CORPORATE GOVERNANCE RATING REPORT

ALBARAKA TÜRK KATILIM BANKASI A.Ş.

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CORE BUSINESS: PARTICIPATION BANKING

NEW: ☐ **UPDATE:** ☒

ALBARAKA TÜRK KATILIM BANKASI A.Ş.
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CHAIRMAN: Houssem BEN HAJ AMOR
CHIEF EXECUTIVE OFFICER : Malek Khodr TEMSAH
INVESTOR RELATIONS & SUSTAINABILITY MANAGER: Seyfullah DEMİRLEK
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COMPANY PROFILE

Albaraka Türk Participation Bank (Albaraka Türk or the Bank), was established on November 5, 1984, under the name "Albaraka Türk Özel Finans Kurumu A.Ş." in accordance with the Council of Ministers Decree dated December 16, 1983 and numbered 83/7506. The Bank was authorized to carry out banking activities by the letter of the Central Bank of the Republic of Turkey dated January 21, 1985 and numbered 10912. Albaraka Türk continues its operations within the scope of the Banking Law No. 5411, published in the Official Gazette dated November 1, 2005 and numbered 25983.

Headquartered in Istanbul, the Bank serves approximately 3 million customers as of December 31, 2025, through an extensive service network comprising 223 branches in Turkey, 2 branches abroad, 2,815 employees, and various alternative distribution channels. As of May 15, 2026, 53.39% of the Bank's shares are owned by Albaraka Group B.S.C., 6.32% by various individual and institutional investors, and 40.29% are publicly traded shares listed on Borsa Istanbul (BIST). The Bank is included in the Borsa Istanbul Corporate Governance Index.

With a paid-in capital of ₺2,500 million, the Bank's assets increased by 50.2% year-on-year to ₺466 billion by the end of 2025, funds disbursed increased by 59.5% to ₺237 billion, funds collected increased by 35.8% to ₺278 billion, and net profit increased by 206%, significantly exceeding the sector average, reaching ₺13,178 million. As of December 31, 2025, the Bank's capital adequacy ratio on a solo basis is 19%, which is above the minimum ratio determined by the Banking Regulation and Supervision Agency (BDDK). The Bank, following its first distribution in 2024 since 2017, continued its dividend distribution in 2025. Furthermore, the Bank won awards in 6 different categories in the Extel 2025 Corporate Investor survey.

OVERALL RATING	**9.50** * 9.45		**Summary Commentary**
SHAREHOLDERS	**9.56** 9.47		The notifications made prior to the general assembly and the manner in which the general assembly was conducted complied with the relevant legislation, articles of association, and internal regulations. Albaraka Türk's Ordinary General Assembly (OGK) Meeting for the year 2025 was held on March 27, 2026, at the bank's headquarters. Simultaneous translation was provided at the OGK meeting.
PUBLIC DISCLOSURE AND TRANSPARENCY	**9.52** 9.52		The bank has a comprehensive and up-to-date corporate website. The investor relations section, in particular, is user-friendly. The Integrated Annual Report is comprehensive, informative, and compliant with regulations. However, improvements regarding the individual disclosure of all benefits provided to the Board of Directors and senior executives would be viewed positively.
STAKEHOLDERS	**9.47** 9.47		The bank places great importance on employee training and certification processes and aims to be a leading financial institution in the fields of sustainability and corporate responsibility. It offers a wide range of sustainable financing products for both individual and corporate clients.
BOARD OF DIRECTORS	**9.45** 9.37		At the OGK meeting held on March 27, 2026, a female member was elected to the Board of Directors. Improvements made to strengthen the committees during the monitoring period were positively evaluated. The development of changes in the organizational structure of senior management will be observed during the monitoring period.

***Previous ratings are at the right bottom of the cells.**

DRC Rating Services A.Ş. has assigned a corporate governance compliance rating of **9.50** to Albaraka Türk Participation Bank A.Ş. (Albaraka Türk or the Bank). According to assessments conducted during the monitoring period since May 17, 2025, when the previous Corporate Governance Principles Compliance Rating was publicly disclosed, the bank's shareholder and board of directors sections showed an increase in their scores, while the stakeholder and public disclosure and transparency sections remained the same.

Shareholders

Albaraka Türk Shareholder Structure (May 15, 2026)

	Partnership Share	%
Albaraka Banking Group B.S.C.	1,334,860,092.57	53.39
Other	1,165,139,907.43	46.61
Total	**2.500.000.000,00**	**100.00**

- The bank's Investor Relations and Sustainability Department activities are carried out by two services: the Investor Relations Service and the Sustainability Service. The job descriptions and organizational structures of both services are clearly defined.
- Albaraka Türk's Ordinary General Assembly (OGK) Meeting for the year 2025 was held on March 27, 2026.
- Simultaneous translation was provided at the OGK meeting.
- The minutes and attendance list of the OGK meeting were published on the Public Disclosure Platform (KAP) and the Bank's website. The minutes confirm that the quorum was met.

Public Disclosure and Transparency

- Albaraka Türk makes timely and legally compliant disclosures of important events and developments that need to be made public. The bank's website, www.albaraka.com.tr, is used to inform shareholders and the public, and the information provided there is kept up-to-date.
- The Bank announced to the public via a Special Disclosure Statement to the Public Disclosure Platform (KAP) dated 19.03.2026 that the shares of its shareholder Dallah Al Baraka Holding Co. B.S.C. (C) were transferred to Al Baraka Group B.S.C. (C).
- The Integrated Annual Report not provide detailed information about all the benefits provided to the board members.
- In the announcement made to the Public Disclosure Platform (KAP) on February 23, 2026, it was shared with the public that the Bank had decided to open a new branch in Duhok as part of its operations in Iraq.

Stakeholders

- In line with its goal of strengthening its sustainable human resources, the bank places importance on employee training and certification processes. In 2025, the bank provided its employees with a total of 206,802 hours of training.
- Albaraka Türk continues its operations in the field of participation banking while also aiming to be a pioneering financial institution in the areas of sustainability and corporate responsibility.
- During the monitoring period, no new practices or initiatives were observed that supported employees' rights to form unions and engage in collective bargaining.
- Albaraka Türk is the first participation bank to be established in Turkey and to have its shares traded on the Istanbul Stock Exchange (BIST).

Board of Directors

- At the OGK meeting held on March 27, 2026, Dalia Hazem Gamil Khorshid, Turgut Simitcioğlu, and Ömer Çekiç were elected as Board Members to replace those whose terms had expired. Thus, the number of female members on the Board of Directors has reached 1.
- Insurance has been taken out to cover damages that the members of the Bank's Board of Directors may cause due to their negligence during their duties. However, this insurance does not exceed 25% of the Bank's capital, as specified in the Capital Markets Board's Corporate Governance Communiqué.
- The bank announced the changes in the membership of the committees operating under the Board of Directors to the public with a Special Disclosure Statement dated 30.03.2026.
- Changes occurred in the Bank's senior management during the monitoring period. The bank's senior management was restructured to consist of a total of 9 people, including one General Manager and 8 Deputy General Managers. (As of the reporting date, it has been learned that the appointments of 2 Deputy General Managers are awaiting approval from the Banking Regulation and Supervision Agency (BDDK))

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