



**MERKEZİ KAYIT
İSTANBUL**

CSD of Turkey

“Implementation of Non-Custody Services”

Briefing on MKK Experience



Gokce ILIRIS

*Head of International Relations & Corporate
Communications*

14 June 2018

Main Duties and Responsibilities



- **Central Securities Depository & Registrar** of Dematerialized Capital Market Instruments (Nov2005)
- **Securities Settlement System** operator for all Dematerialized Capital Market Instruments
- **Public Disclosure Platform** for all Borsa Istanbul listed companies (Mar2014)
- **Electronic General Meeting Center** for all Borsa Istanbul listed companies (Aug2012)
- **Electronic Registry Center** for all e-Warehouse Receipts (Dec2012)
- **Digital Company Center** for Companies' «Information Society Services» (Oct2013)
- **R&D Center** for its Software Development Technologies (Nov2013)
- **Trade Repository** for derivatives instruments (In Progress)

MKK «Value-added Services»



e-GEM : Electronic General Meeting

Participation to General Assembly meetings by remote access & mobile applications - voting by electronic means



e-DATA : Capital Markets Data Bank

Distribution of capital markets data by econometric models
RISE (Investor Risk Appetite Index)



e-GOVERNANCE : Corporate Governance & Investor

Communication bridge between companies and shareholders



e-CAS : Investor Notification and Alert

Real time notification of investors regarding the movements in their accounts



e-WAREHOUSE RECEIPT : Electronic Warehouse Receipt Center

Conversion of agricultural products to electronic warehouse receipts



e-COMPANY : Companies Information Portal

Single centre for presentation of data and information on all companies in Turkey



AtoMKK
(444 0 655)

IVR System/ Call Center

Mobile
Services
SMS



Mobile Blockage

- Information
 - Portfolio Status
 - Account Movements
 - Reports
- Investor Blockages

Electronic
Notification
(SMS & e-mail)



- Instant Notifications
 - Account Movements
 - Information on Corporate Actions



Electronic
Reports
(e-mail)

Electronic Report Posting

- Periodic Notification
- Portfolio Status
- Account Movements



Random
Notification
s

Random Report

- Monthly 5,000 Investors
 - Portfolio Status



e-GOVERNANCE

Corporate Governance and Investor Relations

- **Mobile Corporate Governance Portal**, is a platform to enhance corporate governance and investor relations and develop transparency and information access for market participants
- *The Portal is a communication bridge between companies and shareholders*
- *Continuous information exchange between shareholders and companies through internet, e-mail and mobile applications*
- Enables companies to reach their shareholders directly
- Enables shareholders to access information on companies easily and completely
- The portal is regarded as «**Investor Information Center**»
- The e-GOVERNMENT application managed by the Turkish Government is already integrated with MKK's e-GOVERNANCE portal.



e-DATA

Capital Markets Data Bank

- *Distribution of all data produced in the Turkish capital markets by econometric models in a secure, consistent and reliable manner*
- Statistics on capital markets in international standards;
 - ✓ *Domestic/Foreign share of securities holdings*
 - ✓ *Actual Shares Outstanding*
 - ✓ *Fund management fees*
 - ✓ *Montly and annual statistics*
- *Investor Risk Appetite Index* and Financial Indicators
- Contributing to academic research and decision-making processes of policy makers
- Providing reliable & consistent data to ratings institutions



MKK is awarded with the “Best Research Database” award by Global Banking and Finance Magazine in 2016



- The Turkish Commercial Code Article No. 1524 obliges *joint stock companies*, which are audited entities, open a website and reserve a part of their website for publishing the announcements obligatory by law. (October 2013)
- **e-COMPANY:** Companies Information Portal enables companies to:
 - ✓ *Enhance corporate governance practices (more transparency – access to information, etc.)*
 - ✓ *integrate those information and documents with company web sites*
 - ✓ *provide required security levels, enable access from a single source and consistency*
- All documents that companies are required to publish on their web sites are gathered in a single center and presented based on specific criteria in a safe manner.
- **The information provided on e-COMPANY Platform is officially accepted as valid, reliable and consistent (by legal authorities).**

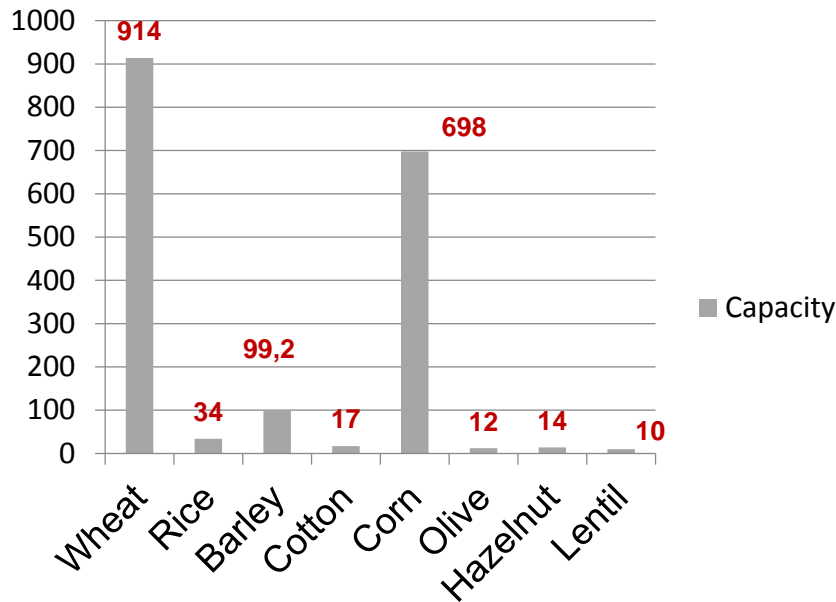


e-WAREHOUSE RECEIPT

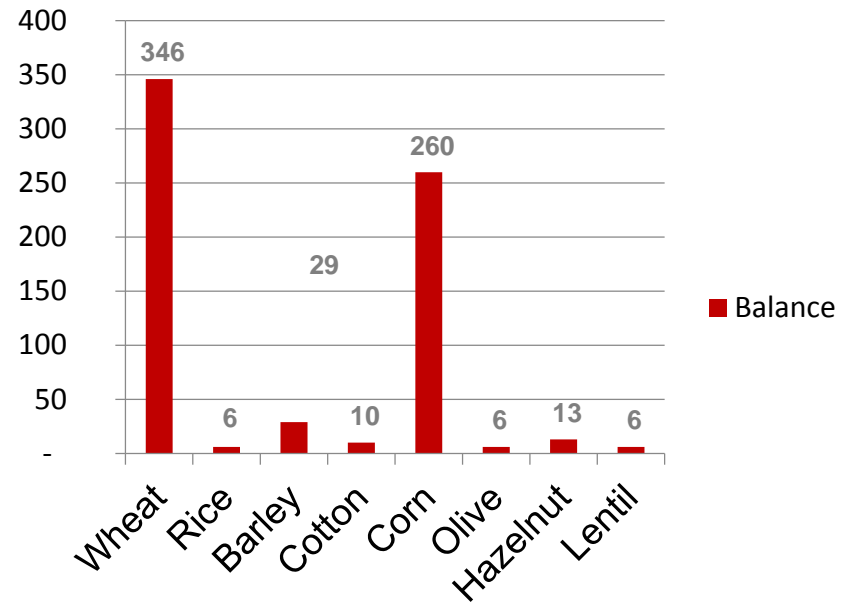
Electronic Warehouse Receipt Center

- Conversion of agricultural products in licensed warehouses to electronic warehouse receipts (EWRs)
- EWRs will integrate agricultural & financial sectors (capital markets).
- Safekeeping of EWRs at MKK's dematerialized system - Trading of products at the Commodity Exchange

Capacity in millions



Balance in millions





KAP
PUBLIC DISCLOSURE PLATFORM

Public Disclosure Platform (PDP) is an electronic system through which electronically signed notifications required by the capital markets and Borsa Istanbul regulations are publicly disclosed. Within the framework of Capital Markets Board of Turkey's (CMB) related Communiqué, all information and documents to be publicly disclosed must be sent to the PDP. Reliable, consistent, accurate, analyzable and reportable data is provided to investors based on the notifications and announcements made by platform members through the web based data publication application available to the public.

(PDP) has two main applications;

- (1) the platform enables its members to send their notifications and announcements,
- (2) it facilitates publication of these notifications and announcements.

As it is stipulated by the law, issuers/companies are obliged to publicly disclose information and hence notifications on;

- a) **Corporate Actions** – Free Format Texts that can be sent in Turkish & English via SWIFT messages (15022/20022)
- b) **Financials (Financial Statements)** – Automated XBRL rendering, validation, business rules and analyzable data
- c) **Funds** - Automated XBRL rendering, validation, business rules and analyzable data
- d) **Ad-hoc Reports** – Material events, public disclosures via SWIFT messages and XML messages.

- Correct, timely, fair and complete information with easy access to everyone
- Web based - Platform free structure,
- User friendly interface with enriched visualization,
- XBRL compatible structure (for issuers),
- Analyzable data with multi-language support,
- Better performance, security and technology,
- Easily customizable and applicable to other systems,
- Electronic Archive - easy and low-cost access to historical information

GENERAL INFORMATION & STATISTICS	
Platform Operational Hours	7/24
Number of Data Vendors Linked to Platform	17
Number of Sub-Vendors Linked to Platform	4
Number of Companies Covered by the Platform	830
Number of Platform Users	3,700
Number of PDP Members	>1,500
Number of Notifications Sent in 2017	73,000



e-GEM
Electronic General Meeting



Meeting Notice

Entitlement
Date/Record Date

COMPANY/ISSUER



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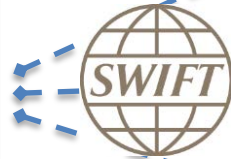
Corporate Actions
Announcements

Company
Information

Meeting Notice



e-GEM
Electronic General Meeting



ISO15022

ISO20022

Custodian
A

Foreign
CSD

ICSD

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(PDP) is an electronic system through which electronically signed notifications required by the capital markets and Borsa Istanbul regulations are publicly disclosed.

In addition to *Borsa Istanbul companies and ETFs, investment firms, mutual funds, pension funds, foreign funds and portfolio management companies* may submit notifications to PDP.

Plans for 2018 & Beyond..

- The Electronic Board of Directors (e-BDS) project is expected go live in the second half of 2018
 - ✓ *A system that allows companies to hold their board of directors meetings in electronic environment, either fully or partially.*
- Go live with the Trade Repository,
 - ✓ *Awaiting regulatory framework to be completed by the Capital Markets Board of Turkey*
- Going live with the «Crowdfunding Platform» Project,
 - ✓ *MKK will be responsible for monitoring all relevant records of the crowdfunding projects,*
 - *Cash Limits of the crowdfunders, Funding limits of the startup companies and/or individual entrepreneurs, number of applications that a startup or individual makes and etc.,*
- *Developing Blockchain/Distributed Ledger Technology based new applications*
 - ✓ *A working group was established with Borsa Istanbul (the exchange), the CSD and the CCP*

Questions

Thank You!





**MERKEZİ KAYIT
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For further assistance please contact with
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company/merkezi-kayit-kurulusu-a.s.-mkk-

