

**INVITATION TO THE ORDINARY GENERAL ASSEMBLY MEETING OF  
LOGO YAZILIM SANAYİ VE TİCARET ANONİM ŞİRKETİ  
TO BE HELD ON 14/07/2020**

Our Company's Ordinary General Assembly Meeting relating to the financial year of 2019 will be held on **14/07/2020 Tuesday, at 11:00** in our headquarters located in Gebze Organize Sanayi Bölgesi Şahabettin Bilgisu Caddesi No: 609/1 Gebze - Kocaeli /Türkiye.

The Shareholders can attend the Company's Ordinary General Assembly Meeting physically or via electronic means, in person or through their representatives. Our Shareholders willing to attend the Ordinary General Assembly Meeting in person or through their representatives via electronic means must declare their preference on the Electronic General Assembly System ("**EGAS**"). Attendance to the Ordinary General Assembly Meeting via electronic means is only possible if the Shareholders or their representatives have a secure electronic signature and log into EGAS with such secure electronic signature. In this respect, the Shareholders must first register their contact details by signing up to the e-MKK Information Platform (*e-MKK Bilgi Portalı*) of Merkezi Kayıt Kuruluşu A.Ş. ("**MKK**"). Shareholders not registered with the e-MKK Information Platform and not having secured electronic signature or their representatives cannot attend the general assembly meeting via electronic means. In accordance with Article 1526 of the Turkish Commercial Code No. 6102, notifications to be made on behalf of legal entity shareholders via EGAS are required to be signed by the duly authorized representative of such legal entity with the secured electronic signature issued on behalf the legal entity for the name of such representative.

The Board of Directors' Annual Report, the Corporate Governance Compliance Report, the Consolidated Financial Statements, the Financial Statements and the Independent External Audit Report for the financial year of 2019, as well as the Board of Directors' Proposal for Not Distributing Dividend together with a detailed Information Note including the information required to be provided pursuant to the Capital Markets Board's regulations will be made available for our Shareholders' review three weeks prior to the date of the meeting within the legally prescribed term, at our Company's headquarters. The relevant documents and sample proxy forms will also be made available for the review of our Shareholders at our website [www.logo.com.tr](http://www.logo.com.tr) and EGAS.

Without prejudice to the rights and obligations of Shareholders who will electronically attend the meeting, Shareholders who will not attend the meeting in person shall issue a proxy form pursuant to the sample below or obtain the sample proxy form from our headquarters or website at [www.logo.com.tr](http://www.logo.com.tr) and fulfil the provisions of the Capital Markets Board's Communiqué on Voting by Proxy and Proxy Solicitation (II-30.1) and submit a proxy form duly signed and notarized to the Company's headquarters or submit electronically on the EGAS. Proxies appointed through EGAS are not required to submit a physical proxy form. Proxies appointed via EGAS can attend the Ordinary General Assembly Meeting physically or via EGAS without submitting any other proxy form. Whether appointed by a notarized proxy form or via EGAS, proxies who will attend the Ordinary General Assembly Meeting by proxy or in person shall present their identity cards in the meeting. We hereby submit to the information of our esteemed Shareholders that Shareholders not fulfilling this procedure cannot attend the meeting pursuant to the law.

Pursuant to the fourth paragraph of Article 415 of the Turkish Commercial Code No: 6102 and the first paragraph of Article 30 of Capital Markets Law, Shareholders are not required to block their shares to exercise the right to attend to and vote in the Ordinary General Assembly Meeting. In this respect, Shareholders are not required to block their shares to attend the Ordinary General Assembly Meeting.

We kindly request that Shareholders, who will vote via EGAS, obtain the relevant information form from the MKK and/or on MKK's website [www.mkk.com.tr](http://www.mkk.com.tr), in order to fulfil their obligations pursuant to the "Regulation on Electronic General Assembly Meetings of Joint Stock Corporations" issued by the Ministry of Trade of Republic of Turkey, and published in the Official Gazette dated 28.08.2012 and numbered 28395 and "Communiqué on the Electronic

General Assembly System to be Applied to the General Assembly Meetings of Joint Stock Corporations”, published in the Official Gazette dated 29.08.2012 and numbered 28396.

Save for the electronic voting procedures, the agenda items in the General Assembly Meeting will be voted explicitly by raising hands.

We hereby submit to the information of our esteemed shareholders.

Kind regards,

**Board of Directors of**

**Logo Yazılım Sanayi ve Ticaret A.Ş.**

## **COMPANY INFORMATION**

**Address** : Gebze Organize Sanayi Bölgesi Şahabettin Bilgisu Caddesi  
No: 609/1 Gebze - Kocaeli /Türkiye

**Telephone** : 0262 679 82 00

**Trade Registry and  
Number** : Gebze – 12750

**THE AGENDA FOR THE ORDINARY GENERAL ASSEMBLY MEETING  
DATED 14/07/2020 OF  
LOGO YAZILIM SANAYİ VE TİCARET ANONİM ŞİRKETİ**

**AGENDA**

1. Opening and election of Chairing Committee and authorization of Chairing Committee for signing the Minutes of the General Assembly Meeting;
2. Reading and discussion of the Annual Report of the Board of Directors for the fiscal year 2019;
3. Reading the independent audit report prepared by the Independent Auditor, PwC Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik Anonim Şirketi;
4. Reading, discussion and approval of the financial statements of the fiscal year 2019;
5. Discussion and resolution of the matter concerning the release of the members of the Board of Directors individually, who have performed in the fiscal year 2019, from their liabilities for the operations, proceedings and accounts;
6. Reading, discussion and approval of the Board of Directors' resolution proposing not to distribute dividend for the fiscal year 2019;
7. Informing the Shareholders about the "Remuneration Policy" with respect to the members of the Board of Directors and the Senior Executives, in accordance with the Communiqué on Corporate Governance No. II-17.1 of the Capital Markets Board;
8. Determination of remuneration of the members of the Board of Directors for the following fiscal year;
9. Approval of the appointment of the Independent Audit Firm for the fiscal year 2020, as proposed by the Board of Directors, in accordance with the Capital Markets Board regulations and related legislation;
10. Informing the General Assembly about the donations made by the Company to foundations and unions for the purpose of social welfare within the fiscal year 2019;
11. Determination of an upper limit for the grants and donations to be made in the fiscal year 2020 and authorization of the Board of Directors to act within the limits determined relating thereto in accordance with the Capital Markets Board regulations;
12. Informing the General Assembly about the share buy-back transactions executed during 2019 in accordance with the Company's share buy-back program;
13. Requesting the General Assembly's approval for the acts and transactions to be executed by the members of the Board of Directors pursuant to Articles 395 and 396 of the Turkish Commercial Code;
14. Informing the shareholders about any material transactions that may create conflict of interest with the Company or its affiliates and/or about a transaction of commercial nature made on personal account or on behalf of any others that is listed in the commercial activities of the company or of its affiliates or participating to another partnership that is engaged with the same commercial activities with the title of a partner with unlimited liability, by any of the shareholders controlling the company, members of the Board of Directors, executives with administrative responsibility and their spouses and relatives related by blood or affinity up to the second degree;
15. Informing the shareholders that no liens, pledges or such assurances have been given, or no benefits have been created on behalf of Company's shareholders and third parties, in accordance with the Capital Markets Legislation and the Capital Markets Board's Communiqué on Corporate Governance No II-17.1;
16. Wishes and closing.

**PROXY FORM**  
**LOGO YAZILIM SANAYİ VE TİCARET A.Ş**

I hereby appoint ..... as my proxy authorized to represent me, to vote and make proposals in line with the views I express herein below and sign the required papers at the Ordinary General Assembly Meeting of **LOGO YAZILIM SANAYİ VE TİCARET A.Ş.** to be held on **14 July 2020, Tuesday at 11:00** for the year 2019 at the address of Gebze Organize Sanayi Bölgesi Şahabettin Bilgisu Caddesi No: 609/1 Gebze - Kocaeli /Türkiye.

The Attorney's<sup>1</sup>;

Name Surname/Trade Name:

ID Number/Tax ID Number:

Trade Registry and Number and MERSIS Number:

**SCOPE OF REPRESENTATIVE POWER**

**The scope of representative power should be defined after choosing one of the options (a), (b) or (c) in the following sections 1 and 2.**

**1. About the Items on the Agenda of the General Assembly:**

- a) The attorney is authorized to vote according to his/her opinion
- b) The attorney is authorized to vote in accordance with the company management
- c) The attorney is authorized to vote in accordance with the following instructions stated in the table.

**Instructions:**

**In the event that the shareholder chooses option (c), the shareholder should mark "Accept" or "Reject" options and if the shareholder marks the "Reject" option, then he/she should write the dissenting opinion to be noted down in the minutes of the general assembly.**

Agenda Item <sup>2</sup>	Accept	Reject	Dissenting Opinion
1. Opening and election of Chairing Committee and authorization of Chairing Committee for signing the Minutes of the General Assembly Meeting;			
2. Reading and discussion of the Annual Report of the Board of Directors for the fiscal year 2019;			
3. Reading the independent audit report prepared by the Independent Auditor, Pwc Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik Anonim Şirketi;			

<sup>1</sup> Foreign attorneys should submit the equivalent information (if any) mentioned above.

<sup>2</sup> If the minority has another draft resolution, necessary arrangements should be made to enable them to vote by proxy.

Agenda Item <sup>2</sup>	Accept	Reject	Dissenting Opinion
4. Reading, discussion and approval of the financial statements of the fiscal year 2019;			
5. Discussion and resolution of the matter concerning the release of the members of the Board of Directors individually, who have performed in the fiscal year 2019, from their liabilities for the operations, proceedings and accounts;			
6. Reading, discussion and approval of the Board of Directors' resolution proposing not to distribute dividend for the fiscal year 2019;			
7. Informing the Shareholders about the "Remuneration Policy" with respect to the members of the Board of Directors and the Senior Executives, in accordance with the Communiqué on Corporate Governance No. II-17.1 of the Capital Markets Board;			
8. Determination of remuneration of the members of the Board of Directors for the following fiscal year;			
9. Approval of the appointment of the Independent Audit Firm for the fiscal year 2020, as proposed by the Board of Directors, in accordance with the Capital Markets Board regulations and related legislation;			
10. Informing the General Assembly about the donations made by the Company to foundations and unions for the purpose of social welfare within the fiscal year 2019;			
11. Determination of an upper limit for the grants and donations to be made in the fiscal year 2020 and authorization of the Board of Directors to act within the limits determined relating thereto in accordance with the			

Agenda Item <sup>2</sup>	Accept	Reject	Dissenting Opinion
Capital Markets Board regulations;			
12. Informing the General Assembly about the share buy-back transactions executed during 2019 in accordance with the Company's share buy-back program;			
13. Requesting the General Assembly's approval for the acts and transactions to be executed by the members of the Board of Directors pursuant to Articles 395 and 396 of the Turkish Commercial Code;			
14. Informing the shareholders about any material transactions that may create conflict of interest with the Company or its affiliates and/or about a transaction of commercial nature made on personal account or on behalf of any others that is listed in the commercial activities of the company or of its affiliates or participating to another partnership that is engaged with the same commercial activities with the title of a partner with unlimited liability, by any of the shareholders controlling the company, members of the Board of Directors, executives with administrative responsibility and their spouses and relatives related by blood or affinity up to the second degree;			
15. Informing the shareholders that no liens, pledges or such assurances have been given, or no benefits have been created on behalf of Company's shareholders and third parties, in accordance with the Capital Markets Legislation and the Capital Markets Board's Communiqué on Corporate Governance No II-17.1;			
16. Wishes and closing.			

**No voting on the informative items.**

**2. Special instructions related to other issues that may come up during General Assembly meeting and especially to the use of minority rights:**

- a) The attorney is authorized to vote according to his/her opinion
- b) The attorney is not authorized to vote in these matters
- c) The attorney is authorized to vote for agenda items in accordance with the following instructions.

**SPECIAL INSTRUCTIONS;** Special instructions (if any) to be given by the shareholder to the attorney are stated herein.

**B) The shareholder specifies the shares to be represented by the attorney by choosing one of the following.**

**1. I hereby confirm that the attorney represents the shares specified in detail as follows.**

- a) Order and Serial<sup>3</sup>:
- b) Number / Group<sup>4</sup>:
- c) Amount-Nominal Value:
- d) Share with privileged voting rights or not:
- e) Bearer-Registered<sup>5</sup>:
- f) Ratio of the total shares/voting rights of the shareholder:

**2. I hereby confirm that the attorney represents all my shares on the list, prepared by MKK (Central Registry Agency) the day before the Meeting, concerning the shareholders who could attend the General Assembly Meeting**

**NAME SURNAME OR TITLE OF THE SHAREHOLDER<sup>6</sup>**

Turkish ID Number/Tax ID Number, Trade Register and Number and MERSIS Number:

Address:

**SIGNATURE**

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<sup>3</sup> Such information is not required for the shares which are dematerialized.

<sup>4</sup> For the dematerialized shares, information related to the group (if any) will be given instead of number.

<sup>5</sup> Such information is not required for the shares which are dematerialized.

<sup>6</sup> Foreign shareholders shall submit the equivalent information (if any) mentioned above.

## ADDITIONAL EXPLANATIONS PURSUANT TO CAPITAL MARKETS BOARD'S REGULATIONS

Pursuant to the Capital Markets Board Communiqué II-17.1 on Corporate Governance, the additional explanations, which are related to the agenda items, are presented below the relevant agenda items. General explanations which are required pursuant to the Capital Markets Board Communiqué II-17.1 on Corporate Governance are presented in this section:

### 1. Shareholding Structure and Voting Rights as of the Date of the Disclosure

Name-Surname/Trade Name of the Shareholder	Share Class	Amount of Shares (TL)	Share Ratio (%)	Rate of Voting Right (%)
Logo Teknoloji ve Yatırım Anonim Şirketi	A	33.000	0,13	0,13
	B	8.374.513,20	33,50	33,50
Diğer	B	16.592.486,80	66,37	66,37
<b>TOTAL</b>		<b>25.000.000</b>	<b>100,00</b>	<b>100,00</b>

Pursuant to Article 6 titled "Capital" of the Company's current articles of association, the upper limit of the Company's registered share capital is TRY 125.000.000 which is divided into 12.500.000.000 registered shares, each with a nominal value of Kuruş 1. The Company's issued shared capital in the amount of TRY 25.000.000 is composed of class A and class B shares. 3.300.000 shares with the nominal value of TRY 33.000 represent class A shares and 2.469.700.000 shares with the nominal value of TRY 24.967.000 represent class B shares. The following table demonstrates the shares constituting the Company's share capital and the privileges denominated for such shares:

Information on the Shares Representing the Share Capital					
Share Class	Registered Shares / Bearer Shares	Type of the Privilege	Nominal Value of One Share (TRY)	Total (TRY)	Share Ratio (%)
A	Registered Shares	- Privilege regarding nomination of members to the Board of Directors (half of the number of the members) - Appointment of the chairman of the Board of Directors	0,01	33.000	0,13
B	Bearer Shares		0,01	24.967.000	99,87
<b>TOTAL</b>				<b>25.000.000</b>	<b>100</b>

Pursuant to Article 8 of articles of association, there is privilege in nominating a candidate for the board of directors. Half of the board of directors shall be elected from among the candidates

nominated by Class A shareholders. Moreover, chairman of the Board of Directors shall be elected from among the candidates nominated by Class A shareholders.

Each nominal value share is entitled to one voting right in the General Assembly Meeting. There are no shares, which bear privileged voting rights.

**2. Information Regarding Changes in Management and Operations that would have a Significant Impact on the Activities of our Company and its Material Subsidiaries**

- i. On July 11, 2019, our shareholder Logo Teknoloji ve Yatırım A.Ş. has bought class A shares with the privilege to nominate members to the board having a total nominal value of TRY 16.500 from EAS Solutions S.a.r.l
- ii. There has been an organizational change in the senior management of our company and it was announced on June 19, 2019 and December 19, 2019 as a general company information form update in Public Disclosure Platform (“PDP”).

The above matters and other information on our operations have been all disclosed on PDP.

**3. Information about the Requests of the Shareholders, the Capital Markets Board or the other Public Authorities for Inclusion of Issues in the Agenda**

No request has been received with respect to the Ordinary General Assembly Meeting during which the operations in the year 2019 will be discussed.

**EXPLANATIONS WITH RESPECT TO THE AGENDA ITEMS OF THE ORDINARY  
GENERAL ASSEMBLY TO BE HELD ON 14/07/2020**

**1. Opening and election of Chairing Committee and authorization of Chairing Committee for signing the Minutes of the General Assembly Meeting**

The Chairman and the Chairing Committee will be elected to chair the General Assembly Meeting and sign the meeting minutes in accordance with the relevant provisions of the Turkish Commercial Code No. 6102 (the “TCC”), the Regulation on General Assembly Meetings of Corporations, and under the provisions of Ministry of Industry and Trade Commissary Regulations (“Regulation” or “General Assembly Regulation”).

**2. Reading and discussion of the Annual Report of the Board of Directors for the fiscal year 2019**

Pursuant to the TCC, the Regulation and the Capital Markets Law and related regulations, the 2019 Annual Report of the Board of Directors, which also includes the Corporate Governance Compliance Report, has been made available for examination by our shareholders for a period of three weeks before the General Assembly Meeting in our Company’s headquarters, on the PDP, Electronic General Assembly System of the Central Registry Agency (“CRA”), and on our Company’s website [www.logo.com.tr](http://www.logo.com.tr). The Annual Report will be read and discussed by the General Assembly.

**3. Reading the independent audit report prepared by the Independent Auditor, Pwc Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik Anonim Şirketi**

Pursuant to the TCC, the Regulation and the Capital Markets Law and related regulations, the audit report issued by Pwc Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik Anonim Şirketi and which has been made available for examination by our shareholders for a period of three weeks before the General Assembly Meeting in our Company’s headquarters, on the PDP, Electronic General Assembly System of the CRA, and on our Company’s website [www.logo.com.tr](http://www.logo.com.tr) will be read.

**4. Reading, discussion and approval of the financial statements of the fiscal year 2019**

Pursuant to the TCC, the Regulation and the Capital Markets Law and related regulations, the financial statements for the reporting period of 2019, which have been made available for examination by our shareholders for a period of three weeks before the General Assembly Meeting in our company’s headquarters, on the PDP, Electronic General Assembly System of the CRA, and on our Company’s website [www.logo.com.tr](http://www.logo.com.tr) will be read, discussed and approved.

**5. Discussion and resolution of the matter concerning the release of the members of the Board of Directors individually, who have performed in the fiscal year 2019, from their liabilities for the operations, proceedings and accounts**

Pursuant to the regulations of the TCC and the Regulation, the release of the members of the board of directors individually for their activities, transactions and accounts for the year 2019 will be submitted to the approval of the General Assembly.

**6. Reading, discussion and approval of the Board of Directors’ resolution proposing not to distribute dividend for the fiscal year 2019**

According to the financial statements for the accounting period of January 1st, 2019 - December 31st, 2019, prepared within the framework of the provisions of the Capital Markets Board Communiqué II-14.1 and in accordance with the International Financial Reporting Standards and audited by Pwc Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş.; a "(Consolidated) Net Profit" of TRY 86.285.124 has been recorded, of which TRY 86.310.753 is the net profit belonging to the equity holders of the parent. Taking into account our Dividend Distribution Policy approved by the General Assembly on April 28, 2016, the increasing uncertainty in the market conditions, the resolution of

Board of Directors dated 17/03/2020 and numbered 2020/5 on not to distribute dividend and keep the profit within the company, will be discussed and submitted to the approval of the General Assembly.

Furthermore, the shareholders shall be informed that distribution of dividends from distributable sources may be offered to the general assembly at a later date.

**7. Informing the Shareholders about the “Remuneration Policy” with respect to the members of the Board of Directors and the Senior Executives, in accordance with the Communiqué on Corporate Governance No. II-17.1 of the Capital Markets Board**

The Remuneration Policy for the members of the board and executive management attached in Appendix-1 will be submitted to the information of shareholders, which was prepared pursuant to the Capital Markets Board’s Communiqué on Corporate Governance No. II-17.1.

**8. Determination of remuneration of the members of the Board of Directors for the following fiscal year**

With respect to the Capital Markets Board’s regulations, the TCC, the Regulation and our Company’s Articles of Association, the resolution of Board of Directors dated 17/03/2020 and numbered 2020/7 proposing (i) not to provide any remuneration for the chairman and vice chairman and (ii) to provide a monthly gross fee in the amount of TRY 10.000 to all non- executive board members, including the independent members, will be submitted to the General Assembly’s opinion and approval.

**9. Approval of the appointment of the Independent Audit Firm for the fiscal year 2020, as proposed by the Board of Directors, in accordance with the Capital Markets Board regulations and related legislation**

The appointment of Pwc Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik Anonim Şirketi as the Independent Auditor, in order for the audit of our financial reports for 2020 and performance of other activities defined in the related regulations, as recommended as per the Board of Directors’ resolution dated 20/03/2020 and numbered 2020/10 will be submitted to the approval of the General Assembly, pursuant to the Turkish Commercial Code and the regulations of the Capital Markets Board.

**10. Informing the General Assembly about the donations made by the Company to foundations and unions for the purpose of social welfare within the fiscal year 2019**

Our company’s donations in the reporting period of 2019 to charity institutions, foundations and associations holding tax exemptions, amounted to TRY 498.043 which is below the upper limit determined for 2019. In the General Assembly Meeting of our company, which was held on May 3, 2019, the upper limit for grants and donations for the reporting period of 2019 was determined as TRY 500.000.

**11. Determination of an upper limit for the grants and donations to be made in the fiscal year 2020 and authorization of the Board of Directors to act within the limits determined relating thereto in accordance with the Capital Markets Board regulations;**

According to paragraph 3 of Article 17 of our Articles of Association; *the Company can make donations in a way, which does not hinder its purpose and scope, provided that it is in compliance with the terms defined by the Capital Markets Board, does not violate regulations on disguised profit transfer and shareholders are informed on the donations made within the reporting in the general assembly meeting. The upper limit of the donations to be made is determined by the General Assembly, and no donations in excess of such limit can be made. Donations made shall be added to the distributable profit base.*

In this respect, the resolution of the Board of Directors dated 17/03/2020 and numbered 2020/8, proposing the upper limit for grants and donations as TRY 750.000 to be effective until the General Assembly Meeting to be held for the activities and accounts in the reporting period of 2020 will be submitted to the opinion and approval of the General Assembly.

**12. Informing the General Assembly about the share buy-back transactions executed during 2019 in accordance with the Company's share buy-back program**

Our Board of Directors' resolution dated July 12, 2018 provided that the Company will buy-back its shares traded on Borsa İstanbul within the scope of the Capital Markets Board's announcements on July 21, 2016 and July 25, 2016, due to the fact that our Company's shares' value emerging in Borsa İstanbul was not reflecting the true performance of the Company's operations and in order to contribute to creating an environment for accurate price formation regarding our Company's shares on Borsa İstanbul and to protect the interest of all of our shareholders, especially those of minority investors. This share buy-back program is disclosed to the public on PDP on July 12, 2018 and it is still in force.

Our shareholders shall be informed that no transactions has been executed with regards to the said buy-back program during fiscal year 2019.

**13. Requesting the General Assembly's approval for the acts and transactions to be executed by the members of the Board of Directors pursuant to Articles 395 and 396 of the Turkish Commercial Code**

Board members' ability to do the transactions defined in the first paragraph of Article 395 with the title "Prohibition to Conduct Transaction with and Incur Indebtedness to the Company" and Article 396 with the title "Non-Competition" of the Turkish Commercial Code is subject to the approval of the General Assembly. It will be submitted to the approval of the General 10 Assembly to grant permission to our board members in that respect in order to fulfil the requirements of the relevant legislation.

Pursuant to the Turkish Commercial Code Article 395 and Article 396, the approval of the General Assembly shall be obtained for the board members to conduct the following and similar transactions: to conduct any transaction with the company, to become indebted to the company, to conduct any commercial transaction within the scope of activity of the company, to participate in another company as a partner with unlimited liability, which is involved in the same kind of commercial business. Furthermore, the legislation establishes strict oversight mechanisms such as submitting an announcement on the PDP, seeking affirmative votes of the majority of the independent board members, and seeking the approval of the general assembly, depending on the nature of the transaction, pursuant to different provisions including, among others, Article 17(3) of the Capital Market Law No. 6362 and Articles 9, 10 and 12 of the Capital Markets Board (CMB) Communiqué II-17.1 on Corporate Governance and the provisions 1.3.9 and 4.6 of the Principles of Corporate Governance, which is annexed to the aforementioned communiqué. In addition, the Communiqué on Corporate Governance introduces requirements such as obtaining a valuation report from an institution, which is determined by the CMB, with respect to the related party transactions before such transaction takes place.

**14. Informing the shareholders about any material transactions that may create conflict of interest with the Company or its affiliates and/or about a transaction of commercial nature made on personal account or on behalf of any others that is listed in the commercial activities of the company or of its affiliates or participating to another partnership that is engaged with the same commercial activities with the title of a partner with unlimited liability, by any of the shareholders controlling the company, members of the Board of Directors, executives with administrative responsibility and their spouses and relatives related by blood or affinity up to the second degree**

In accordance with the mandatory Article 1.3.6 of the Capital Markets Board's Communiqué on Corporate Governance No. II-17.1, in case the controlling shareholders, the members of board of directors, the executives with administrative responsibility or their spouses, relatives by blood or marriage up to the second degree conduct a significant transaction with the company or its subsidiaries, which would cause a conflict of interest, and/or conduct a transaction on behalf of themselves or a third party, which is in the field of activity of the company or its subsidiaries, or participate in another company involved in the same kind of commercial business with the company or its subsidiaries as a partner with unlimited liability, the shareholders shall be informed in detail under a separate agenda item at the General Assembly Meeting and the relevant matter shall be recorded in the meeting minutes.

**15. Informing the shareholders that no liens, pledges or such assurances have been given, or no benefits have been created on behalf of Company's shareholders and third parties, in accordance with the Capital Markets Legislation and the Capital Markets Board's Communiqué on Corporate Governance No II-17.1**

Pursuant to the Capital Markets Board's Communiqué on Corporate Governance No: II-17.1, our shareholders will be informed that our company did not provide guarantees, pledges or warranties in favor of the shareholders or third parties, and did not provide any benefit in this regard.

**16. Wishes and closing.**

**APPENDIX**

**APPENDIX 1 Remuneration Policy for Senior Executives and Board of Directors' Members**

## **APPENDIX 1 REMUNERATION POLICY FOR SENIOR EXECUTIVES AND BOARD OF DIRECTORS' MEMBERS**

Our remuneration policy defines the salary system and policies to be applied to the members of the board with administrative responsibility and top management team according to the regulations of the Capital Markets Board.

Taking into account the company's publicly announced operational and financial performance targets, the remuneration policy for the members of the board and top management mainly includes the following:

- Compensation is performance-based, which is measured at the corporate, business unit and individual level. The system includes both financial and non-financial criteria.
- Performance-based incentives are determined to align the interests of managers with those of the shareholders.
- Short-term and long-term incentives are balanced to reward the long-term strategic outcome.
- The system discourages managers from taking extreme risk; and aims to increase their income in parallel to their responsibilities through bonuses.
- Language, race, gender, political opinion, belief, religion, sect, age, physical handicaps or other similar traits are not considered as a criterion of compensation.

Pursuant to provision 4.6.3 of the Capital Markets Board's Communiqué on Corporate Governance, remuneration of the independent members of the board of directors does not include payment plans such as dividends, stock options or payment schemes based on the company's performance. Remuneration of the independent members is determined at a level to protect their independence.