

AG ANADOLU GRUBU HOLDİNG A.Ş. Corporate Governance Information Form 2018 - Annual Notification

Summary Info

2018 Corporate Governance Information Form

1. SHAREHOLDERS

Related Companies 0

Related Funds 0

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	Investor Relations and Executive management participated in 82 investor meetings both in Turkey and abroad; including the conference calls, number of investors met reached 160. In addition, two domestic roadshows were organized in 2018 for domestic portolio management companies. Investor Relations organized Analyst and Investor Day on February 9 , 2018 and met over 40 analysts and portfolio managers in our headquarters. Two webcasts were held in 2018, sharing the year-end and first half financial results.
1.2. Right to Obtain and Examine Information	
The number of special audit request(s)	0
The number of special audit requests that were accepted at the General Shareholders' Meeting	0
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/671123
Whether the company provides materials for the General Shareholders' Meeting in English and Turkish at the same time	Provided both in Turkish and English.
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 such transaction has taken place.
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)	No such transaction has taken place.

The links to the PDP announcements associated with common and continuous transactions in the context of Article 10 of the Communiqué on Corporate Governance (II-17.1)	No such transaction has taken place.
The name of the section on the corporate website that demonstrates the donation policy of the company	There is no donation policy as our company only makes negligible amounts of donations every year.
The relevant link to the PDP with minute of the General Shareholders' Meeting where the donation policy has been approved	None.
The number of the provisions of the articles of association that discuss the participation of stakeholders to the General Shareholders' Meeting	None.
Identified stakeholder groups that participated in the General Shareholders' Meeting, if any	Independent auditors, rating agencies, and company employees have attended as observers under the cognizance of the company to the General Shareholders' Meeting.
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.	B-type of shares constitute 20% of the capital and has the privilege to nominate 6 of the 12 members of the Board of Directors. Remaining 80% is A-type of shares.
The percentage of ownership of the largest shareholder	% 48,65
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.	None.
1.6. Dividend Right	
The name of the section on the corporate website that describes the dividend distribution policy	Specified in the “Dividend Distribution Policy” under “Corporate Governance” subtitle of Investor Relations section at www.anadolugrubu.com.tr
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.	The Board of Directors did not make any such proposal.
PDP link to the related general shareholder meeting minutes in case the board of directors proposed to the general assembly not to distribute dividends	The Board of Directors did not make any such proposal.

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
24/04/2018	0	% 89,05	% 54,08	% 34,97	Investor Relations / Corporate Governance /General Assembly	None.	None.	0	https://www.kap.org.tr/en/Bildirim/678520

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.	The Investor Relations section in corporate website www.anadolugrubu.com.tr is updated continuously as required by CMB Corporate Governance Principals.
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.	Specified in the “Ownership Structure” under “Shareholders and Investor Relations” subtitle title of Investor Relations section at www.anadolugrubu.com.tr
List of languages for which the website is available	Both in Turkish and 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	“Structure and Composition of the Board of Directors” section under “Corporate Governance Report” in the Annual Report
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	“Number, Structure and Independence of Board of Directors Committees” section under “Corporate Governance Report” in the Annual Report.
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	“Operating Principles of the Board of Directors” section under “Corporate Governance Report” in the Annual Report.

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	None. (Please see note 2 in financial statements of Annual Report)
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	Explained under “Other Informations” section of the Annual Report.
e) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on the 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	None.
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%	None.
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	“Human Resources at Anadolu Group” and “Sustainability at Anadolu Group” sections in the Annual Report.

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	Specified in the "Indemnity Policy" under "Corporate Governance" subtitle title of Investor Relations section at www.anadolugrubu.com.tr
The number of definitive convictions the company was subject to in relation to breach of employee rights	None.
The position of the person responsible for the alert mechanism (i.e. whistleblowing mechanism)	Necessary mechanisms are formed for employees to carry unethical processes to the Audit Committee. The Audit Committee oversees that the management has established a system and regularly monitors compliance to the Company's code of business conduct and ethical rules. The Committee monitors whether the management makes fraud risk assessments and gives code of business conduct and ethics trainings to Company employees. Additionally, there is an Ethical Committee for Anadolu Group employees
The contact detail of the company alert mechanism	Head of Human Resources, Osman Alptürer, is also the Head of Ethical Committee .
3.2. Supporting the Participation of the Stakeholders in the Corporation's Management	
	Employee Satisfaction and Loyalty Survey creates a platform for the employees every year to

Name of the section on the corporate website that demonstrates the internal regulation addressing the participation of employees on management bodies	express their opinions and ideas for improvement. Also the system called “Bi Fikir” is created by Anadolu Group Human Resources Department for value added ideas of employees to be shared with the executive management. All these are in the internal communication platform “AGenda”
Corporate bodies where employees are actually represented	None.
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	Organizational development meetings are arranged every year in order to identify and confirm the backup strategy for the key management positions of the Group and also the determination of the action plans as well. Succession plans of some positions in the Group are objectively evaluated for short/mid and long terms and appointments are carried through the assesment and approval of the Board of Directors.
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.	Anadolu Group Human Resources policy is developed with the leadership of Human Resources Department and contribution of all Group companies. Within the context of this policy, starting from the hiring stage, it is important for the employees to have the same standarts for education, compensation and career opportunities.
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.	When executing relations with employees, Anadolu Group does not differ employees based on their race, nationality, religion, language and gender. The Group is proud of employees' differentiation and cultural diversity and perceives this differentiation as a tool for development.
The number of definitive convictions the company is subject to in relation to health and safety measures	None.
3.5. Ethical Rules and Social Responsibility	
The name of the section on the corporate website that demonstrates the code of ethics	Specified in the "Working Principles" under "Corporate Governance" subtitle of Investor Relations section at www.anadolugrubu.com.tr
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.	Specified in the "Anadolu Group and Social Responsibility" section of Annual Report.
Any measures combating any kind of corruption including embezzlement and bribery	These issues are being considered under Working Principles. While Audit Committee does not conduct a direct audit regarding bribery and corruption related issues, in case of a finding during routine audit or a demand from the executive management the subject is monitored.

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	None.
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 has been no delegation.
Number of reports presented by internal auditors to the audit committee or any relevant committee to the board	3
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	Risk Management and Internal Control Mechanism section of the Annual Report.
Name of the Chairman	Tuncay Özilhan
Name of the CEO	Hurşit Zorlu
If the CEO and Chair functions are combined: provide the link to the relevant PDP announcement providing the rationale for such combined roles	Not combined
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	None
The name of the section on the corporate website that demonstrates current diversity policy targeting women directors	None.
The number and ratio of female directors within the Board of Directors	1/12, 8%

Composition of Board of Directors

Name, Surname of Board Member	Whether Executive Director Or Not	Whether Independent Director Or Not	The First Election Date To Board	Link To PDP Notification That Includes The Independency Declaration	Whether the Independent 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
		Bağımsız üye değil (

Tuncay Özilhan	İcrada Görevli Değil (Non-executive)	Not independent director)	27/12/ 2017		Değerlendirilmedi (Not considered)	-	Evet (Yes)
Kamilhan Süleyman Yazıcı	İcrada Görevli Değil (Non-executive)	Bağımsız üye değil (Not independent director)	27/12/ 2017		Değerlendirilmedi (Not considered)	-	Evet (Yes)
Salih Metin Ecevit	İcrada Görevli Değil (Non-executive)	Bağımsız üye değil (Not independent director)	17/05/ 2007		Değerlendirilmedi (Not considered)	-	Evet (Yes)
Talip Altuğ Aksoy	İcrada Görevli Değil (Non-executive)	Bağımsız üye değil (Not independent director)	27/12/ 2017		Değerlendirilmedi (Not considered)	-	Evet (Yes)
Mustafa Ali Yazıcı	İcrada Görevli Değil (Non-executive)	Bağımsız üye değil (Not independent director)	27/12/ 2017		Değerlendirilmedi (Not considered)	-	Evet (Yes)
Ahmet Boyacıoğlu	İcrada Görevli Değil (Non-executive)	Bağımsız üye değil (Not independent director)	27/12/ 2017		Değerlendirilmedi (Not considered)	-	Evet (Yes)
Dr. Mehmet Cem Kozlu	İcrada Görevli Değil (Non-executive)	Bağımsız üye değil (Not independent director)	27/12/ 2017		Değerlendirilmedi (Not considered)	-	Evet (Yes)
Dr. Yılmaz Argüden	İcrada Görevli Değil (Non-executive)	Bağımsız üye değil (Not independent director)	27/12/ 2017		Değerlendirilmedi (Not considered)	-	Evet (Yes)
Ali Galip Yorgancıoğlu	İcrada Görevli Değil (Non-executive)	Bağımsız üye (Independent director)	27/12/ 2017	https:// www.kap.org.tr /en/Bildirim/ 678520	Değerlendirildi (Considered)	Hayır (No)	Evet (Yes)
Uğur Bayar	İcrada Görevli Değil (Non-executive)	Bağımsız üye (Independent director)	27/12/ 2017	https:// www.kap.org.tr /en/Bildirim/ 678520	Değerlendirildi (Considered)	Hayır (No)	Evet (Yes)
Fatma Aslı Başgöz	İcrada Görevli Değil (Non-executive)	Bağımsız üye (Independent director)	24/04/ 2018	https:// www.kap.org.tr /en/Bildirim/ 678520	Değerlendirildi (Considered)	Hayır (No)	Evet (Yes)

Dr. Mehmet Ercan Kumcu	İcrada Görevli Değil (Non-executive)	Bağımsız üye (Independent director)	24/04/2018	https://www.kap.org.tr/en/Bildirim/678520	Değerlendirildi (Considered)	Hayır (No)	Evet (Yes)
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4. BOARD OF DIRECTORS-II

4. BOARD OF DIRECTORS-II	
4.4. Meeting Procedures of the Board of Directors	
Number of physical board meetings in the reporting period (meetings in person)	10 meetings have been done physically. Prior to the board decisions taken on dates other than the dates of these meetings, the directors have been informed and the issues have been discussed as necessary.
Director average attendance rate at board meetings	% 91
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	Information to directors is provided around 3 to 5 days ahead of the board meeting to ensure smooth flow of information among members.
The name of the section on the corporate website that demonstrates information about the board charter	Specified in the article of 11 the “Articles of Association” under “Corporate Governance” subtitle title of Investor Relations section at www.anadolugrubu.com.tr
Number of maximum external commitments for board members as per the policy covering the number of external duties held by directors	None.
4.5. Board Committees	
Page numbers or section names of the annual report where information about the board committees are presented	“Number, Structure and Independence of Board of Directors Committees” section under “Corporate Governance” in the Annual Report.
Link(s) to the PDP announcement(s) with the board committee charters	https://www.kap.org.tr/en/Bildirim/657773

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)		Uğur Bayar	Evet (Yes)	Yönetim kurulu üyesi (Board member)
Kurumsal Yönetim Komitesi (Corporate Governance Committee)		Kamilhan Süleyman Yazıcı	Hayır (No)	Yönetim kurulu üyesi (Board member)
Kurumsal Yönetim Komitesi (Corporate Governance Committee)		Dr. Yılmaz Argüden	Hayır (No)	Yönetim kurulu üyesi (Board member)
Kurumsal Yönetim Komitesi (Corporate Governance Committee)		İrem Çalışkan Dursun	Hayır (No)	Yönetim kurulu üyesi değil (Not board member)
Denetim Komitesi (Audit Committee)		Dr. Mehmet Ercan Kumcu	Evet (Yes)	Yönetim kurulu üyesi (Board member)
Denetim Komitesi (Audit Committee)		Ali Galip Yorgancıoğlu	Hayır (No)	Yönetim kurulu üyesi değil (Not board member)
Riskin Erken Saptanması Komitesi (Committee of Early Detection of Risk)		Fatma Aslı Başgöz	Evet (Yes)	Yönetim kurulu üyesi (Board member)
Riskin Erken Saptanması Komitesi (Committee of Early Detection of Risk)		Dr. Mehmet Cem Kozlu	Hayır (No)	Yönetim kurulu üyesi (Board member)
Riskin Erken Saptanması Komitesi (Committee of Early Detection of Risk)		Talip Altuğ Aksoy	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)	“Board of Directors’ Assessment of the Operating Principles and Efficiency of the Committees under the Board of Directors” section under “Corporate Governance Report” in the Annual Report.
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)	“Board of Directors’ Assessment of the Operating Principles and Efficiency of the Committees under the Board of Directors” section under “Corporate Governance Report” in the Annual Report.
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 functions of the Nomination committee, which is not present, are being fulfilled by the Corporate Governance 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)	“Board of Directors’ Assessment of the Operating Principles and Efficiency of the Committees under the Board of Directors” section under “Corporate Governance Report” in the Annual Report.
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 functions of the Remuneration committee, which is not present, are being fulfilled by the Corporate Governance 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)	Specified in Chairman's Message and CEO's Assesment in Annual Report
Specify the section of website where remuneration policy for executive and non-executive directors are presented.	Specified in the " Compensation Principles" under "Corporate Governance" subtitle title of Investor Relations section at www.anadolugrubu.com.tr
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)	Specified in note 32.3 Related Party Transactions in Financial Statements.

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)		% 75	% 25	5	3
Denetim Komitesi (Audit Committee)		% 100	% 100	4	5
Riskin Erken Saptanması Komitesi (Committee of Early Detection of Risk)		% 100	% 33	5	6