

İŞ YATIRIM ORTAKLIĞI 

**İŞ YATIRIM ORTAKLIĞI  
ANONİM ŞİRKETİ**

**Annual Report  
For the Accounting Period Ended  
on 31 December 2023**



**Building a better  
working world**

Güney Bağımsız Denetim ve SMMM A.Ş.  
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**(Convenience translation of a report originally issued in Turkish)**

## **INDEPENDENT AUDITOR'S REPORT ON THE ANNUAL REPORT OF THE BOARD OF DIRECTORS**

### **To the Shareholders of İş Yatırım Ortaklığı Anonim Şirketi**

#### **1) Opinion**

We have audited the annual report of İş Yatırım Ortaklığı Anonim Şirketi ("the Company") for the period of January 1 - December 31, 2023.

In our opinion, the financial information provided in the annual report of the Board of Directors and the discussions made by the Board of Directors on the situation of the Company are presented fairly and consistent, in all material respects, with the audited full set financial statements and the information we obtained during the audit.

#### **2) Basis for Opinion**

We conducted our audit in accordance with standards on auditing as issued by the Capital Markets Board of Turkey and Independent Auditing Standards (InAS) which are part of the Turkish Auditing Standards as issued by the Public Oversight Accounting and Auditing Standards Authority of Turkey (POA). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Annual Report* section of our report. We are independent of the Company in accordance with the *Code of Ethics for Independent Auditors* (Code of Ethics) as issued by the POA, and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **3) Our Auditor's Opinion on the Full Set Financial Statements**

We have expressed an unqualified opinion in our auditor's report dated February 22, 2024, on the full set financial statements of the Company for the period of January 1 - December 31, 2023.

#### **4) The Responsibility of the Board of Directors on the Annual Report**

In accordance with Articles 514 and 516 of the Turkish Commercial Code 6102 ("TCC") and the provisions of the Communiqué II-14.1 on the Principles of Financial Reporting In Capital Markets ("the Communiqué") of the Capital Market Board ("CMB"), the management of the Company is responsible for the following items:

- a) Preparation of the annual report within the first three months following the balance sheet date and submission of the annual report to the general assembly.
- b) Preparation and fair presentation of the annual report; reflecting the operations of the Company for the year, along with its financial position in a correct, complete, straightforward, true and honest manner. In this report, the financial position is assessed according to the financial statements. The development of the Company and the potential risks to be encountered are also noted in the report. The evaluation of the board of directors is also included in this report.

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- c) The annual report also includes the matters below:
- Subsequent events occurred after the end of the fiscal year which have significance,
  - The research and development activities of the Company,
  - Financial benefits such as salaries and bonuses paid to the board members and to those charged governance, allowances, travel, accommodation and representation expenses, financial aids and aids in kind, insurances and similar deposits.

When preparing the annual report, the board of directors takes into account the secondary legislative arrangements published by the Ministry of Trade and related institutions.

**5) Auditor's Responsibilities for the Audit of the Annual Report**

Our aim is to express an opinion, based on the independent audit we have performed on the annual report in accordance with provisions of the Turkish Commercial Code and the Communiqué, on whether the financial information provided in this annual report and the discussions of the Board of Directors are presented fairly and consistent with the Company's audited financial statements and to prepare a report including our opinion.

The independent audit we have performed is conducted in accordance with InAS and the standards on auditing as issued by the Capital Markets Board of Turkey. These standards require compliance with ethical provisions and the independent audit to be planned and performed to obtain reasonable assurance on whether the financial information provided in the annual report and the discussions of the Board of Directors are free from material misstatement and consistent with the financial statements.

The name of the engagement partner who supervised and concluded this audit is Fatih Polat

Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik Anonim Şirketi  
A member firm of Ernst & Young Global Limited



Fatih Polat SMMM  
Partner

February 22, 2024  
İstanbul, Türkiye

**İŞ YATIRIM ORTAKLIĞI A.Ş.**

**ANNUAL REPORT OF THE BOARD OF DIRECTORS FOR THE PERIOD  
BETWEEN 1 JANUARY - 31 DECEMBER 2023**

<b>COMPANY NAME</b>	<b>: İŞ YATIRIM ORTAKLIĞI ANONİM ŞİRKETİ</b>
<b>HEAD OFFICE</b>	<b>: İstanbul</b>
<b>DATE OF ESTABLISHMENT</b>	<b>: 16 August 1995</b>
<b>AREA OF OPERATION</b>	<b>: Operation of a portfolio consisting of capital market instruments and precious metals.</b>
<b>TRADE REGISTRATION NUMBER</b>	<b>: 367835</b>
<b>ADDRESS</b>	<b>: Büyükdere Cad. İş Kuleleri Kule 1 Kat:5 Levent/İstanbul</b>
<b>TELEPHONE – FAX</b>	<b>: 212 284 17 10 – 212 284 16 70</b>
<b>WEBSITE</b>	<b>: <a href="http://www.isyatort.com.tr">www.isyatort.com.tr</a></b>
<b>REPORTING PERIOD</b>	<b>: <u>01.01.2023 – 31.12.2023</u></b>
<b>ISSUED CAPITAL</b>	<b>: TL 160,599,284</b>
<b>AUTHORIZED CAPITAL</b>	<b>: TL 300,000,000</b>

**Our mission is the professional management of Company’s portfolio in a manner which is effective, consistent and rational in line with the principle of risk diversification in accordance with the applicable regulations and articles of association, and also to provide shareholders with a regular dividend yield over the years in accordance with our Dividend Distribution Policy.**

**Our vision is to update the investment strategy in line with changing market conditions in order to maintain the risk at an optimum level and provide shareholders with regular dividend distribution, and accordingly, become a preferred collective investment scheme.**

## İŞ YATIRIM ORTAKLIĞI A.Ş.

### ANNUAL REPORT OF THE BOARD OF DIRECTORS FOR THE PERIOD BETWEEN 1 JANUARY - 31 DECEMBER 2023

#### I. SHAREHOLDING STRUCTURE

The current shareholding structure of the company is provided below. The publicly traded company's free float ratio stood at 67.27% as of 31 December 2023.

Shareholders	Group	Shareholding Amount (TL)	Shareholding (%)
İş Yatırım Menkul Değerler A.Ş.	A	2,347,411	1.46
İş Yatırım Menkul Değerler A.Ş.	B	44,106,690	27.47
T.Sınai Kalkınma A.Ş.	B	9.346,475	5.82
Yatırım Finansman Menkul Değerler A.Ş.	A	1,185,072	0.73
Yatırım Finansman Menkul Değerler A.Ş.	B	632,039	0.40
Anadolu Hayat Emeklilik A.Ş.	A	592,536	0.37
Anadolu Hayat Emeklilik A.Ş.	B	870,929	0.54
Other	B	101,518,132	63.21
<b>Total</b>		<b>160,599,284</b>	<b>100.00</b>

The Company's capital is divided into 16,059,928,400 shares, each share having a nominal value of 1 (one) Kurus, with a portion amounting to TRY 4,125,019 of the shares consisting of Group (A) shares and a portion amounting to TRY 156,474,265 of the shares consisting of Group (B) shares. In respect of the election of members of the Board of Directors, each Group (A) share carries 1,000,000 (One Million) voting rights for the holders, and each of the Group (B) shares carries 1 (one) voting right to the holders.

#### II. BOARD OF DIRECTORS AND ORGANIZATIONAL STRUCTURE

As a result of the Annual General Meeting held on 22 March 2023, the election of the Members of the Board of Directors was registered to serve until 22 March 2024 and none of the other members with the exception of the General Manager hold executive duties in our Company.

Full Name	Position	Date of Election
İzlem Erdem	: Chairperson	22 March 2023
Önder Topal	: Deputy Chairperson	22 March 2023
Volkan Kublay	: Member - General Manager	22 March 2023
Prof. Dr. Şule İşınsu Özmen	: Member (Independent)	22 March 2023
Bora Oruç	: Member (Independent)	22 March 2023
Hakan Gökhan	: Member	22 March 2023
Dr. Cansel Nuray Aksoy	: Member	22 March 2023

## İŞ YATIRIM ORTAKLIĞI A.Ş.

### ANNUAL REPORT OF THE BOARD OF DIRECTORS FOR THE PERIOD BETWEEN 1 JANUARY - 31 DECEMBER 2023

The CVs and duties assigned to the members of the Board of Directors are as follows:

#### İZLEM ERDEM CHAIRPERSON

İzlem Erdem completed her school education at the Istanbul Kadıköy Anatolian High School in 1986 and graduated from the Department of Economics, Faculty of Economics and Administrative Sciences, of Marmara University in 1990. She attended the Advanced Management Program at the Harvard Business School in 2016. Joining İşbank in 1990 as an Assistant Specialist at the Economic Research Division, she was appointed as an Assistant Manager in the same division in 1998. Serving in the Capital Markets Division after 2000, Ms. Erdem became Department Manager in the same division in 2004, being appointed as the Head of Economic Research Division in 2008 and starting to serve as the Chief Economist in 2018. Ms. Erdem was appointed to the position of Deputy Chief Executive in March 2022. In addition to her duty in the bank, she also served as a Member of the Audit and Board at İş Bank's subsidiaries, Anadolu Hayat Emeklilik A.Ş. and İş Yatırım Menkul Değerler A.Ş., as Deputy Chairperson of the Board of Directors at İş Portföy Yönetimi A.Ş., as a member of the Board of Directors at Şişecam A.Ş. and a Member of the Board at Birleşik İpotek Finansmanı A.Ş. Ms. Erdem serves as the Chair of the Board of Directors of İncece Tarım Platform Elek.Hiz.Tic.A.Ş. and has been serving as the Chair of the Board of Directors in our Company since 22 March 2022.

#### ÖNDER TOPAL DEPUTY CHAIRPERSON

Graduated from the Department of International Relations at the Faculty of Economics and Administrative Sciences at the Middle East Technical University in 1993, Mr. Önder Topal started working as an Assistant Credit Specialist Intern at the Istanbul Intelligence Directorate of Türkiye İş Bankası in the same year. Mr. Topal became Deputy Regional Manager in the SME Loans Allocation Department of the Istanbul Maltepe Regional Directorate in 2003, Unit Manager in the Retail Banking Sales Department in 2007 and Retail Banking Product Department Manager in 2010. Önder Topal, who worked as the Manager of the Sultanhamam/Istanbul Branch in 2011 and the Manager of the Hadımköy Commercial/Istanbul Branch in 2015 has been serving as the Manager of the Bakırköy/Istanbul branch since 30 June 2020. Mr. Topal has been the Deputy Chairperson of the Board of Directors at our Company since 22 March 2022.

#### VOLKAN KUBLAY MEMBER AND GENERAL MANAGER

Graduating from the Department of Economics (English) at the Faculty of Economics and Administrative Sciences at Marmara University in 1998, Mr. Kublay started to work as an Assistant Auditor at Türkiye İş Bankası A.Ş. in 2000. He continued to work as an Auditor between 2000 and 2008, being appointed as the Assistant Manager at the Subsidiaries Department in 2008 and promoted to the position of Unit Manager of the department in 2012. Serving as a Board Member in various subsidiaries of Türkiye İş Bankası A.Ş. in the field of finance and the capital markets, Mr. Kublay was appointed to serve as the General Manager of our Company on 5 September 2022. Mr. Kublay was elected as a Member of the Board of Directors of our Company on 22 March 2023.

## İŞ YATIRIM ORTAKLIĞI A.Ş.

### ANNUAL REPORT OF THE BOARD OF DIRECTORS FOR THE PERIOD BETWEEN 1 JANUARY - 31 DECEMBER 2023

PROF.DR. İŞINSU ÖZMEN  
INDEPENDENT MEMBER

Having graduated from the Department of Economics at the Faculty of Economic and Administrative Sciences at the Middle East Technical University in 1981, Ms. Özmen completed a Master's degree from the Department of Economics, Faculty of Economics and Administrative Sciences at the Middle East Technical University and Marmara University, and her doctorate at the Department of Econometrics, Marmara University. Having served as a research associate at the Faculty of Economics and Administrative Sciences at the Middle East Technical University between 1981 - 1985 and Marmara University between 1985 - 1992, Ms. Özmen continued her academic career at the Marmara University. She has been serving as a lecturer at the Faculty of Economics and Administrative Sciences at Istanbul Bilgi University since 2009, and as a Member of the Board of Directors of our Company since 22 March 2018.

BORA ORUÇ  
INDEPENDENT MEMBER

Having graduated from the Department of Economics in the Faculty of Economics and Administrative Sciences at the Middle East Technical University in 1999, Mr. Oruç started his career as an Assistant Specialist at the Capital Markets Board in the same year. After serving as a Specialist at the Supervision Department and the Intermediation Activities Department at the Capital Markets Board, Mr. Oruç completed a Master of Business Administration (MBA) at the Judge Business School at Cambridge University in 2009. Between April 2014 and November 2020, Mr. Oruç served as the Vice President in charge of development, regulation, supervision, issuance and recognition processes and activities with respect to the publicly-held companies, capital market instrument issuances, investment firms, corporate investors and the financial infrastructure firms within the organization of the Capital Markets Board. Having held office as a Member of the G20 Financial Stability Board Regulatory Cooperation Standing Committee during the period between October 2017 and November 2020, Mr. Oruç also served as the Chairperson of the Board of Directors of Merkezi Kayit Kurulusu A.S. between September 2018 and November 2020. Bora Oruç currently holds office as the Managing Partner at OMG Capital Partners and as a member of the Board of Directors at Eliptik Yazılım ve Ticaret A.Ş. and Inveo Yatırım Holding A.Ş., and has been serving as a Member of the Board of Directors of our Company since 23 March 2021.

HAKAN GÖKHAN  
MEMBER

Born in Erzurum in 1973, Hakan Gökhan graduated from the Department of Business Administration Faculty of Economics and Administrative Sciences at Dokuz Eylül University. In 1996, he started working as a Candidate clerk at the Çarşı-Kadıköy Branch of Türkiye İş Bankası A.Ş. in İstanbul and became a representative in the Rıhtım-Kadıköy İstanbul Branch in 2000, a Sub-Manager in the same branch in 2005 and the Deputy Regional Manager of Commercial Sales in the Kocaeli Regional Sales Directorate in 2007. He was appointed as the Manager of the Eskişehir Commercial Branch in 2011, as the Manager of the Kozyatağı Commercial/İstanbul Branch in 2015, and as the Manager of the Trakya Commercial/Tekirdağ Branch in 2017. Appointed as the Manager of the İkitelli Commercial/İstanbul Branch on 30 January 2020, Mr. Gökhan has been the Manager of Bursa Corporate Branch since 29 July 2022. Mr. Gökhan has been a Member of the Board of Directors of our Company since 22 March 2022.

## İŞ YATIRIM ORTAKLIĞI A.Ş.

### ANNUAL REPORT OF THE BOARD OF DIRECTORS FOR THE PERIOD BETWEEN 1 JANUARY - 31 DECEMBER 2023

Dr. CANSEL NURAY AKSOY  
MEMBER

Having completed her undergraduate and graduate degrees from the Department of Business Administration at the Gazi University, Cansel Nuray Aksoy completed a doctorate in banking at the Finance Institute of Istanbul Commerce University. She started her career in İşbank in 1999 in the Foreign Exchange and Corporate Marketing departments of the Corporate and Commercial Branches and took on roles and continued working in Internal Control Department Branch audits, Human Resources Department Business Processes and Analysis, Recruitment and Orientation Training duties and HR transformation programs in the Change Management Department. Currently working as the Unit Manager in İşbank's Affiliates Department, Mrs. Aksoy also has duties in İş Yatırım Menkul Değerler A.Ş., Yatırım Finansman Menkul Değerler A.Ş., İş Girişim Bankası Yatırım Ortaklığı A.Ş., Efes Varlık Yönetimi A.Ş. and Batı Batı Karadeniz Elektrik Dağıtım ve Tic.A.Ş., Maxis Girişim Sermayesi Portföy Yönetimi A.Ş., Yüzüncü Yıl Teknoloji Girişimleri A.Ş. and Levent Varlık Kiralama A.Ş. She is a Member of the Board of Directors and has duties in the Investment Committees of Venture Capital Investment Funds (GSYF) established by Maxis Girişim Sermayesi Portföy Yönetimi A.Ş. Mrs. Aksoy, who has been serving as a Member of the Board of Directors of our Company since 2 September 2022, is also a Member of the Early Detection of Risk Committee and Corporate Governance Committee.

#### **MEMBERS OF THE BOARD OF DIRECTORS WHO HELD OFFICE AND RESIGNED WITHIN THE REPORTING PERIOD**

No Board Members resigned within the reporting period.

#### **COMMITTEES:**

##### AUDIT COMMITTEE:

Prof. Dr. Şule Işınsu Özmen : Chairperson  
Bora Oruç : Member

##### CORPORATE GOVERNANCE COMMITTEE:

Prof. Dr. Şule Işınsu Özmen : Chairperson  
Dr. Cansel Nuray Aksoy : Member  
F. Nilüfer Başarır Kutlutürk (\*) : Member

(\*) Director in charge of investor relations.

##### COMMITTEE FOR EARLY DETECTION OF RISK:

Bora Oruç :Chairperson  
Dr. Cansel Nuray Aksoy :Member

##### MANAGEMENT:

Volkan Kublay : General Manager

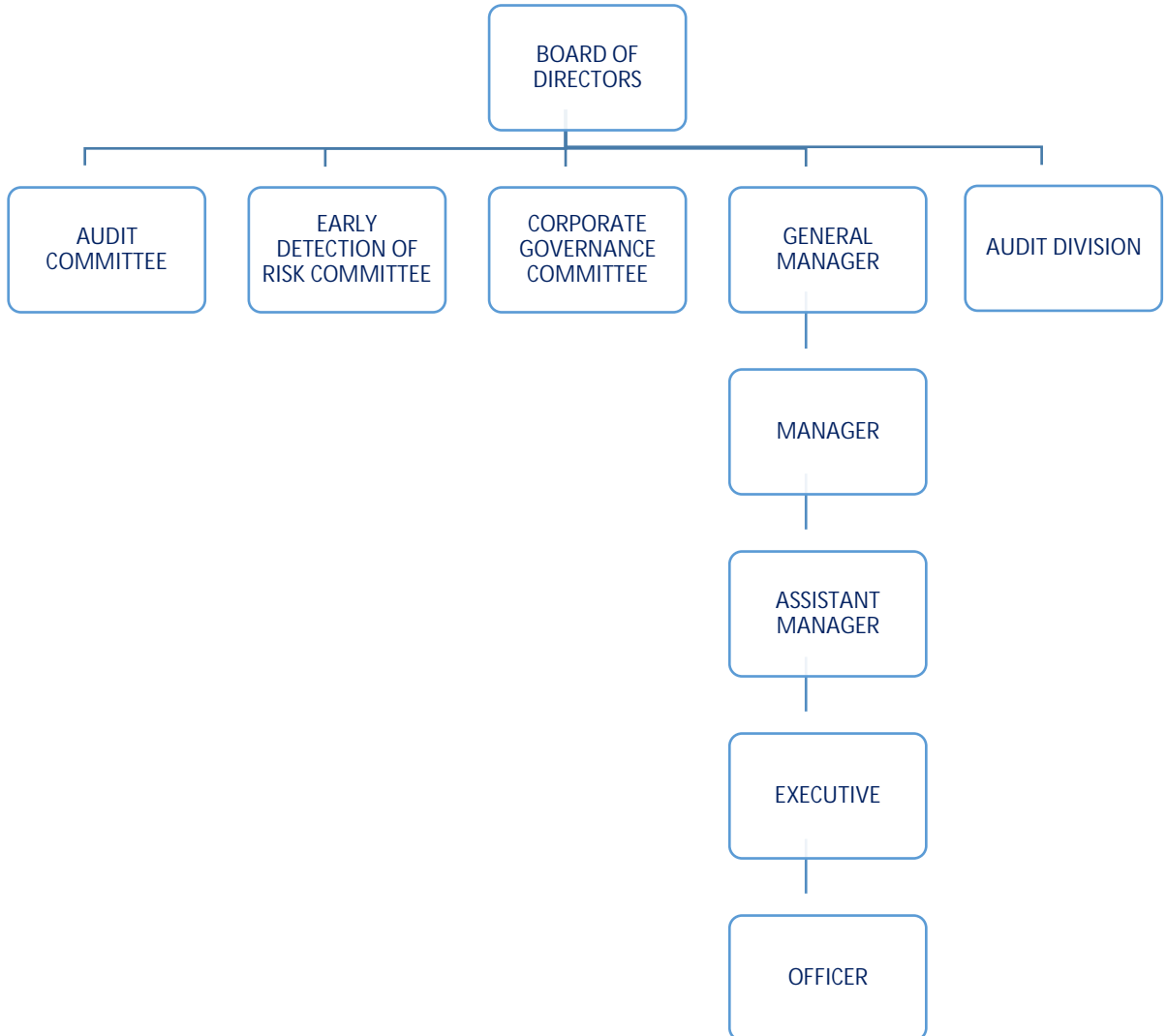


## İŞ YATIRIM ORTAKLIĞI A.Ş.

### ANNUAL REPORT OF THE BOARD OF DIRECTORS FOR THE PERIOD BETWEEN 1 JANUARY - 31 DECEMBER 2023

The Audit Committee, the Early Detection of Risk Committee and the Corporate Governance Committee, established within the scope of relevant legislation, carry out their work under the Board of Directors. There were six personnel in the Company as of 31 December 2023. There is no collective agreement practice in our Company, whose organizational chart is provided below, and the relevant legislation and internal regulations are taken as a basis regarding the rights provided to employees.

#### İŞ YATIRIM ORTAKLIĞI A.Ş. ORGANIZATIONAL CHART



## İŞ YATIRIM ORTAKLIĞI A.Ş.

### ANNUAL REPORT OF THE BOARD OF DIRECTORS FOR THE PERIOD BETWEEN 1 JANUARY - 31 DECEMBER 2023

#### III. GENERAL OVERVIEW OF THE ECONOMY

The J.P. Morgan global composite PMI (Purchasing Managers Index), considered to be a leading indicator of global growth, averaged 51.7 in the first quarter of 2023, before edging up to an average of 53.8 in the second quarter, reflecting the rebound in economic activity. However, the index decreased to an average of 50.9 in the third quarter, due in large part to the impact of the slowdown in the service sector. While manufacturing sector activity remained feeble in 2023, service sector activity lost momentum in June. In its latest report, published in October, the IMF set out its expectation that global growth would stand at 3% in 2023, slowing slightly to 2.9% in 2024. The main factors affecting global markets in 2023 were the continuation of the war between Russia and Ukraine, the ongoing conflicts in the Middle East and the monetary tightening by central banks of developed countries. The US Federal Reserve (FED), European Central Bank (ECB) and Bank of England (BoE) continued monetary tightening as their efforts to tackle inflation. In 2023, the FED raised interest rates by a total of 100 basis points, the ECB by 200 basis points and the BoE by 175 basis points. The Bank of Japan (BoJ) maintained its ultra-loose monetary policy during this period. Inflation in developed countries duly started to decline on the back of the monetary tightening.

The Turkish economy realised 4.7% year-on-year growth in the first three quarters of 2023, with domestic demand contributing 9.7 percentage points to this growth. The year started with buoyant economic activity, with the two major earthquakes which struck our country in February only having a limited impact on the economy. While consumption expenditures remained relatively strong throughout the year, a weaker outlook was observed in production due to the effect of the course of exports. As a matter of fact, real credit card expenditures, reflecting the strength of domestic demand, showed that consumption remained resilient, although losing momentum. Although there is a loss of momentum in terms of the main trend in growth due to the monetary tightening that has been implemented in our country since the second half of the year, real growth is expected to be 4.4% for the whole of 2023, which will be in line with the Medium Term Program target. It is also estimated that real growth will be 3.4% in 2024.

The annual rate of CPI inflation, which stood at 64.3% at the end of 2022, decreased to 38.2% in June before rising to 61.5% in the third quarter on the back of tax hikes, the depreciation in the Turkish Lira, pay rises implemented for the second half of the year and the base effect from past inflation indexation. According to the last announced data, the rate of CPI inflation in our country ended the year at 2023 at 64.77%.

While energy bills eased thanks to the more moderate course of global energy prices in 2023 compared to 2022, tourism receipts strengthened. The moderation in energy prices and rise in tourism revenues positively affected the current account balance, although the rise in gold imports was a negative factor. The 12-month rolling current account deficit, which ended 2022 at USD 49 billion, stood at approximately USD 50 billion as of November 2023. According to November data, there was a financing need of USD 58 billion, with USD 50 billion of this resulting from the current account deficit and USD 8 billion from monetary outflows of unknown origin. Currency and deposit transfers from abroad into the country met USD 28.3 billion of the financing need, with 16.8 billion of the financing

## İŞ YATIRIM ORTAKLIĞI A.Ş.

### ANNUAL REPORT OF THE BOARD OF DIRECTORS FOR THE PERIOD BETWEEN 1 JANUARY - 31 DECEMBER 2023

need met through loans, USD 7 billion through portfolio inflows, USD 4.5 billion through direct investments and USD 1.5 billion by the erosion in reserves. According to estimates based on preliminary data, the current account deficit is expected to conclude the year 2023 at USD 47 billion.

Meanwhile, the central government budget deficit, which stood at 0.9% of GDP at the end of 2022, widened to 3.7% in June. After the expansion in the budget deficit in the first half of the year due to spending commitments such as the regulation regarding retirement age, improvements in the old age pension, public sector pay, energy subsidies for housing and expenses related to the earthquakes, tax rises implemented in the second half were implemented with the aim of covering these costs. The budget deficit ended the year 2023 at 5.5% of GDP. In the Medium Term Program published in September, the budget deficit had been targeted to be 6.4% of GDP for 2023 and 2024.

The Central Bank of the Republic of Turkey (CBRT) left the policy rate on hold in the first meeting of 2023, while it cut the policy rate to 8.5% in February in an effort to limit the effects of the earthquake on the economy. In the three meetings following this meeting, the Central Bank kept interest rates on hold at 8.5%. However, after the general election and Presidential election held in May, the authorities in charge of managing the economy turned to conventional economic policies, and the CBRT officially initiated a phase of monetary tightening, with the CBRT raising the policy rate to 42.5% by the end of 2023. The rate hikes were supported by quantitative tightening and selective credit tightening measures within the scope of sterilization of excess liquidity in the market. In line with these steps, while credit growth slowed down, market interest rates increased in parallel with the policy rate.

In August, a number of regulations were announced with the aim of gradually reducing the Exchange Rate Protected Deposit system. Net international reserves reached USD 20.6 billion at the end of the third quarter as the figures responsible for the management of the economy prioritized reserve accumulation. With effect from June, the economic authorities turned towards conventional policies, a move welcomed by credit rating agencies with Fitch and S&P raising the outlook on Turkey's long-term foreign currency credit rating from negative to stable in September. Throughout the entire year of 2023, foreign investors directed a total of USD 5.3 billion in inflows to the domestic markets through the stock market, bond market and eurobond market.

#### IV. SECTOR OVERVIEW

Securities investment trusts are capital markets institutions which are incorporated in the form of joint-stock companies or on a registered capital basis in order to manage the blended portfolio of capital market instruments and gold and other precious metals which are traded on national and international exchanges or off-exchange organized markets.

The total net asset value stood at TL 1.2 billion according to the portfolio asset statements dated 31 December 2023 as most recently disclosed by securities investment trusts for the relevant period. The Company's net asset value, which stood at TL 371.1 million as of 31 December 2023, accounted for 30.39% of the industry's overall portfolio size.

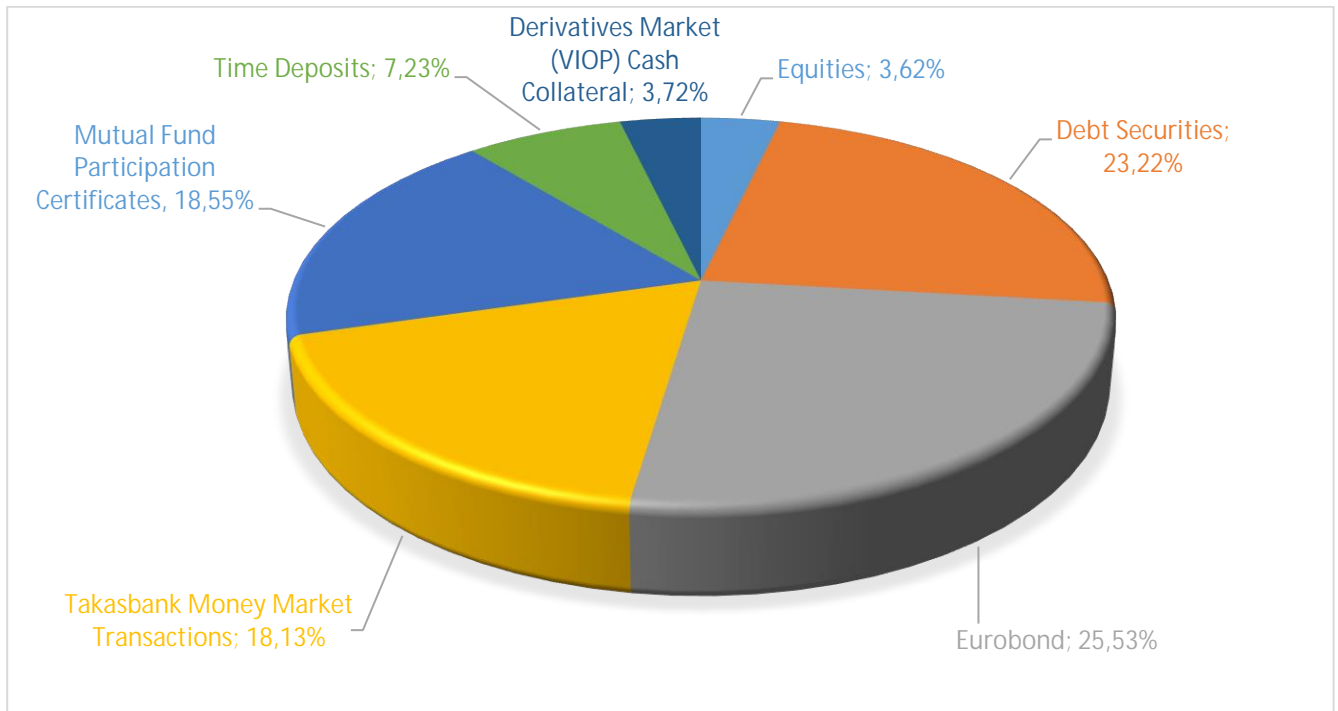
## İŞ YATIRIM ORTAKLIĞI A.Ş.

### ANNUAL REPORT OF THE BOARD OF DIRECTORS FOR THE PERIOD BETWEEN 1 JANUARY - 31 DECEMBER 2023

#### V. THE COMPANY'S OPERATIONS AND FINANCIAL STANDING

The Company's portfolio is managed professionally by Is Portfoy Yonetimi A.S. in accordance with the threshold value and investment strategy set out by the Board of Directors, in line with the principle of risk diversification.

As of December 2023, assets were allocated with 25.53% being Eurobonds, 23.22% being TL debt securities, 18.55% being mutual fund participation certificates, 18.13% being Takasbank Exchange Money Market transactions, 7.23% being time deposits, 3.62% being equities and 3.72% being Derivatives Market VIOP cash collateral.



The breakdown of the Futures Contracts in the Company's portfolio as of the end of the period were as follows;

The short position USDTRY contract with a maturity date of 31 January 2024 comprised 16.44% of the Net Asset Value.

The threshold value applicable during the period between 1 January 2023 – 31 December 2023, and the band ranges of the financial assets as covered by the investment strategy were as follows.

#### **Threshold Value:**

In respect of the performance benchmarking for the portfolio management, benchmark value targeting was maintained, with the benchmark return determined as the return of the "BIST TLREF Index" for 2023.

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### ANNUAL REPORT OF THE BOARD OF DIRECTORS FOR THE PERIOD BETWEEN 1 JANUARY - 31 DECEMBER 2023

The net periodic return of the portfolio during the performance period ending on 31 December 2023 was reported as 43.02%, and the rate of return of the benchmark index was reported as 21.10%. Any deviation between the rate of return of the portfolio as calculated as of the end of the performance period and the rate of return of the benchmark index is referred to as the relative rate of return. In respect of benchmarking of the performance of the portfolio, the relative rate of return was reported as 21.92% as of 31 December 2023 following the adjustment carried out with respect to the dividend paid during the year.

#### **Investment Strategy:**

0% - 100%	Corporate Debt Instruments
0% - 100%	Reverse Repo Transactions
0% - 100%	Eurobonds
0% - 100%	Equities
0% - 100%	Government Domestic Debt Securities
0% - 50%	Foreign Debt Instruments
0% - 20%	Takasbank Exchange Money Market Transactions
0% - 20%	Mutual Fund Participation Certificates (Including foreign funds)
0% - 20%	Foreign Equities
0% - 20%	Gold and Precious Metals and Capital Market Instruments backed by Gold and Precious Metals
0% - 10%	Time Deposit/Participation Accounts

#### **Key Financial Indicators as of 31 December 2023 and 31 December 2022;**

The following financial indicators are adjusted for inflation in accordance with the relevant accounting principles in Turkish Accounting Standard 29 "Financial Reporting in High Inflation Economies" (TAS 29) in accordance with decision 81/1820 taken by the Capital Markets Board dated 28 December 2023.

(TL)	31.12.2023	31.12.2022
Volume of Assets	372,997,938	528,657,061
Total Liabilities (Short+Long Term)	5,696,909	11,288,384
Paid-in Capital	160,599,284	160,599,284
Total Equity	367,301,029	517,368,677
Net Profit /(Loss)	(67,619,195)	(135,537,518)
Proceeds	643,970,328	569,026,710
Market Value	1,557,813,055	827,086,313
Final Closing Price	9.70	5.15
Total Equity / Total Assets	98.47%	97.86%

## İŞ YATIRIM ORTAKLIĞI A.Ş.

### ANNUAL REPORT OF THE BOARD OF DIRECTORS FOR THE PERIOD BETWEEN 1 JANUARY - 31 DECEMBER 2023

In accordance with the resolution adopted at the Annual General Meeting for 2022, held on 27 March 2023, cash dividends amounting to TL 56,209,749 - corresponding to 35% of the issued capital as of 27 March 2023 were distributed, and the closing price of TL 5.36 before the distribution, was adjusted to TRY 5 as of the opening on 27 March 2023.

The adjusted book value of the company had expanded by 43.02% as of 31 December 2023 upon the adjustment of the impact of the dividend paid.

#### **VI. CONSIDERATIONS REGARDING THE RISKS AND RISK MANAGEMENT SYSTEM:**

The Company's core business is portfolio management. Due to the fact that it deposits the entirety of its resources into monetary and capital market instruments in accordance with the nature of its business, the Company is exposed to market risk to such an extent that may be considered significant. Market risk is the likelihood that losses will be incurred due to risks such as interest rate risk, equity risk, derivatives risk and exchange rate risk, which may emerge in connection with changes in interest rates, exchange rates and equity prices as a consequence of the volatilities in the financial markets. As of December 2023, the foreign currency risk was managed by taking the USDTRY contract short position in the futures market arising from the Eurobond position.

The Company values its securities on the basis of current market values and monitors the portfolio variations on a daily basis, and outsources the regular calculation and reporting of the portfolio risk in accordance with the risk management system that has been established. The relevant reports are assessed and reviewed by the Committee for Early Detection of Risk and by the Board of Directors, and efforts are undertaken to ensure that the risk management system functions effectively.

The effectiveness of the risk management system and the models and parameters in use were reviewed by the Committee for Early Detection of Risk in 2023. The model used for the risk measurement and risk management of the positions taken within the Company's portfolio has generated consistent results, and the risk management system has been seen to have functioned effectively. In accordance with the decision taken by the Board of Directors, the daily value at risk / portfolio value ratio is monitored and maintained at a maximum of 4% in our Company. As a result, the Board of Directors is informed of any issues evaluated in the Early Detection of Risk Committee, and decision mechanisms are operated at the Board of Directors level when necessary regarding the management, monitoring and measurement of risk.

#### **VII. INTERNAL CONTROL ACTIVITIES:**

For the purpose of ensuring that any and all operations and transactions of the Company are carried out in a manner which is orderly, effective and efficient in accordance with the regulations, the articles of association and internal regulations, to ensure the reliability and integrity of the order of the accounts, documentation and records, and to prevent and determine any incidences of error, fraud or irregularities, an internal control system was established in 2011, with İş Yatırım Menkul Değerler A.Ş. accordingly starting to provide services for this purpose. Following the establishment of the Auditing Unit within the Company's structure on 1 August 2014, internal control activities were assumed by the unit from the said date. Accordingly, internal control activities are carried out on a regular basis and internal

## İŞ YATIRIM ORTAKLIĞI A.Ş.

### ANNUAL REPORT OF THE BOARD OF DIRECTORS FOR THE PERIOD BETWEEN 1 JANUARY - 31 DECEMBER 2023

control reports, prepared on a monthly basis, are submitted for pursual by the Board of Directors. All efforts are made to ensure that the internal control system functions effectively. The Board of Directors did not receive notification of any negative findings or additional opinion with respect to the functioning and effectiveness of the internal control system.

#### **VIII. COMMITTEES OF THE BOARD OF DIRECTORS:**

The committees established by the Board of Directors and the members appointed to serve in them are listed in the second section of this report. All members of the Audit Committee as well as the chairpersons of the other committees are independent members of the Board of Directors. The risk reports, drawn up as a part of the Company's risk management system, are assessed by the Committee for Early Detection of Risk, and in the cases where an increase in risk has been detected, proper actions are taken to identify the measures to be taken, with the Board of Directors being informed accordingly.

The Corporate Governance Committee, which also assumes the functions of the Nomination and Remuneration committees, is responsible for monitoring the proper implementation of the Corporate Governance Principles and identifying any potential conflicts of interest that might arise in relation to any failure in such proper implementation, and in cases where it may deem necessary, to take measures aimed at improvement and to inform the Board of Directors of the matter.

The Audit Committee is responsible for the accounting system, the public disclosure of financial information and the appointment of the independent auditor, the functioning and effectiveness of the internal control system and the observation of the independent audit processes. Accounting and internal control systems, independent auditing and financial reporting processes were monitored throughout the year and no written reporting was submitted to the Board of Directors, and it was concluded that all required actions had been duly taken, since no negative findings were identified. The Board of Directors was informed accordingly during each quarterly accounting period, and actions were taken based on the resolution adopted by the Board of Directors. Due care is taken to ensure the effective functioning of the committees in accordance with the requirements and functionality of the Company's business. The Committee for Early Detection of Risk convenes at least six times a year and other committees convene at least four times a year, and whenever deemed necessary.

#### **Financial benefits granted to the Members of the Board of Directors and Senior Executives**

The members of the Board of Directors receive an attendance fee, as approved in the Annual General Meeting, on a monthly basis. The total remuneration and financial benefits paid to members of the Board of Directors and senior executives of the Company amounted to TRY 7,070,452 in 2023.

## İŞ YATIRIM ORTAKLIĞI A.Ş.

### ANNUAL REPORT OF THE BOARD OF DIRECTORS FOR THE PERIOD BETWEEN 1 JANUARY - 31 DECEMBER 2023

#### IX. RELATED PARTY TRANSACTIONS:

The amounts of transactions executed by and between our Company and related parties between 1 January – 31 December 2023, as well as the respective entities are provided below and the detailed explanations of such transactions is provided in the footnotes to our financial statements.

<b>Commissions and charges paid to the related parties within the accounting period (*)</b>	<b>(TL)</b>
İş Yatırım Menkul Değerler A.Ş.	1,513,574
İş Portföy Yönetimi A.Ş.	5,926,964
Türkiye İş Bankası A.Ş.	1,293,240
İş Merkezleri Yönetim ve İşletim A.Ş.	550,880
İşnet Elektronik Bilgi Üretim Dağıtım Tic. ve İletişim Hiz. A.Ş.	380,312
Anadolu Anonim Türk Sigorta Şirketi	50,041
Anadolu Hayat Emeklilik A.Ş.	18,677
<b>Total</b>	<b>9,733,688</b>

(\*) The figures are indexed values with inflation accounting applied within the scope of TAS 29.

Additionally, in the accounting period ending 31 December 2023, indexed term deposit interest income of TL 550,916 was obtained from Türkiye İş Bankası A.Ş. The concluding section of the Affiliate Report for 2023, which was drawn up in line with Section 199 of the Turkish Commercial Code Nr. 6102, is as follows.

"The business transactions, executed by and between our Company and İş Yatırım Menkul Değerler A.Ş., Türkiye İş Bankası A.Ş. and such other group companies during the 2023 accounting year, the details of which are provided in the report, are the transactions as required in line with the Company's business, and such transactions were executed on the basis of the 'at arm's length' principle. No decisions were taken against our Company and no transactions between the controlling company or any of its affiliates and our Company were carried out upon instruction of the controlling company."



## İŞ YATIRIM ORTAKLIĞI A.Ş.

### ANNUAL REPORT OF THE BOARD OF DIRECTORS FOR THE PERIOD BETWEEN 1 JANUARY - 31 DECEMBER 2023

#### X. MAJOR DEVELOPMENTS FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2023:

##### **Annual General Meeting and the Distribution of Profit:**

The Company's Annual General Meeting for 2022 was held on 22 March 2023 both physically and electronically. The announcement for the meeting included details of the agenda and the date and address of the meeting, the principles for attending the meeting and the form of the power of attorney, and the information document covering details pertaining to the total voting rights and the privileged shares were published on the Public Disclosure Platform and also on the website of the Company. The minimum quorum of 25% was applied for the meeting in accordance with the applicable regulations, with an attendance rate of 40.5% for shareholders at the meeting while all privileged shares were represented in the meeting. No members of the press attended the meeting, while a representative of the independent auditing firm attended on behalf of the stakeholders.

The meeting was announced with the aim of being received by a maximum number of shareholders, with the announcement released through the Public Disclosure Platform, the electronic general meeting system of the Central Securities Depository, the Company's website and the Trade Registry Gazette, at least 3 weeks in advance of the date of the meeting. The financial statements, the annual report, the independent auditing report and the profit distribution statement were published electronically and made available at the Company's Head Office before the meeting. None of the shareholders exercised their right to inquiry, or requested the addition of any item to the agenda during the meeting. The full minutes of the meeting and the list of attendees were released to the public through the electronic general meeting system of the Central Securities Depository, on the Public Disclosure Platform and on the Company's website, and were also made available to shareholders at the Head Office.

During the annual general meeting, members of the Board of Directors were elected to serve until 22 March 2024 and it was resolved that cash dividends amounting to TL 56,209,749 – amounting to 35% of the issued capital and to be covered from the Company's distributable 2022 profit, would be distributed, with the distribution starting on 27 March 2023 and being completed on 29 March 2023.

In addition, in the Annual General Meeting, it was resolved that Guney Bagimsiz Denetim ve Serbest Muhasebeci Mali Musavirlik A.S. would be elected to serve as the independent auditor for 2023 and that the members of the Board of Directors would be authorized to perform the transactions as specified in Sections 395 and 396 of the Turkish Commercial Code. It was also resolved that the upper limit for donations to be made within 2023 would be TL 700,000, and it has been announced that the Company had provided a donation of TL 500,000 to the Disaster and Emergency Management Directorate following the Kahramanmaraş earthquakes in 2023.

##### **Amendment to the Articles of Association:**

An application was submitted to the relevant legal authorities to amend Articles 16 and 21 of the Company's Articles of Association so that the General Manager of the Company could also be elected as a Member of the Board of Directors. The application was approved by the Capital Markets Board as set out in the letter numbered E-12233903-305.14-32888, T.R dated 8 February 2023. The draft amendment to the Articles of Association of our Company, which was approved by the letter of the General Directorate of Domestic Trade of the Ministry of Commerce dated 20 February 2023 and numbered E-50035491-431.02-00082923519, was approved by shareholders at the Annual General Meeting dated 22 March 2023. The parts of the relevant articles which contain the changes are listed below.

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#### New Text

#### **Term of Duty of the Board of Directors**

**Article 16-** The affairs and management of the company is carried out by a Board of Directors consisting of between 5 (five) and 7 (seven) members to be elected for a period of 1 (one) year until the Annual General Meeting of the following year, with the majority of members being non-executive officers in accordance with the provisions of the Turkish Commercial Code and the Capital Markets legislation. In the election of the members of the board of directors, each group (A) share has 1,000,000 (one million) voting rights, and each group (B) share has 1 (one) voting right. The Board of Directors elects a chairperson and at least one vice chairperson from among its members every year. The General Manager of the Company may be elected as a Member of the Board of Directors.

#### **General Manager and Managers**

**Article 21-** A General Manager and a sufficient number of Managers are appointed by the Board of Directors to carry out the Company's affairs. The person who will serve as general manager must meet the conditions specified in the Capital Markets legislation and the Turkish Commercial Code. The General Manager must be employed exclusively and on a full-time basis for this duty. The position of the general manager may not be delegated for more than three months within a 12-month period. At the end of this period, the person serving as the General Manager may not be reappointed to this position. The General Manager is responsible for managing the company in line with the decisions of the Board of Directors and in accordance with the provisions of the Commercial Code, the Capital Markets and other relevant legislation.

#### **XI. DIVIDEND DISTRIBUTION POLICY:**

In accordance with the resolution, adopted at the meeting of the Board of Directors dated 26 February 2014, the Dividend Distribution Policy was revised as follows and was approved at the Annual General Meeting held on 26 March 2014. Accordingly, the principles for the dividend policy are set out as follows.

- In accordance with Article 33 of the Articles of Association, at least the 20% of the net distributable profit of the Company is required to be distributed in cash as the primary dividend.
- A dividend policy as based on proposal of distribution of the amount corresponding to either the 5% of the value of the net assets as of the end of the previous year, or 30% of the net distributable profit for the current year, whichever is higher, in cash, to the Shareholders' General Meeting, has been adopted.
- The cash dividend distribution shall be carried out no later than the end of the second month following the date of the Annual General Meeting during which the resolution for distribution of the profit was adopted. The dividend distribution in the form of registered shares shall be performed in accordance with statutory authorizations obtained for such purpose.

## İŞ YATIRIM ORTAKLIĞI A.Ş.

### ANNUAL REPORT OF THE BOARD OF DIRECTORS FOR THE PERIOD BETWEEN 1 JANUARY - 31 DECEMBER 2023

- Unless the cash dividend, determined for the shareholders by means of a resolution to be adopted at the Annual General Meeting, is paid, no dividend shall be distributed to members of the board of directors or employees of the Company.

#### **XII. OTHER CONSIDERATIONS AND REMARKS:**

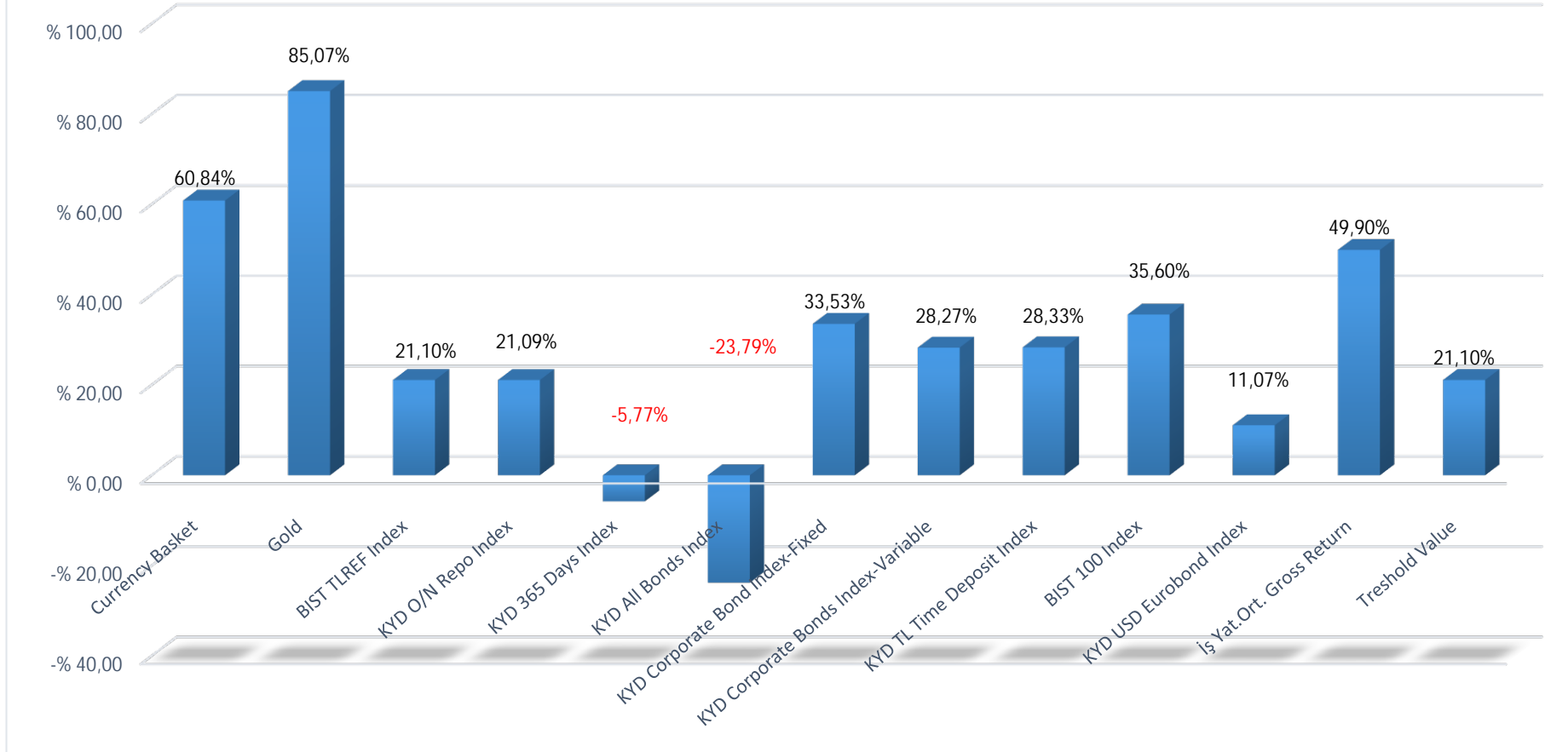
- In line with the Capital Markets Board's decision numbered 81/1820 and dated 28 December 2023 and our Company's financial statements, the annual financial statements are presented in accordance with Turkish Accounting Standard 29 "Financial Reporting in High-Inflation Economies" ( TMS 29), starting with the accounting periods ending 31 December 2023 after having been adjusted for the inflation effect in accordance with the relevant accounting principles.
- Although the Company recorded a net period loss in 2023 as a result of the implementation of the "Financial Reporting in High Inflation Economies" (TMS 29) Standard, the Company's current equity is sufficient according to the relevant provisions of the Turkish Commercial Code. Therefore, it was determined that there was no need to carry out remedial measures regarding the financial structure of the Company.
- In 2023, cash donations amounting to TL 500,000 were made to the Disaster and Emergency Management Directorate.
- No administrative and/or judicial sanctions were imposed on any Members of the Board of Directors.
- No claims were filed against our Company during the year.
- No judicial sanctions were imposed against the Company in 2023. However, an administrative fine of TL 3,352 was imposed against our Company by the Social Security Institution in September 2023, with the fine duly paid.
- The Company is not engaged in any research and development activities as part of the company's activities.
- The Company's detailed portfolio value statement as of the end of 2023 and the statement of the return of financial assets in 2023 are provided below.

# İŞ YATIRIM ORTAKLIĞI A.Ş.

## ANNUAL REPORT OF THE BOARD OF DIRECTORS FOR THE PERIOD BETWEEN 1 JANUARY - 31 DECEMBER 2023

İŞ YATIRIM ORTAKLIĞI A.Ş.											
PORTFÖY DEĞER TABLOSU											
Menkul Kıymetin Türü	İhraççı Kurum	Vade	Kıymet Tanımı	Faiz Odeme Sayısı	Nominal Değer/Kontrat Sayısı	Birim Alış Fiyatı	Günlük Birim Değer	Toplam Değer	Grup (%)	Toplam (%)	F.T.D. (%)
<b>A. HİSSE SENEDİ</b>											
Teknoloji	ASELSAN ELEKTRONİK SANAYİ VE TİCARET A.Ş.		ASELS		300,000.00	42.50	44.98	13,494,000.00	100.00%	3.62%	3.64
ARA GRUP TOPLAMI					300,000.00			13,494,000.00		3.62%	3.64
GRUP TOPLAMI					300,000.00			13,494,000.00		3.62%	3.64
<b>B. BORÇLANMA SENETLERİ</b>											
<b>ÖZEL SEKTÖR TAHVİL</b>											
	AK YATIRIM MENKUL DEĞERLER A.Ş.	09.02.2024	TRFAKYM2418	6	5,000,000.00	100	110.364083	5,518,204.17	6.37%	0.0148	1.49
	QNB FİNANSBANK A.Ş.	09.02.2024	TRFFNBK22413	0	7,500,000.00	87.793	97.21255	7,290,941.25	8.41%	0.0195	1.96
	OYAK YATIRIM MENKUL DEĞERLER A.Ş.	14.03.2024	TRFOYMD32413	0	25,000,000.00	89.122	91.9656	22,991,400.00	26.53%	0.0616	6.2
	YAPI VE KREDİ BANKASI A.Ş.	15.03.2024	TRFYKBK32443	0	20,000,000.00	91.125	91.77049	18,354,098.00	21.18%	4.92%	4.95
	COCA-COLA İÇECEK A.Ş.	01.10.2025	TRSCOLAE2518	3	5,220,000.00	100	100.562576	5,249,366.45	6.06%	1.41%	1.41
	GARANTİ BANKASI	14.02.2030	TRSGRAN23013	3	5,500,000.00	100	106.39936	5,851,964.79	6.75%	1.57%	1.58
	KOÇ FİNANSMAN A.Ş.	02.12.2025	TRSKCTFA2513	2	6,160,000.00	100	103.902564	6,400,397.96	7.39%	1.72%	1.72
	OPET PETROLÇÜLÜK A.Ş.	14.02.2024	TRSPAS22418	3	1,360,000.00	100	107.05538	1,455,953.17	1.68%	0.39%	0.39
	T. ŞİŞE VE CAM FABRİKALARI A.Ş.	04.11.2025	TRSSISEK2519	3	5,570,000.00	100	109.122501	6,078,123.33	7.01%	1.63%	1.64
	T.HALK BANKASI A.Ş.	22.10.2027	TRSHALE2716	1	1,000,000.00	100.50	102.345667	1,023,456.67	1.18%	0.27%	0.28
	TÜRKİYE VAKIFLAR BANKASI T.A.O.	06.09.2027	TRSVKB92719	3	600,000.00	100.64	101.672629	610,035.77	0.70%	0.16%	0.16
	YAPI VE KREDİ BANKASI A.Ş.	20.06.2029	TRSYKBK62914	3	5,000,000.00	104.064	116.462469	5,823,123.47	6.72%	1.56%	1.57
GRUP TOPLAMI					87,910,000.00			86,647,065.03		23.22%	23.35
<b>C. YABANCI MENKUL KIYMETLER</b>											
		13.03.2025	US900123CX69	6	3,250,000.00	97.090139	99.548889	95,242,553.39	100.00%	25.53%	25.67
GRUP TOPLAMI					3,250,000.00			95,242,553.39		25.53%	25.67
<b>E. KATILMA BELGESİ</b>											
	İŞ PORTFOY YONETİM A.Ş. BİRİNCİ GAYRİMENKUL YATIRIM FONU		ISZ		2,478,762.00	4.31	6.869635	17,028,190.19	24.60%	4.56%	4.59
	İŞ PORTFOY HEDEF SERBEST FON		IYR		175,095,394.00	0.07	0.088386	15,475,981.49	22.36%	4.15%	4.17
	İŞ PORTFOY PARA PİYASASI FONU		TI1		7,882.00	506.16	536.383911	4,227,777.99	6.11%	1.13%	1.14
	İŞ PORTFOY YABANCI HİSSE SENEDİ FONU		TMG		27,251,427.00	0.28	0.54506	14,853,662.80	21.46%	3.98%	4
	İŞ PORTFOY ALTIN FONU		TTA		83,861,865.00	0.117398	0.210278	17,634,305.25	25.48%	4.73%	4.75
GRUP TOPLAMI					288,695,330.00			69,219,917.72		18.55%	18.65
<b>J. VADELİ MEVDUAT</b>											
	AKBANK T.A.Ş.	01.03.2024	TRY Mevduat		8,500,000.00	100	104.135499	8,851,517.45	32.82%	2.37%	2.39
	T.C. ZİRAAT BANKASI A.Ş.	26.01.2024	TRY Mevduat		8,754,034.46	100	101.756508	8,907,799.78	33.03%	2.39%	2.4
	T.HALK BANKASI A.Ş.	19.01.2024	TRY Mevduat		9,000,000.00	100	102.368879	9,213,199.09	34.16%	2.47%	2.48
GRUP TOPLAMI					26,254,034.46			26,972,516.32		7.23%	7.27
<b>K. BORSA PARA PİYASASI</b>											
		02.01.2024			60,058,688.88	100	100.471233	60,058,688.88	88.77%	16.10%	16.18
		02.01.2024			7,598,639.34	100	100.471233	7,598,639.34	11.23%	2.04%	2.05
GRUP TOPLAMI					67,657,328.22			67,657,328.22		18.13%	18.23
<b>M. TEMİNAT İŞLEMLERİ</b>											
			TRY Teminat		13,882,447.75	1	1	13,882,447.75	100.00%	3.72%	3.74
GRUP TOPLAMI					13,882,447.75			13,882,447.75		3.72%	3.74
PORTFÖY DEĞERİ TOPLAMI								373,115,828.43			
HAZİR DEĞERLER (+)								25,693.81			
ALACAKLAR (+)								67,816.79			
DİĞER AKTİFLER (+)								206,351.85			
BORÇLAR (-)								2,338,148.55			
TOPLAM DEĞER								371,077,542.33			
TOPLAM DEĞER/PAY SAYISI								2,310,580			
<b>VOB SOZLEŞMELERİ</b>											
	Kısa	31.01.2024	F_USDTRY0124 (SHORT)		-2,000.00	30.290317	30.4962	-60,992,400.00	0.00%	-16.35%	-16.44
GRUP TOPLAMI					-2,000.00			-60,992,400.00		-16.35%	-16.44

## 2023 COMPERATIVE RETURNS OF FINANCIAL ASSETS



(\*) The figure represents the gross return of our company.

## **EXPLANATIONS ON CORPORATE GOVERNANCE PRACTICES IN 2023**

### **PART I - STATEMENT OF COMPLIANCE WITH PRINCIPLES OF CORPORATE GOVERNANCE**

İş Yatırım Ortaklığı A.Ş., which has adopted the principles of transparency, equality, responsibility and accountability, complies with all of the Corporate Governance Principles which are required to be implemented in accordance with Corporate Governance Communique II-17.1, promulgated by the Capital Markets Board, and almost all of the non-compulsory principles set out under the communique. The small number of principles which are not implemented, which constitute an exception, do not lead to any conflict of interest. The Company's position in respect of the Framework For Compliance with Sustainability Principles is provided below.

In accordance with the Capital Markets Board resolution 2/49 dated 10 January 2019, the Corporate Governance Compliance Report numbered II-17.1 shall be drawn using templates for the Corporate Compliance Report (URF) and Corporate Governance Information Form (KYBF) on the Public Disclosure Platform (KAP). Such reports are accessible from the link [www.kap.org.tr/tr/sirket-bilgileri/ozet/989-is-yatirim-ortakligi-a-s](http://www.kap.org.tr/tr/sirket-bilgileri/ozet/989-is-yatirim-ortakligi-a-s). Explanatory information pertaining to the reports to be drawn up using the templates, is provided below.

### **PART II - SHAREHOLDERS**

#### **2.1 Investor Relations Department**

A separate Investor Relations Department has not been established within the Company's organizational structure and it has been resolved that the functions of the department, as set out in Article 11 of the corporate governance communique, shall be carried out by F.Nilufer Basarir Kutluturk, who works under the title of Manager and holds a Level 3 License for Capital Market Activities, reporting to the General Manager Volkan Kublay, who also holds a Level 3 License for Capital Market Activities, and Muazzez Demircan, who holds the position of Executive in the company, is appointed to fulfill these duties. The report regarding Investor Relations Activities was submitted to the Board of Directors on 21 December 2023. Investor Relations activities include correspondence between investors and the trust, ensuring retention of the records of other information and documentation on a sound, secure and up-to-date basis, responding to written or verbal inquiries from shareholders with respect to the trust as long as the content does not contain trade secrets, holding shareholders' general meetings in compliance with the applicable regulations and the articles of association, and activities in relation to compliance with the principles of corporate governance. A small number of requests for information received from investors by telephone and e-mail throughout the year were answered in accordance, with our Company not receiving any other requests for written information.

## İŞ YATIRIM ORTAKLIĞI A.Ş.

### ANNUAL REPORT OF THE BOARD OF DIRECTORS FOR THE PERIOD BETWEEN 1 JANUARY - 31 DECEMBER 2023

#### 2.2 Exercise of Shareholders' Right to Information

Any development which might affect the exercise of shareholder rights is announced on the Public Disclosure Platform and on the Company's website. Efforts are taken to swiftly reply to any other request for information received from shareholders. Even though the Company's Articles of Association do not contain any provisions regarding the appointment of a private auditor, shareholders may file a request for the appointment of a private auditor at the shareholders' meeting under the applicable regulations. No request was received for the appointment of a private auditor during the Annual General Meeting of shareholders held in 2023.

#### 2.3 General Meetings

The Company's Annual General Meeting for 2022 was held both physically and electronically on 23 March 2023 in Istanbul, where the head office of the Company is located. The announcement for the meeting included the details of the agenda and the date and the address of the meeting, as well as the principles for attending the meeting, the form of the power of attorney and the information document covering details regarding the total voting rights and preference shares was published on the Public Disclosure Platform, as well as the Company's website. The minimum quorum of 25% was met for the meeting in accordance with the applicable regulations, with 40.5% of shareholders attending the meeting with all holders of preferential shares attending the meeting. No members of the press attended the meeting, while a representative from the independent auditor, separate from stakeholders, also participated.

The meeting was announced with the aim of being received by a maximum number of shareholders, with the announcement released through the Public Disclosure Platform, the electronic general meeting system of the Central Securities Depository, the Company's website and the Trade Registry Gazette, at least 3 weeks in advance of the date of the meeting. The financial statements, the annual report, the independent auditing report and the profit distribution statement were published electronically and made available at the Company's Head Office before the meeting. None of the shareholders exercised their right to inquiry, or requested the addition of any item to the agenda during the meeting. The full minutes of the meeting and the list of attendees were released to the public through the electronic general meeting system of the Central Securities Depository, on the Public Disclosure Platform and on the Company's website, and were also made available to shareholders at the Head Office.

Information regarding the donations to charities made throughout 2022 was addressed as an individual agenda item during the Annual General Meeting and is provided within the annual report. The company donated TL 500,000 in cash to the Disaster and Emergency Management Directorate in the wake of the Kahramanmaraş earthquakes in 2023.

During the year, there were no incidences where, within the framework of regulations, a vote of majority of independent members was sought, and due to negative votes, the decision was deferred until the Annual General Meeting.

## İŞ YATIRIM ORTAKLIĞI A.Ş.

### ANNUAL REPORT OF THE BOARD OF DIRECTORS FOR THE PERIOD BETWEEN 1 JANUARY - 31 DECEMBER 2023

Throughout the year, there hasn't been any instance where, within the framework of regulations, a vote of the majority of independent members was sought, and due to negative votes, the decision was deferred to the general assembly.

No material transaction was carried out by any shareholder holding managerial control, any member of the Board of Directors, any executive with administrative responsibilities and the spouses, and those related by marriage up to second degree of such persons which may cause any conflict of interest for our Company. In addition, no transaction as a form of business falling into our Company's field of business was carried out on behalf of themselves or others. Furthermore, neither themselves nor others have conducted any transaction on behalf of our company in the type of commercial activity falling within our business scope, nor has it become an unlimited partner in another partnership engaged in similar commercial activities.

#### **2.4 Voting Rights and Minority Rights**

The Company goes to the greatest lengths to ensure that shareholders may exercise their voting rights in the easiest and most optimal manner. The Company's shares are categorized into Group A and Group B shares in accordance with the Articles of Association approved by the Capital Markets Board. Each share entitles the holder thereof to 1 (one) vote in the Annual General Meeting; however, only in the case of electing members of the Board of Directors, each Group A share entitles the holder thereof to 1,000,000 (one million) votes and each Group B share entitles the holder thereof to 1 (one) vote. Our company does not have any subsidiaries over which we exercise control as required by our activities. Additionally, our articles of association do not contain a definition of minority other than that defined in capital market legislation. No candidate was nominated to a seat of the Board of Directors by the minority shareholders during the Annual General Meeting.

#### **2.5 Right to Dividends**

In accordance with the Company's Dividend Distribution Policy, which was revised on 26 February 2014 in line with the regulations, a dividend distribution policy has been adopted, based on the proposal for the distribution of an amount corresponding to either 5% of the net asset value at the end of the previous year, or 30% of our net distributable profit for the current year, whichever is the higher, to be paid in cash and no later than the end of the second month following the date of the Annual General Meeting during which the resolution for the distribution of dividends was adopted.

The Dividend Distribution Policy was approved in the Annual General Meeting held on 26 March 2014 and was released to the public on the Public Disclosure Platform and the Company's website, and was included in the annual reports. There is no preferential status granted in respect of participation to the profit under the articles of association. No dividend is paid to the members of the Board of Directors and the employees on the basis of founder's shares, and the dividend payments are carried out within the periods prescribed under the relevant policy.

During the Annual General Meeting held on 22 March 2023, it was resolved that the Company would distribute a cash dividend amounting to TL 56,209,749 - at 35% of the issued capital, to be covered from the distributable profits for 2022, and that such a distribution had been completed on 29 March 2023 following the start of the distribution process on 27 March 2023.



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#### 2.6 Transfer of Shares

The articles of association of the Company do not include any provision which restricts the transfer of shares. Share transfers are subject to the provisions of the Turkish Commercial Code and the Capital Markets regulations.

### PART III - PUBLIC DISCLOSURE AND TRANSPARENCY

#### 3.1 Corporate Website and its Content

The Company's corporate website address, as registered to the Istanbul Trade Registry Office, is "[www.isyatort.com.tr](http://www.isyatort.com.tr)". All matters provided under the relevant section of the Corporate Governance Principles (the company does not have information forms regarding the collection of shares and proxies through invitation, hence this information is not available on the Company's website.) are included in the Company's website, with the majority of relevant information also provided in English. Utmost attention is taken to keep the website up-to-date on a continuous basis. on the Company's website. The majority of relevant information also provided in English. Utmost attention is taken to keep the website up-to-date on a continuous basis.

#### 3.2 Annual Report

The Company's annual reports include the Corporate Governance Principles in their entirety as well as all other information prescribed under the applicable regulations, and the interim annual reports are prepared in accordance with Capital Market Regulations.

### PART IV – STAKEHOLDERS

#### 4.1 Disclosure to Stakeholders

All registered information pertaining to the Company, provided it does not include trade secrets, is communicated to shareholders and stakeholders in accordance with the principle of equality, and any material events related to the operations and the management of the Company are disclosed to the public in the form of material disclosures, portfolio value statements are published weekly, and the relevant information is also made provide from [www.kap.org.tr/tr/sirket-bilgileri/ozet/989-is-yatirim-ortakligi-a-s](http://www.kap.org.tr/tr/sirket-bilgileri/ozet/989-is-yatirim-ortakligi-a-s). Our financial statements and activity reports are included in our company's website "[www.isyatort.com.tr](http://www.isyatort.com.tr)" as set out above, for the purpose of informing stakeholders.

Stakeholders may, at their discretion, communicate their opinions or any incidents which they may deem to be in breach of the applicable regulations or the code of ethics to the Company. The Corporate Governance Committee or Audit Committee is then informed of such matters through the Executive In Charge of Investor Relations or such other executives. There were no such reports during 2023.

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#### **Participation of Stakeholders in the Management**

The Company is represented and engaged by the Board of Directors under the Articles of Association and applicable regulations, and the members of the Board of Directors are elected by the shareholders at the Annual General Meetings. Even though they are not directly represented in the Board of Directors, stakeholders may convey their opinions and considerations regarding any matter to the Company, and such opinions and considerations are taken into account by the Board of Directors during the adoption of resolutions. In such cases, where any matter which might lead to significant consequences for stakeholders is to be adopted, due care is paid for communication and exchange of opinions with the concerned stakeholders.

#### **4.2 Human Resources Policy**

The Company carries out its operations with a staff of six individuals. In view of the low headcount and narrow diversity of job titles and staff, it has not been deemed necessary to establish a separate unit for human resources or designate a representative to carry out the relations with employees. Recruitment and the personal rights of the members of staff are maintained in accordance with the laws governing the labor relations, resolutions of the Board of Directors, the internal regulations as well as the code of ethics; and employees of the Company are informed of the rules in relation to relevant matters, the job descriptions, the business and its functioning. No complaints were submitted by any staff members in 2023.

#### **4.3 Code of Ethics and Social Responsibility**

The code of ethics established to maintain the Company's operations effectively, rationally and with integrity is set out within the annual reports and the Company's corporate website.

### **PART V - BOARD OF DIRECTORS**

#### **5.1 Organization and Composition of the Board of Directors**

Our Board Members were elected at the Annual General Meeting held on 22 March 2023 to hold office until the next Annual General Meeting to be held on 22 March 2024, and were not assigned with any executive duty within the organization of our Company. The CVs of the members of the Board of Directors and the duties assigned to them are provided in section two hereunder.

There is no internal regulation in place in respect to external positions held by members of the Board of Directors. During the Annual General Meeting held in 2023, members of the Board of Directors were authorized to carry out any work and transactions which would fall under the scope the Company's activities, for and on their own behalf or for and on behalf of others in accordance with the Turkish Commercial Code. There are two independent Board Members in our company. The Corporate Governance Committee, which has also assumed the functions of the Nomination Committee, submitted two candidates to serve as independent Members of the Board of Directors through its report dated 16 March 2023, to the Board of Directors, and it was resolved that such

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candidates be nominated at the Annual General Meeting dated 16 March 2023, upon the resolution adopted for such purpose. During the Annual General Meeting, two of such candidates were elected to serve as the independent board members. Independent members meet all the independence criteria required by the regulation, and no circumstances arose during the year which would cause such members to forfeit their such status. A copy of the statements of independence, submitted to us by Prof. Dr. Şule Işınsu Özmen and Mr. Bora Oruç, Independent Members of the Board of Directors, in 2023 is provided below:

#### DECLARATION OF INDEPENDENCE

İŞ YATIRIM ORTAKLIĞI A.Ş.  
TO THE BOARD OF DIRECTORS,

As I was nominated as an independent member of the Board of Directors at the Annual General Meeting of İş Yatırım Ortaklığı A.Ş. (the “Company”) on 22 March 2023, I hereby declare that;

- There has been no employment-related relationship in respect of any managerial position, whereby any substantive duties and responsibilities may be assumed, established between the Company and any affiliates who either hold control of or have any significant influence on the management of the Company, or any shareholders who hold control of the management of the Company or have a significant influence on the Company, or any legal persons, who hold the control of the management of such shareholders, and myself, my spouse and any of my relatives by blood or marriage up to the second degree, within the last five years; and also that I have not held more than 5% of the capital, the voting rights or the privileged shares of the Company, either collectively or individually, and that no commercial relationship of substantial nature has been established;
- During the last five years, I have not been a shareholder holding 5% or more of the shares of and company from which the Company has procured services or products or to which the Company has sold any services or products to a material extent, particularly in respect to companies which have carried out auditing, rating and consulting activities for the Company, or served as an employee in any managerial positions whereby any substantial duties and responsibilities may be assumed, or served as a member of the Board of Directors of any such company, in accordance with the agreements executed for such purpose;
- I possess the professional educational background, knowledge and experience to properly and duly fulfill my duties as an independent member of the Board of Directors,
- I shall not work for any public agency and entity on a full-time basis throughout my term of duty as an independent member of the Board of Directors, excluding the position of being a faculty member at the universities, should I be elected,
- I am considered to be resident in the territory of the Republic of Turkey for the purposes of the Income Tax Law,

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- I am strongly bound by ethical standards and possess the professional reputation and experience to positively contribute to the operations of the Company, maintain my impartiality in any potential conflict of interest between shareholders of the Company, and to make decisions freely with due consideration of the rights and benefits of the stakeholders,
- I will be able to allocate time to the affairs of the Company to such an extent that I will be able to fully perform and carry out the duties and tasks which I have assumed, and to follow up the functioning of the Company's activities and operations,
- I have not held the office of a member of the Board of Directors of the Company for a period longer than six years within the last decade,
- I have not held office as an independent member of the Board of Directors in more than three of the companies which hold the control of management of the Company or the shareholders who hold control of the management of the same companies, or in more than five of the listed companies in total;
- I have not been registered and announced on behalf of the legal person that has been elected as a member of the Board of Directors.

Yours Respectfully

#### **5.2 Principles of Functioning of the Board of Directors**

In accordance with the provisions set out in the Company's articles of association, the Board of Directors shall convene in accordance with the agenda to be determined upon the call to be made by the chairperson or the deputy chairperson. The date and the agenda of the meeting of the Board of Directors shall be determined by the chairperson; however, the date of the meeting may also be determined upon the resolution of the Board of Directors. The agenda may be changed upon a resolution of the Board of Directors. Each member of the Board of Directors may request, in writing, from the chairperson, or the deputy chairperson, in the absence of the chairperson, that a meeting of the Board of Directors be called. The chairperson or deputy chairperson shall pay close attention to fulfill such a request for a Board meeting to be held if it is forwarded by any such member of the Board of Directors, depending on the need for such a meeting, as well as any opportunities for such purposes. Each member is entitled to one vote, which should be cast as an affirmative or a dissenting vote. Any member casting a dissenting vote shall write the grounds for such a vote and affix their signature thereunder, with any opposing opinions being recorded into the minutes.

The Board of Directors shall convene upon attendance of a majority of the total number of the board members and adopt its resolutions with a simple majority of the members present at the meetings. In the event of a tie, the discussion of the respective item on the agenda shall be adjourned to the following meeting. In the event of a further tie at such a meeting, the proposal shall be deemed to have been rejected. Members of the board of directors may attend the board meetings using electronic means in accordance with the regulations. Since the matters pertaining to the manner of holding meetings of the Board of Directors, as well as the method of voting, are described in details under the articles of association, the establishment of a written internal regulation is deemed unnecessary.

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The Board of Directors adopted 30 resolutions during 2023, with no material transaction or related party transaction which was not approved by the independent members. All efforts are taken to ensure full attendance of all members and resolutions are adopted unanimously.

Directors' liability insurance is taken to protect against the risk of loss which could result to the Company due to any negligence on the part of the directors during the performance of their duties as covered by the liability insurance policy in which Türkiye İş Bankası A.S. and its affiliates (the Türkiye İş Bankası Group) are included as the insured, for Members of the Board of Directors and the Directors/Executives of our Company

#### **5.3 Number, Composition and Independence of the Committees Established within the Board of Directors**

The committees, established to meet our Company's operational requirements and in accordance with the Corporate Governance Principles, and also the members, activities carried out by the committees as well as the relevant procedures are set out below. None of the members of the Board of Directors serving in the committees hold executive positions.

##### AUDIT COMMITTEE:

Prof. Dr. Şule Işınsu Özmen : Chairperson  
Bora Oruç : Member

##### CORPORATE GOVERNANCE COMMITTEE:

Prof. Dr. Şule Işınsu Özmen : Chairperson  
Dr. Cansel Nuray Aksoy : Member  
F. Nilüfer Başarır Kutlutürk : Member (\*)

(\*) She is the manager responsible for investor relations.

##### COMMITTEE FOR EARLY DETECTION OF RISK:

Bora Oruç : Chairperson  
Dr. Cansel Nuray Aksoy : Member

The chairperson and the member of the Audit Committee and the chairpersons of the other committees are independent members of the Board of Directors pursuant to the Communique on Corporate Governance. The Audit Committee, which is responsible for the accounting system, public disclosure of the financial information, designation of the independent auditing firm and observation of the independent auditing activities as well as the effectiveness of the internal control system, convened six times during 2023.

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The Corporate Governance Committee, consisting of two members of the board of directors and the executive in charge of investor relations, is responsible for monitoring the implementation of the corporate governance principles, investor relations and ensuring their effectiveness, and carries out the functions of the Nomination Committee and the Remuneration Committee. The Corporate Governance Committee convened six times during 2023.

The Committee for the Early Detection of Risk, responsible for carrying out activities with respect to the early identification, control, monitoring and prevention of the risk, carries out assessments with respect to the status of the portfolio, the allocation of assets and the risk reports. The committee for Early Detection of Risk convened nine times in 2023.

There are two independent Board Members in the company. Due to legal requirements, each committee must include independent Board Members. In addition, in line with the Capital Markets Board's Communiqué No. III-48.5 regarding the responsibilities of the board member responsible for internal audit, the responsibilities of the Committees should be aligned, relevant, and comprehensive. Therefore, it is possible for a Board Member to serve on multiple committees due to the interrelated nature and coherence of the matters.

#### **5.4 Risk Management and the Internal Control Mechanism**

The Company has an effectively operating risk management and internal control systems in place. An Audit Unit was established in 2014 for the purpose of carrying out audits of compliance with the applicable regulations and the policies within the Company and also fulfilling the supervision and auditing functions in respect of all activities and operations of the Company, in particular the functioning of the internal control system and the risk management system. A Senior Inspector has been employed to serve in the relevant unit.

Accordingly, the internal control activities are being carried out on a regular basis within the Company. Internal control reports are drawn up on monthly basis and submitted to the Board of Directors, which then assesses the reports. Within the context of the risk management system, services are being procured from İş Yatırım Menkul Değerler A.Ş. in respect of risk calculations, and the risk reports, drawn up on weekly basis, are submitted to the Board of Directors by the General Manager. The reports are then assessed by both the Committee for the Early Detection of Risk and the Board of Directors.

#### **5.5 Strategic Goals of the Company**

The mission and vision of our Company have been approved by the Board of Directors, and disclosed to the public on our website.

Our mission for our Company's portfolio to be managed professionally in a manner that is effective, consistent and rational and in line with the principle of risk diversification in accordance with the applicable regulations and the articles of association, and also to provide shareholders with a regular dividend yield over the years in alignment with our Dividend Distribution Policy.

Our vision is to update the investment strategy in line with changing market conditions to maintain

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optimal level of risk, and to provide shareholders with regular dividend distribution, and accordingly, to become a preferred collective investment scheme.

Accordingly, the performance for the current year is assessed at the end of each period, and the investment strategy with respect to the portfolio and benchmark or threshold rate is determined and resolved by the Board of Directors after referring to the portfolio managers in regard to market expectations and their opinions regarding asset allocation. This resolution is disclosed to the public and made available on the Company's website. The Board of Directors reviews the periodic reporting which is submitted to the Board as well as the Company's operations on a regular basis, and monitors the Company's performance.

#### **5.6 Financial Rights**

The Remuneration Policy, which includes the principles of remuneration for the Members of the Board of Directors as well as all executives and staff members of the Company, has been in place since 21 March 2012, and is disclosed to the public through the Public Disclosure Platform as well as on the Company's website. Shareholders were also informed of the Remuneration Policy as an individual agenda item at the Annual General Meeting held on 2 April 2012. The Corporate Governance Committee monitors and supervises the Company's remuneration practices in accordance with the applicable policy and submits the analysis and evaluations to the Board of Directors where necessary.

The Company may not grant any benefits or loans from its assets to its shareholders, members of the board of directors, staff members or any third persons, other than the payments required during the course of its activities and operations, such as the attendance fee, remuneration and dividends required under the regulations and its articles of association. No debts, sureties or guarantees are granted to the members of the board of directors and/or the staff members. The remuneration and/or other benefits provided to the members of the Board of Directors and senior executives are disclosed to the public within the financial statements and the annual report of the Company.

#### **5.7 Sustainability Principles Compliance Framework**

The Company has always placed priority on supporting the development of the capital markets, taking the Environmental, Social and Governance dimensions into account. The sustainability policies set out the basic principles and principles aimed at minimizing the negative environmental and social impacts of the Company's activities and maximizing the positive impacts.

The Sustainability Policy was adopted by the Board of Directors in 2021. The Anti-Bribery and Corruption Policy and the Gifts and Entertainment Policy are supplemental to the Sustainability Policy. The policy may be accessed under the Corporate Governance heading available on the Company's website. As part of the General Principles section of the Sustainability Policy, the Company;

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- Takes into account the environmental and social impacts of the operations it carries out. It adopts the concept of sustainable living and aims to protect the environment and natural resources and render them sustainable.
- Accepts the principle that in its portfolio, the Company will mainly invest in the capital market instruments of companies listed in the Sustainability Index as calculated by the Borsa Istanbul.
- Commits to contribute to the transition to a low carbon economy and meet the expectations of society with regard to sustainability in the processes to improve its operations.
- Takes account of the concept of sustainability and the environmental impacts of its operations as well as its principles while determining its corporate governance strategy.
- Is committed to creating a modern workplace environment where human rights are respected and social justice and employment rights are improved continuously, thus raising the level of understanding and awareness among its stakeholders.
- Rejects all kinds of discrimination that would compromise equality in opportunity, or discriminate, exclude or favor individuals on the basis on gender, religion, language, political opinion, race, cultural or social origin.
- Within the scope of statutory regulations and practices regarding occupational health and safety, provides its employees with a safe and healthy work environment and improves its processes on a continuous basis by adopting preventive, corrective and protective approaches.
- Adopts an approach based on the fair sharing of the value is has created and accumulated with shareholders, employees and other stakeholders.

The implementation of the Sustainability Policy and other supplementary policies, established as part of the Sustainability Policy, by the Head Office is carried out under the supervision of the Corporate Governance Committee. There was no breach of environmental regulations in respect to the Company's operations and no legal sanctions were imposed against the Company in this regard.

Announcements regarding sustainability can be accessed from the link at [www.kap.org.tr/tr/sirket-bilgileri/ozet/989-is-yatirim-ortakligi-a-s](http://www.kap.org.tr/tr/sirket-bilgileri/ozet/989-is-yatirim-ortakligi-a-s)

#### 5.8 The Company Code of Ethics

Engaged in portfolio management, İş Yatırım Ortaklığı A.Ş. is committed to managing its portfolio effectively and rationally and thus providing a regular and high return to its investors. In regard to this objective, employees of the Company shall comply with the following code of conduct.

İŞ YATIRIM ORTAKLIĞI A.Ş. shall;

- Observe and comply with all kinds of statutory restrictions which apply to it in regard to its nature and business.
- Carry out its operations in accordance with the principles of equality, transparency, accountability and responsibility.
- Ensure that its portfolio is managed professionally and based on a reliable understanding in accordance with the principle of risk diversification.



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- Respect and protect the rights of stakeholders regarding the Company, and ensure that they are informed of the condition of the Company as required.
- Take all kinds of measures to prevent any conflicts of interest.
- Undertake best efforts to ensure that data which the Company prepares and discloses to the public and regulatory authorities is accurate, complete and understandable, and that such data is disclosed in a timely manner.
- Treat each employee equally within the organization of the Company and provide each employee with a safe and fair work environment.
- Protect the personal dignity and the rights of its employees as set out by law.

#### EMPLOYEES shall;

- Act in accordance with the law and the internal company regulations.
- Internalise and maintain the name and reputation of İş Yatırım Ortaklığı A.Ş.
- Act thoughtfully and with moderation during the course of their relations with each other, subordinates and superiors.
- Abstain from any relationship that may give rise to any undue advantage or result in any conflict of interest.
- Go to continuous efforts for the purpose of enhancing their professional knowledge and experience and self-development.
- Be aware of the non-disclosure obligation with respect to any Company information which might contain secrets.
- Act sensitively in respect of the proper use of the Company's assets and resources.
- Be obliged to inform the management of any breach in the code of ethics.