

# AKSA AKRİLİK KİMYA SANAYİİ A.Ş. Corporate Governance Information Form 2019 - Annual Notification

## Summary

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  | In the year of 2019, 109 meetings are organised by the company as conferance call and meetings in person and a field visit had organised for Analysts |
| 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/en/Bildirim/745681">https://www.kap.org.tr/en/Bildirim/745681</a>   |
| Whether the company provides materials for the General Shareholders' Meeting in English and Turkish at the same time  | Company provides materials for the General Shareholders' Meeting in English and Turkish 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 | -   |
| 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)   | -   |
| 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/en/Bildirim/770813">https://www.kap.org.tr/en/Bildirim/770813</a>   |
| The name of the section on the corporate website that demonstrates the donation policy of the company   | Our corporate website at <a href="http://www.aksa.com/en">www.aksa.com/en</a> , Investor Relations/ Policies/Policy on Donations and Aids             |
| 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/en/Bildirim/426564">https://www.kap.org.tr/en/Bildirim/426564</a>   |
| The number of the provisions of the articles of association that discuss the participation of stakeholders to the General Shareholders' Meeting   | 12  |
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| Identified stakeholder groups that participated in the General Shareholders' Meeting, if any   | Stakeholder groups that participated in the General Shareholders' Assembly is as of the link below. Representatives of Independent auditor, Corporate Governance Rating Company, Ministry of Commerce and Board of Directors and those who are not shareholder but requested, participated to General Assembly <a href="https://www.kap.org.tr/tr/Bildirim/751983">https://www.kap.org.tr/tr/Bildirim/751983</a> |
| <b>1.4. Voting Rights</b>  |  |
| 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   | % 39,59  |
| <b>1.5. Minority Rights</b>  |  |
| Whether the scope of minority rights enlarged (in terms of content or the ratio) in the articles of the association  | Evet (Yes)   |
| If yes, specify the relevant provision of the articles of association.   | 17   |
| <b>1.6. Dividend Right</b>   |  |
| The name of the section on the corporate website that describes the dividend distribution policy   | Our corporate website at <a href="http://www.aksa.com/en">www.aksa.com/en</a> , Investor Relations/ Policies/Dividend Distrubition 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 was decided to distribute dividend in the General Assembly for the year 2018 dated 2 April 2019   |
| 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                              |
|----------------------|---|---|--|---|--|---|---|---|---|
| 02/04/2019           | 0   | % 73,63   | % 2,08   | % 71,55                                   | Our corporate website at <a href="http://www.aksa.com/en">www.aksa.com/en</a> , Investor Relations/General Assembly/Minutes of Assembly  | Our corporate website at <a href="http://www.aksa.com/en">www.aksa.com/en</a> , Investor Relations/General Assembly/Minutes of Assembly           | 10  | 0   | <a href="https://www.kap.org.tr/en/Bildirim/745681">https://www.kap.org.tr/en/Bildirim/745681</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.  | Our corporate website at <a href="http://www.aksa.com/en">www.aksa.com/en</a> , the information requested by Principle 2.1.1. are provided as Corporate Governance, Policies, Material Disclosures, Financial Statements and Reports, Corporate sections under 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.  | Our corporate website at <a href="http://www.aksa.com/en">www.aksa.com/en</a> , Investor Relations/ Capital and Shareholding Structure.  |
| 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/ CV 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  | Other Information  |
| 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  | Other Information  |
| 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  | Other Information  |
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| 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   | Litigations  |
| 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 | Other 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%   | Other Information  |
| 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  | Our corporate website at <a href="http://www.aksa.com/en">www.aksa.com/en</a> , Sustainability section |

## 3. STAKEHOLDERS

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| <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  | Our corporate website at <a href="http://www.aksa.com/en">www.aksa.com/en</a> , Investor Relations/ Policies/Compensation Policy   |
| The number of definitive convictions the company was subject to in relation to breach of employee rights  | 16   |
| The position of the person responsible for the alert mechanism (i.e. whistleblowing mechanism)  | It is held by a independent organisation as "Ethical Line"   |
| The contact detail of the company alert mechanism   | 0 - 800 - 211 - 0107 / 0 - 212 - 213 - 9718 / <a href="mailto:akkok@etikhat.com.tr">akkok@etikhat.com.tr</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   | Our corporate website at <a href="http://www.aksa.com/en">www.aksa.com/en</a> , Human Resources section  |
| Corporate bodies where employees are actually represented   | Representation Board   |
| <b>3.3. Human Resources Policy</b>  |  |
| The role of the board on developing and ensuring that the company has a succession plan for the key management positions  | The succession plan for the key management positions is being prepared annually and be presented to Chairman   |
| 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. | Our corporate website at <a href="http://www.aksa.com/en">www.aksa.com/en</a> , Human Resources/The Value Added to the Employees and Investor Relations/Policies/ Women's Employment and Women's Board Membership Policy |
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| 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.          | Our corporate website at <a href="http://www.aksa.com/en">www.aksa.com/en</a> , Human Resources/The Value Added to the Employees and Investor Relations   |
| 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  | Our corporate website at <a href="http://www.aksa.com/en">www.aksa.com/en</a> , Investor Relations/ Corporate Governance/ Code of Ethics  |
| 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. | Our corporate website at <a href="http://www.aksa.com/en">www.aksa.com/en</a> , Sustainability section  |
| Any measures combating any kind of corruption including embezzlement and bribery   | The actions against any kind of corruption including embezzlement and bribery is held by Company. The necessary awareness-raising and control activities are coordinated by the Human Resources and ethics representative. Ethical management in this direction is available under the hr human resources section of our corporate website ( <a href="http://www.aksa.com/en">www.aksa.com/en</a> ), we have disciplinary rules governing ethical management and compliance with the Company rules. |

## 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   | 20.12.2019   |
| 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  | With respect to the duty distribution among the Board of Directors, Mr. Raif Ali Dinçkök was appointed as the Chairman of the Board of Directors and Mr. Mehmet Ali Berkman as the Vice Chairman. There is no any other delagated duties and authorities |
| Number of reports presented by internal auditors to the audit committee or any relevant committee to the board  | 12   |
| 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   | Internal Control Mechanism   |
| Name of the Chairman  | Raif Ali Dinçkök   |
| Name of the CEO   | Cengiz Taş   |
| If the CEO and Chair functions are combined: provide the link to the relevant PDP announcement providing the rationale for such combined roles  | The CEO and Chairman functions are not combined  |
| 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 | <a href="https://www.kap.org.tr/en/Bildirim/801613">https://www.kap.org.tr/en/Bildirim/801613</a>  |
| The name of the section on the corporate website that demonstrates current diversity policy targeting women directors   | Our corporate website at <a href="http://www.aksa.com/en">www.aksa.com/en</a> , Investor Relations/ Policies/Women's Employment and Women's Board Membership Policy  |
| The number and ratio of female directors within the Board of Directors  | Number of 3 and 33% percentage   |



## 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 |
|-------------------------------|--------------------------------------|---|----------------------------------|--|---|--|--|
| Raif Ali Dinçkök              | İcrada Görevli Değil (Non-executive) | Bağımsız üye değil (Not independent director) | 03/04/2017                       |  | Değerlendirilmedi (Not considered)                                      | -  | -  |
| Mehmet Ali Berkman            | İcrada Görevli Değil (Non-executive) | Bağımsız üye değil (Not independent director) | 03/04/2017                       |  | Değerlendirilmedi (Not considered)                                      | -  | -  |
| Nilüfer Dinçkök Çiftçi        | İcrada Görevli Değil (Non-executive) | Bağımsız üye değil (Not independent director) | 03/04/2017                       |  | Değerlendirilmedi (Not considered)                                      | -  | -  |
| Ahmet Cemal Dördüncü          | İcrada Görevli Değil (Non-executive) | Bağımsız üye değil (Not independent director) | 03/04/2017                       |  | Değerlendirilmedi (Not considered)                                      | -  | -  |
| İzer Lodrik                   | İcrada Görevli Değil (Non-executive) | Bağımsız üye değil (Not independent director) | 03/04/2017                       |  | Değerlendirilmedi (Not considered)                                      | -  | -  |
| Alize Dinçkök                 | İcrada Görevli Değil (Non-executive) | Bağımsız üye değil (Not independent director) | 02/04/2019                       |  | Değerlendirilmedi (Not considered)                                      | -  | -  |
| Mehmet Abdullah Merih Ergin   | İcrada Görevli Değil (Non-executive) | Bağımsız üye (Independent director)           | 03/04/2017                       | <a href="http://www.kap.org.tr/en/Bildirim/745681">www.kap.org.tr/en/Bildirim/745681</a> | Değerlendirildi (Considered)  | Hayır (No)   | Evet (Yes)   |
| Başar Ay                      | İcrada Görevli Değil (Non-executive) | Bağımsız üye (Independent director)           | 03/04/2017                       | <a href="http://www.kap.org.tr/en/Bildirim/745681">www.kap.org.tr/en/Bildirim/745681</a> | Değerlendirildi (Considered)  | Hayır (No)   | Evet (Yes)   |
| İlknur Gür Uralcan            | İcrada Görevli Değil (Non-executive) | Bağımsız üye (Independent director)           | 03/04/2017                       | <a href="http://www.kap.org.tr/en/Bildirim/745681">www.kap.org.tr/en/Bildirim/745681</a> | 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  | % 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                     | At least 3 days   |
| The name of the section on the corporate website that demonstrates information about the board charter                              | Our corporate website at <a href="http://www.aksa.com/en">www.aksa.com/en</a> , Investor Relations/ Corporate Governance/ Board of Directors  |
| Number of maximum external commitments for board members as per the policy covering the number of external duties held by directors | While the maximum limit is not defined, nomination is accepted or not accepted by taking into consideration the duties of the candidates outside the Company in the election of board members. The Nominating Committee makes an evaluation on this issue and submits it to the Chairman of the Board of Directors. |
| 4.5. Board Committees   |   |
| Page numbers or section names of the annual report where information about the board committees are presented                       | Board of Committees   |
| Link(s) to the PDP announcement(s) with the board committee charters  | <a href="http://www.kap.org.tr/tr/Bildirim/210845">www.kap.org.tr/tr/Bildirim/210845</a> ,<br><a href="http://www.kap.org.tr/tr/Bildirim/279952">www.kap.org.tr/tr/Bildirim/279952</a>  |

### Composition of Board Committees-I

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| 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)                                      |   | İlknur Gür Uralcan                | Evet (Yes)                     | Yönetim kurulu üyesi (Board member)           |
| Denetim Komitesi (Audit Committee)                                      |   | Başar Ay                          | Hayır (No)                     | Yönetim kurulu üyesi (Board member)           |
| Kurumsal Yönetim Komitesi (Corporate Governance Committee)              |   | Başar Ay                          | Evet (Yes)                     | Yönetim kurulu üyesi (Board member)           |
| Kurumsal Yönetim Komitesi (Corporate Governance Committee)              |   | Mehmet Abdullah Merih Ergin       | Hayır (No)                     | Yönetim kurulu üyesi (Board member)           |
| Kurumsal Yönetim Komitesi (Corporate Governance Committee)              |   | Erdoğan Kazak                     | Hayır (No)                     | Yönetim kurulu üyesi değil (Not board member) |
| Riskin Erken Saptanması Komitesi (Committee of Early Detection of Risk) |   | Mehmet Abdullah Merih Ergin       | Evet (Yes)                     | Yönetim kurulu üyesi (Board member)           |
| Riskin Erken Saptanması Komitesi (Committee of Early Detection of Risk) |   | İlknur Gür Uralcan                | Hayır (No)                     | Yönetim kurulu üyesi (Board member)           |
| Riskin Erken Saptanması Komitesi (Committee of Early Detection of Risk) |   | Fırat Duman                       | 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)                   | 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 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 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) | Early Risk Detection 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 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)                | Targets and Actuals  |
| Specify the section of website where remuneration policy for executive and non-executive directors are presented.   | Our corporate website at <a href="http://www.aksa.com/en">www.aksa.com/en</a> , Investor Relations/ Policies/Policy On Remunerations |
| 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)        | Consolidated Financial Statements / Note 27  |

### 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<br>Komitesi (Audit<br>Committee)   |  | % 100 | % 100 | 7 | 13 |
| Kurumsal<br>Yönetim<br>Komitesi (Corporate<br>Governance<br>Committee)                 |  | % 68  | % 68  | 5 | 7  |
| Riskin Erken<br>Saptanması<br>Komitesi (Committee of<br>Early<br>Detection of<br>Risk) |  | % 68  | % 68  | 4 | 6  |