

## Corporate Governance Rating

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**Sector:** Banking

## TÜRKİYE HALK BANKASI A.Ş.

### Ratings

Overall Score	<b>9.46</b>	AAA(Trk)/aa (Stable)
Shareholders	<b>9.44</b>	AAA(Trk)/aa (Stable)
Public Disclosure & Transparency	<b>9.55</b>	AAA(Trk)/aaa (Stable)
Stakeholders	<b>9.66</b>	AAA(Trk)/aaa (Stable)
Board of Directors	<b>9.34</b>	AAA(Trk)/aa (Stable)

### Bank Profile

<b>Trade Name</b>	TÜRKİYE HALK BANKASI A.Ş.
<b>Address</b>	Barbaros Mahallesi, Şebboy Sokak No:4/1 34746 Ataşehir / İstanbul
<b>Chairman</b>	Mr. Recep Süleyman ÖZDİL
<b>General Manager</b>	Mr. Osman ARSLAN
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## Bank Overview

**Türkiye Halk Bankası A.Ş. (Halkbank or Bank), {credit ratings assigned by JCR Eurasia Rating on November 29, 2021: LC: AAA(Trk)/(A-1+)(Trk) Stable}}** Established in 1938 with the aim of supporting craftsmen, Türkiye Halk Bankası A.Ş. (hereinafter referred to as "Halkbank" or "the Bank") consistently expanded its operations in line with the growth in the Turkish economy to become one of the country's leading banks offering wide ranging financial services with a prominent position in SME banking. As of FY2021, the Bank conducts its operations through 1,018 domestic branches and 4,082 ATMs along with a country directorate and 5 branches in the TRNC, a branch in Bahrain and 2 representational offices in London, and Tehran.

The Bank's shares have been listed on the Borsa Istanbul (BIST) index since 2007 with a current free-float rate of 12.30% whilst the Turkish Wealth Fund is the qualified shareholder with a rate of 87.70% in 1Q2022. Turkish Wealth Fund represents the country's sovereign wealth fund and aims to promote the country's long-term economic growth and development through the effective management of state-owned assets.

The Bank's Board of Directors consists of 9 members, including the General Manager and three independent members whilst there are 7 committees operating under the Board which namely include audit, corporate governance, operational risk, credit, asset/liability management, remuneration and sustainability. The total number of employed personnel across the Bank's operations amounted to 20,339 as of FY2021.

### Strengths

- Well-prepared contingency plans against emergent and unexpected circumstances
- Presence of a comprehensive and effective risk management, internal control system and internal audit activities structured in accordance with international practices, principles and organizational framework
- Three independent members in the Board of Directors
- Effective and transparent website in both Turkish and English
- Effective Board of Directors comprised of highly qualified, educated and experienced members
- As of 2021, sustainability performance and financial performance will be integrated and published as an integrated annual report

### 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
- Lack of disclosure of the per-person remuneration of the top managers and the board members
- Absence of an incentive system based on performance evaluation for Board members
- Share of women members (11%) on the Board not meeting the 25% threshold