



# Disclosure Policy of LOMGroup of Companies

## Purpose

The purpose of this Disclosure Policy set forth by the Executive Board (Board) of LOMGroup. is to provide the stakeholders with the information about the events and developments with respect to the past performance and future expectations of the Company, other than those of trade secrets, in a fair, timely, accurate, complete, comprehensible, interpretable, and easily accessible manner.

## Authority and Responsibilities

This Disclosure Policy is set forth by the Board of Directors in accordance with the pertinent provisions of the Commercial Code (CC), the Market Legislation, and based on the Corporate Governance Principles. This Policy indicates the principles for the written and verbal communication with the employees, public authorities, customers, suppliers, creditors, investors, non-governmental organizations, those who wish to invest in the Company.

There are four employees, who are responsible for and authorized to sign the disclosures within the scope of the public disclosure, and they are in charge of observing and monitoring all kinds of issues relating to the public disclosure. These employees are:

CFO/General Manager Responsible for Financial and Administrative Affairs

Speaker of the Executive Board

Director of leading company of LOMGroup, LOM Mining Construction Constructing Energy A.E. Ind. Commerce Ltd.

General Accounting Manager

Any written requests – excluding confidential information or trade secrets- from concerned people are replied by the “Speaker of the Executive Board”.

## Methods and Tools Used for Public Disclosure

The methods and tools used by the Company for public disclosure in accordance with the pertinent provisions of the Market Legislation and the Commercial Codes of the countries where is the Group active, are as follows:

- a. Material event disclosures forwarded to the Communication Officer (CO),
- b. LOMGroup and its consolidated or not consolidated companies are privately held entities. Stating that means that we are not under any obligation to publicize any statements or reports of importance beyond laws and regulations applying. Nevertheless, if any, Financial statements and footnotes thereof, independent audit reports and annual reports, explanation notes, circulars and Assembly calls, through official Registry Gazettes, and daily newspapers, as well as announcements and declarations such as notices,
- c. Meetings, teleconferences or one-on-one meetings with the shareholders, investors, analysts and capital market specialists, and disclosure and presentation documents prepared relating thereto,
- d. Disclosures to data distribution corporations,
- e. Press releases through written and visual media,
- f. Telephone, electronic mail (e-mail), fax and other means of communication,
- g. Corporate website

## **Practices for Material Event Disclosure**

### **Material Event Disclosures**

Material event disclosures containing continuous and internal information are disclosed to public in accordance with the pertinent communiqués and regulations. Material Event disclosures are made in a timely, correct, comprehensible, and sufficient manner, and free of any misstatements in order to help relevant people and corporations to make their decisions. Such disclosures may not be used for advertisements, public relations, marketing of the activities or capital market instruments.

Material event disclosures are sent to the Public Disclosure Platform using an electronic signature, and are published in the corporate website under a separate heading, in accordance with the relevant regulations.

### **Persons Authorized to Disclose Material Events to Public**

The relations with the LOMGroup companies are carried out by the “Internal Relations Department” within the Financial and Administrative Affairs. Material event disclosures are prepared by the Financial Affairs and Administrative Affairs, and disclosed to public upon the joint approval of at least two persons out of four, who are authorized to sign such material event disclosures.

### **Postponement of Disclosure of Internal Information**

LOMGroup. may postpone the public disclosure of internal information in order to prevent its legal rights and benefits from being harmed, provided that this will not mislead public and that it is able to keep such information confidential. Such internal information will be disclosed to public in accordance with the pertinent regulations, indicating the reasons for the postponement, as soon as such reasons are removed.

In case the Company decides to postpone the disclosure of the internal information to public, the Company will undertake that this postponement is made to protect the legal rights of the Company, that there will be no risk that the investors may be misled, that all reasonable precautions are taken to keep such information strictly confidential, and the decision for this postponement is made upon the approval of the Board or the person authorized by the Board in this respect.

### **Precautions Taken to Ensure the Confidentiality of Internal Information**

A document is prepared to list the real persons or legal entities, who act on behalf or for the account of the Company, and the persons, who work for such real persons or legal entities under an employment contract or otherwise, and who have access to the internal information. This document is updated within two days upon any change thereto. The Company ensures that the persons listed under this document accept the obligations as set forth in the pertinent laws and legislations with respect to such information, and they are aware of the sanctions that may be imposed upon any misuse or unauthorized distribution of such information. Except for the disclosures by those who are authorized to access thereto of the internal information to the persons who are under the obligation to keep such information confidential, during the performance of the duties relating to the Company or the execution of the procedures and transactions on behalf of the Company, any disclosures of the internal information to those within or outside the Company will be considered unauthorized disclosures of the internal information. In such case, all the information contained in such unauthorized disclosures will be disclosed to public by the persons who are authorized by the Company in this respect, by means of a material event disclosure.

Disclosures of the internal information to the lawyers, independent auditors, tax advisers, credit institutions, financial service providers, rating agencies etc. who are subject to confidentiality rules will not be considered unauthorized disclosures of the internal disclosures, provided that such disclosures will be made on a need-to-know basis. Such disclosures require that those to whom the information is disclosed are under the confidentiality obligation with respect to such information by means of a legal arrangement, Articles of Association, or a special agreement.

Regarding the disclosures to limited number of persons such as press conferences, publicity meetings, investor disclosure meetings, such information disclosed therein, will be concurrently -if such disclosures are made deliberately – or without any delay, disclosed to public.

In case any internal information is disclosed unintentionally, a public disclosure will be made without any delay.

The Company's employees will be informed that they must not share any internal information with third parties in accordance with the regulations, and all employees should strive and act responsibly to keep such information confidential. On the other hand, all precautions will be taken to ensure that the employees may have access to the information limited to their job definition.

#### **Disclosures about News and Rumors**

In the case of news and rumors published in the media outlets about the Company, which may affect the decisions of the investors, and the value of capital market instruments, which are originated from those who are not authorized to represent the Company, and which are different from the information previously disclosed to public, then a material event disclosure will be made in respect of whether they are true and sufficient, in accordance with the pertinent communiqués. The Company will ensure that the press releases in this respect are forwarded to various media outlets and data distribution channels such as Reuters, and broadcast in the corporate web site. In the case that these news and rumors pertain to information whose announcement to the public has been postponed, it will be assumed that the reasons necessitating the postponement are no longer valid and a public announcement will be made. This shall also apply to such news and rumors, which are published in the media outlets, not requiring a material event disclosure in accordance with the legislations of the CMB, but for which the top management of the Company deem useful to make a disclosure in that respect.

#### **Use of the Rights of the Minor-Shareholders in LOMGroup Companies consolidated in LOMGroup with a share above 50%**

The following issues with respect to use of the rights of the shareholders are decided by the Board of the Company. In case of any decision by the Board about the following issues, this shall be disclosed to public by means of a material event disclosure, and being broadcast in the corporate website, and published in the Turkish Trade Registry Gazette and a daily national newspaper.

- a. Place, date, time and agenda items of the Assembly of shareholders; procedures with respect to attendance to the Assembly; obligations of those who would attend the Assembly or vote by proxy; discussions and resolutions with respect to the issues outside the agenda in the Assembly; failure to hold the Assembly; information with respect to total number of shares and total voting rights; and how to use the right to attend the Assembly;
- b. Announcements with respect to profit distributions; issuance of new share certificates; allocations with respect to capital increases; use of the right to have new shares; cancellation of increased shares; mergers and demergers.

#### **Disclosure of Financial Statements to Public**

The financial statements of the LOMGroup are prepared in a consolidated manner in accordance with the Financial Reporting Standards IFRS. The financial statements and the footnotes thereof are presented in accordance with the formats as determined by the IFRS, and include all the information required thereby.

The financial statements are approved by the Board taking the opinions of the Audit Committee; and disclosed or not disclosed to public together with a declaration of responsibility, which is prepared in accordance with the pertinent regulations of the IFSR, and which bears the signature/s, one of which is affixed by a board member in charge of preparing the financial statements, and the other by an executive in charge, or two of which are affixed by two executives in charge. The financial statements are disclosed to public as a discretionary act.

Other financial statements prepared by the Company to submit a certain public authority in accordance with the pertinent legislations are concurrently disclosed to public. Annual financial statements are annually published in the languages English and Turkish after the approval of the Executive Board. Utmost attention is paid to keep confidential all information and draft financial statements used during the preparation and control of the financial statements.

#### **Disclosure of Annual Report to Public**

The annual report of the Company is prepared in accordance with the Corporate Governance Principles, then approved by the Board, and disclosed (or not).

Turkish and/or English versions of the annual reports are available from the shareholders relations unit in CD format.

### **Disclosure of Expectations**

LOMGroup. may disclose its expectations for a maximum of four (4) times a year in accordance with this Disclosure Policy. The written documents, where the expectations of the Company are disclosed, will explicitly indicate all possible risks and uncertainties as well as other factors, and state that the actual results may be partially or substantially different from all or any part of the expectations. Such expectations can only be announced to the public after the express decision of the Board or the written approval of the individual authorized by the Board.

Any information with respect to future expectations in the public disclosures is provided together with the grounds on which the estimations are based, and with a sufficient amount statistical data. Such information may not contain exaggerated groundless predictions, should not be misleading, and will be prepared based on the activity results.

In case the estimations in the periodical financial statements and reports fail to be achieved or it is understood that it is not possible to achieve such estimations, then revised statements and reports are immediately disclosed to public, indicating the reasons of this failure.

### **Communication with Shareholders**

It is the responsibility of the Relations Department to create and maintain regular relations with the shareholders in all LOMGroup companies. The Relations Department shares all kinds of information previously disclosed to public with all the shareholders in an equal manner.

The persons authorized within the scope of this Disclosure Policy may communicate with the shareholders. No other employees are allowed to respond to the questions and information requests from outside the Company.

The employees in the Relations Department may not direct the shareholders with respect to the results of the interim period and annual activities while providing them with information. However, they may provide some information with respect to critical issues affecting the activity results, their strategic approaches, and other significant issues that may help them understand the industry and the environment in which the activities are performed.

All presentations, information meetings, press meetings, teleconferences and one-on-one meetings are disclosed beforehand as early as possible. The presentations and/or information provided for such meetings are concurrently broadcast on the Company website so that all stakeholders may access such documents at the same time.

All press meetings and releases are made by the executives authorized by the Company in this respect. The Company does not confirm, attest and take any responsibility for analyst reports or income models prepared for the Company. Nevertheless, for some certain and limited events and upon the request, in order to prevent the public from being misled, such analyst reports may be reviewed, provided that only information disclosed to public is used and that this is limited to a specific issue. The Company may disclose the analysts preparing reports for the Company, and their institutions in the corporate website.

### **Corporate Website and Its Content**

The website of the Company is prepared in English in accordance with the Corporate Governance Principles; [www.LOMGroup.net](http://www.LOMGroup.net).

All precautions are taken to prevent any unauthorized access to change the information contained on the company website.

### **Persons Who Have Administrative Responsibilities**

The persons who have administrative responsibilities in accordance with the Market Legislation are;

- Members of the management or auditing boards of the Company;
- Persons not a member of such boards but having regular access – whether directly or indirectly – to the internal

information relating to the Company, and having the power to make administrative decisions that may affect the future performance and commercial targets of the Company.

All transactions performed by the persons, who have administrative responsibilities within the Company, or by those who have close relations to these persons, with respect to the shares representing the capital of the Company and other capital market instruments based on such shares, will be submitted by those who have performed such transactions to the respective exchange market.

**Enforcement**

This Disclosure Policy enters into force upon the approval of the Executive Board. Any change to this Disclosure Policy is approved by the Board, submitted to the Assembly for information purposes and disclosed to public.