

HEKTAŞ TİCARET T.A.Ş.

Corporate Governance Compliance Report

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Declaration Type:SCD

Year:2020

Period:1

Summarized Information

Corporate Governance Compliance Report

Compliance Status	Compliance Status					Description
	Yes	Partial	No	Exempt	Irrelevant	
Related Companies	[]					
Related Funds	[]					
Corporate Governance Compliance Report						
1.1. FACILITATING THE EXERCISE OF SHAREHOLDERS' RIGHTS						
1.1.2 - Information and explanations that may affect the exercise of shareholder rights are made available to investors on the corporate website of the company.	X					
1.2. RIGHT TO OBTAIN AND REVIEW INFORMATION						
1.2.1 - The company's management has refrained from taking any action that would make it difficult to carry out a special audit.	X					
1.3. GENERAL ASSEMBLY						
1.3.2 - The Company has ensured that the agenda of the General Assembly is clearly expressed and each proposal is provided under a separate title.	X					
1.3.7 - Persons who who have privileged access to partnership information have informed the board of directors that providing information about the transactions they have conducted within the scope of the company's field of activity on their own behalf in the general assembly	X					
1.3.8-With respect to special issues in the agenda, members of the board of directors, other relevant persons, officials and auditors responsible for the preparation of the financial statements were present at the general assembly meeting.	X					
1.3.10-The amounts of all grants and donations as well as their beneficiaries were addressed under a separate item.	X					
1.3.11 - The General Assembly meeting was held open to the public, including the stakeholders and the press, without the right to speak.				X	There was no such request in the fiscal period 2020.	
1.4. VOTING RIGHT						

1.4.1 - There are no restrictions and applications hindering the exercise of voting rights by shareholders.	X					
1.4.2-The Company does not have any shares with privileged voting rights.	X					Owners of Founding Redemption Shares have 5% dividend rights arising from the company's articles of association.
1.4.3 - The Company has not exercised its voting rights in the General Assembly of any partnership with which it is in a mutual participation relationship that brings along a relationship of dominance as well.				X		Our Company does not have any partnerships with which it is in a mutual participation relationship.
1.5. MINORITY RIGHTS						
1.5.1- The Company has paid maximum attention to the exercise of its minority rights.	X					
1.5.2-Minority rights are also granted to those who have less than one twentieth of the capital under the articles of association, and the scope of minority rights has been extended by being regulated in the articles of association.			X			Although not regulated in the Articles of Association, the provisions of TCL No. 6102 and CML No. 6362 are implemented.
1.6. DIVIDEND RIGHTS						
1.6.1 - The dividend distribution policy approved by the general assembly has been disclosed to the public on the corporate website of the company.	X					
1.6.2 - The profit distribution policy contains the minimum information that will allow the shareholders to foresee the principles and procedures relating to the distribution of profits to be acquired by the company in the future.	X					
1.6.3 - Reasons for not distributing profits and the manner of using undistributed profits	X					
1.6.4 - The Board of Directors has reviewed whether a balance has been achieved between the interests of the shareholders and the interests of the partnership in the dividend distribution policy.	X					
1.7. SHARE TRANSFER						
1.7.1 - There are no restrictions hindering the transfer of shares.	X					
2.1. CORPORATE WEB SITE						
2.1.1 - - The corporate web site of the company includes all elements in the corporate governance principle numbered 2.1.1.	X					
2.1.2-The shareholding structure (names, privileges, number and ratio of shares of natural person shareholders owning more than 5% of the issued capital) is updated at least once in every six months on the corporate web site.	X					
2.1.4 - The information on the company's web site has been prepared in the foreign languages selected according to needs to cover exactly the same content as the Turkish ones.		X				The Home Page, Corporate, Our Products, Investor Relations, Human Resources, Contact and News from Hektaş tabs have been published in English.
2.2. ACTIVITY REPORT						
2.2.1 - The Board of Directors ensures that the annual activity report reflects the company's activities fully and accurately.	X					
2.2.2 - The annual activity report contains all elements required in the principle numbered 2.2.2.	X					
3.1. COMPANY'S POLICY REGARDING STAKEHOLDERS						

3.1.1 - Rights of the stakeholders are protected within the framework of relevant regulations, agreements and rules of good faith.	X					
3.1.3 - Policies and procedures regarding the rights of stakeholders are published on the company's corporate web site.	X					Corporate Governance Compliance Report, Code of Ethics, Disclosure Policy, Dividend Policy, Compensation Policy, Remuneration Policy, Grants and Donations Policy
3.1.4 - Mechanisms necessary for stakeholders to notify transactions that are against the legislation and ethically inappropriate.	X					
3.1.5 - The Company addresses conflicts of interest between stakeholders in a balanced manner.	X					
3.2. SUPPORTING THE PARTICIPATION OF STAKEHOLDERS IN THE COMPANY'S MANAGEMENT						
3.2.1 - Participation of employees in the management is regulated with the articles of association or internal regulations.		X				There are no articles in the Articles of Association.
3.2.2 - Methods such as surveys, consultation, etc. have been applied to obtain the opinions of stakeholders in important decisions with consequences concerning stakeholders.	X					Demands and recommendations of clients, suppliers and shareholders are heard and recorded when necessary; no such demands were made in 2020.
3.3. HUMAN RESOURCES POLICY OF THE COMPANY						
3.3.1 - The company has adopted an equal opportunity employment policy and succession planning for all key managerial positions.	X					Studies carried out on the subject by the company continue.
3.3.2 - The criteria for personnel recruitment have been determined in writing.	X					
3.3.3 - The company has a Human Resources Development Policy and within this scope, trainings for employees are organized.	X					
3.3.4 - Meetings have been held to inform employees about matters such as the company's financial situation, remuneration, career planning, education and health.	X					Although briefings are made from time to time, meetings are not held as the studies continue.
3.3.5 - Decisions that may affect the employees have been notified to them and their representatives. Opinions of the relevant unions regarding these matters have also been obtained.	X					Our employees are directly notified, but there are no unions.
3.3.6 - Job descriptions and performance criteria were prepared in detail for all employees, announced to employees and used in remuneration decisions.	X					
3.3.7 - Measures such as procedures, trainings, awareness raising, targets, monitoring and complaint mechanisms have been taken to prevent discrimination among employees and to protect employees against physical, mental and emotional ill-treatment.	X					
3.3.8 - The company supports the freedom of association and the effective grant of the right to collective bargaining.				X		Our company does not have a policy on this issue.
3.3.9 - A safe working environment is provided for the employees.	X					
3.4. RELATIONS WITH CUSTOMERS AND SUPPLIERS						
3.4.1-The company has measured customer satisfaction and operated with a focus on unconditional customer satisfaction.	X					

3.4.2 - If there are delays in processing customers' requests for goods and services purchased, such delays are notified to the customers.	X					
3.4.3 - The company adheres to quality standards for goods and services.	X					
3.4.4 - The Company has controls to protect the confidentiality of sensitive information of customers and suppliers within the scope of trade secrets.	X					
3.5. ETHICS AND SOCIAL RESPONSIBILITY						
3.5.1 - The Board of Directors has determined the Code of Ethical Conduct and published it on the corporate website of the company.	X					
3.5.2- The partnership is sensitive about social responsibility. It has taken measures for prevention of bribery and corruption	X					
4.1. FUNCTION OF THE BOARD OF DIRECTORS						
4.1.1-The board of directors ensures that the strategy and risks do not threaten the long-term interests of the company and that an effective risk management is implemented.	X					
4.1.2-Meeting agenda and minutes demonstrate that the board of directors discussed and approved the company's strategic goals, determined the resources needed, and the management's performance was supervised.	X					There is a meeting agenda but there are no meeting minutes.
4.2. OPERATION PRINCIPLES OF THE BOARD OF DIRECTORS						
4.2.1-The Board of Directors documented its activities and presented them for information to shareholders.	X					
4.2.2-The duties and authorities of the board of directors members are explained in the annual operating report.	X					In the annual report, authorities and duties are defined as per the relevant TCL, but no detailed definitions are made.
4.2.3 -The Board of Directors has established an internal control system in line with the company's scale and the complexity of its activities.	X					
4.2.4-Information about the operation and effectiveness of the internal control system is provided in the annual activity report.	X					
4.2.5 - Duties of the chairman of the board of directors and chief executive officer (general manager) are separated and defined.	X					
4.2.7-The Board of Directors ensures the effective functioning of the investor relations department and the corporate governance committee and has worked in close collaboration with with the investor relations department and the corporate governance committee in resolving disputes between the company and the shareholders and communicating with the shareholders.	X					
4.2.8 - The Company has taken out a director's liability insurance for an amount exceeding 25% of the capital, in relation to the damages that the members of the board of directors may cause during their duties in the company.	X					
4.3. STRUCTURE OF THE BOARD OF DIRECTORS						
4.3.9- The Company set a minimum women member ratio of 25% in the board of directors and has created a policy to attain this target. The structure of the board of directors is reviewed annually and the nomination process is carried out in accordance with this policy.		X				There is no policy.

4.3.10 - At least one member of the audit committee has 5 years of experience in audit/accounting and finance.	X					
4.4. FORM OF BOARD OF DIRECTORS MEETINGS						
4.4.1 - All board of directors members physically attended most of the board of directors meetings.	X					
4.4.2 - The board of directors has defined a minimum time period for submission of information and documents about the issues in the agenda to all members before meetings.	X					
4.4.3 - Opinions of the member who could not attend the meeting, but who notified the board of directors about their opinions in writing.	X					
4.4.4 - Each member has a voting right in the board of directors.	X					
4.4.5 - The manner in which board of directors meetings will be held are put down in writing with internal regulations.	X					The principles of work of the Board of Directors are partially set forth with the articles of association.
4.4.6 -Minutes of the board of directors meeting demonstrates that all items in the agenda were discussed and the decision minutes are prepared by including dissenting opinions as well.	X					
4.4.7 - Members of the board of directors are restricted from taking on other duties outside the company. Duties assumed by the members of the board of directors outside the company were presented to the information of the shareholders at the general assembly meeting.	X					There are no restrictions, information was provided to the shareholders at the General Assembly Meeting.
4.5. COMMITTEES ESTABLISHED WITHIN THE BOARD OF DIRECTORS						
4.5.5 - Each member has a voting right in the board of directors.		X				Due to the number of our Board of Directors members, one member serves on more than committee.
4.5.6-The committees have invited the persons whose opinions were considered necessary to the meetings and obtained their opinions.	X					
4.5.7 - Information about the independence of the person/entity from whom the committee receives advisory services is provided in the annual activity report.				X		Advisory services were not received.
4.5.8 - A report was drawn up regarding the results of committee meetings and submitted to the board of directors members.	X					
4.6. FINANCIAL BENEFITS PROVIDED TO MEMBERS OF THE BOARD OF DIRECTORS AND EXECUTIVES WITH ADMINISTRATIVE LIABILITY						
4.6.1 - The board of directors carried out a performance assessment to evaluate whether the board of directors fulfilled its liabilities effectively.		X				Performance assessment is not performed
4.6.4 - The Company did not extend loans or borrowed money to any member of the board of directors or executives with administrative liability, nor did it extend the term or improve the conditions of a loan borrowed; it did not extend loans under the title of a personal loan through third parties, nor did it provide guarantees such as surety in their favor.	X					
4.6.5 - Remunerations paid to the members of the board of directors and directors with administrative liability are disclosed on individual basis in the annual	X					The remunerations are paid cumulatively rather than on individual basis.

	activity report.								
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