

Corporate Governance Rating

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Sector: Investment Banking

PASHA Yatırım Bankası A.Ş.

Ratings

Overall Score	9.23	AAA(Trk)/aa (Stable)
Shareholders	9.07	AAA(Trk)/aa (Stable)
Public Disclosure & Transparency	9.19	AAA(Trk)/aa (Stable)
Stakeholders	9.30	AAA(Trk)/aa (Stable)
Board of Directors	9.34	AAA(Trk)/aa (Stable)

Bank Profile

Trade Name	PASHA Yatırım Bankası A.Ş.
Address	PASHA Plaza, Sultan Selim Mahallesi, Hümevra Sokak, No:2/7, 34415 Kağıthane / İstanbul
Chairman	Mr. Jalal GASIMOV
CEO	Mr. H. Cenk EYNEHAN
Investor Contact	Phone: +90 212 705 89 00 yatirimci.iliskileri@pashabank.com.tr
Web	www.pashabank.com.tr
Investor Relations	Mrs. Ender SÖZER

Analyst

Mehmet Yusuf GÜNGÖR

Senior Analyst

+90 212 352 56 73

yusuf.gungor@jcrer.com.tr

Bank Overview

With an operating track record dating back to the establishment of Yatırım Bank A.Ş. in 1987, PASHA Bank provides services largely in the fields of corporate and investment banking through its headquarters with no branches. The Bank remained under the control of different shareholders until 2015, in which the majority shares were acquired by Baku based PASHA Bank OJSC. In May, 2018, PASHA Holding LLC became a direct shareholder with a rate of 49% whilst the paid-in capital was increased by TRY 245mn to TRY 500mn. The Bank had no other affiliates or subsidiaries as of the report date. The shares of the stock of PASHA Bank are not traded on the Borsa Istanbul.

PASHA Bank OJSC and PASHA Holding LLC are qualified shareholders in the Bank with rates of 50.96% and 49% respectively as of end March, 2021. Based on equity, PASHA Bank OJSC represents the largest private Bank in Azerbaijan and is among the top 3 banks by assets with 9 business centers across the country. Established in 2006, PASHA Holding LLC is one of the leading non-oil conglomerates in Azerbaijan with diversified investments in the financial sector, construction & development, information technologies, travel & tourism and private equity.

The Board of the Bank consists of 9 members, including the Chief Executive Officer (CEO), 2 of whom are women members, 3 of whom are independent members. The Bank has 7 committees under the Board which namely include strategy and budget, human resources, nomination and remuneration, credit, corporate governance, risk management and audit.

Strengths

- Presence of a comprehensive and effective risk management and internal control system
- High level of effectiveness in internal audit activities
- Three independent members in the Board of Directors
- Two women members in the Board of Directors
- Effective and transparent website in both Turkish and English
- Well-prepared contingency plans against emergent and unexpected circumstances
- Effective Board of Directors comprised of highly qualified, educated and experienced members
- Directors' and Officers' Liability Insurance Schemes covering the top management
- Restructured committees in order to increase corporate governance efficiency

Constraints

- Absence of any clauses in the articles of association that broaden the exercise of minority rights beyond the current legislation for shareholders holding less than 5% of share capital
- No disclosure of the names of ultimate individual shareholders who have more than 5% share in the Bank's Capital on the website.
- Absence of a labor union organization among the staff
- Non-independent status of Nomination & Remuneration Committee chair