

## **MARMARIS ALTINYUNUS TURISTIK TESISLER A.Ş.**

### **REPORT OF INSTITUTION MANAGEMENT PRINCIPALS**

Applying and putting into practice the Institution Management Principals which is accepted by the decision No:35/835 of Capital Markets Board (SPK) on 04.07.2003 and declared to the public on July 2003 is an important matter of credibility and financial opportunity of public companies. The said principals creating the quality in institution management are adopted and applied partly by our company. Other principals that are requested to be applied in parallel with this subject will be in force as soon as the administrative and technical intra-structural studies are completed.

Due to the decision of SPK dated 10.12.2004 and No: 48/1588 about the companies who are traded in Istanbul Stock Exchange Market (IMKB), it is found appropriate that the companies should mention the compatibility with the said Institution Management Principals in their activity reports and websites starting from the annual reports of 2004. Considering the decision of the Board dated 07.02.2005 No:4/100 about making change in Institution Management Principals, Marmaris Altinyunus Turistik tesisler A.Ş. is included the information about the conformity to below mentioned principals in its annual report of 2008.

Although our company appreciates the importance of full compatibility with Institution Management Principals, it has not been provided yet due to difficulties met in putting into effect some of these principals which do not coincide with present structure of the market and the company and the discussion about being compatible with these principals continues in international platforms. Some principals that are already been put into practice, have not been included in our main contract yet. We continue in studying progressively to enable the company to complete the adaptation of incompatible principals at the earliest convenience. The compliance of the principals which have not been completed yet is mentioned in below.

Several studies are carried out to strengthen the compliance with Institution Management Principals. Addition of the following terms to the main contracts such as the announcement of general meetings three weeks before the meeting date, invitation of press and stakeholders to general meetings and presentation of the board members, controller and head of the financial reporting department in general meetings, to permit organization of the committees by the board will be put to vote of our shareholders in general meeting of 2008. Besides, the website and activity report of the company will be reviewed and the necessary revisions will be held in terms of full compatibility with the principals.

Developments in legislation and practices will be taken into consider to make necessary studies for full conformity in principals in the next period.

## **PART I – SHAREHOLDERS**

### **Relationship Department With Shareholders**

A department is created within the structure of Accounting Management to perform the relations with shareholders. The main activities of the said department are as follows:

- Presentation of the Company to individual and corporate investors; briefing of potential investors and shareholders,
- To satisfy the demand of shareholders to be informed except the business knowledge of the company which has to be kept in secret without declared to public,
- To meet the information demand of undergraduates, graduate students and university professors doing research studies about our Company and business sector,
- To provide the shareholders for keeping their records healthy and updated at Central Registry Institution (MKK),
- To make the general meetings of the Company in conformity with arrangements and terms of main contract, to prepare the documents needed by the shareholders, to send the minutes to demanding ones.
- To advise explanations of special conditions to IMKB and SPK taking into consider the circular of SPK Serial: VIII, No: 39,
- To make preparations before the general meeting, to prepare the related documentation, to take preliminary permissions and to present for the approval of the general assembly for changes in main contract conditions,
- To follow up the changes in related legislation and Capital Market Law and to present these changes to the attention of concerned departments.

Mr.Taylan Gözen, Accounting Manager is authorized for the said department and he can be communicated by e-mail from the address of [taylang@divan.com.tr](mailto:taylang@divan.com.tr) or by telephone no:+90 (242) 248 68 00 to get information.

The related person about the relations with shareholders is:

Ercan Mekik :+90 (242) 248 68 00 /714 ; [emekik@divan.com.tr](mailto:emekik@divan.com.tr)

### **To Use The Right Of Getting Information By Shareholders**

All shareholders have the same right of getting information and enquiry about Marmaris Altinyunus Tur.Tes.A.Ş.

All kinds of updated information which can affect use of rights are presented to shareholders in order to expand their use of rights by means of electronic media. Many kinds of information take place in website ([www.mares.com.tr](http://www.mares.com.tr)) of the Company including financial statements:

The request for appointing a private controller is not arranged as a personal right in our main contract. Any request from shareholders has not been received with respect to this subject. Company activities has been audited periodically by Independent External Auditors (Price Waterhouse Coopers) and Controllers determined by General Board.

## **General Board:**

The Ordinary General Meeting is held only at once in 2008 and attendance of the majority is provided. Shareholders of the company are participated in the meetings (by giving power of attorneys).

Invitation to General meeting is made by board of directors according to Turkish Trade Act (TTK), Capital Market Act and Main Contract Articles of the Company. As soon as the Board of Directors has decided to make a General Meeting, it is declared to IMKB and SPK to inform public opinion.

Besides, we pay attention to publish the place and agenda of General Meeting, outlines of changes in the main contract articles if there is any and a sample of power of attorney in one daily Turkish newspaper published nationwide and in one domestic newspaper at least 21 days before the meeting. It is indicated in these newspaper announcements where to find and examine financial reports of the related period which are audited independently.

Every shareholder who wants to speak during the meeting, can express his/her opinion about the company activities, can demand information by asking questions and receives the answers. Our General meeting is held under the supervision of Ministry of Industry and Trade Commissary.

The offers made by the shareholders in General Meeting of 2008 and which are coinciding with long term objectives of the company have been taken into consider.

The General Meeting takes place at a central place in the city to increase the number of attendees.

It is possible to reach all meeting minutes and list of participants by years through the General Management of our Company or they can be found in Marmaris Trade registry Office and in the archives of the Turkish Trade Registry Gazette. Besides the meeting minutes of the last two years can be reached through the related ‘pdf’ files of our website.

Although permission of the General Board is not required for selling, buying, renting operations of important amount of properties, the division of the company is subject to permission. Our investors have been informed about such private situations which are occurred in 2008.

## **Rights to Vote and Minority Rights**

There is not any privilege which takes places in our Main Contract about rights of voting in our Company. There is no juridical person among our partners who is our subsidiary. Every shareowner has the opportunity of using his/her right to vote in an easiest and optimum way including cross-border.

## **Dividend Policy and Distribution Period**

The dividend policy of our company is subject to execution due to 14<sup>th</sup> article of the Main Contract about "Distribution of Dividend". Distributable profit is calculated due to the circulars of SPK and by considering the long term strategies, investment, financial plans and profitability of the Company, the amount of dividends to be distributed is determined by General Board not being less than the rate stated in the circular Serial IV No: 27 of SPK and it depends upon the decision of General Board to distribute the dividends in cash or bonus share at a certain rate.

No privilege is included in our main Contract to participate the Company profits.

## **Transfer of Shares:**

Obstructive articles to avoid transfer of shares by their owners are not included in our main Contract.

## **PART II – ENLIGHTENMENT OF THE PUBLIC AND POLICY OF TRANSPARENCY**

### **Enlightenment Policy of the Company**

In our Company, all information which has to be made public as a legal obligation or which is treated to be announced by the department charged (Accounting Department) are declared to the public by the said department constantly.

### **Statements for Special Cases**

Our Company has made statements for 8 special cases during the year. One of these is requested by IMKB because of some articles published in newspapers about us. We do not need to make statements of special cases except to SPK and IMKB for the reason that our Company has not been quoted at overseas capital markets. As the statements for special cases have been made within the legal period by us, SPK did not apply any sanctions on our Company.

### **Company Website And Its Contents**

Our Company publishes in its official website [www.mares.com.tr](http://www.mares.com.tr) the financial Statements in Turkish which are presented to SPK in order to be in a continuous contact with shareholders and to carry on the relation with the investors effectively.

- Trade registry data
- Partnership of the Company
- Information about board members and top management of the Company.
- Main contract of the Company
- Activity reports
- Statements for special cases
- Compatibility report of institution management
- General board meeting minutes and list of the participants
- Sample of power of attorney

- Financial statements and independent audit reports
- Agenda of the general board
- Newspaper announcements
- Other announcements

### **Announcing of Real Person Ultimate Controlling Shareholder/Shareholders**

Our Company is one the sister companies of Koç Group and the ultimate controlling shareholder of our Company is the Koç family.

### **Declaration of Persons to the Public Who Can Be in the Position of Insiders**

The company employees must be very careful about the rules for using the inside information for the reason that it is very important for the Company to hold the balance between transparency and protection of the company benefits.

The information which belongs to the company and qualified as confidential business information that is, not desired by the company to be learnt by the people other than the related ones and learnt during the working time are accepted as ‘‘The Company Information’’. All employee should have to protect and can not use directly or indirectly the Company Information during and after working time.

Insider trading is strictly forbidden for everyone who works for the Company. Nobody can profit from buying or selling the shares of Marmaris Altinyunus Turistik tesisler A.Ş and/or other companies of the group by getting inside information.

The top management members who can reach the information effecting the value of capital market instruments of the Company are defined as our board of directors.

The persons who can learn the inside information is as follows as of the report date:

Semahat S.Arsel	President
Hasan Bengü	Vice president
Temel K.Atay	Board member
Josephus Joannes Nicolaas Maria Bakx	Board member
Emine Alangoya	Board member
Nilgün Özmen	Controller
Başar Engin	Controller

## **PART III- STAKEHOLDERS**

### **Informing the Stakeholders**

The stakeholders related with the Company are time to time invited to meetings or informed by using telecommunication instruments in subjects with regard to them.

Although a special mechanism is not present for stakeholders to take place in management of the company, their opinions and offers forwarded to the related departments are taken into consider as long as they fit to our long term goals.

### **Human Resources Policy**

The measures for recruitment and promotion systems of the company are notified in written due to human resources policy of the company of which the principals are:

- To recruit the employee who can work for the future and carry the company to success
- To constitute fair wage policies
- To evaluate personal performance
- To promote and appreciate the successful personnel.
- To give training to the employee in the direction of company goals and necessities.

Following the above mentioned principals, our goal is to develop the competence of our human resources continuously and to protect our superiority in the environment of global competition. In this respect, the process of human resources system is identified by written procedures and these procedures are announced to the employee.

Kamil Durmak is the person who carries out relations with the employee in our human resources department.

The human resources department has not received any complaint in this year about employment discrimination.

### **Information About Clients And Suppliers**

Customer satisfaction is our primary goal. In this respect, the customer satisfaction is continuously followed and reported.

### **Social Responsibility**

Our company behaves environmentally conscious in its activities and during the period no action is taken against our company because of damaging the environment.

Our activities carried out within the year can be summarized as the necessities fulfilled for we are holding a blue flag.

## **PART IV- BOARD OF DIRECTORS**

### **Structure and Composition of the Board**

There is no discrimination between executive and non-executive members of the board in our company. The board of directors is composed of five members and it is indicated in our main contract that the general manager of the company can also be chosen as a member of the

board. Following the meetings of the general board in which the board of directors are appointed, assignment of duties, president and vice president of the company are determined. In case of any board membership discharge within the period, 315<sup>th</sup> Article of the Turkish Trade Act (TTK) is applied.

It is necessary to take the approval of general Board within the context of 334<sup>th</sup> and 335<sup>th</sup> articles of TTK for president and board members to deal with jobs related with the business subject of the company personally or on behalf of other parties.

### **Qualifications of Board members**

Qualifications of board members are not indicated in the main contract however, our present members have the qualifications stated in the principals.

### **Mission, Vision and Strategic Objectives of the Company**

Mission, vision and values of our Company have been created and published and updated as per the developments in the company. The values concerning our mission and vision are present on our website which are stated by our top management and approved by the board of directors. Studies of the departments about creation and application of strategic goals are also presented to the board of directors by the top management and followed-up. The board of directors compares next year objectives and takes decisions in the direction of reviewing annual activities and evaluating past years performance.

### **Power and Liability of the Board and the Managers**

Power and liabilities of the board members are identified clearly in the main contract of the company. Authorizations are defined in the signature circulars of the company in detail.

### **Principals of the Board Activities**

Titles and agendas concerning decisions of the board are prepared periodically or due to the arising requirements. Number of meetings is altered according to arising requirements. Invitation to the meetings and participation depends on the requirements of the company jobs and board of directors comes together accordingly. A special secretariat has not been established to arrange correspondence and therefore, preparing, writing and following-up the agendas concerning the board decisions are being made by a section of the Accounting Management Department. The meeting decisions are subject to annotations in case of the presence of any different vote from the others. Explanations and questions are given place while taking decisions. Signatures of three board members are sufficient to take decisions and in this case weighted vote and/or veto right are not in question.

### **Taking Actions With the Company and Prohibition of Competition**

It is necessary to take the approval of general Board within the context of 334<sup>th</sup> and 335<sup>th</sup> articles of TTK for president and board members to deal with jobs related with the business subject of the company personally or on behalf of other parties.

## **Codes of Conduct**

Preparation and publishing of codes of conduct have not been completed yet. We continue to our studies on this subject.

## **Committees Established by the Board of Directors, Their Structure and Independency**

A Control Committee is established which is liable for controlling the board of directors to carry on tasks and responsibilities.

The committee is composed of the below mentioned persons:

Hasan Bengü  
Temel K.Atay

Control Committee executes the tasks which are assigned by Capital Market Legislation for the committee. In this context, accounting system of our company has the responsibility of supervising the public announcement of financial information, independent audit, the process of internal control system of partnership and effectiveness. Choosing the independent audit company, preparing the independent audit agreements for starting the auditing process and the studies of the audit company in every step are executed under the supervision of the control committee.

The control committee has to make meetings minimum four times a year, even more, in order to make the reports to the board in written of yearly and fiscal financial statements, to be declared to public in conformity with the accounting principals accepted by the company, in truthfulness and correctness, taking the opinion of the concerned managers of the company and with the evaluations of the committee included.

## **Financial Rights of the Board of Directors**

The president and the members of the board of directors are not benefited from anything except their fees which are determined by the General Board. There is no bonus payment made to the board concerned with their performance.

Lending money to our board members or supplying credit to them by the company is out of question.