BANVİT BANDIRMA VİTAMİNLİ YEM SANAYİ ANONİM ŞİRKETİ
01 JANUARY 2022 – 31 DECEMBER 2022 PERIOD
ANNUAL ACTIVITY REPORT

28.02.2023

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A. General Information

1) Reporting Period

01.01.2022 – 31.12.2022

2) Information on the Company

Commercial Title	Banvit Bandırma Vitaminli Yem San. A.Ş.
Trade Registry No	4153
Tax Office	Bandırma
Tax Number	1400036590
Address of the Headquarter	Ömerli Mah. Ömerli Sok. No: 208 A Bandırma-Balıkesir
Phone & Fax of the Headquarter	Phone: (0266) 733 86 00 Pbx | Fax: (0266) 733 86 18 Pbx
Website	www.banvitas.com
Upper Limit of the Registered Capital	TRY 300.000.000
Paid In/Issued Capital	TRY 100.023.579

3) Shareholding Structure and Capital Structure

Shareholders	Number of Shares	Percentage in Capital (%)
TBQ Foods GMBH	91.727.012	91,71
Other (Publicly Held)	8.296.567	8,29
Total	100.023.579	100,00

There has been no change in the direct shareholding and capital structure within the period.

4) Explanations Related to Privileged Shares and Voting Rights of the Shares

There is no privileged shares in the capital and each shareholder has one (1) voting right.

5) Information on the Board of Directors, Key Managers and Number of Personnel

In accordance with the Turkish Commercial Code ("TCC") and the related legislation, the election of the Board of Directors is executed by the General Assembly within the framework of the articles of association. Should there be a vacancy in the membership of the Board of Directors within the respective period; an election for the available positions is made according to the provisions of TCC and the company's articles of association and the results are submitted to the upcoming Ordinary General Assembly to be approved.

Seven Board Members, two of them as independent member, have been elected for three years by the Ordinary General Assembly executed on 15 May 2020 and registered by Bandırma Trade Registry on 20 May 2020 in accordance with Article 8 of articles of association within the framework of TCC and Capital Market Law. By the Ordinary General Assembly executed on 3 June 2022 and registered by Bandırma Trade Registry on 16 June 2022, a new independent member has been appointed for three (3) years; thus the number of Board Members increased to eight (8) Board Members, as three (3) of them being independent member.

The Members of the Board of Directors on duty as of 31.12.2022:

Board of Directors	Position	Duty Period
Igor Fonseca Marti	Chairman	15.05.2020 – 15.05.2023
Fadi Felfeli	Vice Chairman	Appointed as per Article 363 of TTC in order to complete the term in office until 15.05.2023
Fabio Luis Mendes Mariano	Member	Appointed as per Article 363 of TTC in order to complete the term in office until 15.05.2023
Davide Luigi Vimercati	Member	15.05.2020 – 15.05.2023
Feras Abdulaziz M H Al-Naama	Member	15.05.2020 – 15.05.2023
Orhan Cem	Independent Member	15.05.2020 – 15.05.2023
Levent Avni Ersalman	Independent Member	15.05.2020 – 15.05.2023
Meral Kurdaş	Independent Member	03.06.2022 – 15.05.2023

Powers and Duties of the Members of the Board of Directors

The Board of Directors carries out and executes the duties assigned to them by the resolutions held by the General Assembly meeting in matters specified in the TCC, the Capital Markets Law and other relevant legislation and the article 9 of the company's articles of association.

Information About Board Members' and Executive Management's Titles out of the Company and the Declarations of Independent Board Members

Information about Board Members' titles out of the Company are stated below The declarations of Independent Board Members Levent Avni Ersalman and Orhan Cem have been published in Annex of Public Disclosure Platform announcement dated 11.02.2020 (https://www.kap.org.tr/tr/Bildirim/827259). The declaration of Independent Board Member Meral Kurdaş has been published in Annex of Public Disclosure Platform announcement dated 29.04.2022 (https://www.kap.org.tr/tr/Bildirim/1025324).

Information About Board Members' Titles outside of the Company:

Board of Directors	Position	Titles Out of the Company
Igor Fonseca Marti	Chairman	BRF – Finance Director International Markets
Fadi Felfeli	Vice Chairman	GCC & Turkey DDP Executive Director
Fabio Luis Mendes Mariano	Member	BRF Chief Financial Officer
Davide Luigi Vimercati	Member	Qatar Investment Authority – Investment Director
Feras Abdulaziz M H Al-Naama	Member	Qatar Investment Authority – Specialist
Orhan Cem	Independent Member	Darüşşafaka Foundation member
Levent Avni Ersalman	Independent Member	McKinsey & Company – Senior External Counsel
Meral Kurdaş	Independent Member	Member of Foundation for the Evaluation of Women's Work

Members of Board Committees, Frequency of Meetings, Operating Principals Including Activities Performed and Evaluation of the Board on the Effectiveness of the Committees

Audit Committee, Early Risk Detection Committee and Corporate Governance Committee was established under the Board of Directors.

The Audit Committee held 6 meetings in 2022 and continued its activities in accordance with CMB Legislation. The members of the Board of Directors participated in the meetings regularly.

The Early Risk Detection Committee held 7meetings in 2022 and continued its activities in accordance with CMB Legislation. The members of the Board of Directors participated in the meetings regularly.

The Corporate Governance Committee held 6 meetings in 2022 and continued its activities in accordance with CMB Legislation. The members of the Board of Directors participated in the meetings regularly

No outside consultancy service was procured by the committees during the year.

Numbers of Board meetings within the Year and Attendance of the Board Members in the Meetings

The Board of Directors held 24 meetings within 2022. All Board Members attended these meetings regularly.

Executive Management as of 31.12.2022 date:

Name Surname	Duty	Commencement Date
Tolga Gündüz	General Manager	16.10.2019
Christine Maziero Castro	Production Director	01.11.2019
Levent Aytimur*	Finance Director	09.01.2023
Nerdin Alp	Sales Director	06.04.2001
Atakan Sakin	Logistics Director	01.06.2022
Yasemin Gürleroğlu	Marketing and Corporate Communications Director	18.05.2020
Gökçen Aslan Özşar	Human Resources Director	27.09.2021
Miray Ilıksoy Baran	Legal Manager	23.09.2021

*Levent Aytimur started to work as Finance Director as of 09.01.2023. You may reach the relevant announcement via https://www.kap.org.tr/tr/Bildirim/1098392.

In Board of Directors meeting dated 30.09.2022, resignation of Ahmet Ersöz, Financial Affairs Director, was accepted.

Çiğdem Kızılay, who served as Quality Assurance Manager, resigned from the position as of 01.07.2022

Turgan Tüzüner, who served as Logistics Director, resigned from the position as of 08.04.2022.

6) Transactions of the Members of the Board of Directors With the Company on Behalf of Themselves or Others and Their Activities Within the Scope of the Prohibition of Competition

The Board members are allowed to carry out transactions for the year of 2022 in accordance with article 395 and 396 of TCC at the Ordinary General Assembly meeting dated 3 June 2022.

No transaction had been made in this context.

7) Staff and Employee Movements and Collective Bargaining Practices and Rights and Benefits Provided to Staff and Employees

The wages and side benefits of our company's employees are not subject to any collective bargaining agreement.

In addition to base salaries; we offer bonuses, marriage benefits, health insurance, Company annual dividends, product assistance, food assistance and vehicle assistance to our employees.

Permissions are annual paid leave, excuse leave, unpaid leave and marriage leave, death leave, working limit (pregnancy) leave, maternity leave, breastfeeding leave.

The number of employees of Banvit Bandırma Vitaminli Yem Sanayi A.Ş. as of dates between 31 December 2022 and 31 December 2021:

	31.12.2022	31.12.2021
Blue Collar	4.334	4.473
White Collar	703	715
Total	**5.037**	**5.188**

8) Corporate Governance Principles Compliance Report

In accordance with the Capital Markets Board's decision dated 10.01.2019 and numbered 2/49; the “Corporate Governance Compliance Report (URF)” which shows compliance with the principles that are voluntary and mandatory to be implemented by our company's Corporate Governance Principles and “Corporate Governance Information Form (KYBF)”, which provides information about our current corporate governance practices are disclosed on the Public Disclosure Platform using relevant templates and have been provided in the annexes of the report.

Statement of Compliance with Corporate Governance including our explanations within the framework of the 8th article of the Corporate Governance Communiqué No. II-17.1 titled “Corporate Governance Principles Compliance Reports” is attached in Annex-1.

9) Changes to the Articles of Association

At the At the ordinary General Assembly held on 3 June 2022 and registered by Bandırma Trade Registry on 16 June 2022, it has been resolved on the amendment of Articles 6, 15, 23 of the Articles of Association in order to extend the validity period of registered capital upper limit for the years 2022-2026, hold general assembly meetings in Istanbul to the extent permitted by TCC, and harmonize the principles regarding the determination and distribution of profits with the provisions of the applicable law.

The final version of Articles of Association has been published on PDP by our Company.

AMENDMENT OF ARTICLES OF ASSOCIATION

FORMER VERSION	NEW VERSION
ARTICLE 6 – **REGISTERED CAPITAL AND SHARES**	**ARTICLE 6 –** **REGISTERED CAPITAL AND SHARES**
The Company has adopted the registered capital system in accordance with the provisions of the abolished Capital Market Law numbered 2499 (CML) and adopted to the registered capital system based on the permission of the Capital Markets Board dated 24.02.2011 and numbered 6/181.	The Company has adopted registered capital system in accordance with the provisions of the Capital Markets Law and adopted to the registered capital system based on the permission of the Capital Markets Board dated 24.02.2011 and numbered 6/181.
The upper limit of Company's registered capital is TRY 300.000.000 (three hundred million) which is divided into 300.000.000 bearer shares each having a value of TRY 1 (one).	The upper limit of Company's registered capital is TRY 300.000.000 (three hundred million) which is divided into 300.000.000 bearer shares each having a value of TRY 1 (one).
This upper limit of registered capital allowed by the Capital Markets Board is valid for the years between ~~2018 and 2022~~ (for 5 years). Even if the upper limit of registered capital is not yet reached at the end of ~~2022~~, for capital increase resolutions to be passed after ~~2022~~, the Board of Directors must be granted an authorization by the General Assembly for a new period not exceeding 5 years, provided that the permission of the Capital Markets Board is obtained. In case such authorization is not granted, capital increases may not be conducted based on the resolution of the Board of Directors.	This upper limit of registered capital allowed by the Capital Markets Board is valid for the years between **2022 and 2026** (for 5 years). Even if the upper limit of registered capital is not yet reached at the end of **2026**, for capital increase resolutions to be passed after **2026**, the Board of Directors must be granted an authorization by the General Assembly for a new period not exceeding 5 years, provided that the permission of the Capital Markets Board is obtained. In case such authorization is not granted, capital increases may not be conducted based on the resolution of the Board of Directors.
The issued capital of the company is TRY 100,023,579.00 (one hundred million twentythree thousand five hundred and seventy-nine) and it has been paid in full free of collusion.	The issued capital of Company is TRY 100,023,579.00 (one hundred million twentythree thousand five hundred and seventy-nine). This capital has been fully paid up, free from any simulation.
~~100,023,579.-TL of our capital consists of; 9.844.653.TL from revaluation value increase fund, 3.160.843.-TL from emission premium, 7.642.252.74 TL from extraordinary reserves, 1.077.294.-TL in cash, 39.235,490 TL. -TL from previous period profits, 39.039.065.-TL from~~	Within the years between **2022 and 2026** (until the end of 2026), the Board of Directors is authorized to increase the issued capital in accordance with the terms of CML as it may deem necessary from time to time by issuing

~~equity inflation adjustment differences and 23.579.-TL is taken over from Badiş A.Ş. and 402.-TL is taken over from Tadpi A.Ş.~~ Within the years between ~~2018 and 2022~~, the Board of Directors is authorized to increase the issued capital in accordance with the terms of CML as it may deem necessary from time to time by issuing new shares up to the registered capital upper limit. The Board of Directors is authorized to restrict the rights of the existing shareholders' pre-emption rights. The authority to restrict the right to subscribe for new shares may not be exercised in a manner to give rise to inequality among the shareholders. Shares representing the capital shall be monitored within the framework of dematerialization principles. The capital of the Company can be increased or decreased, if necessary, in accordance with the provisions of the Turkish Commercial Code and the Capital Markets Legislation	new shares up to the registered capital upper limit. The Board of Directors is authorized to restrict the rights of the existing shareholders' pre-emption rights. The authority to restrict the right to subscribe for new shares may not be exercised in a manner to give rise to inequality among the shareholders. Shares representing the capital shall be monitored within the framework of dematerialization principles. The capital of the Company can be increased or decreased, if necessary, in accordance with the provisions of the Turkish Commercial Code and the Capital Markets Legislation
ARTICLE 15 – **MEETING VENUE** The General Assembly convenes at the Company's headquarter or at any other convenient location within the city boundaries of the Company's headquarters.	**ARTICLE 15 –** **MEETING VENUE** The General Assembly convenes at **(i)** the Company's Headquarter or **(ii)** at any other convenient location within the city boundaries of the Company's headquarter**, or (iii) at another address within the borders of Istanbul, or to the extent permitted by TCC, at any other convenient place decided by the Board of Directors**.
ARTICLE 23 – **DETERMINATION AND DISTRIBUTION OF PROFIT** In accordance with the Turkish Commercial Code, the net profit indicated ~~in the annual balance sheet~~ and remained after deducting the amounts such as general expenditures of the Company and miscellaneous depreciation that it is obligatory to be paid or to be	**ARTICLE 23 –** **DETERMINATION AND DISTRIBUTION OF PROFIT** In accordance with the Turkish Commercial Code, the net profit indicated **at the end of the company's accounting period** and remained after deducting the amounts such as general

reserved by the Company and taxes that is obligatory to be paid by legal entity of the Company from the revenues determined at the end of Company's fiscal period and if any, after deducting losses of previous periods, are respectively distributed as indicated below: ~~Primary~~ Legal Reserve ~~a) 5% of annual profit will be reserved as general legal reserve until it reaches to 20% of the capital.~~ ~~First Dividend~~ ~~b) First dividend is reserved from the remaining, if any, from the amount to be determined with the addition of donation amount made within the year in a ratio and amount determined by the General Assembly.~~ ~~c) After deducting the amounts specified in paragraphs a and b from the net profit, the General Assembly is entitled to decide to distribute the remaining amount to the members of the Board of Directors other than the Independent Members of the Board of Directors, General Manager and the Administrative Personnel.~~ ~~Second Dividend~~ ~~d) After deducting the amounts specified in paragraphs a, b and c from the net profit, the General Assembly is authorized to distribute the remaining amount in part or in whole as a second dividend or to allocate it as an extraordinary reserve or to leave it as a profit of the previous year in the balance sheet.~~ ~~Secondary Legal Reserve~~ ~~e) One tenth of the amount calculated after deducting 5% of the capital from the amount that is decided to be distributed to the shareholders and other persons participating in the profit, is set aside as the secondary legal reserve as per paragraph 2 of Article 519 of the Turkish Commercial Code.~~ ~~f) Unless reserves that are required to be set aside as per the provisions of the law and the first dividend specified for the shareholders in the articles of association distributed in cash and/or as share~~	expenditures of the Company and miscellaneous depreciation that it is obligatory to be paid or to be reserved by the Company and taxes that is obligatory to be paid by legal entity of the Company from the revenues determined at the end of Company's fiscal period and if any, after deducting losses of previous periods, are respectively distributed as indicated below: **General** Legal Reserve: **a) In accordance with the provisions of Article 519 of the Turkish Commercial Code, 5% of the general legal reserves are set aside until it reaches twenty percent of the issued capital.** **First Dividend:** **b) From the remainder, the first dividend is distributed within the scope of Company's policy on the distribution of dividends, in accordance with the Turkish Commercial Code and the Capital Markets Legislation, over the amount to be found by adding the donation amount made during the year, if any.** **c) After the above reductions are made, the General Assembly has the right to decide on the distribution of the dividend to the members of the board of directors, employees of the partnership, and persons other than the shareholders.** **Second Dividend:** **ç) After deducting the amounts specified in subparagraphs (a), (b) and (c) from the net profit of the period, the General Assembly is authorized to decide to distribute it partially or completely as a second dividend or to allocate it voluntarily as a reserve fund pursuant to Article 521 of the Turkish Commercial Code.** **General Legal Reserve:**

~~certificates, it cannot be resolved to set aside other reserve funds, to transfer profits for the following year and to distribute profits to the privileged shareholders, owners of publicly-offered, founder and ordinary dividend-right certificate, the members of the board of directors other than the Independent Members of the Board of Directors and officers, clerks and employees, foundations established for various purposes and similar persons and/or institutions.~~ ~~The method and time of distribution of the profit, which have been decided to be distributed, are resolved by the general assembly upon a proposal of the board of directors. However, the time of distribution of the end-of-term profit share cannot exceed the time specified in the communiqués of the Capital Markets Board.~~ ~~Dividends related to shares are distributed to all existing shares equally as of the distribution date, regardless of their issuance and acquisition dates.~~	**d) One tenth of the amount found after deducting the dividend amount by 5% of the capitalfrom the portion decided to be distributed to the shareholders and other persons participating in the profit is added to the general legal reserve in accordance with the second paragraph of Article 519 of the TCC.** **Unless the reserves required to be set aside by TCC and the dividend determined for the shareholders in the articles of association and in policy on the distribution of dividends are set aside; it cannot be decided to set aside other reserves and transfer profits to the next year and distribution of profits to the members of the board of directors, employees of the partnership and persons other than the shareholders; and no dividends can be distributed to these persons unless the dividend determined for the shareholders is paid in cash.** **The dividend is distributed equally to all existing shares as of the distribution date, regardless of their issuance and acquisition dates.** **The distribution method and time of the profit that is decided to be distributed is decided by the general assembly upon the proposal of the board of directors on this subject, provided that it is in accordance with the provisions of the Capital Markets Law.** **The dividend distribution decision made by the general assembly in accordance with the provisions of these articles of association cannot be revoked.** **The company may distribute advance dividends in accordance with the provisions of the Turkish Commercial Code and the Capital Markets Law. In order to distribute advance dividends, it is obligatory to authorize the board of directors,**

	limited to the relevant activity period, by a general assembly resolution.

B. Financial Rights Given to Board Members and Executive Management

1) Total Amount of Financial Rights like Attendance Fee, Wages, Bonus, Premium and Dividend Payments

At the Ordinary General Assembly meeting of the company on June 3, 2022, it has been resolved that the members of the Board of Directors are not paid and, starting from the month following the General Assembly, until the next Ordinary General Assembly, a monthly gross salary of TRY 30.000 per month to each Independent Board Members.

Salaries of the company's senior executives are determined by the Company's Board of Directors. All senior executives have private health insurance.

In the fiscal period ending on 31 December2022, all benefits provided to senior executives are short-term benefits and include wages, premiums and other payments.

Performance-based additional payments are made to out-of-scope personnel, including senior managers, within the company.

Between 1 January 2022 and 31 December 2022; A total of TRY 16.838.582,27 was paid for senior executives and TRY 742.281,89 SSI-employer deduction was made. In addition, in 2022, a total of TRY 806.319,94 TL was paid for three independent members as attendance fee.
No payables were given, no loans were issued directly or through a third party and no indemnity such as sureties was given to Board Members or executive management during the period.

The total of fees paid to board of directors and executive managers for the period between 01.01.2022 – 31.12.2022 is indicated in the table below.

(TRY)	31.12.2022	31.12.2021
Board of Directors	806.320	480.000
Executive Managers	17.580.864	12.157.761
Total	18.387.184	12.637.761

2) Information on Allowance Granted, Travel, Accommodation and Representation Expenses and Total Amount of Facilities in Cash and Kind, Insurances and Similar Guarantees

The total amount of allowance, travel, accommodation and representation expenses as well as in cash and kind facilities and insurances given to the members of the board of directors and senior executives during the period is TRY 1.852.584 (2021 : TRY 824.651).

C. Research and Development Studies

Banvit aims to meet all expectations of consumers and customers with its R&D studies.

In the period of 01.01.2022 - 31.12.2022, R&D studies are composed of new product studies and revisions, demands of the companies to which they are suppliers and export studies. In line with these demands, 87 new product studies were carried out and 36 of them have been approved. Alternative supplier studies were made on 303 inputs, 29 packaging, and 78 of them have been approved. In line with the legal regulations, marketing, sales and production demands, 314 product and packaging improvement and development studies were carried out and 211 of them have been approved. Along with the acquisition, cost reduction projects were carried out and 4 of them were completed.

D. Activities and Significant Developments Regarding the Activities

1) Investment Activities

As of December 31, 2022, the total investment expenditure of Banvit Bandırma Vitaminli Yem Sanayi A.Ş. is TRY 454.058.94 (31 December 2021: TRY 145.659.702).

2) Internal Control System and Internal Auditing Activities

The Internal Audit unit provides independent and impartial assurance and consultancy activities to the board of directors regarding corporate governance processes. Internal Audit activities aim to provide a reasonable assurance to the stakeholders of the company, especially shareholders, on the establishment of managerial accountability, efficiency and effectiveness of business processes, reliability of the financial reporting system, compliance of company activities with laws and regulations. Internal Audit activities are carried out according to the “International Internal Auditing Standards” established by the International Institute of Internal Auditors (IIA). The internal audit unit works in compliance with the “Banvit Internal Audit Regulation” and monitors the audit findings until the risk disappears

The Internal Control unit carries out the activities of early detection, evaluation, calculation of the effects and probabilities of risks that may affect the company, managing and reporting these risks in accordance with the corporate risk appetite of the company, taking necessary measures to reduce the effects and probabilities of the identified risks and establishing effective internal control systems in this direction. Internal Control unit aims to provide reliable financial reporting and effective management of risks according to the basic internal control components consisting of “control environment, risk assessment, control activities, information and communication and monitoring”.

3) Direct and Indirect Subsidiaries

The main scope of business and the participation in their shareholding of the affiliates subject to consolidation are as follows:

Company	Country of Operation	Operation	Effective Share		Nature
			31.12.2022	31.12.2021	
Nutrinvestments B.V.	Holland	Holding Company	%100,00	%100,00	Subsidiary
Banvit Enerji ve Elektrik Üretim A.Ş.	Turkey	Energy Production	%100,00	%100,00	Subsidiary
Banvit ME FZE	United Arab Emirates	Marketing and Sales	%100,00	%100,00	Indirect Subsidiary

Banvit's subsidiary, Nutrinvestments B.V., that Banvit has participation on %100 of the capital, was established on 18 August 1999 as a holding company in Amsterdam, Holland. The paid capital of the company is EUR 56.390.500.

Banvit's subsidiary, Banvit Enerji, was established on 14 May 2009 by acquiring necessary licence from Energy Market Regulatory Authority and registered on 5 June 2009 for the purpose of establishing, commencing and renting manufacturing plants to have the energy sources turned into electrical energy in those plants, producing electrical energy, selling the produced electrical energy and/or the capacity of the produced energy to the customers. The paid capital of the company is TRY 10.000.000.

Nutrinvestments B.V.'s subsidiary Banvit ME FZE, that Banvit has indirect subsidiary relation, was established on 16 July 2012 for the purpose of marketing operations of the products of the Group at gulf countries as a free zone company in Jebel Ali Free Zone in the United Arab Emirates. The paid capital of the company is AED 1.000.000.

4) Information About Company Shares Acquired by the Company

None.

5) Explanations on Private Audit and Statutory Audit

It was resolved at the Ordinary General Assembly held on 3 June 2022 that KPMG Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. for the independent audit of our company's accounts and transactions in 2022 within the framework of the Turkish Commercial Code No 6102, Law No 660 on the Public Oversight, Accounting and Auditing Standards Authority and related legislation.

Our company has signed a contract with PWC YMM A.Ş on 06.01.2022 for performing the annual corporate income tax return, financial statements and notifications attached to them in accordance with the Law No. 3568, other relevant laws and regulations for the fiscal year of 2022.

No special audit was performed in the relevant accounting period.

6) Legal Subjects

a) Lawsuits

Taking into account the opinions of Legal Department and external specialist attorneys, the company management determines the allowance amounts related to the ongoing lawsuits through possible cash outflows based on management's best estimate of the probability of loss and the liabilities to be incurred in case of loss. As of 31 December 2022, there is provision amounting to TRY 14.890.424 in the statement of financial position (31 December 2021: TRY 7.569.374)

b) Administrative - Judicial Sanctions

There is none.

7) General Assemblies

The Ordinary General Assembly meetings of our company are held in accordance with the applicable provisions of the Capital Market Law, TCC and the articles of association of the company, and any decision made in such meetings are performed within due times. The Ordinary General Assembly of Banvit Bandırma Vitaminli Yem Sanayi A.Ş. was held on 3 June 2022.

At the Ordinary General Assembly meeting held on 3 June 2022, it has been resolved not to distribute of the profit of 2021.

8) Donations Made and Social Responsibility Projects

The total amount of donations made by our company to public institutions and organizations regarding education, food, corporate social responsibility, maintenance and repair, etc. in 2022 is TRY 567.592 (2021: TRY 57.740). Additionally, Company participated in social responsibility projects with TRY 2.816.639 monetary contribution (2021: 1.074.941 TL).

9) Group of Companies

a) Transactions

Pursuant to Article 199 of the Turkish Commercial Code, Law No. 6102, that became effective on July 1, 2012, Banvit Bandırma Vitaminli Yem Sanayi A.Ş. Board of Directors is obligated to issue a report within the first three months of the fiscal year regarding the Company's relationships with its controlling shareholder and the subsidiaries of its controlling shareholder during the previous fiscal year, and to include the conclusion section of this report in the annual report. The transactions Banvit Bandırma Vitaminli Yem Sanayi A.Ş. executed with its affiliated parties are presented in the relevant note of the financial report. The report issued by the Board of Directors states: "It was concluded that in each and every transaction Banvit Bandırma Vitaminli Yem Sanayi A.Ş. executed with its controlling shareholders and the subsidiaries of its controlling shareholders in 2022, based on the situation and conditions known to us at the time the transaction was executed, or the measure was taken, or the measure was refrained from being taken, the Company had a commensurate gain in return and there was no measure taken or refrained from being taken that will lead to losses for the Company and, within this framework, there are no transactions or measures that require compensation."

b) Explanations on Transactions

None.

E. Financial Status

1) Summary of Financial Statements

The financial statements are prepared in accordance with the financial reporting standards published by the Capital Markets Board. The financial statements dated 31.12.2022 and 31.12.2021 were audited.

Summary of Balance Sheet

(TRY)	(Audited) 1 January - 31 December 2022	(Audited) 01 January - 31 December 2021
Current Assets	4.103.497.420	3.014.522.850
Non-Current Assets	2.917.100.021	797.516.716
Total Assets	**7.020.597.441**	**3.812.039.566**
Short Term Liabilities	4.276.787.551	2.164.440.081
Long Term Liabilities	600.486.521	403.502.442
Capital	2.143.323.369	1.244.097.043
Total Assets	**7.020.597.441**	**3.812.039.566**

Summary of Income Statement

(TRY)	(Audited) 1 January - 31 December 2022	(Audited) 01 January - 31 December 2021
Net Sales	10.993.823.980	5.321.483.536
Gross Profit	840.284.322	679.592.785
EBIT	-49.798.459	173.542.956
EBITDA	-332.925.400	425.822.880
Net Profit/(Loss)	-442.655.712	95.150.799

The company prepares its budgets within the frame of its strategic goals that is approved by the Board of Directors.

In its regular meetings, the Board of Directors is reviewing the current position of the company and activities are compared with the previous period and budget targets.

2) Key Ratios

(%)	1 January - 31 December 2022	01 January - 31 December 2021
Gross Profit Margin	7,64	12,77
EBIT Margin	-0,45	3,26
EBITDA Margin	-3,2	8,00
Net Profit Margin	-4,03	1,79
Profit Per Share	-4,43	0,951

3) Financial Strength

It has been determined that the capital of the company is not unrequited, and the company is not in insolvency within the framework of the calculation made by considering the ratios specified in the article 376 of the TCC.

4) The Development of Financial Sources and The Policies Applied in the Framework this Development

New funding alternatives according to changing market conditions are continuously analyzed and offers are evaluated. The debt policy of company is developed based on the capability of cash generation and the strong equity structure. Hedging methods and amounts used against financial risks are developed based on a frame of determined models.

5) The Nature and Amount of Issued Capital Market Instruments

There is no capital market instrument issued in the period.

With Company's Board of Directors resolution dated 5 December 2022, it has been resolved on the issuance debt instruments, to the amount or TRY 2.500.000.000 (two billion five hundreds million Turkish lira) in total, having maximum three years of maturity; at once or at several times, within the country, without offering to public, to be sold to Qualified Investors. The approval was received on 19.01.2023 by the application made to CMB on 12.12.2022.

The issuances that shall be made will be announced in Public Disclosure Platform in accordance with relevant laws and legislation.

6) Dividend Distribution

The offer of Board of Directors on dividend distribution for 2022, will be announced in Public Disclosure Platform in accordance with relevant laws and legislation, it shall be presented for the approval of shareholders in the first general assembly that shall be held.

No dividend distribution was made during the period.

7) Information About the Sector and the Position within the Sector

Banvit, which started its activities as a compound feed producer in 1968, also stepped in broiler production in 1984. Banvit that performs first time the cleaned and bagged fresh broiler production in Turkey, in 2001 began production of firstly turkey meat, then ready-to-eat further processed foods and delicatessen products. Production is carried out in three different locations in Elazığ, İzmir and Bandırma. The main activity is the sale and export of produced goods to the domestic market.

Having left 55 years behind in its sector, Banvit is one of the leading food companies in our country that serves its customers daily with its raw chicken and turkey products, sauced products group, ready-to-eat cooked products and delicatessen products. Banvit's vision is specified as "To strengthen our position as Turkey's leading poultry and poultry meat products company". Banvit's mission is positioned as “To meet the expectations of consumers and customers in a creative, high quality and delicious manner, to ensure that our consumers are fed with healthy and affordable protein, to be sensitive to the environment, animal welfare and employee happiness”.

In addition to the products sold with its main brand, Banvit provides service with its sub-brands in accordance with customer types and needs.

8) Incentives

These grants and incentives can be used by all companies, which meet the related legislative requirements and those grants have no sectoral differences:

- Investment incentive documents (Customs Duty exemption, VAT exemption, corporate tax advantages),
- Export refunds on agricultural products
- Inward processing permission certificates,
- Social Security Institution incentives,
- Insurance premium employer share incentive.

9) Development of the Business

Especially in the last quarter of 2022, due to decrease in demand related to economic developments along with decrease in prices of goods in domestic and foreign market, to prevent an aggressive increase in our Company’s frozen stocks, the reduction in production of poultry has been adopted.

In our Company’s poultry production in 2022, there was a decrease of approximately 1,2% in the production of poultry compared to year 2021, an increase of 5,1% in the production of turkey and a decrease of 8,7% in further processed products.

Approximately 19,6% of the total poultry and further processed products produced were exported. In 2022, compared to year 2021, domestic sales increased by 2,9%.

According to data derived from the Turkish Statistical Institute, in the January-November period of 2022, the number of poultry sent to the domestic market increased by 7,3% while the amount exported has increased by 13,3%. The main factors triggering the increase in exports across Turkey are the opening of the Whole Chicken market in China and the continuation of exports to Iraq at the same pace.

According to last data published by the Turkish Statistical Institute total production between the period of January-November 2022 is increased by 8,7% compared to same period of 2021. While Turkey's total poultry production in period between January-November 2021 was 2.039 thousand tons, in the same period of 2022 it has reached to 2.217 thousand tons.

10) Products

The main products of Company are as follows:

Bandırma	İzmir	Elâzığ
Chicken Breast	Chicken Breast	Chicken Breast
Chicken Drumstick	Chicken Drumstick	Chicken Drumstick
Chicken Feet	Chicken Feet	Chicken Feet
Chicken Gizzards	Chicken Gizzards	Chicken Gizzards
Chicken MDM	Chicken MDM	Chicken MDM
Chicken Thighs	Chicken Thighs	Chicken Thighs
Chicken Whole Leg	Chicken Whole Leg	Chicken Whole Leg
Chicken Wings	Chicken Wings	Chicken Wings
Chicken Poultry Parts	Chicken Poultry Parts	Chicken Poultry Parts
Chicken Whole Poultry	Chicken Whole Poultry	Chicken Whole Poultry
Chicken Others	Chicken Others	Chicken Others
FPP Breaded	Turkey Breast	
FPP Coldcut	Turkey Leg	
FPP Raw Doner	Turkey Wings	
FPP Cooked Doner	Turkey Whole Poultry	
FPP Other	Turkey Others	

11) Improvements/Changes in Sales Figures

Considering the 2021/2022 change Domestic; according to 2021 figures, there is a 117,2% increase in net turnover in the sales of Poultry Chicken-Turkey and Processed Products (Finished Products & Delicatessen).

The change on the net turnover per production unit is as follows:

Product	(%)
Poultry	120,5%
Turkey	145,3%
FPP (Finished Products & Delicatessen)	101,6%
Total	**117,2**%

Considering the last quarter of 2021-the last quarter of 2022, domestically, there is a 108,5% increase in net turnover in the sales of Poultry Chicken-Turkey and Processed Products (Finished Products & Delicatessen) compared to last quarter of 2021.

The distribution of net turnover per production unit is as follows:

Product	(%)
Poultry	108,4%
Turkey	105,5%
FPP (Finished Products & Delicatessen)	109,5%
Total	**108,5%**

Considering domestically, when the 4th quarter of 2022 is compared to 3rd quarter of 2022, there is an 6,5% increase in net turnover.

Considering the 2021/2022 change in Abroad; according to 2021 figures, there is a 131,4% increase in net turnover in the sales of Poultry Chicken-Turkey and Processed Products (Finished Products & Delicatessen).

The change on the net turnover per production unit is as follows:

Product	(%)
Poultry	%116,2
Turkey	%144,3
FPP (Finished Products & Delicatessen)	%257,1
Total	**%131,4**

Considering the last quarter of 2021 - the last quarter of 2022 in Abroad; according to the last quarter of 2020, there was a 92,6% increase in net turnover in the sales of Poultry Chicken-Turkey and Processed Products (Finished Products & Delicatessen).

The distribution of net turnover per production unit is as follows:

Product	(%)
Poultry	%70,8
Turkey	%123,3
FPP (Finished Products & Delicatessen)	%280,1
Total	**%92,6**

F. Risks and Evaluation of the Board of Directors

1) Corporate Risk Management

The risk map and risk management policies have been published by the internal control unit with the purpose of ensuring systematic and comprehensive identification, evaluation, control, monitoring and establishing action plans to identify those responsible and reduce their impact of risks and opportunities that may affect company's assets, reputation, profitability.

The policies include guidance on support and positioning, risk identification, prioritization, improvement, reporting, monitoring/surveillance, and communication principles related to risks in order to manage company-wide risks to the highest standard.

In order to measure the risks incurred by the company and ensure conformity to the risk tolerance limits; risks are monitored and managed in accordance with regulations and guidelines developed for critical risks

2) Early Risk Detection Committee

The purpose of the Committee is to identify the risks that may threaten the existence, progress and continuation of the company operations within the scope of this regulation and legal legislation, to implement the necessary measures related to the risks identified and to manage those risks.

The meetings of the Committee are held once for every two-month period in order to ensure that the Committee can fulfill its duties effectively. After each meeting, a written report on the activities of the Committee is submitted to the Board of Directors with a summary of the minutes.

3) Prospective Risks

Market / Price Risks: Due to the industry that Company operates in, it is exposed to price change risks due to fluctuations in main inputs namely raw material prices and exchange ratios as well as to fluctuations in the price of poultry meat output of the production and to the price change risks since it operates in the production of products that should be subject to FMCG in the retail sector.

Currency risk: Company is exposed to currency risk when sales; collection or payment transactions (credit repayments, supplier payments, energy payments, other payments, etc.) are transacted in currencies other than functional currency. Under these situations, company's basic approach to currency risk management is to utilize derivative transactions for hedging purposes with the help of appropriate financial instruments.

Interest Rate Risk: Changes in interest rates may result in increase in financing expenses. The company manages interest rate risk by creating a balanced financial asset-liability portfolio. In order to manage the interest rate risks incurred, duration-based profit/loss sensitivity is calculated considering the credit portfolio and cash flow projections.

Liquidity Risk: With the purpose of increasing productivity through incorporating evolving production technologies and increasing capacity, company continuously makes large investments. In order to bear these high costs, we incorporate financial instruments besides cash from revenues. In the absence of proper planning, these financial liabilities may not be met on time, at a sufficient level and at an optimum cost. Therefore, the company manages its liquidity needs by monitoring credit usage, repayments and cash flow projections. The company has established an appropriate liquidity risk management structure for short, medium and long-term funding and liquidity requirements. The company manages liquidity risk by regularly tracking estimated and actual cash flows and maintaining sufficient funds and borrowing reserves by matching the maturities of financial assets and liabilities.

Counter-Party Risk: The company may suffer financial losses because of the failure of a counter-party to meet its obligations. The company's basic approach in managing counter-party risk is to distribute the exposure risk at a balanced and measurable level. Our customers' risk exposures are constantly monitored and when a limit is breached, a call for collateral completion is made. In addition to these risks, operational and financial risks that may occur are continuously monitored by internal control and reported to Board of Directors.

G. Other Information

1) Organizational Structure

Our company continues its activities through its head office at the address of Ömerli Mah. Ömerli Sok. No: 208 Bandırma-Balıkesir and the following branches:

İzmir Akalan Slaughterhouse Branch
İzmir Feed Factory Branch
İzmir Armutlu Slaughterhouse Branch
İzmir Pınarbaşı Branch
İzmir Sarnıç Branch
Elazığ Slaughterhouse Branch
Elazığ Feed Factory Branch
Elazığ Hatchery Branch
Pamukçu Hatchery Branch
İstanbul Hadımköy Sales Branch
İstanbul Kadıköy Sales Branch
İstanbul Halkalı Sales Branch
İstanbul Kartal Sales Branch
Muğla Sales Branch
Fethiye Sales Branch
Bodrum Sales Branch
Trakya Sales Branch
Ankara Esenboğa Sales Branch
Ankara Sales Branch
Samsun Sales Branch
Kayseri Sales Branch
Söke Sales Branch
Bursa Sales Branch
Kemerburgaz Sales Branch
Adana Sales Branch

2) Information About Amendments in Legislation that may Significantly Affect the Company's Activities

None.

3) Information About Conflicts of Interest Between the Company and Institutions that Provide Services to the Company on the Issues such as Investment Advisory and Ratings and Cautions Taken by the Company to Prevent These Conflicts

None.

4) Information on the Social Rights of Employees, Professional Training and Other Activities of the Company that Cause Communal and Environmental Consequences

All employees are entitled to annual paid leave allowance, marriage/birth/death allowance, active military benefit, child / education allowance, supplementary health insurance, with notice period and compensation. Employees are entitled to social benefits such as food and vehicle supports, incentives to encourage senior labor, private health insurance for certain personnel, and individual retirement plan benefits for the managers and upper-level personnel.

Training programs were planned to accomplish the strategic goals of Banvit and to contribute realization of the fundamental principles of Quality, OHS, Environment, Energy and Information Management System Policies. In addition to various learning opportunities, such as on-the-job, classroom, domestic and international trainings and conferences, several training methods are used for adult training at Banvit. Also, online trainings are available companywide.

As per Law No 6331, the trainings, to inform our employees and raise their awareness about occupational health and safety issues regarding their legal rights and responsibilities, the dangers and risks they face and precautions to be taken, have continued.

5) Sustainability Principles

Environmental, social and corporate management studies, which are within the scope of the Sustainability Principles Compliance Framework, are carried out by our company. The implementation of the sustainability principles is based on a voluntary basis, and the effects on environmental and social risk management are evaluated by our company. Details of sustainability studies has been summarized under Annex 3.

6) Related Party Transactions and Information on the Balances Required to be Presented to the Shareholders

The main shareholder of the company is TBQ Foods GMBH. The transactions between the company and its subsidiaries, which are related parties of the company, have been eliminated in the consolidation and therefore are not disclosed in this note.

The details of transactions between the company and other related parties are disclosed below:

Commercial Receivables from Related Parties

	31 December 2022	31 December 2021
BRF Global GMBH	11.333.174	28.577.919
Al Wafi	9.124.854	-
BRF Foods GMBH	-	5.065.578
Federal Foods LLC	-	8.785
Total	**20.458.028**	**33.652.282**

The commercial receivables from related parties mainly arise from sales of final product, raw material and fixed asset sales and capital advances that are being sent.

Commercial Debts to Related Parties

	31 December 2022	31 December 2021
BRF Foods GMBH	805.515	-
Federal Foods LLC	16.946	443.012
Al Wafi	10.135	70.831
BRF S.A.	-	1.397.772
Total	**832.596**	**1.911.616**

The commercial debts to related parties mainly arise from raw material, final product and services sale transactions.

Sales to Related Parties

	31 December 2022	31 December 2021
BRF Global GMBH	526.800.500	110.685.565
BRF Foods GMBH	52.883.407	19.765.961
Al Wafi	14.035.363	-
Federal Foods LLC	-	7.535.242
BRF Al Yasra Foods Co.	-	163
Total	**593.719.270**	**137.986.931**

The major sales to related parties mainly arise from the raw material, final product and service sale transactions.

Purchases from Related Parties

	31 December 2022	31 December 2021
Al Wafi	10.822.290	1.687.789
BRF S.A.	-	6.819.287
BRF Foods GMBH	-	4.537.724
Federal Foods LLC	-	1.333.696
Al Khan Foodstuff LLC	-	988.683
Total	**10.822.290**	**15.367.179**

The major purchases from related parties mainly arise from the loan interest and fixed assets purchases.

The period end balances are non-secured, and their collections will be done in cash. As of December 31, 2022, the company has not set aside any provision for doubtful receivables from related parties (31 December 2021: None).

As of 31.12.2022, TRY 8.123.155 provision for doubtful receivables has been set aside (31 December 2021: TRY 9.176.311)

7) Information on the Stakeholders

None.

8) The Parent Company's Annual Activity Reports in the Group of Companies

None.

Annex 1

STATEMENT OF COMPLIANCE WITH CORPORATE GOVERNANCE PRINCIPLES

Banvit Bandırma Vitaminli Yem Sanayi A.Ş. (“Company”) has adopted the concepts of “equality”, “transparency”, “accountability” and “responsibility”, which form the basis of corporate governance in its activities and has taken maximum care and effort to comply with the Capital Markets Law and the secondary regulations and decisions of the Capital Markets Board (CMB).

The company believes in the importance of ensuring full compliance with the Principles of the Corporate Governance. In the activity period ended on 31 December 2022, the Company has continued to try to adopt the mandatory corporate governance principles that are included in the Corporate Governance Communiqué annexed to the relevant legislation.

The Company pays utmost attention to compliance with voluntary principles in the relevant legislation. In present situation, there is no conflict of interest between the stakeholders so far.

For the period ended at 31 December 2022, Our Company has shown the utmost care and effort regarding the compliance with the corporate governance principles included in the Corporate Governance Communiqué and the explanations of those are included in the annual report, Corporate Governance Compliance Report (“URF”) and Corporate Governance Information Form (“KYBF”)

In present situation, we continue to work on improving our corporate governance practices, including better operation of mechanisms and voluntary principles within the framework of the related principles in the corporate governance practices of the Company.

When there is a change in the Corporate Governance Compliance Report or Corporate Governance Information Form, there will be a material event disclosure and it will be published in the interim activity reports as well.

Annex 2

SUSTAINABILITY REPORT

As Banvit BRF, we not only produce products that add taste and practicality to the lives of our consumers, but also carry out our activities by focusing on sustainability issues at the same time. In order to reduce our company's footprint in nature; we carry out applications in different fields ranging from education activities to energy, from recyclable packaging to saving measures, from animal welfare to waste management. We reinforce our commitment to incorporate ESG (environmental, social and management) principles into our Company's future vision within the framework of BRF's sustainability plan and related policies.

Based on the United Nations 2030 Sustainable Development Goals, determined by the BRF in accordance with the UN Global Compact, the world's largest corporate sustainability initiative, we have set targets for the ESG principles regarding the 2030 Vision within the scope of the sustainability plan and policy.

The Sustainable Development Goals that we are within the scope of;

SDG-1 No Poverty Hunger
SDG-3 Good Health and Well-being
SDG-2 Zero Hunger
SDG-5 Gender Equality
SDG-6 Clean Water and Sanitation
SDG-8 Decent Work and Economic Growth
SDG-9 Industry, Innovation, and Infrastructure
SDG-10 Reduced Inequalities
SDG-12 Responsible Consumption and Production
SDG-13 Climate Action
SDG-15 Life on Land
SDG-16 Peace and Justice Strong Institutions

1. Strategies & Targets

a. Animal Welfare

b. Reducing Food Waste and Zero Waste

c. Net Zero Commitment (Scope-1, Scope-2 and Scope-3)

d. Afforestation Works

e. Gender Equality and Cultural Interaction

f. Employee Rights and Benefits

g. Corporate Governance Principles

2. Sustainability Working

a. Animal Welfare

By 2025, it is aimed that 100% of the facilities belonging to group companies within the body of BRF will be approved within the scope of Animal Welfare. BRF is committed to zero tolerance for animal abuse, whether through abuse or neglect. In addition, it is aimed to use environmental enrichment in 100% of poultry integration by 2025.

Within the scope of "Good Agricultural Practices", it is aimed to certify at least 50% of our broiler farms by the end of 2023. In addition, 100% of our breeding broiler breeding farms have "Good Agricultural Practices" certificate.

b. Reducing Food Waste and Zero Waste

As Banvit BRF, we carry out our activities by taking into account the prevention of food waste. Our production integration operates with a zero food loss model. We have rendering facilities that process and recycle all organic waste generated during the production process. Here, we contribute to animal nutrition by selling the resulting raw material production to companies that produce fish feed or pet feed.

In addition to these efforts, we launched the Smart Kids Table, one of our sustainability projects to reduce food waste, in March 2022. We are aware of the importance of conscious food consumption and food waste for the future of our world and new generations. As both a food producer and an organization with "prevention of food waste" among its sustainability goals, we started our Smart Kids Table project. In order to contribute positively to the future of our society and our world, we focused on “houses”, one of the places where food waste occurs the most. We continue to share useful content for children and their parents, prepared by consultants who are experts in their fields on conscious food consumption and food waste, on our project website akillicocuksofrasi.com and our social media accounts.

In October, we received a "Bronze" award in the "Best Social Responsibility Team" category at The Hammers Awards, organized by Marketing Communications Magazine, one of the important publications of the marketing communications industry, with our Smart Kids Table project.

By taking part in the Istanbul Children's Festival on June 3 - 4, 2022, we came together with the children and parents participating in the event and had the opportunity to introduce our project. At the same time, by sponsoring the Sustainable Brands Conference (Sustainable Brands Turkey - 2022) held between 13-16 September, we both explained our project and informed the participants about our work in the field of sustainability.

In addition, on September 29, "Global Food Loss and Waste Awareness Day", we carried out information activities for our employees within the company in order to draw attention to this issue and raise awareness, and we organized an influencer event by processing this issue on social media.

We supported the events of 18 - 19 October Sustainable Food Summit, 18 - 21 October Global Marketing Summit, 9 -11 November Brand Week events. At these events, we informed the participants about the work we carry out in the field of sustainability and shared information about our Smart Children's Table project.

As a company, we continue our activities in all our facilities by holding the "Zero Waste" certificates issued by the Ministry of Environment and Urbanization.

c. Net Zero Commitment

Our Company's "Net Zero Commitment" aims to reduce its Greenhouse Gas emissions by 35% by 2040, including Scope – 1 (direct) and Scope – 2 (Energy Indirect). In addition, the “Net Zero Commitment” includes a commitment to neutralize 12.3% of Scope – 3 emissions (other indirect emissions in the Company's value chain) by 2040.

We joined the Science-Based Targets Platform (SBTi), a global initiative aimed at harmonizing efforts to limit warming of our planet.

In line with our sustainability strategy and the potential impact of the climate problem on our business, we tried to increase our efficiency in natural resource use, renewable energy use and emission control in the production chain.

By 2030, we aim to reduce direct emissions from our operations (Scope 1) and those from energy consumption (Scope 2) by 35%.

In addition, we aim to reduce indirect emissions, which are part of our value chain, by 12.3%.

c.1 Waste Water Recovery

In line with the "Net Zero" target of our global company BRF in 2040, we, as Banvit BRF, are moving forward with the goal of sustainability in all our operations.

Thanks to the "Waste Water Recycling Facility" located in our Bandırma main campus in 2022, we recovered 43% of the water we treated in drinking water quality. Thus, instead of using natural resources, we continued to protect underground water resources by recycling wastewater.

In 2020, we aimed to reduce our water use in all our facilities by 13% by 2025. From 2020 to the end of 2022, we achieved 29% water savings per kg in the production of chicken meat in all our facilities.

c.2 Energy Saving

Until 2030, we aim to meet at least 50% of the energy we use in all our facilities from clean sources.

We aim to reduce our CO2 emissions in the energy category by producing electricity and heat with natural gas at the cogeneration facility. The heat we gain from the facility supports the production of hot water and steam to be used in the processes. In addition, in the areas where agriculture activities are carried out in our production facilities, both energy savings are provided and greenhouse gas emissions are reduced with solar panels.

We aim to provide 50% of our electricity consumption from renewable sources by 2030. Within the framework of the I-REC certificate we obtained in 2021, we supplied the 80,000 MWH electrical energy we purchased at our production facilities across Turkey from renewable sources.

c.3 Recyclable Packaging Commitment

In line with our packaging commitment, we are working to increase this rate to 100% by 2025 so that the packaging materials we use are recyclable.

d.Afforestation Projects

In 2021, as part of our sustainability efforts, we implemented the Banvit BRF Forests project of 20 thousand trees in Bandırma, where our main production campus is located, with the support of the Ministry of Agriculture and Forestry General Directorate of Forestry, and we brought the first saplings to the soil.

In 2022, we planted 20 thousand more saplings in Elazig and Manisa, the regions where our production integrations are located.

e. Gender Equality and Cultural Interaction

As Banvit BRF, another issue we see within our sustainability goals is gender equality. We attach great importance to women's power and labor in social life. In this regard, we carried out an awareness campaign to point out the importance of gender equality on March 8, International Women's Day. In our campaign, we emphasized the importance of equality in the division of labor within the family and gave the messages "Housework is not just a woman's job" and "life is common".

Starting with our employees, we provided gender equality training to our colleagues in cooperation with the “Turkey Sustainability Academy” and included informative posters in our facilities. In parallel with our internal communication efforts, we were guests in the homes of couples working in different departments of our company in our film that we released on digital platforms. The actors who took part in our movie and the voice-over of the movie were performed by our volunteer employees. We aimed to increase the awareness of our employees through internal communication channels and our consumers through social media and digital channels.

In addition, our Company aims to increase the rate of senior female employees to 30% by 2025 scope of “Woman Leadership” program.

With this awareness campaign we prepared, we were deemed worthy of an award in the category of 'Gender Equality in Advertising' at the 'Crystal Apple Awards' organized by the Advertisers Association for the 34th time in October.

f. Employee Rights and Benefits

Our company adopts the principles of Corporate Human Rights and Employee Rights, including the Universal Declaration of Human Rights, ILO Conventions ratified by Turkey and other relevant legislation.

Employees are provided with annual paid leave benefits, marriage/birth/death benefits, active military service benefits, child/study benefits, supplemental health insurance, annual leave entitlement over legal periods, notice period and compensation. All employees are provided with social benefits such as meal and vehicle allowances, incentives for senior workers, private health insurance for some employees, and private pension with corporate contributions to managers and above. Nursery assistance is provided to blue-collar and white-collar employees.

Educational programs; It is planned to contribute to the realization of the company's strategic goals and to the implementation of the basic principles of the Quality, OHS, Environment, Energy and Information Management Systems Policy. Various education methods suitable for adult education are used; In the company where many learning opportunities such as on-the-job, classroom, domestic / international training and conferences are offered, e-trainings are also considered within the scope of the company.

In accordance with the law numbered 6331, information and awareness-raising trainings on occupational health and safety issues related to the legal rights and responsibilities of the employees, the dangers and risks they face, and the precautions to be taken are continued.

g. Corporate Governance Principles

Within the scope of the Capital Markets Board's Corporate Governance Communiqué, our company shows utmost care and effort to comply with the voluntary principles as well as the mandatory principles.

Within the scope of Sustainability, our company continues its efforts to increase interaction with our stakeholders and shareholders.

In this context, studies are carried out to raise awareness through social responsibility projects and various activities.

3. Monitoring and Tracking of Sustainability Studies

The Board of Directors is informed at least once a year by the senior managers responsible for our company's sustainability activities, and the activities are followed up by our Board of Directors.

4. Reports and Announcements Regarding Sustainability Studies

The annual reports of our company include information about the activities carried out within the scope of sustainability studies, the targets set and their realization rates. In addition, detailed information on Sustainability studies will be included on the corporate website of our Company, which is being renewed.

In case of any changes in the Sustainability Report in the following periods, the relevant changes will be included in the interim activity reports.

KAMUYU AYDINLATMA PLATFORMU

BANVİT BANDIRMA VİTAMİNLİ YEM SANAYİİ A.Ş.
Corporate Governance Information Form
2022 - Annual Notification

Summary

Corporate Governance Information Form of Year 2022

1. SHAREHOLDERS

Related Companies []

Related Funds []

1. SHAREHOLDERS	
1.1. Facilitating the Exercise of Shareholders Rights	
The number of investor meetings (conference, seminar/etc.) organised by the company during the year	Not available.
1.2. Right to Obtain and Examine Information	
The number of special audit request(s)	Not available
The number of special audit requests that were accepted at the General Shareholders' Meeting	Not available
1.3. General Assembly	
Link to the PDP announcement that demonstrates the information requested by Principle 1.3.1. (a-d)	https://www.kap.org.tr/tr/Bildirim/1025308
Whether the company provides materials for the General Shareholders' Meeting in English and Turkish at the same time	Not presented
The links to the PDP announcements associated with the transactions that are not approved by the majority of independent directors or by unanimous votes of present board members in the context of Principle 1.3.9	No transactions in this scope
The links to the PDP announcements associated with related party transactions in the context of Article 9 of the Communique on Corporate Governance (II-17.1)	Not available
The links to the PDP announcements associated with common and continuous transactions in the context of Article 10 of the Communique on Corporate Governance (II-17.1)	Not available
The name of the section on the corporate website that demonstrates the donation policy of the company	Not available
The relevant link to the PDP with minute of the General Shareholders' Meeting where the donation policy has been approved	Not available
The number of the provisions of the articles of association that discuss the participation of stakeholders to the General Shareholders' Meeting	Article 14 of the articles of association contains regulations regarding participation in the general assembly. Stakeholders There is no regulation that restricts participation in the general assembly.
Identified stakeholder groups that participated in the General Shareholders' Meeting, if any	None of the stakeholders attended the general assembly.
1.4. Voting Rights	

Whether the shares of the company have differential voting rights	Hayır (No)
In case that there are voting privileges, indicate the owner and percentage of the voting majority of shares.	-
The percentage of ownership of the largest shareholder	% 91,71
1.5. Minority Rights	
Whether the scope of minority rights enlarged (in terms of content or the ratio) in the articles of the association	Hayır (No)
If yes, specify the relevant provision of the articles of association.	Not available
1.6. Dividend Right	
The name of the section on the corporate website that describes the dividend distribution policy	banvitas.com / Yatırımcıya Özel / Kurumsal Yönetim /
Minutes of the relevant agenda item in case the board of directors proposed to the general assembly not to distribute dividends, the reason for such proposal and information as to use of the dividend.	Pursuant to the 6th item of the agenda, the dividend distribution proposal was opened for negotiation.
PDP link to the related general shareholder meeting minutes in case the board of directors proposed to the general assembly not to distribute dividends	As per article 6 of the agenda, profit distribution offer has been discussed. Despite the Company made profit in the amount of TRY 95.150.799,00 according consolidated financial statements (net profit in the amount of TRY 334.100.401,99 accordance with the TPL) , prepared by our Company within the framework of the Communique on Principles of Financial Reporting in the Capital Markets (II-14.1) and audited by KPMG Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. covering the accounting period between 01.01.2021 – 31.12.2021, and it was decided by majority with affirmative votes of 91.731.185,818 shares and the dissenting votes of 0 shares not to distribute the profit, in order to strengthen the financial structure of our Company and to avoid financing needs considering the Company Policy on Profit Distribution, long-term Group and Company

	strategies, investment and financing policies, profitability and cash situation.

General Assembly Meetings

General Meeting Date	The number of information requests received by the company regarding the clarification of the agenda of the General Shareholders' Meeting	Shareholder participation rate to the General Shareholders' Meeting	Percentage of shares directly present at the GSM	Percentage of shares represented by proxy	Specify the name of the page of the corporate website that contains the General Shareholders' Meeting minutes, and also indicates for each resolution the voting levels for or against	Specify the name of the page of the corporate website that contains all questions asked in the general assembly meeting and all responses to them	The number of the relevant item or paragraph of General Shareholders' Meeting minutes in relation to related party transactions	The number of declarations by insiders received by the board of directors	The link to the related PDP general shareholder meeting notification
03/06/2022	0	% 91,71	% 0,000001	% 91,71	General Assemblies	Not available	14	40	https://www.kap.org.tr/tr/Bildirim/1034574

2. DISCLOSURE AND TRANSPARENCY

2. DISCLOSURE AND TRANSPARENCY	
2.1. Corporate Website	
Specify the name of the sections of the website providing the information requested by the Principle 2.1.1.	Banvitas / Investor Relations
If applicable, specify the name of the sections of the website providing the list of shareholders (ultimate beneficiaries) who directly or indirectly own more than 5% of the shares.	Banvitas / Investor Relations / Corporate Governance
List of languages for which the website is available	Turkish & English
2.2. Annual Report	
The page numbers and/or name of the sections in the Annual Report that demonstrate the information requested by principle 2.2.2.	
a) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on the duties of the members of the board of directors and executives conducted out of the company and declarations on independence of board members	A. General Information -> 5) Information on the Board of Directors, Key Managers and Number of Personnel
b) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on committees formed within the board structure	A. General Information -> 5) Information on the Board of Directors, Key Managers and Number of Personnel
c) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on the number of board meetings in a year and the attendance of the members to these meetings	A. General Information -> 5) Information on the Board of Directors, Key Managers and Number of Personnel
ç) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on amendments in the legislation which may significantly affect the activities of the corporation	G. Other Information -> 2) Information on Legislative Changes That May Significantly Affect Company Operations
d) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on significant lawsuits filed against the corporation and the possible results thereof	D. Activities and Significant Developments Regarding the Activities -> 6) Legal Subjects
e) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on the	G. Other Information -> 3) Information About Conflicts of Interest Between the Company and Institutions that

conflicts of interest of the corporation among the institutions that it purchases services on matters such as investment consulting and rating and the measures taken by the corporation in order to avoid from these conflicts of interest	Provide Services to the Company on the Issues such as Investment Advisory and Ratings and Cautions Taken by the Company to Prevent These Conflicts
f) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on the cross ownership subsidiaries that the direct contribution to the capital exceeds 5%	A. General Information -> 3) Shareholding Structure and Capital Structure
g) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on social rights and professional training of the employees and activities of corporate social responsibility in respect of the corporate activities that arises social and environmental results	G. Other Information -> 4) Information on the Social Rights of Employees, Professional Training and Other Activities of the Company that Cause Communal and Environmental Consequences

3. STAKEHOLDERS

3. STAKEHOLDERS	
3.1. Corporation’s Policy on Stakeholders	
The name of the section on the corporate website that demonstrates the employee remedy or severance policy	Not available
The number of definitive convictions the company was subject to in relation to breach of employee rights	22
The position of the person responsible for the alert mechanism (i.e. whistleblowing mechanism)	Legal Manager & Compliance Manager
The contact detail of the company alert mechanism	Phone Number : 8006210202 mail address :uyum@brftr. com
3.2. Supporting the Participation of the Stakeholders in the Corporation’s Management	
Name of the section on the corporate website that demonstrates the internal regulation addressing the participation of employees on management bodies	Efforts are made to develop mechanisms and models that support the participation of stakeholders, especially Company employees, in the Company's management. Work will begin to include this information on the corporate website.
Corporate bodies where employees are actually represented	Not available
3.3. Human Resources Policy	
The role of the board on developing and ensuring that the company has a succession plan for the key management positions	Appointments to be made for key executive positions are submitted to the approval of the Board of Directors by the senior management.
The name of the section on the corporate website that demonstrates the human resource policy covering equal opportunities and hiring principles. Also provide a summary of relevant parts of the human resource policy.	Not available
Whether the company provides an employee stock ownership programme	Pay edindirme planı bulunmuyor (There isn't an employee stock ownership programme)

The name of the section on the corporate website that demonstrates the human resource policy covering discrimination and mistreatments and the measures to prevent them. Also provide a summary of relevant parts of the human resource policy.	Banvitas / Human Resources / Our HR Approach
The number of definitive convictions the company is subject to in relation to health and safety measures	2
3.5. Ethical Rules and Social Responsibility	
The name of the section on the corporate website that demonstrates the code of ethics	Not available
The name of the section on the company website that demonstrates the corporate social responsibility report. If such a report does not exist, provide the information about any measures taken on environmental, social and corporate governance issues.	Adopting the principle of ensuring customer satisfaction, Banvit carries out activities based on the development and improvement of products and services in accordance with the laws in line with the changing demands and needs of its customers. It carries out these works with TSE Halal, ISO 9001:2008 Quality Management System, FSSC 22000 Food Safety Management System certifications. Banvit also carries out work on occupational health and safety in parallel with its production processes. Occupational Health and Safety studies aiming to prevent work accidents, occupational diseases and loss of workforce since 2013 have been carried out with ISO 45001 OHS Management System certification. It also carries out “Sedex” practices, which include ethical issues. Having fully integrated production systems, social Banvit, which fulfills its responsibilities and is sensitive to the environment, human health and employees, It also strives for the development of the

	environment in the social field.
Any measures combating any kind of corruption including embezzlement and bribery	Our holding company, BRF SA, encourages individuals to report a violation or potentially infringing practices. Complaints can be reported to the Transparency Channel on the corporate website and it is also possible to submit complaints via phone, website or email. BRF SA focuses on preventing and combating Money Laundering, Terrorist Financing and Corruption , and conducts its processes of working with Third Parties in line with these criteria.

4. BOARD OF DIRECTORS-I

4. BOARD OF DIRECTORS-I	
4.2. Activity of the Board of Directors	
Date of the last board evaluation conducted	Not available
Whether the board evaluation was externally facilitated	Hayır (No)
Whether all board members released from their duties at the GSM	Evet (Yes)
Name(s) of the board member(s) with specific delegated duties and authorities, and descriptions of such duties	There is no executive membership in the Board of Directors and there has been no delegation of authority.
Number of reports presented by internal auditors to the audit committee or any relevant committee to the board	4
Specify the name of the section or page number of the annual report that provides the summary of the review of the effectiveness of internal controls	D. Activities and Significant Developments Regarding the Activities / 2) Internal Control System and Internal Auditing Activities
Name of the Chairman	Igor Fonseca Marti
Name of the CEO	Tolga Gündüz (Genel Müdür)
If the CEO and Chair functions are combined: provide the link to the relevant PDP annoucement providing the rationale for such combined roles	Not combined the roles
Link to the PDP notification stating that any damage that may be caused by the members of the board of directors during the discharge of their duties is insured for an amount exceeding 25% of the company's capital	Not available
The name of the section on the corporate website that demonstrates current diversity policy targeting women directors	Not available
The number and ratio of female directors within the Board of Directors	Not available

Composition of Board of Directors

				Link To PDP Notification	Whether the Independent		

Name, Surname of Board Member	Whether Executive Director Or Not	Whether Independent Director Or Not	The First Election Date To Board	That Includes The Independency Declaration	Director Considered By The Nomination Committee	Whether She/He is the Director Who Ceased to Satisfy The Independence or Not	Whether The Director Has At Least 5 Years' Experience On Audit, Accounting And/Or Finance Or Not
Igor Fonseca Marti	İcrada Görevli Değil (Non-executive)	Bağımsız üye değil (Not independent director)	20/02/2018	Not independent director	İlgisiz (Not applicable)	İlgisiz (Not applicable)	Evet (Yes)
Fadi Felfeli	İcrada Görevli Değil (Non-executive)	Bağımsız üye değil (Not independent director)	25/11/2021	Not independent director	İlgisiz (Not applicable)	İlgisiz (Not applicable)	Evet (Yes)
Davide Luigi Vimercati	İcrada Görevli Değil (Non-executive)	Bağımsız üye değil (Not independent director)	25/05/2017	Not independent director	İlgisiz (Not applicable)	İlgisiz (Not applicable)	Evet (Yes)
Fabio Luis Mendes Mariano	İcrada Görevli Değil (Non-executive)	Bağımsız üye değil (Not independent director)	29/04/2022	Not independent director	İlgisiz (Not applicable)	İlgisiz (Not applicable)	Evet (Yes)
Feras Abdulaziz M H AlNaama	İcrada Görevli Değil (Non-executive)	Bağımsız üye değil (Not independent director)	22/05/2019	Not independent director	İlgisiz (Not applicable)	İlgisiz (Not applicable)	Evet (Yes)
Orhan Cem	İcrada Görevli Değil (Non-executive)	Bağımsız üye (Independent director)	25/05/2017	https://www.kap.org.tr/tr/Bildirim/827259	Değerlendirildi (Considered)	Hayır (No)	Evet (Yes)
Levent Avni Ersalman	İcrada Görevli Değil (Non-executive)	Bağımsız üye (Independent director)	25/05/2017	https://www.kap.org.tr/tr/Bildirim/827259	Değerlendirildi (Considered)	Hayır (No)	Evet (Yes)
Meral Kurdaş	İcrada Görevli Değil (Non-executive)	Bağımsız üye (Independent director)	03/06/2022	https://www.kap.org.tr/tr/Bildirim/1025324	Değerlendirildi (Considered)	Hayır (No)	Evet (Yes)

4. BOARD OF DIRECTORS-II

4. BOARD OF DIRECTORS-II	
4.4. Meeting Procedures of the Board of Directors	
Number of physical or electronic board meetings in the reporting period	24
Director average attendance rate at board meetings	% 100
Whether the board uses an electronic portal to support its work or not	Evet (Yes)
Number of minimum days ahead of the board meeting to provide information to directors, as per the board charter	1-5 days
The name of the section on the corporate website that demonstrates information about the board charter	Banvitas / Investor Relations / Articles of Association
Number of maximum external commitments for board members as per the policy covering the number of external duties held by directors	Not available
4.5. Board Committees	
Page numbers or section names of the annual report where information about the board committees are presented	5) Information on the Board of Directors, Senior Executives and Number of Personnel
Link(s) to the PDP announcement(s) with the board committee charters	https://www.kap.org.tr/tr/Bildirim/845906

Composition of Board Committees-I

Names Of The Board Committees	Name Of Committees Defined As " Other" In The First Column	Name-Surname of Committee Members	Whether Committee Chair Or Not	Whether Board Member Or Not
Kurumsal Yönetim Komitesi (Corporate Governance Committee)	-	Levent Avni Ersalman	Evet (Yes)	Yönetim kurulu üyesi (Board member)
Kurumsal Yönetim Komitesi (Corporate Governance Committee)	-	Orhan Cem	Hayır (No)	Yönetim kurulu üyesi (Board member)

Kurumsal Yönetim Komitesi (Corporate Governance Committee)	-	Hale Çırak	Hayır (No)	Yönetim kurulu üyesi değil (Not board member)
Denetim Komitesi (Audit Committee)	-	Levent Avni Ersalman	Evet (Yes)	Yönetim kurulu üyesi (Board member)
Denetim Komitesi (Audit Committee)	-	Orhan Cem	Hayır (No)	Yönetim kurulu üyesi (Board member)
Riskin Erken Saptanması Komitesi (Committee of Early Detection of Risk)	-	Levent Avni Ersalman	Evet (Yes)	Yönetim kurulu üyesi (Board member)
Riskin Erken Saptanması Komitesi (Committee of Early Detection of Risk)	-	Orhan Cem	Hayır (No)	Yönetim kurulu üyesi (Board member)
Riskin Erken Saptanması Komitesi (Committee of Early Detection of Risk)	-	Igor Fonseca Marti	Hayır (No)	Yönetim kurulu üyesi (Board member)

4. BOARD OF DIRECTORS-III

4. BOARD OF DIRECTORS-III	
4.5. Board Committees-II	
Specify where the activities of the audit committee are presented in your annual report or website (Page number or section name in the annual report/website)	Banvitas / Corporate Governance / Committees of Board
Specify where the activities of the corporate governance committee are presented in your annual report or website (Page number or section name in the annual report/website)	Banvitas / Corporate Governance / Committees of Board
Specify where the activities of the nomination committee are presented in your annual report or website (Page number or section name in the annual report/website)	The Corporate Governance Committee carries out the task of the Nomination Committee.
Specify where the activities of the early detection of risk committee are presented in your annual report or website (Page number or section name in the annual report/website)	Banvitas / Corporate Governance / Committees of Board
Specify where the activities of the remuneration committee are presented in your annual report or website (Page number or section name in the annual report/website)	The Corporate Governance Committee carries out the duties of the Remuneration Committee.
4.6. Financial Rights	
Specify where the operational and financial targets and their achievement are presented in your annual report (Page number or section name in the annual report)	-
Specify the section of website where remuneration policy for executive and non-executive directors are presented.	Banvitas / Investor Relations / Corporate Governance / Policies
Specify where the individual remuneration for board members and senior executives are presented in your annual report (Page number or section name in the annual report)	B. Financial Rights Given to Board Members and Executive Management / 1) Total Amount of Financial Rights like Attendance Fee, Wages, Bonus, Premium and Dividend Payments

Composition of Board Committees-II

Names Of The Board Committees	Name of committees defined as "Other" in the first column	The Percentage Of Non-executive Directors	The Percentage Of Independent Directors In The Committee	The Number Of Meetings Held In Person	The Number Of Reports On Its Activities Submitted To The Board
Kurumsal Yönetim Komitesi (Corporate Governance Committee)	-	% 66,7	% 66,7	-	6
Denetim Komitesi (Audit Committee)	-	% 100	% 100	-	6
Riskin Erken Saptanması Komitesi (Committee of Early Detection of Risk)	-	% 100	% 66,7	-	7

KAMUYU AYDINLATMA PLATFORMU

BANVİT BANDIRMA VİTAMİNLİ YEM SANAYİİ A.Ş.
Corporate Governance Compliance Report
2022 - Annual Notification

Summary

2022 Corporate Governance Compliance Report

MERKEZİ KAYIT İSTANBUL

Corporate Governance Compliance Report

Related Companies []

Related Funds []

	Company Compliance Status					Explanation
	Yes	Partial	No	Exempted	Not Applicable	
Corporate Governance Compliance Report						
1.1. FACILITATING THE EXERCISE OF SHAREHOLDER RIGHTS						
1.1.2- Up-to-date information and disclosures which may affect the exercise of shareholder rights are available to investors at the corporate website.	X					
1.2. RIGHT TO OBTAIN AND REVIEW INFORMATION						
1.2.1 - Management did not enter into any transaction that would complicate the conduct of special audit.	X					
1.3. GENERAL ASSEMBLY						
1.3.2 - The company ensures the clarity of the General Assembly agenda, and that an item on the agenda does not cover multiple topics.	X					
1.3.7- Insiders with privileged information have informed the board of directors about transactions conducted on their behalf within the scope of the company's activities in order for these transactions to be presented at the General Shareholders' Meeting.			X			Our Company has not been informed that any action has been taken in this context.
1.3.8 - Members of the board of directors who are concerned with specific agenda items, auditors, and other related persons, as well as the officers who are responsible for the preparation of the financial statements were present at the General Shareholders' Meeting.	X					
1.3.10 - The agenda of the General Shareholders' Meeting included a separate item detailing the amounts and beneficiaries of all donations and contributions.		X				Information was given about the total amount of donations and aids, but no information was given about the beneficiaries.
1.3.11 - The General Shareholders' Meeting was held open to the public, including the stakeholders, without having the right to speak.	X					
1.4. VOTING RIGHTS						
1.4.1 - There is no restriction preventing shareholders from exercising their shareholder rights.	X					
1.4.2 - The company does not have shares that carry privileged voting rights.	X					
1.4.3-The company withholds from exercising its voting rights at the General Shareholders' Meeting of any company with which it has cross-ownership, in case such cross-ownership provides management control.	X					Our company does not have any mutual subsidiaries.
1.5. MINORITY RIGHTS						
1.5.1 - The company pays maximum diligence to the exercise of minority rights.	X					Although there is no provision in our articles of association regarding minority rights, the provisions of the TCC and CMB are applied.
1.5.2 - The Articles of Association extend the use of minority rights to those who own less than one twentieth of the outstanding shares, and expand the scope of the minority rights.			X			Although there is no provision in our articles of association regarding minority rights, the provisions of the TCC and CMB are applied.
1.6. DIVIDEND RIGHT						
1.6.1 - The dividend policy approved by the General Shareholders' Meeting is posted on the company website.	X					
1.6.2 - The dividend distribution policy comprises the minimum information to ensure that the shareholders can have an opinion on the procedure and principles of dividend distributions in the future.	X					
1.6.3 - The reasons for retaining earnings, and their allocations, are stated in the relevant agenda item.	X					

1.6.4 - The board reviewed whether the dividend policy balances the benefits of the shareholders and those of the company.	X					
1.7. TRANSFER OF SHARES						
1.7.1 - There are no restrictions preventing shares from being transferred.	X					
2.1. CORPORATE WEBSITE						
2.1.1. - The company website includes all elements listed in Corporate Governance Principle 2.1.1.	X					
2.1.2 - The shareholding structure (names, privileges, number and ratio of shares, and beneficial owners of more than 5% of the issued share capital) is updated on the website at least every 6 months.	X					
2.1.4 - The company website is prepared in other selected foreign languages, in a way to present exactly the same information with the Turkish content.		X				Almost all of the information is published in Turkish and English on our corporate website.
2.2. ANNUAL REPORT						
2.2.1 - The board of directors ensures that the annual report represents a true and complete view of the company's activities.	X					
2.2.2 - The annual report includes all elements listed in Corporate Governance Principle 2.2.2.	X					
3.1. CORPORATION'S POLICY ON STAKEHOLDERS						
3.1.1- The rights of the stakeholders are protected pursuant to the relevant regulations, contracts and within the framework of bona fides principles.	X					
3.1.3 - Policies or procedures addressing stakeholders' rights are published on the company's website.			X			No policy or procedure has been established regarding the rights of stakeholders.
3.1.4 - A whistleblowing programme is in place for reporting legal and ethical issues.	X					
3.1.5 - The company addresses conflicts of interest among stakeholders in a balanced manner.	X					
3.2. SUPPORTING THE PARTICIPATION OF THE STAKEHOLDERS IN THE CORPORATION'S MANAGEMENT						
3.2.1 - The Articles of Association, or the internal regulations (terms of reference/manuals), regulate the participation of employees in management.		X				While there is a provision in the articles of association, the participation of employees in the management is supported through internal practices.
3.2.2 - Surveys/other research techniques, consultation, interviews, observation method etc. were conducted to obtain opinions from stakeholders on decisions that significantly affect them.		X				In important decisions that will have results, requests, suggestions and complaints of stakeholders are taken and evaluated.
3.3. HUMAN RESOURCES POLICY						
3.3.1 - The company has adopted an employment policy ensuring equal opportunities, and a succession plan for all key managerial positions.	X					
3.3.2 - Recruitment criteria are documented.	X					
3.3.3 - The company has a policy on human resources development, and organises trainings for employees.	X					
3.3.4 - Meetings have been organised to inform employees on the financial status of the company, remuneration, career planning, education and health.	X					
3.3.5 - Employees, or their representatives, were notified of decisions impacting them. The opinion of the related trade unions was also taken.		X				Although the decisions that may affect the employees are notified to the employees themselves, there are no collective agreements and union practices in our company.
3.3.6 - Job descriptions and performance criteria have been prepared for all employees, announced to them and taken into account to determine employee remuneration.		X				Performance criteria and job descriptions have been determined for blue-collar employees. Performance evaluation for white-collar employees above a certain level started in 2018.
3.3.7 - Measures (procedures, trainings, raising awareness, goals, monitoring, complaint mechanisms) have been taken to prevent discrimination, and to protect employees against any physical, mental, and emotional mistreatment.	X					

3.3.8 - The company ensures freedom of association and supports the right for collective bargaining.	X					
3.3.9 - A safe working environment for employees is maintained.	X					
3.4. RELATIONS WITH CUSTOMERS AND SUPPLIERS						
3.4.1-The company measured its customer satisfaction, and operated to ensure full customer satisfaction.	X					
3.4.2 - Customers are notified of any delays in handling their requests.	X					
3.4.3 - The company complied with the quality standards with respect to its products and services.	X					
3.4.4 - The company has in place adequate controls to protect the confidentiality of sensitive information and business secrets of its customers and suppliers.	X					
3.5. ETHICAL RULES AND SOCIAL RESPONSIBILITY						
3.5.1 - The board of the corporation has adopted a code of ethics, disclosed on the corporate website.		X				Ethical rules have been determined but not published on the corporate website.
3.5.2-The company has been mindful of its social responsibility and has adopted measures to prevent corruption and bribery.	X					
4.1. ROLE OF THE BOARD OF DIRECTORS						
4.1.1 - The board of directors has ensured strategy and risks do not threaten the long-term interests of the company, and that effective risk management is in place.	X					
4.1.2 - The agenda and minutes of board meetings indicate that the board of directors discussed and approved strategy, ensured resources were adequately allocated, and monitored company and management performance.	X					
4.2. ACTIVITIES OF THE BOARD OF DIRECTORS						
4.2.1-The board of directors documented its meetings and reported its activities to the shareholders.	X					
4.2.2 - Duties and authorities of the members of the board of directors are disclosed in the annual report.	X					
4.2.3-The board has ensured the company has an internal control framework adequate for its activities, size and complexity.	X					
4.2.4 - Information on the functioning and effectiveness of the internal control system is provided in the annual report.	X					
4.2.5 - The roles of the Chairman and Chief Executive Officer are separated and defined.	X					
4.2.7-The board of directors ensures that the Investor Relations department and the corporate governance committee work effectively. The board works closely with them when communicating and settling disputes with shareholders.	X					
4.2.8 - The company has subscribed to a Directors and Officers liability insurance covering more than 25% of the capital.			X			No liability insurance was made for a price exceeding 25% of the capital.
4.3. STRUCTURE OF THE BOARD OF DIRECTORS						
4.3.9 - The board of directors has approved the policy on its own composition, setting a minimal target of 25% for female directors. The board annually evaluates its composition and nominates directors so as to be compliant with the policy.			X			We do not have a policy that prevents the election of female board members.
4.3.10 - At least one member of the audit committee has 5 years of experience in audit/accounting and finance.	X					
4.4. BOARD MEETING PROCEDURES						
4.4.1-Each board member attend the majority of the board meetings in person or via an electronic board meeting system	X					
4.4.2 - The board has formally approved a minimum time by which information and documents relevant to the agenda items should be supplied to all board members.	X					
4.4.3 - The opinions of board members that could not attend the meeting, but did submit their opinion in written format, were presented to other members.	X					
4.4.4 - Each member of the board has one vote.	X					
4.4.5 - The board has a charter/written internal rules defining the meeting procedures of the board.	X					
4.4.6 - Board minutes document that all items on the agenda are discussed, and board resolutions include director's dissenting opinions if any.	X					
4.4.7-There are limits to external commitments of board members. Shareholders are informed of board members' external commitments at the General Shareholders' Meeting.			X			There is no restriction regarding the Members of the Board of Directors to take on other duties outside the company.

4.5. BOARD COMMITTEES						
4.5.5 - Board members serve in only one of the Board's committees.			X			As of the number of members of the Board of Directors, the members take part in more than one committee.
4.5.6 - Committees have invited persons to the meetings as deemed necessary to obtain their views.	X					
4.5.7 - If external consultancy services are used, the independence of the provider is stated in the annual report.			X			Counseling not received.
4.5.8 - Minutes of all committee meetings are kept and reported to board members.	X					
4.6. FINANCIAL RIGHTS						
4.6.1-The board of directors has conducted a board performance evaluation to review whether it has discharged all its responsibilities effectively.			X			No performance evaluation has been made for the Board of Directors.
4.6.4-The company did not extend any loans to its board directors or executives, nor extended their lending period or enhanced the amount of those loans, or improve conditions thereon, and did not extend loans under a personal credit title by third parties or provided guarantees such as surety in favour of them.	X					
4.6.5 - The individual remuneration of board members and executives is disclosed in the annual report.		X				It is shared in total in the annual report and not disclosed on an individual basis.