

## Corporate Governance Rating

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**Publication Date:** 27/07/2023

**Sector:** Holding

## İHLAS HOLDİNG A.Ş.

### Ratings

Overall Score	<b>8.51</b>	AAA(Trk)/a (Stable)
Shareholders	<b>8.19</b>	AA(Trk)/bbb (Stable)
Public Disclosure & Transparency	<b>8.74</b>	AAA(Trk)/a (Stable)
Stakeholders	<b>8.39</b>	AA(Trk)/bbb (Stable)
Board of Directors	<b>8.62</b>	AAA(Trk)/a (Stable)

### Company Profile

<b>Trade Name</b>	İHLAS HOLDİNG A.Ş.
<b>Address</b>	Merkez Mah.29 Ekim Cad. İhlas Plaza No:11 B/21 Yenibosna Bahçelievler/ İSTANBUL
<b>Chairman</b>	Mr. A. Mücahid ÖREN
<b>CEO</b>	Mr. A. Mücahid ÖREN
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## Holding Overview

**İHLAS HOLDİNG A.Ş.** (Holding or Company) with its roots dating back to the Türkiye Newspaper established in 1970, acquired its holding status in 1993. The shares of the Company began trading on BİST (Borsa İstanbul) through IPO in 1994. The Holding is the management company of a capital group operating in numerous sectors, including education, health, construction and trade.

The Company's paid-in capital was TRY1,500mn and 80.11% of its shares are publicly traded. Mr. A. Mücahid ÖREN, who currently owns the Group's privileged shares, are the largest qualifying shareholders of İhlas Holding. Investor Relations Department conducts and coordinates corporate governance activities. The general meetings have been organized by this department in compliance with the principles.

4 members of the 11-member Board bear the attributes of independence. 5 members execute managerial functions while the other 6 are non-executives. Audit, Corporate Governance and Early Detection of Risk Committees composed of independent members exist within the Board.

### Strengths

- More functional human resources department with new practices in recruitment and promotion processes,
- Having four independent members in the board of directors, the majority of whom are non-executive members, and committee chairs consisting of independent members,
- Transparent website with comprehensive information in Turkish and English,
- Presence of the risk management and internal control system structured in accordance with organizational framework,
- Significant investments in the digitalization of management processes within the framework of corporate development activities,
- Safe working environment and conditions provided for employees.

### Constraints

- The privilege on the B group shares to determine majority of board members,
- Absence of any clauses in the articles of association that broaden the exercise of minority rights beyond the current legislation,
- The chairman of the board of directors and the chief executive officer being the same person,
- Absence of female members in the board of directors and the lack of a target policy regarding this,
- Absence of "Directors Liability Insurance" for the members of the Board of Directors and senior executives,
- Lack of performance evaluation system for the members of the board of directors,
- Lack of disclosure of the per-person remuneration of the top managers and the board members.