

Corporate Governance

Board of Directors Members' CVs

Murat Gigin Chairman

Born in Istanbul in **1952**, Murat Gigin graduated in civil engineering from the University of Bradford in 1974. He gained his master's degree in mechanical engineering from the Department of Mechanical Engineering, University College London in 1975 and a degree in Ocean Engineering from the same university in 1976.

Gigin began his career at Tekfen Construction in 1977 as civil engineer on a project in Kuwait. On return to the company's headquarters in Istanbul in 1983, he coordinated the New Business Department and several international projects until he was promoted to Deputy General Manager in 1986. Gigin was General Manager of Tekfen Construction between 1988 and 1998 and joined the board of several Tekfen Contracting Group companies until 2000. He served on Tekfen Holding's Board of Directors between 1998 and 2015 and he was appointed Chairman by the Board on 7 May 2015.

Gigin is also the Deputy Chairman of Akmerkez REIC, an associate of Tekfen.

Since 1998, Murat Gigin has been the Chairman and Executive Director of Viem Ticari ve Sanayi Yatırımları Ltd. Şti. Group of Companies (Tekzen Ticaret ve Yatırım A.Ş., Agromak Makine İmalat Sanayi ve Ticaret A.Ş., Viem İletişim Yayıncılık Reklam Turizm Hizmetleri Yatırım Ticaret A.Ş., Ekozey Ekolojik ve Organik Tarım Gıda Hayvancılık ve Turizm Taşımacılık İthalat İhracat İnşaat Sanayi Ticaret A.Ş., İmbroz Tarım Hayvancılık Gıda Sanayi Turizm ve Ticaret Ltd. Şti., Galipoli Gıda Ürünleri Sanayi ve Ticaret Ltd. Şti., ENAT Endüstriyel Ağaç Tarımı Sanayi ve Ticaret A.Ş., Temarı Gıda Sanayi ve Ticaret A.Ş.), and the Chairman of Zen Enerji A.Ş. and Salda Enerji A.Ş. At the same time, he is the Vice-Chairman of the Board at ANG Yatırım Holding A.Ş.

Active in a number of NGOs, Gigin was chairman of the International Pipeline and Offshore Contractors Association (IPLOCA) between 1995-1996 and he is currently on the Board of Trustees of the Turkish

Foundation for Combating Soil Erosion, for Reforestation and Protection of Natural Habitats (TEMA), and on the boards of the Association of Category Merchandising (KMD), the European DIY - Retail Association (EDRA) and the Global Home Improvement Network (GHIN).

Cansevil Akçağlılar Vice Chairwoman

Born in **1930** in Istanbul, Cansevil Akçağlılar graduated from TED College in 1950.

Between **1979-2006**, Akçağlılar was a member of the Board of Directors of Tekfen Holding A.Ş. She has served as a member and Vice-Chairwoman of the Board of Directors since 2007..

Osman Cengiz Birgili Vice Chairman

Born in Istanbul in **1951**, Osman Birgili graduated from Middle East Technical University, Civil Engineering Department in 1978.

Having started to work as a civil engineer at Tekfen İnşaat ve Tesisat A.Ş. (Tekfen Construction and Installation) on 15 August 1978, Birgili served in various positions before functioning as a senior executive in HMB (Germany). He was appointed Deputy General Manager of Tekfen Construction on his return to Turkey in 1998. Birgili served as Senior Deputy General Manager of Tekfen Construction between 2005 and 2013, and he played an active role in Tekfen Holding's IPO in 2007.

Having served as President of Tekfen Group Companies between 2013 and 2019, Birgili was elected Vice Chairman of the Board of Tekfen Holding in March 2019. Osman Birgili is also Chairman of HMB and Tekfen Ventures companies, and Vice Chairman of Tekfen Agri.

Osman Birgili was also President of the International Pipeline and Offshore Contractors' Association (IPLOCA), representing Turkey between 2011 and 2012.

Ali Nihat Gökyiğit Founding Honorary Chairman and Member

Born in Artvin in **1925**, Nihat Gökyiğit received his BA at Robert College in 1946 and his MA in Civil Engineering at the University of Michigan in 1948.

In **1956**, he founded, with his partners, Feyyaz Berker and Necati Akçağlılar, the company FNN Müşavir Mühendislik, the genesis of Tekfen Holding. Since then, he has served either as a member or as chairman of the board of more than 50 of Tekfen's group companies. Nihat Gökyiğit retired as Chairman of the Board of Directors of Tekfen Holding in 2015. Upon the recommendation and decision of the Board of Directors, Gökyiğit and his partner Feyyaz Berker were given the titles of Founder and Honorary Chairman.

For 35 years, he has served as chairman of the Advisory Board of AIESEC-Turkey, the world's largest student organisation. A member of the Turkish Industry and Business Association (TÜSİAD) and of the Foreign Economic Relations Board (DEİK), Gökyiğit was a member of the boards of DEİK between 1988 and 2005 and of TÜSİAD between 1985 and 1987. He worked for 10 years as chairman of the Turkish-CIS Business Council, under the auspices of DEİK, and as Turkey's representative on the Black Sea Business Council. Gökyiğit is the Honorary Consul of Georgia and Kyrgyzstan and an honorary citizen of Georgia. He is currently an honorary member of DEİK and a member of TÜSİAD. Gökyiğit is the Founding Honorary Chairman of the Turkish Green Building Council and the Turkish Foundation for Combating Soil Erosion, for Reforestation and Protection of Natural Habitats (TEMA). He helped TEMA launch its first projects, related to the environment, protection of natural resources and rural development. One of these, the Camili Region Sustainable Development Project, won an award at the 2002 Johannesburg World Summit on Sustainable Development.

Through the ANG Foundation, which bears his name, he established the Nezahat Gökyiğit Botanical Garden on 50 hectares of land in Istanbul in memory of his wife. He is also the founder of the Tekfen Philharmonic Orchestra, an important cultural institution that also serves world peace.

Gökyiğit was given the Environmental Service Award by Akdeniz University and has received honorary doctorates from Çukurova, Boğaziçi and Gazi Osman Paşa Universities. Nihat Gökyiğit received the Order of Merit

medal from the Turkish President in 1997, the Order of Merit award from the Turkish Parliament in 2010, and he was named the Schwab Foundation Social Entrepreneur of the Year by Ernst&Young in 2009.

Sinan K. Uzan Member

Born in New York in **1986**, Sinan K. Uzan graduated from Pepperdine University (US) in International Business Administration in 2008. In 2012, he enrolled in the Family Businesses Management program at Northwestern University's Kellogg School of Management (Illinois).

He started his career as Assistant Chairman of StarClub Interactive Networks, a Los Angeles-based company engaged in music production and Internet strategies.

Between 2011 and 2012, he acquired experience in the fertiliser business at the Swiss Keytrade company before joining Tekfen Construction as Azerbaijan Project Coordinator from 2012 to 2013. Between 2012 and 2014, he worked as systems manager at the New York Hub Surgical & Orthopedic Supplies, a technology developer for diabetic patients. He is also the founder of Ankaa LLC (California), an Internet technology investment firm. Sinan K. Uzan was appointed to the Board of Tekfen Holding in 2014.

Assoc. Prof. Ahmet İpekçi Member and Advisor

Born in Istanbul in **1944**, Ahmet İpekçi graduated from the Academy of Economic and Commercial Sciences in 1968 and he gained his PhD from Istanbul University School of Economics in 1972. In 1977, he became Associate Professor at Istanbul University School of Management.

He started his career as an assistant at the Academy of Economic and Commercial Sciences in 1968 and continued at Istanbul Technical University as Assistant Professor. From 1977 to 1982, he served as Associate Professor at the same University.

In 1992, Ahmet İpekçi joined the board of HMB (Germany), a company that is part of the Tekfen Contracting Group. In 1994, he was appointed Financial Coordinator of Tekfen Holding. Between 2000 and 2013, he served as Vice- Chairman of Tekfen Holding in charge of Investment and Service Companies. Since 2013, he has been a Tekfen Holding advisor and a board member of many Group companies, such as Tekfen Construction and Toros Tarım. In April 2014, Ahmet İpekçi joined the Board of Tekfen Holding.

M. Ercan Kumcu, PhD. Member and Advisor

Born in Istanbul in **1955**, Ercan Kumcu received his undergraduate degree from Boğaziçi University in 1977 and obtained a PhD in economics from Boston College. Kumcu taught macroeconomics, monetary theory, international economics and finance at Boston College, Eastern Michigan University and the State University of New York at Binghamton. He worked as guest researcher at the Central Bank of the Republic of Turkey, then General Secretary for a brief period, and he served as Vice-Chairman between 1988 and 1993.

He was Vice-Chairman of the Board of Directors and then Chairman of the Board at Tekfenbank (Eurobank Tekfen) between **1995** and **2008**. He is currently a board member at Tekfen Holding and an independent board member at Anadolu Holding A.Ş. and Adel Kalemçilik A.Ş. Kumcu has taught economic policy at Kadir Has University and he has published many articles. He is the author of the books “İstikrar Arayışları” (In Pursuit of Stability), “Krizleri Nasıl Çıkardık?” (How Did We Create Crises?; with Mahfi Eğilmez), “Ekonomi Politikası: Teori ve Türkiye Uygulaması” (Economic Policy: Theory and Practice in Turkey; with Mahfi Eğilmez), “Kadın Matematikçiler” (Women Mathematicians) and “Krizler, Para ve İktisatçılar” (Crises, Money and Economists).

Çiğdem Tüzün Independent Member

Çiğdem Tüzün was born in Ankara in **1954**. She graduated from TED Ankara College in 1971 and from Ankara University, Faculty of Political Sciences in 1975. She completed her graduate work in economics at the same faculty.

Tüzün worked as revenue expert at the General Directorate of Revenues at the Ministry of Finance between **1975** and **1978**, as expert and then director in bilateral economic relations and European Economic Union at the State Planning Office between 1978 and 1988. In 1987, she was on the team that conducted Turkey’s full accession application to the EC.

In 1988, Çiğdem Tüzün became an assistant director at the Foreign Economic Relations Board (DEİK) in İstanbul, and worked as Director at the same institution between 1995 and 2006. Since 2006, Tüzün has been working as a consultant and writer on foreign relations, with numerous works on corporate history.

Neriman Ülsever Independent Member

Neriman Ülsever was born in Bursa in **1951**, and graduated from Boğaziçi University in 1975. Ülsever began her professional career at Turkish Airlines and assumed a growing set of responsibilities until 1986, after which date she served as senior executive in various industries such as banking, manufacture, and retail, until 1994.

Ülsever switched to Human Resources in **1994** and specialised in human resources and management consulting. After Indesit Company entered the Turkish market in 1995, she took on various roles within the group and on international platforms, serving as HR Director for East European and International Markets in Switzerland between 1999 and 2002, HR Director for West European Markets in France between 2001 and 2004, and HR Director for Global Commercial Organization in Italy between 2004 and 2006. Ülsever held the position of HR Director of the Indesit Company Group in Italy until 2010, also serving as member of the Executive Board. Ülsever had become a member of the Board of Directors of Indesit Turkey in 1996, and served as Chairwoman of the Board between 2011 and 2015.

Ülsever was the Group President of Human Resources at Sabancı Holding between **2011** and **2016** while also serving as Deputy Chairwoman to the Board at Kordsa Global and

Temsa Global and member of the Board at Aksigorta, Carrefoursa, Avivasa, and Teknosa. Currently a member of the Board of Autogrill S.p.A. (Italy), Neriman Ülsever became an independent Board member of Tekfen Holding on 23 March 2017.

Gülsüm Azeri Independent Board Member

Born in Sakarya in **1951**, Gülsüm Azeri is a graduate of Robert College and holds a BA degree in Chemical Engineering and an MS degree from Industrial Engineering, both from Boğaziçi University.

After joining the Şişecam Group of Companies in 1981, Azeri has assumed a wide array of responsibilities in various positions for 30 years and as of 1994, she has been appointed CEO in charge of the chemicals, glass fiber, mining, glassware, retail, paper-cardboard-packaging, flat glass, automotive glass, home appliances glass and solar energy glass divisions. Gülsüm Azeri served as President of the Chemicals Group between 1994-1998, as President of the Glassware Group between 1999-2007, as President of the Flat Glass Group between 2007-2011 and as Executive Board Member of Şişecam Group all throughout these years, between 1994 and 2011. Member of the Board of Turkish Airlines between 2011-2013, Azeri was CEO and Board Member of OMV Petrol Ofisi and OMV Gas and Energy Holding and Chairwoman of the Board of OMV Petrol Ofisi Holding between 2011-2017. Gülsüm Azeri is currently Supervisory Board Member of VIP Turkey Holding B.V.

Chairwoman of the European Glass Federation Glassware Committee between **2004-2008**, Gülsüm Azeri also served as Board Member of ‘Glass for Europe’ (European Flat Glass Producers Association) between 2009-2011.

Gülsüm Azeri was a Board Member of İstanbul Chamber of Industry (ISO), Executive Committee Member of the Turkish Exporters Assembly (TIM), a member of the Board of Directors and Executive Board of Foreign Economic Relations Board of The Union of Chambers and Commodity Exchanges of Turkey (TOBB). Between 2005 and 2011, she also represented the private sector on the Board of Ethics Council of the Prime Ministry of Turkey.

Azeri was listed on top of the “50 Most Powerful Female CEO’s of Turkey” list of the weekly Ekonomist in 2017, and number 2 in the “50 Most Powerful Business Women in Turkey” list of the monthly Fortune Magazine. On 9 October 2018, Gülsüm Azeri was appointed as a member of the Economic Policies Committee of the Presidency of the Republic of Turkey. She has been serving as an

independent member on the Board of Directors of Tekfen Holding A.Ş. since 29 March 2018.

Şevki Acuner Independent Member

Şevki Acuner received his bachelor’s degree in Business Administration from Boğaziçi University in 1976, and pursued further studies in management at Stockholm University, and received his master’s degree in the same field from Concordia University, Montréal.

Acuner began his professional career as a banking professional at the Central Bank of the Republic of Turkey (CBRT), and later worked for the Bank of Montreal (Canada) and then the Royal Bank of Canada undertaking posts in different countries.

Since 1996, he has functioned in various roles within the European Bank for Reconstruction and Development (EBRD). In 2009, he played a key role in the EBRD’s expansion to Turkey. He served as Deputy Country Director for Turkey based in İstanbul until 2013, since when he has been serving as the EBRD’s Director for Ukraine based in Kiev. He has represented the bank as a Board of Directors member in a number of the EBRD’s equity investments. During the course of his professional life in London, he was the President of the Turkish Bankers Association – United Kingdom (TBA) for many years. While in İstanbul, he led the growth of the EBRD in Turkey.

The chief promoter of Ukraine’s economic transformation and one of the leaders of the country’s business and finance community, Acuner was the Chairman of the Board at Ukraine’s Business Ombudsman Council, the Chairman of its Nomination Committee, and the Vice-Chairman of the Board of the American Chamber of Commerce.

Currently an Independent Board Member and Board Chairman of Ukrainian Railways (UkrZaliznytsia) and the Ukraine Power Transmission Network (UkrEnergo) in Ukraine, and an Independent Board Member of Migros and Anadolu Efes companies in Turkey, Şevki Acuner has been named an Independent Board Member of Tekfen Holding in March 2019.

Senior Management CVs

Cahit Oklap

President, Tekfen Group Companies

Born in Geylan, Kosovo (former Yugoslavia) in **1950**, Cahit Oklap graduated from Denizli High School, and obtained his bachelor's degree in chemical engineering from the Middle East Technical University (METU) in 1974, where he completed his postgraduate studies in industrial engineering in 1979. Having worked as a Research Assistant at METU since he was a student, he began his professional career as a Planning Engineer at the Petkim Aliğa Complex during its construction in September 1979.

He joined Tekfen Construction in September 1983, and represented the company in a number of joint ventures and consortiums set up with foreign partners for the purpose of carrying out pipeline and motorway construction projects. In 1995, he was appointed General Manager of HMB (Hallesche Mitteldeutsche Bau A.G.), the Tekfen Holding subsidiary in Germany; in tandem with this post, he was also assigned as Assistant General Manager in charge of Tekfen Construction operations in Kazakhstan and Germany in September 2008.

Between 2016-2017, Cahit Oklap served as Vice President of Tekfen Holding in charge of Strategy, Business Development and Investments. From 2017 until March 2019, he served as member, Acting Chairman and Chairman of the Boards of Directors of Tekfen Construction, Tekfen Engineering, Tekfen Manufacturing, Gate Construction, Azfen and Toros Agri. Currently serving as the General Manager of HMB, Oklap was appointed President of Tekfen Group Companies in March 2019.

Gürbüz Alp Kireç

General Secretary

Born in Çanakkale in **1951**, Gürbüz Alp Kireç graduated from Robert College in 1969, receiving his undergraduate degree in Civil Engineering at Boğaziçi University in 1973 and his MS in Analytical Soil Mechanics at King's College, University of London in 1974. Kireç began his professional career as Planning Engineer at the construction of the Çanakkale Cement Plant in 1974.

Kireç joined Tekfen Construction and Installation, Inc. as Assistant Site Manager in 1978, serving as Project Coordinator and Project Manager in various projects both in Turkey and abroad until 1994. He was appointed Deputy General Manager of Teksan (Tekfen-Eksan) JV in 1991, and

served as General Manager of the Oger-Tekfen Partnership in Saudi Arabia between 1994 and 1998. At this date, he was appointed VP of Logistics at the company headquarters. In 2003, he assumed the position of VP in charge of Operations, and was Senior VP of Operations between 2005 and 2013 while also serving as Chairman of the Board at GATE, Inc. and Project Sponsor of the Azerbaijan and Saudi Arabia projects.

Kireç became Vice Chairman of the Board at Tekfen Construction in 2013 and Chairman of the Board at Tekfen Construction, Tekfen Manufacturing and Tekfen Engineering as well as Vice Chairman of the Board at Azfen and Geotek JVs in 2016.

In March 2017, Gürbüz Alp Kireç was appointed Vice President of Tekfen Holding in charge of the Contracting Group. He was appointed General Secretary of the Holding in 2019.

Assoc. Prof. Osman Reha Yolalan

Vice President, Chief Financial Officer

Born in Istanbul in **1961**, Assoc. Prof. Osman Reha Yolalan graduated from Istanbul Technical University in 1984 with an undergraduate degree in industrial engineering. He then attained a master's degree in the same field from Boğaziçi University in 1987 and a PhD in management science from Universite Laval, Canada, in 1990. Since 1993, he has been a part-time faculty member at Boğaziçi, Marmara and Sabancı universities teaching courses in economics and finance. In 2000, Yolalan became an associate professor in operations research.

Yolalan started his professional career as a Strategic Planning Group specialist at Yapı ve Kredi Bankası A.Ş. in 1991. Between 2000 and 2004, he served as Executive Vice President in charge of financial analysis and credit risk management, and then as Yapı ve Kredi Bankası A.Ş. CEO between 2004 and 2005. He has also served as Board Member of the bank's financial affiliates in Turkey and abroad.

Osman Reha Yolalan joined Tekfen Group of Companies first as a member of the Board of Directors at Tekfenbank in 2006, and Tekfen Holding within the same year, in order to assume a key role in the Company's IPO. Having served as Vice President of Tekfen Holding in charge of Corporate Affairs between 2006 and 2019, Reha Yolalan was appointed CFO as of March 2019. Holding seats on the Boards of Directors of several Tekfen Group Companies as Chairman, Vice Chairman or Member, he is also an Independent Board Member of QNB Finansbank since June 2016.

Levent Kafkaslı

Vice President, Contracting Group

Born in Zonguldak in **1963**, Levent Kafkaslı received his bachelor's degree in civil engineering from İstanbul Technical University in 1987 and his master's degree in construction management from İstanbul University in 1988.

Levent Kafkaslı joined Tekfen Construction as a Field Engineer in 1990 and worked in a number of positions until 1999, when he was appointed Vice President of Azfen JV in Azerbaijan. From 2005 to 2013 he served as Vice President of Tekfen Construction

Having functioned as the General Manager of Tekfen Construction from 2013 to 2019, Kafkaslı assumed the position of Vice President responsible for Tekfen Holding's Construction Group, in tandem with which he holds seats on the Boards of Directors of several Group Companies as Chairman, Vice Chairman or Member.

In March 2019, he was appointed Vice President of Tekfen Holding in charge of the Contracting Group, as well as Chairman, Vice Chairman and Board Member in various group companies.

Hakan Göral

Vice President, Agri-Industry Group

Born in **1967**, Hakan Göral graduated from Eskişehir Anatolian High School in 1985 and Boğaziçi University, Department of Mechanical Engineering in 1990. He then received his MS from Marmara University, Department of Industrial Engineering. Göral also attended advanced programs in Executive Management and Leadership at Northwestern University, Kellogg School of Management, and Stanford University.

Between 1990 and 2002, Göral was in charge of coordinating supplier development, purchasing, and central purchasing operations as Group Manager in the Automotive Supply Coordination Group of Koç Holding and was also leading a number of projects within the Koç Automotive Group. He then worked as Deputy General Manager responsible for Sales, Human Resources, Information Technologies, Accounting, and Finance and CFO at Mako Elektrik (Magnet Marelli J. V.) between 2001 and 2004. In 2006, Göral assumed the title of Senior Vice President, Turkey at Componenta, which had acquired Döktaş, and served as Executive Board Member of Componenta Corporation and as the general manager of four business units in Turkey. Göral was also Member of the Board at Componenta Dökümcülük ve Ticaret A.Ş. and Kumsan A.Ş. Between 2012 and 2016, Göral was CEO and Chairman of the Executive Board at İnci Holding, and was

chairman or member the board of several İnci Holding Group Companies such as İnci Akü, İncitaş, ISM, İnci Lojistik, Aten Brantner, and Maxion İnci.

In April 2016, Hakan Göral was appointed General Manager of Toros Agri and Tekfen Holding acting Vice President in charge of the Agri-Industry Group, in which position he began serving in full capacity as of March 2017. Göral has become the Chairman of the Board of Toros Agri in May 2019.

Ahmet Okçular

Vice President, Strategy, Business Development and Investments

Born in İstanbul in **1970**, Ahmet Okçular graduated for Kadıköy Anatolian High School in 1988 and received his BS degree from Boğaziçi University, Departments of Electrical and Electronics Engineering and Industrial Engineering in 1993 and his MS degree in International Business Management from International University of Japan in 1995.

Ahmet Okçular began his professional career as an Associate in the Corporate Finance Department of Finans Yatırım Menkul Değerler A.Ş. and became the Group Manager serving as an advisor on numerous public offerings, M&A transactions, project financing and privatisation projects. In 2005, Okçular joined HSBC Bank as the Head of M&A Advisory & Equity Capital Markets, and successfully facilitated many M&A transactions and public offering projects with HSBC Turkey. Okçular also worked as Executive Member of the Board of Directors at HSBC Yatırım Menkul Değerler A.Ş. between 2008 and 2010.

Ahmet Okçular served as Vice President of Strategy, Business Development and Investments, and Acting CFO between 2016 and 2019. In March 2019, he became Vice President of Strategy, Business Development and Investments, in which position he currently serves.

Hakan Dündar

Deputy Chief Financial Officer

Born in İstanbul in **1976**, Hakan Dündar graduated from Marmara University, Department of Economics in 1999 and then completed his master's degree in finance at the University of Baltimore. Having started his professional career at Deloitte, an independent audit firm, Hakan Dündar worked in this company in various roles from 2001 to 2007.

He joined the Tekfen Group as Audit Manager in October 2007, and then served as Coordinator of Financial Control and Reporting, and as Group Companies Director of Financial Control and Reporting. In March 2019, he was appointed acting CFO of Tekfen Holding.

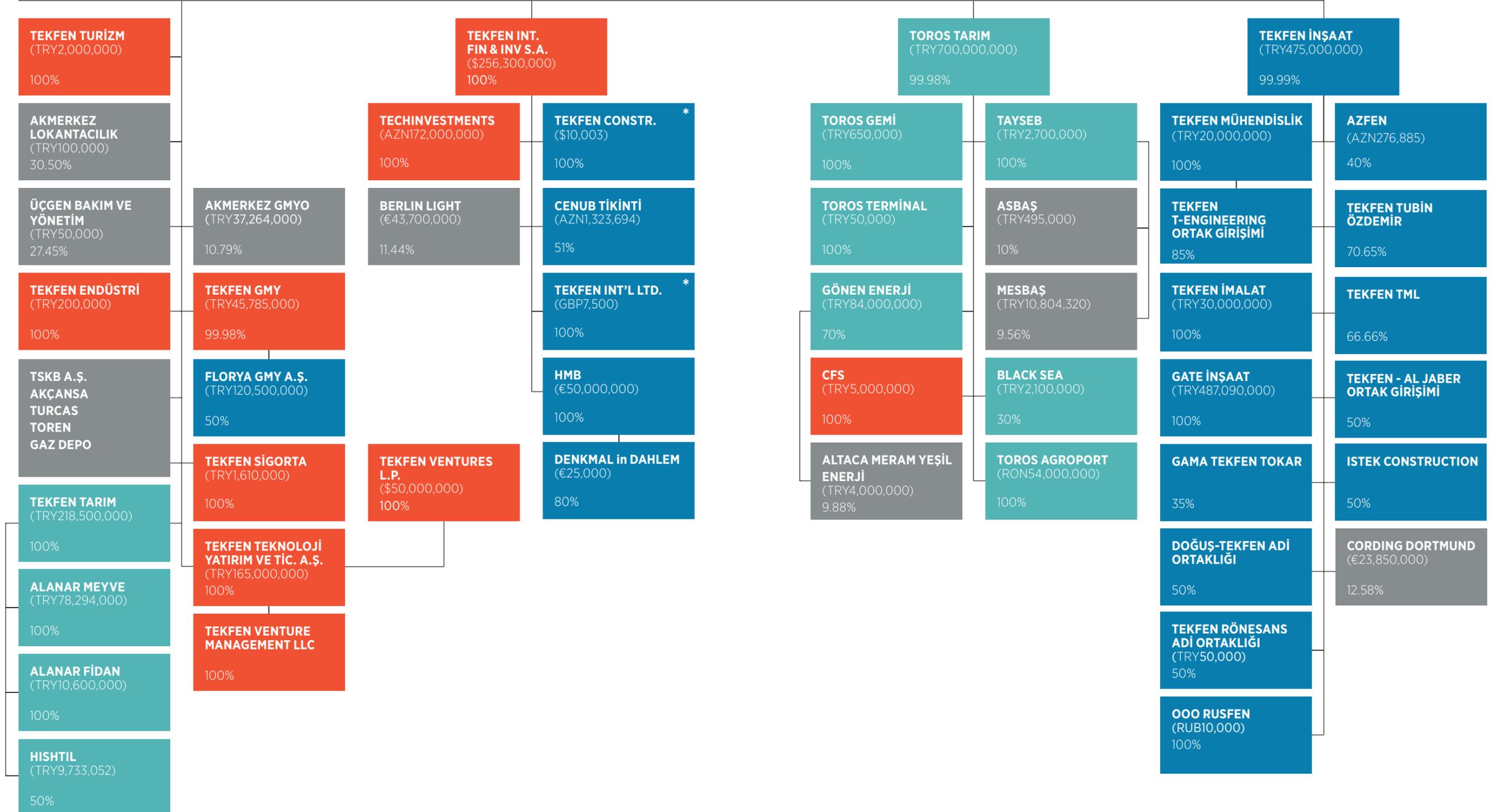
Since April 2016, Hakan Dündar has been a Board Member at various group companies, including, in particular, Tekfen Construction among others. He is a Certified Public Accountant (CPA).

Tekfen Group Companies

Tekfen Holding

(TRY 370,000,000)

- Contracting
- Agri Industry
- Other activities
- Companies not included in consolidation



*As of 31 December 2019 the liquidation of these companies are accepted and the announcement is in progress.

Section I

Statement of Compliance with Corporate Governance Principles

Having established its management and its relations with shareholders, employees and third parties on the principles of equality, transparency, accountability and responsibility ever since its incorporation, the Tekfen Group espouses compliance to fundamental governance principles as an integral element of its existence in keeping with its deep-rooted values and strong corporate tradition. The Group stringently adheres to the corporate governance concept in order to maintain successful business practices and make Tekfen shares an attractive investment instrument for current shareholders and potential investors. Having gone public in 2007, the Tekfen Group embraces the “Corporate Governance Principles” set out in the Capital Markets Board of Turkey (CMB) Corporate Governance Communiqué No. II-17.1 (the Communiqué), and exercises the due diligence for their proper implementation. In this framework, the Tekfen Group has achieved full compliance with all compulsory principles, and implements the majority of non-compulsory ones in line with the prudent management philosophy established over the years at Tekfen. The Group continues to work on those aspects with which full compliance is yet to be achieved due to certain hardships arising from market conditions, the characteristics of the Company’s business lines, and integration of these principles with the Company’s structure. Efforts in this vein will be ongoing also in the future. The CMB Corporate Governance Principles, with which we have yet to achieve compliance as of 2019, are listed below (the numbers assigned refer to the relevant article numbers of the CMB Corporate Governance Principles).

1.3.11 General Assembly meetings are not open to the public, including stakeholders and media, who would be silent in these meetings. Solely shareholders and company employees can attend the General Assembly meetings.

1.5.2 Minority rights are not granted to those holding less than one twentieth of the capital in the Articles of Association, nor the scope of minority rights have been stipulated and expanded therein.

3.1.3 Policies and procedures concerning stakeholder rights are not published on the Company’s corporate website.

3.2.1 Employee participation in management has not been set out in the Articles of Association or in any internal guideline.

3.2.2 Questionnaires, probing or similar methods are not implemented to seek the opinions of stakeholders in relation to material decisions bearing a result for stakeholders.

4.3.9 Neither a target, nor a policy has been established setting a minimum target of 25% for women members on the Board of Directors.

4.5.5 Some of the Board of Directors members serve on several committees.

4.6.1 The Board of Directors does not conduct a self-assessment of its performance to evaluate whether it fulfils its responsibilities effectively.

4.6.5 Remunerations paid to the Board of Directors members and executives with administrative responsibility are not disclosed on an individual basis in the annual report. The Group has achieved partial compliance with the following principles:

1.3.10 The amounts of all donations and grants and their beneficiaries are addressed under a dedicated item in the General Assembly agenda, and donations above TRY 5,000 are grouped according to recipient individuals and organisations and disclosed as such.

3.3.1 While the Company has espoused an employment policy providing equal opportunities and succession planning for all key managerial positions, efforts are underway for implementing this policy across all Tekfen Group companies.

3.3.4 From amongst various topics such as the Company’s financial position, remuneration, career planning, training and health, information meetings and training programs are carried out specifically in relation to health, training, and occupational health and safety.

4.4.7 There are no restrictions regarding external positions to be held by the members of the Board of Directors. External positions held by the Board members are presented for the information of shareholders in the annual report.

The Company’s Corporate Governance Compliance Report and Corporate Governance Information Form for 2019 have been accepted by the Board of Directors and are accessible on our Company’s page at the address www.kap.org.tr.

Section II

Board of Directors

2.1. The Structure and Composition of the Board of Directors

The Company’s administration is undertaken by a Board of Directors of nine to eleven members chosen by the General Assembly.

A Board of Directors consisting of 11 members, each to serve for one year, was decided upon at the Annual Ordinary General Assembly held on 27 March 2019.

Name	Position
Murat Gigin	Chairman
Cansevil Akçağlılar	Vice Chairwoman
Osman Cengiz Birgili	Vice Chairman
Ali Nihat Gökyiğit	Member
Sinan K. Uzan	Member
Assoc. Prof. Ahmet İpekçi	Member
M. Ercan Kumcu, PhD.	Member
Çiğdem Tüzün	Independent Member
Neriman Ülsever	Independent Member
Gülsüm Azeri	Independent Member
Şevki Acuner	Independent Member

Attendance of the Board Members and the Committee Members to the meetings						
Name	Independent Members	Board of Directors (12 meetings)	Audit Committee	Corporate Governance Committee	Risk Committee	Remuneration Committee
Murat Gigin		12/12				3/3
Cansevil Akçağlılar		7/12				
Osman Cengiz Birgili		9/9				
Ali Nihat Gökyiğit		12/12				
Sinan K. Uzan		11/12				
Ahmet İpekçi		12/12				
Mehmet Ercan Kumcu		12/12			6/6	
Neriman Ülsever	•	12/12		4/4		3/3
Çiğdem Tüzün	•	11/12	6/6			
Gülsüm Azeri	•	11/12			6/6	
Şevki Acuner	•	9/9	4/4	3/3		

Four independent members serve on the Board of Directors and each has provided a written statement of independence.

According to the Company’s Articles of Association, the Board of Directors executes the tasks given to it within the Turkish Commercial Code, the Articles of Association, and the decisions of the Company’s General Assembly.

The Board can delegate some or all of its authority responsibilities, including its authority to represent the Company, to a committee made up of its own members or to managing director(s) or general manager(s), as well as directors who are not shareholders.

At its first meeting, the Board of Directors chooses a chairman and a vice-chairman from among its members. In addition, the Board of Directors may, provided it retains the inalienable and indispensable duties and authorities given to it in Article 375 of the Turkish Commercial Code, transfer some or all of its administrative authority to one or more board members or to a third party, on the basis of internal guidelines to be prepared.

In this regard, Murat Gigin was appointed Chairman of the Board of Directors, Cansevil Akçağlılar was appointed as Vice-Chairwoman, and Osman Cengiz Birgili was appointed as Vice-Chairman following the Annual Ordinary General Assembly held in 2019.

To allow board members take positions in other Group Companies, it was decided in the Annual General Meeting that the board members would not be subject to the prohibitions and limitations outlined in articles 395 and 396 of the Turkish Commercial Code numbered 6102. In this regard, board members are not limited in any way from taking positions outside the Company for the period covered by the General Assembly’s decision.

In this frame, information on other positions undertaken by the board members at Tekfen Group Companies and non-Group companies in 2019 is provided on the following page.

Currently, none of the Board members is engaged in any activity that would constitute a conflict of interest or would be deemed as competing in the Company’s area of business.

There are four women (36%) on our Company’s Board of Directors; however, there is no set target for the number of women to make up the board or specific timeframe that has to be met for any such target.

2.2. Principles of Activity of the Board of Directors

Issues related to the Board’s meeting frequency and quorum are defined in the Company’s Articles of Association. Accordingly, the Board of Directors must convene as often as business and operations necessitate, but at least four times a year.

The quorum required for a Board meeting to commence is half the membership plus one and all decisions require a majority. Board decisions may also be made by obtaining the written decision of each member provided that none of the members demands a discussion of the subject in a meeting.

The Legal Department acts as secretariat of the Board of Directors.

The agenda of the meetings are determined by discussion of proposals between the Tekfen Group Companies President and the Chairman of the Board. The agenda and documents pertaining to it are prepared by the secretariat of the Board of Directors. The secretariat then submits them in a single dossier to each member of the board in sufficient time before the meeting so that they can examine and assess the subject matter contained therein.

During 2019, twelve physically attended meetings were held; throughout the year, 81 decisions were passed and participation rate in meetings and decisions averaged 97%.

Positions of Board Members in Group and Non-Group Companies

Name	Group Companies	Non-Group Companies
Murat Gigin		<p>Agromak Makine İmalat San. ve Tic. A.Ş. Chairman of the Board of Directors & Executive Director Akmerkez Gayrimenkul Yatırım Ortaklığı Vice Chairman of the Board of Directors ANG Yatırım Holding A.Ş. Vice Chairman of the Board of Directors Ekozey Ekolojik ve Organik Tarım Gıda Hayvancılık ve Turizm Taşımacılık İth. İhr. İnş. San. Tic. A.Ş. Chairman of the Board of Directors ENAT Endüstriyel Ağaç Tarımı San. ve Tic. A.Ş. Chairman of the Board of Directors Galipoli Gıda Ürünleri Sanayi ve Ticaret Ltd. Şti. Company Manager İmbroz Tarım Hayvancılık Gıda San. Tur. ve Tic. Ltd. Şti. Company Manager Macahel Arıcılık Turizm Nakliyat ve Tic. A.Ş. Member of the Board of Directors Salda Enerji A.Ş. Member of the Board of Directors Tekzen Ticaret ve Yatırım A.Ş. Chairman of the Board of Directors & Executive Director Viem Ticaret ve Sanayi Yatırımları Ltd. Şti. Company Manager Zen Enerji A.Ş. Chairman of the Board of Directors The Association of Category Merchandising (KMD) Member of the Board of Directors EDRA (European DIY - Retail Association) Member of the Board of Directors GHIN (Global Home Improvement Network) Member of the Board of Directors The Turkish Foundation for Combating Erosion Reforestation and the Protection of Natural Habitats (TEMA) Member of the Board of Trustees</p>
Ahmet İpekçi		<p>Üçgen Bakım ve Yönetim Hizmetleri A.Ş. Vice Chairman of the Board of Directors</p>
Mehmet Ercan Kumcu	<p>Tekfen Sigorta ve Aracılık Hizmetleri A.Ş. Chairman of the Board of Directors Toros Tarım Sanayi ve Ticaret A.Ş. Vice Chairman of the Board of Directors Tekfen Teknoloji Yatırım Ticaret A.Ş. Member of the Board of Directors</p>	<p>Anadolu Grubu Holding A.Ş. Independent Member of the Board of Directors Adel Kalemcilik Ticaret ve San. A.Ş. Independent Member of the Board of Directors</p>
Sinan K. Uzan	<p>Tekfen Ventures LLP Chairman of the Board of Directors Tekfen Venture Management LLC Chairman of the Board of Directors</p>	<p>Akmerkez Gayrimenkul Yatırım Ortaklığı Yönetim Kurulu Üyesi</p>
Ali Nihat Gökyiğit		<p>Ali Nihat Gökyiğit Holding A.Ş. Chairman of the Board of Directors</p>
Osman Cengiz Birgili	<p>HMB AG Chairman of the Board of Directors Tekfen Tarımsal Araştırma Üretim ve Pazarlama A.Ş. Vice Chairman of the Board of Directors Tekfen Teknoloji Yatırım Ticaret A.Ş. Chairman of the Board of Directors</p>	<p>Ofispark Gayrimenkul Ticaret A.Ş. Yönetim Kurulu Üyesi</p>
Gülsüm Azeri	<p>Toros Tarım Sanayi ve Ticaret A.Ş. Member of the Board of Directors</p>	<p>Kaleseramik Çanakkale Kalebodur Seramik Sanayi A.Ş. Vice Chairwoman of the Board of Directors</p>
Şevki Acuner		<p>Anadolu Efes Biraçılık ve Malt Sanayii A.Ş. Independent Member of the Board of Directors Migros Ticaret A.Ş. Independent Member of the Board of Directors JSC Ukrainian Railways Chairman of the Board of Directors JSC UkrEnergo NPC Chairman of the Board of Directors</p>

All Board decisions were passed unanimously. In cases where the Capital Markets legislation so requires, important Board decisions are publicly announced with a disclosure of material events.

The board members do not have privileges such as weighted voting rights or a negative right of veto.

There is a “Directors’ and Officers’ Liability” policy for our Company’s board members and senior executives.

2.3. Financial Rights Provided to the Members of the Board of Directors and Executives with Administrative Responsibility

Board members: TRY 3,007,100

Executives with Administrative Responsibility: TRY 24,422,659

(Executives with Administrative Responsibility are the President and Vice Presidents of the Group Companies.)

The above mentioned total remuneration allocated to the Members of the Board consists only of their sessional allowances. Remuneration otherwise paid to some of the Board members for consultancy and/or Board membership in some Group companies amounts to TRY 8,234,156.

Financial benefits are not determined and granted in line with a performance-based system but, paying dividends out of profits can be accepted as a performance based awarding system except for Independent Board Members, whose remuneration is governed by regulations.

The Company does not lend money, extend credit, or extend loans under the name personal loan through a third person to any board member or manager, nor does it make available guarantee in their favour such as suretyship.

Section III Committees

Committees have been set up at the Company to assist the Board of Directors with proper fulfilment of its duties and responsibilities.

Established as per the legislation, these committees are the Audit Committee, Corporate Governance Committee, Early Detection of Risk Committee and Remuneration Committee, and they report to the Board of Directors.

On the other hand, the Nomination Committee required to be set up pursuant to Corporate Governance Principles has

been organised within the Corporate Governance Committee that fulfils the duties incumbent upon the former by legislation.

The Duties and Working Principles of these committees designating the general procedures through which they act can be obtained from the Company’s website.

From amongst these committees, the Audit Committee and the Corporate Governance Committee meets at least four times a year no further apart than three months, the Risk Committee meets every two months, and the Remuneration Committee meets as and when necessary.

3.1. Audit Committee

Members of the Audit Committee consist of two of our independent board members. During 2019, Çiğdem Tüzün served as the head and Şevki Acuner as the member of the committee.

In line with Capital Markets Legislation, the Audit Committee is responsible for supporting the Board of Directors by overseeing the Company’s accounting system, the public disclosure of financial information, the independent auditing, and by monitoring the effectiveness and performance of the internal audit mechanism, and for reporting on its evaluations to the Board of Directors.

In 2019, the Tekfen Holding Audit Committee convened six times to deliberate recent internal auditing activities. During these meetings, information was provided about the findings and conclusions of both internal and independent auditing.

3.2. Corporate Governance Committee

During 2019, independent board member Neriman Ülserver served as the head of the committee, and board member Şevki Acuner and Tekfen Holding Investor Relations and Corporate Governance Director Çağlar Gülveren served as the committee members.

In line with Capital Markets Legislation, the Corporate Governance Committee is responsible for monitoring the Company’s compliance with the CMB’s Corporate Governance Principles, proposing improvements in compliance, and making recommendations on compliance issues to the Board of Directors. Moreover, in addition to these duties, because the Candidate Nominating Committee organised under the Corporate Governance Committee, this Committee duties are by extension performed by the Corporate Governance Committee.

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3.3. Early Detection of Risk Committee

Properly monitoring and managing the operational risks to which they are exposed has always been an element of both Tekfen Holding's and all Tekfen Group Companies' approach to prudent management.

Since 1 July 2012, when Turkey's new commercial law went into effect, Tekfen's longstanding approach to dealing with such issues has also been informed by newly-introduced rules that mandate certain risk management functions in publicly-traded companies. In line with this, Tekfen Group companies acting under the coordination of Tekfen Holding have developed a common approach and method for managing and reporting the risks that are likely to confront them.

Tekfen Holding and Group Companies have a written document governing, explaining and laying down the rules for managing their respective risks. The periodic reports for monitoring the risks are submitted for the information of the Early Detection of Risk Committee every two months.

The organisational units tasked with the conduct and reporting of risk management activities have also been specified in every Tekfen Group company. Risk reports of every Group Company are submitted to the Holding after being approved by the respective company's Board of Directors.

Tekfen Holding Risk Committee reviews the risk documents received from the companies every two months, and refers the major risks and its own comments and assessments to the Tekfen Holding Board of Directors. Risks are considered by the Tekfen Holding Board of Directors, which may instruct Tekfen Group companies as to how particular risks are to be managed.

In addition, a copy of each Tekfen Holding Consolidated Risk Report is regularly sent to the independent auditor.

During 2019, independent board member Gülsüm Azeri functioned as the head of the Risk Committee, while board member Ercan Kumcu served as the committee member.

3.4. Remuneration Committee

The Remuneration Committee determines the principles, criteria and practices to be employed in the remuneration of board members and executives with administrative responsibility in view of the Company's long-term goals.

The committee is charged with monitoring these principles, criteria and practices, and with presenting remuneration suggestions for board members and executives with administrative responsibility to the board of directors, taking into consideration the extent to which the criteria employed in remuneration have been achieved.

Board members Murat Gigin, Sinan Uzan and Neriman Ülsever serve on this committee.

Section IV Internal Audit

While internal auditing functions in the Contracting Group and Agri-industry Group divisions of Tekfen Holding are carried out by the individual groups' internal audit teams, the Tekfen Holding Group Internal Audit Department has overall responsibility for the internal auditing of all companies in the Tekfen Group, which includes the auditing of all of their units. It is also responsible for ensuring that all internal auditing activities are conducted uniformly and in accordance with international standards. In order to be certain that internal auditing functions are performed independently and impartially, internal audit units report directly to their individual company's board of directors through that company's audit committee.

The Tekfen Holding Group Internal Audit Directorate is responsible for coordinating efforts to improve internal control systems. Every internal audit team's responsibilities include assessing and reporting on the effectiveness and efficiency of their respective system.

Every internal audit unit in the Tekfen Group is responsible for examining internal audit, risk management, and corporate governance processes as a cohesive whole and for reporting its findings and conclusions to members of its own audit committee.

When preparing annual internal audit plans, internal audit units include the audit areas that are identified as risky in the risk assessments in these plans. Internal audit units also make use of the results of enterprise risk management activities when revising the internal audit plans in light of issues that are identified as being risky during the year.

Internal audit activities are carried out taking into account both international auditing standards and the requirements of applicable laws and regulations. Tekfen Holding and group company audit committees are also responsible for ensuring that the conduct of internal auditing functions complies with International Standards for the Professional Practice of Internal Auditing.

The Tekfen Holding Group Internal Audit Directorate compiles the internal audit reports submitted to it by individual Tekfen Group companies and submits its findings and conclusions to the Tekfen Holding Audit Committee. Internal auditing results are reported to this committee at three-month intervals and to the Tekfen Holding Board of Directors at six-month intervals. During 2019, the Internal Audit Directorate presented 30 audit reports to the Audit Committee.

Section V Legal Disclosures

5.1. Shareholder Structure

At the General Assembly Meetings, each share with a nominal value of TRY 1 entitles its holder to one vote. There are no privileged shares in the Company's capital.

Shareholder	Number of Shares	Share Ratio (%)
Heirs of Feyyaz Berker	64,243,983.06	17.36
Alev Berker	10,830,186.45	2.93
Meltem Berker	4,174,086.92	1.13
Şebnem Berker	4,174,086.92	1.13
Berker - Total	83,422,343.35	22.55
Cansevil Akçağlılar	24,611,073.57	6.65
Akçağlılar - Total	24,611,073.57	6.65
Ali Nihat Gökyiğit	29,688,792.17	8.02
Ali Nihat Gökyiğit Yatırım Holding	33,613,879.45	9.08
Ang Vakfi	18,561,944.73	5.02
Gökyiğit - Total	81,864,616.35	22.13
Others	5,682,901.24	1.54
Publicly held	174,419,065.49	47.14
GRAND TOTAL	370,000,000.00	100.00

5.2. Lawsuits Brought against the Company with a Potential Impact on the Company's Financial Position and Activities, and Information about their Possible Outcomes

As of 31 December 2019, the aggregate value of lawsuits filed against the group excluding the Libyan arbitration suit amounted to TRY 203,760 thousand (31 December 2018: TRY 186,701 thousand). As of the same date and on the advice of our attorneys, TRY 13,382 thousand (31 December 2018: TRY 12,803 thousand) had been set aside as a provision to cover those suits in which there is deemed to be a high probability of an unfavourable outcome and potential outflow of resources. In the considered opinion of our attorneys, there is no risk of having to make any payments in lawsuits against which provisions have not been set aside.

Libyan Arbitration Suit

Based on the Tekfen Group's decision of 30 January 2015 for going to arbitration for recovering all of its rights, receivables and assets in the Great Man-Made River Project undertaken in Libya by Tekfen-TML Joint Venture (Tekfen TML J.V.), in which the Group controls 67% stake, and which has been suspended for an indefinite period of time because of the unrest that began on 21 February 2011 in that country, a commercial arbitration suit was initiated against the Libyan Man-Made River Authority (MMRA), the employer concerned with the project, and the Libyan government before the International Court of Arbitration of the International Chamber of Commerce (ICC), and this matter was announced in our public disclosure dated 18 June 2015. In our public disclosure of 12 October 2015, it was announced that a second arbitration suit has been initiated against the Libyan government through the ICC on the basis of a treaty between Libya and Turkey concerning the reciprocal promotion and protection of investments in the two countries. Tekfen TML J.V. received the interim award of the arbitration suit based on the treaty initiated before the ICC.

In the interim award, the arbitral tribunal decided that it has jurisdiction over the MMRA but not over the Libyan government; that MMRA will pay an indemnification of USD 40,499 thousand (Group's share USD 27,134 thousand) to Tekfen TML J.V. and that it should reimburse Tekfen TML J.V. for the USD 5,000 thousand (Group's share USD 3,350 thousand) it has incurred for litigation expenses; that additional pleas should be requested from the parties to determine the interest to be applied on the aforementioned amounts; that all cross actions initiated by the respondent MMRA shall be dismissed and that only USD 365 thousand shall be set off from the amount

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adjudged in favour of Tekfen TML J.V.; that the contract Tekfen TML J.V. has with the MMRA needs to be adapted according to the changed circumstances; and that the material consideration of such things as machinery and equipment that Tekfen TML J.V. needs to carry on shall be evaluated within the scope of the adaptation request.

The award of the ICC is final, and Tekfen TML J.V., claiming that the Libyan government should also be a party to the suit and should be held responsible for the loss, filed a suit before the Federal Court of Switzerland in Switzerland, which is the seat of arbitration, for annulment of that part of the ICC award which ruled otherwise.

The lawsuit filed before the Federal Court was dismissed on the grounds that the arbitration agreement is not extendable to the Libyan government. The settlement negotiations between the parties are in progress for redefining the agreement terms for the rest of the suit based on the award of the arbitral tribunal.

In order to collect the specified indemnification, the award needs to acquire a compulsory enforcement nature as a result of the recognition and annulment suits to be filed for the award given for various countries and in particular for Libya, the elements of the respondent MMRA's assets need to be ascertained, and execution against the same needs to be levied; hence, there will be no impact on the Group's consolidated financial statements at this point.

The arbitration suit detailed above is the contractual judicial remedy between Tekfen TML J.V. and MMRA/ Libya. In addition to this suit, in another arbitration suit in progress, which relies on the treaty between Turkey and Libya for reciprocal promotion and protection of investments which has been filed against the Libyan government, the arbitral tribunal adjudged that it has jurisdiction over the suit but that, as opposed to the demand of Tekfen TML J.V., Libya has not violated its obligation to protect and treat equally under the said treaty or international common law. As part of this award, the arbitral tribunal also adjudged that Tekfen TML J.V. has a liability of GBP 2,700 thousand towards Libya in litigation costs. Tekfen TML J.V. has taken steps to have this amount set off from the indemnification adjudged in its favour, which was disclosed in the Material Event Disclosure dated 5 November 2018.

Other

Economic, financial and social policy changes in the countries where Tekfen pursues operations might impact

the operating profitability of the Group.

Fluctuating prices in national and international commodity markets could also impact the Group's operations and profitability.

5.3. Changes in legislation with a potential material impact on the Company's activities

None

5.4. Changes in Management and/or Operations of the Company and Subsidiaries with a Potential Material Impact on the Company's Activities

None. Material event disclosures made by the Company under the applicable legislation can be reached at <http://www.kap.org.tr/>.

5.5. Conflicts of Interest between the Company and Providers of Consultancy, Rating or Similar Services

The Company is not in a relationship that might lead to a conflict of interest between the organisations from which it procures consultancy services.

5.6. Information about Shareholders' Requests to Add Items to the Meeting Agenda

In cases where requests for adding agenda items that have been submitted in writing by the Company's shareholders to the Investor Relations Department are refused by the Board of Directors, suggested agenda items by shareholders are presented within the information about declined suggestions and the reasons for their refusal. No such requests were presented for the Ordinary General Assembly Meeting where 2019 activities would be discussed.

Section VI

Statements of Independence

I hereby declare that I am a candidate for independent board membership at the Board of Directors of Tekfen Holding A.Ş. ("Company") under related regulations, Articles of Association of the Company and the criteria stated in the Capital Markets Board's ("CMB") Communiqué on Corporate Governance. In that regard I also confirm that;

a) In the last five years, I, my spouse or my up to the second degree blood or affinity relatives is not or has not been; employed by as a key management personnel; has not had ordinary or privileged shareholding exceeding 5% by himself or together with; or has not been involved in any material business dealings with the Company, its subsidiaries and affiliates, or shareholders controlling the Company or having material effect over the Company and all entities controlled by those shareholders.

b) In the last five years, I am not or have not been employed by as an executive having significant duties and responsibilities or have not been a member of the board or did not have a shareholding exceeding 5% of an entity which has had a contractual relationship with the Company for a material business transaction including audit (including tax audit, legal audit, and internal audit) rating or consulting services during the terms in which the goods or services were provided,

c) My CV indicates that I have skills, knowledge and expertise relevant to the Company's business and extensive experience to fulfill my duties as an independent board member,

d) I am deemed to be resident in Turkey according to Revenue Tax Law No.193 dated 31.12.1960

e) After my election I will not work full time in a Turkish governmental or public institution, except for the faculty membership under relevant regulations,

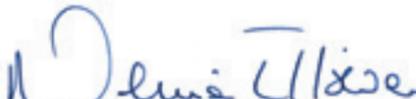
f) I am capable to contribute positively to the operations of the Company, to maintain my objectivity in conflicts of interests between the Company and the shareholders, to have strong ethical standards, professional reputation and experience to freely take decisions by considering the rights of the stakeholders,

g) I will dedicate enough time to follow up the activities of the Company and for the duly fulfillment of my responsibilities,

h) I have not been on the board of the Company for more than six years within last ten years,

i) I am not an independent board member in more than three of the corporations controlled by the Company or its controlling shareholders and in more than five corporations listed on Borsa Istanbul in total.

j) I am not registered in the name of any legal entity elected as a board member.


Neriman Ülsever

Corporate Governance

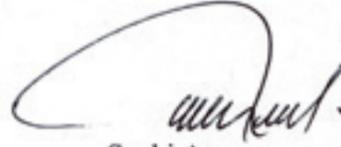
I hereby declare that I am a candidate for independent board membership at the Board of Directors of Tekfen Holding A.Ş. ("Company") under related regulations, Articles of Association of the Company and the criteria stated in the Capital Markets Board's ("CMB") Communiqué on Corporate Governance. In that regard I also confirm that;

- a) In the last five years, I, my spouse or my up to the second degree blood or affinity relatives is not or has not been; employed by as a key management personnel; has not had ordinary or privileged shareholding exceeding 5% by himself or together with; or has not been involved in any material business dealings with the Company, its subsidiaries and affiliates, or shareholders controlling the Company or having material effect over the Company and all entities controlled by those shareholders.
- b) In the last five years, I am not or have not been employed by as an executive having significant duties and responsibilities or have not been a member of the board or did not have a shareholding exceeding 5% of an entity which has had a contractual relationship with the Company for a material business transaction including audit (including tax audit, legal audit, and internal audit) rating or consulting services during the terms in which the goods or services were provided,
- c) My CV indicates that I have skills, knowledge and expertise relevant to the Company's business and extensive experience to fulfill my duties as an independent board member,
- d) I am deemed to be resident in Turkey according to Revenue Tax Law No.193 dated 31.12.1960
- e) After my election I will not work full time in a Turkish governmental or public institution, except for the faculty membership under relevant regulations,
- f) I am capable to contribute positively to the operations of the Company, to maintain my objectivity in conflicts of interests between the Company and the shareholders, to have strong ethical standards, professional reputation and experience to freely take decisions by considering the rights of the stakeholders,
- g) I will dedicate enough time to follow up the activities of the Company and for the duly fulfillment of my responsibilities,
- h) I have not been on the board of the Company for more than six years within last ten years,
- i) I am not an independent board member in more than three of the corporations controlled by the Company or its controlling shareholders and in more than five corporations listed on Borsa İstanbul in total.
- j) I am not registered in the name of any legal entity elected as a board member.


Gulsim Azeri

I hereby declare that I am a candidate for independent board membership at the Board of Directors of Tekfen Holding A.Ş. ("Company") under related regulations, Articles of Association of the Company and the criteria stated in the Capital Markets Board's ("CMB") Communiqué on Corporate Governance. In that regard I also confirm that;

- a) In the last five years, I, my spouse or my up to the second degree blood or affinity relatives is not or has not been; employed by as a key management personnel; has not had ordinary or privileged shareholding exceeding 5% by himself or together with; or has not been involved in any material business dealings with the Company, its subsidiaries and affiliates, or shareholders controlling the Company or having material effect over the Company and all entities controlled by those shareholders.
- b) In the last five years, I am not or have not been employed by as an executive having significant duties and responsibilities or have not been a member of the board or did not have a shareholding exceeding 5% of an entity which has had a contractual relationship with the Company for a material business transaction including audit (including tax audit, legal audit, and internal audit) rating or consulting services during the terms in which the goods or services were provided,
- c) My CV indicates that I have skills, knowledge and expertise relevant to the Company's business and extensive experience to fulfill my duties as an independent board member,
- d) After my election I will not work full time in a Turkish governmental or public institution, except for the faculty membership under relevant regulations,
- e) I am capable to contribute positively to the operations of the Company, to maintain my objectivity in conflicts of interests between the Company and the shareholders, to have strong ethical standards, professional reputation and experience to freely take decisions by considering the rights of the stakeholders,
- f) I will dedicate enough time to follow up the activities of the Company and for the duly fulfillment of my responsibilities,
- g) I have not been on the board of the Company for more than six years within last ten years,
- h) I am not an independent board member in more than three of the corporations controlled by the Company or its controlling shareholders and in more than five corporations listed on Borsa İstanbul in total.
- i) I am not registered in the name of any legal entity elected as a board member.


Şevki Acuner

Corporate Governance

I hereby declare that I am a candidate for independent board membership at the Board of Directors of Tekfen Holding A.Ş. ("Company") under related regulations, Articles of Association of the Company and the criteria stated in the Capital Markets Board's ("CMB") Communiqué on Corporate Governance. In that regard I also confirm that;

- a) In the last five years, I, my spouse or my up to the second degree blood or affinity relatives is not or has not been; employed by as a key management personnel; has not had ordinary or privileged shareholding exceeding 5% by himself or together with; or has not been involved in any material business dealings with the Company, its subsidiaries and affiliates, or shareholders controlling the Company or having material effect over the Company and all entities controlled by those shareholders.
- b) In the last five years, I am not or have not been employed by as an executive having significant duties and responsibilities or have not been a member of the board or did not have a shareholding exceeding 5% of an entity which has had a contractual relationship with the Company for a material business transaction including audit (including tax audit, legal audit, and internal audit) rating or consulting services during the terms in which the goods or services were provided,
- c) My CV indicates that I have skills, knowledge and expertise relevant to the Company's business and extensive experience to fulfill my duties as an independent board member,
- d) I am deemed to be resident in Turkey according to Revenue Tax Law No.193 dated 31.12.1960
- e) After my election I will not work full time in a Turkish governmental or public institution, except for the faculty membership under relevant regulations,
- f) I am capable to contribute positively to the operations of the Company, to maintain my objectivity in conflicts of interests between the Company and the shareholders, to have strong ethical standards, professional reputation and experience to freely take decisions by considering the rights of the stakeholders,
- g) I will dedicate enough time to follow up the activities of the Company and for the duly fulfillment of my responsibilities,
- h) I have not been on the board of the Company for more than six years within last ten years,
- i) I am not an independent board member in more than three of the corporations controlled by the Company or its controlling shareholders and in more than five corporations listed on Borsa İstanbul in total.
- j) I am not registered in the name of any legal entity elected as a board member.


Cansen Başaran-Symes

Section VII

Tekfen Holding A.Ş. Dividend Policy

The Company's dividend policy is determined according to the Turkish Law of Commerce, the CMB's legislation and its regulations and decisions, the tax laws, other relevant legislation, and the Company's articles of association.

1. Article 27 of the Holding's Articles of Association reads as follows:

Profit will be distributed as outlined below from the net profit stated in the Holding's balance sheet and reached after deducting the general expenditure of the Company, various amortisation costs, and mandatory taxes. The relevant provisions of the Capital Markets Law and notifications of the Capital Markets Board will be followed during the process of profit distribution.

General Legal Reserves:

- a) Legal reserves at a rate of 5% will be allocated.

First Dividend:

- b) To the remaining amount, grants delivered during the year, if any, are added, from this total at least 30% first dividends are allocated provided the rate or the amount is not below those set by the Capital Markets Law.
- c) A maximum of 3% of the remaining amount will be allocated to the Tekfen Foundation for Education, Health, Culture, Art and Protection of Natural Habitat.
- d) After the above mentioned deductions, the General Assembly has the right to decide on an allocation of dividends that does not exceed 2% of the remaining profit to members of the Board (in line with the limits and principles set by the Board).

Second Dividend:

- e) The General Assembly is entitled to distribute the amount remaining (after the deduction of the items outlined in a, b, c, and d, above) from the net profit as second dividends or allocate it as extraordinary legal reserves

General Legal Reserves:

- f) Subject 3 of paragraph 2 of Article 519 of the Turkish Law of Commerce and the provisions of paragraph 3 of the same article do not apply to the Holding.

- g) No decision may be made to set aside profits or other reserves to transfer profits to the following year, or to distribute dividends to the founders or dividend right certificate holders, board members unless the first dividend is paid as provided and unless the reserves required to be set aside as required by law have been so set aside.

- h) Dividends shall be distributed to all the existing shares as of the distribution date without regard to the date of issue or acquisition of such shares.

The decision as to how and when the annual profit will be distributed to the shareholders will be decided by the General Assembly upon the recommendation of the Board and in accordance with the provisions of the Turkish Tax Laws and the Capital Markets Law. Profit distributed according to the provisions of the Articles of Association cannot be recovered.

2. The place and date of dividend payments are set in accordance with Capital Market Board Regulations.

3. Within the framework of Article 28 of the Company's Articles of Association, if the Company General Assembly so authorises the Board, advance dividend payments may be made (for that specific year only). The Capital Markets Law is taken into account during this process.

Information about the Company's profit distributions within the most recent five years is presented in the table below.

Profit Distribution	2015 (for 2014)	2016 (for 2015)	2017 (for 2016)	2018 (for 2017)	2019 (for 2018)
Consolidated Net Profit (TRY thousand)	55,909	185,446	324,411	771,299	1,403,061
Total Dividends Distributed to Shareholders (TRY thousand)	40,001	60,081	113,545	232,530	421,526
Dividend Ratio	80%	35%	35%	30%	30%
Earnings per Share (TRY)	0.1081	0.1624	0.3069	0.6285	1.1392
Paid on	25.06.2015	13.05.2016	29.03.2017	04.04.2018	02.04.2019

Section VIII Board of Directors' Annual Report

Esteemed shareholders,

The Tekfen Group booked TRY 14,603 million in turnover and TRY 1,415 million in net profit on a consolidated basis in 2019, and as such, created a significant value not just for its shareholders, but also for the Turkish economy. As we happily share the year 2019 results, we would also like to extend our thanks to our directors, employees, customers and all our stakeholders for their contributions and hard work that made these results possible.

Our Contracting Group posted TRY 10,539 million in turnover and TRY 984 million in profitability in 2019, while also generating a significant amount of foreign currency inflow for the national economy owing to the fact that a substantial portion of its business volume is derived in foreign countries.

Our Agri-industry Group generated TRY 3,983 million in turnover and TRY 386 million in profit in 2019. Accordingly, the Group played an important role in enabling the Turkish farmers to get higher yield from their land and also realised a significant export volume.

While the Tekfen Group carried on with its successful activities financially and operationally in the Contracting and Agri-industry business lines, in which it has specialised, it also continues with its future planning activities passionately and meticulously. In this context, we keep working towards achieving growth or diversification in our existing fields of activity, pursuing vertical integration opportunities, and exploring promising new strategic investment areas. We consider our efforts to this end as part of our understanding to manage sustainable profitability and risks together.

In this framework, as the Board of Directors of Tekfen Holding, we are aiming to keep generating value for our shareholders and our country also in 2020. I would like to take this opportunity to thank you, our valued shareholders, for your unyielding support as we work to achieve this target.

Very truly yours,

Murat Gigin - Chairman of the Board

Section IX Proposal for Profit Distribution

In 2019, the Company showed a net profit of TRY 1,420,750 thousand (TRY 1,102,103 thousand according to the statutory books of account) excluding non-controlling interests pursuant to Capital Markets Board (CMB) regulations and accounting standards.

We submit for the consideration and approval of the general assembly of shareholders the following dividend proposal concerning the distribution of this profit:

Nothing is to be set aside as a first statutory reserve inasmuch as the Company's statutory reserves already correspond to 20% of its paid-in capital.

From the amount of TRY 1,421,637,292 which is the basis for calculating ("the Base") a first dividend pursuant to CMB communiqué II-19.1, the amount of TRY 426,491,600 is to be set aside as a first dividend in satisfaction of the requirement, of article 27 of the Company's articles of association, that at least 30% of the Base is to be paid as a dividend;

The amount of TRY 29,827,752 which corresponds to 3% of the remaining Base, is to be set aside as the dividend to which the Tekfen Foundation for Education, Health, Culture, Art and Protection of Natural Resources, is entitled;

Once the net profit for the period in 2019 is allocated as above, TRY 645,783,397 that arises according to the provisions of the Turkish Commercial Code and the tax laws and that remains after the allocation mentioned above is to be set aside as an extraordinary reserve;

The dividends set forth above are to be paid to their respective beneficiaries in cash and that 27 April 2020 will be set as the dividend payment date.

Having submitted the foregoing for the information of all of our shareholders, I extend my best wishes for a prosperous year for our company and our country.