

EREĞLİ DEMİR VE ÇELİK FABRİKALARI T.A.Ş.

Corporate Governance Information Form

2019 - Annual Notification

Summary

2019 Corporate Governance Information Form

1. SHAREHOLDERS

Related Companies

Related Funds

1. SHAREHOLDERS	
1.1. Facilitating the Exercise of Shareholders Rights	
The number of investor meetings (conference, seminar/etc.) organised by the company during the year	63
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/en/Bildirim/742048
Whether the company provides materials for the General Shareholders' Meeting in English and Turkish at the same time	Yes
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	There was no such transaction during the year.
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)	There is no such transaction under Article 9.
The links to the PDP announcements associated with common and continuous transactions in the context of Article 10 of the Communique on Corporate Governance (II-17.1)	https://www.kap.org.tr/en/Bildirim/738605
The name of the section on the corporate website that demonstrates the donation policy of the company	Investor Relations / Corporate Governance / Policies and Regulations / Donations and Contribution Policy
The relevant link to the PDP with minute of the General Shareholders' Meeting where the donation policy has been approved	https://www.kap.org.tr/tr/Bildirim/194744
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	There was no participation in the General Assembly meeting regarding 2018 activities except for the shareholders. However, there is no restriction on participation of

	stakeholders in the General Assembly.
1.4. Voting Rights	
Whether the shares of the company have differential voting rights	Evet (Yes)
In case that there are voting privileges, indicate the owner and percentage of the voting majority of shares.	Privatization Administration / 0.0% / One share of certificate, issued to the bearer amounting to one kuruş.
The percentage of ownership of the largest shareholder	% 49,29
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.	-
1.6. Dividend Right	
The name of the section on the corporate website that describes the dividend distribution policy	Investor Relations / Corporate Governance / Policies and Regulations / Dividend Distribution Policy
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.	-
PDP link to the related general shareholder meeting minutes in case the board of directors proposed to the general assembly not to distribute dividends	-

General Assembly Meetings

General Meeting Date	The number of information requests received by the company regarding the clarification of the agenda of the General Shareholders' Meeting	Shareholder participation rate to the General Shareholders' Meeting	Percentage of shares directly present at the GSM	Percentage of shares represented by proxy	Specify the name of the page of the corporate website that contains the General Shareholders' Meeting minutes, and also indicates for each resolution the voting levels for or against	Specify the name of the page of the corporate website that contains all questions asked in the general assembly meeting and all responses to them	The number of the relevant item or paragraph of General Shareholders' Meeting minutes in relation to related party transactions	The number of declarations by insiders received by the board of directors	The link to the related PDP general shareholder meeting notification
21/03/2019	0	% 66	% 0,02	% 66	Investor Relations / General Assembly / Minutes of General Assembly	Investor Relations / General Assembly / The questions asked on General Assembly Meetings	-	203	https://www.kap.org.tr/en/Bildirim/749186

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.	Investor Relations / Corporate Governance, Reports and Presentations, Annual Reports, Disclosures and Announcements, General Assembly, FAQ
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.	Investor Relations / Corporate Governance / Ownership Structure
List of languages for which the website is available	Turkish, English
2.2. Annual Report	
The page numbers and/or name of the sections in the Annual Report that demonstrate the information requested by principle 2.2.2.	
a) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on the duties of the members of the board of directors and executives conducted out of the company and declarations on independence of board members	Investor Relations / Reports and Presentations / Interim Financial Reports / Declarations of Independent Board Members
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	Investor Relations / Annual Reports / Board of Directors Committee Operating Principles and Assessment of Committees' Effectiveness
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	Investor Relations / Reports and Presentations / Interim Financial Reports / Number of Meetings of the Board of Directors and Attendance of the Board Members
	Investor Relations / Reports and

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	Presentations / Interim Financial Reports / Information about Amendments in Legislation That May Significantly Affect the Company's Activities
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	Investor Relations / Annual Reports / Notes to the Consolidated Financial Statements / Provision for Lawsuits
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	Investor Relations / Annual Reports / Other Issues
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%	No cross ownership subsidiaries that the direct contribution to the Company's capital exceeds 5%.
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	Investor Relations / Annual Reports / Corporate Social Responsibility

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	Investor Relations / Corporate Governance / Policies and Regulations / Staff Compensation Policy
The number of definitive convictions the company was subject to in relation to breach of employee rights	285
The position of the person responsible for the alert mechanism (i.e. whistleblowing mechanism)	Ethics Committee
The contact detail of the company alert mechanism	Mail: etik@erdemiretik.com, Phone : 0 850 211 30 00
3.2. Supporting the Participation of the Stakeholders in the Corporation's Management	
Name of the section on the corporate website that demonstrates the internal regulation addressing the participation of employees on management bodies	-
Corporate bodies where employees are actually represented	Union
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	-
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.	OYAK Mining Metallurgy Group / Career / HR Practices
Whether the company provides an employee stock ownership programme	Pay edindirme planı bulunmuyor (There isn't an employee stock ownership programme)
	Investor Relations / Corporate Governance / Code of Ethics and Business Conduct / Responsibilities to Our Employees (We have our employees use their personal rights)

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.	completely and accurately. Employees are treated with integrity and fairness. We are committed to providing a secure, healthy and non-discriminative work environment. We strive to support our employees' personal development, encourage them to volunteer in appropriate social and community activities as well as try to ensure their work-life balance.)
The number of definitive convictions the company is subject to in relation to health and safety measures	30
3.5. Ethical Rules and Social Responsibility	
The name of the section on the corporate website that demonstrates the code of ethics	Investor Relations / Corporate Governance / Code of Ethics and Business Conduct
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.	Sustainability / CSR Policy
Any measures combating any kind of corruption including embezzlement and bribery	OYAK Mining Metallurgy Group's Board members, employees and all third parties acting on the Group's behalf should avoid any act or behavior that may bring OYAK Mining Metallurgy Group under suspicion of corruption. Regardless of being in public or private sector, accepting or giving any cash/ non-cash benefit that may be in the scope of corruption is forbidden.

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	-
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	Süleyman Savaş ERDEM - Chairman (Representative of OYTAŞ İç ve Dış Ticaret A.Ş), Toker ÖZCAN - Deputy Chairman and Managing Director (Representative of OYAK Pazarlama Hizmet ve Turizm A.Ş.)
Number of reports presented by internal auditors to the audit committee or any relevant committee to the board	5
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	Investor Relations / Annual Reports / Internal Audit Aystem
Name of the Chairman	Süleyman Savaş ERDEM - Chairman (Representative of OYTAŞ İç ve Dış Ticaret A.Ş)
Name of the CEO	Salih Cem Oral
If the CEO and Chair functions are combined: provide the link to the relevant PDP announcement providing the rationale for such combined roles	CEO and Chairman are not the same person.
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	There is an executive liability insurance for the damages caused by the board members during their duties but the total insurance does not exceed 25% of the capital .
The name of the section on the corporate website that demonstrates current diversity policy targeting women directors	-
The number and ratio of female directors within the Board of Directors	2, 22%

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
OYTAŞ İç ve Dış Ticaret A.Ş. (Represented by: Süleyman Savaş ERDEM)	İcrada Görevli Değil (Non-executive)	Bağımsız üye değil (Not independent director)	27/05/ 2013		Değerlendirilmedi (Not considered)	Hayır (No)	Evet (Yes)
OYAK Pazarlama Hizmet ve Turizm A.Ş. (Represented by: Toker ÖZCAN)	İcrada görevli (Executive)	Bağımsız üye değil (Not independent director)	13/09/ 2012		Değerlendirilmedi (Not considered)	Hayır (No)	Evet (Yes)
Republic of Turkey Ministry of Treasury and Finance Privatization Administration (Represented by: Tahsin YAZAR)	İcrada Görevli Değil (Non-executive)	Bağımsız üye değil (Not independent director)	20/09/ 2012		Değerlendirilmedi (Not considered)	Hayır (No)	Evet (Yes)
OYKA Kağıt Ambalaj Sanayii ve Ticaret A.Ş. (Represented by: Baran ÇELİK)	İcrada Görevli Değil (Non-executive)	Bağımsız üye değil (Not independent director)	12/09/ 2012		Değerlendirilmedi (Not considered)	Hayır (No)	Evet (Yes)
OYAK Denizcilik ve Liman İşletmeleri A.Ş. (Represented by: Güliz KAYA)	İcrada Görevli Değil (Non-executive)	Bağımsız üye değil (Not independent director)	12/09/ 2012		Değerlendirilmedi (Not considered)	Hayır (No)	Evet (Yes)
OMSAN Lojistik A.Ş. (Represented by: Aslıhan DÖĞER)	İcrada Görevli Değil (Non-executive)	Bağımsız üye değil (Not independent director)	11/09/ 2012		Değerlendirilmedi (Not considered)	Hayır (No)	Evet (Yes)

Yunus ARINCI	İcrada Görevli Değil (Non-executive)	Bağımsız üye (Independent director)	31/03/2016	https://www.kap.org.tr/tr/Bildirim/738601	Değerlendirildi (Considered)	Hayır (No)	Evet (Yes)
Ali FİDAN	İcrada Görevli Değil (Non-executive)	Bağımsız üye (Independent director)	31/03/2017	https://www.kap.org.tr/tr/Bildirim/738601	Değerlendirildi (Considered)	Hayır (No)	Evet (Yes)
Kurtuluş Bedri VAROĞLU	İcrada Görevli Değil (Non-executive)	Bağımsız üye (Independent director)	31/03/2017	https://www.kap.org.tr/tr/Bildirim/738601	Değerlendirildi (Considered)	Hayır (No)	Evet (Yes)

4. BOARD OF DIRECTORS-II

4. BOARD OF DIRECTORS-II	
4.4. Meeting Procedures of the Board of Directors	
Number of physical board meetings in the reporting period (meetings in person)	6
Director average attendance rate at board meetings	% 98
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	3-5 Days
The name of the section on the corporate website that demonstrates information about the board charter	There are internal regulations in which the working principles of the Board of Directors meetings are determined , but they are not published on the corporate website.
Number of maximum external commitments for board members as per the policy covering the number of external duties held by directors	-
4.5. Board Committees	
Page numbers or section names of the annual report where information about the board committees are presented	Investor Relations / Annual Reports / Board Of Directors Committee Operating Principles and Assessment of Committees' Effectiveness
Link(s) to the PDP announcement(s) with the board committee charters	The working principles of the Committee are available on our corporate website. (Investor Relations / Corporate Governance / Policies and Regulations)

Composition of Board Committees-I

Names Of The Board Committees	Name Of Committees Defined As "Other" In The First Column	Name-Surname of Committee Members	Whether Committee Chair Or Not	Whether Board Member Or Not
Kurumsal Yönetim Komitesi (Corporate Governance Committee)	-	Kurtuluş Bedri Varoğlu	Evet (Yes)	Yönetim kurulu üyesi (Board member)
Kurumsal Yönetim Komitesi (Corporate Governance Committee)	-	Yunus Arıncı	Hayır (No)	Yönetim kurulu üyesi (Board member)
Kurumsal Yönetim Komitesi (Corporate Governance Committee)	-	İdil Önay Ergin	Hayır (No)	Yönetim kurulu üyesi değil (Not board member)
Denetim Komitesi (Audit Committee)	-	Yunus Arıncı	Evet (Yes)	Yönetim kurulu üyesi (Board member)
Denetim Komitesi (Audit Committee)	-	Ali Fidan	Hayır (No)	Yönetim kurulu üyesi (Board member)
Riskin Erken Saptanması Komitesi (Committee of Early Detection of Risk)	-	Ali Fidan	Evet (Yes)	Yönetim kurulu üyesi (Board member)
Riskin Erken Saptanması Komitesi (Committee of Early Detection of Risk)	-	Kurtuluş Bedri Varoğlu	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)	Investor Relations / Annual Reports / Board Of Directors Committee Operating Principles and Assessment of Committees' Effectiveness
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)	Investor Relations / Annual Reports / Board Of Directors Committee Operating Principles and Assessment of Committees' Effectiveness
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)	Investor Relations / Annual Reports / Board Of Directors Committee Operating Principles and Assessment of Committees' Effectiveness
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)	Investor Relations / Annual Reports / Board Of Directors Committee Operating Principles and Assessment of Committees' Effectiveness
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)	Investor Relations / Annual Reports / Board Of Directors Committee Operating Principles and Assessment of Committees' Effectiveness
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)	Investor Relations / Annual Reports / Other Issues

Specify the section of website where remuneration policy for executive and non-executive directors are presented.	Investor Relations / Policies and Regulations / Compensation Policy
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)	Investor Relations / Annual Reports / Notes to the Consolidated Financial Statements / Related Party Disclosures / Salaries, bonuses and other benefits of the key management

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
Denetim Komitesi (Audit Committee)	-	% 100	% 100	4	4
Kurumsal Yönetim Komitesi (Corporate Governance Committee)	-	% 100	% 67	6	3
Riskin Erken Saptanması Komitesi (Committee of Early Detection of Risk)	-	% 100	% 100	6	6