved to authorize the Board of Directors to pay a dividend advance if a profit is generated in the 2024 fiscal period.

- The Company's Material Disclosure dated 23.12.2024 is as follows;

At the Extraordinary General Assembly Meeting of our company held on December 10, 2024, it was decided to authorize the Board of Directors to decide on the distribution of a dividend advance in the event of a profit being generated during the 2024 fiscal period, in accordance with Article 41 of our Company's Articles of Association titled "Dividend and Interim Dividend Distribution" and the Dividend Communiqué No. II-19.1 of the Capital Markets Board dated January 23, 2014.

Pursuant to this authority, in accordance with the decision of our Company's Board of Directors dated December 20, 2024, it has been resolved to distribute a dividend advance of TRY 145,000,000.00 in cash to the shareholders, based on the financial statements dated September 30, 2024, prepared in accordance with the Turkish Commercial Code and the Tax Procedure Law, as well as the standalone financial statements prepared in compliance with the Capital Markets Board regulations, after deducting all legally required reserves, as outlined in the attached Dividend Distribution Table."

The dividend advance amount was credited to the shareholders' accounts as of December 27, 2024.

iii. Policies

No changes were made to company policies during the reviewing period.

iv. Management and Organization

- The Company's Material Disclosure, dated March 29, 2024, is as follows:

"As Mr. Emre Derman, who currently serves as an Independent Board Member in our Company, will have completed the maximum term permitted by the regulations as of May 26, 2024, the need has arisen for a reappointment to this Board Membership.

Within this scope, based on the opinion of the Corporate Governance Committee (acting in place of the Nomination Committee) and the decision of the Board of Directors dated March 12, 2024, numbered 2024/02, Mr. Markus Christian Slevogt was nominated as an independent board member and submitted to the CMB, which did not issue a negative opinion regarding his candidacy in CMB's letter dated March 25, 2024, numbered E-29833736-110.07.07-51827; accordingly, with the Board of Directors' decision dated March 29, 2024, numbered 04, it has been resolved to present his candidacy for Independent Board Member to the General Assembly to serve until the end of the current board members' term."

At the Ordinary General Assembly held on May 15, 2024, the appointment of Mr. Markus Christian Slevogt as an Independent Board Member was submitted for shareholders' approval and was duly accepted.

- Pursuant to the Board of Directors' decision dated February 21, 2024, it has been resolved to appoint Mr. Mert Gökna, who serves as the Finance Director of our Company, as a member of the Executive Committee and to form the committee as follows.

v. Changes in Group Companies, Subsidiaries and Affiliates:

No changes were made.

4. RATING METHODOLOGY

The Corporate Governance Compliance Rating is a system which audits whether 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.

In OECD Corporate Governance Principles, corporate governance is based on four basic principles, which 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 "comply or explain," 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.

It has been prepared by considering the criteria specified in the Corporate Governance Communiqué of the CMB, numbered II-17.1, published in the Official Gazette dated 03 January 2014 and numbered 28871, as well as the decisions taken at the CMB's board meeting dated 01.02.2013 and numbered 4/105.

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

456 criteria are used in the rating process for BIST 1st Group Companies in order to measure the compliance of firms with corporate governance principles. These criteria are transformed into "Corporate Governance Rating Question Sets" through Kobirate A.Ş.'s 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 follows:

Shareholders 25 %

Public Disclosure and Transparency 25 %

Stakeholders 15 %

Board of Directors 35 %

CMB decision dated 01.02.2013 and numbered 4/105 states that in case the minimum requirements of corporate governance principles are met, 85 % of full points can be given at most for that principle, and it is required to add new questions/methods into the methodology in order to ensure that good corporate governance principles, which go beyond meeting the minimum requirements are included in the rating grade. Our company has been informed about this requirement by CMB notification dated 19.07.2013 and numbered 36231672-410.99 (KBRT) 452.

In the 2014/2 revised corporate governance compliance rating methodology created by our company, the grade that can be given to a related criterion in that subsection for meeting minimum requirements of corporate governance principles, stated by CMB Communiqué of Corporate Governance published on 03.01.2014 is restricted to 85 % of the full points. A rating is made with a system that completes the section grades up to 100 by the company's compliance and implementation of the corporate governance practices, which include the good implementation and internalization of the criteria determined in the corporate governance principles, and the different good corporate governance practice criteria determined by our company.

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.

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

GRADE	DEFINITIONS
9-10	The Company achieved substantial compliance with 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 is high. The 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.
7-8.9	The Company complied considerably with the Corporate Governance Principles issued by the Capital Market Board. Internal control systems are operational and in place, although some improvements are required. Potential risks to which the Company may be exposed are identified and can be managed. The rights of the shareholders are impartially taken care of. Public Disclosure and transparency are at high levels. The interests of the stakeholders are fairly considered. The 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.
6-6.9	The Company has moderately complied with the Corporate Governance Principles issued by the Capital Market Board. Internal Control systems at a 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 a need for improvement. The 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.

GRADE	DEFINITIONS
<p style="text-align: center;">4-5.9</p>	<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, and the structure, as well as the working conditions of the Board. Under the current conditions, the Company is not eligible to be listed in the BIST Corporate Governance Index.</p>
<p style="text-align: center;">< 4</p>	<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 to 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, such as public disclosure, transparency, structure, and working conditions of the Board, and they are at a level that might cause the investor to incur material losses.</p>

