



KAMUYU AYDINLATMA PLATFORMU

ENERJİSA ENERJİ A.Ş. Corporate Governance Compliance Report 2022 - Annual Notification

Summary

2022 Corporate Governance Compliance Report

Related Companies

Related Funds

| | Company Compliance Status | | | | | Explanation |
|---|---------------------------|---------|----|----------|----------------|---|
| | Yes | Partial | No | Exempted | Not Applicable | |
| Corporate Governance Compliance Report | | | | | | |
| 1.1. FACILITATING THE EXERCISE OF SHAREHOLDER RIGHTS | | | | | | |
| 1.1.2- Up-to-date information and disclosures which may affect the exercise of shareholder rights are available to investors at the corporate website. | X | | | | | |
| 1.2. RIGHT TO OBTAIN AND REVIEW INFORMATION | | | | | | |
| 1.2.1 - Management did not enter into any transaction that would complicate the conduct of special audit. | X | | | | | |
| 1.3. GENERAL ASSEMBLY | | | | | | |
| 1.3.2 - The company ensures the clarity of the General Assembly agenda, and that an item on the agenda does not cover multiple topics. | X | | | | | |
| 1.3.7- Insiders with privileged information have informed the board of directors about transactions conducted on their behalf within the scope of the company's activities in order for these transactions to be presented at the General Shareholders' Meeting. | | | | | X | |
| 1.3.8 - Members of the board of directors who are concerned with specific agenda items, auditors, and other related persons, as well as the officers who are responsible for the preparation of the financial statements were present at the General Shareholders' Meeting. | | X | | | | Independent auditors, Chairman of the Board, CEO and the relevant managers physically attended to the AGM. |
| 1.3.10 - The agenda of the General Shareholders' Meeting included a separate item detailing the amounts and beneficiaries of all donations and contributions. | | X | | | | All donations and grants are presented to the General Assembly and made in accordance with the Donation and Grants Policy. The total amount of the donations was disclosed. Details of the recipients are planned to be disclosed in the upcoming AGM in 2023. |
| 1.3.11 - The General Shareholders' Meeting was held open to the public, including the stakeholders, without having the right to speak. | | | X | | | There is no article in the articles of association that regulates the participation of stakeholders in the General Assembly. However, the General Assembly Meeting minutes are made available to all stakeholders via the Public Disclosure Platform and the Company's corporate website. |
| 1.4. VOTING RIGHTS | | | | | | |
| 1.4.1 - There is no restriction preventing shareholders from exercising their shareholder rights. | X | | | | | |
| 1.4.2 - The company does not have shares that carry privileged voting rights. | X | | | | | |
| 1.4.3-The company withholds from exercising its voting rights at the General Shareholders' Meeting of any company with which it has cross-ownership, in case such cross-ownership provides management control. | | | | | X | There are no companies in which Enerjisa has cross-ownerships. |
| 1.5. MINORITY RIGHTS | | | | | | |
| 1.5.1 - The company pays maximum diligence to the exercise of minority rights. | X | | | | | |
| | | | | | | Minority rights are determined in accordance with the relevant legislation, and there is no specific provision for the |

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| 1.5.2 - The Articles of Association extend the use of minority rights to those who own less than one twentieth of the outstanding shares, and expand the scope of the minority rights. | | | X | | | extension of minority rights in the Articles of Association. At the same time, attention is paid to the use of minority rights within the scope of TCC and CMB regulations. |
| 1.6. DIVIDEND RIGHT | | | | | | |
| 1.6.1 - The dividend policy approved by the General Shareholders' Meeting is posted on the company website. | X | | | | | |
| 1.6.2 - The dividend distribution policy comprises the minimum information to ensure that the shareholders can have an opinion on the procedure and principles of dividend distributions in the future. | X | | | | | |
| 1.6.3 - The reasons for retaining earnings, and their allocations, are stated in the relevant agenda item. | | | | | X | This was not stated as Enerjisa distributed dividend. |
| 1.6.4 - The board reviewed whether the dividend policy balances the benefits of the shareholders and those of the company. | X | | | | | |
| 1.7. TRANSFER OF SHARES | | | | | | |
| 1.7.1 - There are no restrictions preventing shares from being transferred. | X | | | | | |
| 2.1. CORPORATE WEBSITE | | | | | | |
| 2.1.1. - The company website includes all elements listed in Corporate Governance Principle 2.1.1. | X | | | | | |
| 2.1.2 - The shareholding structure (names, privileges, number and ratio of shares, and beneficial owners of more than 5% of the issued share capital) is updated on the website at least every 6 months. | X | | | | | |
| 2.1.4 - The company website is prepared in other selected foreign languages, in a way to present exactly the same information with the Turkish content. | X | | | | | |
| 2.2. ANNUAL REPORT | | | | | | |
| 2.2.1 - The board of directors ensures that the annual report represents a true and complete view of the company's activities. | X | | | | | |
| 2.2.2 - The annual report includes all elements listed in Corporate Governance Principle 2.2.2. | X | | | | | |
| 3.1. CORPORATION'S POLICY ON STAKEHOLDERS | | | | | | |
| 3.1.1- The rights of the stakeholders are protected pursuant to the relevant regulations, contracts and within the framework of bona fides principles. | X | | | | | |
| 3.1.3 - Policies or procedures addressing stakeholders' rights are published on the company's website. | X | | | | | |
| 3.1.4 - A whistleblowing programme is in place for reporting legal and ethical issues. | X | | | | | |
| 3.1.5 - The company addresses conflicts of interest among stakeholders in a balanced manner. | X | | | | | |
| 3.2. SUPPORTING THE PARTICIPATION OF THE STAKEHOLDERS IN THE CORPORATION'S MANAGEMENT | | | | | | |
| 3.2.1 - The Articles of Association, or the internal regulations (terms of reference/manuals), regulate the participation of employees in management. | X | | | | | |
| 3.2.2 - Surveys/other research techniques, consultation, interviews, observation method etc. were conducted to obtain opinions from stakeholders on decisions that significantly affect them. | X | | | | | |
| 3.3. HUMAN RESOURCES POLICY | | | | | | |
| 3.3.1 - The company has adopted an employment policy ensuring equal opportunities, and a succession plan for all key managerial positions. | X | | | | | |
| 3.3.2 - Recruitment criteria are documented. | X | | | | | |
| 3.3.3 - The company has a policy on human resources development, and organises trainings for employees. | X | | | | | |
| 3.3.4 - Meetings have been organised to inform employees on the financial status of the company, remuneration, career planning, education and health. | X | | | | | |
| 3.3.5 - Employees, or their representatives, were notified of decisions impacting them. The opinion of the related trade unions was also taken. | X | | | | | |
| 3.3.6 - Job descriptions and performance criteria have been prepared for all employees, announced to them and taken into account to determine employee remuneration. | X | | | | | |
| 3.3.7 - Measures (procedures, trainings, raising awareness, goals, monitoring, complaint mechanisms) have been taken to prevent discrimination, and to protect employees against any physical, mental, and emotional mistreatment. | X | | | | | |
| 3.3.8 - The company ensures freedom of association and supports the right for collective bargaining. | X | | | | | |
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| 3.3.9 - A safe working environment for employees is maintained. | X | | | | | |
| 3.4. RELATIONS WITH CUSTOMERS AND SUPPLIERS | | | | | | |
| 3.4.1-The company measured its customer satisfaction, and operated to ensure full customer satisfaction. | X | | | | | |
| 3.4.2 - Customers are notified of any delays in handling their requests. | X | | | | | |
| 3.4.3 - The company complied with the quality standards with respect to its products and services. | X | | | | | |
| 3.4.4 - The company has in place adequate controls to protect the confidentiality of sensitive information and business secrets of its customers and suppliers. | X | | | | | |
| 3.5. ETHICAL RULES AND SOCIAL RESPONSIBILITY | | | | | | |
| 3.5.1 - The board of the corporation has adopted a code of ethics, disclosed on the corporate website. | X | | | | | |
| 3.5.2-The company has been mindful of its social responsibility and has adopted measures to prevent corruption and bribery. | X | | | | | |
| 4.1. ROLE OF THE BOARD OF DIRECTORS | | | | | | |
| 4.1.1 - The board of directors has ensured strategy and risks do not threaten the long-term interests of the company, and that effective risk management is in place. | X | | | | | |
| 4.1.2 - The agenda and minutes of board meetings indicate that the board of directors discussed and approved strategy, ensured resources were adequately allocated, and monitored company and management performance. | X | | | | | |
| 4.2. ACTIVITIES OF THE BOARD OF DIRECTORS | | | | | | |
| 4.2.1-The board of directors documented its meetings and reported its activities to the shareholders. | X | | | | | |
| 4.2.2 - Duties and authorities of the members of the board of directors are disclosed in the annual report. | X | | | | | |
| 4.2.3-The board has ensured the company has an internal control framework adequate for its activities, size and complexity. | X | | | | | |
| 4.2.4 - Information on the functioning and effectiveness of the internal control system is provided in the annual report. | X | | | | | |
| 4.2.5 - The roles of the Chairman and Chief Executive Officer are separated and defined. | X | | | | | |
| 4.2.7-The board of directors ensures that the Investor Relations department and the corporate governance committee work effectively. The board works closely with them when communicating and settling disputes with shareholders. | X | | | | | |
| 4.2.8 - The company has subscribed to a Directors and Officers liability insurance covering more than 25% of the capital. | X | | | | | A directors and officers liability insurance with a limit of 30 million USD has been provided for the individual liability of the managers and members of the Board of Directors regarding their faults during their duties. The amount of the insurance covers 25% of the Company's paid in capital as of 31.12.2022. |
| 4.3. STRUCTURE OF THE BOARD OF DIRECTORS | | | | | | |
| 4.3.9 - The board of directors has approved the policy on its own composition, setting a minimal target of 25% for female directors. The board annually evaluates its composition and nominates directors so as to be compliant with the policy. | X | | | | | |
| 4.3.10 - At least one member of the audit committee has 5 years of experience in audit/accounting and finance. | X | | | | | |
| 4.4. BOARD MEETING PROCEDURES | | | | | | |
| 4.4.1-Each board member attend the majority of the board meetings in person or via an electronic board meeting system | X | | | | | |
| 4.4.2 - The board has formally approved a minimum time by which information and documents relevant to the agenda items should be supplied to all board members. | X | | | | | |
| 4.4.3 - The opinions of board members that could not attend the meeting, but did submit their opinion in written format, were presented to other members. | X | | | | | |
| 4.4.4 - Each member of the board has one vote. | X | | | | | |
| 4.4.5 - The board has a charter/written internal rules defining the meeting procedures of the board. | X | | | | | |
| 4.4.6 - Board minutes document that all items on the agenda are discussed, and board resolutions include director's dissenting opinions if any. | X | | | | | |
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| 4.4.7-There are limits to external commitments of board members. Shareholders are informed of board members' external commitments at the General Shareholders' Meeting. | | X | | | | Board Member's assignments in different companies are limited on the basis of not creating conflict of interest during their term of office. An additional restriction is not deemed necessary as the business and sectoral experience of BoD Members makes a vital contribution to the BoD. Members of the Board of Directors do not have an assignment outside the company that will create a conflict of interest. |
| 4.5. BOARD COMMITTEES | | | | | | |
| 4.5.5 - Board members serve in only one of the Board's committees. | | | X | | | Due to Enerjisa shareholder structure, the requirement for committee chairs to be selected among independent Board members in accordance with the Corporate Governance Principles, the number of committees to be formed and the knowledge and experience requirements for members, Board Members take part in more than one committee. Members taking in part in more than one committee also ensure inter-committee communication and cooperation. Taking into account the professions, knowledge and experience of the members of the board of directors, competent persons related to the subject are appointed to the committees. Current structure does not prevent the committees from carrying out their duties effectively. In addition, it is ensured that the committees comply with the legal authority and responsibilities. |
| 4.5.6 - Committees have invited persons to the meetings as deemed necessary to obtain their views. | X | | | | | |
| 4.5.7 - If external consultancy services are used, the independence of the provider is stated in the annual report. | | | | | X | No external consultancy service is used for Board Committees. |
| 4.5.8 - Minutes of all committee meetings are kept and reported to board members. | X | | | | | |
| 4.6. FINANCIAL RIGHTS | | | | | | |
| 4.6.1-The board of directors has conducted a board performance evaluation to review whether it has discharged all its responsibilities effectively. | X | | | | | |
| 4.6.4-The company did not extend any loans to its board directors or executives, nor extended their lending period or enhanced the amount of those loans, or improve conditions thereon, and did not extend loans under a personal credit title by third parties or provided guarantees such as surety in favour of them. | X | | | | | |
| | | | | | | In disclosure of the remuneration and benefits provided to the Members of the Board of Directors and senior executives, a balance is targeted between the benefits of these persons that must be protected in terms of the Personal Data Protection Law and the transparency requirement of the |

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| 4.6.5 - The individual remuneration of board members and executives is disclosed in the annual report. | | X | | | shareholders and stakeholders in accordance with the Corporate Governance Communiqué. Remuneration Policy was prepared and presented to the shareholders and stakeholders as a separate item during the 2019 Ordinary General Assembly meeting. In addition, remuneration for the Members of the Board of Directors is submitted to the approval of the shareholders at the General Assembly meeting every year. Consolidated payments made to senior executives and Board of Directors are publicly disclosed in financial statement footnotes. Disclosure of remuneration in person, which is considered commercial secret for competitiveness, will be determined in line with the general practices in the country. |
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