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KAMUYU AYDINLATMA PLATFORMU

ALFA SOLAR ENERJİ SANAYİ VE TİCARET A.Ş. Corporate Governance Compliance Report 2024 - Annual Notification

Summary

2024 Corporate Governance Compliance Report

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	The company's information is not privileged to any individual or organization.
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					
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					
1.3.11 - The General Shareholders' Meeting was held open to the public, including the stakeholders, without having the right to speak.	X					
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			The privileged Class A shares have the right to nominate candidates to the Board of Directors and have voting privileges at the general assembly.
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	The company does not have any affiliated companies in mutual participation.
1.5. MINORITY RIGHTS						
1.5.1 - The company pays maximum diligence to the exercise of minority rights.	X					
1.5.2 - The Articles of Association extend the use of minority rights to those who own less than one twenthieth of the outstanding shares, and expand the scope of the minority rights.			X			The scope of minority rights has not been expanded in the Articles of Association, and the relevant legal provisions are applied. There are no plans for amendments to the Articles of Association in this regard.
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					
					X	A decision regarding the distribution of dividends

1.6.3 - The reasons for retaining earnings, and their allocations, are stated in the relevant agenda item.						was made at the Ordinary General Assembly of 2023 .
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				The Company's Board of Directors may refuse to approve the transfer of Class A shares, provided that the refusal is limited to the reasons defined in Article 493 of the Turkish Commercial Code.
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					The fundamental information available on the website is also provided in English for the benefit of international investors.
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					Stakeholders, if applicable, may report the Company's non-compliant or ethically inappropriate transactions to the Corporate Governance Committee and/or the Ethics Representative via email at etik@ alfasolarenerji.com.tr.
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					The model supporting employee participation in management has been established through internal regulations of the Company and is not regulated in the articles of association.
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					
					X	The decisions that may affect company employees are communicated to them and their respective

3.3.5 - Employees, or their representatives, were notified of decisions impacting them. The opinion of the related trade unions was also taken.						managers. There is no union organization or union affiliation.
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				The company does not pose any obstacle to the effective recognition of the freedom to establish associations and the right to collective bargaining, although currently there is no collective bargaining agreement in place.
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			Efforts are underway to arrange for executive liability insurance.
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				As of now, there are no female members on the Board of Directors of our company. However, a target has been set for the representation of female members. It is planned to achieve this target in the upcoming period.
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					The average participation rate in the meetings was 91%.
	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	While there is an opportunity to express opinions, no member who did not attend the Board of Directors meetings during the relevant period chose to submit their opinions to the board in writing.
	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					The procedures for conducting Board of Directors meetings are outlined in Article 11, titled 'Board of Directors Meetings,' of the Company's Articles of Association
	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					
	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			The experience and sectoral expertise of the Board members contribute significantly to the Board's functions. Therefore, there are no restrictions on Board members holding positions outside the Company, and there are no plans to impose such restrictions.
	4.5. BOARD COMMITTEES						
	4.5.5 - Board members serve in only one of the Board's committees.			X			The appointments to the Committees have been made in line with the expertise and experience of our Board Members, considering relevant regulations. Only Independent Board Members and licensed personnel serve on the Committees, with three Independent Board Members appointed to each of the three committees, each serving in a maximum of two committees.
	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	The Committees did not seek external consulting services in the year 2023.
	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		No special study has been conducted for performance evaluation at the Board level.
	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					
	4.6.5 - The individual remuneration of board members and executives is disclosed in the annual report.			X			The salaries of board members and executives with administrative responsibilities are collectively disclosed in the annual activity report .