



Kurumsal Yönetim ve Kredi Derecelendirme Hizmetleri A.Ş.

Corporate Governance Rating Report



KIMPUR

22 August 2025

CONTENTS

Rating and Executive Summary	3
Rating Methodology	5
Company Overview	6
SECTION 1: SHAREHOLDERS	8
Facilitating the Exercise of Shareholders' Statutory Rights	8
Shareholders' Right to Obtain and Evaluate Information	9
General Shareholders' Meeting	9
Voting Rights	10
Minority Rights	10
Dividend Rights	10
Transfer of Shares	11
SECTION 2: PUBLIC DISCLOSURE AND TRANSPARENCY	12
Corporate Web Site	12
Annual Report.	13
External Audit.	14
SECTION 3: STAKEHOLDERS.	15
Company Policy Regarding Stakeholders	15
Stakeholders' Participation in the Company Management	15
Company Policy on Human Resources	16
Relations with Customers and Suppliers	16
Ethical Rules & Social Responsibility	17
Sustainability	17
SECTION 4: BOARD OF DIRECTORS.	18
Functions of the Board of Directors	18
Principles of Activity of the Board of Directors	18
Structure of the Board of Directors	19
Conduct of the Meetings of the Board of Directors	19
Committees Established Within the Board of Directors	20
Remuneration of the Board of Directors and Managers With Administrative Responsibility	21
Rating Definitions	23

Rating and Executive Summary

KİMTEKS POLİÜRETAN SANAYİ VE TİCARET A.Ş. (KMPUR)



Corporate Governance Rating:

9.38



MAIN SECTIONS: Avg. 93.81

Shareholders: 89.04



Public Disclosure & Transparency: 95.53



Stakeholders: 99.51



Board of Directors: 93.55



0 10 20 30 40 50 60 70 80 90 100

EXECUTIVE SUMMARY

The Corporate Governance Rating of 9.37 that has been assigned to Kimteks Poliüretan Sanayi ve Ticaret A.Ş. on August 23, 2024 is hereby revised as 9.38. SAHA's rating methodology is based on the Capital Markets Board's ("CMB") "Corporate Governance Principles" released on January of 2014.

SAHA publishes (annually) the World Corporate Governance Index (WCGI) which ranks countries in terms of their level of compliance with corporate governance principles as well as their germane institutions, rules, codes, and regulations together with international standards and indices which evaluate countries in a vast array of areas such as transparency, corruption, ease of doing business, etc.. Kimteks Poliüretan Sanayi ve Ticaret A.Ş. is analyzed as a Turkish company and Turkey takes place at the top classification of the WCGI which is Group 1. Details of the World Corporate Governance Index (WCGI) published by SAHA on July 12, 2023 can be accessed at <http://www.saharating.com>.

Kimpur is rated with **8.90** under the **Shareholders** heading. Exercise of shareholders' rights complies with the legislation, Articles of Association and other internal rules and regulations, and measures have been taken to ensure the exercise of these rights. Company carries out the shareholder relations obligations via the Investor Relations Department. All procedures prior to the general shareholders' meeting as well as the conduct of the meeting comply with the legislation, rules and regulations. The Company has established a policy on donations and grants and submitted it to the general shareholders' meeting for approval. The Company has a consistent, publicly disclosed dividend policy. There are no restrictions on the transfer of publicly traded shares. The rate of minority rights in the Company's Articles of Association is adopted as prescribed for public joint stock companies (%5). On the other hand, Kimpur has both voting privileges and the privilege of nominating candidates to the Board of Directors, an important area for improvement in terms of corporate governance principles.

Kimpur attained **9.54** under the **Public Disclosure and Transparency** chapter. There is a comprehensive web site which includes all information listed in the Corporate Governance Principles pertinent to "Public Disclosure". Public announcements are carried out via all communications channels and are in accordance with the CMB and Borsa Istanbul rules and regulations. The web site is also prepared in English for the benefit of international investors. The 2024 Annual Report complies with the legislation, comprehensive, and informative. The Company's shareholding structure; the names of the ultimate controlling individual shareholders as identified after being released from indirect or cross shareholding relationships between co-owners is disclosed to the public. Non-disclosure of all benefits provided to the members of the Board of Directors and senior executives in the Annual Report on an individual basis has been identified as an area open to improvement under this heading.

On the topic of **Stakeholders**, Kimpur scored **9.95**. The use of the rights of the stakeholders has been facilitated. A written compensation policy for the employees is established and disclosed to public on the corporate web site. No public fines/sanctions were incurred during the rating period. Code of ethics is publicly available on the corporate web site. The Company also has a written human resources policy. The sustainability policy and implementations are at the highest level. Models supporting the participation of stakeholders in the Company's management have been established and are in operation.

From the perspective of the principles regarding the **Board of Directors**, Kimpur's tally is **9.35**. There are well communicated Company mission, vision, and strategic goals. The Board of Directors consist of five members, of which two hold executive duties and two are independent. CMB criteria are complied with for the appointment of independent members. There are two female members on the Board of Directors, and a "Female Board Membership Policy" has been established to increase the number of female members. Corporate Governance, Audit, and Early Detection of Risk Committees are established within the Board and their working principles are disclosed to the public. The conduct of the Board of Directors meetings is determined by in-house regulations. Principles of remuneration of Board members and senior executives are available on the Company's web site. Kimpur does not lend any funds or extend any credits to a member of the Board or to senior executives. Losses that may be incurred by the Company as a result of not performing the Board members' duties duly are insured for a coverage exceeding 25% of the share capital, and disclosed on PDP.

Rating Methodology

SAHA's methodology for rating the degree of compliance with the Principles of Corporate Governance is based upon the CMB's "Corporate Governance Principles" released on January 2014.

The CMB based these principles on the leading work of The World Bank, The Organization of Economic Cooperation and Development (OECD), and the Global Corporate Governance Forum (GCGF) which has been established in cooperation with the representatives of the preceding two organizations and private sector. Experts and representatives from the CMB, Borsa Istanbul and the Turkish Corporate Governance Forum have participated in the committee that was established by the CMB for this purpose. Additionally; many qualified academicians, private sector representatives as well as various professional organizations and NGOs have stated their views and opinions, which were added to the Principles after taking into account country specific issues. Accordingly, these Principles have been established as a product of contributions from all high-level bodies.

Certain applications of the Principles are based on "comply or explain" approach and others are mandatory. However, the explanation concerning the implementation status of the Principles, if not detailed reasoning thereof, conflicts arising from inadequate implementation of these Principles, and explanation on whether there is a plan for change in the Company's governance practices in future should be mentioned in the annual report and disclosed to public.

The Principles consist of four main sections: shareholders, public disclosure and transparency, stakeholders, and the board of directors.

Based on these Principles, the SAHA Corporate Governance Rating methodology features around 330 sub-criteria. During the rating process, each criterion is evaluated on the basis of information provided by the Company officials and disclosed publicly. Some of these criteria can be evaluated by a simple YES/NO answer; others require more detailed analysis and examination.

SAHA assigns ratings between 1 (weakest) and 10 (strongest). In order to obtain a rating of 10, a company should be in full and perfect compliance with the Principles (see Rating Definitions, p.23).

To determine the total rating score for each main section parallel to the CMB's Corporate Governance Principles, SAHA allocates the following weights:

Shareholders: **25%**

Public Disclosure and Transparency: **25%**

Stakeholders: **15%**

Board of Directors: **35%**

To determine the final overall rating, SAHA utilizes its proprietary methodology which consists of sub-section weightings and weightings for the criteria there under. A separate rating is assigned to each one of the main sections as well.

Company Overview

Kimteks Poliüretan Sanayi ve Ticaret A.Ş.	
	Chairman of the Board of Directors Yuda Leon Mizrahi Chief Executive Officer Cavidan Karaca
İnkilap Mah. Dr. Adnan Büyükdeniz Cad. No:13 İç Kapı No:6 Ümraniye/İstanbul https://kimpur.com/tr/	Investor Relations Manager Damla Mermeroğlu Tel: 0850 460 19 83 yatirimciiliskileri@kimpur.com

Kimteks Poliüretan Sanayi ve Ticaret A.Ş. (the Company) was spun off in 2015 and dropped its activities serving as distributorship branches for Kimteks Kimya and continues its operations as Kimteks Poliüretan San. Ve Tic. A.Ş., focusing on polyurethane. Kimteks Kimya was established in 1983 with the aim of supplying raw materials to different sectors such as artificial leather, shoe soles, rubber, adhesives and paints, engaging in the production, sales and distribution of polyurethane systems for footwear, automotive, furniture, building and construction industries through the 'Polyurethane System House' investment realized in 1999.

The Company is registered with the Capital Markets Board of Turkey ("CMB") and as of April 28, 2022, 27.05% of its shares are traded on Borsa Istanbul A.Ş.

As of December 31, 2024, the Group has 326 employees.

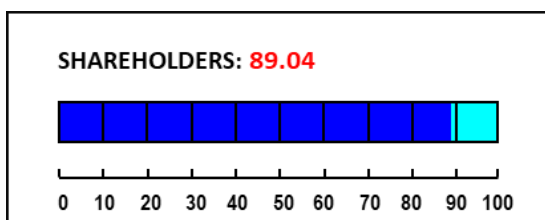
Kimteks Poliüretan Sanayi ve Ticaret A.Ş. Capital Structure		
Shareholders	Share Value (TL)	Share %
YUDA LEON MIZRAHI	163,314,883	33.59
ETEL SASON	49,423,780	10.17
BETI MIZRAHI	39,182,760	7.85
ISAK IZI MIZRAHI	39,182,760	7.85
SALVO ÖZSARAFATI	35,420,000	7.29
INNOVIS TICARET VE DANIŞMANLIK A.Ş.	28,535,864	5.87
OTHER	133,139,953	27.38
TOTAL	486,200,000	100.00

The Company shares are traded under "KMPUR" ticker symbol at BIST Stars Market and Kimpur is a constituent of BIST KOCAELI / BIST ALL SHARES-100 / BIST STARS / BIST PARTICIPATION ALL SHARES / BIST CORPORATE GOVERNANCE / BIST CHEM. PETROL PLASTIC / BIST ALL SHARES / BIST SUSTAINABILITY / BIST INDUSTRIALS / BIST 500 and BIST PARTICIPATION SUSTAINABILITY indices.

The task distribution on the Board of Directors of Kimteks Poliüretan Sanayi ve Ticaret A.Ş. is as follows:

Kimteks Poliüretan Sanayi ve Ticaret A.Ş. Board of Directors	
Members	Title
YUDA LEON MIZRAHI	Chairman of the Board Executive Officer
CAVIDAN KARACA	Vice-chairwoman Executive Officer
ISAK IZI MIZRAHI	Board Member, Member of the Corporate Governance and Early Detection of Risk Committees
MEHMET METE BAŞOL	Independent Board Member, Chairman of the Early Detection of Risk and Audit Committees
TAÇ KILAVUZ	Independent Board Member, Corporate Governance Committee Chairwoman, Audit Committee Member

SECTION 1: SHAREHOLDERS



SYNOPSIS	
+	Equal treatment of shareholders
+	Active Investor Relations Department
+	Minutes of the general shareholders' meeting at which the policy on donations and grants was adopted
+	General shareholders' meetings conducted in compliance with the legislation
+	Specific and consistent dividend distribution policy
+	No restrictions on transfer of shares
-	Minority rights not recognized for shareholders who possess an amount less than one-twentieth of the share capital
-	Group A shareholders' privilege to nominate candidates
-	Existence of voting privileges

1.1. Facilitating the Exercise of Shareholders' Statutory Rights:

At Kimpur, relations with shareholders are carried out within the Investor Relations Department. Department officer, Ms. Damla Mermeroğlu has the qualifications specified in the Communiqué.

Along with other units of the Company, "The Investor Relations Department" plays an active role in protecting and facilitating shareholders' rights and in particular the right to obtain and review information. The Department fulfills the following duties:

- Ensure that the records relating to the written correspondence with the investors and other information are kept in a healthy, safe, and updated manner.
- Respond to the queries of the shareholders requesting written information on the Company.
- Ensure that the general shareholders' meeting is held in compliance with the applicable legislation, Articles of Association and other Company by-laws.
- Prepare the documents that might be used by shareholders in the general shareholders' meeting.
- Supervise the fulfillment of the obligations arising from capital markets legislation including all corporate governance and public disclosure matters.

The Investor Relations Unit submitted two reports to the Board of Directors on the activities carried out.

Information and explanations that may affect use of shareholders' rights are available and up to date on the corporate investor relations web site. There is no fine or warning received in this regard within the rating period.

Three webcasts and approximately 13 one-on-one meetings were held with

fund managers and analysts regarding the 2024 financial results.

1.2. Shareholders' Right to Obtain and Evaluate Information:

There is no evidence of any hindering process or application regarding the appointment of a special auditor.

All kinds of information about the Company required by the legislation are provided in a complete, timely and honest manner and there is no fine or warning received in this regard within the rating period.

In addition, the Company has constituted a disclosure policy and disclosed to public on its web site.

1.3. General Shareholders' Meeting:

In addition to the methods of invitation in the legislation and to ensure attendance of maximum number of shareholders, the invitation to the ordinary general shareholders' meeting held on July 23, 2025 covering the 2024 fiscal year, is performed through all means of communication available to the Company on June 23, 2025 in accordance with the Corporate Governance Principles.

All announcements prior to the general shareholders' meeting included information such as the date and time of the meeting; without any ambiguity exact location of the meeting; agenda items of the meeting; the body inviting to the general shareholders' meeting; and the exact location where the Annual Report, financial statements and other meeting documents can be examined.

A descriptive disclosure document on agenda items has also been prepared.

Commencing from the date of announcement of invitation for the general shareholders' meeting; the

Annual Report, financial statements and reports, and all other related documents pertaining to the agenda items along with the dividend distribution proposition are made available to all shareholders for examination purposes in convenient locations including the headquarters of the Company, and the electronic media.

Shareholders are informed via the web site regarding the total number of shares and voting rights reflecting the Company's shareholding structure as of the date of disclosure, and whether there are any privileged share groups within the Company capital.

Agenda items were put under a separate heading and expressed clearly in a manner not to result in any misinterpretations. Expressions like "other" and "various" were not used. Information submitted to the shareholders prior to the conduct of the general shareholders' meeting was related to the agenda items.

In this context, it has been declared that the items on the agenda were conveyed in detail and in a clear and understandable way by the chairman of the meeting and shareholders were given equal opportunity to voice their opinions and submit questions. Preparations took place in advance for the conduct of the general shareholders' meeting and necessary information was supplied.

The members of the Board of Directors related with those issues of a special nature on the agenda, other related persons, authorized persons who are responsible for preparing the financial statements and auditors were present to give necessary information and to answer questions at the general shareholders' meeting.

Kimpur, which was offered to the public on April 28, 2022, has filed the minutes of the extraordinary general

shareholders' meeting held on October 5, 2021, in which the policy regarding donations and grants was accepted, but there is no PDP disclosure as it belongs to the pre-IPO period.

The representative of external audit company attends the general shareholders' meeting.

As per the provision in the general shareholders' meeting internal directive, stakeholders and media are allowed to attend these meetings with no voting rights.

1.4. Voting Rights:

The Company avoids practices that make it difficult to exercise the voting right and all shareholders, including those who reside abroad, are given the opportunity to exercise their rights conveniently and appropriately. However, there are voting privileges. Group A shareholders have 5 voting rights for each share and B-Group shareholders have 1 right. This is an area open to improvement in terms of Corporate Governance Principles.

Group A shares hold privileges in the election of the members of the Board of Directors. 2 members of the Board, which consists of 5 members, are selected from among the A-Group shareholders or the candidates they will nominate.

The Privileged Shares General Assembly, which consists of Group A shareholders, convenes to determine the candidates to be nominated to the Board prior to the General Shareholders' meeting date when the Board members will be elected.

Members of the Board to be nominated by A-Group shareholders are determined by majority of votes among the candidates nominated by each A-Group shareholder. The names of the nominees for the Board must be

notified to the Company prior to the General Shareholders' meeting.

If the privileged shareholders cannot agree with a majority of votes on the candidates to be nominated for the Board, the names proposed by each privileged shareholder in the General Assembly of Privileged Shares are notified to the Company before the general shareholders' meeting and the number of members of the Board of Directors entitled to the privileged shares is selected among these names at the general shareholders' meeting.

1.5. Minority Rights:

Maximum care is given to the exercise of minority rights. However, minority rights are not recognized for shareholders who hold an amount less than one-twentieth of the share capital and the Company has adopted exactly the rate foreseen in the legislation for listed companies.

There is no evidence of any conflict of interest between the majority shareholders and that of the Company.

1.6. Dividend Rights:

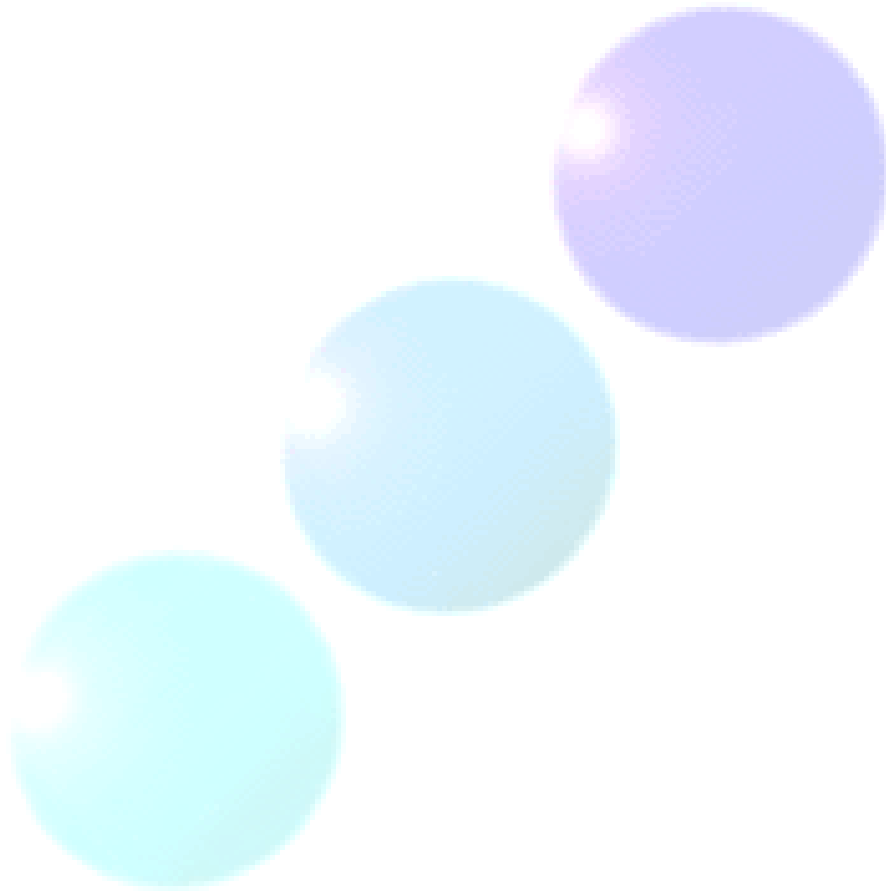
The dividend policy of the Company is clearly defined and disclosed to public on the corporate web site. It is submitted to the shareholders at the general shareholders' meeting and is incorporated in the Annual Report. The dividend distribution policy contains minimum information clear enough for investors to predict any future dividend distribution procedures and principles.

A balanced policy is followed between the interests of the shareholders and those of the Company.

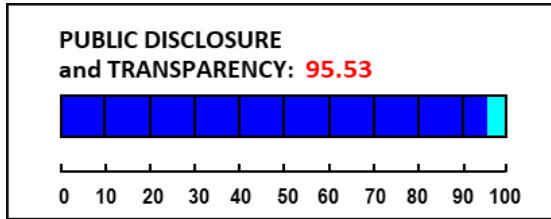
Provisions on advance dividend payments are included in the Articles of Association of the Company.

1.7. Transfer of Shares:

Neither the Articles of Association nor any decisions adopted at the general shareholders' meeting contain any provisions that impede the transfer of shares.



SECTION 2: PUBLIC DISCLOSURE AND TRANSPARENCY



SYNOPSIS	
+	Comprehensive Disclosure Policy, disclosed to public on the corporate web site
+	Comprehensive web site, actively used for public disclosure
+	Annual Report complies with the legislation, comprehensive and informative
+	Important events and developments disclosed in accordance with the legislation
+	Ultimate controlling shareholders with a share higher than 5% are publicly disclosed
+	Remuneration policy established and publicly disclosed on the web site
+	Dividend distribution policy disclosed to public via web site
-	Benefits provided to Board members and senior executives are mentioned collectively

2.1. Corporate Web Site:

Company's web site is actively used for disclosure purposes and the information contained therein is timely updated.

Along with the information required to be disclosed pursuant to the legislation, the corporate web site includes; trade register information, information about latest shareholder and management structure, information on privileges

shares, the date and the number of the trade registry gazette on which the changes are published along with the final version of the Company's Articles of Association, publicly disclosed material information, periodical financial statements, annual reports, prospectuses and circulars and other public disclosure documents, agendas of the general shareholders' meetings and list of participants and minutes of the general shareholders' meeting, form for proxy voting at the general shareholders' meeting, disclosure policy, dividend distribution policy, ethical rules of the Company, information requests, questions and notices received by the Company under the heading of frequently asked questions, and responses thereof.

The information contained on the web site exists also in English for the benefit of international investors and is identical to the Turkish content.

The Company's shareholding structure; the names, amount and rate of the shares held by the Company's ultimate controlling individual shareholders over 5% as identified after being released from indirect or cross shareholding relationships between co-owners is disclosed to the public through the corporate web site.

The Company's web site also includes; working principles of the Committees, policy on donations and grants, the vision/mission of the Company established by the Board of Directors, information on dividend payments and capital increases, general shareholders' meeting internal guidelines, news, social responsibility and sustainability activities, information on senior management, financial data, main ratio analyses, timetable on events and

developments which may interest investors, and the human resources policy.

The dividend payment date following the public offering of the Company on April 28, 2022, is announced on the web site and there is no capital increase after the public offering.

CGIF (Corporate Governance Information Form) and CRF (Compliance Report Format) templates are disclosed via PDP within the reporting period of the annual financial reports and in any case at least 3 weeks before the general shareholders' meeting date. The general shareholders' meeting was held on July 23, 2025 and these templates were disclosed on PDP on March 11, 2025.

In addition, the shareholding structure of the Company, amount and rate of the shares held by the shareholders are disclosed along with the privileges held.

2.2. Annual Report:

Annual Report is prepared in detail by the Board of Directors to provide public access to complete and accurate information on the Company and covers information such as;

- Period covered by the Report, the title of the Company, trade register number, contact information,
- The names and surnames of the chairman and members served on the Board during the covered period, their limits of authority and term of office (with start and end dates),
- The sector in which the Company operates and information on its position in this sector,
- Qualifications of the departments of the Company, general explanations related to their activities and

performances, and yearly developments,

- Progress on investments,
- Links where CGIF and CRF templates are disclosed,
- Information on related party transactions,
- Other issues not included in the financial statements, but are beneficial for users,
- Company's organization, capital and ownership structure,
- Benefits provided to staff and workers, information on number of personnel,
- Explanations on privileged shares along with their amount,
- Information on Board members' involvement in any transactions with the Company on their behalf or someone else within the framework of permission granted by general shareholders' meeting along with their activities within the scope of restraint of trade,
- R&D studies,
- The dividend distribution policy,
- Basic ratios on the financial position, profitability, and solvency,
- Company's financing resources and risk management policies,
- Information on major events occurred between the closing of the accounting period and the date of the general shareholders' meeting where financial statements are evaluated.

In addition to the content specified in the legislation, the following also took place in the Annual Report:

- External duties of Board members and executives and Board members' declaration of independence,
- Members of the Committees within the Board, meeting frequency and their working principles along with the activities carried out, assessment of the Board of Directors on the effectiveness of the Committees,
- The number of Board meetings held during the year and participation status of the members,
- Information on whether there are any legislative changes that may significantly affect the Company's activities,
- Major law suits filed against the Company and possible consequences,
- Information on cross shareholding exceeding 5% of the share capital,
- Benefits and vocational training of employees, and other Company activities that give rise to social and environmental results,
- The Corporate Governance Compliance Report.

On the other hand, benefits provided to Board members and senior executives are mentioned collectively, but best application of Corporate Governance Principles dictate that this information is given on an individual basis.

2.3. External Audit:

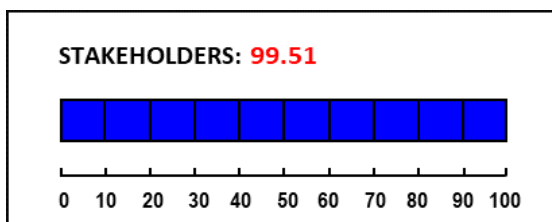
The external audit of Kimpur is conducted by DRT Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş.

There has not been a situation during the last reporting period where the external auditor avoided to express its opinion and not signed the audit report, nor has reported a qualified opinion. It has been declared that there has been no legal conflict between the Company and the external audit firm.

Independent audit firm and their audit staff did not provide consulting services for a price or free of charge during the audit period.

No consulting company in which the external audit firm is in a dominant position either directly or indirectly in management or capital provided any consulting services during the same period.

SECTION 3: STAKEHOLDERS



SYNOPSIS

+	Facilitated measures to safeguard stakeholders' rights
+	Efficient Human Resources Policy
+	Stakeholders' views are taken on important decisions
+	A set of ethical rules has been prepared and disclosed to the public
+	A written employee compensation policy is established and disclosed to the public
+	Social responsibility projects implemented
+	Sustainability initiatives and policy in place
+	Mechanisms developed to support the participation of stakeholders in management
+	Employee participation in management is regulated by internal guidelines
+	Succession plans for key executive positions

3.1. Company Policy Regarding Stakeholders:

Kimpur recognizes the rights of stakeholders established by law or through any other mutual agreement. In case the rights of the stakeholders are not regulated by the relevant legislation and protected by contracts, the Company protects the interest of

stakeholders under good faith principles and within the capabilities of the Company.

Effective and expeditious compensation is provided in case of violation of the rights. A written employee compensation policy is established and disclosed to the public.

The web site of the Company is actively used to provide adequate information on policies and procedures towards the protection of stakeholders' rights.

The corporate governance implementation of the Company ensures that its stakeholders, including its employees and representatives, report their concerns regarding any illegal or unethical transactions to the management.

The HR Director is responsible for the whistleblowing procedure.

The Company's procurements are carried out with the participation of the Board of Directors, CEO, and procurement and planning departments. Following the decisions taken at these weekly procurement meetings, operations are carried out by the procurement department.

3.2. Stakeholders' Participation in the Company Management:

Models have been developed to support the participation of stakeholders in the Company's management without impeding operations of Kimpur. In addition, these models are included in the internal regulations.

Opinions of stakeholders are taken in important decisions that have consequences for them.

Kimpur uses the 'Öner-cem' suggestion application to evaluate feedback from employees and ensure improvements in the Company culture.

3.3. Company Policy on Human Resources:

The Company has a written human resources policy which is available on the corporate web site.

In this context, Kimpur offers equal opportunity to persons with the same qualifications in recruitment and career planning.

Following declarations took place in the CRF and CGIF disclosures of Kimpur in 2024;

- The criteria for hiring employees are documented in writing and the Company complies with these criteria.
- All employees are treated with fairness and equality in terms of the benefits provided to them; training programs are provided to enhance employee knowledge, skills and conduct; and training policies are formulated.
- Informative meetings are organized for employees about the Company's financial position as well as compensation, career, training and health related issues where opinions are exchanged.
- Employees or their representatives are notified of the decisions taken regarding the employees or the developments concerning the employees.
- Job descriptions and distribution of tasks as well as performance and rewarding criteria are announced to the employees.

- Productivity is a major criterion in determining the salary and other benefits provided.
- Measures are adopted to prevent discrimination on basis of race, religion, language, and sex among the employees, to ensure human rights are respected and to protect the employees against internal physical, mental and emotional abuse.
- Safe working environment and conditions are provided for employees.

In addition, in cases which management reshuffle could cause disruptions, a succession planning for determination of new manager appointments is in place.

The Company does not pose any obstacle to the effective recognition of the freedom to establish associations and the right to collective bargaining agreements; however, Kimpur does not currently have a collective bargaining agreement within the Company.

3.4. Relations with Customers and Suppliers:

Through CRF and CGIF notifications and the publicly disclosed Annual Report, Kimpur has declared that measures are taken to ensure customer satisfaction in the marketing and sales of goods and services, that quality standards are followed in services, and that the confidentiality of information about customers and suppliers is taken into account within the scope of trade secrets.

There was no evidence of non-market pricing of goods and services during the rating period.

3.5. Ethical Rules & Social Responsibility:

The Company has ethical rules disclosed to the public via its web site in which all kinds of anti-corruption provisions are available, including extortion and bribery. Kimpur has not been subjected to any fines or warnings imposed by public administrations in this regard.

Kimpur cooperates with many non-governmental organizations and social organizations within the scope of both social responsibility and sustainability projects.

The Company also supports and respects internationally recognized human rights.

3.6. Sustainability:

The Company has policies and internal regulations on environment, nature, energy saving, recycling, and carbon emissions.

In accordance with the 'Sustainability Compliance Principles Framework' published by the CMB, the relevant reporting is available in the Company's Annual Report.

Kimpur has been awarded the following certifications: ISO/IEC 27001: 2017 Information Security Management System, TS EN ISO 9001: 2015 Quality Management System, TS EN ISO 50001: 2018 Energy Management System, TS EN ISO 14001:2015 Environmental Management System - CE Certificate and REACH Certification - Ministry of Customs and Trade Authorized Consignee Certificate, and EYDEP (Industrial Competence Assessment and Support Program) Certificate.

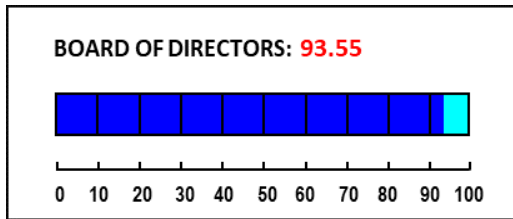
Corporate memberships: Polyurethane Manufacturers Association - SAHA

Istanbul (Defense and Aviation Cluster)
- SASAD (Defense and Aviation Industry Manufacturers Association) - SPFA (Spray Polyurethane Foam Alliance), TKSD (Turkish Chemical Industry Association) - TUYID (Investor Relations Association) - BCSD (Business and Sustainable Development Council - IMMIB (Istanbul Mining and Metals Exporters' Associations) - PANELDER (Insulated Panel Manufacturers Association) - Kocaeli Chamber of Industry - Turkish Circular Economy Platform - Euromoulders - EUROPUR (European Manufacturers of Moulded PU Parts for the Automotive Industry) - POLYDER (Polyurethane Manufacturers and Exporters Association) - United Nations Global Compact - United Nations Global Compact Network Turkey - Business World Plastic Initiative (BWP)

During the rating period, there was no fine or lawsuit filed against the Company due to environmental damage.

Details of the sustainability studies carried out by the Company can be accessed on the corporate web site.

SECTION 4: BOARD OF DIRECTORS



SYNOPSIS

+	Defined vision, mission, and strategic goals
+	The Board works efficiently and staffed with qualified members
+	Two independent Board members
+	Corporate Governance, Audit, and Early Risk Detection Committees are established and functional
+	Principles of remuneration of Board members and senior executives are established and disclosed to the public
+	The conduct of the Board of Directors meetings is documented and meeting and decision quorums have been included in the Articles of Association
+	Chairman of the Board and the general manager are not the same person
+	Any potential losses incurred by the Company and third parties due to misconduct by Board members are insured with a coverage exceeding 25% of share capital, and disclosed on PDP
+	Two female Board members appointed and a 'Female Board Membership Policy' established to increase the proportion of female members
-	Remuneration and benefits provided to Board members and

executives are not disclosed on individual basis

4.1. Functions of the Board of Directors:

Strategic decisions of the Board of Directors aim to manage the Company's risk, growth, and return balance at an appropriate level and conduct a rational and cautious risk management approach with a view to the long-term interests of Kimpur. The Board administers and represents the Company within these parameters. The Board of Directors has defined the Company's strategic goals and identified the needs in human and financial resources, and controls management's performance.

The Board also oversees that Company activities are managed in compliance with the legislation, Articles of Association, internal procedures, and established policies.

4.2. Principles of Activity of the Board of Directors:

Board of Directors performs its activities in a transparent, accountable, fair, and responsible manner.

Distribution of tasks between the members of the Board of Directors is explained in the Annual Report. In addition, CRF and CGIF templates are included in the content of the resolution of the Board of Directors regarding the acceptance of the financial statements and annual reports and the declaration to be made in this context.

The Board monitors possible conflicts of interest of management, its members, and shareholders, including misuse of

Company assets and misconduct in related party transactions.

The Board of Directors reviews the effectiveness of risk management and internal control systems at least once a year. The presence, functioning, and effectiveness of internal controls and internal audit are explained in the Annual Report.

Chairman of the Board and CEO/general manager's executive powers are clearly separated and this separation is documented in the Articles of Association.

The Board of Directors plays a leading role in maintaining effective communication between the Company and the shareholders and settling any disputes which may arise and works in close coordination with the Corporate Governance Committee and the Shareholder Relations Unit.

There is no individual in the Company who has unlimited authority to take decisions on his/her own. Despite the presence of a controlling shareholder, decisions are taken by the Board of Directors.

Any potential losses incurred by the Company and third parties due to misconduct by the members of the Board are insured covering the rating period.

As recommended in the Communiqué, an insurance policy was issued with a coverage exceeding 25% of the Company's share capital, and disclosed on PDP.

The Board of Directors established internal control systems which are inclusive of risk management, information systems, and processes by also taking into consideration the views of the Committees.

4.3. Structure of the Board of Directors:

Board of Directors of Kimpur is composed of five members of which two hold executive duties. There are two independent members who with the competence to execute their duties without being influenced under any circumstances.

CMB criteria are complied with in determining independent candidates. Independent candidates for the Board of Directors have each signed a declaration of independence within the framework of the legislation, Articles of Association, and the CMB criteria.

There are two female members on the Board of Directors. Furthermore, a target ratio and time have been set for the proportion of female Board members, with a minimum requirement of 25%, and a "Female Board Membership Policy" has been established to achieve these targets, which has been made public via the web site.

4.4. Conduct of the Meetings of the Board of Directors:

Board meetings take place with sufficient frequency. As per the CGIF disclosure, the Board of Directors held 20 meetings in 2024 with a participation rate of 80%.

Chairman of the Board of Directors sets the agenda for Board meetings in consultation with other members and the general manager.

Each Board member is entitled to a single vote and the conduct of the Board of Directors meetings is documented.

The meeting and decision quorum of the Board of Directors is regulated in Article 9 of the Company's Articles of

Association, titled "Meetings of the Board of Directors".

There is no provision in the Articles of Association regarding the restriction of the members of the Board of Directors from taking on external duties.

Duties assumed by the members of the Board of Directors outside the Company were not submitted to the attention of the shareholders at the general shareholders' meeting, but was provided in the Annual Report.

4.5. Committees Established Within the Board of Directors:

Corporate Governance, Audit and Early Risk Detection Committees are established from within the Board of Directors to fulfill its duties and responsibilities duly.

Functions of the Committees, their working principles, and members are designated by the Board of Directors and disclosed to public on the corporate web site.

All the members of the Audit Committee and the chairmen of the other Committees were elected from among the independent Board members. The chairman of the Board of Directors and the CEO/general manager do not take part in the Committees. Entire Committee members are non-executive Board members.

Excluding the independent Board members, it was observed that the principle of not taking part in more than one Committee, except for one member of the Board of Directors, was complied with.

All necessary resources and support needed to fulfill the tasks of the Committees are provided by the Board of Directors. Committees can invite any

manager as they deem necessary to their meetings and obtain their views.

No external consulting services were hired for the Committee's activities. If such services were provided, it would be mentioned in the Annual Report, as per the notification made through the CRF.

The frequency of meetings of the Committees is sufficient. Based on the general opinion we have obtained from the Committee meeting minutes submitted to us as well as the working principles of the Committees disclosed to the public;

The Corporate Governance Committee is established to determine whether the corporate governance principles are being fully implemented by the Company, if implementation of some of the principles are not possible, the reason thereof, and assess any conflict of interests arising as a result of lack of implementation of these principles, and present remedial advices to the Board of Directors. In addition, it oversees the work of the Investor Relations Department.

In accordance with the Communiqué, Investor Relations Manager, Ms. Damla Mermeroğlu is a member of the Corporate Governance Committee.

The Audit Committee;

- Supervises the operation and efficiency of the Company's accounting system, public disclosure, external audit, and internal audit systems,
- Determines the methods and criteria to be applied on reviewing complaints that are received by the Company regarding Company accounting, internal and external independent audit systems, within the framework of the principle of confidentiality and finalizes them,

- Following taking the opinion of responsible managers of the Company and the external auditor, notifies the Board in writing on whether the annual and interim statements disclosed to the public is in accordance with the Company's accounting principles, true and accurate,
- Immediately notifies the Board in writing on findings related to their duties and responsibilities and the related assessment and recommendations.

Audit Committee members possess the qualifications mentioned in the Communiqué.

The Annual Report contains information on working principles of the Audit Committee, the number of written notices given to the Board of Directors within the fiscal year, and the meeting resolutions.

The nomination and election process of the external audit firm, taking into account its competence and independence, starts with a proposal from the Audit Committee to the Board and ends with the Board's choice being presented and approved at the general shareholders' meeting. We have seen the evaluation submitted by the Audit Committee to the Board of Directors regarding the selection of the Company's external audit firm in 2024.

The Committee for Early Detection of Risks reviews risk management systems at least once a year. It achieves early identification of risks that may jeopardize the Company's existence and continued development, implements the necessary measures identified with the associated risks and conducts studies to manage such risks.

Nomination and Remuneration Committees are not established within the Kimpur Board of Directors, and their

duties are carried out by the Corporate Governance Committee in accordance with the Communiqué.

The Nomination Committee (Corporate Governance Committee) evaluated the candidates for independent membership, including management and shareholders, taking into account whether the candidates met the independence criteria, and submitted its evaluation in a report to the Board of Directors for approval.

The Remuneration Committee determines the principles, criteria, and practices to be adopted in the remuneration of members of the Board of Directors and managers with administrative responsibilities, considering the Company's long-term objectives, and supervises their implementation. It submits its recommendations to the Board of Directors regarding the remuneration to be paid to members of the Board of Directors and managers with administrative responsibilities, taking into account the degree to which the criteria used in remuneration have been met.

4.6. Remuneration of the Board of Directors and Managers with Administrative Responsibility:

The principles of remuneration of Board members and senior executives have been documented in writing and submitted to the shareholders as a separate item in the general shareholders' meeting.

A remuneration policy prepared for this purpose can be found on the corporate web site. Stock options or performance-based payments are not included in the remuneration package of the independent Board members.

As declared via the CRF report, the Company does not lend any funds or extend any credits to a member of the

Board or to senior executives, or grant any personal loans through a third party, or extend any guarantees.

There have been no cases where the executives used confidential and non-public Company information in favor of themselves or others. There are no executives who accepted a gift or favor directly or indirectly related to the Company's affairs, and provided unfair advantage.

Orientation process for newly appointed managers is determined in writing in the Company's internal regulations.

Insurance has been taken out to cover damages incurred by the Company and third parties arising from the failure of managers with administrative responsibility to perform their duties duly.

The remuneration of the members of the Board of Directors and executives with administrative responsibility are given collectively in the minutes of the ordinary general shareholders' meeting and in the annual reports. Full implementation of Corporate Governance Principles dictates reporting on an individual basis.

The Company's Board of Directors performance evaluation was conducted on March 5, 2025.

Rating Definitions

Rating	Definition
9 - 10	The company performs very good in terms of Capital Markets Board's corporate governance principles. It has, to varying degrees, identified and actively managed all significant corporate governance 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. Deserved to be included in the BIST Corporate Governance Index on the highest level.
7 - 8	The company performs good in terms of Capital Markets Board's corporate governance principles. It has, to varying degrees, identified all its material corporate governance 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. Deserved to be included in the BIST Corporate Governance Index.
6	The company performs fair in terms of Capital Markets Board's corporate governance principles. It has, to varying degrees, identified the majority of its material corporate governance risks and is beginning to actively manage them. Deserved to be included in the BIST Corporate Governance Index and 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 corporate governance 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 corporate governance policies and practices are overall very poor. The company shows limited awareness of corporate governance 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.

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