



KAMUYU AYDINLATMA PLATFORMU

TÜRKİYE VAKIFLAR BANKASI T.A.O.
Corporate Governance Information Form
2018 - Annual Notification

Summary Info

Corporate Governance Information Form



1. SHAREHOLDERS

Related Companies []

Related Funds []

1. SHAREHOLDERS	
1.1. Facilitating the Exercise of Shareholders Rights	
The number of investor meetings (conference, seminar/etc.) organised by the company during the year	During 2018, more than 280 meetings were held with roughly 400 investors/analysts in İstanbul office of the Bank. Four teleconferences regarding the results of the financial statements were arranged and their records were published on the English version of the website. 18 local and foreign investor conferences were attended, and one-on-one and group meetings were held with above 380 foreign and local institutional investors.
1.2. Right to Obtain and Examine Information	
The number of special audit request(s)	There was no demand for private auditor in 2018.
The number of special audit requests that were accepted at the General Shareholders' Meeting	There was no demand for private auditor.
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/672227 https://www.kap.org.tr/tr/Bildirim/696532
Whether the company provides materials for the General Shareholders' Meeting in English and Turkish at the same time	The documents regarding the General Assembly are published in Turkish and English at the same time. https://www.vakifbank.com.tr/genel-kurul.aspx?pageID=1042 https://www.vakifbank.com.tr/general-assembly.aspx?pageID=651
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	There is no such an action stated within the scope of the 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)	Pursuant to the Article 9 and paragraph 8 of II-17.1 Communiqué on Corporate Governance, banks are not required to fulfill the provisions of this article.
The links to the PDP announcements associated with common and continuous transactions in the context of Article 10 of the Communique on Corporate Governance (II-17.1)	In accordance with the Article 10 and paragraph 4 of II-17.1 Communiqué on Corporate Governance, banks are not liable to this article.
The name of the section on the corporate website that demonstrates the donation policy of the company	Home Page / Investor Relations / Sustainability / Social Responsibility / Donation and Aid Policy https://www.vakifbank.com.tr/-donation-and-aid-policy.aspx?pageID=1068
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/426548
The number of the provisions of the articles of association that discuss the participation of stakeholders to the General Shareholders' Meeting	Article 14
Identified stakeholder groups that participated in the General Shareholders' Meeting, if any	Board members, shareholders and their representatives attended the Ordinary General Assembly meeting of 2017, held on 13 August 2018.
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	% 58,45
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	Home Page / Investor Relations / Corporate Governance / Corporate Governance Approach / Profit Distribution Policy https://www.vakifbank.com.tr/profit-distribution-policy.aspx?pageID=1064
Minutes of the relevant agenda item in case the board of directors proposed to the general assembly not to distribute dividends, the reason for such proposal and information as to use of the dividend.	There was no proposal to the General Assembly by the Board of Directors relating to non-distribution of profit.
PDP link to the related general shareholder meeting minutes in case the board of directors proposed to the general assembly not to distribute dividends	-

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
27/04/2018	0	% 81,327	% 0,0003	% 81,3273	https://www.vakifbank.com.tr/general-assembly.aspx?pageID=651 Home Page / Investor Relations / General Assembly / 2018	There was no question raised.	There was no agenda item or paragraph about related parties.	63	https://www.kap.org.tr/tr/Bildirim/672227
13/08/2018	0	% 88,733	% 0,0014	% 88,7316	https://www.vakifbank.com.tr/general-assembly.aspx?pageID=651 Home Page / Investor Relations / General Assembly / 2018	There was no question raised.	There was no agenda item or paragraph about related parties.	63	https://www.kap.org.tr/tr/Bildirim/696532

2. DISCLOSURE AND TRANSPARENCY

2. DISCLOSURE AND TRANSPARENCY	
2.1. Corporate Website	
Specify the name of the sections of the website providing the information requested by the Principle 2.1.1.	Home Page / Investor Relations / Corporate Information, Corporate Governance / Corporate Governance Approach, Financials, General Assembly, Press Release
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.	There is no real person who has directly or indirectly more than 5% of shares.
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	https://www.vakifbank.com.tr/documents/finansal/Annual_Report_2017.pdf PART II: Management and Corporate Governance Practices Page 120
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	https://www.vakifbank.com.tr/documents/finansal/Annual_Report_2017.pdf PART II: Management and Corporate Governance Practices Pages 106-107
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	https://www.vakifbank.com.tr/documents/finansal/Annual_Report_2017.pdf PART II: Management and Corporate Governance Practices Page 107
c) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on	https://www.vakifbank.com.tr/documents/finansal/

<p>amendments in the legislation which may significantly affect the activities of the corporation</p>	<p>Annual_Report_2017.pdf PART I: Introduction Pages 56, 57 PART III: Financial Highlights and Risk Management Page 126</p>
<p>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</p>	<p>The information about lawsuit against the Bank was not included in the annual report since there is no lawsuit which is against the Bank and might affect the Bank's financial situation and activities.</p>
<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>https:// www.vakifbank.com.tr/ documents/finansal/ Annual_Report_2017.pdf PART II: Management and Corporate Governance Practices Page 112</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>The Bank has no subsidiary, of which direct participation in capital is above than 5%.</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>https:// www.vakifbank.com.tr/ documents/finansal/ Annual_Report_2017.pdf PART II: Management and Corporate Governance Practices Page 89, 106- 109</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	https://www.vakifbank.com.tr/indemnity-policy.aspx?pageID=1066 Home Page/ Investor Relations/ Sustainability/ Our Human Capital/ Indemnity Policy
The number of definitive convictions the company was subject to in relation to breach of employee rights	There is no judgement regarding this subject.
The position of the person responsible for the alert mechanism (i.e. whistleblowing mechanism)	Head of Audit Board
The contact detail of the company alert mechanism	For external stakeholder, Home Page / About Us / Contact Us For employees, "Audit Board – Notification Page"
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	There is not.
Corporate bodies where employees are actually represented	The Bank Finance and Insurance Employees Union (BASS)
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	https://www.vakifbank.com.tr/human-rights-and-employee-rights-policy.aspx?pageID=1067 Home Page/ Investor Relations/ Sustainability/ Our Human Capital/ Human Rights and Employee Rights Policy
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.	There is not.
Whether the company provides an employee stock ownership programme	Pay edindirme planı bulunmuyor (There isn't an employee stock ownership programme)
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.	https://www.vakifbank.com.tr/human-rights-and-employee-rights-policy.aspx?pageID=1067 Home Page/ Investor Relations/ Sustainability/ Our Human Capital/ Human Rights and Employee Rights Policy
The number of definitive convictions the company is subject to in relation to health and safety measures	There is no judgement regarding this subject.
3.5. Ethical Rules and Social Responsibility	

<p>The name of the section on the corporate website that demonstrates the code of ethics</p>	<p>https://www.vakifbank.com.tr/ethical-principles.aspx?pageID=850 Home Page/ Investor Relations/ Corporate Governance/ Corporate Governance Approach/ Ethical Principles</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 Bank's practices in the realm of corporate social responsibility have been included in the Sustainability Report on an annual basis. https://www.vakifbank.com.tr/sustainability-reports.aspx?pageID=1318</p>
<p>Any measures combating any kind of corruption including embezzlement and bribery</p>	<p>https://www.vakifbank.com.tr/anti-bribery-and-anti-corruption-policy.aspx?pageID=1065 Home Page/ Investor Relations/ Corporate Governance/ Corporate Governance Approach/ Anti-Bribery and Corruption Policy</p>

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	There is no assessment.
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	The distribution of duties for the Board of Directors consists of their duties in committees.
Number of reports presented by internal auditors to the audit committee or any relevant committee to the board	Within the scope of the Regulation on Banks' Internal Systems and Internal Capital Adequacy Evaluation Process, the reports about the practices of the Bank are presented to the Audit Committee every three months by the Internal Control Department.
Specify the name of the section or page number of the annual report that provides the summary of the review of the effectiveness of internal controls	https://www.vakifbank.com.tr/documents/finansal/Annual_Report_2017.pdf PART III: Financial Highlights and Risk Management Page 123-124
Name of the Chairman	Chairman of the Board of Directors Dr. Raci KAYA resigned from his duty following his appointment as Executive Director of International Monetary Fund (IMF), representing the country group in the IMF's executive directorate. https://www.kap.org.tr/tr/Bildirim/714545 Şahap

	Kavcıoğlu is the Chairman of the Board of Directors following the resignation of Dr. Raci Kaya.
Name of the CEO	Mehmet Emin Özcan
If the CEO and Chair functions are combined: provide the link to the relevant PDP announcement providing the rationale for such combined roles	Pursuant to of Article 24 Paragraph 1 of the VakıfBank Articles of Incorporation, Chairman of the Board of Directors cannot be elected as CEO .
Link to the PDP notification stating that any damage that may be caused by the members of the board of directors during the discharge of their duties is insured for an amount exceeding 25% of the company's capital	Losses incurred by the members of the Board of Directors as a result of their faults during their term of office, are covered under insurance. Employer's Liability Insurance 2018 policy's total value is USD 75,000,000 for each damage within the term of the policy.
The name of the section on the corporate website that demonstrates current diversity policy targeting women directors	There is not.
The number and ratio of female directors within the Board of Directors	1, %14.29

Composition of Board of Directors

Name, Surname of Board Member	Whether Executive Director Or Not	Whether Independent Director Or Not	The First Election Date To Board	Link To PDP Notification That Includes The Independency Declaration	Whether the Independent Director Considered By The Nomination Committee	Whether She/He is the Director Who Ceased to Satisfy The Independence or Not	Whether The Director Has At Least 5 Years' Experience On Audit, Accounting And/Or Finance Or Not
Doç. Dr. Şahap Kavcıoğlu	İcrada Görevli Değil (Non-executive)	Bağımsız üye (Independent director)	13/08/ 2018	-	Değerlendirildi (Considered)	Hayır (No)	Evet (Yes)
Mehmet Emin Özcan	İcrada görevli (Executive)	Bağımsız üye değil (Not independent director)	09/06/ 2017	-	-	-	Evet (Yes)
		Bağımsız üye değil (

Dr. Adnan Ertem	İcrada Görevli Değil (Non-executive)	Not independent director)	28/10/2010	-	-	-	Evet (Yes)
Şahin Uğur	İcrada Görevli Değil (Non-executive)	Bağımsız üye değil (Not independent director)	09/06/2017	-	-	-	Evet (Yes)
Dilek Yüksel	İcrada Görevli Değil (Non-executive)	Bağımsız üye (Independent director)	29/03/2016	-	Değerlendirildi (Considered)	Hayır (No)	Hayır (No)
Serdar Tunçbilek	İcrada Görevli Değil (Non-executive)	Bağımsız üye (Independent director)	09/06/2017	-	Değerlendirildi (Considered)	Hayır (No)	Evet (Yes)
Cemil Ragıp Ertem	İcrada Görevli Değil (Non-executive)	Bağımsız üye değil (Not independent director)	13/08/2018	-	-	-	Hayır (No)

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)	The Board of Directors have gathered for 77 times in 2018.
Director average attendance rate at board meetings	% 100
Whether the board uses an electronic portal to support its work or not	Evet (Yes)
Number of minimum days ahead of the board meeting to provide information to directors, as per the board charter	Depending on the number of the files sent to the Head of Board of Directors' Affairs, the files are given collectively a couple of days before the meeting.
The name of the section on the corporate website that demonstrates information about the board charter	The relevant information has been given in the section of Investor Relations/ Corporate Governance/ Articles of Incorporation
Number of maximum external commitments for board members as per the policy covering the number of external duties held by directors	This kind of policy does not exist. However, the shareholders have permitted the Board of Directors to take other positions out of the Bank in the 2018 General Assembly pursuant to the Article 396 of Turkish Commercial Code which is titled "Non-compete Obligation".
4.5. Board Committees	
Page numbers or section names of the annual report where information about the board committees are presented	https://www.vakifbank.com.tr/documents/finansal/Annual_Report_2017.pdf PART II: Management and Corporate Governance Practices Page 104-105 The information has been

	given in the part of Management and Corporate Governance Practices / Committees
Link(s) to the PDP announcement(s) with the board committee charters	https://www.kap.org.tr/tr/Bildirim/703726

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
Denetim Komitesi (Audit Committee)		Doç. Dr. Şahap Kavcıoğlu	Hayır (No)	Yönetim kurulu üyesi (Board member)
Denetim Komitesi (Audit Committee)		Serdar Tunçbilek	Hayır (No)	Yönetim kurulu üyesi (Board member)
Diğer (Other)	Credit Committee	Mehmet Emin Özcan	Hayır (No)	Yönetim kurulu üyesi (Board member)
Diğer (Other)	Credit Committee	Doç. Dr. Şahap Kavcıoğlu	Hayır (No)	Yönetim kurulu üyesi (Board member)
Diğer (Other)	Credit Committee	Serdar Tunçbilek	Hayır (No)	Yönetim kurulu üyesi (Board member)
Diğer (Other)	Credit Committee	Dilek Yüksel	Hayır (No)	Yönetim kurulu üyesi (Board member)
Kurumsal Yönetim Komitesi (Corporate Governance Committee)		Doç. Dr. Şahap Kavcıoğlu	Evet (Yes)	Yönetim kurulu üyesi (Board member)
Kurumsal Yönetim Komitesi (Corporate Governance Committee)		Mustafa Turan	Hayır (No)	Yönetim kurulu üyesi değil (Not board member)
Ücret Komitesi (Remuneration Committee)		Dr. Adnan Ertem	Hayır (No)	Yönetim kurulu üyesi (Board member)
Ücret Komitesi (Remuneration Committee)		Dilek Yüksel	Hayır (No)	Yönetim kurulu üyesi (Board member)
Ücret Komitesi (Remuneration Committee)		Şahin Uğur	Evet (Yes)	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)	https://www.vakifbank.com.tr/committees.aspx?pageID=2528 Home Page/ Investor Relations/ Corporate Governance / Committees
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)	https://www.vakifbank.com.tr/committees.aspx?pageID=2528 Home Page/ Investor Relations/ Corporate Governance / Committees
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)	In accordance with the Article 4.5.1 of II-17.1 Communiqué on Corporate Governance, Remuneration Committee carries out the duties of Corporate Governance Committee. https://www.vakifbank.com.tr/committees.aspx?pageID=2528 Home Page/ Investor Relations/ Corporate Governance / Committees
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)	Audit Committee carries out the duties of early detection of risk committee. https://www.vakifbank.com.tr/committees.aspx?pageID=2528 Home Page/ Investor Relations/ Corporate Governance / Committees
	https://www.vakifbank.com.tr/committees.aspx?pageID=2528

Specify where the activities of the remuneration committee are presented in your annual report or website (Page number or section name in the annual report/website)	=2528 Home Page/ Investor Relations/ Corporate Governance / Committees
4.6. Financial Rights	
Specify where the operational and financial targets and their achievement are presented in your annual report (Page number or section name in the annual report)	The financial performance evaluation has been made in the annual report. This part does not include only Bank's targets. https://www.vakifbank.com.tr/documents/finansal/Annual_Report_2017.pdf PART III: Financial Highlights and Risk Management Page 403-404, 406-407
Specify the section of website where remuneration policy for executive and non-executive directors are presented.	https://www.vakifbank.com.tr/remuneration-policy.aspx?pageID=1072 Home Page/ Investor Relations/ Sustainability/ Our Human Capital/ Remuneration Policy
Specify where the individual remuneration for board members and senior executives are presented in your annual report (Page number or section name in the annual report)	https://www.vakifbank.com.tr/documents/finansal/Annual_Report_2017.pdf Part II: Management and Corporate Governance Practices Page 121

Composition of Board Committees-II

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
Denetim Komitesi (Audit Committee)		% 100	% 100	22	54
Diğer (Other)	Credit Committee	% 75	% 75	57	399
Kurumsal Yönetim Komitesi (Corporate Governance Committee)		% 100	% 50	4	9

Ücret Komitesi (Remuneration Committee)		% 100	% 33	2	2
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