



KAMUYU AYDINLATMA PLATFORMU

İŞ GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş. **Corporate Governance Information Form** **2019 - Annual Notification**

Summary

Corporate Governance Information Form



1. SHAREHOLDERS

Related Companies

Related Funds

| 1. SHAREHOLDERS | |
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| 1.1. Facilitating the Exercise of Shareholders Rights | |
| The number of investor meetings (conference, seminar/etc.) organised by the company during the year | The Company did not organize or attend any investor conference. The company met with 8 investment companies at the Company's headquarter. |
| 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/742846 https://www.kap.org.tr/tr/Bildirim/669516 |
| Whether the company provides materials for the General Shareholders' Meeting in English and Turkish at the same time | All General Assembly Documents (invitation, agenda, power of attorney, informative document, profit distribution proposal, board members nominees and resolutions of the general assembly), except meeting minutes and list of attendants 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 | - |
| 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) | https://www.kap.org.tr/tr/Bildirim/804952 https://www.kap.org.tr/tr/Bildirim/803228 https://www.kap.org.tr/tr/Bildirim/803168 |

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| | Bildirim/804853 https://www.kap.org.tr/tr/Bildirim/806171 |
| The links to the PDP announcements associated with common and continuous transactions in the context of Article 10 of the Communiqué on Corporate Governance (II-17.1) | https://www.kap.org.tr/tr/Bildirim/765086 |
| The name of the section on the corporate website that demonstrates the donation policy of the company | Investor Relations/ Corporate Governance/ 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/192006 |
| The number of the provisions of the articles of association that discuss the participation of stakeholders to the General Shareholders' Meeting | Article 22 |
| Identified stakeholder groups that participated in the General Shareholders' Meeting, if any | Besides shareholders and their representatives, all Members of the Board of Directors and the representative of the independent audit firm attended the General Assembly Meeting. Also, by informing the Company, Company employees participated in the General Assembly Meeting without the right to take the floor. |
| 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 | % 47,9 |
| 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 | Investor Relations/ Corporate Governance/ Policies |
| Minutes of the relevant agenda item in case the board of directors proposed to the general assembly not to | The Board of Directors? proposal that suggests not distributing dividends was approved exactly as it was and transferring the remaining amounts from the profits prepared according to the Tax Procedure Law and the CMB regulations to extraordinary reserves |

distribute dividends, the reason for such proposal and information as to use of the dividend.

and retained earnings respectively, after the allocation of the primary legal reserve pursuant to the regulation from the profits prepared according to the Tax Procedure Law and the CMB regulations was approved in the General Assembly Meeting.

PDP link to the related general shareholder meeting minutes in case the board of directors proposed to the general assembly not to distribute dividends

<https://www.kap.org.tr/tr/Bildirim/749851>

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 |
|----------------------|---|---|--|---|--|--|---|---|---|
| 26/03/2019 | 0 | % 70,54 | % 0,029 | % 70,51 | Investor Relations/General Assembly/Resolutions Made At The Annual General Assembly | Investor Relations>General Assembly>Meeting Invitation&Agenda>Documents Regarding General Assembly Meeting Dated 26 March 2019>The answers of the questions asked at the GAM | - | 172 | https://www.kap.org.tr/tr/Bildirim/749851 |

2. DISCLOSURE AND TRANSPARENCY

| 2. DISCLOSURE AND TRANSPARENCY | |
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| 2.1. Corporate Website | |
| Specify the name of the sections of the website providing the information requested by the Principle 2.1.1. | "Corporate" and "Investor Relations" sections. |
| 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. | We have no real person shareholder who directly or indirectly own more than 5% of the shares. Shareholder structure of the Company is provided in "Corporate> Shareholder Structure" section of the website. |
| 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 | "Board of Directors", "Senior Management" and "Declaration of Interest by Independent Board Members" |
| 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 | Board of Directors/ Working Principles of Board of Directors Committees |
| 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 | Boards of Directors/ Board Meetings |
| 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 | Changes in Legislation during the Reporting Period |
| 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 | Additional Information Required by CMB Regulations / Lawsuits Initiated Against the Company during the Reporting Period |

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| <p>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</p> | <p>Main Service Providers/ Disclosure of Any Conflicts of Interest Between the Company and Its Service Providers</p> |
| <p>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%</p> | <p>There is no cross ownership subsidiaries.</p> |
| <p>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</p> | <p>Human Resources and Corporate Social Responsibility</p> |

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 | Investor Relations/ Corporate Governance/ Policies |
| The number of definitive convictions the company was subject to in relation to breach of employee rights | - |
| The position of the person responsible for the alert mechanism (i.e. whistleblowing mechanism) | Committee for Audit |
| The contact detail of the company alert mechanism | https://www.isgyo.com.tr/contact/ethic-line-contact-form/ |
| 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 | Company's organizational chart and the current promotion application require that employees are placed under each management who are trained and regarded as the manager candidates while promotions to key positions are under the authority of 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/ Human Resources Policy |
| Whether the company provides an employee stock ownership programme | Pay edindirme plani bulunmuyor (There isn't an employee stock ownership programme) |

| | |
|---|---|
| <p>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.</p> | <p>Human Resources/ Human Resources Policy</p> |
| <p>The number of definitive convictions the company is subject to in relation to health and safety measures</p> | <p>-</p> |
| <p>3.5. Ethical Rules and Social Responsibility</p> | |
| <p>The name of the section on the corporate website that demonstrates the code of ethics</p> | <p>Investor Relations/ Corporate Governance/ Code of Ethics</p> |
| <p>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.</p> | <p>The Company does not have Corporate Social Responsibility Report. The Company carries out various activities to contribute to the social life and the environment within the scope of its corporate social responsibility concept. In addition to the activities carried out in the sector, the Company provides gratuitous support to projects in areas that it regards within the scope of its social responsibility such as education, health , culture, law, art, scientific research, environmental protection, and sport. Activities in relation to the social responsibility initiative launched to manifest our attitude for seeking solutions to social issues, needs and expectations as the Company continued throughout 2019. In line with the Company's policy to carry out social investments that will be a model for all segments of the society, the sector and the business world and will create tangible benefits, a Corporate Social Responsibility Policy was formulated, which puts giving children equal access to</p> |

educational, cultural, environmental and social means in its focal point, and targets to equip children with enhanced qualifications within the frame of priority topics. The said Policy was also disclosed to the public.

Any measures combating any kind of corruption including embezzlement and bribery

An Ethical Hotline has been established for the stakeholders to report the transactions considered to be contradictory to the laws and the Company's ethical values. The Company's Code of Ethics regulates this subject. Internal regulations of the Company also stipulates a ban to offer benefits regarding the employees. All of these factors are scrutinized by the current supervision activities of the Company. The Company's Gifts & Hospitality Policy and Policy For Combating Financial Crimes and Sanctions are submitted to the information of all employees.

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 | <p>According to the assignation of duties and responsibilities; Board Members Mr. Ömer Karakuş and Mr. Süleyman H. Özcan were elected as the Chairman of the Board of Directors and as the Vice Chairman , respectively. Also, elections to committee seats were held as required by CMB Corporate Governance Communiqué and working principles of the Committees.</p> <p>Independent Board Member Ms. Prof. Dr. Arzu Erdem was elected as the Chairman of the Corporate Governance Committee and the member of the Committee for Early Recognition of Risk; Independent Board Member Mr. Nihat Uzunoğlu was elected as the Chairman of the Committee for Audit; Independent Board Member Mr. Haluk Büyükbaş was elected as the Chairman of the Committee for Early Recognition of Risk and the member of the</p> |

| Name, Surname of Board Member | Whether Executive Director Or Not | Whether Independent Director Or Not | Election Date To Board | That Includes The Independency Declaration | Director Considered By The Nomination Committee | Ceased to Satisfy The Independence or Not | Experience On Audit, Accounting And/Or Finance Or Not |
|-------------------------------|--|--|------------------------|---|---|---|---|
| Ömer Karakuş | İcrada Görevli Değil (Non-executive) | Bağımsız üye değil (Not independent director) | 16/05/2017 | - | İlgisiz (Not applicable) | İlgisiz (Not applicable) | Evet (Yes) |
| Süleyman H. Özcan | İcrada Görevli Değil (Non-executive) | Bağımsız üye değil (Not independent director) | 08/12/2014 | - | İlgisiz (Not applicable) | İlgisiz (Not applicable) | Evet (Yes) |
| Aysel Tacer | İcrada Görevli Değil (Non-executive) | Bağımsız üye değil (Not independent director) | 11/04/2016 | - | İlgisiz (Not applicable) | İlgisiz (Not applicable) | Evet (Yes) |
| Prof. Dr. Arzu Erdem | İcrada Görevli Değil (Non-executive) | Bağımsız üye (Independent director) | 21/03/2018 | https://www.kap.org.tr/Bildirim/822121 | Değerlendirildi (Considered) | Hayır (No) | Hayır (No) |
| Haluk Büyükbaş | İcrada Görevli Değil (Non-executive) | Bağımsız üye (Independent director) | 24/03/2016 | https://www.kap.org.tr/Bildirim/822121 | Değerlendirildi (Considered) | Hayır (No) | Evet (Yes) |
| Nihat Uzunoğlu | İcrada Görevli Değil (Non-executive) | Bağımsız üye (Independent director) | 24/03/2016 | https://www.kap.org.tr/Bildirim/822121 | Değerlendirildi (Considered) | Hayır (No) | Evet (Yes) |
| İ. Hakkı Akşener | İcrada Görevli Değil (Non-executive) | Bağımsız üye değil (Not independent director) | 21/03/2018 | - | İlgisiz (Not applicable) | İlgisiz (Not applicable) | Evet (Yes) |
| Mehmet Türk | İcrada Görevli Değil (Non-executive) | Bağımsız üye değil (Not independent director) | 21/03/2018 | - | İlgisiz (Not applicable) | İlgisiz (Not applicable) | Evet (Yes) |
| Murat Doğan | İcrada Görevli Değil (Non-executive) | Bağımsız üye değil (Not independent director) | 08/12/2014 | - | İlgisiz (Not applicable) | İlgisiz (Not applicable) | 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) | 8 |
| 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 | As a rule under the general practices of the Company, care is taken to send the information and documents relevant to the agenda of the board meetings to all board members at least one week in advance. |
| The name of the section on the corporate website that demonstrates information about the board charter | "Investor Relations/ Corporate Governance/ Articles of Association" and "Corporate/Board of Directors/Board of Directors Working Principles" |
| Number of maximum external commitments for board members as per the policy covering the number of external duties held by directors | There is no policy covering the number of external duties held by directors. Assumption of external commitments by the Board members has been subject to the general provisions and the board members are required to get the permission of the General Assembly for having transactions with the Company and borrowing from the Company under the Article 395 of Turkish Code of Commerce (TTK) and noncompetition with the Company under the Article 396 of TTK. |

4.5. Board Committees

Page numbers or section names of the annual report where information about the board committees are presented

"Board of Directors/
Operating Principles of
the Board of Directors"
and "Board of Directors'
Assessment of the
Efficiency of Board of
Directors Committees"
and the Company's
Internal Systems sections
and "Committee for Audit
Report" section.

Link(s) to the PDP announcement(s) with the board committee charters

<https://www.kap.org.tr/tr/Bildirim/363253>

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 |
|---|--|-----------------------------------|--------------------------------|---|
| Kurumsal Yönetim Komitesi (Corporate Governance Committee) | | Prof. Dr. Arzu Erdem | Evet (Yes) | Yönetim kurulu üyesi (Board member) |
| Kurumsal Yönetim Komitesi (Corporate Governance Committee) | | Süleyman H. Özcan | Hayır (No) | Yönetim kurulu üyesi (Board member) |
| Kurumsal Yönetim Komitesi (Corporate Governance Committee) | | Murat Doğan | Hayır (No) | Yönetim kurulu üyesi (Board member) |
| Kurumsal Yönetim Komitesi (Corporate Governance Committee) | | Ayşegül Şahin Kocameşe | Hayır (No) | Yönetim kurulu üyesi değil (Not board member) |
| Riskin Erken Saptanması Komitesi (Committee of Early Detection of Risk) | | Haluk Büyükbaş | Evet (Yes) | Yönetim kurulu üyesi (Board member) |
| Riskin Erken Saptanması Komitesi (Committee of Early Detection of Risk) | | Prof. Dr. Arzu Erdem | Hayır (No) | Yönetim kurulu üyesi (Board member) |
| Riskin Erken Saptanması | | Murat Doğan | Hayır (No) | |

| | | | | |
|---|--|----------------|------------|-------------------------------------|
| Komitesi (Committee of Early Detection of Risk) | | | | Yönetim kurulu üyesi (Board member) |
| Denetim Komitesi (Audit Committee) | | Nihat Uzunoglu | Evet (Yes) | Yönetim kurulu üyesi (Board member) |
| Denetim Komitesi (Audit Committee) | | Haluk Büyükbaş | 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) | "Board of Directors/ Working Principles of Board of Directors Committees" and "Board of Directors' Assessment of the Efficiency of Board of Directors Committees and the Company's Internal Systems" sections and "Committee for Audit Report" section. |
| 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) | "Board of Directors/ Working Principles of Board of Directors Committees" and "Board of Directors' Assessment of the Efficiency of Board of Directors Committees and the Company's Internal Systems" sections |
| 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) | "Board of Directors/ Working Principles of Board of Directors Committees" and "Board of Directors' Assessment of the Efficiency of Board of Directors Committees and the Company's Internal Systems" sections |
| 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) | "Board of Directors/ Working Principles of Board of Directors Committees" and "Board of Directors' Assessment of the Efficiency of Board of Directors Committees and the Company's Internal Systems" sections |
| | |

| 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 |
|---|---|---|--|---------------------------------------|--|
| Kurumsal Yönetim Komitesi (Corporate Governance Committee) | | % 75 | % 25 | 9 | 6 |
| Riskin Erken Saptanması Komitesi (Committee of Early Detection of Risk) | | % 100 | % 67 | 8 | 9 |
| Denetim Komitesi (Audit Committee) | | % 100 | % 100 | 4 | 6 |