

PETKİM PETROKİMYA HOLDİNG A.Ş. Corporate Governance Information Form 2019 - Annual Notification

Summary

2019 Corporate Governance Information form

1. SHAREHOLDERS

Related Companies 0

Related Funds 0

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
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/tr/Bildirim/744953 https://www.kap.org.tr/tr/Bildirim/751142
Whether the company provides materials for the General Shareholders' Meeting in English and Turkish at the same time	They are presented.
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 KAP announcements due to the fact that there is not any unanimous transactions of the participants or the approval of the majority of the independent members.
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)	During 2019 operating year, there is no transaction with the related parties requiring KAP announcement.
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)	During 2019 operating year, there are no common and continuous transactions requiring KAP announcement with the related parties.
The name of the section on the corporate website that demonstrates the donation policy of the company	http://www.petkim.com.tr/UserFiles/file/Petkim_BagisYardimPol.pdf It is examined under the name of Donation and Aid Policy within the scope of the policies within the Corporate Governance section.

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/270355
The number of the provisions of the articles of association that discuss the participation of stakeholders to the General Shareholders' Meeting	In accordance with Article-30 of the Articles of Association, unless otherwise decided by the General Assembly, the meetings are held open to the related parties and the media; however, the participants of the meeting who do not have the title of a shareholder or proxy do do not have the right to speak and vote.
Identified stakeholder groups that participated in the General Shareholders' Meeting, if any	Members of the Board of Directors are the representative of the audit firm and the shareholders.
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 Privatization Administration is the shareholder of C group privileged share. It has 1 share and 1 voting right.
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.	Not applicable.
1.6. Dividend Right	
The name of the section on the corporate website that describes the dividend distribution policy	http://www.petkim.com.tr/UserFiles/file/Profit%20Distribution%20Policy(1).pdf
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.	No profit distribution has been proposed.
PDP link to the related general shareholder meeting minutes in case the board of directors proposed to the general assembly not to distribute dividends	No profit distribution has been proposed.

General Assembly Meetings

		Shareholder participation rate to the General	Percentage of shares directly					The number of declarations by insiders received by	The link to the related PDP general

General Meeting Date	The number of information requests received by the company regarding the clarification of the agenda of the General Shareholders' Meeting	Shareholders' Meeting	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 board of directors	shareholder meeting notification
29/03/2019	0	% 61	% 0,2	% 61	Yatırımcı ilişkileri/kurumsal yönetim/genel kurul/2018	Genel Kurul Toplantı tutanağında dilek ve temenniler bölümünde sorulan sorular cevaplanmıştır.	İlişkili taraflarla ilgili madde veya paragraf numarası bulunmamaktadır.	196	https://www.kap.org.tr/tr/Bildirim/751142

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.	http://www.petkim.com.tr/Sayfa/2/681/INVESTOR-RELATIONS-CORPORATE-GOVERNANCE-SHA
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.	http://www.petkim.com.tr/Sayfa/2/681/INVESTOR-RELATIONS-CORPORATE-GOVERNANCE-SHA
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	Independence statements of the independent member: Directors and the duties of the members of the Board of the executives outside the Company are provided under
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	This information is included under the heading of Board 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	It is included in the Operating Principles of the Board of Corporate Governance Principles Compliance Report).
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 legislative changes that could significant Company's operations.
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	This information is given under the title of lawsuits filed Company and its possible results.
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	It is under the title of conflicts between the company's investment consultancy and rating and the measures taken by them.

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%	It is under the heading of Information About Associates.
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	It is under the heading of sustainability.

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	Within the scope of corporate governance policies, compensation policy is examined. http://www.petkim.com.tr/Sayfa/1/1322/CALISAN-TAZMINAT-POLITIKASI.aspx
The number of definitive convictions the company was subject to in relation to breach of employee rights	14
The position of the person responsible for the alert mechanism (i.e. whistleblowing mechanism)	Compliance Coordinator
The contact detail of the company alert mechanism	http://www.petkim.com.tr/UserFiles/file/Yatirimci_IliskKurumsal_Yonetim/SOCAR%20Türkiye%20Etik%20Kur
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	Human resources policy is included under human resources section. http://www.petkim.com.tr/Sayfa/1/147/INSAN-KAYNAKLARI-INSAN-KAYNAKLARI-POLITIKASI.aspx
Corporate bodies where employees are actually represented	Occupational Health and Safety Board and 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	Talent pool and critical position examinations related to succession planning are conducted by The Human Resources Assistant General Manager. The appointment of management above positions in our company is made by the board of directors.
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 policy is included under human resources section. http://www.petkim.com.tr/Sayfa/1/147/INSAN-KAYNAKLARI-INSAN-KAYNAKLARI-POLITIKASI.aspx
Whether the company provides an employee stock ownership programme	Pay edindirme planı bulunuyor (There is 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 policy is included under human resources section. http://www.petkim.com.tr/Sayfa/1/147/INSAN-KAYNAKLARI-INSAN-KAYNAKLARI-POLITIKASI.aspx
The number of definitive convictions the company is subject to in relation to health and safety measures	There is not any
3.5. Ethical Rules and Social Responsibility	
	There is a title of corporate governance within the Investor Relations section, and the ethical rules are under this title

The name of the section on the corporate website that demonstrates the code of ethics	http://www.petkim.com.tr/Sayfa/1/177/YATIRIMCI-ILISKILERI-KURUMSAL-YONETIM-ETIK-KURAL
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.	It is examined under the social responsibility section wi corporate section. http://www.petkim.com.tr/Sayfa/1/KURUMSAL-SOSYAL-SORUMLULUK.aspx
Any measures combating any kind of corruption including embezzlement and bribery	It is examined under the heading of providing personal on this link: http://www.petkim.com.tr/UserFiles/file/Yatirimci_Iliskileri/Kurumsal_Yonetim/SOCAR%20Türki20Etik%20Kuralları.pdf

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	The authority has not been delegated.
Number of reports presented by internal auditors to the audit committee or any relevant committee to the board	The Board of Auditors or other relevant committees prepare their reports and committee decisions by taking the information, evaluation or explanations from the units they consider as necessary. The method of submitting the completed reports by the internal control unit to the supervisory board has not been adopted. Reports completed by the internal control unit are submitted to management.
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	It is examined under the heading of risks and managing body judgement.
Name of the Chairman	Vagif ALIYEV
Name of the CEO	Anar MAMMADOV
If the CEO and Chair functions are combined: provide the link to the relevant PDP announcement providing the rationale for such combined roles	It is 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 with respect to the damages that may be caused by the Board of Directors on duty and the amount of

	the insurance does not exceed 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	A woman is a board member. The ratio to the board members is 1/9.

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
Vagif ALIYEV (Yönetim Kurulu Başkanı)	İcrada Görevli Değil (Non-executive)	Bağımsız üye değil (Not independent director)	30/05/2008	-	İlgisiz (Not applicable)	İlgisiz (Not applicable)	Evet (Yes)
David MAMMADOV (Yönetim Kurulu Başkan Yardımcısı)	İcrada Görevli Değil (Non-executive)	Bağımsız üye değil (Not independent director)	30/05/2008	-	İlgisiz (Not applicable)	İlgisiz (Not applicable)	Evet (Yes)
Farruh GASIMOV	İcrada Görevli Değil (Non-executive)	Bağımsız üye değil (Not independent director)	30/05/2008	-	İlgisiz (Not applicable)	İlgisiz (Not applicable)	Evet (Yes)
Süleyman GASIMOV	İcrada Görevli Değil (Non-executive)	Bağımsız üye değil (Not independent director)	08/05/2012	-	İlgisiz (Not applicable)	İlgisiz (Not applicable)	Evet (Yes)
Neslihan TONBUL	İcrada Görevli Değil (Non-executive)	Bağımsız üye değil (Not independent director)	02/03/2018	-	İlgisiz (Not applicable)	İlgisiz (Not applicable)	Evet (Yes)
İlhami ÖZŞAHİN	İcrada Görevli Değil (Non-executive)	Bağımsız üye değil (Not independent director)	13/04/2012	-	İlgisiz (Not applicable)	İlgisiz (Not applicable)	Evet (Yes)

Mehmet CEYLAN	İcrada Görevli Değil (Non-executive)	Bağımsız üye (Independent director)	22/06/ 2012	https:// www.kap.org.tr /tr/Bildirim/ 746071	Değerlendirildi (Considered)	Hayır (No)	Evet (Yes)
Mehmet BOSTAN	İcrada Görevli Değil (Non-executive)	Bağımsız üye (Independent director)	28/03/ 2016	https:// www.kap.org.tr /tr/Bildirim/ 746071	Değerlendirildi (Considered)	Hayır (No)	Evet (Yes)
Osman DİNÇBAŞ	İcrada Görevli Değil (Non-executive)	Bağımsız üye (Independent director)	12/10/ 2018	https:// www.kap.org.tr /tr/Bildirim/ 746071	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)	4
Director average attendance rate at board meetings	% 92
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	At least 3 days ago (in accordance with the Contract)
The name of the section on the corporate website that demonstrates information about the board charter	http://www.petkim.com.tr/Userfiles/File/Yatirimci_Iliskileri/esas_sozlesme/Esas_Sozlesme_12062019.pdf Article 15 in the Contract.
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	The information is under the number, structure and independence of the committees established under the Board of Directors, the Audit Committee, the Corporate Governance Committee and the Early Detection of Risk Committee.
Link(s) to the PDP announcement(s) with the board committee charters	https://www.kap.org.tr/tr/Bildirim/123531

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)	-	Mehmet Ceylan	Evet (Yes)	Yönetim kurulu üyesi (Board member)
Denetim Komitesi (Audit Committee)	-	Mehmet Bostan	Hayır (No)	Yönetim kurulu üyesi (Board member)
Riskin Erken Saptanması Komitesi (Committee of Early Detection of Risk)	-	Osman Dinçbaş	Evet (Yes)	Yönetim kurulu üyesi (Board member)
Riskin Erken Saptanması Komitesi (Committee of Early Detection of Risk)	-	Vagif Aliyev	Hayır (No)	Yönetim kurulu üyesi (Board member)
Riskin Erken Saptanması Komitesi (Committee of Early Detection of Risk)	-	Süleyman Gasimov	Hayır (No)	Yönetim kurulu üyesi (Board member)
Kurumsal Yönetim Komitesi (Corporate Governance Committee)	-	Mehmet Bostan	Evet (Yes)	Yönetim kurulu üyesi (Board member)
Kurumsal Yönetim Komitesi (Corporate Governance Committee)	-	Vagif Aliyev	Hayır (No)	Yönetim kurulu üyesi (Board member)
Kurumsal Yönetim Komitesi (Corporate Governance Committee)	-	Farruh Gasimov	Hayır (No)	Yönetim kurulu üyesi (Board member)
Kurumsal Yönetim Komitesi (Corporate Governance Committee)	-	Neslihan Tonbul	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)	It is examined under the title of 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)	It is examined under the title of 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)	Nomination Committee is examined under the heading of Corporate Governance Committee. The duties of the Nomination Committee and Remuneration Committee were decided to be fulfilled by the Corporate Governance Committee within the scope of the article 4.5.1. of the notification related to determination and implementation of Corporate Governance Principles.
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)	It is examined under the heading of Early Detection of 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)	The Remuneration Committee is examined under the heading of Corporate Governance Committee. The duties of the Nomination Committee and Remuneration Committee were decided to be fulfilled by the Corporate Governance Committee within the scope of the article 4.5.1. of the notification related to determination and implementation of Corporate Governance Principles.
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)	It is examined under the heading of Management's Financial Status Assessment.
Specify the section of website where remuneration policy for executive and non-executive directors are presented.	There are policies under the heading of corporate governance. Policies include a remuneration committee. http://www.petkim.com.tr/Sayfa/1/823/UCRETLENDIRME-POLITIKASI.aspx
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)	The remuneration of the members of the Board of Directors and the executives with administrative responsibility is disclosed in the annual report not individually, but collectively in foot no: 29 in the independent auditor's report.

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	% 20	4	4
Riskin Erken Saptanması Komitesi (Committee of Early Detection of Risk)	-	% 100	% 33	4	6