

# TÜPRAŞ-TÜRKİYE PETROL RAFİNERİLERİ A.Ş. Corporate Governance Information Form 2018 - Annual Notification

## Summary Info

2018 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	8 Conferences and roadshows are attended. Meetings held with approximately 400 fund managers and analyst.
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)	<a href="https://www.kap.org.tr/tr/Bildirim/661585">https://www.kap.org.tr/tr/Bildirim/661585</a>
Whether the company provides materials for the General Shareholders' Meeting in English and Turkish at the same time	English and Turkish materials are provided at the same time.
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 are no such transactions.
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 are no such transactions.
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)	<a href="https://www.kap.org.tr/tr/Bildirim/661706">https://www.kap.org.tr/tr/Bildirim/661706</a>
The name of the section on the corporate website that demonstrates the donation policy of the company	Investor Relations / Corporate Governance / Policies
The relevant link to the PDP with minute of the General Shareholders' Meeting where the donation policy has been approved	<a href="https://www.kap.org.tr/tr/Bildirim/349385">https://www.kap.org.tr/tr/Bildirim/349385</a>
The number of the provisions of the articles of association that discuss the participation of stakeholders to the General Shareholders' Meeting	Article 14 -a
Identified stakeholder groups that participated in the General Shareholders' Meeting, if any	The General Assembly meeting was held open to the public, including stakeholders and the media without seeking a requirement of the right to speak.

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.	The issued capital of Tüpraş is divided in to two groups as (A) and (C); all of them being registered shares. The shareholders attending the ordinary and extraordinary General Assembly meetings use their votes pro rata with the nominal value of their shares. While electing the Board of Directors, one of the members has to be elected out of the nominees nominated by the Group C share. The issues specified in Article 10 of Company's Articles of Association depends on the affirmative vote of the Group C shareholder owned by the Privatization Administration in order to take Board of Directors and General Assembly decisions.
The percentage of ownership of the largest shareholder	% 51
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
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.	Dividend has been distributed.
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

	The number of information requests received by the company regarding the	Shareholder participation rate	Percentage of shares	Percentage of shares	Specify the name of the page of the corporate website that contains the General Shareholders'	Specify the name of the page of the corporate website that contains all	The number of the relevant item or paragraph of General Shareholders'	The number of declarations by	The link to the related PDP general

General Meeting Date	clarification of the agenda of the General Shareholders' Meeting	to the General Shareholders' Meeting	directly present at the GSM	represented by proxy	Meeting minutes, and also indicates for each resolution the voting levels for or against	questions asked in the general assembly meeting and all responses to them	Meeting minutes in relation to related party transactions	insiders received by the board of directors	shareholder meeting notification
21/03/2018	0	% 80,05	% 0	% 80,05	Investor Relations /General Assembly /Minutes of AGM	Investor Relations /General Assembly / Minutes of AGM	-	0	<a href="https://www.kap.org.tr/tr/Bildirim/669696">https://www.kap.org.tr/tr/Bildirim/669696</a>

## 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 Governance
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	General Assembly/Board of Directors' Resumes Corporate Governance / Declaration for Independency
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 Principles Compliance Report Part V :Board of Directors /5.3. Number, Organization and Independence of Board Committees
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 Principles Compliance Report Part V :Board of Directors /5.2. Operating Principles of the 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 were no amendments in the legislation which may significantly affect the activities of the corporation.
d) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on	There were no lawsuits initiated or concluded in 2018 against the Company significant enough to have a

significant lawsuits filed against the corporation and the possible results thereof	material impact on its financial situation or operations (Annual Report Page 122 for information).
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 are no such conflicts of interest ( Annual Report Page 122 for information).
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%	Corporate Governance / Legal Disclosures
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 Principles Compliance Report Part IV : StakeHolders/ 4.3. Human Resources Policy

### 3. STAKEHOLDERS

<b>3. STAKEHOLDERS</b>	
<b>3.1. Corporation's Policy on Stakeholders</b>	
The name of the section on the corporate website that demonstrates the employee remedy or severance policy	Investor Relations / Corporate Governance / Policies
The number of definitive convictions the company was subject to in relation to breach of employee rights	-
The position of the person responsible for the alert mechanism (i.e. whistleblowing mechanism)	Internal Control Manager
The contact detail of the company alert mechanism	<a href="https://www.tupras.com.tr/iletisim">https://www.tupras.com.tr/iletisim</a>
<b>3.2. Supporting the Participation of the Stakeholders in the Corporation's Management</b>	
Name of the section on the corporate website that demonstrates the internal regulation addressing the participation of employees on management bodies	Corporate Governance / Corporate Governance Principles Compliance Report
	Summary of the activities carried out are explained below. In order to reward the employees' actions and efforts that support business values and objectives, "Refined Suggestions" system is implemented to support and encourage individual and original ideas on process improvement, energy saving, resource efficiency, productivity in production, environmental protection and occupational safety through the "Tüpraş Appreciation Recognition and Rewarding" system. Furthermore, employees' evaluations on the practices, and their loyalty and satisfaction

Corporate bodies where employees are actually represented

are measured with the Employee Satisfaction surveys. The results of the survey are considered in company activities, and the improvement targets are added to the performance cards of the Company's Top Management. Behavior-based safety tours, in which Tüpraş executives also participate, are held at Tüpraş as part of the "Visible Leadership" practice. In safety tours, "visible leadership" is demonstrated with the active participation of the management, where positive safety behavior receives appreciation and is encouraged, risks in the behavior of people and working conditions are identified and corrected, communication and dialogue are strengthened to ensure a safe working environment, awareness is developed, and an environment in which employees can share their opinions and observations on safety is created. Another practice for involving employees in decisions is the right to speak granted to two representatives from the labor union in disciplinary committee decisions concerning employees working on hourly basis, pursuant to the collective agreement.

3.3. Human Resources Policy

A succession plan is created for all key management positions. This Succession Plan is



The role of the board on developing and ensuring that the company has a succession plan for the key management positions	finalized by submitting it for the approval of the Chairman of the Board of Directors following the approval of the CEO.
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.	Corporate Governance Principles Compliance Report Part IV : StakeHolders/ 4.3. Human Resources 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.	Corporate Governance Principles Compliance Report Part IV : StakeHolders/ 4.3. Human Resources Policy
The number of definitive convictions the company is subject to in relation to health and safety measures	-
<b>3.5. Ethical Rules and Social Responsibility</b>	
The name of the section on the corporate website that demonstrates the code of ethics	Career/Ethical Rules
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/ Sustainability Report
Any measures combating any kind of corruption including embezzlement and bribery	Sustainability/ Anti-Corruptions Policy / Articles 4

## 4. BOARD OF DIRECTORS-I

<b>4. BOARD OF DIRECTORS-I</b>	
<b>4.2. Activity of the Board of Directors</b>	
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	No delegation was given among the board members
Number of reports presented by internal auditors to the audit committee or any relevant committee to the board	6
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 the Activities of the Risk Management Committee/ G.Internal Control System and Internal Audit
Name of the Chairman	Mehmet Ömer Koç
Name of the CEO	İbrahim Yelmenoğlu
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	There is no such policy
The number and ratio of female directors within the Board of Directors	2 (%13)

### Composition of Board of Directors

			The First Election	Link To PDP Notification That Includes	Whether the Independent Director	Whether She/He is the Director Who Ceased to Satisfy	Whether The Director Has At Least 5 Years' Experience On Audit,

Name, Surname of Board Member	Whether Executive Director Or Not	Whether Independent Director Or Not	Date To Board	The Independency Declaration	Considered By The Nomination Committee	The Independence or Not	Accounting And/Or Finance Or Not
Ömer M. Koç	İcrada Görevli Değil ( Non-executive )	Bağımsız üye değil ( Not independent director)	26/01/2006		Değerlendirilmedi (Not considered)	Hayır (No)	Evet (Yes)
Ali Y. Koç	İcrada Görevli Değil ( Non-executive )	Bağımsız üye değil ( Not independent director)	27/03/2009		Değerlendirilmedi (Not considered)	Hayır (No)	Evet (Yes)
Rahmi M. Koç	İcrada Görevli Değil ( Non-executive )	Bağımsız üye değil ( Not independent director)	04/06/2008		Değerlendirilmedi (Not considered)	Hayır (No)	Evet (Yes)
Semahat S. Arsel	İcrada Görevli Değil ( Non-executive )	Bağımsız üye değil ( Not independent director)	27/03/2009		Değerlendirilmedi (Not considered)	Hayır (No)	Evet (Yes)
Temel Kamil Atay	İcrada Görevli Değil ( Non-executive )	Bağımsız üye değil ( Not independent director)	26/01/2006		Değerlendirilmedi (Not considered)	Hayır (No)	Evet (Yes)
Dr.Bülent Bulgurlu	İcrada Görevli Değil ( Non-executive )	Bağımsız üye değil ( Not independent director)	31/03/2014		Değerlendirilmedi (Not considered)	Hayır (No)	Evet (Yes)
O. Turgay Durak	İcrada Görevli Değil ( Non-executive )	Bağımsız üye değil ( Not independent director)	05/04/2010		Değerlendirilmedi (Not considered)	Hayır (No)	Evet (Yes)
Levent Çakıroğlu	İcrada Görevli Değil ( Non-executive )	Bağımsız üye değil ( Not independent director)	30/03/2015		Değerlendirilmedi (Not considered)	Hayır (No)	Evet (Yes)
Erol Memioğlu	İcrada Görevli Değil ( Non-executive )	Bağımsız üye değil ( Not independent director)	26/01/2016		Değerlendirilmedi (Not considered)	Hayır (No)	Evet (Yes)
	İcrada Görevli Değil (	Bağımsız üye değil (				Hayır (No)	Evet (Yes)

Yağız Eyüboğlu	Non-executive ) independent director)	Not independent director)	04/04/2016		Değerlendirilmedi (Not considered)		
Ömer Sertbaş	İcrada Görevli Değil ( Non-executive )	Bağımsız üye ( Independent director)	30/05/2018	<a href="https://www.kap.org.tr/Bildirim/662485">https://www.kap.org.tr/Bildirim/662485</a>	Değerlendirildi ( Considered)	Hayır (No)	Evet (Yes)
Ahmet Turul	İcrada Görevli Değil ( Non-executive )	Bağımsız üye ( Independent director)	31/03/2014	<a href="https://www.kap.org.tr/Bildirim/662485">https://www.kap.org.tr/Bildirim/662485</a>	Değerlendirildi ( Considered)	Hayır (No)	Evet (Yes)
Muharrem Hilmi Kayhan	İcrada Görevli Değil ( Non-executive )	Bağımsız üye ( Independent director)	21/03/2018	<a href="https://www.kap.org.tr/Bildirim/662485">https://www.kap.org.tr/Bildirim/662485</a>	Değerlendirildi ( Considered)	Hayır (No)	Evet (Yes)
Ayşe Canan Ediboğlu	İcrada Görevli Değil ( Non-executive )	Bağımsız üye ( Independent director)	21/03/2018	<a href="https://www.kap.org.tr/Bildirim/662485">https://www.kap.org.tr/Bildirim/662485</a>	Değerlendirildi ( Considered)	Hayır (No)	Evet (Yes)
Kamil Ömer Bozer	İcrada Görevli Değil ( Non-executive )	Bağımsız üye ( Independent director)	21/03/2018	<a href="https://www.kap.org.tr/Bildirim/662485">https://www.kap.org.tr/Bildirim/662485</a>	Değerlendirildi ( Considered)	Hayır (No)	Evet (Yes)

## 4. BOARD OF DIRECTORS-II

<b>4. BOARD OF DIRECTORS-II</b>	
<b>4.4. Meeting Procedures of the Board of Directors</b>	
Number of physical board meetings in the reporting period (meetings in person)	3
Director average attendance rate at board meetings	% 91
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	There is no determination.
The name of the section on the corporate website that demonstrates information about the board charter	There is no determination.
Number of maximum external commitments for board members as per the policy covering the number of external duties held by directors	There is no restriction.
<b>4.5. Board Committees</b>	
Page numbers or section names of the annual report where information about the board committees are presented	Corporate Governance Principles Compliance Report Part V :Board of Directors /5.3. Number, Organization and Independence of Board Committees
Link(s) to the PDP announcement(s) with the board committee charters	-

### 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)	-	Muharrem Hilmi Kayhan	Evet (Yes)	Yönetim kurulu üyesi (Board member)
Denetim Komitesi ( Audit Committee)	-	Kamil Ömer Bozer	Hayır (No)	Yönetim kurulu üyesi (Board member)

Kurumsal Yönetim Komitesi (Corporate Governance Committee)	-	Muharrem Hilmi Kayhan	Evet (Yes)	Yönetim kurulu üyesi (Board member)
Kurumsal Yönetim Komitesi (Corporate Governance Committee)	-	Yağız Eyüboğlu	Hayır (No)	Yönetim kurulu üyesi (Board member)
Kurumsal Yönetim Komitesi (Corporate Governance Committee)	-	Doğan Korkmaz	Hayır (No)	Yönetim kurulu üyesi değil (Not board member)
Riskin Erken Saptanması Komitesi (Committee of Early Detection of Risk)	-	Temel Kamil Atay	Evet (Yes)	Yönetim kurulu üyesi (Board member)
Riskin Erken Saptanması Komitesi (Committee of Early Detection of Risk)	-	Ayşe Canan Ediboğlu	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)	Corporate Governance/ Evaluation of Operating Principles and Effectiveness of Board Committees Page : 151
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/ Evaluation of Operating Principles and Effectiveness of Board Committees Page : 151
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/ Evaluation of Operating Principles and Effectiveness of Board Committees Page : 151
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/ Evaluation of Operating Principles and Effectiveness of Board Committees Page : 151
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/ Evaluation of Operating Principles and Effectiveness of Board Committees Page : 151
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)	Message From The Chairman
Specify the section of website where remuneration policy for executive and non-executive directors are presented.	Investor Relations / Corporate Governance / Remuneration 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)	Financial Report Notes 31

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	7	7
Kurumsal Yönetim Komitesi (Corporate Governance Committee)	-	% 67	% 33	5	4
Riskin Erken Saptanması Komitesi (Committee of Early Detection of Risk)	-	% 100	% 50	6	1