

FONET BİLGİ TEKNOLOJİLERİ A.Ş. Corporate Governance Information Form 2020 - Annual Notification

Summary

Corporate Governance Information Form 2020

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 | There has not been any such situtaion. |
| 1.2. Right to Obtain and Examine Information | |
| The number of special audit request(s) | There has not been any such situtaion. |
| The number of special audit requests that were accepted at the General Shareholders' Meeting | There has not been any such situtaion. |
| 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/83839 |
| Whether the company provides materials for the General Shareholders' Meeting in English and Turkish at the same time | Only in Turkish |
| 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 has not been any such situtaion. |
| 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 has not been any such situtaion. |
| 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) | There is no such circumstance. |
| The name of the section on the corporate website that demonstrates the donation policy of the company | Investor Relations / Policies / Donation and Aid 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/844414 |
| The number of the provisions of the articles of association that discuss the participation of stakeholders to the General Shareholders' Meeting | NA |
| Identified stakeholder groups that participated in the General Shareholders' Meeting, if any | https://www.kap.org.tr/tr/Bildirim/844414 |
| 1.4. Voting Rights | |
| Whether the shares of the company have differential voting rights | Evet (Yes) |
| | (A) group shareholders have 15 voting rights for each share, and (B) group |

| | |
|--|---|
| In case that there are voting privileges, indicate the owner and percentage of the voting majority of shares. | shareholders have 1 voting right for each share in the company's ordinary and extraordinary general assembly meetings. |
| The percentage of ownership of the largest shareholder | % 48,33 |
| 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 / Policies / Profit 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. | It proceeded to item number 10 of the agenda regarding the discussion and decision of the Board's proposal not to distribute the profits for the year 2019. Decision No. 2020/07 dated 04.15.2020 by our Board of Directors pursuant to the provisions of Turkish Commercial Code and the Capital Markets Board within the framework of Turkey Accounting / Financial Reporting Standards and prepared in accordance Mercek Independent Auditor and Certified Financial Consulting Inc. According to our financial statements for the fiscal period 01.01.2019 - 31.12.2019, the remaining profit after allocating general legal reserves from the profit obtained as a result of the activities of 2019, giving the information that a total of 14.651.030,00 Turkish Liras has been obtained. The proposal to keep the company in the account of previous years' profits was presented to the approval of the General Assembly, and it was accepted by the majority of votes with 23.333.333.10 affirmative |

| | |
|---|---|
| | votes against 1.0 negative votes. |
| PDP link to the related general shareholder meeting minutes in case the board of directors proposed to the general assembly not to distribute dividends | https://www.kap.org.tr/tr/Bildirim/844414 |

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 |
|----------------------|---|---|--|---|--|---|---|---|---|
| 12/05/2020 | 0 | % 58,33 | % 58,33 | % 0 | Investor Relations / General Assembly / Meeting Minutes of 2019 | Investor Relations / General Assembly / Meeting Minutes of 2019 | Agenda no: 13 | 27 | https://www.kap.org.tr/tr/Bildirim/844414 |

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 |
| 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 Management / Capital 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 | Board of Directors |
| 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 | Committees Established within the Board of Directors |
| 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 | Board of Directors |
| 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 | There has not been any such situtaion. |
| 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 | There are no significant lawsuits filed against our company that could affect our company's financial status and activities. |
| 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 | There has not been any such situtaion. |

| | |
|---|-----------------|
| 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% | - |
| 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 |

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 | The company does not have any compensation policy. |
| The number of definitive convictions the company was subject to in relation to breach of employee rights | NA |
| The position of the person responsible for the alert mechanism (i.e. whistleblowing mechanism) | Manager of Human Resources |
| The contact detail of the company alert mechanism | The Human Resources Department can be reached by calling 312 438 49 19. |
| 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 | Investor Relations / Policies / Stakeholder Policy |
| Corporate bodies where employees are actually represented | NA |
| 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 makes suggestions and recommendations in developing a succession plan for 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. | Human Resources / HR Policy |
| 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. | Human Resources / HR Policy |
| | |

| | |
|--|--|
| The number of definitive convictions the company is subject to in relation to health and safety measures | NA |
| 3.5. Ethical Rules and Social Responsibility | |
| The name of the section on the corporate website that demonstrates the code of ethics | Investor Relations / Policies |
| 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. | Investor Relations / Policies / Stakeholder Policy |
| Any measures combating any kind of corruption including embezzlement and bribery | Investor Relations / Policies / Ethics Policy |

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 | NA |
| 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 | Board of Directors President - Abdülkerim Gazen |
| Number of reports presented by internal auditors to the audit committee or any relevant committee to the board | In the organizational structure of our company , a separate Internal Control Unit has not been established as the Committee's work is considered sufficient in terms of Internal Control System. In addition, although there are practices to establish internal control within the working principles of our company; in the future, it will be evaluated to establish a separate Internal Control unit in line with the growth of our company scale. |
| 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 | NA |
| Name of the Chairman | Abdülkerim Gazen |
| Name of the CEO | Mehmet Gazen |
| If the CEO and Chair functions are combined: provide the link to the relevant PDP announcement providing the rationale for such combined roles | There has not been any such situtaion. |
| 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 | NA |
| | |

| | |
|---|---------------------------|
| The name of the section on the corporate website that demonstrates current diversity policy targeting women directors | NA |
| The number and ratio of female directors within the Board of Directors | Number: 2 Percentage: 25% |

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 |
|-------------------------------|--------------------------------------|---|----------------------------------|---|---|--|--|
| ABDÜLKERİM GAZEN | İcrada görevli (Executive) | Bağımsız üye değil (Not independent director) | 10/01/2001 | | İlgisiz (Not applicable) | Hayır (No) | Hayır (No) |
| YASEMİN ŞAH | İcrada görevli (Executive) | Bağımsız üye değil (Not independent director) | 24/07/2015 | | İlgisiz (Not applicable) | Hayır (No) | Evet (Yes) |
| EMRE SEZGİN | İcrada görevli (Executive) | Bağımsız üye değil (Not independent director) | 24/07/2015 | | İlgisiz (Not applicable) | Hayır (No) | Hayır (No) |
| DANIEL ANDERS HENRIK WERNER | İcrada Görevli Değil (Non-executive) | Bağımsız üye değil (Not independent director) | 29/04/2016 | | İlgisiz (Not applicable) | Hayır (No) | Hayır (No) |
| MAHMUT İBİŞ | İcrada Görevli Değil (Non-executive) | Bağımsız üye değil (Not independent director) | 06/12/2016 | | İlgisiz (Not applicable) | Hayır (No) | Hayır (No) |
| NİSABEYİM GAZEN | İcrada Görevli Değil (Non-executive) | Bağımsız üye değil (Not independent director) | 15/04/2019 | | İlgisiz (Not applicable) | Hayır (No) | Hayır (No) |
| İLKER SALTOĞLU | İcrada Görevli Değil (Non-executive) | Bağımsız üye (Independent director) | 20/09/2017 | https://www.kap.org.tr/tr/Bildirim/838452 | Değerlendirildi (Considered) | Hayır (No) | Hayır (No) |
| | | | | | | | |

| | | | | | | | |
|---------------------------|---|---|----------------|--|------------------------------|------------|------------|
| YUSUF SERDAR GÜRBÜZ | İcrada Görevli Değil (Non-executive) | Bağımsız üye (Independent director) | 20/09/ 2017 | https:// www.kap.org.tr /tr/Bildirim/ 838452 | 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) | 15 |
| Director average attendance rate at board meetings | % 90 |
| 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 | It is ensured that information and documents are sent to all members within a reasonable time. |
| The name of the section on the corporate website that demonstrates information about the board charter | There are internal rules that determine how the Board of Directors meetings will be held. However, these are not available 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 | NA |
| 4.5. Board Committees | |
| Page numbers or section names of the annual report where information about the board committees are presented | Committees Established within the Board of Directors |
| Link(s) to the PDP announcement(s) with the board committee charters | https://www.kap.org.tr/en/Bildirim/847288 |

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) | | Yusuf Serdar GÜRBÜZ | Evet (Yes) | Yönetim kurulu üyesi (Board member) |
| | | | | |

| | | | | |
|--|--|---------------------|------------|---|
| Denetim Komitesi (Audit Committee) | | İlker SALTOĞLU | Hayır (No) | Yönetim kurulu üyesi (Board member) |
| Kurumsal Yönetim Komitesi (Corporate Governance Committee) | | İlker SALTOĞLU | Evet (Yes) | Yönetim kurulu üyesi (Board member) |
| Kurumsal Yönetim Komitesi (Corporate Governance Committee) | | Dr. Emre SEZGİN | Hayır (No) | Yönetim kurulu üyesi (Board member) |
| Kurumsal Yönetim Komitesi (Corporate Governance Committee) | | Deniz ÖZLÜK | Hayır (No) | Yönetim kurulu üyesi değil (Not board member) |
| Riskin Erken Saptanması Komitesi (Committee of Early Detection of Risk) | | Yusuf Serdar GÜRBÜZ | Evet (Yes) | Yönetim kurulu üyesi (Board member) |
| Riskin Erken Saptanması Komitesi (Committee of Early Detection of Risk) | | Dr. Emre SEZGİN | 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) | Committees Established within the Board of Directors |
| 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) | Committees Established within the Board of Directors |
| 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 duties of the Nomination Committee are carried out 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) | Committees Established within the Board of Directors |
| 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 duties of the Remuneration Committee are carried out 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) | Financial Condition of the Company |
| Specify the section of website where remuneration policy for executive and non-executive directors are presented. | Investor Relations / Policies |
| 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) | Policies |

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 | Five | Five |
| Kurumsal Yönetim Komitesi (Corporate Governance Committee) | | % 67 | % 33 | Two | Two |
| Riskin Erken Saptanması Komitesi (Committee of Early Detection of Risk) | | % 50 | % 50 | Six | Six |