



KURUMSAL YÖNETİM ENDEKSİ; İSTANBUL MENKUL KIYMETLER BORSASI İÇİN DURUM ANALİZİ

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ÖZET

Kurumsal yönetim anlayışı muhasebe skandalları sonucunda ortaya çıkan en önemli gelişmelerden biridir. Her ülkede farklı kurumsal yönetimi düzenleyici sistemler bulunmaktadır. Bazı ülkelerde Kurumsal Yönetim Endeksi (KYE) yer almasına rağmen, her ülkenin KYE koşulları farklıdır. Türkiye’de 2005 yılı Şubat ayında İstanbul Menkul Kıymetler Borsası (İMKB) KYE’nin koşullarını belirlemiştir. 31 Ağustos 2007 tarihinden bu güne İMKB KYE yürürlüktedir. İMKB KYE’nin amacı, İMKB’de işlem gören ve kurumsal yönetim ilkelerine uyum notu 10 üzerinden en az 7 olan işletmelerin fiyat ve getiri performansının ölçmektir. Bu çalışmanın amacı da, kurumsal yönetimi kavramsal olarak incelemek ve İMKB KYE’nin gelişimini ortaya koymaktır. Bu amaç doğrultusunda, Türkiye’de yer alan İMKB KYE’nin gelişimi ve endekste yer alan işletmelerin kurumsal yönetim ilkelerine uyum notları incelenmiştir. Türkiye’deki gelişimi ortaya koymak için İMKB KYE’de yer alan işletmelerin 2007-2012 yılları arasında yayımlanan Kurumsal Yönetim İlkelerine Uyum Raporları ve Kurumsal Yönetim Endeksi notları incelenmiştir.

Anahtar Kelimeler: Kurumsal yönetim (KY), kurumsal yönetim endeksi (KYE), kurumsal yönetim ilkelerine uyum raporu (KYİUR), Türkiye’de kurumsal yönetim.

CORPORATE GOVERNANCE INDEX; THE ISTANBUL STOCK EXCHANGE POSITION

ABSTRACT

Corporate governance (CG) has become one of the most important developments as a consequence of accounting scandals. There are different CG regulatory systems in different jurisdiction areas. Although certain countries have Corporate Governance Index (CGI), each country has different CGI requirements. In Turkey, in February 2005 Istanbul Stock Exchange (ISE) published the requirements of CGI that has been active since August 31, 2007. ISE CGI aims to measure the price and return performances of ISE listed companies with their corporate governance ratings of minimum 7 out of 10. The purpose of this paper is to conceptually examine the CG and to understand the trend of ISE CGI. A study has been conducted to understand the development of CGI and to analyze the ratings of CGI companies in ISE CGI. To do this, Corporate Governance Rating Reports (CGRR) and CGI ratings were analyzed for the period of 2007-2012.

Key Words: Corporate governance (CG), corporate governance index (CGI), corporate governance rating reports (CGRR), corporate governance in Turkey.

INTRODUCTION

Non-financial reporting which is the practice of measuring, disclosing and being accountable to internal and external stakeholders for organizational performance towards the goal of sustainable and inclusive development. The practice of non-financial reporting has been started largely in response to pressure from non-governmental organizations and society, which claimed that many firms lacked social and environmental responsibility.

Non-financial reporting is an opportunity to communicate in an open and transparent way with stakeholders. In their non-financial reports, firms volunteer an overview of their environmental and social impact during the previous year. The information in non-financial reports contributes to building up a company's risk-return profile.

Being a kind of non-financial reporting, CG reporting has become more relevant and important after the big corporate scandals. Sound CG practices bring out advantages for companies and countries. With respect to companies, high quality status of CG means low capital cost, increase in financial capabilities and liquidity, ability of overcoming crises more easily and prevention of the exclusion of soundly managed companies from the capital markets.

CGI is another practice related to non-financial reporting. CGI is the index, in which companies applying CG principles would be included. There are different CG regulations in different countries, and also CGI regulations of CGIs' are different. In Turkey, Capital Markets Board (CMB)'s CG principles are used in the ISE CGI.

The purpose of this study is to give the position of ISE CGI, and to analyze the development of the index. For this purpose, ISE CGI companies' CGRR are analyzed. The analysis covers CGRR between the years 2007 and 2012 to give the trend of ISE CGI. This paper is one of the study that gives the position of ISE CGI in Turkey without using the firm performances, and stock returns of the index companies.

The remainder of this study has been organized as follows. In section 2, the literature review of the ISE CGI is examined. In section 3, research methodology, and findings related to the ISE CGI is given. Section 4 presents summary, concluding remarks, limitations, and recommendation for further research. Some data which were used while analyzing the index are given at the end of the paper.

1. LITERATURE REVIEW

In literature there is no academic study that directly gives the position of countries CGIs'. It is believed that many people from academia, practioners, and public around the world have been studying CGI [(Gompers, Ishii and Metrick, 2003), (Brown and Caylor, 2004),

(Moorman, 2005), (Bae, Lim and Wei., 2006), (Zheka, 2006), (Bhagat and Bolton, 2008), (Ping, 2008), (Fodor and Diavatopoulos, 2010), (Koerniadi, Krishnamurti and Tourani-Rad, 2010), (Khatab, Masood, Zaman, Saleem and Saeed, 2011), and (Viggosson, 2011)]. The studies which have been done in Turkey by using ISE CGI are as follows; [(Ararat and Ugur, 2003), (Ararat and Yurtoglu, 2006), (Arsoy and Crowther, 2008), (Toraman and Abdioglu, 2008), (Yuksel, 2008), (Sengur, 2010), (Mandaci and Gumus, 2010), (Cakmur Yildirtan and Ozun, 2011), and (Guclu, 2012)]. Particularly, CG practices in different countries, relationship between the rating, and the firm value, firm performances of CGI' companies in the each section of CGRR, relationship between the CG practices, and company stock returns have been worked.

Guclu (2012) described the development, and current state of the companies which were included in the ISE CGI at the beginning and thereafter with reference to their CG ratings and rating agencies. And also, Guclu created two new CG indices for comparing them with the ISE-100 index, and current ISE CGI. He found that, the ISE CGI followed a lower course than that of the ISE-100 index, a higher index value was achieved with the new indexes.

2. THE ISTANBUL STOCK EXCHANGE CORPORATE GOVERNANCE INDEX

In Turkey, CG principles, first published in July 2003 and revised in February 2005, consist of four main sections; namely, shareholders, public disclosure and transparency, stakeholders and board of directors. Those principles on company management, relations between the shareholders and other stakeholders, rights and responsibilities of parties and the decision processes of the company, call for the operation of a company by taking into account aspects of good governance such as equality, social responsibility, transparency, independence, responsibility, discipline and accountability

(<http://borsaistanbul.com/en/companies/companies-liabilities/emerging-companies-market/corporate-governance> (Date accessed: 09/03/2013)).

Issued the purpose of enhancing the CG regulations for Istanbul Stock Exchange (ISE) listed companies; the CG principles have been established as a product of contributions of all high-level bodies that widely covering distinguished experts and a large part of stakeholders. The Principles consist of four main sections namely; shareholders, public disclosure and transparency, stakeholders, and board of directors. The implementation of the principles is optional and companies should disclose the extent of compliance and explain the reasons why some of the principles are not adopted. The implementation status of the principles should be disclosed in “Corporate Governance Principles Compliance Report” that is included in the annual report as a separate section.

Compliance with CG principles is optional for companies whose shares are traded on the ISE, yet within the framework of the CMB decision dated December 10, 2004, it is

mandatory to have their “declaration of corporate governance compliance” and “corporate governance compliance report” in their annual reports and on their web sites (<http://borsaistanbul.com/en/companies/companies-liabilities/emerging-companies-market/corporate-governance> (Date accessed: 09/03/2013)).

ISE CGI is the index that includes Turkish companies applying Corporate Governance Principles In February 2005, ISE published the rules of CGI. It has been active since August 31, 2007. It aims to measure the price and return performances of companies traded on ISE Markets (except companies in Watchlist Companies Market and List C) with a CG rating of minimum 7 over 10 (<http://borsaistanbul.com/en/products-and-markets/indices/equity-indices/corporate-governance-index> (Date accessed:

10/03/2013)). At the meeting of the board of the ISE dated April 4, 2013 for inclusion in the ISE CGI, the minimum rate has changed to 6,5 instead of 7. This amendment will be valid starting with July 1, 2013

(http://borsaistanbul.com/datum/duyuru_ekleri/GenelMektup_4030_Endeks_Adlari.pdf (Date accessed: 15/04/2013)).

CG rating is a rating of the conformity of a company with all the CG principles as a whole, determined by a rating institution which is in the list of rating institutions authorized by the CMB in the scope of the Communiqué of CMB on "Principles Governing Rating Activities in the Capital Market and Rating Institutions" (IMKB Index and Data Department, December 2012). The CG rating is determined by the rating institutions that are approved by the CMB. The CMB regulates principles of rating institutions under the Communiqué on Principles Regarding Ratings and Agencies (Seria: VIII, No: 51) <http://www.spk.gov.tr/indexcont.aspx?action=showpage&showmenu=yes&menuid=6&pid=10&subid=1&submenuheader=10> (Date accessed: 15/12/2012). CG rating of a company is granted upon the request of these companies and CGRR are published by the rating institutions. Ratings for each section of CG principles are given along with the overall CG ratings. Rating scale and explanation are given in Appendix 1.

As of April 2013, five companies have been authorized by the CMB to rate the CG practices of the companies in Turkey. These institutions are

<http://www.spk.gov.tr/indexcont.aspx?action=showpage&showmenu=yes&menuid=6&pid=10&subid=1&submenuheader=10> (Date accessed: 15/12/2012):

- a) TCR Kurumsal Yönetim ve Derecelendirme A.S. (TCR Corporate Governance and Credit Rating Inc.) (Turkish Credit Rating) (TCR)
- b) Saha Kurumsal Yönetim ve Derecelendirme Hizmetleri A.S. (Saha Corporate Governance and Credit Rating Services Inc. (Saha Rating)
- c) Kobirate Uluslararası Kredi Derecelendirme ve Kurumsal Yönetim Hizmetleri A.S. (Kobirate Corporate Governance and Credit Rating Services Inc.) (Kobirate)
- d) JCR Avrasya Derecelendirme A.S. (JCR Eurasia Rating Inc.) (JCR Eurasia)
- e) ISS Corporate Services Inc. (ISS)

Ratings of companies included in ISE CGI are available in the company disclosures sent to the Public Disclosure Platform (PDP). The selection criteria for ISE CGI are (IMKB Index and Data Department, December 2012):

- a) In order for the stocks of a company to become eligible for inclusion in the CGI, its CG rating grade must be equal or greater than 7 out of 10.
- b) The rating must be given upon the request of the company that is willing to be rated and must be renewed or confirmed annually.
- c) If ratings have been obtained from more than one rating institution, the last reported rating among the ratings will be taken into account. In the event that the rating agreement of any of these rating institutions is terminated for any reason, or the rating institution is excluded from the “List of Rating Institutions” by CMB, then the rating given by the other rating institution are taken into account.
- d) The stocks of the companies that meet the minimum rating requirement are included in the index on the business day that succeeds the date of notification of the rating to PDP. (Any notice delivered to PDP after 12:00 hrs on half days, or after 16:30 on other days are deemed to have been delivered on the next business day.)

When there are non-periodic changes on the stocks in the index of ISE CGI companies, in some conditions the stocks are included in the index. If, with regards to the stocks covered by ISE CGI (IMKB Index and Data Department, December 2012);

- a) the new CG rating grade disclosed in PDP is lower than the minimum rate required,
- b) the termination of the rating agreement is disclosed in PDP for any reason,
- c) the exclusion of the rating institution from the “List of Rating Institutions” authorized by the CMB is disclosed in PDP,
- d) it is disclosed in PDP that the rating institution is no longer independent,
- e) the rating grade is not renewed or confirmed until the end of the 1-year term following the award of the rating,

such stocks are excluded from the index effective from the business day succeeding the date the relevant disclosure is announced in PDP or succeeding the date on which the 1-year term expires. After the elimination of the above reasons, if a rating grade is disclosed to the PDP which is higher than the minimum rate required, the stocks are included in the index effective from the business day that succeeds the date of disclosure. And also, if a company of ISE CGI acquires another company or companies, it remains in the scope of the index. On the other hand, if a company of ISE CGI is acquired by another company

which is not acting in the index, it is excluded from the index effective from the date of the distribution of the stocks issued as a result of the acquisition.

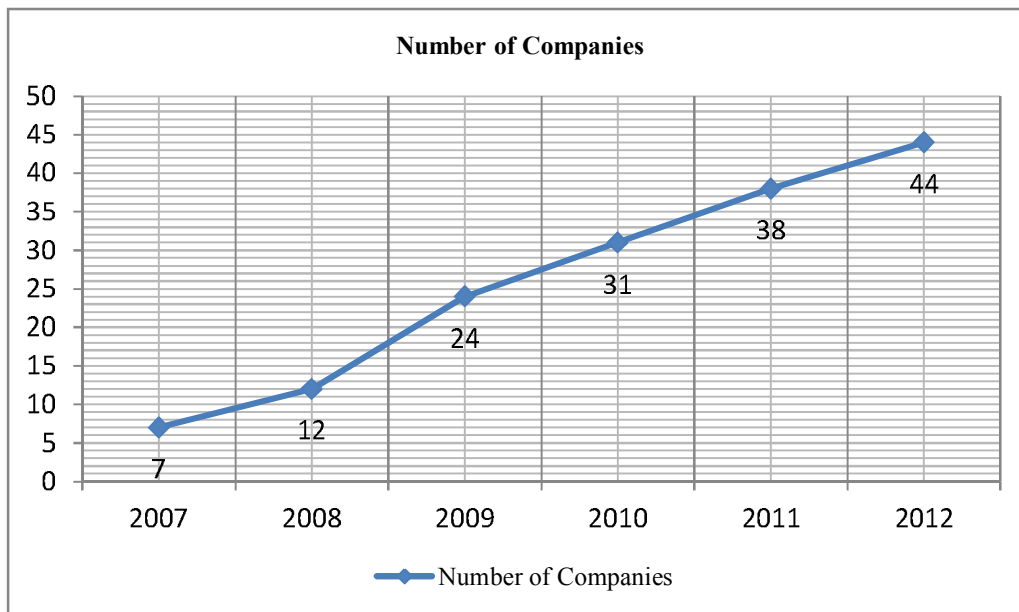
In the next part, the ISE CGI companies and the overall index ratings will be examined to see the development of ISE CGI between the years 2007 and 2012.

3. RESEARCH METHODOLOGY AND FINDINGS

The purpose of this research is to give the position of ISE CGI, and to see the development of ISE CGI between the years 2007 and 2012. For this purpose, CGRR of ISE CGI companies are examined for the years 2007, 2008, 2009, 2010, 2011 and 2012. The study covers 44 companies at total. CGRR include four sections named: shareholders, public disclosure and transparency, stakeholders, and board of directors. Rating institutions use different percentages for each section while calculating the overall ratings of companies. According to CMB's regulations the percentages are; 25% for shareholders section, 35% for disclosure and transparency section, 15% for stakeholders section, and 25% for board of directors section.

In 2007 the index was started to act with seven companies, included five companies in 2008, twelve companies in 2009, seven companies in 2010, and seven companies in 2011. For the year 2012, the ISE covers 44 companies. Full names of the companies in ISE CGI are given in Appendix 2. For the years between 2007 and 2012, the list of ISE CGI companies' CG ratings for each section of CG principles is given along with the overall CG ratings in Appendix 3. The number of companies by years is shown in Figure 1.

FIGURE 1: Number of the Companies in ISE CGI

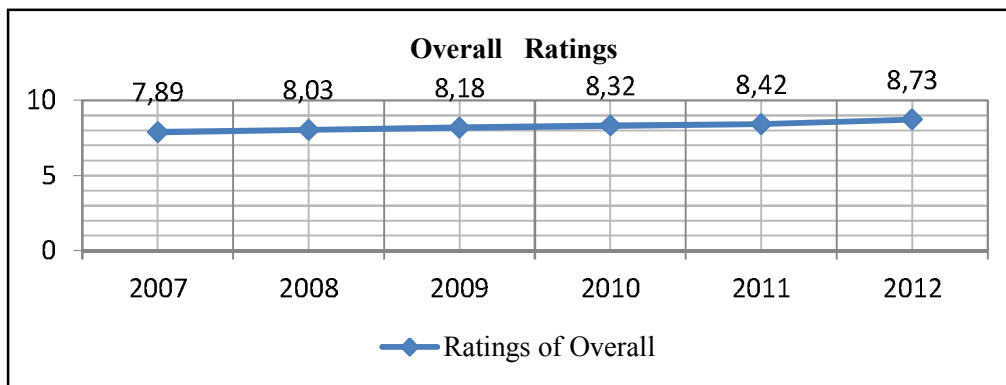


Source: Data gathered by using ISE CGI companies' CGRR

The number of the companies acting in the ISE CGI is increasing continuously. This means ISE CGI develops every year. In 2009, the number of the companies in the index was doubled.

According to data obtained from 44 companies, the average overall ratings for years between 2007 and 2012 are shown in Figure 2.

FIGURE 2: Average Overall Ratings of ISE CGI

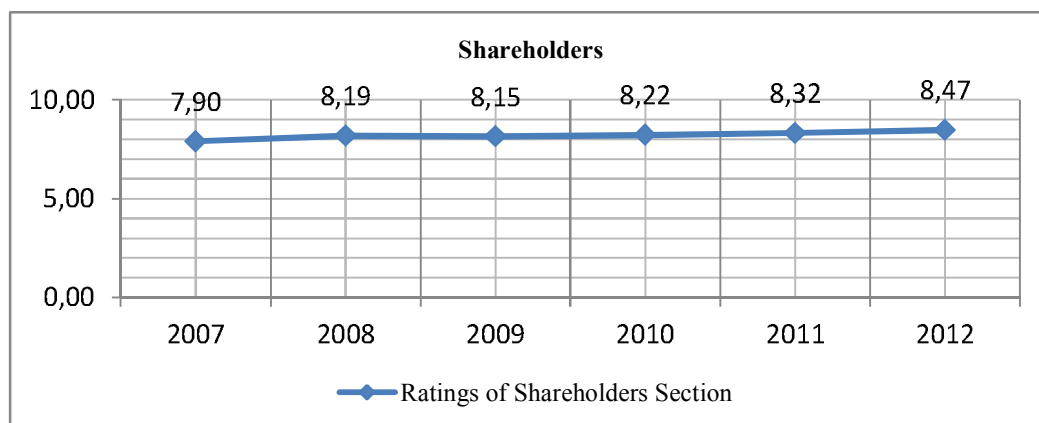


Source: Data gathered by using ISE CGI companies' CGRR

The trend of overall ratings of ISE CGI is linear. There is a linear increase between the years. The maximum growth is seen in 2012 which is around 4%.

The first section of the CGRR is the shareholders part. According to CMB, while calculating the overall rating for the company, the rating institutions are taking 25% percent of this sections' rating. Figure 3 shows the average ratings of shareholders section for ISE CGI between 2007 and 2012.

FIGURE 3: Average Ratings of Shareholders Section for ISE CGI



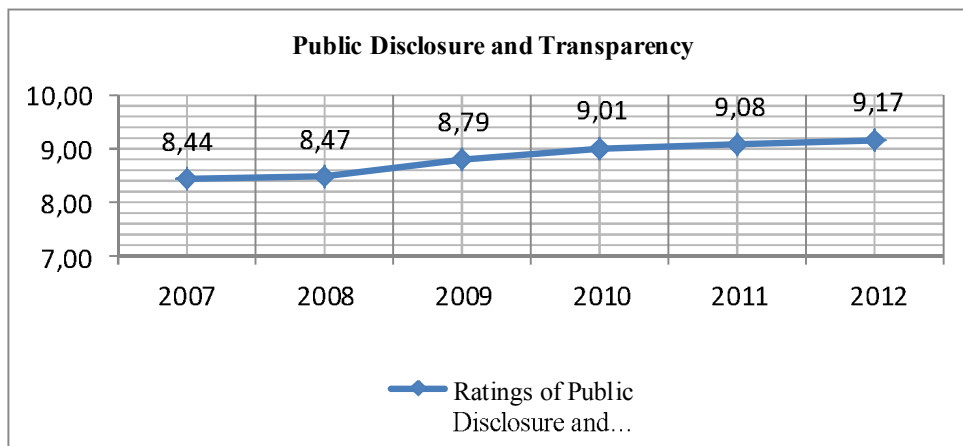
Source: Data gathered by using ISE CGI companies' CGRR

Ratings of shareholders section of ISE CGI has same trend with average overall ratings, but in 2009, there is a small decrease in the rating.

The second section of the CGRR is the public disclosure and transparency part. According to CMB, while calculating the overall rating for the company, the rating institutions are taking 35% percent of this sections' rating which is highest percentage among the sections. Figure 4 shows the average ratings of public disclosure and transparency section for ISE CGI between 2007 and 2012.

The public disclosure and transparency sections' ratings are always higher than average overall ratings.

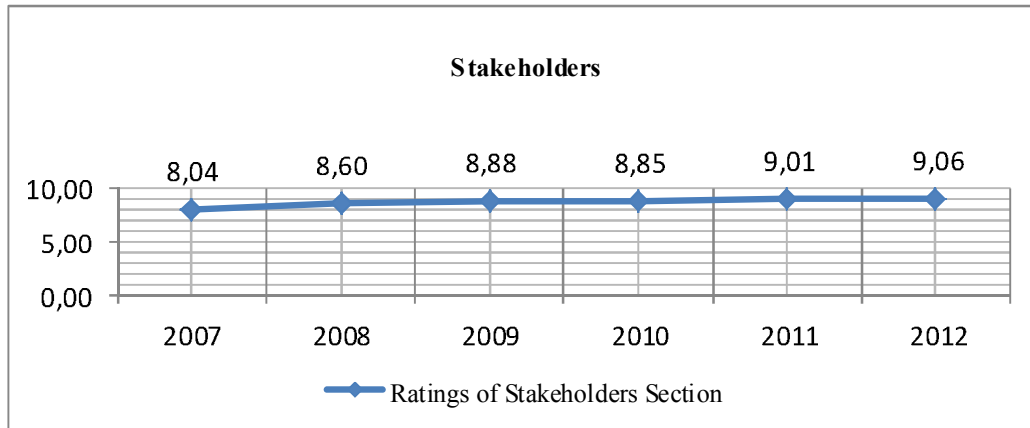
FIGURE 4: Average Ratings of Public Disclosure and Transparency Section for ISE CGI



Source: Data gathered by using ISE CGI companies CGRR

The third section of the CGRR is the stakeholders' part. According to CMB, while calculating the overall rating for the company, the rating institutions are taking 15% percent of this sections' rating which is lowest percentage among the sections. Figure 5 shows the average ratings of stakeholders section for ISE CGI between 2007 and 2012.

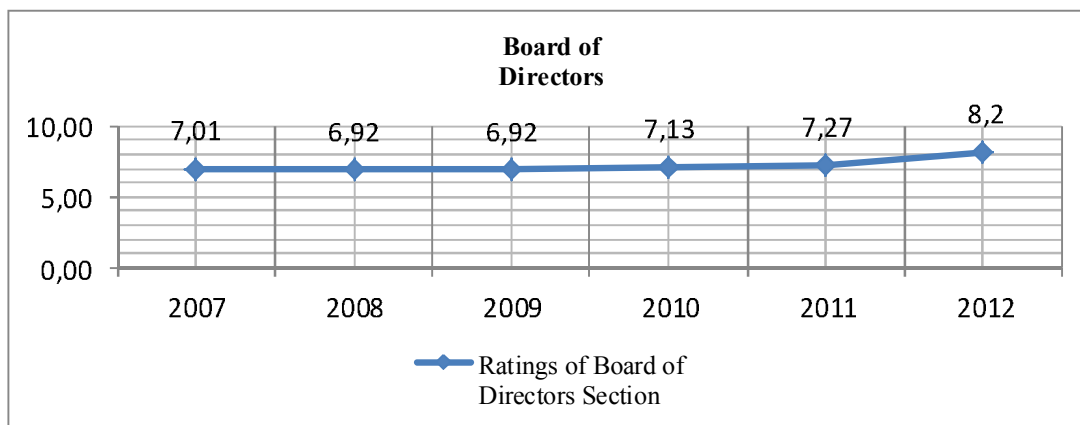
The stakeholders sections' ratings growth is similar to the public disclosure and transparency sections' growth.

FIGURE 5: Average Ratings of Stakeholders Section for ISE CGI

Source: Data gathered by using ISE CGI companies' CGRR

The last section of the CGRR is the board of directors' part. According to CMB, while calculating the overall rating for the company, the rating institutions are taking 25% percent of this sections' rating. Figure 6 shows the average ratings of stakeholders section for ISE CGI between 2007 and 2012.

Board of directors sections' ratings are fluctuating. The ratings of this section are always lower than average overall ratings. The maximum increase is seen in 2012 which is around 11%.

FIGURE 6: Average Ratings of Board of Directors Section for ISE CGI

Source: Data gathered by using ISE CGI companies' CGRR

Table 1 shows the minimum and maximum overall ratings among the companies which are acting in the ISE CGI.

TABLE 1: Minimum and Maximum Overall Ratings of the Years

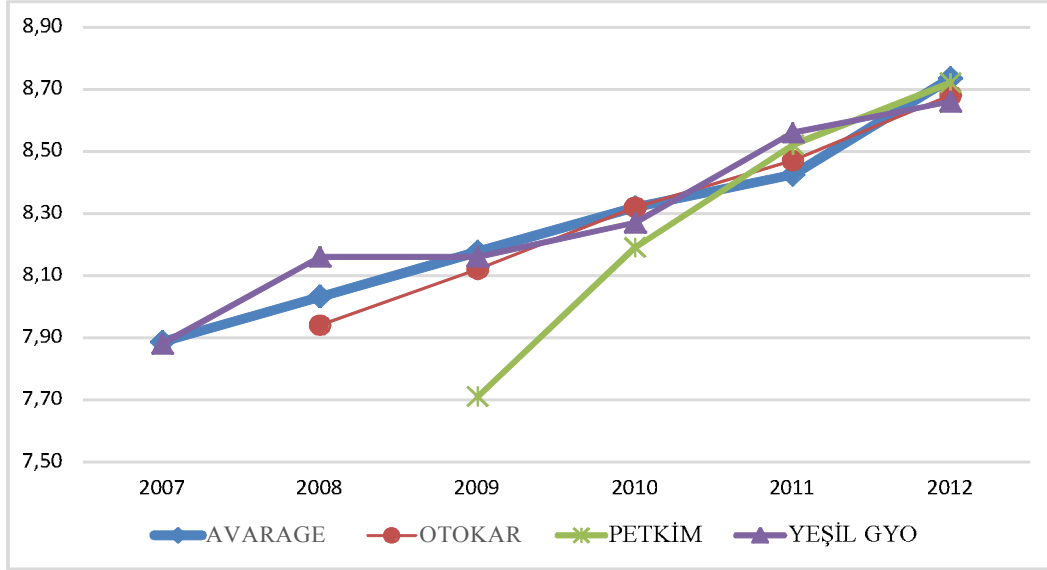
	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Maximum of Overall Ratings	8,59	8,76	8,77	9,04	9,1	9,24
Minimum of Overall Ratings	7,52	7,08	7,71	7,12	7,39	7,68
Difference	0,07	1,68	1,06	1,92	1,71	1,56

The gap between the minimum and maximum overall ratings of the years is fluctuating. The biggest gap is in 2010, and the lowest gap is in 2009. Dentaş Ambalaj ve Kağıt Sanayi A.Ş. took the lowest overall CGR in 2008. İhlas Ev Aletleri İmalat Sanayi ve Ticaret A.Ş. is one of the other company which took the lowest (around 7,00) CGR as well. TAV Havalimanları Holding A.Ş., and Türkiye Sınai ve Kalkınma Bankası A.Ş. are the companies which took the highest (over 9,00) CGR. Table 2 shows the median and mode of overall ratings of the companies in the ISE CGI.

TABLE 2: Median and Mode of Overall Ratings by Years

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Median of Overall Ratings	7,88	8,13	8,19	8,38	8,5	8,79
Mode of Overall Ratings	N/A	8,16	7,82	8,4	8,59	8,77
Frequency of Mode Rates	N/A	2	2	2	3	3

The ratings of the companies are distributed in normal shape. The median ratings are close to the average overall ratings. Figure 7 shows the companies acting in the ISE CGI whose ratings are fluctuating when compared with average overall ratings of ISE CGI.

FIGURE 7: The Companies Ratings Fluctuating When Compared with Average Overall Ratings of ISE CGI

Source: Data gathered by using ISE CGI companies' CGRR

The CGR of Otokar Otomotiv ve Savunma Sanayi A.Ş., Petkim PetroKimya Holding A.Ş., and Yeşil Gayrimenkul Yatırım Ortaklığı A.Ş. are fluctuating when compared with average overall ratings of the index. Otokar Otomotiv ve Savunma Sanayi A.Ş. seems to be in a raising trend. Petkim PetroKimya Holding A.Ş. is also in a raising trend, but its growth is higher than Otokar Otomotiv ve Savunma Sanayi A.Ş. The CGR of Yeşil Gayrimenkul Yatırım Ortaklığı A.Ş. are fluctuating more than Otokar Otomotiv ve Savunma Sanayi A.Ş., and Petkim PetroKimya Holding A.Ş.

In the ISE CGI there are some companies whose ratings are always higher than average overall ratings of the index. These companies are; Anadolu Efes Biracılık ve Malt Sanayi A.Ş., Arçelik A.Ş., Aygaz A.Ş., Coca-Cola İçecek A.Ş., Doğan Şirketler Grubu Holding A.Ş., Doğan Yayın Holding A.Ş., Hürriyet Gazetecilik ve Matbaacılık A.Ş., Park Elektrik Üretim Madencilik San. ve Tic. A.Ş., TAV Havalimanları Holding A.Ş., Türkiye Sınai Kalkınma Bankası A.Ş., and Tüpraş Türkiye Petrol Rafinerileri A.Ş. And also, there are some companies whose ratings are always lower than average overall ratings of the index. These companies are; Albaraka Türk Katılım Bankası A.Ş., Asya Katılım Bankası A.Ş., Dentaş Ambalaj ve Kağıt Sanayi A.Ş., İhlas Ev Aletleri İmalat Sanayi ve Ticaret A.Ş., İhlas Holding A.Ş., Logo Yazılım Sanayi ve Ticaret A.Ş., Türk Prysmian Kablo ve Sistemleri A.Ş., Turcas Petrol A.Ş., and Vakıf Menkul Kıymetler Yatırım Ortaklığı A.Ş.

It is expected that the CG ratings of the companies participating in the ISE CGI should rise rapidly according to their price returns and performances, but when we look at the position of the ISE CGI, the index is growing up very slowly.

CONCLUSION

In this paper, the development of the ISE CGI was examined. The purpose of this study was to see the position of ISE in CG environment. For this purpose a research was done by using the data of ISE CGI. CGRR of the companies were examined for getting the CG ratings of the companies.

With the ISE CGI, Turkish companies, which manage their corporate risks and opportunities effectively, have competitive advantage. This index is an investment instrument for finance and it attracts capital for companies and for Turkey. This index displays companies' approach to important CG issues including global warming, draining of natural resources, health, security and employment. This index offers companies the opportunity to compare their CG performance on a local and global level. With this index, the ISE provides companies instruments for evaluating their performance and consequently adopting new targets or furthering their performance while allowing them to develop their risk management abilities for corporate transparency, accountability and sustainability. This, in turn, let companies gain competitive edge. Inclusion in this index adds to the visibility and prestige of companies. This index allows companies to access global clients, capital, and lower-cost finance more easily. Also, this index aims to create new instruments which will allow investors to select and invest in companies that adopt principles of CG. On the side of asset managers, this index provides indicators that will be the underlying asset for various financial products including sustainability funds, exchange traded funds and structured products. Today, institutional investors mainly prefer to make investment to the companies which give importance to the corporate governance principles. The ISE CGI encourages the establishment of such funds by offering new financial assets category for all investors.

According to the research done in this study, it is obvious that the ISE CGI is developing gradually. Although this index has lot of advantages for the companies, the growth of the index is too slow. There should be some regulations for the promotion of the companies to be included to the index.

In the future, there might be an opportunity for doing a comparative study on this issue. The ISE CGI and one of the other countries' CGI can be compared to find out the differences between different jurisdiction areas. This will give an idea how to develop such kind of indexes.

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APPENDIX 1: Rating Scale and Explanations

Rating	Explanation
9-10	The company performs very good in terms of CMB's CG principles. It has identified and actively managed all significant CG risks through comprehensive internal controls and management systems. The company's performance is considered to represent best practice, and it had almost no deficiencies in any of the areas rated.
7-8	The company performs good in terms of CMB's CG principles. It has, to varying degrees, identified all its material CG risks and is actively managing the majority of them through internal controls and management systems. During the rating process, minor deficiencies were found in one or two of the areas rated.
6	The company performs fair in terms of CMB's CG principles. It has, to varying degrees, identified the majority of its material CG risks and is beginning to actively manage them. Management accountability is considered in accordance with national standards but may be lagging behind international best practice. During the ratings process, minor deficiencies were identified in more than two of the areas rated.
4-5	The company performs weakly as a result of poor CG policies and practices. The company has, to varying degrees, identified its minimum obligations but does not demonstrate an effective, integrated system of controls for managing related risks. Assurance mechanisms are weak. The rating has identified significant deficiencies in a number (but not the majority) of areas rated.
<4	The company performs very weakly and its CG policies and practices are overall very poor. The company shows limited awareness of CG risks, and internal controls are almost non-existent. Significant deficiencies are apparent in the majority of areas rated and have led to significant material loss and investor concern.

Source: <http://www.saharating.com/Page.aspx?PageId=37>

APPENDIX 2: Full Names of ISE CGI Companies

1	Anadolu Efes Biracılık ve Malt Sanayi A.Ş.
2	Albaraka Türk Katılım Bankası A.Ş.
3	Arçelik A.Ş.
4	Aselsan Elektronik Ticaret A.Ş.
5	Asya Katılım Bankası A.Ş.
6	Aygaz A.Ş.
7	Boyner Büyük Mağazacılık A.Ş.
8	Coca-Cola İçecek A.Ş.
9	Dentaş Ambalaj ve Kağıt Sanayi A.Ş.
10	Doğuş Otomotiv Servis ve Ticaret A.S.
11	Doğan Şirketler Grubu Holding A.Ş.
12	Doğan Yayın Holding A.Ş.
13	Egeli&Co Yatırım Holding A.Ş.
14	Enka İnşaat ve Sanayi A.Ş.
15	Garanti Faktoring Hizmetleri A.Ş.
16	Global Yatırım Holding A.Ş.
17	Türkiye Halk Bankası A.Ş.
18	Hürriyet Gazetecilik ve Matbaacılık A.Ş.
19	İhlas Ev Aletleri İmalat Sanayi ve Ticaret A.Ş.
20	İhlas Holding A.Ş.
21	İş Finansal Kiralama A.Ş.
22	İş Gayrimenkul Yatırım Ortaklığı A.Ş.
23	İş Yatırım Menkul Değerler A.Ş.
24	Logo Yazılım Sanayi ve Ticaret A.Ş.
25	Mensa Sınai Ticari ve Mali Yatırımlar A.Ş.
26	Otokar Otomotiv ve Savunma Sanayi A.Ş.
27	Petkim Petrokimya Holding. A.Ş.
28	Pınar Entegre Et ve Un Sanayi A.Ş.
29	Pınar Süt Mamülleri A.Ş.
30	Türk Prysmian Kablo ve Sistemleri A.Ş.
31	Park Elektrik Üretim Madencilik San. ve Tic. A.Ş.
32	Şekerbank Türk A.Ş.
33	TAV Havalimanları Holding A.Ş.
34	Tofaş Türk Otomobil Fabrikası A.Ş.
35	Turcas Petrol A.Ş.
36	Türkiye Sınai Kalkınma Bankası A.Ş.
37	Türk Telekomünikasyon A.Ş.
38	Türk Traktör ve Ziraat Makineleri A.Ş.
39	Tüpraş Türkiye Petrol Rafinerileri A.Ş.
40	Vestel Elektronik Sanayi ve Ticaret A.Ş.
41	Vakıf Menkul Kıymetler Yatırım Ortaklığı A.Ş.
42	Yazıcılar Holding A.Ş.
43	Yeşil Gayrimenkul Yatırım Ortaklığı A.Ş.
44	Yapı Ve Kredi Bankası A.Ş.

APPENDIX 3: Corporate Governance Ratings of ISE CGI Companies

Company	Overall Corporate Governance Ratings					Shareholders Sections' Ratings					Public Disclosure and Transparency Sections' Ratings					Stakeholders Sections' Ratings					Board of Directors Sections' Ratings								
	2007	2008	2009	2010	2011	2012	2007	2008	2009	2010	2011	2012	2007	2008	2009	2010	2011	2012	2007	2008	2009	2010	2011	2012	2007	2008	2009	2010	2011
ANADOLU BEFES A.Ş.	8.10	8.27	8.40	8.53	8.55	8.94	8.61	8.71	8.80	8.82	8.85	8.94	8.47	8.70	8.86	9.27	9.36	9.39	9.39	9.39	9.39	9.39	9.39	9.39	6.64	6.71	6.72	6.75	8.17
ALBARAKA A.Ş.				8.14	8.28	8.22			7.46	7.71	7.75			9.04	9.04	9.01			8.04	8.10	8.21						7.62	7.95	7.62
ARCELİK A.Ş.				8.21	8.55	8.59	8.11		8.55	8.87	8.87	8.00		8.71	9.22	9.30	9.34			9.52	9.52	9.52	9.52			6.37	6.73	6.76	8.60
ASELSAN						8.71																							8.64
ASYA KATILIM	7.56	7.82	8.17	8.26	8.61		7.02	7.24	7.29	7.35	7.36		7.33	7.94	8.72	8.91	9.63			9.15	9.51	9.56	9.72		7.45	7.46	7.46	7.47	7.81
AYGAZ ANONİM ŞİRKETİ				8.46	8.50	8.90			8.81	8.91	8.90			9.05	9.07	9.13				9.05	9.05	9.05	9.05				6.93	6.94	8.00
BOYNER						8.64																							7.60
COCACOLA İÇECEK A.Ş.	8.30	8.43	8.50	8.88			7.95	8.00	8.50	8.11			9.21	9.35	9.53	9.54			9.21	9.64	9.64	9.64				6.85	6.85	6.83	8.27
DENTAS A.Ş.	7.08	7.82	8.03	8.06	8.69		7.89	8.16	8.40	8.65	8.69		7.33	8.72	8.93	8.94	9.04		7.51	7.69	7.99	8.17	8.55	5.64	5.64	6.30	6.43	6.43	8.34
DOĞUS OTOMOTİV A.Ş.						8.63																							8.44
DOĞAN HOLDİNG A.Ş.	8.26	8.42	8.59	9.03			8.55	8.55	8.71	8.88			9.21	9.47	9.41	9.54				8.90	8.90	8.90	9.20			6.28	6.53	7.13	8.38
DOĞAN YATIM A.Ş.	8.59	8.76	8.78	8.87	9.00		8.53	8.88	8.88	9.04	8.92		9.60	9.68	9.73	9.82	9.83	7.63	7.82	7.82	7.82	7.82	7.82	7.80	7.93	7.93	7.93	7.96	8.59
EĞELİKO A.Ş.						8.20																							8.51
ENKA						9.16																							8.92
GARANTİ FAKTORİNG						8.36																							8.03
GLOBAL YATIRIM A.Ş.						8.80																							8.20
HALK BANKASI A.Ş.						8.71																							7.20
HÜRRETT A.Ş.	7.97	8.32	8.43	8.47	8.53	9.09	7.90	8.32	8.51	8.69	9.16	9.19	8.71	9.11	9.13	9.16	9.19	9.39	7.40	7.63	8.32	8.32	9.11	7.34	7.63	7.63	7.56	7.68	8.59
IHLAS EV ALTELERİ A.Ş.						7.68																							7.92
IHLAS HOLDİNG A.Ş.						8.09																							7.42
İŞ FİNANSAL A.Ş.						9.03																							7.78
İS GMYO						8.53																							8.76
İS YATIRIM A.Ş.						8.89																							8.26
İSOY						8.53																							8.26
İS YATIRIM A.Ş.						8.63																							8.84
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