

ENKA İNŞAAT VE SANAYİ A.Ş. Corporate Governance Information Form 2019 - Annual Notification

Summary

Corporate Governance Information Form 31.12.2019

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	38
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/745662
Whether the company provides materials for the General Shareholders' Meeting in English and Turkish at the same time	General Assembly Notices and related materials are disclosed 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 is no transaction in the context.
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 related party transactions in the context.
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 common and continuous transactions in the context.
The name of the section on the corporate website that demonstrates the donation policy of the company	https://www.enka.com/investor-relations/company-policies/
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/198439
The number of the provisions of the articles of association that discuss the participation of stakeholders to the General Shareholders' Meeting	Article 24
Identified stakeholder groups that participated in the General Shareholders' Meeting, if any	Company employees
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.	-
The percentage of ownership of the largest shareholder	% 49,72

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	https://www.enka.com/investor-relations/company-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 distribution was made.
PDP link to the related general shareholder meeting minutes in case the board of directors proposed to the general assembly not to distribute dividends	Dividend distribution was made.

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
28/03/2019	0	% 90	% 0	% 90	Investor Relations / General Assembly / General Assembly Meetings	-	15		https://www.kap.org.tr/en/Bildirim/745662 https://www.kap.org.tr/en/Bildirim/750564

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.	About Us / Company Profile, Investor Relations , Sustainability
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 Articles and Documents / Shareholding Structure
List of languages for which the website is available	Turkish - English - Russian
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 / 4.1 Structure and Formation of The 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	Corporate Governance / 4.3 Number, Structure And Independence of The 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	Corporate Governance / 4.2 Operational 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	Independent Auditors' Report / Basis of Presentation of The Consolidated Financial Statements
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	Independent Auditors' Report / Commitments
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	-
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 subsidiary.
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

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	https://www.enka.com/investor-relations/company-policies/
The number of definitive convictions the company was subject to in relation to breach of employee rights	645
The position of the person responsible for the alert mechanism (i.e. whistleblowing mechanism)	Director of Quality, HSE & Integrity
The contact detail of the company alert mechanism	+90 (212) 376 10 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	-
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.	Corporate Groups / Human resources
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 Groups / Human resources
The number of definitive convictions the company is subject to in relation to health and safety measures	7
3.5. Ethical Rules and Social Responsibility	
The name of the section on the corporate website that demonstrates the code of ethics	Sustainability / Ethics & Compliance

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 /
Publications / Developing
Communities

Any measures combating any kind of corruption including embezzlement and bribery

Sustainability / Ethics &
Compliance / Fighting
bribery and corruption

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	It is held once a year before the General Assembly.
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	Mehmet Sinan TARA - Chairman of the Board, Haluk GERÇEK - Vice Chairman of the Board, Erdoğan TURGUT - Member of the Board, Mehmet Mete BAŞOL - Member of the Board, Fatih Osman TAR - Member of the Board
Number of reports presented by internal auditors to the audit committee or any relevant committee to the board	21
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 / Risk Management and Internal Control Mechanism
Name of the Chairman	Mehmet Sinan TARA
Name of the CEO	Agah Mehmet TARA
If the CEO and Chair functions are combined: provide the link to the relevant PDP announcement providing the rationale for such combined roles	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	-
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	0

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
Mehmet Sinan Tara	İcrada görevli (Executive)	Bağımsız üye değil (Not independent director)	31/03/1988	-	-	-	-
Haluk Gerçek	İcrada görevli (Executive)	Bağımsız üye değil (Not independent director)	30/03/1994	-	-	-	-
Erdoğan Turgut	İcrada Görevli Değil (Non-executive)	Bağımsız üye değil (Not independent director)	11/04/2013	-	-	-	-
Fatih Osman Tar	İcrada Görevli Değil (Non-executive)	Bağımsız üye (Independent director)	28/03/2018	-	Değerlendirildi (Considered)	Hayır (No)	Evet (Yes)
Mehmet Mete Başol	İcrada Görevli Değil (Non-executive)	Bağımsız üye (Independent director)	28/03/2018	-	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)	14
Director average attendance rate at board meetings	% 84
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	Depending on the agenda.
The name of the section on the corporate website that demonstrates information about the board charter	Investor relations / Corporate articles and documents/ Articles of Association -Article 17
Number of maximum external commitments for board members as per the policy covering the number of external duties held by directors	There is no upper limit.
4.5. Board Committees	
Page numbers or section names of the annual report where information about the board committees are presented	Corporate Governance / 4.3 Number, Structure And Independence of The 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/366204

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)		Fatih Osman Tar	Evet (Yes)	Yönetim kurulu üyesi (Board member)
Denetim Komitesi (Audit Committee)		Mehmet Mete Başol	Hayır (No)	Yönetim kurulu üyesi (Board member)
Riskin Erken Saptanması				

Komitesi (Committee of Early Detection of Risk)		Mehmet Mete Başol	Evet (Yes)	Yönetim kurulu üyesi (Board member)
Riskin Erken Saptanması Komitesi (Committee of Early Detection of Risk)		Erdoğan Turgut	Hayır (No)	Yönetim kurulu üyesi (Board member)
Kurumsal Yönetim Komitesi (Corporate Governance Committee)		Fatih Osman Tar	Evet (Yes)	Yönetim kurulu üyesi (Board member)
Kurumsal Yönetim Komitesi (Corporate Governance Committee)		Erdoğan Turgut	Hayır (No)	Yönetim kurulu üyesi (Board member)
Kurumsal Yönetim Komitesi (Corporate Governance Committee)		Gizem Özsoy	Hayır (No)	Yönetim kurulu üyesi değil (Not 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 / 4.3 Number, Structure And Indepence of The 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)	Corporate Governance / 4.3 Number, Structure And Indepence of The 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)	Corporate Governance / 4.3 Number, Structure And Indepence of The Committees Established Within The Board of Directors
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 / 4.3 Number, Structure And Indepence of The 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)	Corporate Governance / 4.3 Number, Structure And Indepence of The Committees Established Within The Board of Directors
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 / Mission, Vision and Objectives Of The Company
Specify the section of website where remuneration policy for executive and non-executive directors are presented.	Invesment Relations / Company 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)

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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	5	5
Riskin Erken Saptanması Komitesi (Committee of Early Detection of Risk)		% 100	% 50	6	6
Kurumsal Yönetim Komitesi (Corporate Governance Committee)		% 66,6	% 33,3	2	2