

TEKFEN HOLDİNG A.Ş.

Corporate Governance Information Form

2019 - Annual Notification

Summary

Corporate Governance Information Form

1. SHAREHOLDERS

Related Companies ☐

Related Funds ☐

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| 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 | 12 Roadshows / Conferences were attended and a total of 139 meetings were held. |
| 1.2. Right to Obtain and Examine Information | |
| The number of special audit request(s) | - |
| The number of special audit requests that were accepted at the General Shareholders' Meeting | - |
| 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/sirket-bilgileri/ozet/1470-tekfen-holding-a-s |
| 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 | 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 Communique 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 | Investor/Corporate Governance/Donations Policy http://www.tekfen.com.tr/english/investor.asp?n=1&p=23 |
| 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/279563 |
| The number of the provisions of the articles of association that discuss the participation of stakeholders to the General Shareholders' Meeting | There is no such provision in the articles of association |
| Identified stakeholder groups that participated in the General Shareholders' Meeting, if any | Company employees |
| 1.4. Voting Rights | |
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| Whether the shares of the company have differential voting rights | Hayır (No) |
| In case that there are voting privileges, indicate the owner and percentage of the voting majority of shares. | - |
| The percentage of ownership of the largest shareholder | % 17,36 |
| 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/Corporate Governance/Dividend Policy http://www.tekfen.com.tr/english/investor.asp?n=1&p=13 |
| 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 |
|----------------------|---|---|--|---|--|---|---|---|---|
| 27/03/2019 | 0 | % 81,66 | % 1,44 | % 80,22 | - | - | - | 94 | https://www.kap.org.tr/tr/Bildirim/741480 |

2. DISCLOSURE AND TRANSPARENCY

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| 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/Corporate Governance section |
| 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/Shareholder Structure http://www.tekfen.com.tr/english/investor.asp?n=0&p=2 |
| List of languages for which the website is available | 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 | Corporate Governance Section |
| 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 | Corporate Governance Section |
| 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 | Corporate Governance Section |
| 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 |
| 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 | Corporate Governance Section |
| 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 | Corporate Governance Section |

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| 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% | There is no cross ownership |
| 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 | Corporate Governance Section |

3. STAKEHOLDERS

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| 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 | None. Compensation rights in group companies with customer relations are included in the contracts with the stakeholders. |
| The number of definitive convictions the company was subject to in relation to breach of employee rights | 42 |
| The position of the person responsible for the alert mechanism (i.e. whistleblowing mechanism) | Compliance officer |
| The contact detail of the company alert mechanism | Our communication and notification channels are currently only available to our company employees. |
| 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 | None |
| 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 | The Board of Directors encourages the management of the succession plan. |
| 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. | http://www.tekfen.com.tr/english/career_planning.asp |
| 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 | None |

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| discrimination and mistreatments and the measures to prevent them. Also provide a summary of relevant parts of the human resource policy. | |
| The number of definitive convictions the company is subject to in relation to health and safety measures | 6 |
| 3.5. Ethical Rules and Social Responsibility | |
| The name of the section on the corporate website that demonstrates the code of ethics | Investor/Corporate Governance/Ethics http://www.tekfen.com.tr/english/investor.asp?n=1&p=15 |
| 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. | Corporate Social Responsibility http://www.tekfen.com.tr/english/social_responsibility.asp |
| Any measures combating any kind of corruption including embezzlement and bribery | In order to combat all kinds of corruption, including corruption and bribery, there are written and announced ethical rules in the Company. The notifications sent by the related units through the ethics-line are examined by the related departments and the decisions of the ethics committee for the prevention of possible corruption and fraud are directed to the relevant management unit for the necessary actions. |

4. BOARD OF DIRECTORS-I

| 4. BOARD OF DIRECTORS-I | |
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| 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 | Murat Gigin - Chairman Cansevil Akçağlılar - Vice Chairwoman Osman Cengiz Birgili - Vice Chairman |
| Number of reports presented by internal auditors to the audit committee or any relevant committee to the board | 30 |
| 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 | Corporate Governance- IV . Internal Audit |
| Name of the Chairman | Murat Gigin |
| Name of the CEO | Cahit Oklap |
| If the CEO and Chair functions are combined: provide the link to the relevant PDP announcement providing the rationale for such combined roles | - |
| Link to the PDP notification stating that any damage that may be caused by the members of the board of directors during the discharge of their duties is insured for an amount exceeding 25% of the company's capital | - |
| 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 | 4/11, 36% |

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 |
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|----------------------|--|--|-------------|---|-------------------------------|------------|------------|
| Murat Gigin | İcrada Görevli Değil (Non-executive) | Bağımsız üye değil (Not independent director) | 30/03/ 2000 | - | İlgisiz (Not applicable) | Hayır (No) | Hayır (No) |
| Cansevil Akçağlılar | İcrada Görevli Değil (Non-executive) | Bağımsız üye değil (Not independent director) | 10/08/ 2006 | - | İlgisiz (Not applicable) | Hayır (No) | Hayır (No) |
| Osman Cengiz Birgili | İcrada Görevli Değil (Non-executive) | Bağımsız üye değil (Not independent director) | 27/03/ 2019 | - | İlgisiz (Not applicable) | Hayır (No) | Hayır (No) |
| Ali Nihat Gökyiğit | İcrada Görevli Değil (Non-executive) | Bağımsız üye değil (Not independent director) | 11/06/ 1971 | - | İlgisiz (Not applicable) | Hayır (No) | Hayır (No) |
| Sinan K. Uzan | İcrada Görevli Değil (Non-executive) | Bağımsız üye değil (Not independent director) | 15/04/ 2014 | - | İlgisiz (Not applicable) | Hayır (No) | Hayır (No) |
| Mehmet Ercan Kumcu | İcrada Görevli Değil (Non-executive) | Bağımsız üye değil (Not independent director) | 26/05/ 2008 | - | İlgisiz (Not applicable) | Hayır (No) | Evet (Yes) |
| Ahmet İpekçi | İcrada Görevli Değil (Non-executive) | Bağımsız üye değil (Not independent director) | 15/04/ 2014 | - | İlgisiz (Not applicable) | Hayır (No) | Evet (Yes) |
| Çiğdem Tüzün | İcrada Görevli Değil (Non-executive) | Bağımsız üye (Independent director) | 15/04/ 2014 | - | Değerlendirildi (Considered) | Hayır (No) | Evet (Yes) |
| Neriman Ülsever | İcrada Görevli Değil (Non-executive) | Bağımsız üye (Independent director) | 23/03/ 2017 | - | Değerlendirildi (Considered) | Hayır (No) | Evet (Yes) |
| Şevki Acuner | İcrada Görevli Değil (Non-executive) | Bağımsız üye (Independent director) | 27/03/ 2019 | - | Değerlendirildi (Considered) | Hayır (No) | Evet (Yes) |
| Gülsüm Azeri | İcrada Görevli Değil (Non-executive) | Bağımsız üye (Independent director) | 29/03/ 2018 | - | Değerlendirildi (Considered) | Hayır (No) | Evet (Yes) |

4. BOARD OF DIRECTORS-II

| 4. BOARD OF DIRECTORS-II | |
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| 4.4. Meeting Procedures of the Board of Directors | |
| Number of physical board meetings in the reporting period (meetings in person) | 12 |
| Director average attendance rate at board meetings | % 97 |
| Whether the board uses an electronic portal to support its work or not | Hayır (No) |
| Number of minimum days ahead of the board meeting to provide information to directors, as per the board charter | 1 week before the meeting date. |
| The name of the section on the corporate website that demonstrates information about the board charter | None |
| Number of maximum external commitments for board members as per the policy covering the number of external duties held by directors | There is no policy or limitation |
| 4.5. Board Committees | |
| Page numbers or section names of the annual report where information about the board committees are presented | Corporate Governance - Part III- Committees |
| Link(s) to the PDP announcement(s) with the board committee charters | Announcement was made in 2007 |

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 |
|--|---|-----------------------------------|--------------------------------|-------------------------------------|
| Denetim Komitesi (Audit Committee) | - | Çiğdem Tüzün | Evet (Yes) | Yönetim kurulu üyesi (Board member) |
| Denetim Komitesi (Audit Committee) | - | Şevki Acuner | Hayır (No) | Yönetim kurulu üyesi (Board member) |
| Kurumsal Yönetim Komitesi (Corporate Governance Committee) | - | Neriman Ülsever | Evet (Yes) | Yönetim kurulu üyesi (Board member) |
| Kurumsal Yönetim Komitesi (Corporate Governance Committee) | - | Şevki Acuner | Hayır (No) | Yönetim kurulu üyesi (Board member) |

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| Kurumsal Yönetim Komitesi (Corporate Governance Committee) | - | Çağlar Gülveren | Hayır (No) | Yönetim kurulu üyesi değil (Not board member) |
| Riskin Erken Saptanması Komitesi (Committee of Early Detection of Risk) | - | Gülsüm Azeri | Evet (Yes) | Yönetim kurulu üyesi (Board member) |
| Riskin Erken Saptanması Komitesi (Committee of Early Detection of Risk) | - | Mehmet Ercan Kumcu | Hayır (No) | Yönetim kurulu üyesi (Board member) |
| Ücret Komitesi (Remuneration Committee) | - | Murat Gigin | Evet (Yes) | Yönetim kurulu üyesi (Board member) |
| Ücret Komitesi (Remuneration Committee) | - | Sinan Uzan | Hayır (No) | Yönetim kurulu üyesi (Board member) |
| Ücret Komitesi (Remuneration Committee) | - | Neriman Ülsever | Hayır (No) | Yönetim kurulu üyesi (Board member) |

4. BOARD OF DIRECTORS-III

| 4. BOARD OF DIRECTORS-III | |
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| 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) | Corporate Governance - 3.1 Audit Committee |
| 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) | Corporate Governance - 3.2 Corporate Governance Committee |
| 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) | Corporate Governance - 3.2 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) | Corporate Governance - 3.3 Risk Committee |
| 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) | Corporate Governance - 3.4 Remuneration Committee |
| 4.6. Financial Rights | |
| Specify where the operational and financial targets and their achievement are presented in your annual report (Page number or section name in the annual report) | Corporate Governance - VIII Board of Directors Annual Report |
| Specify the section of website where remuneration policy for executive and non-executive directors are presented. | Remuneration Policy http://www.tekfen.com.tr/english/investor.asp?n=1&p=22 |
| 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) | Corporate Governance - 2.3 Total Compensation Package Provided to Members of the Board of Directors and Senior Executives |

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 | 6 | 30 |
| Kurumsal Yönetim Komitesi (Corporate Governance Committee) | - | % 67 | % 67 | 4 | 4 |
| Riskin Erken Saptanması Komitesi (Committee of Early Detection of Risk) | - | % 100 | % 50 | 6 | 6 |
| Ücret Komitesi (Remuneration Committee) | - | % 100 | % 33 | 3 | 3 |