ISTANBUL MEDENIYET UNIVERSITY
INSTITUE OF GRADUATE STUDIES
DEPARTMENT OF PRIVATE LAW

Minority Shareholder Activism in Turkey

Master's Thesis

Beyza Nur Bilen

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STATEMENTS

Style and Reference Manual Statement

Having reviewed this thesis written under my supervision, I confirm that it has been written in accordance with American Psychological Association (APA) Manual of Style and used its in text reference format consistently throughout the entire text.

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Declaration of Originality

I hereby declare that all information in this dissertation has been obtained and presented in accordance with academic rules and ethical conduct. I also declare that, as required by these rules and conducts, I have fully cited and referenced all material and results that are not original to this work.

Signature

Beyza Nur BİLEN

GENİŞ ÖZET

Türkiye’de Azınlık Pay Sahibi Aktivizmi

Bilen, Beyza Nur

Yüksek Lisans Tezi, Özel Hukuk Anabilim Dalı

Danışman: Dr. Öğr. Üyesi Meltem KARATEPE KAYA

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Sermaye piyasalarının önemli kurumları arasında yer alan borsalarda şirketler küçük yatırımlara hisselerinin belli oranlarını satmak sureti ile ortaklık hakkı vererek finansman sağlarlar. Borsada şirketlerin hisse senetlerini alarak şirketlere ortak olan küçük yatırımcıların çıkarlarını ve haklarını korumak bu kurumun devamı açısından oldukça önemlidir. Bu araştırmada azınlık pay sahibi aktivizmi çalışmanın konusunu oluşturmaktadır.

Çalışmamızın ilk bölümünde, Türkiye'deki azınlık pay sahiplerinin hakları ve halka açık anonim şirketlere hâkim olan temel ilkeler ele alınmıştır. Araştırmamız kapsamında anonim şirketlere hâkim olan temel ilkelerden çoğunluk ilkesi ve gündeme bağlılık ilkesi incelenmiştir.

Anonim şirketlere hâkim olan çoğunluk ilkesi şirketin, şirket esas sermayesinin çoğunluğuna sahip olan pay sahiplerinin kararları doğrultusunda yönetilmesi esasına dayanmaktadır. Anonim şirketlerde geçerli olan çoğunluk ilkesinin en önemli istisnası azınlık haklarıdır.

Bir anonim şirketin halka açık veya kapalı olmasına göre değişen oranlarda hisseye sahip olan sermayedarlara kanun tarafından tanınan bazı hakları ifade etmektedir. Halka açık olan şirketlerde şirket sermayesinin yüzde beşine, halka kapalı anonim şirketlerde ise şirket sermayesinin yüzde onuna sahip

hisse sahipleri Türk Ticaret Kanunu (TTK) tarafından azınlık olarak tanımlanmaktadır.

Azınlık pay sahipleri, anonim şirketlerde çoğunluktan daha az paya sahip olan ve çoğunluğun kararları karşısında diğer birçok hukuk sistemlerinde özel hükümlerle korunmaya muhtaç kabul edilen kişilerdir. Azınlık hakları Avrupa hukuk sisteminde "koruyucu haklar" şeklinde ifade edilen kategoride bulunmaktadır. Bunun altında yatan en önemli açıklama, anonim şirketlerin sermaye şirketleri olması sonucunda ekonomik amaçlı çok sayıda çıkar grubunu bünyelerinde bulundurmaları, azınlık pay sahiplerinin sayıca ve de sermaye miktarı bakımından diğer çıkar gruplarına göre daha zayıf bir konumda olmaları ve bu tanınan haklar ile çoğunluğun gücü bakımından zayıf konumda bulunan pay sahiplerinin konumunu güçlendirmeyi amaçlamasıdır.

TTK çerçevesinde azınlık hakları pozitif ve negatif azınlık hakları şeklinde iki grupta ele alınmaktadır. Mevzuat, pozitif ve negatif azınlık hakları şeklinde bir ayrım yapmamıştır; bu ayrım doktrin tarafından şekillendirilmiştir. Olumsuz azınlık hakları, azınlığın genel kurul toplantısında yeterli çoğunluk toplantıda olduğu halde karşıt oy kullanarak kararın çıkmasını engellemesi durumunu ifade eder. Pozitif azınlık hakları ise, çoğunluğun iradesine aykırı olsa bile, azınlık haklarının bir talep ve/veya irade beyanı ile dava için meşru bir dayanak olarak kullanılmasını ifade eder.

Çalışmamızın ikinci bölümünde pay sahibi aktivizmi kavramı ele alınmıştır. Mülkiyet ve kontrolün ayrılması, yöneticiler ve pay sahipleri arasında potansiyel çıkar çatışmaları sorununa yol açmıştır. Pay sahipleri, yöneticilerin şirket değerini maksimize etmelerini beklerken, yöneticiler ise ücretlerini maksimize etmeye öncelik vermektedir. Bu sorun geri dönüşü olmayan kırılma noktasına gelmeden önce, pay sahibi aktivizmi vekalet maliyeti sorununun çözülmesine yardımcı olabilir. Şirketin yönetiminden veya performansından memnun olmayan pay sahipleri, hisselerini satacak ve hisse değerindeki müteakip düşüş, yönetimi belirli pay sahiplerinin memnuniyetsizliği konusunda uyarmaları mümkündür. Pay sahipleri, doğrudan yönetim kuruluna veya daha alt yönetim kademelerine talepte bulunarak veya şirketler hukuku çerçevesinde, söz konusu şirketin politikalarında veya yönetim tarzında değişiklik sonucunu doğuran diğer yöntemler kullanarak seslerini veya itirazlarını dile getirme olanağına sahiptir. Pay sahibi aktivizmi kavramı, pay sahiplerinin şirketin finansal, sosyal ve çevresel yönleriyle ilgili politikalarından duydukları memnuniyetsizliklerini, yönetim kurulunu temelden değiştirmeden gerek kanuni haklarını kullanarak gerekse sosyal medya ve yönetimle birebir görüşmeler gibi diğer yöntemlerle şirket yönetimine iletebilecekleri bir uyarı sistemini ifade etmektedir. Literatürdeki bazı görüşlere göre, pay sahibi aktivizmi, azınlık pay sahiplerinin haklarını, sonunda hisse senedi değerini artıracak şekilde kullanmalarını ifade eder.

Uzun yıllar boyunca pay sahibi aktivizmi literatürde, geçerli bir alternatif olarak görülmemiştir. Bu görüşün temelinde yatan sebep ise pay sahibi aktivizminin önemli miktarda para, zaman ve çaba almasının yanı sıra diğer pay sahipleriyle sosyal etkileşime girmesi gerektiği olgusudur. Elektronik genel kurul toplantılarının uygulanması etkin sınır ötesi katılımın önündeki engellerin kaldırılmasını amaçlamaktadır. Teknolojinin gelişmesiyle birlikte genel kurul toplantılarına online olarak katılmak ve diğer pay sahipleri ile iletişim kurmak artık geçmiş tarihlere kıyasla artık çok maliyetli ve zaman alıcı olmaktan çıkmıştır. Azınlık pay sahiplerinin genel kurula katılım nispeti genel olarak oldukça düşüktür. Bunun nedeni katılsalar da katılmasalar da, fikirlerinin alınan kararlara etki edeceğinden şüphe duymalarıdır. Bu nedenle azınlık pay sahipleri genel kurulun yapılacağı şirket merkezine gitmek için hem zaman hem de para harcamaktan genelde kaçınmaktadırlar. Elektronik genel kurulların bir sonucu olarak, azınlık pay sahipleri artık toplantılara kolayca katılabilmekte ve azınlık pay sahiplerine kanun tarafından tanınan haklarını kullanarak pay sahibi aktivizmine yönelerek görüşlerini dile getirmeleri kolaylaşmıştır.

Literatürde açıklanan birkaç farklı pay sahibi aktivizmi türü bulunmaktadır. Aktivizmin biçimi ve türü, pay sahibi aktivizminin sonucu üzerinde önemli bir etkiye sahiptir. Pay sahiplerinin amaçlanan hedeflerine bağlı olarak, pay sahibi aktivizmi üç temel kategoriye ayrılabilir. Bunlar; koruyucu (defensive), saldırgan (offensive) ve sorumlu (responsible) şeklinde ifade edilebilir. Pay sahibi aktivizmi formları ise altı kategoriye ayrılabilir; serbest yatırım fonu aktivizmi (hedge fund), pay sahibi önerileri (shareholder proposal), pay sahibi oylaması (shareholder voting), "hayır oyu" kampanyaları (just vote no campaigns), mali hakların belirlenmesinde danışma oyları (say on pay) ve pay sahipleri ile yönetim arasındaki "perde arkası" müzakereleridir (behind-the-scenes negotiations).

Çalışmamızın devam eden aşamalarında ise Türkiye'yi vuran ve yakın tarihin en fazla can ve mal kaybına neden olan gelişmeler arasında yer alan deprem sonucunda, ülkemizdeki halka açık olan ve olmayan şirketlerin kurumsal sosyal sorumluluk kavramı ele alınmıştır. Toplumsal etkileri bu kadar fazla olan bir olayın sadece ana ortaklar açısından değil, azınlık pay sahipleri olan küçük yatırımcıların da bu tür yardım faaliyetlerine büyük destek oldukları dikkate alındığında ayrıca pay sahibi aktivizmi türlerinden birinin şirketlerin sosyal sorumluluk konusunda yapıldığında dolayı bu başlığın açılmasının yararlı olacağı değerlendirilmiştir.

Araştırmanın üçüncü bölümünde, azınlık pay sahipleri literatüründe uygulanmaya başlayan pay sahibi aktivizminin Türkiye'de nasıl gerçekleştirileceğini tespit etmeye yönelik olarak ilgili Türk azınlık pay sahiplerine yönelik bir saha araştırması yapılmıştır. Yine araştırmanın bu bölümünde, literatürde azınlık pay sahibi aktivizmine tanıklık eden Çin ve Malezya'daki azınlık pay sahibi uygulamaları daha ayrıntılı olarak analiz edilmiştir. Azınlık pay sahiplerinin aktivizm yapması için bu ülkelerde uygulanan kurumlar tahlil edilmiştir. Dünyadaki mevcut pay sahibi aktivizmi uygulamalarının dikkate alınarak Türkiye'de azınlık pay sahiplerinin mevcut durumunu görmek amacıyla nicel bir alan araştırmasına başvurulmuştur.

Türkiye'nin kurumsal yönetişim çerçevesi, ülkedeki şirketlerin önemli oranda aile şirketi olması ve halka açık şirketlerde halka açıklık oranlarının düşük olması nedeniyle Avrupa modeline benzemektedir. Türkiye'de pay sahibi aktivizmi, ülkedeki şirketlerin yüksek oranda aile şirketleri olması ve yatırım fonlarının ABD'ye kıyasla nispeten sınırlı faaliyet göstermesi nedeniyle oldukça sınırlıdır. TTK, pay sahiplerine düşüncelerini dile getirme, şirketin mali durumu hakkında soru sorma, şirket performansını tartışma ve vekaleten oy kullanma özgürlüğü vermektedir. Genel kurul toplantılarında, pay sahipleri, yönetim kurulunun seçimi, finansal mali tabloların onaylanması, yönetim kurulunun ibrası, yönetim kurulu üyelerinin ücretlerinin belirlenmesi, denetçilerin seçimi, kârın nasıl dağıtılacağına karar verilmesi, bağımsız denetçi seçimi, şirket tarafından yapılacak bağış limitlerinin belirlenmesi, kâr dağıtım politikası ve dağıtım oranlarının onaylanması konularında lehte veya aleyhte oy kullanabilmektedir.

Araştırmanın son kısmında Borsa İstanbul'da (BİST) yatırımı bulunan azınlık pay sahipleri arasında yapılan anket sonuçlarının analizi incelenmiştir. Analizin bulguları, pay sahibi aktivizme katılma eğilimlerinin, eğitim derecelerinden etkilendiğini göstermektedir. Pay sahibi aktivizmi, aktivist pay sahiplerinin kanun koyucu tarafından kendisine tanınan hakları bilmesini gerektirir. Literatürde pay sahiplerinin eğitim düzeyleri ile ifade edilen haklar hakkında bilgi düzeyleri arasında ilişki olduğu yönündedir. Analizin bulguları, literatürle uyumludur; pay sahibi aktivizmi, tahmin edildiği gibi, eğitim durumundan etkilendiği şeklindedir. Yatırım portföyünün büyüklüğünün, pay sahiplerinin TTK'nın azınlık haklarına ilişkin bilgi düzeyleri, pay sahiplerinin bakış açıları ve davranış biçimleri üzerinde etkili olduğu sonucuna ulaşılmıştır.

Analiz bulgularına göre, yatırım portföyündeki firma sayısı pay sahiplerinin aktivizme katılma istekliliğini etkilemektedir. Literatüre göre, yatırım yapılan şirketin yönetimi, operasyonları hakkında bilgi sahibi olması ve diğer pay sahipleriyle iletişim halinde olması pay sahibi aktivizminin etkili olması için önkoşullardır. Yatırım portföyündeki şirket sayısı ile pay sahibi aktivizmi arasında kaçınılmaz olarak bir ilişki bulunmaktadır. Pay sahiplerinin bakış açısını ve davranışlarını etkileyen diğer bir faktör ise ortalama pay sahipliği süresidir. Bir pay sahibinin pay sahibi aktivizmine girebilmesi için önceden belirli bir süre boyunca aktif bir yatırım dönemine sahip olması gerekir. Pay sahibi aktivizmi kapsamında yürütülen aktivizm girişimlerinin şirket tarafından belirli bir zaman dilimi içerisinde değerlendirilmesi ve uygulamaya koyulması gerekmektedir. Bu uygulanan aktivizm sonucunda şirketin hisse senedi fiyatında bir değer artışı beklenmektedir. Dolayısıyla tüm bu unsurların, pay sahiplerinin davranışına yansıyan pay sahibi aktivizmi üzerinde bir etkisi olduğunu görülmektedir.

Anket sonuçlarının korelasyon analizine göre, pay sahibi aktivizmi ile azınlık pay sahibi hakları arasında anlamlı ve doğrusal bir ilişki olduğunu ortaya koymaktadır. Azınlık pay sahiplerinin, TTK'nın kendilerine tanıdığı hakları bildiklerinde pay sahibi aktivizmi faaliyetlerine giriştikleri hipotezi kabul edilmiştir. Ayrıca eğitim durumu ile pay sahibi aktivizmi arasında anlamlı ve doğrusal bir ilişki olduğu tespit edilmiştir. Azınlık pay sahiplerinin pay sahibi aktivizmine katılımının eğitim dereceleriyle ilişkili olduğu hipotezleri kabul edilmektedir.

Anket sonuçlarının regresyon analizine göre, azınlık pay sahibi haklarının pay sahibi aktivizmi üzerinde anlamlı ve pozitif bir etkisi bulunmaktadır. Bu, azınlık pay sahiplerinin hakları konusunda bilgilendirildiğinde pay sahibi aktivizmi olasılığının arttığı anlamına gelmektedir. Bunlara ek olarak, pay sahibi aktivizmi, pay sahiplerinin bakış açıları ve davranışlarından önemli ölçüde ve olumlu bir şekilde etkilenmektedir. İfade edilen bulgular ekseninde, pay sahibi aktivizmi, pay sahiplerinin bakış açısı ve davranışlarından etkilendikleri tespit edilmiştir. Yatırım portföyü büyüklüğünün pay sahibi aktivizmi üzerinde önemli ve olumsuz bir etkisi olduğu görülmüştür. Tespit edilen bu bulgunun en önemli nedeni, ankete katılan pay sahiplerinin küçük yatırımcı/azınlık pay sahiplerinin çok yüksek bir nispet oluşturması olduğu değerlendirilmektedir. Sonuç olarak, yatırım büyüklükleri küçük olsa bile, pay sahipleri bunu aktivizme katılmanın önünde bir engel olarak görmemektedirler. Eğitim durumunun pay sahibi aktivizmi üzerinde önemli ve olumlu bir etkisi bulunmaktadır. Daha önce de belirtildiği gibi, eğitim seviyeleri yükseldikçe, pay sahiplerinin haklarına ilişkin bilgi seviyeleri de artmaktadır. Bunun sonucunda bilgi seviyesi yüksek pay sahiplerinin haklarını pay sahibi aktivizmi yoluyla kullanma olasılıkları da daha yüksektir olacaktır. Son olarak, pay sahibi aktivizmi, yatırım portföyündeki şirket sayısından önemli ölçüde ve olumlu bir şekilde etkilenmektedir.

Azınlık pay sahipleri aktivizminin etkinliğini arttırmaya yönelik olarak dünyada tespit edilmiş uygulamalar ve alana araştırmasında elde edilen bulgular ışığında önerileriler ortaya konulmuştur. Bu önerilerden biri, “Hudongyi" adlı çevrimiçi bir platform aracılığı ile azınlık pay sahiplerinin aktivizm sağlama tecrübesidir. Shenzhen Menkul Kıymetler Borsası, pay sahiplerini korumak, onlara bilgi vermek ve yönetimle iletişime geçme fırsatı sağlamak için "Hudongyi" adlı çevrimiçi katılımcı bir platform kurmuştur. Pay sahipleri, zaman ve coğrafi kısıtlama olmaksızın, kurumsal yönetim veya ticari faaliyetler gibi kendilerini ilgilendiren her türlü konuda şirket yöneticilerinden bilgi talep edebilmekteler. Azınlık pay sahipleri, tüm kullanıcılara açık olan online platform sayesinde diğer azınlık pay sahipleri ile etkileşim kurma şansına sahip olmaktadır. Hudongyi, tüm sosyo-ekonomik gruplardan çeşitli azınlık pay sahiplerinin ortak hedefleri hakkında çevrimiçi etkileşimde bulunmalarını mümkün kılarak, dağınık azınlık pay sahiplerinin durumunu önemli ölçüde iyileştirmiştir. Türkiye’de Borsa İstanbul tarafından böyle bir online platformun kurulması dağınık azınlık pay sahipleri arasındaki iletişimi kolaylaştıracak ve elektronik bilgi dağıtım maliyetinin düşük olması avantajıyla pay sahiplerine sağlanan maliyetsiz bilgi olanağına ulaşmaları mümkün olacaktır. Ayrıca bu platform, azınlık pay sahiplerinin şirket faaliyetleri hakkında zaman ve mekân kısıtlaması olmaksızın bilgi edinmelerine olanak sağlayacaktır.

Bir diğer öneri ise, ABD'de tanınan bir yasal düzenlemedir. Amerika Birleşik Devletleri Menkul Kıymetler ve Borsa Komisyonu'nun (SEC) Kural 14a-8'ine benzer bir pay sahibi teklifi, TTK tarafından genel kurulu toplantıya çağırma hakkı verilen ve TTK m.413/1 gereği gündemi hazırlayacak olan azınlık pay sahipleri tarafından bu teklif sunulabilir. Pay sahibi önerileri, aktivist pay sahiplerine gelecekteki önemli sorunlar üzerinde daha fazla etki sağlar ve şirket yönetimini gündeme eklenen teklif maddeleri ile belirtilen değer artırıcı değişiklikleri yapmaya ikna etmenin bir yolunu sağlayacaktır.

Bununla birlikte, yabancı pay sahiplerinin nispeten kısa sürede daha fazla getiri elde etmekte istekleri, azınlık haklarının güçlendirilmesine yönelik düzenlemeler ve emeklilik fonları gibi devlet tarafından teşvik edilen kurumsal fonların yaygınlaştırılması, Türkiye'de aktivist pay sahibi zihniyetinin büyümesine katkı sağlayacaktır. Bu olanakların sağlanması ile BİST'te daha fazla uluslararası yatırımcının yer almasına imkan sunacaktır.

Anahtar Kelimeler: Azınlık Pay Sahibi, Azınlık Pay Sahibi Hakları, Pay Sahibi Aktivizmi, Pay Sahibi Aktivizmi Türleri, Azınlık Pay Sahibi Aktivizmi

ABSTRACT

The primary objective of this study is to examine minority shareholders' rights in Turkish corporations within a theoretical framework, to discuss the topic of shareholder activism, a concept that has become popular in international literature, and to determine whether minority shareholders are engaged in activism in Türkiye in light of the findings. First chapter of our study focuses on the minority shareholder rights granted by the TTC. The second section of our study evaluates shareholder activism, covering its types, forms, and the role that electronic general meetings serve in promoting it. As a consequence of the earthquake that struck our country earlier this year and resulted in the greatest loss of human life and assets in recent history, the concept of corporate social responsibility—which is the subject of discussion of one of the types of shareholder activism—is examined in this continuous section. In order to figure out how shareholder activism, which has recently started to be used by minority shareholders, would be carried out in Türkiye, survey was conducted for the relevant Turkish minority shareholders as part of the third part of the research. Additionally, in this section of the research, institutions established in China and Malaysia for the activism of minority shareholders, which have witnessed minority shareholder activism in the literature, are analyzed in more detail. The analysis of the survey's findings among minorities who have investments in Borsa Istanbul (BIST) has been examined in the last section of the study. Analyses of correlation and regression were carried out. These analyses show that minority shareholder rights and educational level have an impact on shareholder activism. In order to increase the effectiveness of minority shareholder activism, proposals have been put forward in light of the practices examined around the world and the findings obtained in field research. The first proposal is the establishment of an online platform by BIST for dispersed minority shareholders. Another recommendation is a well-known legal regulation in the USA. Minority shareholders who have the right to call the general assembly meeting and set the agenda in accordance with TCC Article 413/1 may submit a shareholder proposal that is comparable to SEC Rule 14a-8.

Key Words: Minority Shareholder, Minority Shareholder Rights, Shareholder Activism, Types of Shareholder Activism, Minority Shareholder Activism

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ABBREVIATIONS

AGM	Annual General Meeting
AoA	Article of Association
Art.	Article
ASA	Australian Shareholder Association
BoD	Board of Directors
CALPERS	California Public Employees Retirement System
CG	Corporate Governance
CSR	Corporate Social Responsibility
CREF	College Retirement Equities Fund
EFA	Exploratory Factor Analysis
e-GM	Electornic General Meeting
ESG	Environmental, Social, and Governance
GA	General Assembly
GSIA	Global Sustainable Investment Alliance
JSC	Joint Stock Company
m.	Article
MKK	Central Registry Agency
MSWG	Minority Shareholder Watch Group
NGO	Non-Governmental Organization
NYCERS	New York City Employees Retirement System
OECD	Organization for Economic Co-operation and Development
SEC	Securities and Exchange Commission
SoP	Say-on-Pay
TCC	Turkish Commercial Code
TTK	Turkish Commercial Code
USA	United Shareholders Association

INTRODUCTION

I.Subject of Research

The research deals with minority shareholders' rights regulated in the Turkish Commercial Code, (hereinafter, TCC) on the axis of shareholder activism, which is common in Western nations. The question of whether minority shareholders can engage in shareholder activism is discussed in the theoretical framework, and the situation of the shareholders in practice is evaluated through the field study. In this context, the first chapter explains the rights of minority shareholders under the TTC. In contrast, in the second chapter, the theoretical framework of the concept of shareholder activism is given. In light of the growing phenomenon of shareholder activism in Western countries, the situation of minority shareholders' activism in other nations is discussed in the third chapter of our research. The ability of minority shareholders to engage in activism through the rights provided to them by the TTC has been evaluated. The goal is to highlight the differences in shareholder activism practices and propose a theoretical framework that takes these variations into consideration. This chapter provides the opportunity to compare the findings of minority shareholder activism in other countries. Finally, this chapter contains information and findings related to the fieldwork we conducted.

In this search, a field study was conducted. Small shareholders with shares on the Turkish Stock Market were the subject of a survey. Within the scope of this research (small shareholders with investments in the stock market), a total of 527 participants were surveyed. In this direction, it is aimed to measure the knowledge level of small shareholders who have investments in the stock market and examine their behavioral patterns by using the quantitative research method in the research. The findings of this research were presented, and in light of these findings, a model proposal was made for the Turkish Stock Exchange Investor Forum, taking into account the practices in other countries.

II.Purpose of the Research

The purpose of this study is to examine minority shareholders' rights in Turkish corporations within a theoretical framework, to discuss the idea of shareholder activism, which has gained popularity in international literature, and to determine whether there is activism of minority shareholders in Türkiye in the light of the findings.In light of the procedures outlined in the international literature to safeguard minority shareholders and promote their activism, it is intended to make a proposal for the creation of a website where minority shareholders in Türkiye can interact and ask questions about the management of the company.

III.The Value of Research

There are three key implications of the study.

Addressing the rights of minority shareholders in a comprehensive theoretical framework in the TTC.

The fact that field research on the viability of future shareholder activism, which has previously endured and achieved significance in international literature, has been done on its application in Türkiye for the first time.

In order to contribute to Türkiye's company law, which lacks in the area of shareholder protection, it is essential to propose an application that does not already exist in the country's environment and to develop a website to protect shareholders.

China and Malaysia practices are the main topics of the third chapter's literature analysis. There is extremely limited literature on the concept of minority shareholder activism and its methods. In fact, studies dealing with minority shareholder activism at the theoretical level are scarce in the literature. Studies on shareholder activism have not included minority shareholders due to the assumption that they would not participate in activism, indicating an important gap in the literature.

IV.Method of Study

The study has four main research questions.

1-What does the term "minority shareholder" mean?

2- Within the framework of the TCC, how are the minority shareholders protected?

3- What is the concept of shareholder activism?

4- Can a minority shareholder engage in shareholder activism? What circumstances allow a minority shareholder to engage in shareholder activism?

In the study different types of research methods will be used. Firstly, to show importance of the minority shareholder rights, qualitative research method will be used. Secondly, to explain and give information about the minority shareholder rights and how to protect these shareholders, qualitative research method will be used. This study will use the descriptive research method to show different countries' practices regarding shareholder activism. At the very last of this study, to show minority shareholder activism effects, minority shareholders will be analyzed in survey method and field research method will be used.

V.Scope of the Research

In joint stock corporations (hereinafter JSC),[1] board of general decisions are taken by a majority vote, and these decisions are legitimate for all shareholders, regardless of whether they attend the meeting or not or even cast a negative vote. In a widespread situation, those who hold capital, share, and vote dominance tend to prioritize their own private interests rather than the company's interests. Thus, in JSC, establishing an anti-exploitation balance between the small and ineffective minority shareholders and the shareholders who dominate the company according to capital, share, and, therefore, the voting rate they represent raises the problem of protecting minority shareholders against selfish and self-interested attitudes. In this context, in the first part of our research, minority rights were discussed in general. After evaluating the majority principle and the principle of adherence to the agenda in JSC, the concept and classification of minority shareholders were mentioned, as were the characteristics of minority rights and their differences from similar rights. Finally, further details regarding minority shareholder rights were provided.

[1] Public joint-stock companies provide the foundation for the explanations that will be presented throughout this research.

In the second part of our research, shareholder activism was discussed. First, the division of ownership and control caused concerns about possible conflicts of interest between management and shareholders, which have become a major issue ever since corporate governance (hereinafter CG) regulations were introduced. Shareholder activism is one of the most important tactics for defending shareholders' interests against the company's BoD and management. The main objectives of shareholder activism are improved CG, increased shareholder value, and improved value for the company.For many years, the theory did not consider shareholder activism a viable alternative. In addition to spending a lot of time, effort, and money on activism activities, shareholders also need to communicate with other shareholders. Considering corporate shareholders currently hold the majority of company shares compared to individual shareholders, shareholder activism is now possible, corporate shareholders may carry out their responsibility of supervision and control in CG, and other shareholders will benefit as well. In this section, different types of shareholder activism are covered. The terms "defensive shareholder activism," "offensive shareholder activism," and "responsible shareholder activism" are examined. The background of shareholder activism, institutional shareholders, and the electronic general assemblies (hereinafter GA) are discussed. Finally, emphasis has been placed on the idea of corporate social responsibility in light of the major catastrophe that struck our country just recently. The third section of the study examines minority shareholder activism[2], which is being practised in Malaysia and China and has been considered to be possible gradually in the literature. Later, the survey data used in our

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[2] Minority shareholders are required to fulfil a quota under Turkish legislation. According to the Turkish Commercial Code, shareholders who own 10% of the capital of non-public corporations and 5% of the capital of publicly listed companies, respectively, are considered minority shareholders. Minority shareholders, as defined in the international literature, are defined as shareholders who do not have control. In the third chapter, minority shareholders, refers to shareholders who do not have control, as described in international literature, rather than shareholders who have shares within the TCC's set limitations.

study’s context were analyzed, and the situation of minority shareholders in our nation was examined.

VI.Limitations of the Scope of the Research

Although minority shareholders who own stock in publicly listed joint stock firms may benefit from this study, basically all of the companies examined in this analysis are those that are publicly traded. In non-public joint stock companies, there are not as many shareholders as in publicly held joint stock companies, and shareholders can engage in more active participation, have easier communication with other owners, and even have the opportunity to work for the company as an employee or manager. Safeguarding the rights of the minority against the majority is a notion that holds true regardless of whether the company is publicly traded or not. The aforementioned situation is unaffected by the shareholder's capability to sell their shares on the ready stock market in publicly traded companies as opposed to closed companies. This study requires extensive and comprehensive research in order to analyse the possible differences between shareholder activism in common and civil legal systems, the outcome of shareholder activism, and whether shareholder activism has benefits for shareholders or not. The research is unlikely to have the opportunity to cover all of the aforementioned areas, though, due to time constraints. As a result, the research focuses solely on the rights of minority shareholders, the types and forms of shareholder activism, minority shareholder activism observed in countries with a comparable corporate environment to Turkey, and providing new tools for effective shareholder activism in Turkey; it leaves various other concerns to be addressed in future research.

CHAPTER I

MINORITY SHAREHOLDER DEFINITION, LEGAL NATURE AND MINORITY SHAREHOLDER RIGHTS

1. MINORITY SHAREHOLDER

In recent years there is an increase of the number of small shareholders in the capital market. The protection of these small shareholders is a crucial concern and issue in terms of the capital market, despite the fact that the current transfer of accumulation experienced by small shareholders contributes to the country's economic growth. Although the small shareholder does not have sufficient capital to be effective in the management of the company in which they invest, they will be able to benefit from the protection within the framework of these minority rights granted to them by the TCC. The issue of protecting these minority shareholders becomes even more pressing in light of the growing number of publicly traded companies and the widespread demand for these securities as a vehicle for minority shareholders to have an investment. (Güçlü 2021: 3).

The research revealed that, for a variety of reasons, the minority shareholders did not participate in or show interest in the general assembly meetings (hereinafter, AGM) or exercise their voting rights.

These reasons can be listed as the distance from the company headquarters, where the general assembly meeting is held; the expense and time required for participation; the fact that minority shareholders do not have the time due to their professional responsibilities; and the requirement for technical knowledge in order to comprehend company transactions. Non-expert shareholders find the balance sheet, profit and loss account, and other financial statements complicated and incomprehensible, as does the notion that minority shareholders cannot affect GA decisions with their own votes. (Güçlü 2021: 3).

Examining the previous TCC reveals that changes have been made to better protection the rights of minorities. As a matter of fact, in the previous TCC, the minority's right to request a special auditor was fulfilled by the auditor chosen by the majority. The auditor selected by this majority lacked the assurance that an impartial and objective auditor would offer, failed to thoroughly investigate the claims, and worked in favor of the majority. Additionally, the right to request a special auditor was a minority right under the previous TCC, and the request had to be addressed at the GA.

Another issue was that requesting a special auditor was contrary to the principle of adherence to the agenda, and it was difficult and problematic to put this item on the agenda. The issue has been remedied with the new TCC; requesting a special auditor has become an absolute exception to the principle of adherence to the agenda. With the new TCC, the right to request a special auditor has become an individual right, and each shareholder has the right to request a special audit. The new TCC makes it possible for each shareholder to request a special audit from the GA, even if it is not on the agenda. Requesting a special audit from the GA is an indispensable condition for the special audit. Although the GA must vote on this request, the outcome of the vote could result in the GA rejecting this proposal. Minority shareholders may still ask the court for a special audit in this scenario. In other words, this time the minority shareholder right is revealed by the GA's rejection of the special audit request, which is an individual shareholder right, reveals the minority share right this time. The rejection decision of the GA thus prevented the private audit institution from becoming dysfunctional. During the previous TCC era, the GA had the authority to choose a special auditor in certain circumstances. With the implementation of the new law, the auditor who was chosen by the GA under the previous law era has changed. The auditor will be chosen by the court, not the GA, under the new TCC, even if the auditor request is granted by the GA. A special auditor must be necessary for the exercise of shareholder rights in order to be requested, and the right to information or the right to review must have been exercised. The responsibility of special auditors begins where the shareholder's right to information ends. It emphasizes the connection between the private audit institution and the right to information. As a result of this, the appointment of a special auditor is closely related to the shareholder's right to information. If the shareholder has attempted to use the opportunities provided by the individual information right granted to shareholders by law but has been unable to obtain information related to the partnership activities or reach a satisfactory level of data, they may directly exercise their right to appoint a special auditor. The shareholder can, however, not ask for the appointment of a special auditor to look into the same matter if the board of directors (BoD) has already provided enough and complete information to the shareholder exercising his right to information (Topsoy 2022: 307).

1.1. The Joint Stock Company's Fundamental Principles in Terms of Minority Rights

1.1.2. Majority Principle in the Joint Stock Companies

First and foremost, the concept of majority principles in JSC must be defined. It is first required to clarify how the principle of majority affects JSC in order to understand the concept of minority and its importance (Sümer 1991: 3). The BoD and the board of general constitute the two primary organizational components of a JSC. In these corporate organs, majority rule governs decision-making. Shareholders of the company can voice their notions by participating in the GA meeting and giving an affirmative or negative vote. The number of members on the BoD provides the majority rule, while the share-to-capital ratio provides the majority rule in the GA. (Gencer 2021:3). The decisions of the majority are final and binding on all shareholders, whether or not such shareholders are present at the meeting or vote in favor or against the proposal. (TCC Art.423) Majority rule does not, however, automatically imply proper and effective governance. Ideal governance that serves the interests of the majority, other shareholders, and the company. The majority of firms that strengthen the economy of a nation are established as JSC. (Pulaşlı 2017: 261). A delicate balance must be found in order to protect the minority shareholders, who have the chance to evaluate their investments in publicly listed JSCs, against the majority principle (Sümer 1991: 4).

1.1.3. Commitment to the Agenda

Adherence/Commitment to the agenda is another concept that governs JSC. According to the agenda-adherence principle, unwritten provisions that are not on the agenda can't be discussed or decided. The individuals who called the board of general meeting decide what will be on the agenda. (TCC Art.413/1) The shareholders' right to access information and to not be taken off guard when voting on a subject has been guaranteed by the agenda-adherence principle. Therefore, the issues to be discussed must be explicitly listed on the agenda before the board of general is called to the meeting. The agenda should be included in the notices and letters that are issued to the board of general inviting them to the meeting. In order to give the shareholders a broad idea, the board of general agenda should also be established in accordance with the principle of clarity (Şener 2019: 364).

1.2. Legal Definition of Minority Shareholder

Articles 360, 366, 411, 412, 428, 531, 553, 555, and 559 of the TTC, respectively, deal with minority rights (Helvacı 1998; Karatepe 2021; Ulusoy 2022). According to European law, minority shareholder rights are included in the category of "protective rights.” (Canpolat 2008; Tekinalp 1988). In some instances, the legislator has granted certain rights to protect the minority from the dominance of the majority by indicating a share ratio (Art. 411, 412, 420, 439, 440, 531, and 559), while in other instances (Art. 486/3), it has granted certain rights without indicating (Bahtiyar 2019: 310).

The minimum share capital for non-public companies must be 10%, and the minimum share capital for publicly traded companies must be 5%, in order to qualify for the minority rights guaranteed to minority shareholders under the TCC. If the share ratio required for the minority is obtained by gathering the shares of several shareholders, the minority rights may be exercised jointly with the other shareholders. However, if the share ratio is provided by just one shareholder, the minority rights may be exercised by that shareholder (Kayıhan 2005: 94). The articles of the act diverge slightly when defining the minority. In some, the minority is indicated proportionally, as in TCC Art. 411/1, whereas in others it is expressed as a percentage, like in TCC Art. 399/4-b. However, there is no mathematical distinction between 10% or 5% of the capital and 1/10 or 1/20 of the capital; only the mathematical phrase differs and the two outcomes are identical (Barut 2012: 145).

In a JSC, decisions are taken by a majority vote in the GA. Since this vote binds every shareholder, regardless of whether they vote in favor of or against it, it is important and vital to establish balance against any potential self-interest or exploitation by the majority shareholder on the part of minority shareholders, who cannot participate in the decision-making process due to their minority status and the capital shares and voting rates they represent. The definition of a minority is based on the company's fundamental capital, not the shareholders present at the GA meeting (Doğan 2009; Helvacı 1998).

Nearly all laws in a modern legal system protect the minority, representing a certain percentage of the capital, from making decisions and occasionally even from acting favorably, on behalf of the JSC, against the will of the majority and in defiance of the majority, especially in matters they consider important. By recognizing their legitimacy and right to conduct particular acts, they protected minority shareholder rights.

The exercise of minority rights in closed JSC requires a minimum amount of capital working jointly in accordance with the law or the articles of organization. The minority shareholder may exercise their rights even if they are the sole shareholder and own the required amount of capital. Additionally, TTC Art. 411 is the required minimum capital. In closed JSC, it is governed by TCC Art. 411, and the shareholder or shareholders holding at least one-tenth of the capital constitute the minority. Although the doctrine agrees that this rate cannot be raised, there is disagreement in the doctrine about whether it can be lowered.

The authors, who contend that the legal rate cannot be altered, base their claim on TCC Art. 411. According to this clause's clear language, Shareholders constituting at least one-tenth of the capital and one-twentieth of the publicly traded companies may request from the BoD to call the GA meeting by stating the necessary reasons and the agenda, or to put the issues they want to be resolved on the agenda if the GA is to be convened anyway. With the articles of association (hereinafter AoA), the right of call may be granted to the shareholders with a smaller number of shares. The right to call the GA meeting and to add an item to the agenda may be provided to the shareholders at a lower rate than that set forth in the law by the AoA, according to the regulation of this article. It is questionable, though, whether this clause can be analogously applied to other rights.

According to Şener, it is not possible to raise this rate set forth in the law or by introducing other conditions that make the use of the rights in TCC Art. 411-412 difficult. Şener also claimed that this is a significant exception to the rule of mandatory provisions governed by Art. 340 and that it is not harmful to grant minority rights to those who own less than one tenth of the capital shares in the AoA (Şener 2019: 467).

İmregun asserts that the required rules on minority rights are meant to settle conflicts of interest between the majority and the minority as well as to protect minority shareholders. The author contends that the AoA cannot increase or decrease the rate set by the legislation for this reason (İmregün 1989).

According to TCC Art. 360, "management to the minority" may be given the right to representation on the BoD if it is provided for in the AoA. Along with TCC Art. 411, this article is taken into consideration. Art. 411 will be found to be non-restrictive. As seen below, it is conceivable to give the minority new rights through the AoA, but these rights are not rights that are not recognized in the law. It is the transfer of legal rights from higher quorums to lesser share ratios when the quorum changes.

1.3. Types of Minorities in the TCC

Technically, there are three different minorities, according to our legal system (Ulusoy 2022: 69). These minorities are divided into three categories: nominal, proportional, and de facto. Shareholders that constitute a proportional minority in the TTC are granted minority rights. As a fact, the proportional minority system is the one that the TCC officially accepts for the recognition of minority rights. The shareholders that own shares worth a certain amount of money are the nominal minority, not the minority that reaches a certain capital ratio. Every JSC has a different method for determining the nominal minority. Nominal minority rights are essentially regulated only in TCC Art. 439 for the appointment of a special auditor. In accordance with this article, both proportional and nominal minority rights are sought in the event that the general assembly rejects the special audit request by referring to the shareholders who account for at least 10% of the capital and 5% in publicly traded companies, or the shareholders whose nominal value is at least one million Turkish liras (Gencer 2021: 73). Since this right is granted to the minority and not the majority, the nominal minority may benefit from it if they fail to meet the required majority in the AGM. The de facto minority is a minority that, depending on the real circumstances at the AGM, may vary as a set percentage of the current or cast votes, its ratio in the main capital, or in all the votes.

According to the criteria to be used in determining the concept of "minority," it is possible to give three meanings to this concept (Kayar 1989: 6). The TCC does not grant the minority any rights or authority in this sense; the minority is conceptualized as the shareholders holding less than 50% of the company's basic capital. The TCC does not provide protection for the minority in the sense of those who do not agree with the majority in voting in the GA. They can only benefit from rules that relate to minority protection in general. In addition to the aforementioned, the word "minority" refers to shareholders at a particular rate set by lawmakers; the minority in this context is known as the "qualified minority." While a simple majority is required to make some important decisions, the exercise of some minority rights is typically only given to the shareholders who meet the legal quorum requirements, not to any individual shareholders or minority groups that are specifically mentioned in the definition of minority. According to the rules of the TCC, 10% of the capital is needed in order for the minority rights to be exercised (Kayar 1989:8).

1.4. The Distinction Between Minority Rights and Other Types of Rights

While rights guaranteed to minorities in the TTC—aside from Art. 559 regarding the rights with respect to release—are in the form of the right to demand, in doctrine, TCC Art. 559 is a management right (Pulaşlı 2022: 1557). Minority rights are management rights that can be exercised through a unilateral declaration of will that automatically directs the organ without the consent of the organ to which it is directed (Pulaşlı 2022: 1558). Each share of a JSC represents a portion of the registered capital, and each shareholder has certain rights only by reason of being a shareholder of this company. Minority rights, on the other hand, are those that shareholders who hold shares at the legal rate may exercise. The shareholders rights are those that they may unilaterally exercise without any additional restrictions. The board of general is not permitted to restrict how each shareholder may exercise their legal rights. Therefore, the law did not seek any additional requirements and stipulated that each individual shareholder right might be used on its own. Acquired rights, also known as "vested rights," are those that are protected by law or the AoA and cannot be changed or eliminated without the approval of all members. The main characteristic of the vested rights is the shareholder's power to consent to their waiver. There is disagreement on the meaning of indispensable rights (inalienable right), which are recognized as a type of vested right under the law. An inalienable right is one that the shareholder has been legally granted and cannot be taken away from them, even with their consent. It can also not be changed by the AoA or by a vote of the GA. It also cannot be established by AoA or by a board of general decision. These rights are essentially not subject to the shareholders' will and are given as a result of the JSC's fundamental structure rather than to serve the shareholder's interests (Gencer 2021: 81). Vested rights and inalienable rights have fundamentally different meanings since vested rights can be waived with the shareholder's approval, whereas inalienable rights cannot be altered with or without the shareholder's consent or permission. The TCC Art.478 states that the shares may be granted privileges with the articles of incorporation. Each share in JSC entitles the shareholder to equal rights, but this clause establishes a legal exemption to the equality principle in the case of the privileged share. Furthermore, the privilege is given to the share rather than the shareholder individually. The company's AoA serve as the source of the privilege, which is different from minority rights, which are regulated by legislation. Minority rights are regulated by compulsory legal rules and no restrictions can be imposed on them with the AoA.

1.5. Classification of Minority Rights

The two types of minority rights recognized by the majority doctrine are affirmative minority rights and negative minority rights. Authors who disagree with this classification, however, categorize them as minority rights used during the AGM and minority rights used outside of the AGM. As a new contribution to the literature, minority rights are divided into not two but five categories. These are the right of voice, the right of exit, infrastructural rights, gap-filling principles, and peripheries(walls) (Kayıklık 2022: 428). TCC Art. 411 and 412 provide examples of the rights that may be exercised outside of the AGM. The minority's right to call the board of general meeting and the right to include an item on the agenda. Examples of rights that can be exercised in the AGM are TCC Art. 420 and 438. In these articles, the right of the minority to delay deliberation of the financial tables and the appointment of an independent auditor at the AGM, even if it is not included in the agenda, is specified in these articles.

1.6. Minority Rights in Joint Stock Companies

1.6.1. Right to Obtain Information

The regulations, which serve to protect the shareholders in joint stock companies, provide two basic protections: preventing the realization of risks (preventive protection) and ensuring to collect damage when the rights and interests of the shareholders are violated (compensatory protection).The first of the preventive protection measures against risks that may harm the interests of the shareholders is the right of the shareholders to be informed about the activities, transactions, and economic and financial situation of the company (Atalay 2015: 54). In order for the shareholder to consciously and effectively use the rights granted to them by law and the articles of association, they must have knowledge of the company's activities (Bahtiyar 2019: 308).

The issue aimed at with Art.437, the right to obtain information, is to enable the shareholder to consciously use the vote in elections, releases, and decisions regarding financial statements. Before each AGM, the shareholder has the right to examine the documents related to the meeting (passive right to obtain information and to obtain information by oneself). These documents must be available at the company headquarters or branches 15 days before the AGM (Karatepe 2021: 163). According to Art.437/3, the legal grounds for restricting the right to obtain information are company secrets or legitimate company interests.

1.6.2. The Right with Respect to Release

The definition of the word "release" is "to wash, to clear." The approval by the GA that the transactions carried out in the period subject to release were carried out in accordance with the requirements of the business and the law for the company is known in JSC as "release," which means acknowledging negative debt (recovering from debt). A confirmation of the trust given in those who have been released is implied by the expression of will that those who are authorized will not be held accountable for the acts relating to that period (BoD, etc.). Release of debt is one of the justifications for paying off debt, according to the Turkish Code of Obligations. In this state, the waiver of the debt cannot be accomplished with a unilateral declaration of will; rather, it must be accomplished through a bilateral legal action. In the law of obligations, a debt release counts as grounds to terminate the debt, although this is not the case in company law. Liability is eliminated through the release process in JSC. Technically, release does not end a debt in the eyes of the company law, but rather the accountability of those in charge of the corporate legal entity. The TCC examination reveals that the release is not defined. The release should be specified separately for the transactions before and after the establishment when it is considered in terms of legal systems. Releases are GA resolutions that state that the persons in charge of the establishment will not bring any legal action to recover damages for whatever transactions they made both during and after the establishment. According to TTC Art. 559, "until four years have passed since the date of registration of the company, the obligations of the founders, members of the BoD, and auditors deriving from the establishment of the business and the capital increase cannot be abolished by compromise and release." After this time has passed, peace and release can only be enacted with the GA's approval. The settlement and release will not, however, be accepted by the GA if the shareholders representing ten percent of the capital of the closed companies and twenty percent of the publicly traded companies are against it. There are two types of releases: explicit and implicit. There is an explicit (explicit, direct) release when the GA includes it on its agenda and provides a clear decision in this regard. In other words, taking a decision regarding debt release in accordance with this article is known as "open release" when it is an item on the GA's agenda. According to TTC Art. 558/2, those who voted in favor of the release and shareholders who purchased shares from the firm after learning of the decision to release the transactions are no longer eligible to bring a case related to those transactions. Within six months of the date of release, additional shareholders must use their option to sue. "Shareholders who cast no votes or were absent from the meeting may nonetheless depend on the GA's decisions." Unless it is explicitly stated otherwise, the BoD, management, and auditors are released as a result of the GA's decision to approve the balance sheet. However, the approval does not have the impact of a release if some issues are not mentioned in the balance sheet at all or properly, if the balance sheet contains some concerns that would obscure the true financial status of the company, or if a deliberate action is taken in this regard. In other words, even though the implicit release is mentioned in the article regulation's first sentence, the subsequent regulation is still part of the overall release regulation. If the balance sheet is unclear, it is obvious that the GA participants' decisions about the matters they are unaware of will not have the intended effect of release. In other situations, the release will be legitimate, and the GA won't be able to overturn the decision to release with a GA decision.

This right, which is regulated under Art. 559 of the TCC, is the authorization of transactions undertaken for a specific time by corporation organs. The transactions of these individuals in charge of the JSC will be considered to be in accordance with the law and job standards following the AGM decision to release them, and as a result, no liability case can be brought against these individuals. If the shareholders holding 10 percent of the shares in non-public companies or 5 percent of the shares in publicly traded companies are against the approval of the release and vote against it, it cannot be approved by the GA. According to TTC Art. 559, "The settlement and release will not be accepted by the GA if the shareholders representing one-tenth of the main capital and one-twentieth of the publicly traded companies are against the approval of the settlement and release." Here, it is not intended to provide a specific quorum for the exercise of the minority's rights. A decision cannot be made because the minority has demonstrated its disapproval of the release decision by voting against it in the GA. This minority right results in disruptive innovation since the choice is rejected as a result of the minority's negative vote in this situation.

1.6.3. Delay in the Deliberations of the Financial Tables

Although the financial tables and annual activity reports must be presented to the shareholders prior to the AGM, under Art.420, minorities have the right to delay the meeting in order to more effectively protect their rights. According to various authors and doctrinal views, the right to delay the deliberation of the financial statement is no longer necessary since the law grants the shareholders the right to obtain information and review it, and they also have the right to request an independent audit(Akipek 2014; Bozbel 2013; Karslıoğlu 2022).

1.6.4. Appointment of an Independent Auditor

The auditor is divided into two categories in commercial law: special and general. In general, auditors are chosen by the board of general of the corporation; however, special auditors are chosen by the court to look into particular circumstances.

TCC Art. 438 regulates the appointment of an independent auditor. Each shareholder may request the clarification of specific events by special audit from the board of general meeting, even if it is not on the agenda, if it is necessary for the exercise of the shareholder's ownership rights, but on condition that the shareholder has previously used his right to receive or review information. One or more shareholders may request a special audit, which is a non-periodic audit, in order to clarify certain events that are important for the shareholders to exercise their rights. Each shareholder has the right to apply to the court and request a special auditor if the board of general meeting approves. This special auditor right, which was granted to all shareholders, becomes a minority shareholder right if the board of general meeting rejects it (Güven 2011: 136). Even in cases where a special audit request is accepted by the board of general meeting, the selection of this auditor is made by the court to ensure both the auditor's and the audit's transparency (Karatepe 2021: 154).

The exercise of this right, which is governed by Art. 438 of the TTC, is subject to three conditions: first, it must be required for the exercise of the shareholder right; second, the right to information and examination must have previously been exercised; and third, it must only be intended to shed light on specific events. There is, however, a cumulative count for these situations. The GA should be able to decide to appoint a special auditor despite one of these requirements not being met (Topsoy 2022: 306). There should be no legal obstacle that prevents the board of general from accepting that it intends to appoint a special auditor, regardless of whether one of the requirements is lacking or none of them are fulfilled. The board of general decision may only be cancelled if one of these requirements is not met.

The right to receive information entitles one to information about the operations of the corporation or the procedures and findings of an audit. Examining financial statements, BoD annual reports, audit findings, and BoD profit-distribution proposals are all covered under the right to review.

The right to receive information and the right to review are two separate rights. The exercise of one of these two rights should be adequate, despite the fact that it is covered in its entirety by Art. 438, and the requirement that both rights be used should not be pursued. Various theories within the doctrine debate whether the right to information and the right to review are required before using the right to request a special audit or whether the right to information and review is required before applying to the court in the event of rejection.

According to Narbay, the right to request a special audit is an accessory right since it must be used in combination with the rights to information and first review. As a result, the shareholder cannot make a direct request for a special audit without first using these rights (Narbay 2010: 300). In order for the right to obtain information and the right to review to be considered exercised, the subject for which the information is received or examined must be the same as the subject for which the appointment of a special auditor is requested. Information or examination on a particular subject cannot be a justification for appointing a special auditor for other matters.

It is important to determine whether the shareholder exercising the right to obtain and review information and the shareholder requesting a special audit should be the same person (Güven 2011: 146). There are two perspectives on how to respond to this question in Swiss legal doctrine. While one viewpoint contends that the shareholders should be identical individuals, the opposing viewpoint maintains that it is sufficient to exercise the right to information and review regardless of which shareholder does so. According to Turkish law, as long as the subject, the right to obtain information and review, and the subjects requested by the special auditor are the same, it is not necessary for this request to be made by the same shareholder. However, just because one shareholder used their right to obtain information and their right to review does not imply that other shareholders are likewise aware of this situation. For this reason, the shareholder, who does not exercise their right to obtain information and review individually, must be informed about the subject that wishes for a special audit.

Due to factors like the request being ignored, unfairly denied, or delayed, or the information being provided not being adequate, it might not always be possible to exercise the right to obtain information and review. If the right to information and review does not produce the expected results, there is no regulation on how to request a special audit in such circumstances.

In the doctrine, it is argued that the shareholder whose right to obtain information and review is denied, left unanswered, or postponed should first follow the steps outlined in Art. 437/5 of the TCC. The right to obtain information and review, however, will go unanswered by the board of general if they wish to avoid special audit control or wish for it to be delayed. Due to this, the shareholder should be given a dual right if the request for information and review is unanswered or delayed. As stated in the justification of the TTC, it is stated that leaving the request unanswered also includes answers that do not comply with the principle of insufficient accountability. In the case of insufficient accountability, if it had the option to use the right of special audit; leaving the request unanswered has the same option (Topsoy 2022: 312). Because the right to request information and review will be deemed to have been exercised, the shareholder should be able to directly exercise the right to a special audit if the request is unanswered or delayed. In addition, the court will simply consider whether the shareholder has exercised its right to request information and review; it will not consider whether the shareholder attempted to do so through litigation (Kaya 2015: 75). If the GA rejects the right to a special audit, Pulaşlı claims that the court should first look into whether the right to information and examination, which is a pre-requisite for the right to request a special audit, is exercised and whether a special audit is required for the exercise of shareholder rights. However, there is no direct mention of the existence of the requirements listed in TCC Art. 438/1 in Art. 439/2. It could be argued that the court cannot consider the precondition ex officio in this case (Topsoy 2022: 327).

The most fundamental condition of the right to request a special audit is that this request is necessary for the exercise of shareholder rights. Only the shareholder's curiosity is insufficient to use this right; also, the necessity of this right may be tied to any aspect of the company's operations(Çiftçi 2022: 347).

Clarification of particular events that are the subject of the audit is another requirement. A specific event is one that has particular bounds and substance and does not have a general character. The right to request a special audit cannot be used for the purpose of obtaining information about the general course of the company or the determination of the profit and loss situation (Özdamar 2022: 269). The focus of the special audit is not legal issues like the legality or illegality of a certain decision, but rather the investigation and clarification of specific events (Güven 2011: 148).

A special audit can only be requested from the board of general. A special audit request cannot be made directly to the court without first submitting a request to the board of general. Before making an appeal to a court for a special audit, the process of requesting a special audit from the board of general must be completed. It is not required to have an item on the agenda for the special audit request to be discussed in the AGM; therefore, the appointment of a special auditor is an exemption to the principle of adherence to the agenda. The company or each shareholder may, within 30 days following the board of generals approval of the request to appoint a special auditor, submit a request to the commercial court of first instance located where the company's headquarters is for the appointment of a special auditor. This thirty-day period starts from the date of the board's general approval Narbay contends that if this period is not recognized as a period of prescription, the company will be subject to continuous control pressure, which will harm the company's ability to operate. A specific quorum was not required by the TCC for the discussion and approval of the special audit system. A heavier quorum requirement in the articles of organization is disregarded in the doctrine in order to avoid making the exercise of this right more difficult. Making it difficult to use this right would also be against the purpose of the provision, as the right to request a special audit is given to every shareholder and is regarded as an exception to the rule of adhering to the agenda (Birsel 1970: 643).

It is unclear which criteria the court will look at in order to appoint a special auditor. According to a view in the doctrine, the court's jurisdiction is restricted to examining things like whether the applicant is authorized and whether or not there is a GA decision approving the conduct of a special audit (Narbay 2010: 300). Whether the requirements under Art. 438 of the TCC have been fulfilled cannot be determined by the court. The board of general has the power to look into these circumstances. If the board general rejects the request for the appointment of a special auditor, this right turns into a minority right, and the minority may apply to the court to request the appointment of a special auditor. The requirement for submitting an application to the court for auditor appointment is the board of general rejection of the request. The minority does not have the power to petition the court if the board of general was unable to convene because a quorum could not be obtained or if the meeting was adjourned without any voting (Topsoy 2022: 323).

On the other hand, the opposing viewpoint highlights that the board of general's failure to vote on the special audit request may prevent the right to request a special audit and views situations in which the board of generals refuses to respond to or delays the request as a judgment of rejection (Kaya 2015: 79).The company or its shareholders must have suffered harm due to a violation of the law or the AoA in order for a special auditor to be appointed. In the event of a violation of the law or the AoA, it indicates both the TCC and the applicable written legislation.

Additionally, a special auditor cannot be appointed for violations committed by other shareholders or third parties; these violations must be committed by the company's founder or corporate organs. The company or its shareholders must have experienced losses, although it is questionable whether a special audit can be requested in situations when the loss is expected to occur. One opinion of the doctrine does not consider the possibility of loss to be sufficient for the right to request a special audit (Güven 2011: 155).

However, since the damage has not yet occurred for a specific event in which the damage will occur, denying the right to a special audit may have difficult-to-recover results in the future. Convincing proof must be provided to prove the violation and damage. It is not proof with conclusive evidence that is sought in this case; rather, it is evidence and signs that will support the claim, and they must be presented in a convincing manner. The to-be-appointed auditor will decide if they are fixed or not (Moroğlu 1976: 354).

1.6.5. The Right of Representation of Specific Groups on the Board of Directors

There are two requirements in Art. 360 of the TCC that must be met for specific groups to be represented on the BoD (Çamoğlu 2011: 3). The first requirement is that the right to representation on the BoD be acknowledged by the association's articles and by a clear definition of the group that will benefit from it. As opposed to TCC Art.411, TCC Art.360’s definition of a minority relates to a de facto minority. Therefore, the minority must be specified in the AoA in order to exercise the right.

1.6.6. The Right to Request Issuance of Shares

This clause, which is governed by TCC Art. 486, is intended to prevent unlawful practices such as not printing shares of non-public JSC and restricting the transferability of shareholders' shares.

1.6.7. Calling a General Meeting and including an Item on the Agenda

The GA is a body in which the shareholders of JSC exercise their rights arising from shareholding in matters related to the company. Art. 410, 411, and 412 of the TCC govern who can call a board of general meeting in JSC, as well as the organs that are authorized and in charge of calling a board of general meeting. In JSC, the BoD is an obligatory body that conducts meetings in two ways: ordinary or extraordinary, and the meetings are called by the main authorized body, the BoD, not by the board of general itself.

The TCC's Art. 411 governs the minority's right to call a board of general meeting and the right to add an item to the agenda. Although this right of the minority is not a provision that protects the minority against the majority shareholders, it is a provision that protects the minority's right to voice an opinion on the management of the company.

The minority's right to call a GA meeting can be exercised in three different ways (Gencer 2021: 98). The first option is for the minority to submit an official request to the BoD to call the board of general to the meeting , the minority directly calling the board of general meeting , and finally, calling the board of general meeting with a court order. Those authorized to call a board of general meeting are the BoD, a single shareholder under certain circumstances TCC Art.410/2, and, within the scope of TCC Art. 411, the minority constituting at least one tenth of the company's capital for publicly traded companies, the threshold is one twentieth, has the right to call a board of general meeting or to add an item to the agenda in case of a meeting to be held (Yılmaz 2022: 379). These ratios are the absolute minimums, and shareholders who own shares with ratios substantially higher than these also have this right. In accordance with TTC Art. 411/1, the right to call a meeting may be granted to fewer shareholders by making a provision in the AoA. There is no restriction on granting the right to call a meeting to a single shareholder, but this threshold cannot be increased; it may only be decreased. It is not possible to make the exercise of this minority right extra complicated by raising the threshold or adding additional requirements (Şener 2019: 446).

The minority exercises this right by submitting a written application to the BoD through a notary public. Minority can be a single shareholder with the required percentage of shares, but in this case, the right is being used as a minority right rather than an individual shareholder's right because only individual shareholders are able to call the GA meeting in accordance with TCC Art. 410/2, or there may be more than one shareholder. The requirement for several shareholders to constitute a minority is for these shareholders to act in coordination. TCC Art. 411-412 cannot be applied, even if the percentage of these shareholders who make claims independently of one another constitutes minority shareholding. According to the Court of Cassation decision, the prerequisite for the exercise of this right granted to the minority is that the partners act jointly; if the shareholders are unaware of each other or make an independent request, this precondition has not been fulfilled.

The reason for this right being granted to the minority is to ensure that the issues requested by the minority are discussed in the board of general meetings by either calling a meeting if one is not already scheduled or by adding a topic to the agenda if one is. According to Pulaslı, the exercise of this right is only possible if the BoD cannot call the board of general to an extraordinary meeting due to legal or factual obstacles. From this perspective, the exercise of this right granted to minorities will be impossible; however, the legislator has regulated this right for minorities to use their voice rights properly by speaking out and having a say in the company. Additionally, the legislation only recognizes the existence of such a prerequisite if the individual shareholders call the board of general for a meeting. The purpose of this right granted to the minority is not to eliminate the problems arising from the lack of organs but to use other minority rights granted to the minority at the GA meeting (Yılmaz 2022: 382).

The minority must use a notary public to submit their request to call the meeting. This provision, which did not exist in the previous TTC period, has the effect of protecting the rights of the minority because it is necessary to prove whether the BoD responded to the minority's request within the time frame stipulated in Art. 412 of the TCC. Additionally, the minority must have fulfilled its right to apply to the BoD before requesting a meeting from the court (Dolar 2020: 596). With the new TCC, which doctrine views as a step back, the BoD is no longer required to accept minority requests to call board of general meetings, although in the previous TCC the BoD had the obligation to accept a minority request to call a board of general meeting (Can 2022: 419).

Only the minority shareholders are given the right to add items to the agenda, not the individual shareholders. Despite being governed by the right to call the board of general to a meeting in Art. 411 of the TCC, this right is a minority right separate from that right. Before paying the call fee for the publication of the GA call notification in the commercial registry gazette, minority shareholders who wish to add a motion to the agenda of the board of general meeting should submit their request to the BoD.

In addition, the BoD does not have the option to decline minorities' rights to add items to the agenda, unlike the right to call a board of general meeting. The minority's right to add items to the agenda, however, must either be impossible, fall under the jurisdiction of the board of general, or be prohibited by law or morality. The legislator filled in the issues and legal voids that developed in this area under the previous TCC era, when the law did not regulate the period of time for minority rights to add an item to the agenda. However, the doctrine states that the limitation of this time period gives the minority a limited opportunity to exercise this right and gives the dominant party the opportunity to provide the BoD with a legal justification.

Another problem is that, in accordance with TCC Art. 414, the board of general meeting must be called by publication of a notice in the trade registry gazette and on the company website. The minority's ability to exercise this right, however, is limited when it is considered that the board of general meetings is learned through announcement; the minority's ability to exercise this right is limited because the minority cannot exercise this right after the advertisement fee is deposited in the trade registry gazette. The minority's requests for the right to call a meeting or add an item to the agenda must be addressed by the BoD within seven working days. The regulations of this time period were designed to prevent minority rights from going unanswered and being left in the hands of the BoD. If the BoD accepts the minority's request, it must call a board of general meeting no later than 45 days from the date of the BoD acceptance. The minority may directly call for the GA meeting if the BoD accepts the meeting request but does not schedule one within 45 days. Considering that the party calling the meeting determines the agenda, the minority also decides the agenda. The request of the minority to add an item to the agenda must be answered by the BoD within seven working days after it reaches the BoD. However, unlike the right to call a board of general meeting, law does not regulate within how many days this accepted request should be fulfilled. Furthermore, it is not specified what the minority should do if the BoD accepts the minority's request to add an item to the agenda but fails to do so. Art. 27 of the GA meeting regulation governs the circumstances in which the meeting may be stopped by a court order, but according to paragraph c of this article, it is regulated that the minority cannot benefit from this article when their demands regarding the agenda are not met. This means that the minority cannot stop the GA meeting from taking place.

According to one interpretation of the doctrine, the minority can obtain a court decision stating that the items requested to be added to the agenda are included on the agenda. However, this contradicts the principle of adherence to the agenda if a new item is added to the agenda with a court decision. Allowing the minority to exercise their right to add an item to the agenda by accepting the exception to the principle of adherence to the agenda may be another solution, but this may result in a violation of the rights of other shareholders. It may cause irreparable results for the shareholders who are not informed. In addition, if the items requested by the minority are not added to the agenda, they always have the right to request a new board of general meetings. If the BoD rejects the minority's request to add an item to the agenda within 7 working days, the minority can apply to the court for a decision to add an item to the agenda. However, applying to the court is a long process, and if a board of general meeting is held within this period, the request of the minority will be devoid of essence. Additionally, adding an item to the agenda with a court decision after it has been published would be against the agenda-adherence principle even if the meeting is not held.

The minority has the right to apply to the court for a call to the board of general meeting if the BoD does not reply favorably to the minority's request within seven working days. The minority has to submit the reasons they put forward for the meeting to the court. Then the court makes a determination, considering whether these justifications require calling a meeting. In order for the court to grant the minority's request, the justifications offered must be the same as those offered when applying to the BoD; otherwise, the court should reject the minority's request (Ulusoy 2022: 47). If this request of the minority is accepted by the court, a trustee is appointed to call the meeting and announce the agenda; the type of meeting is then decided according to the content of the agenda and the period in which it is going to be held. Here, the appointment of a trustee by the court creates a contradiction in terms of law because Art. 410 of the TCC gives the right to call a meeting to a single shareholder; on the other hand, if the meeting request is accepted by the BoD and not fulfilled by the BoD, this right passes to the minority. Because the agenda was not prepared by the trustee, the trustee has no right to intervene. The agenda is the draft agenda submitted by the minority shareholders when applying to the court for the board of general meeting.

1.6.8. The Right to Institute a Liability Claim[3]

According to Art. 553 of the TCC, if the BoD violates their legal or contractual duties, they are liable to the company and the shareholders. The legislation did not specify a specific share percentage in order to bring this case; instead, each shareholder was granted this right (Karatepe 2021:100). If the shareholder wishes, they can either compensate the loss based on Art.553, or sue on behalf of the company for the loss suffered by the company.

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[3] This individual shareholder right, in the opinion of one scholar, can be used as a tool in shareholder activism in Türkiye.

1.6.9. The Right to Apply to the Court for Dissolution of a Joint Stock Company for Just Causes

The dissolution of the company for just causes is a right of action granted to the minority under Art.531 and can be requested from the court. It is a crucial right that is granted to protect the minority against the majority. However, the statute did not explain the concept of just cause or the circumstances that would qualify as just cause.The reasons that will constitute just cause are illustrated in the doctrine and practice, such as the systematic and regular infringement of the rights of minority shareholders. Not only in this circumstance, but also in the presence of other just cause circumstances, minority shareholders may exercise this right (Karatepe 2020:275).

1.6.10. Action for Annulment of the General Assembly Resolutions

The action for the annulment of the general assembly resolutions is regulated in TCC Ar. 445. According to Art. 423 of the TCC, "The decisions taken by the General Assembly are also valid for the shareholders who are not present at the meeting or who cast negative votes." This does not, however, give the majority of voters the right to make any decisions they choose and condemn minority shareholders to abide by the decisions taken. Through confining the method of decision-making to the legislation, the articles of association, and the good faith norm, the legislator not only managed to control the majority of the vote while simultaneously opening the door for litigation from the minority voters. A fair environment has been established within the context of the annulment action, and the shareholder has been given the chance to balance the majority power. (Şener 2019: 536)

CHAPTER II

SHAREHOLDER ACTIVISM

2. SHAREHOLDER ACTIVISM

The separation of ownership and control has raised concerns about potential conflicts of interest between managers and shareholders, which has grown into a key problem since the inception of CG legislation. This issue has led to debates on the optimal balance of power between shareholders and the board (Elst 2012: 2). In the event the shareholders of the firm are not pleased with the company's policies, they're given two choices: exit (wall street walk) or raise their voice. If shareholders choose to exit the company, they can sell their shares on the open market or to other interested shareholders. On the other hand, if they decide to raise their voice against the management, they can participate in shareholder meetings, vote on important decisions, and even form activist groups to advocate for change within the company (Stathopoulos and Voulgaris, 2016; Solak, 2020). Shareholder activism can possibly be considered a particular type of internal monitoring mechanism since it involves shareholders taking actions to express their displeasure with how their invested firms are operating (Huson, Parrino and Starks 2001. 2270).

According to Black, shareholder activism is the inevitable result of a limited external market for corporate management as shareholders look for other ways to oversee managers and promote superior performance (Black 1992: 813).

According to Filatotchev, "key drives of 'good' corporate governance" have seven primary areas. Shareholder activism is one of these areas. According to their study, shareholders are evolving into increasingly active participants in their ability to influence the strategic decision-making processes that shape the dynamics of the company (Filatotchev, Jackson, Gospel and Allcock, 2007:15).

Low defines shareholder activism as the use and exercise of rights by minority shareholders with an awareness of the long-term objective of enhancing shareholder value (Low 2004: 185).

In order to protect shareholders' interests from the company's BoD and management, shareholder activism serves as one of the most crucial strategies. Improved CG, increased shareholder value, and increased company value are the primary goals of shareholder activism (Solak 2020: 46). The actions of existing shareholders, as well as the possible danger posed by upcoming activist, have a corrective impact on corporate practice (Fos 2015: 25). Executives, who are frequently regarded as "fat cats," now have a harder time maintaining their jobs due to criticism and shareholder activism (Ergin 2013: 47).

Shareholder activism was not regarded by the doctrine as a realistic option for many years. Because shareholders must invest a lot of time, energy, and money in activism activities and must also interact with other shareholders, shareholders (Fischel 1982: 1277). A shareholder must split any potential value rise in the company that results from activism with other shareholders in proportion to their shares, even though they suffer all the costs associated with it. So, shareholder activism does not always make sense to them, and they have little interest in learning about the management of the company or exercising supervision over it. The doctrine refers to this situation as rational shareholder apathy. So, rather than engaging in shareholder activism, a shareholder in a multi-partner corporation would make more sense to exit the company through the sale of their shares (Black 1990: 527).

According to some scholars, since institutional shareholders now hold the majority of listed company shares rather than individual shareholders, shareholder activism is now feasible, corporate shareholders may perform their duty of oversight and control in CG, and other shareholders will also profit from it.This change in shareholding structures has contributed to increased interest in shareholder activism as a way to guarantee accountability and transparency. This strategy can also result in better CG procedures that benefit all shareholders by fostering long-term sustainability and value creation. The influence of shareholder activism will likely continue to grow in the foreseeable future, and how companies react to this phenomenon will become more and more important (Şendur 2020: 117).

Even though the phrase "shareholder activism" has lately gained popularity, it is not a new concept; a prior instance of shareholder activism would be a proxy fight (Gillian and Starks 1998: 6). This form of shareholder activism has been used for decades as a means to influence corporate decision-making and bring about changes in management or CG. A proxy fight occurs when a group of shareholders tries to gain control of a company by soliciting proxies from other shareholders to vote in their favour.

Activism by shareholders in the form of a proxy statement is not new. The Consolidated Gas Co. AGM in New York City in 1932 is where shareholder activism allegedly got its start, according to the Investor Responsibility Research Centre (IRRC). Lewis Gilbert, a young shareholder with 10 shares, attended this meeting and inquired about company management together with his brother and friends (Gillian and Starks 1998: 6). A long-standing custom of shareholders using their ownership rights to influence corporate decision-making was established with the occurrence of this incident.

The implementation of Securities and Exchange Commission[4] (hereinafter SEC) Rule 14a-8 in 1943 was the first sign of the present surge of shareholder activism (Gillian and Starks 1998: 6). The implementation of Rule 14a-8 allowed shareholders to present proposals and 500-word arguments to support them in the proxy statement (Black 1998: 3). This represented a substantial change in shareholder rights and provided an environment for them to voice their concerns. Shareholders are now actively engaged with corporations on a variety of issues, which has given shareholder activism more momentum over time. Following this, the U.S. Court of Appeals for the District of Columbia Circuit indicated ways for shareholders to make shareholder proposals having a social impact in 1970. In response to this decision, social activists that support continuous governance measures started to use the proxy process alongside shareholders (Gillian and Starks 1998: 6). Following all of this, shareholders have started submitting more proposals, and the number has started to rise steadily. This rise in shareholder activism is directly correlated to the rise in institutional shareholders. Institutional shareholders, such as pension funds and mutual funds, have gained significant influence in recent years due to their large ownership stakes in companies.

[4] The American legal system essentially consists of two judicial systems. The first is the state judicial system, and the second is the federal judicial system. Federal laws, including Rule 14a-8 of the Securities Exchange Act, provide requirements for shareholders' eligibility to make proposals and the legality of the proposals' substance (Solak 2020: 105).

They have become more active and engaged, which has spurred other shareholders to submit proposals to address various concerns (Karpoff 2001: 5). The rise in institutional shareholdings and the rising frequency of shareholder activism are related. In line with the rise of shareholder activism in the latter part of the 1980s, institutional shareholdings increased, particularly among funds attempting to replicate stock index returns (Denes, Karpoff and McWilliams 2016: 407). Following that, shareholder activism began to become an essential component of CG and has grown continuously. As shareholder activism continues to gain traction, it is expected that institutional shareholdings will further increase, shaping the landscape of CG even more profoundly. In order to properly define shareholder activism, it is necessary to first note that the separation of ownership and control led to conflict and agency problems, both of which have been previously discussed in the literature. This agency cost problem might be reduced by shareholder activism before it reaches the point of no return (Solak 2020: 11). To put it another way, conflicts between the owners (shareholders) and directors are among the major problems that give rise to shareholder activism. Therefore, the most traditional definition of shareholder activism is the activism of shareholders who consider themselves unsatisfied with certain aspects of the management or operations of the firm and attempt to alter relevant aspects without altering the control of the company (Rose and Sharfman 2014:1017). Activism could also be referred to as a group of shareholders / shareholder who are interested in altering the status quo of a firm by "voice" without altering the firm's management. Undoubtedly, one of the most crucial questions about shareholder activism is whether it is effective or not, yet it can be challenging to assess shareholder activism's practical efficiency (Gillian and Starks 1998: 19). According to surveys, the consequences of shareholder activism are contradictory; while some studies indicate that it has a positive impact on board decision-making, others claim that it is ineffective due to voting outcomes. In response to shareholder activism, companies typically adjust their governance policies in a particular but restricted way (Karpoff 2001: 1).

Shareholder activism is defined as making any kind of interaction with the company's management with the intention of monitoring and controlling the company's directors or altering company policy.

Black did not include any defensive action in the definition of shareholder activism, such as voting in the GA. On the other side, according to Gillan and Starks, shareholder activism occurs when an shareholder changes how a company is managed by influencing management without changing the company's BoD.

Shareholder activism is evaluated between two extreme reactions to the company's performance (selling the shares or taking over the company's management). Hirschmann says that there are two ways that shareholders can express their dissatisfaction with management in large organizations like companies: exit and protest/voice. (Hirschmann 1970: 4). Shareholders who are not satisfied with the company's performance or management will sell their shares and the decrease in share values will warn the company management about the dissatisfaction of some shareholders. By making a direct request to the BoD or lower management, or by other means, shareholders have the option to raise a voice or object, which, within the bounds of company law, results in a change in the management style or policies of the company. The primary distinction between these two alternatives is that the option to sell the shares (exit) fully ends the link between the opposing shareholders and the company, meanwhile the option to object maintains the shareholders' present status (voice). Hirschmann claims that selling stock constitutes a protest against the management, but this method is ineffective as a control measure. Because the efficient market hypothesis must be successfully operating in the markets for the exit choice to result in a change in firm management policy. The term "shareholder activism" refers to a warning system in which shareholders, either through the use of their legal rights or through other channels like the media, social media, and one-on-one meetings with management, express their dissatisfaction with the company's policies regarding the financial, social, and environmental performance of the company to the company management without fundamentally altering the BoD.

The Walker Report proposes an approach that rejects the notions that shareholders have the right to sell their shares at any time and that, due to limited liability, shareholders should engage in activism to help ensure the sustainability of corporations.

Analyzing the characteristics of the target companies and presenting a description of the typical company that motivates shareholder activism. Firstly, target companies are frequently underperforming. According to the vast majority of research, the one to four years prior to the targeting, stock returns of target firms were significantly lower than those of the market or of control firms (Denes and others 2017: 415). Additionally companies that generate shareholder proposals typically have a high percentage of outside directors and may have limited insider ownership. On the contrary, hedge fund targets typically have large institutional ownership, modest dividend yields, high operating cash flow, and high liquidity. The three most common forms of shareholder activism are proxy battles, hedge funds activism, and private negotiations and non-proposal pressure. According to Black, different forms of activism require different amounts of engagement from the activist (Black 1997: 3). A shareholder proposal or initiating private negotiations with the target company's managers may only cost an activist very little money. In contrast to shareholder proposals, proxy fights are less common and are funded by the activist. Yet, in contrast to proposals, the results of a proxy contest are frequently binding on the company's managers. Moreover, hedge fund activists frequently make significant equity investments in the target company.

2.1. The Underlying Causes of Shareholder Activism

An ongoing series of incidents known as the "Enron Scandal" (Ayboğa 2021: 183). led to the collapse of the Enron Company. It might be described as fraudulent accounting practises to make the company look more profitable than it actually is and a deliberate concealment of these crimes by the auditing company Arthur Andersen. Internal auditing, external audits, and management consulting services are all offered by Arthur Andersen, Enron's auditing company. Although inaccurate information has been identified in Arthur Andersen's reports, it was found that they were not represented in the reports and instead offered good remarks. Despite the fact that it was obvious that Enron's management had openly manipulated their financial statements, as well as potentially, to a greater extent, those of Tyco and Worldcom (Armour and McCahery 2006: 4). The auditing firm altered the financial data in an unusual way to keep a customer from leaving. The failure of Enron sparked intense debate among the public on CG structures, shareholder conceptions of control, and procedures related to the reporting of finances, financial accounting, and the auditing process (Carberry 2009: 2). Enron-like disasters involving financial statement fraud and auditing issues have led to a lack of confidence in the capital markets, executive managers, financial statements, the independent audit system, and auditors. Enron and comparable scandals weren't exceptional or peculiar; instead, widespread issues emerged that undermined the effectiveness of the CG framework that was already in place (Coffee 2004: 270). The Enron issue was therefore considered a result of flaws in the accounting and auditing procedures instead of a single occurrence. Due to this trend, Türkiye passed additional obligations into the new TCC in 2011 along with the demand for independent audits of capital companies. This legislation aims to increase market credibility and transparency. This law led to the establishment of the Public Oversight, Accounting, and Auditing Standards Institution. It is without dispute that the management of Enron and the company's external auditors misled shareholders and workers. The fact that shareholders are unable to use more caution due to the present legal framework is another serious mistake. Legislatures have given shareholder protection a higher priority than shareholder engagement, even in the wake of the Enron scandal. Nevertheless, the 2007–2008 financial crisis triggered modifications to legislation and regulations to strengthen shareholders, ensure executives' accountability, and ensure stability in financial markets. Since shareholders have no intention of holding management responsible for the choices and actions they take, the majority of shareholders in public businesses only hold onto their shares for a brief period of time. The fundamental causes of the economic crisis have been identified, yet the situation additionally draws attention to ineffective shareholder participation (Cindoruk and Erdem 2023: 188).

2.2. Types of Shareholder Activism

In the literature, there is not one single type of shareholder activitism (Stathopoulos and Voulgaris 2016: 8). Shareholder activism may be broken down into three fundamental types based on the objectives of the shareholders: defensive shareholder activism, aggressive shareholder activism, and responsible shareholder activism (Solak 2020: 50).

These forms of activism can be explained as efforts to increase or maintain a company's profits and social responsibility (Şendur 2020: 118).

2.2.1. Defensive Shareholder Activism

In the literature, the first scholars to categories activism as "offensive" and "defensive" were the Cheffins and Armour, based on the objectives of the activism (Solak 2020: 50).

Shareholders who already own a pre-existing stake in the firm are the only ones who may engage in defensive shareholder activism. As previously established, defensive shareholder activism takes place when a shareholder who already owns shares in a business and is dissatisfied with how it is being operated advocates for changes either privately, behind the scenes, or by publicly criticizing management (Cheffins and Armour 2011: 8). Activist shareholders seek to safeguard their interests resulting from their current stock ownership in the firm through this type of activism (Cheffins and Armour 2011: 3).

Defensive shareholder activism is primarily carried out by traditional institutional shareholders like pension and mutual funds, unlike offensive shareholder activism, which happens to be mainly carried out by hedge funds (Cheffins and Armour 2009: 2). Defensive shareholder activists are reactive due to their pre-existing stakes in the firm, in contrast to offensive shareholder activists, who are proactive (Rose and Sharfman 2014: 1035).

Given an illustration of defensive shareholder activity, a pension fund that already owns stock in a publicly traded company and is dissatisfied with some of its policies presents a proposal to the board before other shareholders propose significant changes to the company's rules (Cheffins and Armour 2011: 7). Another example: in 1929, John D. Rockefeller orchestrated a victorious proxy fight at Standard Oil of Indiana. Rockefeller pushed Colonel Robert Stewart to quit after he was linked to the Teapot Dome political scandal as the company's chairman, but Stewart objected. Rockefeller, who held 15% of the shares, started a proxy battle by nominating a group of directors who were opposed to Stewart and the rest of the management team. A contentious vote resulted in Rockefeller's victory; he had the backing of Standard Oil's bankers and some institutional stockholders (Cheffins and Armour 2009: 3).

As a result, due to the fact that defensive shareholder activists already have a stake in the firm, they tend to be less aggressive and reactive. Their goal is to defend the interest that results from their prior involvement. Most traditional institutional shareholders, like pension and mutual funds, comprehend the significance of this activism.

2.2.2. Offensive Shareholder Activism

According to John Armour and Brian Cheffins, performance-driven activism known as offensive shareholder activism is initially started by hedge funds (Rose and Sharfman 2014: 5).

Through purchasing significant stakes in the target company, shareholders without a stake or meaningful stake in the potential company attempt to alter the business's policies by exerting pressure on the business's management in an effort to boost shareholder returns and profit; in the event management adopts the required action, these shareholders won't apply pressure on the target company's management (Cheffins and Armour 2011: 5). The start of aggressive shareholder activism was made possible by one of the hedge funds gathering a sizeable portion of a company's stock. After doing so, if the hedge fund is convinced that the company in question fails to maximise its returns by not implementing the required methods to enhance returns, it begins to exert lobbying power on the board to alter the company's policy (Rose and Sharfman 2014: 1034).

To the extent that there is pre-existing ownership in the company that is being targeted or there is no ownership, that will constitute the major differential between offensive and defensive shareholder activism (Solak 2020: 50). Offensive shareholder activism could potentially be viewed as being more aggressive and proactive when contrasted with defensive shareholder activism (Rose and Sharfman 2014: 1035). Despite their modest initial investment, shareholders in the beginning possessed very few shares of the company being targeted. Shareholders who engage in offensive shareholder activism frequently purchase a sizable number of stakes with the expectation that their actions will boost the value of the target company's stock price. Consequently, it is crucial to keep in mind that shareholders typically consider activism as a form of investment strategy rather than an instrument for defending their rights, and they are essentially interested in leaving the firm along with a big profit as a consequence of their activism.

Offensive activist shareholders call for changes to a range of issues, such as those generally associated with selling or emerging the company, avoiding a takeover, merging, selling a thriving business the company owns, getting rid of the CEO, changing the financial structure of the company, raising the dividend distribution, attempting to change the CG principles of the company, and managers' earnings.

Arguments have been made that defensive shareholder activism, instead of creating value (the closure of the power gap), leads companies to increase their short-term investments, decrease their long-term investments, and ultimately transmit the company's values to aggressive shareholders.

As previously said, hedge funds mostly carried out the offensive shareholder activism. Instead of taking a passive approach, they are attempting to drive the company's management to increase shareholder returns by taking initiative and taking calculated risks (Cheffins and Armour 2011: 11). Additionally, offensive shareholder activists play a crucial role in challenging the status quo and contributing to the firm by providing extra information to the company and the market and pushing for necessary changes to corporate strategy, in contrast to standard traders who just value-invest (Rose and Sharfman 2014: 1035).

Additionally, it may be stated that offensive shareholder activism has the potential to be described as a "profit-making strategy" due to the activist's seeking to gain abnormal returns from invested companies (Solak 2020: 51).

Offensive shareholder activism might also be referred to as the market for corporate influence. Additionally, even if their goal is not to take over the company as a whole, they may still have a big impact on the choices made by the company, thus making them a softer alternative to the BoD (Solak 2020: 51).

Above, we discussed the definition and objective of offensive shareholder action. Nevertheless, offensive shareholder activists employ a variety of strategies to achieve their goal. Every hedge fund has a unique tactical background. If we gave an example, they typically start by getting in touch with management via phone call to investor relations, e-mail, or letter (Tonello 2008: 43). Through these communications, they attempt to exert pressure on the company's BoD. They may also advocate for financial changes, promote a complete sale of the target, and lobby for improved operational efficiency (Cheffins and Armour 2011: 15).

Given a case study of offensive shareholder activism. Beginning in 2012, Relational Investors LLC began purchasing shares of Timken Co. (URL1), On June 30, 2012, they made their initial investment of over $65 million, and by September 30, 2012, they had already invested over $120 million. Relational Investors LLC submitted their first proposal on August 23, 2012, demanding the company be divided into two parts, one of which would focus on the production of steel and the other on ball bearings. At the AGM on May 7, 2013, 53% of the company's shareholders adopted the proposal despite the BoD adamant opposition. Timken's stock price increased 2.9% to $62.02 in response to this activism, reaching the highest price point at least since January 4, 1978. The Timken case demonstrates how offensive shareholder activists can benefit from internal reforms that seize unrealized wealth that only the activists can comprehend (Rose and Sharfman 2014: 1036).

As previously stated, offensive shareholder activists employ a variety of strategies to alter corporate policy and boost profits. Their main goal is to maximise shareholder returns and profit. For this reason, this type of activism is aggressive and proactive.

2.2.3. Responsible Shareholder Activism

Responsible shareholder activism is a third form of activism that exists alongside offensive and responsible shareholder activism. Milton Friedman, an internationally recognised economist, stated in a 1970 New York Times Magazine paper that business's only social responsibility is to increase its profits." (Barko, Cremers and Renneboog 2017; Friedman 1970). Over the past two decades, we have witnessed a rise in corporate social responsibility initiatives from a niche segment to a mainstream phenomenon. Evidence indicates that corporate social responsibility initiatives are among the most effective ways to boost a company's reputation. (Barko, Cremers and Renneboog 2017: 1).

Activist shareholders have different incentives (Chung and Talaulicar 2010: 253). Not all activists are concerned about the financial performance of the company; some of the activists are concerned about the social performance of the company that they invest in (Rojas, M'zali, Turcotte and Merrigan 2009: 218). Consequently, it may be stated that this particular type of activism focuses not just on financial and governance concerns but also on ESG (environmental, social, and governance) issues consisting of climate change, global warming, or environmental sustainability (Solak 2020: 52).

Public pension funds and mutual funds are the most significant supporters of this type of activism; additionally, labour unions, religious organisations, and social activists provide their perspectives on these matters. (Rojas and others 2009; Solak 2020).

For instance, in accordance with the Global Sustainable Investment Alliance (2019) (GSIA), over $30 trillion of professionally managed assets are currently distributed in compliance with ESG standards. Pension funds are primarily supporting this trend, but it is also starting to be supported by mutual funds, hedge funds, venture capital funds, and real estate funds (Barko and others 2017: 1).

Additionally, demand from shareholders to disclose and manage their climate change risks continues to increase on company boards. For instance, ExxonMobil's shareholders approved a thorough evaluation of the risks associated with climate change in May 2017 (Flammer, Toffel and Viswanathan 2021: 2). The shareholders of numerous companies, including Occidental Petroleum Corporation and PPL Corp., are now pushing for disclosure of the risks associated with climate change, since taking action to address the issue might reduce expenses for the company (Flammer and others 2021: 2).

The profitability and productivity of a company may also be increased by engaging in responsible shareholder activisim. For instance, improved sustainability performance may result in securing better resources, hiring more qualified personnel, and enhancing the marketing of goods and services (Barko and others 2017: 4). This activisim may also shield the business from penalties brought on by legal requirements. Despite the fact that certain public pension funds and labour funds have used shareholder activism to advance progressive social issues, they have come under harsh criticism from other shareholders who believe that their actions have no connection to maximizing shareholder profit (Solak 2020: 53). Due to the fact that their request is deemed to be at odds with the fundamental principles of CG.

There are many different topics that responsible shareholder activism proposals address, including diversity on the board, international standards of labour, human rights, and discrimination based on sexuality. Additionally, as previously mentioned, responsible shareholder activism may have a number of positive effects on businesses, including long-term sustainability, a positive perception of the brand, the acquisition of better resources, hiring more qualified personnel, and enhancing the marketing of goods and services (Solak 2020: 53).

Consequently, it may also be advantageous tax-wise to uphold strong environmental, social, and labour standards. On the other hand, negative press concerning poor social, environmental, and labour standards can negatively impact a company's reputation, harm its brand, and decrease its market value.

As a consequence, responsible shareholder activism is growing daily and enhancing the company's public image as well as its financial performance. In terms of CG legislation, it is a highly important subject.

2.3. Forms of Shareholder Activism

The type, form of activism and nature of shareholder proposals have a significant impact on the successful outcome of shareholder activism in the context of stock market performance (Filatotchev and Dotsenko 2013: 1).

Hedge fund activism, shareholder proposals, shareholder voting, "just-vote-no" campaigns, Say on Pay (hereinafter SoP) advisory votes, and "behind-the-scenes" negotiations between shareholders and management might all be classified as forms of shareholder activism when evaluating the key papers from the main path of activism (Ma and Liu 2016: 5).

2.3.1. Hedge Fund Activism

Hedge fund activism, a new type of CG mechanism that influences operational, financial, and governance improvements in the firm, has arisen during the past ten years (Brav, Jiang and Kim 2010: 2). In an array of ways, hedge fund activism differs from other forms of institutional activism. Hedge fund managers, to begin with, are more financially motivated to achieve success. Second of all, due to their restricted accessibility to the general public—primarily institutional customers and a select group of extremely affluent people—hedge funds are relatively leniently regulated (Klein and Zur 2009: 190). Thirdly, compared to certain other institutional shareholders, such as mutual and pension funds, hedge funds experience a lesser number of conflicts of interest. At last, lock-up clauses in hedge funds typically prevent shareholders from requesting withdrawals from their investments. This characteristic gives the managers greater freedom to concentrate on intermediary and long-term activist goals because hedge fund activists invest in target companies for a period of time exceeding a year on average in order to pursue their plan of action. Hedge funds tend to be inclined to focus on companies that have stable operational cash flows yet modest rates of sales growth, leverage, and dividend payment ratios. According to Jensen's research on agency costs, corporations can prevent conflicts of interest by paying out surplus cash flow as dividends, but this could lead to agency problems, particularly when a company has a high cash flow but a low dividend payout ratio (Jensen 1986: 324). Consequentially, the targets might be described as "cash cows" with limited development potential and a risk of free cash flow agency problems. Hedge funds typically focus on companies that are smaller than similar companies (Klein and Zur 2009: 191). Since they may more readily acquire a sizable ownership stake in small businesses using the same amount of cash. Finally, the hypothesis that hedge fund activists target poorly governed companies where the potential for value enhancement is more substantial is supported by the observation that target companies typically have feeble shareholder rights than similar companies. Based on the amount, magnitude, and success of their activist investments, Insightia compiles a list of the most influential activists annually. According to the 2023 review, Elliot Management ranks first, and Carl Ichan comes in second. An example of hedge fund activism, Icahn's most notable victory came at Southwest Gas, where he launched a campaign in 2021 but ended it in May after reaching an agreement with the American utility business to replace Chief Executive John Hester and designate up to four new directors (Insightia 2023). Hedge fund activism, from one point of view, boosts the value of a business's shares, performance in operations, and various other metrics. However, some academics have contended that the engagement of corporate shareholders in management might be detrimental. Numerous scholars contend that shareholder activism generates short-termism, a decrease in macroeconomic initiatives that are long-term, and a transfer of value from the corporation to activist shareholders (Coffee 2015: 694). This fosters the belief that shareholders display itchy palms when it comes to short-term economic prospects, which typically results in businesses being ephemeral (Cindoruk and Erdem 2023: 198). For example, hedge funds might cause short-term issues for businesses since their short-term goals contradict the objectives of the company's long-term strategy. Despite these concerns with the doctrine, countries, for example, the US and UK, preferred to set up procedures for corporate shareholders to be more involved in firm management after the 2008 financial crisis rather than restricting their participation in CG.

2.3.2. Shareholder Proposals[5]

The past several years have brought about plenty of heated scholarly discussion surrounding shareholder-initiated proxy proposals (Renneboog and Szilagyi 2011: 167). Bebchuk supports the involvement of shareholders in CG and contends that shareholder proposals are a practical and pertinent way to address issues regarding management agency issues (Bebchuk 2005: 913). According to some points of view, shareholder proposals frequently represent unsuccessful private negotiations with management and may, in any case, have no discipline-inflicting effect due to their nonbinding character (Prevost and Rao 2000: 180).

Institutional shareholders may make a proposal to request changes in policy or full disclosure on particular subjects. Shareholder proposals are governed by Rule 14a-8 of the SEC. Shareholders are able to submit proposals to alter the structure of CG that are no longer than 500 words in total length. This proposal should be included by

[5] Some scholars contend that this is a tool of shareholder activism rather than being a form of shareholder activism.

management in the proxy solicitation document and provide shareholders with a chance to express their point of view (Gordon and Pound 1993: 700).

With this rule, the SEC intended to use a proposal as a channel for dispersed shareholders to express a consensus of their opinions to management (Guercio and Hawkins 1999: 296).

Shareholder proposals provide activists with more influence concerning future crucial issues and a technique to get management to implement certain value-enhancing improvements (Karpoff, Malatesta and Walking 1996: 366). They can be described as a wedge to get a foot in the door (Karpoff 2001: 6).

In spite of not being legally binding, proposals that receive a majority vote are frequently carried out (Thomas and Cotter 2007: 22). Target companies that disregard majority-voted proposals receive negative press releases or wind up on California Public Employees Retirement System’s (hereinafter,CalPERS) focus list of underperforming companies in terms of finance and governance (Ertimur, Ferri and Stubben 2009: 9).

2.3.3. Just Vote No Campaigns

Campaigns to "just vote no" are coordinated efforts by activists to persuade other shareholders to abstain from voting for a particular director or directors through letters, news releases, and online communications in an attempt to let the board understand that the shareholders are dissatisfied (Guercio, Serry and Woidtke 2008: 85). Just Vote No” campaigns are cost-effective shareholder activism strategies.

A campaign that results in a significant number of votes being withheld could end up bringing in enough bad press to persuade the incumbent directors to take voluntary action. To put it another way, since directors prefer to stay away from public humiliation and the accompanying harm to their own reputations, a campaign that specifically targets board members may be a more potent threat than a shareholder proposal focused on specific issues. As a matter of fact, just a vote no campaign is sometimes required when directors need external humiliation to push them due to a lack of personal remorse about the company's bad performance (Grundfest 1993: 928).

2.3.4. Say on Pay

Longtime top executive overpayment by corporate boards, regardless of their performance, has been a source of shareholder dissatisfaction (Bebchuk and Fried 2004: 1). In the absence of shareholder activism, it is frequently seen that executives are more likely to highlight the positive aspects of the company in order to hinder shareholders and receive the highest possible remuneration. Through active management control, activist shareholders seek to raise the value of the company and profit (Erdem 2022: 138). In the opinion of many, the global financial crisis of 2008 was caused by CEOs' excessive risk-taking and self-seeking behaviour, which were motivated by inappropriate pay exercises. The aforementioned efforts prompted the U.K. to pass laws in 2002 mandating publicly traded firms allow shareholders to cast a required, nonbinding "SoP" vote on the salaries of the company's highest-ranking executives (Thomas and Elst 2014: 655). As a result, SoP attracted a lot of attention from shareholders and decision-makers and was implemented in a number of nations, including the US (Ferri and Maber 2013: 1). SoP, which offers shareholders a say in the decision of executive compensation practices (Adeleye and Akomode 2014: 966). A shareholder's capacity to influence the board's pay strategy through the use of SoP is important (Ferri and Göx 2018: 5).

Despite being legally non-binding, shareholder votes nonetheless have a significant impact. For instance, after shareholder advisory votes disapproved the compensation package, the board significantly reduced an executive compensation payout (Cai and Walking 2009: 8). Companies with poor performance and comparatively high compensation levels have been most affected by SoP compensation. Another advantageous aspect of SoP is that when firms receive little support from shareholders in a vote, executives usually get in touch with their shareholders to further explain their practices (Davis 2007: 11).

2.4. Institutional Shareholders

Over the past ten years, the majority of OECD countries have seen a significant rise in institutional ownership of publicly traded companies (Çelik and Isaksson 2013: 94). Institutional shareholders only held 8% of the stock in US companies in 1950 (Coffee 1991: 1291). By the year 2005, institutional shareholders owned 60% of the stock;

today, they own approximately 80% of the shares (Bratton and McCahery 2015: 42). In the middle of the 1960s, retail investors owned 84% of all publicly listed equities in the United States; today, they own only about 40% (Çelik and Isaksson 2013: 96). Retail investors currently possess only 13% of public stock, down from 54% in the previous 50 years, making the fall in direct ownership much more obvious in the UK (URL2).

Institutional shareholders can be characterized in the doctrine in the following ways, despite the fact that it is acknowledged that doing so is difficult. Institutional shareholders may be classified in categories; categories are not limited, and new categories may be reproduced. The four primary categories of institutional shareholders are hedge funds, mutual funds, pension funds, and insurance funds (Davis and Steil 2001: 18). Institutional shareholders can be split into three types, according to Çelik and Isaksson. Pension funds, investment funds, and insurance funds make up the first type of institutional shareholders, which is referred to as "traditional" institutional shareholders.Second, the term "alternative" institutional shareholders for private equity firms, exchange-traded funds, sovereign wealth funds, and hedge funds. Asset managers that invest on behalf of their clients fall under a third group (Çelik and Isaksson 2013: 96).

They are financial organizations that focus on pooling the savings of individual shareholders, analyzing those savings using financial and non-financial instruments, investing in financial or non-financial assets, and maximizing returns on investments (Griggs 1996: 46). In short a company or organization that invests and administers the money of others. These institutions provide individual shareholders a higher profitability than the investment they would make on their own since they pool all risks and lower the overall system costs (Solak 2019: 136).

One viewpoint in the literature contends that institutional shareholders may behave significantly differently from scattered individual shareholders.Institutional shareholders will be motivated to have specialised expertise to monitor the invested businesses and participate more in the governance of the companies since they own a significant quantity of capital stock (Bainbridge 2005:1).

Many scholars contend that institutional shareholders' participation in oversight or control functions has the ability to reduce agency issues (Gillian and Starks 2003: 6). Only large owners have adequate incentives to monitor due to the fact that all shareholders profit from monitoring without bearing the expenses (the free rider problem) (Chung and Zhang 2011: 250).

Instead of having a physical person these institutions have their own legal personalities. Yet, institutional shareholders use a wide range of legal structures, from simple profit-maximizing JSC (like closed-end investment companies) through limited liability partnerships (such as private equity firms) and incorporation by special law (for example, in the case of some sovereign wealth funds) (Çelik and Isaksson 2013: 96).

The criticism directed at the doctrine's requirements for shareholder activism is that the expectations of the shareholders are undefined, and it is not determined whether the shareholders have the capacity to fulfill them. Although the expectations of the shareholders, such as the sustainability of the companies, monitoring the financial and non-financial performance of the companies, and intervening when necessary, appear to be justified expectations, it hasn't been investigated to what extent an institutional shareholder can carry out such activism in every company they invest in (Solak 2019: 154).

Institutional shareholders have a higher risk tolerance compared to other stakeholders since they invest in multiple companies or other financial instruments concurrently. Because of this, institutional shareholders are less affected by the financial decline of a single company than individual shareholders are, and because of the diversity of their investments, it is nearly impossible for institutional shareholders to gather all the information required for shareholder activism for every invested company (Fama 1980: 291). Also, corporate shareholders are nevertheless expected to consider their personal interests as well as the long-term interests of the companies and those of other stakeholders. Yet, it might not always be possible for these interests to coexist and yield a similar outcome when combined. Individual shareholders have the option to use activism to safeguard exclusively their own financial interests. Individual shareholder activism may therefore be more likely.

2.5. Individual Shareholders

Individual (retail) shareholder are shareholders in companies who are responsible for managing their own assets. Individual shareholders, as opposed to institutional shareholders, are shareholders who hold shares of a company in their individual capacities. In essence, individual investors invest their own money on their own behalf, whereas institutional shareholders make investments on behalf of other individuals (Viviers 2016: 348). Individual shareholders are not considered to be "salient shareholders," where salience is defined as the extent to which management accords a certain shareholder's requests priority (Gifford 2010: 79). Carl Ichan in the US is a remarkable example of an exception to this (Foley 2014). Individual shareholders with a sizable investment in a company will be more exposed, expend more effort or resources to bring about change, and keep an eye on upcoming corporate practises. However, despite the fact that an institutional investor may have more power to affect change due to the resources at its disposal, the amount of money that it has invested in the company relative to its overall assets is probably less than that of an individual activist shareholder (Akhigbe and others 2010: 572). Due to their greater costs associated with obtaining individual information and their incapacity to work together as a group, scholars have often assumed that individual shareholders are rationally apathetic to engaging in shareholder activism (Hafeez and others 2022: 1). The preferred methods of engagement of shareholders are also influenced by their access to management. It has been established that individual shareholders have little to no access. As a result, they are compelled to engage in public shareholder activism, such as asking pointed questions at AGMs (Viviers 2016: 350). However, this scenario has changed in the era of information and technology. The development of the internet and the evolution of technology dramatically cut the time and cost associated with making informed decision-making processes for individual shareholders by providing them with a channel for seeking information (Hafeez and others 2022: 3). The time and expense associated with gathering and analysing data have drastically decreased as a result of the internet (Bimber and others 2005:366). Those who benefit most from this development are individual investors. With the use of search engines, finding information has never been so simple or effective, and shareholders can now communicate with other shareholders regardless of where they are located.

Consequently, it is anticipated that the decreasing cost of information collection and dissemination will give individual shareholders another option for seeking information. In the end, it seems that individual shareholders are actually not so passive after all, most certainly not in the age of technology.

2.6. Electronic General Meeting and Minority Shareholder Participation

The most recent legislation of Türkiye Central Registry Agency (MKK) requires that AGM of publicly traded businesses be held online. Both the Capital Market Law's Art. 30 and the TTC's Art. 1527, subsection 5, govern electronic general meetings (hereinafter, e-GM).

The introduction of the electronic platform for AGM is intended to overcome limitations associated with efficient cross-border participation while simultaneously adhering to developing international norms (Ararat and Eroğlu 2012: 2). Mechanisms for active shareholder participation in AGM have been implemented by the stock exchange commissions and regulators.

In this sense, Turkish shareholders may address questions during AGM that are conducted online. When it comes to expenses, time, and security associated with participation, this type of meeting is efficient and effective. Shareholders may convey their recommendations, raise questions, and receive management's responses online. Direct communication options enable shareholders the opportunity to know other shareholders. The purpose of the e-GM is to prevent the power gap, ensure that companies operate more effectively, and implement accountability (Özdemir and Tamer 2019: 329). There are two types of shareholders in publicly held companies, which have been considered to be the root cause of the doctrine's power gap issue. Shareholders are split into two categories: operator shareholders and investment shareholders. The shareholder with the right to vote and the willingness to run the business is known as an operational shareholder. A shareholder who is simply interested in making money by investing in the business is referred to as an investor shareholder. Consequently, the operator shareholder will be able to control the firm regardless of the number of investor shareholders who have no interest in participating in AGM (Pulaşlı 2011: 14).

In the meantime, the chance of reaching foreign shareholders will increase with the e-GM system. Therefore, the foreign shareholder will have the opportunity to monitor the development of their investment by attending the AGM of the company in which they are shareholders from their current location of residency (Karadeniz 2022: 500). If companies request, they will be given the opportunity to use English as well as Turkish in order to enable foreign shareholders to easily exercise their managerial rights in an e-GM (Berber 2012: 30). In conclusion, companies and the economy of the country will gain by luring foreign shareholders to the company and, therefore, to the country as a whole.

A study's results showed that the representation rates of shareholders in the AGM significantly increased with the implementation of the e-GM system. Furthermore, it was discovered in the same study that foreign shareholders were more engaged in the e-GM than native shareholders based on a qualitative analysis of the data gathered from the GA papers of BIST-100 companies (Karayel and Koçak 2015: 107).

An e-GM has advantages beyond just shareholders. An e-GM may benefit companies, especially those with geographically dispersed shareholders, by boosting shareholder involvement. Increased shareholder involvement may lead to greater CG and decision-making, both of which may enhance the company's financial performance (Kobler 1998: 687). Additionally, due to the low cost of electronic information distribution, the amount of information provided to shareholders will rise (Krans 2007: 33). Shareholders' overall uncertainty decreases when other groups reduce uncertainty on unpossessed aspects, increasing motivation to trade and disseminate information, making the stock market more informative (Prevost, Wongchoti and Marshall 2016: 115).

The minority shareholders' level of participation at the AGM is extremely rare. The explanation behind this is that even if they go, they believe they won't make a difference in the decisions that are made, so they do not want to incur the expenditure of making the journey to the corporate headquarters, where the GA will be held, both financially and in terms of time. On top of that, individual shareholders who seek to take part in corporate decision-making in any capacity are probably not able to directly attend meetings. The situation arises due to the fact that AGM frequently take place on weekdays during working hours and that attendees may not reside in the city where the meeting is being held (Boros 2004a:267). However, by providing low-cost and geographically unlimited technologies, e-GM has a significant potential to encourage more minority shareholders to attend the AGM (Boros 2004b: 15).

As a result of encouraging direct shareholder activism, the e-GM communication platform greatly enhanced corporate democracy. In the years 2013 and 2014, shareholders used the e-GM to send 455 real-time questions and recommendations, as well as 420 opposing votes (Ergincan and Karaağaçlı 2015: 113).

2.7. Evaluation of Corporate Social Responsibility Following the Recent Earthquake Disaster in Türkiye

As a consequence of the earthquake that struck our country earlier in 2023 and resulted in the greatest loss of human life and assets in recent history, the concept of corporate social responsibility (hereinafrer CSR), which is the subject of responsible shareholder activism, is being evaluated.

2.7.1. What exactly is CSR?

What is the legal definition of corporate social responsibility, and what does the term 'CSR' stand for? There are no agreed-upon definitions for this. A particular extreme viewpoint holds that a business is acting socially responsible if it follows the laws of the country in which it operates. The opposing viewpoint holds that a firm must be wholly philanthropic in order to be socially responsible, giving without seeking payment or other advantages (SEDDS India, 2002). CSR has traditionally been viewed as the voluntary use of company funds for initiatives that do not immediately or obviously benefit the company. But nowadays, CSR has been suggested as a strategic response to a variety of competitive concerns, such as differentiating products, legitimacy, and risk mitigation. (Sheehy, Khan, Prananingtyas and Sophiana 2023: 5).

According to Milton Friedman, a corporation's social obligation is to make corporate profits. Corporate charity, in the opinion of Friedman, is an unfair tax on shareholders. The firm representative will spend someone else's money for the benefit of the community at large. Meaning that the actions that comply with "social responsibility" reduce the earnings of the shareholders and spend the money of the shareholders. If they so desired, the stockholders, consumers, or employees might each spend their own money on the specific activity (Friedman 1970: 3). Conceptually, CSR was covered in H. Bowen's 1953 book "Social Responsibilities of the Businessman." Bowen advocated for businessmen to engage in socially responsible activities that align with the values and goals of society (Bowen 1953; Aktan 2007; Maignan 2001).

According to the European Commission (2010), "CSR is a concept that businesses use to voluntarily incorporate social and environmental issues into their daily operations and interactions with stakeholders." (Sprinkle and Laureen 2010: 445). According to the European Commission's (2023) new definition, CSR is "the responsibility of enterprises for their impacts on society." To fulfill such an obligation, one must adhere to all applicable laws as well as any collective agreements between social partners. Businesses should have a process in place for integrating social, environmental, ethical, human rights, and consumer concerns into their company's operations and their primary strategy in close cooperation with their stakeholders in order to: maximize the creation of shared value for their owners or shareholders, for their other stakeholders, and for society at large; identify, prevent, and mitigate their potential negative effects (European Commission, 2023).

Shareholder primacy theory claims that a company's management shouldn't have any additional responsibilities except to look out for the interests of its shareholders (Grossman 2005: 573). The COVID-19 epidemic and other major global challenges, like the 2008 financial crisis, have increased the relevance of the stakeholder primacy theory. Legislators and socially concerned individuals now argue that businesses should take greater responsibility for integrating aspects of society and the environment into their business strategies (Cindoruk and Erdem 2023: 192).

According to Davis, the company's evaluation of and response to issues that go beyond the limited economic, technical, and legal constraints of the company in order to achieve social benefits in addition to the conventional economic gains that the company seeks. (Davis 1973:312).

Carroll argued that organizations had four primary obligations: economic, legal, ethical, and discretionary/philanthropic. (Caroll 1979: 500). Economic responsibilities refer to a company's duties to be successful and productive. Legal responsibilities align with society's expectation that firms fulfill their economic obligations within the bounds of the law. Although it may be misleading to refer to these expectations as obligations because they are entirely up to the discretion of the firm, societal expectations do exist for corporations to take on social tasks in addition to those that have already been mentioned. Philanthropic obligations reflect the widespread wish to see corporations take an active role in improving society, whereas ethical responsibilities call for enterprises to adhere to established norms defining appropriate behavior.

The term "CSR" refers to a range of business initiatives that address the needs of stakeholder groups other than investors (shareholders), including employees, suppliers, customers, and future generations (Sprinkle and Mainess 2010: 446).

The world economy is dominated by multinational corporations. Today's majority of large multinational corporations play a vital role in advancing sustainable development because their annual turnovers are greater than the combined GDP of many less developed countries (Bantekas 2020: 309). These businesses need to understand that their obligations go beyond only serving the interests of the shareholders and include everyone who is either directly or indirectly impacted by their operations, including individuals, their communities, and society at large (Sharma 2009: 1526). As a result of economic reforms and globalization, businesses are no longer approaching CSR in a limited way by engaging in sporadic philanthropy because they have come to understand that the fulfillment of the many community stakeholders is essential to the long-term success of their businesses (Sharma 2009: 1533).

CSR focuses solely on giving back to society and making contributions. All of the company's stakeholders are involved in the formulation and implementation of the CRS projects through the use of a multi-stakeholder approach. Customers are emphasizing the need for businesses to act responsibly toward all of their stakeholders in their business processes (Sharma 2009: 1530).

According to Godfrey, philanthropic efforts cannot produce positive reputational capital until two requirements are met. First, the act of giving must be connected to an underlying ethical value that is compatible with the ethical standards of the community. A community will be more likely to have a favorable moral opinion of a company when they perceive its charitable action as a sincere reflection of its aims, motivations, and character (Godfrey 2005:784).

The function of CSR in disaster management has largely been noted to be restricted to post-disaster aid and rehabilitation. The research suggests that the private sector's contribution has been philanthropic one-time, short-term, and dispersed. Private corporations have yet to fully embrace the idea of disaster mitigation as an ongoing, comprehensive process that takes place over an extended period of time (Matin 2002: 18). It is known that the size of the losses brought on by catastrophes can be significantly decreased if the corporate sector participates in the mitigation process with its own resources. (SEEDS India, 2002). Companies and corporate lawyers started to think about the importance of stakeholders besides shareholders as a result of the rapid development of communications, the human rights movement, and increasing consumer awareness. Notwithstanding the fact that there were no enforceable regulations requiring it, companies were somewhat compelled to review their management and operational procedures. Therefore, this is where CSR is at this point in its development (Bantekas 2020: 345).

2.7.2. What drives corporations to engage in CSR?

Businesses' motivations for participating in socially responsible activities can be traced to a variety of factors. For a number of years, there have been requests for increased private sector involvement in disaster mitigation. Society's expectations of businesses are outpacing the conventional legal restrictions placed upon them, and they are no longer perceived as being in some way apart from or apolitical from the rest of society (Twigg 2001: 14). The Yokohama conference included a session on the topic of collaboration between the public sector (governmental), private sector (corporate). The published report of this session advocated specifically for strong cooperation between the governmental and business sectors and spoke of developing a new paradigm for disaster management based on formal partnerships across all segments of society (World Conference on Natural Disaster Reduction (UN), 1994). Companies in the private sector have adequate employees and resources to perform disaster response and recovery tasks (Berke and Wenger 1991: 17). The term "triple bottom line" (profit, environmental quality, and social justice) is frequently used in CSR literature, with the implication that business interests are most effectively served by accepting all three bottom lines.That point of view is consistent with Chairman BP's quote, "Business thrives where society thrives.” (Twigg 2001: 12). First of all, companies may have benevolent intentions; they may genuinely think that their CSR initiatives are essential to being good global citizens. The corporate sector is paying more attention to CSR, but not totally voluntarily. The public's outrage over concerns that many companies had not previously regarded as part of their corporate responsibility stunned many corporations into realising reality. In actuality, the most typical business response has been cosmetic rather than strategic or operational. Dazzling CSR reports that highlight businesses' social and environmental good acts are frequently the focal point of public relations and media efforts. Furthermore, the biggest international companies have started to release CSR reports, which validates this (Argüden 2007; Porter 2006).

Additionally, corporate donation decisions are frequently heavily influenced by pressure from competing businesses, so the CEOs of a company located in a prosperous environment would be impacted by peers in surrounding enterprises (Crampton and Patten 2008: 865).

According to some authors in literature, categories of main explanations listed below are what drive corporations to practice CSR:

1. purely charitable or philanthropic motives (Campbell 1999: 377)

2. Internal factors like staff satisfaction and satisfaction with customers and shareholders. Consumers can possibly be persuaded to purchase goods or services via CSR. As a result, businesses can benefit from price premiums or see rising market share. Additionally, it's possible that businesses that engage in CSR are better positioned to draw funds from investors and be granted more favorable terms from creditors. Vendors may be eager to partner with such organizations. It's conceivable that many people want their financial investments to support their moral objectives. Many funds all over the world have started to assess a company's social responsibility performance before to investing in it. To help those investing in sensitive firms in this regard, separate indices such as the Dow Jones Sustainability Index or the FTSE4Good have been developed. As a result, making a social contribution may help obtain funding from more diverse sources (Argüden 2007: 41).

3. External factors, including gratifying neighborhood groups, official recognition, and tax advantages. In addition to the tax benefits provided by charitable contributions of money and commodities, state governments typically provide tax credits for CSR and sustainability activities.

In light of CSR, firms regularly benefit from "free" advertising. Good deeds performed by organizations frequently lead to newspaper, local, and national radio and television publicity. The fees associated with running an advertisement in each of these media channels are known by the companies. Rather than paying these fees, companies may properly benefit from such publicity through CSR (Sprinkle and Maines 2010: 450). Disaster relief efforts must be made without expecting anything in exchange, but prior research has shown that these volunteer contributions are affected by things like media attention and public interest (M. Zhao, Wang, D. Zhao and Wei 2015: 50).

4. Enlightened self-interest, which holds that long-term gains are increased by a stable social climate and rising prosperity. In order for businesses to succeed, society must be stable. Success in employment depends on access to education, medical treatment, and other resources (Porter and Kramer 2006: 5).

5. ‘Window Dressing’, to please different types of stakeholders, for example, nongovernmental organizations (NGOs), corporations can participate in CSR initiatives as "window dressing.” (Sprinkle and Maines 2010: 446). Additionally acceptable is the notion that they may be able to foresee potential pressure from consumer-focused interest groups. Stakeholders may have such clout that businesses are compelled to abide by their demands. Stakeholders frequently demonstrate their normative influence through letter-writing campaigns, demonstrations, and bad press. The use of "hate websites" by consumers to reveal or denounce the commercial practices of significant and well-known corporations has grown in popularity (Maignan, Hillebrand and McAlister 2002: 644). Businesses with a significant degree of public interaction appear to be driven to offer greater support because doing so will increase consumer loyalty (Zhao and others 2015: 53).

6. Cost saving (Sprinkle and Maines 2010: 447), Putting an emphasis on sustainability concerns can help businesses cut production costs. Wal-Mart, for instance, saved $3.5 million in transportation expenses by lowering the packaging for toys in one year.

From a CSR standpoint, this amounted to saving 3,425 tons of corrugated material, 1,358 barrels of oil, 5,190 trees, and 727 shipping containers (URL3).

7. Insurance, a corporation may alternatively undertake social responsibility efforts as a type of insurance in criticized industries like chemicals and energy in the hopes that its reputation for social responsibility will mitigate public criticism in the case of a major crisis (Porter and Kramer 2006: 4). Risks related to safety concerns, potential boycotts, and damage to the company's brand can be reduced by establishing trust with stakeholders and following socially responsible policies (Knox and Maklan 2004: 510).

Also, the ownership structure of a corporation can have an impact on the level of donations, with state-run and privately owned businesses behaving very differently in this regard. Company leadership tenure also affects charity giving, so it's critical for organizations to integrate social responsibility into their company culture. This will make it easier to establish a consistent method for making charitable decisions (Zhao and others 2015: 56)

2.7.3. Effects of CSR

Consumers stated in the Creyer and Ross survey that: ethical corporate behavior is expected; consumers will reward ethical behavior by being willing to pay a greater price for that company's goods; and consumers can opt to purchase from an unethical firm, but they prefer to do so at lower prices, which effectively punishes the unethical act. Consumers prefer and purchase from businesses they perceive as being trustworthy, according to this survey, whereas businesses that take initiative to sustain social responsibility are expected to benefit society, shareholders, employees, and customers (Creyer and Ross 1997: 428).According to the Maignan consumer survey that was carried out in France, Germany, and the US, it looked at customers' willingness to support socially responsible businesses as well as their opinions of the company's economic, legal, ethical, and charitable duties. (Maignan 2001: 69).

The participants were asked to rate the following statements: (1) I would pay more to purchase goods from a socially responsible company; (2) I think about a company's reputation for ethics when I shop; (3) I avoid purchasing goods from businesses that have engaged in immoral behavior; (4) I would pay more to purchase goods from a company that demonstrates concern for the well-being of our society; and (5) If the price and quality of two products are equal, I would purchase the more expensive option. Compared to Americans, customers in France and Germany seem more eager to actively support ethical enterprises. French and German customers are more worried about corporations adhering to legal and ethical norms than American consumers, who place a high emphasis on corporate economic obligations. Due to the communitarian nature of French and German beliefs, consumers in those two nations are more likely to consider the welfare of society when making purchasing decisions. As a result, people might value CSR as a crucial purchase factor. By, for example, paying more for companies with a strong reputation for social responsibility, you can support those with a good reputation by purchasing their products over those with a negative reputation. In spite of this, shoppers in all three nations were generally prepared to take extra steps to support ethical businesses. These results support the validity of CSR as a tool for consumer brand promotion. CSR also helps promote the business to its customers (Li and Chen 2019: 194). In fact, CSR forges a unique connection between the business and its clients. Customers of the Dutch coffee firm Max Havelaar, for instance, are highly devoted to this brand since it is dedicated to supporting small suppliers in developing nations. Customers who purchase this brand not only purchase a product but also feel as though they are acting on their concern for poverty (Maignan and others 2002 647). As a result, it is evident that consumers are becoming more interested in the topic, rewarding businesses for their efforts in CSR by choosing their products and brands and boosting their financial performance. On the other hand, consumers have clearly shown some sensitivity to boycotts when it comes to negative efforts.

According to Knox and Maklan's five prevailing notions regarding the impact of CSR, customers' preferences will favor more goods and services from socially conscious companies, investors will favor more responsibly run businesses, and those that don't will see their borrowing costs go up. Only responsible companies will attract potential employees. Participating in stakeholder dialogue promotes innovation. Having the confidence of stakeholders and following socially responsible initiatives lowers the possibility of boycotts and damage to the company's brand (Knox and Maklan 2004: 510).

Patten looked into the reactions to news announcements sent by 79 American companies declaring their intention to participate in the tsunami recovery effort in 2004 (Patten 2008: 606). The outcomes show a very positive response. Patten's hypotheses show that contribution announcements made during the first week after the tsunami may be taken as ingratiating rather than sincere. Second, businesses that contribute more to the relief effort may be seen as showing true social responsiveness, while those that provide less may be seen as ingratiating. The findings demonstrate that failing to be an early responder does not exclude winning over the market, least of all since making a donation in reaction to catastrophic events does not require being an early responder to win over the market, but the size of the contribution did appear to matter; higher contributions were associated with more favorable changes in market value. Similarly to marketing communications for goods and services, CSR efforts aim to improve the public's perception of the target audience. When contrasted to other marketing communications, CSR communications have the advantage of including their target audience. The results of CSR communications, however, can only be utilized in the long run, which is a drawback (Hendarto 2009: 431).

2.7.4. CSR in the Context of Turkish Commercial Law

Corporate law legislation governs the directors' liabilities to the company, its shareholders, and its creditors in the case of bankruptcy. (TCC Art.553) The interests of other stakeholder groups, including the interests of employees, the environment and society, are considered irrelevant in terms of company law. Since the legal obligations of the managers, defined in company law, disregard other social responsibilities, the discretion of the BoD and managers in matters related to CSR is not unlimited. On this basis, directors and managers are required by law to act in the corporation's best interest. The legislation has not imposed any duties or responsibilities on managers with regard to the social responsibility of businesses. Regarding the obligations and responsibilities of businesses toward the interests of non-shareholder stakeholders, such as society, there are no particular rules under Turkish company law (Kandemir 2021: 2211).

The TCC Art. 374 states that the BoD is the only body authorized to govern and represent the corporation under the CG system in all areas relating to the management of the company. Except for matters left to the GA's discretion in accordance with the law and the AoA, the BoD is empowered to make decisions regarding all matters and transactions necessary for the realization of the company's business. Different claims have been made in the literature regarding the ability of directors to carry out socially responsible activities for interest groups that are not contractually obligated to the company. The JSC’s management body (the BoD), which has the power to represent the company, will make the donation. It does not fall inside the GA's scope of authority under TTC Art. 408 Some academics contend that directors lack the authority to take CSR actions. (Adıgüzel 2019: 62). They contend that for businesses to engage in socially responsible activities, the GA's decision is necessary. Some, on the other hand, contend that, even in the absence of a provision in the AoA, the directors' actions on the company's social responsibility in the form of donations can be taken into account as legal if the company's interests are safeguarded (Kandemir 2021: 2222). Donations that go outside the purview of the business subject matter and are not beneficial to the interests of the firm are found to be invalid, according to the Court of Cassation (Adigüzel 2019: 61).

The purpose, subject, and environment of the company, the company's interest, and the company's profitability are the guiding principles in terms of charitable giving for a JSC (Tekinalp 1979: 366). Tekinalp contends that charitable contributions made by JSC are legal as long as they are made in the course of fulfilling a social or moral duty or as part of the normal course of business (Tekinalp 1979: 368). Art. 19/5 of the Turkish Capital Markets Law has created a clear provision for publicly traded companies. As a result, in order for publicly traded companies to make donations, a clause needs to be incorporated in the AoA. The maximum donation amount is decided by the board of general of the publicly traded company. Additionally, the BoD should disclose to shareholders at the AGM the total sum and recipients of all donations and assistance given.The protection of shareholders is used as a basis in accordance with Art. 2 of the Turkish Capital Markets Law, which is why the law has set this limit. Non-public companies are not covered by this clause (Adıgüzel 2019: 65). According to the Capital Markets Board's (CMB) regulations, listed businesses in Türkiye are required to submit a compliance report that is separately attached to the company's annual report and details their adherence to and justifications for non-adherence to the

CG Principles. Instead of being required, CSR reporting is based on the comply or explain approach, which means that businesses are expected to follow the rules and provide justification for any deviations from the norm. Therefore, public firms simply need to mention non-compliance in their annual reports and outline the overall position on these issues. (URL4).

Two earthquakes with Mw7.7 and Mw7.6 epicenters, with focus depths of 8.6 kilometers and 7 kilometers, respectively, occurred on February 6, 2023, at 04:17 and 13:24 Turkish time, in the Pazarcık and Elbistan districts of Kahramanmaraş. These earthquakes caused great destruction in 11 provinces. Because of their size and severity, these earthquakes are the worst disasters in recent history. As a result of the earthquakes, more than 48 thousand people lost their lives, and more than half a million buildings were damaged. The total population of the 11 provinces affected by the earthquake was recorded as 14,013,196 people for 2022. This population corresponds to 16.4 percent of the country's demographic (Türkiye Cumhuriyeti Cumhurbaşkanlığı Strateji ve Bütçe Bakanlığı, 2023).

In response to the severity of these earthquakes, the Turkish people and government immediately expressed their sympathies and solidarity. The mainstream media coverage of the "Türkiye One Heart" campaign enabled domestic individuals as well as organizations to raise a total of 115.1 billion Turkish liras in donations (URL5).

Maraş earthquakes, which are the biggest and most destructive disasters in the world recently. After the earthquake disaster, citizens living in Türkiye came together through social media and tried to offer their help.The collection of donations through social media/mainstream media in the last earthquake event in Türkiye confirms the reasons and the benefits of CSR in many respects. First of all, the live broadcasting of donations through social media/mainstream media helped companies appear more responsive to consumers. Also, it helped and encourage other companies, seeing the companies providing donation has also affected other companies in this direction and put them under pressure. Corporate donation decisions, according to Crampton and Patten, are frequently greatly influenced by pressure from competitor companies and by their peers in neighboring businesses. After the earthquake, companies/brands who did not immediately express their sympathies and solidarity were identified by the citizens and boycotted on social media/twitter. The insensitivity of the big companies operating in Türkiye and making money thanks to the citizens, to this disaster drew a great reaction. The issue of corporate citizenship was once again on the agenda. Citizens of Türkiye address that corporations are not only responsible to their shareholder but also responsible to the stakeholders. Citizens/consumers put pressure on big companies and brands on social media to help citizens who were affected in the earthquake. They shared the companies that did not provide aid and stated that they would not consume their products again, and that they would prefer other companies that provided aid. One of the most striking companies among these was Starbucks. Citizens stated that they would not go there again, they would warn their acquaintances and put the same pressure on them. In the same way, many users announced on social media that they canceled their Netflix membership after the earthquake (URL6). In contrast to Patten findings that failing to be an early responder does not exclude winning over the market, least of all since making a donation in reaction to catastrophic events does not require being an early responder to win over the market was not true in the light of Türkiye earthquake. Consumers who did not see the companies who they prefer using their goods and services stop using their goods/services for example Netflix and Starbucks.

There may be many reasons why companies engage in CSR activities and provide assistance and donations, these may be one or more of the reasons mentioned above, but at the end of the day, citizens expect companies to offer their help and donations. Today, the world economy is dominated by multinational corporations and their annual turnovers are greater than many under developed countries GDP and consumers are expect these companies to engage in CSR activities alongside the state.

CHAPTER III

MINORITY SHAREHOLDER ACTIVISM IN TÜRKİYE

3. MINORITY SHAREHOLDER ACTIVISIM

Shareholders, who possess a majority of the controlling shares, run businesses to a great extent. However, because they are dispersed, minority shareholders suffer from the majority shareholders decisions, particularly if those decisions conflict with their interests. Instead of simply folding their hands and passively waiting for dividends or other financial returns from their investments, today's more aware and informed investors actively participate in the management of the businesses they have invested in. This is a different approach to investing than that of previous generations (Musa and Ismail 2016: 30).

3.1. Corporate Environment in Türkiye

The Turkish business scene frequently consists of family-controlled groups of businesses, with significant levels of cross-ownership. Due to the high percentage of family-owned businesses and low free float rates in publicly listed corporations in Türkiye, the CG environment is comparable to the European model. The governance and strategic direction of firm groupings, many of which include businesses that are listed on the Istanbul Stock Exchange, is frequently led by controlling shareholders. This does not constitute an issue in itself. However, in the absence of strong protections, there is a risk of abuse, for instance when controlling owners enforce business requirements that are detrimental to the interests of both the company as a whole and minority shareholder. According to the OECD report, Türkiye should grant institutional shareholders more flexibility in exercising their shareholder rights. Turkish CG allows shareholders the right to express their opinions, inquire about financial accounts, talk about the company's performance, and cast proxy votes (URL7). Shareholders have the option to vote against or not participate in the following resolutions at the AGM: electing the chairmanship committee, approving financial statements, releasing the BoD, setting board salaries, electing auditors, resolving profit distribution, electing an independent auditor, determining limit donations, and approving dividend policy and payout ratio.

Currently, the Capital Markets Board (CMB)-regulated pension and mutual funds are not permitted to actively participate in the governance of the companies in which they invest and are subject to portfolio restrictions that restrict their incentives to keep an eye on CG practices. These limitations should be removed, and funds should be transparent about their CG practices. The report also suggests more rigid penalties for breaching the law and calls on the government to concentrate more resources on enforcing these laws. It also requires publicly held companies to provide more thorough and understandable disclosure about who owns and controls the company. Additionally, the report highlights how important boards of directors are to promoting business performance and guaranteeing fairness for all shareholders. Boards need to be able to exercise unbiased, independent judgement and be willing to engage in it in order to perform this function. In light of this, public companies are required to adequately disclose to shareholders how their boards of directors operate (URL7). The concerns of shareholders have been slightly lessened by the Capital Markets Board (CMB). The market discipline, another crucial safeguard, is still comparatively weak in Türkiye. First, it is necessary to discuss what market discipline is. In essence, market participants like shareholders and depositors keep an eye on the risks faced by banks and take steps to prevent excessive risk-taking. In order for market players to properly monitor and influence banks, they must have the knowledge, tools, and, ultimately, motivations. In order for market players to properly monitor and influence banks, they must have the knowledge, tools, and, ultimately, motivations. Alternatively, to put it another way, there needs to be "skin in the game" for market participants to compete (URL8).

In comparison to situations in the USA and Europe, the stock market and financial instruments are relatively young. Due to the majority of family (Ararat and Yurtoğlu 2006: 202) and individual ownership of businesses in Türkiye and the less aggressive behaviour of mutual funds than in the USA, shareholder activism is somewhat constrained in Türkiye. Due to the growing market and conventional investing strategies, activism remains limited. It is difficult for activist shareholders to accomplish their goals given the existing corporate environment in Türkiye.

However, regulations aimed at strengthening minority rights, expanding corporate funds encouraged by the government, investors' drive for greater returns in a relatively short period of time, selling the shares of Turkish firms to foreign investors, the entry of foreign investment funds into the Turkish stock market, and the recent implementation of an e-GM system will all contribute to the growth of the activist shareholder mindset in Türkiye (Ergin and Erturan 2017: 107).

3.2. Minority Shareholder Activism

Recent years have seen a rise in the legitimacy and importance of a growing body of literature on shareholder activism. Shareholder activism is a phenomenon that mostly corresponds to the measures taken by shareholders to interact with businesses in which they have financial interests, represented by equity shares (Sharma and Sachdeva 2022: 419). The act of significantly influencing business decisions and practices through shareholding positions is known as shareholder activism. Using several tactics, for instance, routinely reading annual reports, attending AGM, and writing letters or submitting proposals to management about a particular area of a company's operations or policies, can be used to monitor businesses (Kim, Nofsinger and Mohr 2010: 45). Shareholder activism enables shareholders a range of ways to express their opinions, dissatisfaction or concerns. Among these methods, the most popular ones are filing proposals at AGM or expressing questions during open discussions, voting on corporate resolutions, writing letters, meeting with management formally or informally, or even filing a lawsuit against the board or corporation (Sjöström 2008: 142).

Depending on their ownership, shareholders might be classified as either majority shareholders or minority shareholders. Minority shareholders typically have less protection since the majority of the largest shareholders have controlling authority. Due to the minority shareholding, minority shareholders have little power over the operations of the company. In regard to this, the AGM is an essential place for shareholders to voice their concerns about the operation of the firm. Both the management of the company and the shareholders can get together during AGM to talk about the direction of the company. With substantial shareholdings, majority shareholders often control the AGM decision-making process. Notwithstanding the fact that minority shareholders also have the right to be present at the AGM and can use their right to vote at the AGM, they can engage in decision-making. The act of shareholders using their authority to try to influence a company's activities is known as shareholder activism. One of the main things that encourage activism are AGM (Ariffin, Wan-Hussin and Malak 2020: 63).

There is hardly any literature on minority shareholders and their activism, despite the fact that the challenges that corporations face related to shareholder activism or institutional (hedge funds, etc.) shareholder activism have been written about in the literature. Minority shareholders are those who own a small portion of the company's capital and consequently have limited control over the company. Therefore, from this viewpoint, minority shareholders have limited power over the company's actions and less ability to attract attention(salience). Because of this, the majority of scholars did not give much thought to minority shareholder activism (Othman and others 2019: 824). Academics have argued in the literature that it is not cost-effective for a minority shareholder to monitor managers since they would be responsible for the entire monitoring expenses while receiving just a small percentage of the monitoring advantages (Grossman and Hart 1980; Shleifer and Vishny 1986). In order to watch management, minority shareholders could pool their resources through the United Shareholders Association (USA) between 1986 and 1993. This provided an alternative to the expanding literature on majority shareholder monitoring. Even though minority shareholders (small individual shareholders) made up the majority of the USA's members, a number of sizable institutional shareholders, including the CALPERS, the College Retirement Equities Fund (CREF), and the New York City Employees Retirement System (NYCERS), additionally supported proposals in favor of the association's (Strickland, Wiles and Zenner 1996: 320). Therefore, it is crucial to assess if the USA was successful in altering the governance of the target companies. Before the proposals had been submitted for consideration in proxy statements, the USA successfully reached an agreement on CG amendments (referred to as "negotiated agreements") that included 53 proposals (in 34 enterprises). The shareholders of target enterprises saw an anomalous return of 0.9% upon the announcement of a negotiated deal. An increase in shareholder worth of $1.3 billion, or around $39 million per company, may be calculated from this stock price reaction. These results suggest that the USA was effective in improving CG and increasing shareholder value. Findings from the USA research imply that small shareholder monitoring is both feasible and potentially effective, and that the USA succeeded in its mission. In the end, institutional shareholders and pension funds like CALPERS have expanded their roles into apparent management monitors. The board of the USA noted that it anticipated institutional shareholders would continue to put pressure on business management to act in shareholders' best interests and fill the void left by the USA's monitoring activities. According to USA's board, the rise in institutional activism has increased the agenda for shareholder rights' recognition, achieving USA's intended purpose. Ralph Whitworth, the USA's president and a board member, stated in a letter to the organisation's members informing them of the organisation's choice to end activities: "Ultimately, we realise we could have continued around eternally as a corporate watchdog activism agency. Yet this was certainly the USA's intention. In order to create a company that would establish objectives, take action, and complete tasks, Boone Pickens established the USA. And over the last seven years, that is precisely what we have accomplished (Stickland and others 1996: 337).

3.3. Examples from Around the World[6]

[6] In terms of corporate governance, there are continental European and Anglo-Saxon models. Regarding culture, jurisdiction, and market behaviours, the models differ from one another in certain ways. The European model has a high ownership concentration, putting a strong emphasis on stakeholders including banks, suppliers, and employees. In Germany, France, and Japan, families control companies; therefore, regulations like CEO compensation voting strengthen minority rights. The USA, England, Canada, and Australia serve as examples of the Anglo-Sakson model, which concentrates on shareholders and distributes ownership through the stock market. The majority of investors are mutual funds, which could act with short-term profit maximisation objectives. Investors who feel that the firm is not being run effectively may resort to activist shareholders to replace the current leadership. In contrast, executive compensation, which is frequently based on a company's earnings and stock price, compels top executives to pursue riskier, short-term strategies while ignoring long-term, sustainable investments(Ergin and Erturan 2017: 106).The reason China and Malaysia, those two countries, are used as instances within the scope of minority shareholder examples is that the corporate environment of these two countries is similar to the Turkish corporate environment. Unlike Anglo-Saxon Law systems, for example, in the US and UK, companies in our country are mostly family owned, and the free float rate is low.

The motivations behind shareholder activism by minority shareholders' may be different from those of institutional shareholders.

Shareholder activism is still an important tool to cut agency costs and safeguard the interests of minority shareholders in Malaysia, where shareholder concentration is high and family-owned or government owned businesses make up the majority of corporations (Mohd 2007: 253). The companies' founders or their families are the institutional shareholders. Contrary to institutional shareholders in nations with advanced economies, there is a shortage of objectivity on the side of institutional shareholders in Malaysia due to the significant concentration and family-owned businesses that possess a majority of the company's stock (Musa and Ismail 2016: 31). The majority-holding shareholders are in charge of making the major decisions. Because of this, minority shareholders in these aforementioned types of businesses have very limited influence over management and business practices (Satkunasingam and Shanmugam 2006: 45). Shareholders are frequently more focused on the dividends and profits that the company distributes than on the company's good corporate practices.This raises the question: why do shareholders not feel that they are part owners of the business or have a duty to speak out when anything goes wrong? In literature, the reasons are explained in terms of Malaysia's cultural environment, which affects how individuals there perceive and deal with the issue in question. The two factors identified by Hofstede, power distance and individualism, are the answers that have the most impact on shareholder activism in Malaysia (Hofstede 2001: 80). According to the power distance factor, once someone is given power, they have a propensity to become more closely associated with it and to increase the distance between those who possess it and those who do not. The social dimension demonstrates that in societies where there is a high power distance, inequality and power are recognized as the norm, which causes those who are powerless to show obedience to the powerful, which becomes deeply ingrained in society. When issues of public concern occur, the less powerful are accustomed to the government taking the lead since they are not used to enforcing their rights. Low shareholder activism in Malaysia may be explained by the effects of the nation's high power distance index, which presently stands at 104 with an average score of 57. Furthermore, it's doubtful that shareholders will truly feel secure enough in such situations to criticize directors publicly because they frequently have high prestige and a number of titles associated with their names. In contrast to collectivism, which is yet another component of Hofstede's concept, individualism is the second factor explaining why there is low shareholder activism in Malaysia. Societies are regarded as individualistic when there are relatively few relationships among the citizens. Collectivist societies are those in which individuals are organized into powerful, cohesive groups. Malaysia is classified as a collectivist society with strong familial and social connections because of its low individual values score of 36. This means group interests are meant to take priority over the interests of individuals. Consequently, this makes it difficult for shareholders to question directors or hold them accountable for bad CG practices. In such conditions, it can be challenging to comprehend how such regulatory measures, which suppress other forms of individualistic preferences, can be successful in promoting shareholder activism. Essential characteristics for activism include the company's size, structure of shareholders, and cultural mindset (Ergin and Erturan 2017: 114). As a consequence of their culture, which discourages conflict, Malaysian shareholders are a result of their culture. According to individualistic theories, each person has the authority to uphold certain rights, and the government exists to serve each person's interests. Since the freedom of the individual is valued more highly, the former can be protected when there is a conflict between that right and the welfare of the collective. Because it is based on the protection of individual rights, the idea of shareholder activism is appropriate in Western liberal democracies. According to some scholars, Malaysian shareholders find themselves dissuaded from taking active steps to uphold their rights due to cultural traditions, shareholder inexperience, and substantial ownership concentration (Satkunasingam and Shanmugam 2006: 53).

In order to promote shareholder activism in Malaysia, government investment agencies founded the Minority Shareholder Watchdog Group (MSWG) in 2000. Government investment agencies made up the group's initial five shareholders. The purpose of establishing the MSWG is to inform and educate minority shareholders about their fundamental rights, which are the right to get information, voice their points of view, and seek remedies (Ameer and Rahman 2009: 68). Because of the aforementioned factors related to Malaysian culture, Malaysians do not question or oppose individuals in authority. Malaysian society has been programmed to recognize disparities in power as the norm. They do not feel confident or comfortable and are not used to conflict, particularly publicly or with their social superiors (Satkunasingam and Shanmugam 2006: 49). Due to the fact that they are individuals living in collective societies. Until this time, Malaysian shareholders had three alternatives. When a company's performance does not meet their expectations, shareholders have three options: either they remain loyal and remain passive; they conduct the "wall street walk" by selling the shares they own; or they stay and voice their points of view (Admati and Pfleiderer 2009: 2646). A watchdog is an appropriate answer considering the high power distance and collective culture of Malaysia. As a result, shareholders shouldn't be concerned about the contradictory problems that may arise from opposing authorities since they have a watchdog to advocate their interests. The MSWG's assistance to dispersed shareholders in casting their votes, providing proxies, and speaking out for individual shareholders at AGM correspondingly constitutes an apparent relationship between the MSWG and minority shareholders. MSWG offers subscriber services for an affordable fee, so shareholders can benefit from proxy advising and proxy voting services. At the AGM, these subscribers get guidance regarding how to address concerns and raise issues in their minds. The Australian Shareholder Association (ASA), which was founded in 1960 to promote the interests of all shareholders, is what the MSWG subscription fee service is attempting to imitate. (Satkunasingam and Shanmugam 2006: 52). However, there is a significant distinction between the two organizations in that the ASA is independent of government funding, in contrast to the MSWG. Minority Shareholder Watchdog Group sends letters to targeted companies, referred to as MSWG letters, to highlight significant concerns for further explanation or to request information from the board for upcoming AGM. Also, minority shareholders have the option to designate the MSWG as a proxy at the board meetings instead of speaking up for themselves. There is no simple way to confirm the MSWG's claims of independence due to its links to the government and sponsorship by institutional shareholders. In advanced economies, activists like hedge funds or, for example, the ASA are independent from the government and hence accountable to their fellow participants, unlike the MSWG method of shareholder activism. It can be argued that the MSWG may not be the ideal watchdog, but it is a viable option in a growing financial sector. The resulting conclusions imply that activism does not immediately boost the market value of MSWG-targeted companies. The market, nonetheless, would respond favourably to the MSWG's engagement in the long term if management of the company implemented the tactics recommended by the MSWG for modifications in company performance. Results show that when the MSWG is involved with the targeted firms during a merger or acquisition, there is a significantly higher positive response from the market as compared to when the MSWG seeks changes in the CG of the targeted firms. Contrary to Klein and Zur's outcomes, targeted businesses have greater returns when hedge fund activists seek to replace directors than when they seek to prevent a merger in the targeted company (Klein and Zur 2006: 37). In order to handle agency issues in Malaysian businesses, MSWG has been crucial. Especially their engagement, which has led to persistent gains in business profitability and rises in shareholder value. In comparison to non-targeted enterprises, MSWG-targeted companies generate statistically considerably higher returns over the short and long terms, and they are able to maintain their favourable operating results. There are a few instances of shareholder activism in Malaysia, where the Employees Provident Fund (EPF) has evolved over time from a passive stakeholder to a prominent proponent of good CG. Recent examples of protecting the interests of shareholders include the action taken by EPF to prevent Golden Hope Bhd.'s sale of the company's subsidiary to Island & Peninsular Bhd. and the Fund's achievement in striving to raise prices during the privatisation of Malaysian Oxygen Bhd (Musa and Ismail 2016: 34). Another illustration is the Permodalan Nasional Berhad (PNB) and Lembaga Angkatan Tentera Malaysia (LTAT), which supervise and regulate their invested businesses by way of representation on boards. As a result, they frequently take on insider roles and actively participate in the management of companies, as well as watching over the performance of the company (Thillainathan 1999: 21).

There is another concern that arises when a company where shareholder concentration is high and family-owned uses tunnelling and support at the expense of minority shareholders. The Broad of Directors' independence has been questioned in a letter that was presented by the MSWG. Due to the fact that family members who control the majority of the shares dominate the board, minority shareholders are extremely concerned about the independence of the board (Kuek, Chen, Choong, Khor, Low and Yap 2021: 52). Although awareness of shareholders' rights has increased over time, the lack of shareholder activism and participation in CG is still concerning. The majority of shareholders are individuals, who may also be the most influential group (Leong 2005: 97). Shareholders must perform their duties and use their rights. However, minority shareholders do not seem to understand that they may affect and alter the conduct of the businesses they participate in by using a successful activist strategy (Kuek, Chen, Choong, Khor, Low and Yap 2021: 54). Minority shareholders have a chance in Israel because of the legislative and business climate. The law gives minority shareholders more authority by allowing them to theoretically veto self-dealing transactions (Hamdani and Yafeh 2013: 692). According to Israeli legislation, businesses are required to put proposals involving either direct or indirect self-dealing transactions by controlling owners up for a shareholder vote. These proposals must receive approval not just from the majority of shareholders but also from a third of the disinterested (minority) shareholders. In addition, as Israili law also requires, every publicly traded firm must also designate at least two outside directors who are required to be independent of the management and the controlling shareholder and whose appointment needs the approval of not just the majority of shareholders but also of a third of the minority shareholders. Despite the fact that Israeli law has established a number of mechanisms intended to promote shareholder activism and protect minority shareholders, shareholders are more likely to be active mainly when they are compelled by law, and they frequently fail to take full advantage of the legal power granted to minority shareholders, notably in the case of outside director elections (Hamdani and Yafeh 2013: 722).

The environment for shareholder action in China has shifted. In order to safeguard shareholders and provide them the ability to request information from management, the Shenzhen Stock Exchange established an online participatory platform named "Hudongyi" on January 1st, 2010 (Nie and Jia 2021: 6335). As a result, this revolutionary platform presents a perfect opportunity for small shareholders to influence corporate choices through online activism on behalf of minority shareholders. Individual shareholders make up the vast majority of stock market users (99%) and trading volume (86%) in China as of June 2020. Users of Hudongyi are primarily small individual shareholders (Chau, Lai and Yang 2020: 2). By using this online platform, they may probably communicate with company administrators for less money. (Ang, Hsu, Tang and Wu 2020: 1) Shareholders have the freedom to inquire about a variety of topics that they are interested in, for instance, stock price, business operations, or CG, without consideration to time or limitations regarding location. The online platform, which is accessible to all users, enables minority shareholders to have the opportunity to connect with other minority shareholders. In order to assist newly arrived shareholders in participating in communication successfully and enable minority owners to know what the rest of the shareholders are worried about, all inquiries and replies are posted in detail on the platform. In other words, the creation and development of the online platform Hudongyi have transformed the condition of dispersed minority shareholders, enabling a large number of minority shareholders from every socioeconomic group to come together and engage online around an issue that interests them all. Minority shareholders can benefit from the platform as a communication and coordination tool to participate in monitoring and apply pressure on the targeted businesses as a group. The general opinion held in the field of activism studies is that media coverage of an issue may serve to increase public attention/awareness and also give it legitimacy, which will lead to more people supporting activists' requests. (McDonnell and King 2013; Uysal, Yang and Taylor 2018).

The traditional Wall Street Walk Rule (Admati and Pfleiderer 2009: 2646) does not apply to minority shareholders because of the small number of shares they possess, even if they sell them; this has no impact on the firm. But with the help of this online platform, minority shareholders can form an organized and powerful group that could punish the company by selling the shares they hold. If companies operate in their own personal interests, related public postings on online platforms by minority shareholders would result in a decline in the capital market and bring losses to company management.

Along with changing times, the environment of shareholder activism altered. Particularly, social media increases the desire of shareholders to engage in activism by enabling them to communicate with the management of the business at a far lower cost (Oranburg 2015: 696). Bebchuk contends that it is essential to give minority shareholders more authority (Bebchuk 2005: 913).

3.4. Analysis of Minority Shareholder Activism in Türkiye

3.4.1. Research Hypotheses

The following hypotheses were established to investigate the connections between minority shareholder rights and shareholder activism:

H_1: There is a relationship between minority shareholders' knowledge of the rights granted to them by the TCC and their engaging in shareholder activism.

H_2: Minority shareholders' degrees of education have a significant and positive impact on shareholders' engagement in shareholder activism.

H_3: The size of minority shareholders investment portfolios impacts the degree of shareholder activism.

H_4: Minority shareholders' participation in shareholder activism is impacted by the number of companies in which minority shareholders invest.

H_5: Minority shareholders' participation in shareholder activism is correlated with the length of time they have been shareholders in the companies that they invest in.

The research question determined for demographic characteristics is as follows:

Research question: *Do the levels of engagement in shareholder activism differ according to the demographic characteristics of individuals?*

3.4.2. Method of the Research

In this research, the cross-sectional quantitative research method was used in order to examine the causal relationships between the main variables of the research. There are various data collection methods that can be used in quantitative research. It is possible to collect quantitative data in research in different ways, such as through a questionnaire, observation, source scanning method, interview, or experiment. A questionnaire, which is one of the data collection tools, facilitates finding the results by making numerical analyses in light of the data obtained from the participants (Gürbüz and Şahin 2016: 179).

In this study, the questionnaire technique was used to collect data. The SPSS 23.0 programme was used to analyse survey data. By doing statistical analyses on the data that had been gathered, the research hypotheses were put to the test. The results were then explained and analyzed in relation to the literature.

3.4.3. Population and Sample of the Research

The population of the research consists of minority shareholders who have investments in Borsa Istanbul (BIST). Minority shareholders in publicly listed corporations took part in the survey performed for this study. Minority shareholders are required to fulfil a quota under Turkish legislation. According to the Turkish Commercial Code, shareholders who own 10% of the capital of non-public corporations and 5% of the capital of publicly listed companies, respectively, are considered minority shareholders. Minority shareholders, as defined in the international literature, are defined as shareholders who do not have control (Karatepe 2020: 204). The primary target group for our survey, known as minority shareholders, refers to shareholders who do not have control, as described in international literature, rather than shareholders who have shares within the TCC's set limitations. Research data were collected using the survey method. According to BIST 2023 data, there are 4 million 768 thousand 730 investors trading in the stock market (URL9,10). In this context, the research includes 530 small investors who agreed to answer the survey on a voluntary basis. Özdamar states that the sample is sufficient if the number of samples belonging to the universe is equal to or greater than 384. It is seen that the sample size of the study is sufficient because the 532 data collected in this study are higher than the sample size to be reached (Özdamar, 2003). The data transferred to the computer environment were checked for missing/wrong values and outliers, and 6 participants were excluded from the 532 participants who participated in the survey, and 526 participants constitute the sample of the research. The people who agreed to participate in the study were given a commitment that their personal information would be kept confidential and that the data obtained would not be used for any other than scientific purposes.

3.4.4. Statistics on Demographic Characteristics of Participants

Statistical information on demographic characteristics such as the participants' gender, age, education level, investment portfolio size, number of firms in the investment portfolio, and average shareholding duration in the companies they are investing in is given below.

Table 1. Distribution of Participants by Gender

		Frequency	Percent (%)
Gender	Male	453	86.1
	Female	73	13.9
	Total	100	100

When the table is examined, it is seen that % 86,1 of the participants are male and % 13,9 are female.

Table 2. Distribution of Participants by Age

		Frequency	Percent (%)
Age	Age 20 or under	11	2.1
	20- 30	60	11.4
	31-40	169	32.1
	41-50	184	35.0
	51-60	90	17.1
	Age 61 or older	12	2.3
	Total	526	100

2.1% (11) of the participants are under the age of 20, 11.4% (60) are between the ages of 20 and 30, 32.1% (169) are between the ages of 31 and 40, 35% (184) are between the ages of 41 and 50, 17.1% (90) are between the ages of 51 and 60, and 2.3% (12) are 61 or older.

Table 3. Distribution of Participants by Educational Status

		Frequency	Percent (%)
Educational Status	Without a degree	-	-
	Primary school	10	1.9
	Secondary school	12	2.3
	High school	69	13.1
	Associate degree	60	11.4
	University	263	50.0
	Postgraduate	112	21.3
	Total	526	100

It can be seen that 1.9% (10) of the participants have completed primary school, 2.3% (12) have completed secondary school, 13.1% (69) have completed high school, 11.4% (60) have completed an associate's degree, 50% (263) have completed a university, and 21.3% (112) have completed a postgraduate programme.

Table 4. Size of Investment Portfolio

		Frequency	Percent (%)
Investment Portfolio	0- 10 000 TL	39	7.4
	10 001- 50 000 TL	89	16.9
	50 001-100 000 TL	92	17.5
	100 001-250 000 TL	90	17.1
	250 001- 500 000 TL	75	14.3
	500 001- 1 000 000 TL	69	13.1
	1 000 001- 5 000 000 TL	51	9.7
	5 000 001 TL and Above	21	4.0
	Total	526	100

It can be seen that 7.4% (39) of the participants have 0–10.000 TL, 16.9% (89), 10.001–50.000 TL, 17.5% (92), 50.001–100.000 TL, 17.1% (90), 100.001–250.000 TL, 14.3% (75), 250.001–500.000 TL, 13.1% (69), 500.001–1.000.000 TL, 9.7% (51), 1.000.001–5.000.000 TL, and lastly, 4% (21) of the participants have an investment size of 5.000.001 TL and above.

Table 5. Number of Firms in the Investment Portfolio

		Frequency	Percent (%)
Number of Firms in the Investment Portfolio	1-5 Firms	277	52.7
	6- 10	170	32.3
	11- 15	50	9.5
	16 and More Firms	29	5.5
	Total	526	100

As seen, 52.7% (277) of the participants possess 1–5 firms in their investment portfolio, followed by 32.3% (170), 6–10, 9.5% (50), 11–15, and 5.5% (29), 16 or more.

Table 6. Average Shareholding Time in the Invested Firms

		Frequency	Percent (%)
Average Shareholding Time in the Invested Firms	Day	11	2.1
	Week	34	6.5
	Month	102	19.4
	6 Month- 1 Year	219	41.6
	1- 4 Year	123	23.4
	5 Year and Above	37	7.0
	Total	526	100

It can be seen that the participants' average ownership duration in the invested enterprises is 2.1% (11), day, 6.5% (34), week, 19.4% (102), month, 41.6% (219), 6 months to 1 year, 23.4% (123), 1 year to 4 years, 7% (37), and 5 years and above.

3.4.5. Data Collection Instruments

A questionnaire method was used to obtain the research's data. In this context, the participants' level of knowledge regarding the rights of minority shareholders and shareholder activism was measured. A scale form with each participant's demographic data—including gender, age, education level, portfolio size, number of shareholding firms, and duration of ownership—was utilized in the questionnaire that the researcher created. Confirmatory factor analysis and reliability analyses were conducted to test the validity of the scales of minority shareholder rights, shareholder activism, shareholders' perspectives, and shareholders' behavior patterns used in the research.

3.4.6. Minority Shareholder Rights

The scale for minority shareholder rights has a total of four elements. There are questions on minority shareholder rights on the scale, such as "I have information about the concept of minority shareholders, and I know the rights of minority shareholders recognized by the TCC" and "I have information about the right to request the appointment of a special auditor with minority shareholder rights from the court." The responses to each question on the scale take the form of a 5-point Likert scale, with the options "strongly disagree" and "strongly agree," respectively. The scale doesn't include any reversal questions. This scale has a single factor structure, was determined to have a reliability value of 0.76. It is expected that the relationship between the items on the scale and the other items should not be less than 0.30. (Büyüköztürk 2016). Cronbach's Alpha values between 0.00 and 0.40 are considered unreliable, between 0.40 and 0.60 are considered lowly reliable, and between 0.60 and 0.80 are highly reliable. An exploratory factor analysis was performed to examine whether the data obtained in this study had the expected factor structure and to ensure construct validity.

3.4.7. Shareholder Activism

The scale for shareholder activism has a total of six elements. There are questions on shareholder activism on the scale, such as “I actively participate in the general assemblies of the company/companies I invest in.”, “I use my shareholder right to request information by phone or by writing to the investor relations representative of the company or companies I invest in.”, “I communicate with other minority shareholders through communication channels and social media, and I try to be effective about the activities and future of the company.” and “I discuss my opinion, advice, or concern about a firm that I have invested in with the company management or other shareholders as a minority shareholder, and I put aside my time and money to bring about change.” The responses to each question on the scale take the form of a 5-point Likert scale, with the options "strongly disagree" and "strongly agree," respectively. The scale doesn't include any reversal questions. This scale has a single factor structure, was determined to have a reliability value of 0.78. It is expected that the relationship between the items on the scale and the other items should not be less than 0.30 (Büyüköztürk 2016). Cronbach's Alpha values between 0.00 and 0.40 are considered unreliable, between 0.40 and 0.60 are considered lowly reliable, and between 0.60 and 0.80 are highly reliable. An exploratory factor analysis was performed to examine whether the data obtained in this study had the expected factor structure and to ensure construct validity.

3.4.8. Viewpoint of the Shareholder

The scale for viewpoint of the shareholders has a total of four elements. There are questions on viewpoint of the shareholders on the scale, such as “The legal regulation on minority shareholding rights regulated in the TCC is effective and sufficient to protect minority shareholders.” and “The company or companies in which I own shares recognize and protect shareholders' rights. The rights of minority shareholders may be exercised without restriction.” The responses to each question on the scale take the form of a 5-point Likert scale, with the options "strongly disagree" and "strongly agree," respectively. The scale doesn't include any reversal questions. This scale has a single factor structure, was determined to have a reliability value of 0.69. It is expected that the relationship between the items on the scale and the other items should not be less than 0.30 (Büyüköztürk 2016). Cronbach's Alpha values between 0.00 and 0.40 are considered unreliable, between 0.40 and 0.60 are considered lowly reliable, and between 0.60 and 0.80 are highly reliable. An exploratory factor analysis was performed to examine whether the data obtained in this study had the expected factor structure and to ensure construct validity.

3.4.9. Behaviour of the Shareholder

The scale for behaviour of the shareholders has a total of two elements. There are questions on behaviour of the shareholders on the scale, such as “I frequently check for information on the company/companies I invest in on the Public Disclosure Platform (KAP).” and “Before becoming a shareholder in a company in which I have equity, I do a comprehensive investigation of the company.” The responses to each question on the scale take the form of a 5-point Likert scale, with the options "strongly disagree" and "strongly agree," respectively. The scale doesn't include any reversal questions. This scale has a single factor structure, was determined to have a reliability value of 0.60. It is expected that the relationship between the items on the scale and the other items should not be less than 0.30. (Büyüköztürk 2016). Cronbach's Alpha values between 0.00 and 0.40 are considered unreliable, between 0.40 and 0.60 are considered lowly reliable, and between 0.60 and 0.80 are highly reliable. An exploratory factor analysis was performed to examine whether the data obtained in this study had the expected factor structure and to ensure construct validity.

3.4.10. Validity Analysis of Scales

It is necessary to determine whether the scales used in the research are appropriate for the theoretically developed structure of the chosen sample in order to test the research hypotheses (Büyüköztürk, 2016). This refers to the validity and reliability of the structures to be measured in terms of how accurately they are measured with the fewest number of errors. For each of the four measures used in the study, independent validity and reliability analyses were conducted. At the conclusion of the scale descriptions, the reliability values are listed above. The outcomes of the validity analyses for the research's scales are shown below.

3.4.11. Minority Shareholder Rights Scale

The validity of the scale's one-dimensional structure for the measurement of minority shareholder rights was investigated using exploratory factor analysis (EFA). The table displays the EFA findings that were attained.

Table 7. Minority Shareholder Rights Exploratory Factor Analysis Results

Scale Items	**Factor Loads**
	1.Factor
Item 7	,718
Item 14	,768
Item 17	,831
Item 18	,855

First, it was determined whether the KMO value was .60 or higher and whether the Bartlett's value was significant (p<05) in order to determine whether the data set was appropriate for factor analysis. The KMO value in this study was 0.768, and the Barlett test was significant (p=.000), hence the data were deemed appropriate for factor analysis.

3.4.12. Shareholder Activism Scale

The validity of the scale's one-dimensional structure for the measurement of shareholder activism was investigated using exploratory factor analysis (EFA). The table displays the EFA findings that were attained.

Table 8. Shareholder Activism Exploratory Factor Analysis Results

Scale Items	**Factor Loads**
	1.Factor
Item 13	,594
Item 15	,704
Item 23	,737
Item 26	,792
Item 28	,658

First, it was determined whether the KMO value was .60 or higher and whether the Bartlett's value was significant (p<05) in order to determine whether the data set was appropriate for factor analysis. The KMO value in this study was 0.780, and the Barlett test was significant (p=.000), hence the data were deemed appropriate for factor analysis.

3.4.13. Viewpoint of the Shareholder Scale

The validity of the scale's one-dimensional structure for the measurement of viewpoint of the shareholder was investigated using exploratory factor analysis (EFA). The table displays the EFA findings that were attained.

Table 9. Viewpoint of the Shareholder Exploratory Factor Analysis Results

Scale Items	Factor Loads
	1.Factor
Item 8	,692
Item 10	,822
Item 11	,817
Item 20	,712

First, it was determined whether the KMO value was .60 or higher and whether the Bartlett's value was significant ($p<05$) in order to determine whether the data set was appropriate for factor analysis. The KMO value in this study was 0.692, and the Barlett test was significant ($p=.000$), hence the data were deemed appropriate for factor analysis.

3.4.14. Behaviour of the Shareholder Scale

The validity of the scale's one-dimensional structure for the measurement of viewpoint of the shareholder was investigated using exploratory factor analysis (EFA). The table displays the EFA findings that were attained.

Table 10. Behaviour of the Shareholder Exploratory Factor Analysis Results

Scale Items	Factor Loads
	1.Factor
Item 16	,793
Item 19	,808
Item 24	,625

First of all, to confirm that the data set was suitable for factor analysis, it was checked whether the KMO value was .60 or higher and whether the Bartlett's value was significant ($p< .05$). In this study, the KMO value was 0.600 and the Barlett test was found to be significant ($p= .000$), and accordingly, the data were considered suitable for factor analysis.

3.5. Research Findings

3.5.1. Descriptive Statistics

The Table presents descriptive data for the key study variables. The research's scale scores were computed based on the outcomes of an EFA analysis performed using the SPSS programme. After EFA was performed, the mean and standard deviations of the scales were examined.

Considering the descriptive statistics, the average of minority shareholder rights is X = 2.93 (SD=0.79), shareholder activism is X= 3.12 (SD= 0.77), and the viewpoint of the shareholders is X= 3.27 (SD= 0.80), and the average of shareholders' behavior is X= 3.24 (SD= 0.77).

Analyzing the variables with parametric tests is based on the precondition that they show a normal distribution. Skewness and kurtosis values were examined in order to examine whether the data of the main variables of the study showed a normal distribution (Tabachnick & Fidell, 2013).

Table 11. Descriptive Statistics of Research Variables

	N	Min.	Max.	Mean (X)	St. Deviation (SD)	Skewness	Kurtosis
1.Minority Shareholder Right	526	1	5	2,93	0,79	0,21	0,48
2.Shareholder Activism	526	1	5	3,12	0,78	-0,014	0,14
3.Viewpoint of Shareholder	526	1	5	3,27	0,80	-0,066	0,98
4. Behaviour of Shareholder	526	1	5	3,24	0,78	0,51	0,24

Based on the finding that the variables' skewness and kurtosis values fell within the range of ±1.5 values, it was determined that the sample's data for the tested variables possessed a normal distribution.

3.5.2. Analysis of Demographic Characteristics-Related Differences in Research Variables

To determine if there was a gender-related difference in the research variables, a t-test was conducted. The results of the analysis are displayed in the table.

Table 12. Gender Differences

	Gender	**N**	**Mean**	**St. Deviation**	**t**	**P**
Minority Shareholder Right	Male	453	2,9238	,79336	-0,79	0,427
	Female	73	3,0034	,79440		
Shareholder Activism	Male	453	3,1091	,77917	-1,12	0,261
	Female	73	3,2192	,76170		
Viewpoint of Shareholder	Male	453	3,2903	,80695	0,94	0,347
	Female	73	3,1952	,76518		
Behaviour of Shareholder	Male	453	2,2053	,75375	-2,99	0,004
	Female	73	2,5251	,86052		

The findings obtained after the t-test conducted to determine whether there is a significant difference according to gender in the scores of the research variables are shown in the table. When the table is analyzed, it can be shown that there is no statistically significant difference ($p<0.05$) between minority shareholder rights, shareholder activism, the viewpoint of the shareholder, by gender. But looking at the behaviour of shareholders, the p value is lower than 0.005, which means that there is a difference by gender. It has been noted that men make up the majority of the shareholders.

Table 13. One-Way Analysis of Variance for Differences by Education Level

Source of Variance	**Sum of Squares**	**Degrees of Freedom (df)**	**Mean Square**	**F**	**P**
Minority Shareholder Rights	4,60	5	0,92	1,470	0,19
Shareholder Activism	16,81	5	3,36	5,824	0,00
Viewpoint of Shareholder	5,95	5	1,19	1,870	0,09
Behaviour of Shareholder	5,90	5	1,18	1,976	0,08

A one-way analysis of variance was conducted to examine whether there was a significant difference in research variables according to education level. When the table is examined, as a result of the analysis, according to the education level in the research, there is no statistically significant difference ($p<0.05$) between minority shareholder rights, the viewpoint of the shareholder, and the behaviour of shareholders by education level. On the other hand, shareholder activism's p value is lower than 0.005, which means that there is a difference between education and engaging in activism. Education level affects shareholders' willingness to engage in activism.

Table 14. One-Way Analysis of Variance for Differences by Investment Portfolio Size

Source of Variance	**Sum of Squares**	**Degrees of Freedom (df)**	**Mean Square**	**F**	**P**
Minority Shareholder Rights	9,53	7	1,36	2,20	0,033
Shareholder Activism	5,41	7	0,77	1,29	0,255
Viewpoint of Shareholder	18,98	7	2,71	4,42	0,000
Behaviour of Shareholder	22,66	7	3,23	5,71	0,000

A one-way analysis of variance was conducted to examine whether there was a significant difference in research variables according to investment portfolio size. When the table is examined, as a result of the analysis, according to the investment portfolio size in the research, there is no statistically significant difference ($p<0.05$) between shareholder activisms. On the other hand, minority shareholder rights, the viewpoint of shareholders and the behaviour of shareholders p value is lower than 0.005, which means that there is a difference between investment portfolio size and minority shareholder rights, the viewpoint of shareholders and the behaviour of shareholders.

Table 15. One-Way Analysis of Variance for Differences by Number of Firms in the Investment Portfolio

Source of Variance	Sum of Squares	Degrees of Freedom (df)	Mean Square	F	P
Minority Shareholder Rights	1,45	3	0,48	0,77	0,512
Shareholder Activism	11,07	3	3,69	6,29	0,000
Viewpoint of Shareholder	0,92	3	0,31	0,48	0,699
Behaviour of Shareholder	1,47	3	0,49	0,81	0,488

A one-way analysis of variance was conducted to examine whether there was a significant difference in research variables according to number of firms in the investment portfolio. When the table is examined, as a result of the analysis, according to the number of firms in the investment portfolio in the research, there is no statistically significant difference ($p<0.05$) between minority shareholder rights, the viewpoint, and behaviour of the shareholders. On the other hand, shareholder activism's ($p=0,000$) p value is lower than 0.005, which means that there is a difference between number of firms in the investment portfolio and engaging in activism. Number of firms in the investment portfolio affects shareholders' willingness to engage in activism.

Table 16. One-Way Analysis of Variance for Differences According to Average Length of Shareholding in the Firms Invested

Source of Variance	Sum of Squares	Degrees of Freedom (df)	Mean Square	F	P
Minority Shareholder Rights	2,71	5	0,54	0,86	0,508
Shareholder Activism	5,73	5	1,15	1,91	0,090
Viewpoint of Shareholder	10,40	5	2,08	3,31	0,006
Behaviour of Shareholder	12,00	5	2,40	4,10	0,001

A one-way analysis of variance was conducted to examine whether there was a significant difference in research variables according to the average length of shareholding in the invested firms. When the table is examined as a result of the analysis, according to the average length of shareholding in the research, there is no statistically significant difference ($p<0.05$) between minority shareholder rights, shareholder activism. As a result ***H_5 hypothesis was rejected.*** On the other hand, the viewpoint (p=0,006) and behaviour (p=0,00) of shareholders p value is lower than 0.005, which means that there is a difference between the average length of shareholding and the viewpoint and behaviour of shareholders. The average length of shareholding affects shareholders' viewpoints and behaviours.

3.5.3. Correlation Analysis

In the study, Pearson correlation analysis was carried out in order to see and examine the bilateral relationships between the variables, and the resulting correlation coefficients are shown in Table.

The correlation coefficient, symbolised by the letter r, takes on a value between -1 and +1 if there is a relationship between the variables. In this case, the magnitude of the coefficient determines the relationship's degree, while the sign of "r" indicates its direction. Positive values indicate that the values of the two variables increase and decrease simultaneously, whereas negative values indicate that when one variable increases, the other decreases (Köksal 1994: 377).

Table 17. Evaluation of the Correlation Coefficient

Strong (-)	**Moderate(-)**	**Weak(-)**	**Weak (+)**	**Moderate(+)**	**Strong(+)**
$-1 \leq r < -0.7$	$-0.7 \leq r < -0.3$	$-0.3 \leq r \leq 0$	$0 \leq r \leq 0.3$	$0.3 \leq r \leq 0.7$	$0.7 \leq r \leq +1$

Source: (Gürbüz and Şahin 2015: 256).

When the correlations between the variables were investigated, it was found that shareholder activism and minority shareholder rights had a significant, linear and moderate relationship ($r = 0.500$, $p<0.01$). There is a relationship between minority shareholders' knowledge of the rights granted to them by the TCC and their engaging in shareholder activism hypotheses is accepted.

There is a significant, linear and weak relationship between the viewpoints of the shareholders and minority shareholder rights ($r = 0.252$, $p< 0.01$), and it has also been determined that there is a significant, linear and weak relationship between the viewpoints of the shareholders and shareholder activism ($r = 0.254$, $p<0.01$).

There is a significant, linear and moderate relationship between the behaviour of the shareholders and minority shareholder rights ($r = 0.342$, $p< 0.01$), and it has also been determined that there is a significant, linear and weak relationship between the behaviour of the shareholders and shareholder activism ($r =0.254$, $p<0.01$).

There is a significant, linear and weak relationship between the education status and shareholder activism ($r = 0.191$, $p< 0.01$), and it has also been determined that there is a significant, linear and weak relationship between the education status and the viewpoint of the shareholder ($r =0.098$, $p<0.05$), the behaviour of the shareholder ($r =0.107$, $p<0.05$) and age ($r =0.124$, $p<0.01$). Hypotheses that minority shareholders' engagement with shareholder activism is correlated with their degrees of education are accepted.

There is a significant, negative linear and moderate relationship between the investment portfolio and minority shareholder rights ($r = -0.140$, $p< 0.01$), and the behaviour of the shareholder ($r = -0.191$, $p<0.01$). It has also been determined that there is a significant, linear and weak relationship between the investment portfolio and the viewpoint of the shareholder ($r =0.134$, $p<0.01$) and age ($r =0.271$, $p<0.01$).

There is a significant, linear and weak relationship between the number of firms in the investment portfolio and shareholder activism ($r = 0.179$, $p< 0.01$), and it has also been determined that there is a significant, linear and weak relationship between the number of firms in the investment portfolio and the investment portfolio ($r =0.205$, $p<0.01$) and age ($r =0.118$, $p<0.01$).

There is a significant, negative linear and weak relationship between the average shareholding time in the invested firms and the behaviour of the shareholder ($r = -0.161$, $p< 0.01$), and it has also been determined that there is a significant, linear and moderate relationship between the average shareholding time in the invested firms and the investment portfolio ($r =0.329$, $p<0.01$) and the number of firms in the investment portfolio ($r = 0.309$, $p<0.01$).

Table 18. Correlation Values Between Variables

Dependents	1	2	3	4	5	6	7	8	9
1 Minority Shareholder Rights	1								
2 Shareholder Activism	,500**	1							
p.	0								
3 Viewpoint of Shareholder	,252**	,254**	1						
p.	0	0							
4 Behaviour of Shareholder	,342**	,367**	0,05	1					
p.	0	0	0,254						
5 Age	0,011	,109*	,143**	,151**	1				
p.	0,793	0,012	0,001	0					
6 Education Status	0,081	,191**	,098*	,107*	,124**	1			
p.	0,064	0	0,025	0,014	0,004				
7 Investment Portfolio	-,140**	-0,074	,134**	-,191**	,271**	0,066	1		
p.	0,001	0,09	0,002	0	0	0,128			
8 Number of Firms in the Investment Portfolio	0,02	,179**	0,04	-0,004	,118**	0,075	,205**	1	
p.	0,655	0	0,357	0,924	0,007	0,087	0		
9 Average Shareholding Time in the Invested Firms	-0,069	-0,046	-0,011	-,161**	0,008	0,022	,329**	,309**	1
p.	0,111	0,296	0,807	0	0,856	0,611	0	0	

*= p<0.05, **= p<0.01, n=530

3.5.4. Regression Analysis

Regression analysis is performed to examine the effect of the dependent variable on the independent variable. According to the results obtained from the analysis, the direction, form, and unknown predictions of the relations between the variables are explained (Durmuş, 2018: 154). In the study, a simple regression method was first used to examine the effect of shareholder activism on minority shareholder rights. Then, the effect of shareholder activism on the viewpoint and behaviour of the shareholder was examined. Finally, the effect of shareholder activism on investment portfolio size, number of invested firms, and average shareholding time in the invested firm is examined. The results obtained as a result of the regression analysis are presented in the Table.

Table 19. Minority Shareholder Rights Effects on Shareholder Activism

	Unstandardized Coefficient		Standardized Coefficients			F	R^2
	B	Std. Error	β	t	p		
Constant	1,689	0,113		14,983	,000	174,157	0,249
Minority Shareholder Rights	,489	,037	0,499	13,197	,000		
Dependent Variable: Shareholder Activism							

The effect of minority shareholder rights on shareholder activism is examined using a linear regression analysis in the table. The regression analysis's coefficient table states that the independent variable's beta coefficient has significant importance. Accordingly, minority shareholder rights (β = 0.499) can be expressed as a variable that explains shareholder activism.

It is crucial that the p value be less than 0.05 when analyzing the Anova table. The dependent variable therefore gets affected by the independent variable. When the Anova table is analyzed, the p value is revealed to be 0.000. This demonstrates how the research's minority shareholder rights variable affects shareholder activism. When the coefficient table is examined, it is concluded that the p values are less than 0.05. The conclusion in this instance is that minority shareholder rights impact shareholder activism.

When the table is examined, it can be shown that minority shareholder rights have a significant and positive impact on shareholder activism. (β=0,499; t=14,983; p<0,05). As a result ***H_1 hypothesis was accepted.***

Table 20. Viewpoint of Shareholder Effects on Shareholder Activism

	Unstandardized Coefficient		Standardized Coefficients			F	R^2
	B	Std. Error	β	t	p		
Constant	2,317	0,138		16,761	,000	36,193	0,065
Viewpoint of Shareholder	,246	,041	0,254	6,016	,000		
Dependent Variable: Shareholder Activism							

The effect of shareholder's viewpoint on shareholder activism is examined using a linear regression analysis in the table. The regression analysis's coefficient table states that the independent variable's beta coefficient has significant importance. Accordingly, viewpoint of shareholder (β = 0.254) can be expressed as a variable that explains shareholder activism.

When the Anova table is examined, it is important that the p value be less than 0.05. This means that the independent variable affects the dependent variable. When the Anova table is examined, it is seen that the p value is 0.000. This demonstrates that the research's aspects of the shareholders' viewpoint have an effect on shareholder activism.

When the table is examined, it can be shown that viewpoint of shareholder has a significant and positive impact on shareholder activism. (β=0,254; t=16,761; p<0,05).

Table 21. Behaviour of Shareholder Effects on Shareholder Activism

	Unstandardized Coefficient		Standardized Coefficients			F	R^2
	B	Std. Error	β	t	p		
Constant	2,299	0,097		23,755	,000	81,388	0,134
Behaviour of Shareholder	,367	,041	0,367	9,022	,000		
Dependent Variable: Shareholder Activism							

The effect of shareholder's behaviour on shareholder activism is examined using a linear regression analysis in the table. The regression analysis's coefficient table states that the independent variable's beta coefficient has significant importance. Accordingly, behaviour of shareholder (β = 0.367) can be expressed as a variable that explains shareholder activism.

When the Anova table is examined, it is important that the p value be less than 0.05. This means that the independent variable affects the dependent variable. When the Anova table is examined, it is seen that the p value is 0.000. This demonstrates that the research's aspects of the shareholders' behaviour have an effect on shareholder activism.

When the table is examined, it can be shown that behaviour of shareholder has a significant and positive impact on shareholder activism. ($\beta=0,367$; $t=23,755$; $p<0,05$).

Table 22. Investment Portfolio Size Effects on Shareholder Activism

	Unstandardized Coefficient		Standardized Coefficients			F	R^2
	B	Std. Error	β	t	p		
Constant	3,182	0,134		23,826	,000	9,309	0,051
Investment Portfolio Size	-,037	,018	-,092	-2,030	,043		
Dependent Variable: Shareholder Activism							

The effect of investment portfolio size on shareholder activism is examined using a linear regression analysis in the table. The regression analysis's coefficient table states that the independent variable's beta coefficient has significant importance. Accordingly, investment portfolio size (β = -0.037) can be expressed as a variable that explains shareholder activism.

When the Anova table is examined, it is important that the p value be less than 0.05. This means that the independent variable affects the dependent variable. When the Anova table is examined, it is seen that the p value is 0.043. This demonstrates that the investment portfolio size have an effect on shareholder activism.

When the table is examined, it can be shown investment portfolio size has a significant and negative impact on shareholder activism. (β =-0,037; t=23,826; p<0,05). As a result ***H_3 hypothesis was accepted.***

Table 23. Number of Firms in the Investment Portfolio Effects on Shareholder Activism

	Unstandardized Coefficient		Standardized Coefficients			F	R^2
	B	Std. Error	β	t	p		
Constant	3,182	0,134		23,826	,000	9,309	0,051
Number of Firms in the Investment Portfolio	,202	,041	,224	4,963	,000		
Dependent Variable: Shareholder Activism							

The effect of number of firms in the investment portfolio on shareholder activism is examined using a linear regression analysis in the table. The regression analysis's coefficient table states that the independent variable's beta coefficient has significant importance. Accordingly, behaviour of shareholder (β = 0,202) can be expressed as a variable that explains shareholder activism.

When the Anova table is examined, it is important that the p value be less than 0.05. This means that the independent variable affects the dependent variable. When the

Anova table is examined, it is seen that the p value is 0.000. This demonstrates that the number of firms in the investment portfolio have an effect on shareholder activism.

When the table is examined, it can be shown number of firms in the investment portfolio has a significant and positive impact on shareholder activism. (β=0,202; t=23,826; p<0,05). As a result ***H_4* hypothesis was accepted.**

Table 24. Education Status Effects on Shareholder Activism

	Unstandardized Coefficient		Standardized Coefficients			F	R^2
	B	Std. Error	β	t	p		
Constant	2,376	0,172		13,844	,000	19,737	0,036
Education Status	,202	,041	,191	4,443	,000		
Dependent Variable: Shareholder Activism							

The effect of education status on shareholder activism is examined using a linear regression analysis in the table. The regression analysis's coefficient table states that the independent variable's beta coefficient has significant importance. Accordingly, education status (β = 0.202) can be expressed as a variable that explains shareholder activism.

When the Anova table is examined, it is important that the p value be less than 0.05. This means that the independent variable affects the dependent variable. When the Anova table is examined, it is seen that the p value is 0.000. This demonstrates that education status have an effect on shareholder activism.

When the table is examined, it can be shown that education status has a significant and positive impact on shareholder activism. (β=0,202; t=13,844; p<0,05). As a result ***H_2* hypothesis was accepted.**

Table 25. Hypothesis Results

HYPOTHESIS	STATUS
H_1: There is a relationship between minority shareholders' knowledge of the rights granted to them by the TCC and their engaging in shareholder activism.	**ACCEPTED**
H_2: Minority shareholders' degrees of education have a significant and positive impact on shareholders' engagement in shareholder activism.	**ACCEPTED**
H_3: The size of minority shareholders investment portfolios impacts the degree of shareholder activism.	**ACCEPTED**
H_4: Minority shareholders' participation in shareholder activism is impacted by the number of companies in which minority shareholders invest.	**ACCEPTED**
H_5: Minority shareholders' participation in shareholder activism is correlated with the length of time they have been shareholders in the companies that they invest in.	**REJECTED**

CONCLUSION

4. CONCLUSION

In the first part of the study, the rights of minority shareholders in Türkiye are discussed, along with the key principles for public company. The majority principle and the principle of adhering to the agenda are key principles in JSC within the scope of our research. The most important exceptions to the majority principle that governs JSC are minority rights.

Minority shareholders are the individuals who hold equity in JSC in a smaller percentage than the majority and who are regarded as in need of protection by specific provisions in almost all legal systems. In civil law, minority rights are part of the category of what can be called protective rights. The most important underlying explanation for this is that JSC have numerous interest groups as a result of their economic associations, and minority shareholders are in a more vulnerable position compared to other interest groups in terms of both size and capital, and these rights are intended to strengthen the shareholder's position in terms of the power of the majority.

The term "minority rights" refers to the rights given to this group to protect it from the majority's pressure. The term "minority" refers to a group of shareholders owning a tenth of the company's shares according to TCC, and the shareholders holding 5% of the capital are regarded as minority shareholders under the Capital Market Law. According to the framework of our TCC, minorities' rights are split into two categories: positive and negative minorities' rights. The legislation did not make a distinction between positive and negative minority rights; this distinction was shaped by the doctrine. Negative minority rights refer to situations where the minority, despite a quorum being present in the GA, blocks the decision from being made by casting a negative vote. Positive minority rights, on the other hand, refer to the use of minority rights as a legitimate basis for a claim and/or litigation with a statement of will, even if it goes against the majority's desire.

In the second part of the study, the conceptual framework of shareholder activism is covered. Separation of ownership and control led to the issue of potential conflicts of interest between managers and shareholders. Before the issue reaches the breaking point of no return, shareholder activism could help resolve the agency cost problem. Shareholders who have a reason to be dissatisfied with the company's management or the performance of the company will sell their shares, and the subsequent decline in share value will alert management to the dissatisfaction of certain shareholders. Shareholders have the opportunity to raise their voices or object by directly requesting the BoD or lower levels of management or by using other methods that, within the limits of company law, result in a change in the policies or the management style of the company in question.

The concept of "shareholder activism" refers to a warning system in which shareholders are capable of expressing their dissatisfaction with the company's policies regarding the financial, social, and environmental aspects of the company to the company management without fundamentally changing the BoD, either through the use of their rights under the law or by other methods like social media and one-on-one discussions with management. According to the opinions of certain scholars, shareholder activism refers to minorities using their rights in a way that would eventually boost stock value.

For many years, shareholder activism was not considered a viable alternative by the theory. Due to the fact that shareholders must spend a significant amount of time, effort, and money on activism and engage in social interaction with other shareholders. The implementation of the AGM electronic platform aims to remove obstacles to effective cross-border participation. With the development of technology, it is no longer as costly and time-consuming to attend AGM online and to communicate with other shareholders. The degree of minority shareholders' participation at the AGM is highly rare. The explanation behind this is that regardless of whether they attend, they are skeptical that their opinions will have an impact on the decisions made and therefore are reluctant to spend either time or cash travelling to the corporate headquarters, where the GA will be held. As a result of the AGM electronic platform, minority shareholders may now readily attend meetings and exercise their rights, including engaging in shareholder activism to voice their points of view.

There are several distinct types of shareholder activism described in the literature. The form and type of activism have a significant impact on the outcome of shareholder activism. Based on the intended objectives of the shareholders, shareholder activism may be divided into three basic categories: defensive, aggressive, and responsible. Forms of shareholder activism can be divided into six categories; hedge fund activism, shareholder proposals, shareholder voting, "just-vote-no" campaigns, SoP advisory votes, and "behind-the-scenes" negotiations between shareholders and management.

As a result of the earthquake that struck Türkiye and is among the most catastrophic events in recent history, the concept of CSR is discussed in the paragraphs that follow this section.

In the third part of the study, relevant Turkish shareholders participated in a field study in order to understand how to carry out shareholder activism, a practice that is now practiced throughout the globe, in Türkiye. This section of the research focuses on minority shareholders in China and Malaysia who engage in shareholder activism. The institutions implemented in these countries to enable minority shareholders to engage in activism are explained.In order to adapt these new practices to Türkiye and take into account current shareholder activism practices throughout the world, a field study was undertaken for relevant Turkish stakeholders.

Türkiye's CG framework is similar to the European model due to the country's significant proportion of family-owned companies and low free float rates in publicly traded companies. Shareholder activism is considerably restricted in Türkiye due to the country's high proportion of family and individual company ownership and the mutual funds' comparatively limited activity compared to the USA. Turkish CG gives shareholders the freedom to voice their thoughts, ask questions about the company's finances, discuss the business's performance, and cast proxy votes. At AGM, shareholders have the option to vote for or against electing the chairmanship committee, approving financial statements, releasing the BoD, setting board salaries, electing auditors, deciding how profits are distributed, electing an independent auditor, establishing donation limits, and approving dividend policy and payout ratio.

The Hofstede insights, which include the power distance index and collectivistic society, are one theory in the literature that can explain low shareholder activism. According to Hofstede Insights, Türkiye scores 66 on the power distance index. That is 26 points higher than the US and 31 points higher than the UK (URL11,12).

According to Hofstede Insight, Türkiye is a collectivistic society. This contrasts with the US and the UK, which are examples of countries with individualistic cultures. According to Hofstede, Türkiye has a score of 37, which is a low score compared to the U.S. (91) and the U.K. (89). Accordingly, Turkish society is more collectivist than individualistic, whereas American and British societies are quite individualistic (URL13,14). These are countries where shareholder activism is commonly practised by the shareholders. Collectivist societies are those in which individuals are organised into powerful, cohesive groups with strong familial and social connections because of their low individual values score. This means group interests are meant to take priority over the interests of individuals. Consequentially, the aforementioned reasons can make it challenging for minority shareholders to question directors or hold them responsible for poor CG practises.

4.1. Contribution and Recommendation of the Research

In the continuing part of the study, the survey conducted among minority shareholders who have investments in BIST is analyzed. The analysis' findings indicate that shareholders' tendency to engage in activism is influenced by their degree of education. Shareholder activism requires that the activist shareholder be aware of the rights that have been granted to them. The shareholder's degree of education also has an impact on their knowledge of these rights. The analysis's findings are consistent with the literature; shareholder activism will be influenced by educational status, as predicted. It was concluded that the size of the investment portfolio has an effect on the level of knowledge of the shareholders about the rights of minorities by the TCC, their viewpoints, and their behaviour patterns. According to the analysis's findings, the number of firms in the investment portfolio affects shareholders' willingness to engage in activism. Knowledge about the invested company's management, operations, and communications with other shareholders are all prerequisites for effective shareholder activism, according to the literature. Inevitably, there is a relationship between the number of companies in the investment portfolio and shareholder activism. The other factor that affects shareholders viewpoints and behaviors is the average length of shareholding. A shareholder must have an active investing period for a predetermined amount of time in order to engage in shareholder activism. Activism initiatives conducted within the context of shareholder activism must be considered and executed by the company within a specific time frame. As a consequence of the activism, an increase in value is expected for the company's stock price. All of these elements therefore have an effect on the shareholder's activism, which is reflected in the shareholder's behaviour.

According to the study's correlation analysis, shareholder activism and minority shareholder rights have a significant and linear relationship. The hypothesis that minority shareholders engage in shareholder activism when they are aware of the rights afforded to them by the TCC is accepted. Also there is a significant and linear relationship between education status and shareholder activism. Hypotheses that minority shareholders' engagement with shareholder activism is correlated with their degrees of education are accepted.

According to the study's regression analysis, minority shareholder rights have significant and positive impact on shareholder activism. This implies that the possibility of shareholder activism increases when minority shareholders are informed of their rights. Additionally, shareholder activism is significantly and positively impacted by the viewpoints and behaviors of shareholders. As was already established, shareholder activism is influenced by the shareholder's viewpoint and behaviour. Investment portfolio size has a significant and negative impact on shareholder activism. This is due to the fact that minority shareholders conducted the survey. As a consequence, even if the investment is small, the shareholder does not view it as a barrier to engaging in activism. Education status has a significant and positive impact on shareholder activism. As previously indicated, when education levels improve, shareholders' understanding of their rights rises as well. As a result, shareholders are more likely to exercise their rights through shareholder activism. Finally, shareholder activism is significantly and positively impacted by the number of companies in the investment portfolio.

The Shenzhen Stock Exchange set up an online participatory platform called "Hudongyi" to protect shareholders and provide them an opportunity to contact management for information. Shareholders are allowed to request information from the company's executives on any number of subjects that concern them, such as CG or business operations, without regard to time or geographical restrictions. Minority shareholders have the chance to engage with other minority shareholders thanks to the online platform, which is open to all users. With the introduction of Hudongyi, the situation of scattered minority shareholders has significantly improved by making it possible for diverse minority shareholders from all socioeconomic groups to interact online about their shared objectives. The establishment of such an online platform in Türkiye by BIST will facilitate communication between scattered minority shareholders, and with the benefit of the low cost of electronic information distribution, the amount of information provided to shareholders will rise. Also, this platform makes it possible for minority shareholders to obtain information about the company's operations without being constrained by time or location.

A shareholder proposal that is comparable to Rule 14a-8 of the SEC of the US may be put up by minority shareholders who have been granted the right by the TCC to call the GA meeting and may be included on the agenda in accordance with TCC Art. 413/1. Shareholder proposals provide activists with greater influence over future important problems and a way to persuade management to make the indicated value-enhancing changes.

Nonetheless, foreign shareholders drive for greater returns in a relatively short period of time, regulations aiming at strengthening minority rights, and expanding corporate funds encouraged by the government, for example, pension funds, will all contribute to the growth of the activist shareholder mindset in Türkiye.

4.2. Areas of Further Research

A quantitative research methodology was applied in this research. The in-depth interview approach, a qualitative research method, can be used in future studies to analyse the activism of minority shareholders. In our study, a survey was conducted among the minority shareholders. Other researchers could carry out the research that focuses on institutional shareholders.

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Appendix-1

AZINLIK PAY SAHİBİ HAKLARI VE AKTİVİZMİ ARAŞTIRMASI

Sayın Katılımcı;

Aşağıdaki anket, *"Türkiye'de Azınlık Pay Sahibi Aktivizmi"* başlıklı Yüksek Lisans tez araştırmasında kullanılmak amacıyla hazırlanmıştır. Doğru tespitlerin yapılabilmesi için soruları, düşüncelerinizi en iyi yansıtacak şekilde cevaplamanız önem arz etmektedir. Söz konusu bilgiler bilimsel çalışma dışında herhangi bir amaçla kullanılmayacaktır. Katkılarınızdan dolayı teşekkür ederiz.

Danışman: Dr. Öğr. Üyesi Meltem KARATEPE KAYA
İstanbul Medeniyet Üniversitesi Hukuk Fakültesi Öğretim Üyesi

Arş. Gör. Beyza Nur BİLEN
Özel Hukuk Yüksek Lisan Öğrencisi

Konu Hakkında Tanımlama:
Azınlık Pay Sahipliği: Halka açık şirketlerde, şirketin yönetim kararlarında tek başına kontrol gücü olmayan pay sahipliğini /hissedarlığı ifade etmektedir.

1. Cinsiyetiniz		**2. Yaşınız**		**3. Eğitim Seviyeniz**	
(1) Bay	( )	(1) 20 yaş altı	( )	(1) Mezun Değil	( )
(2) Bayan	( )	(2) 20-30	( )	(2) İlkokul	( )
	( )	(3) 31-40	( )	(3) Ortaokul	( )
	( )	(4) 41-50	( )	(4) Lise	( )
	( )	(5) 51-60	( )	(5) Ön Lisans	( )
	( )	(6) 61yaş ve üstü	( )	(6) Üniversite	( )
	( )		( )	(7) Lisans Üstü	( )

4. Yatırım Portföyünüzün Büyüklüğü		5. Yatırım Portföyünüzde Yer Alan Firma Sayısı	
(1) 0 -10 000 TL	( )	(1) 1 - 5 Firma	( )
(2) 10 001 - 50 000 TL	( )	(2) 6 - 10 Firma	( )
(3) 50 001- 100 000 TL	( )	(3) 11 - 15 Firma	( )
(4) 100 001- 250 000 TL	( )	(4) 16 ve Üzeri Firma	( )
(5) 250 001 - 500 000 TL	( )		

6. Yatırımcısı olduğunuz şirketlerdeki ortalama pay sahipli süreniz?

(1) Günlük	( )	(2) Haftalık	( )
(3) Aylık	( )	(4) 6 Ay - 1 Yıl	( )
(5) 1 Yıl - 4 Yıl	( )	(6) 5 yıl ve Üzeri	( )

(6) 500 001 TL - 1 000.000 TL	( )
(7) 1 000 001 - 5 000 000 TL	( )
(8) 5 000 001 TL ve Üzeri	( )

Aşağıdaki Soruları Cevaplar mısınız?	Kesinlikle Katılıyorum	Katılıyorum	Fikrim Yok	Katılmıyorum	Kesinlikle Katılmıyorum
7. "Azınlık pay sahibi" kavramı hakkında bilgim bulunmakta ve Türk Ticaret Kanunu (TTK) tarafından tanınan azınlık pay sahibi haklarını biliyorum.	1	2	3	4	5
8. TTK'da düzenlenen azınlık pay sahipliği hakları hususundaki yasal düzenleme azınlık pay sahiplerini korumada etkili ve yeterlidir.					
9. Azınlık pay sahipliği haklarından bazılarının kullanabilmesi için TTK'da belirli bir pay sahipliği oranının aranması uygulanmasını doğru ve gerekli buluyorum.					

10. Yatırımcısı olduğum şirket/şirketler, pay sahiplerinin haklarını gözetir ve korur. Azınlık pay sahibi haklarının kullanılmasına engel olmaz.
11. Yönetim kurulu üyeleri aldıkları kararlarda her zaman azınlık pay sahiplerinin menfaatlerini de gözetir ve korur.
12. Yatırım yaptığım şirketlerin esas sözleşmesinde TTK tarafından tanınan haklara ek olarak azınlık pay sahiplerini koruyucu düzenlemeler olup olmadığını kontrol ederim.
13. Yatırım yaptığım şirketlerin genel kurullarına aktif şekilde katılırım.
14. Azınlık pay sahiplerinin yönetim kurulunda temsil edilme hakkı hususunda bilgim var.
15. Şirketlerin yatırımcı ilişkileri temsilcisi ile telefon/mail yoluyla iletişim sağlar, bir pay sahipliği hakkı olan bilgi alma hakkımı kullanırım.
16. Yatırım yaptığım firmalar hakkında Kamu Aydınlatma Platformunu (KAP) düzenli aralıklarla kontrol ederim.
17. Azınlık pay sahibi hakkı olan özel denetçi atanmasını mahkemeden isteme hakkı hususunda bilgim var.
18. Azınlık pay sahibi hakkı olan genel kurulu toplantıya çağırma ve gündeme madde ekletme hakkı hususunda bilgim var.
19. Yatırım yaptığım şirketler hakkında derinlemesine araştırma yaparım.
20. Bağımsız yönetim kurulu üyelerinin, azınlık pay sahiplerini korumada başarılı /etkili olduğunu düşünüyorum.
21. Sermaye Piyasası Kurulunun azınlık hissedarları korumak için piyasaya müdahale etmesi doğru ve gereklidir.
22. Hong Kong'da, azınlık hissedarların çıkarlarını korumak için bir "hissedar destek fonu" ve hissedar aktivist grubunun kurulması önerisinin Türkiye'de de etkili olacağını ve azınlık hissedarların haklarını koruyacağını ve ilerleteceğini düşünüyorum.
23. Diğer azınlık pay sahipleri ile iletişim kanalları ve sosyal medya yolu ile iletişime geçer şirketin faaliyetleri ve geleceği hakkında etkili olmaya çalışırım.

24. Ana ortağın şirketteki payının %50′nin üstünde olması benim için önemlidir.
25. Ana ortağın şirketteki payının %50′nin altında olması benim için önemlidir.
26. Azınlık pay sahibi olarak yatırım yaptığım bir şirket hakkındaki görüş/tavsiye/endişe hakkında şirket yönetimi veya diğer pay sahipleri ile görüşme sağlarım ve bunların düzeltilmesi için vaktimi, paramı ayırırım.
27. 26. Sorudaki faaliyetimin sonucunda gerçekleşecek muhtemel faydaların bu faaliyete girişmeyen diğer pay sahipleri tarafında da sağlanması beni rahatsız etmez, bu faaliyetimden beni vazgeçirmez.
28. Portföyünüzdeki şirketlerden birisinin temettü ödemesi beklenirken temettü ödememesi halinde şirket ve diğer pay sahipleri ile iletişime geçer ödenmesi için faaliyette bulunur, tepki gösteririm.

Açık Uçlu Soru: Pay sahibi/Hissedarı olduğunuz bir şirket hakkındaki görüş/tavsiye/endişeleriniz hususunda şirket veya şirketin diğer hissedarları ile bir faaliyetiniz oldu mu, oldu ise kısaca olayı özetleyebilir misiniz?
Cevap:

Appendix-2

T.C.
İSTANBUL MEDENİYET
ÜNİVERSİTESİ REKTÖRLÜĞÜ
Rektörlük
Sosyal ve Beşeri Bilimler Bilimsel
Araştırma ve Yayın Etiği Kurulu

Sayı : E-38510686-300-
2300029300
10.07.2023
Konu : Etik Kurul Onayı Talebi Hk.

Sayın İlgili Makama

İlgi : Özel Hukuk Anabilim Dalı Başkanlığının 12.05.2023 tarihli ve E-10540060-300- 2300023400 sayılı yazısı.

Lisansüstü Eğitim Enstitüsü Müdürlüğü'ne bağlı Özel Hukuk İngilizce Tezli Yüksek Lisans Programı öğrencilerinden ve Dr. Öğr. Üyesi Meltem KARATEPE KAYA danışmanlığında çalışmalarını yürüten Beyza Nur BİLEN'in **"Minority Shareholder Activism in Turkey"** başlıklı proje teklifi dosyası incelenmiş ve projenin içeriğinde etik olarak bir sorun olmadığına, ön koşulsuz olarak, oybirliği ile karar verilmiştir.

Prof. Dr. Alim YILMAZ
Kurul Başkanı

Prof. Dr. Hayrunnisa ALAN
Öğretim Üyesi

Prof. Dr. Tuncay BAŞOĞLU
Öğretim Üyesi

Prof. Dr. Özden Zeynep OKTAV
Öğretim Üyesi

Prof. Dr. Tarkan OKTAY
Öğretim Üyesi

Prof. Dr. Ahmet AKIN
Öğretim Üyesi

Prof. Dr. İbrahim SUBAŞI
Öğretim Üyesi

Bu belge, güvenli elektronik imza ile imzalanmıştır.

Belge Doğrulama Kodu: PM9AC7P Belge Takip Adresi:

https://ubys.medeniyet.edu.tr/ERMS/Record/ConfirmationPage/Index

Adres:		Bilgi için :	Alim Yılmaz Kurul Başkanı
Telefon No: (0 216) 2803333	Faks No:	Telefon No:	
e-Posta:	İnternet Adresi: www.medeniyet.edu.tr	Direkt Hat:	
Kep Adresi: istanbulmedeniyetuni@hs01.kep.tr			

Özgeçmiş – Curriculum Vitae

KİŞİSEL BİLGİLER – PERSONAL INFORMATION

Adı Soyadı – Name Surname: Beyza Nur BİLEN

EĞİTİM – EDUCATION

Derece -Degree	**Kurum – Institute**	**Mezuniyet-Graduation**
Lisans	Marmara Üniversitesi, Hukuk Fakültesi	2020
Undergraduate	Marmara University, Faculty of Law	2020

İŞ TECRÜBESİ – PROFESSIONAL EXPERIENCE

Tarih-Date	**Kurum- Institute**	**Görev-Title**
2022-…	Niğde Ömer Halisdemir Üniversitesi	Ticaret Hukuku ABD- Araştırma Görevlisi
2022-…	Nigde Omer Halisdemir University	Dept. of Commercial Law-Research Asistant

YABANCI DİLLER – FOREIGN LANGUAGE

İleri düzeyde İngilizce – Advanced level English

YAYINLAR – PUBLISHING

Bilen, Beyza Nur ve Bilen, Mahmut (2022), "Globalization Fair or Not?", **16th International Conference on Knowledge, Economy and Management**, İstanbul, 11-13 November 2022, p. 425-437.