

**ARTICLES OF ASSOCIATION OF**  
**İŞ YATIRIM MENKUL DEGERLER ANONİM ŞİRKETİ**  
**(İŞ INVESTMENT)**

**(Date of Initial Registration: 18/12/1996)**

**INCORPORATION**

**Article 1-** An incorporated company has been hereby incorporated by and between the incorporators, the full names, the addresses of residence and the nationalities of which are specified below, in accordance with the provisions, regarding simultaneous incorporation of the incorporated companies, of Turkish Commercial Code.

Order Nr.	Full Name of the Incorporator	Address of Residence	Nationality
1	T. Is Bankasi A.S.	Istanbul	Republic of Turkey
2	Is Factoring Fin. Hiz. A.S.	Istanbul	Republic of Turkey
3	Is Genel Fin. Kiralama A.S.	Istanbul	Republic of Turkey
4	Camis Menkul Deg. A.S.	Istanbul	Republic of Turkey
5	Camis Sigorta Hizm. A.S.	Istanbul	Republic of Turkey

**TRADE NAME OF THE COMPANY**

**Article 2** – The trade name of the Company is “Is Yatirim Menkul Degerler A.S. (Is Investment & Securities Inc.)”.

**PURPOSE AND SCOPE**

**Article 3** - The purpose of the Company is to carry out capital market activities in accordance with the provisions of the Capital Markets Law and of the other relevant legislation.

I. The Company may perform the following activities and transactions with a view to accomplish the aforesaid purpose thereof.

- a) Purchasing and selling (trading) capital markets instruments within the framework of capital markets legislation for and on behalf of its own and for and on behalf of others,
- b) Provided that the conditions required within the framework of Capital Markets Law and regulations of Capital Markets Board are fulfilled, to perform the following,
- To intermediate to the sales via issuance and public offering of the capital market instruments,
  - To intermediate to the trading of previously issued capital market Instruments,
  - Trading of securities under repurchasing or resale warranties,
  - Investment consultancy,
  - Portfolio management,
  - Margin trading, short selling and securities lending,
  - Intermediation for trading of derivate instruments;
  - Portfolio operation,
- c) To carry out stock exchange transactions upon subscribing to Securities Stock Exchanges;
- d) Performing custody services as defined in Capital Markets Legislation,
- e) To collect and to pay the principal amounts, interests, dividends and the like income to be derived from capital market instruments and to exercise such rights as the acquisition of new shares and bonus shares and the rights to vote arising from shareholding, on behalf and on the account of the customers and on the basis of the powers delegated thereby,
- f) To carry out any and all transactions related to investment funds to the extent permitted by the Capital Markets Law,
- g) To issue debt securities and other capital markets instruments by means of authority of Board of Directors in accordance with the provisions of Turkish Commercial Code, Capital Markets Law and the relevant legislation,
- h) To participate in companies, which may be deemed to be required, provided that such participation is not contrary to Capital Markets Legislation,
- i) To carry out and to perform all other activities listed or to be listed among the intermediary institution activities in Capital Markets Legislation, including the ancillary services specified therein,

II. The Company may perform the following activities as necessitated by the foregoing:

- a) To acquire or to lease movable properties and real estate with a view to perform intermediary (brokerage) activities and to collect its receivables, and to sell such or to put such out to lease on the condition that such transactions shall not be for trading purposes, and that the amount thereof shall not exceed the amount required for the intermediary (brokerage) activities;

- b) To release announcements and commercial advertisements with a view to promote the activities of the company by means of the press, radio-television stations and by other means as permitted by the applicable legislations;
- c) To receive or grant loans, guarantees in kind and personal guarantees either against mortgages, pledges and other security guarantees or against no guarantees of any kind with a view to procure, collect and pay the rights and receivables or the liabilities and payables in relation to the purpose and scope thereof on the conditions that such act may not however lead to the lending of monies and reception of deposits in any case except for the cases permitted by the legislations; and to carry out registration, deregistration and all of the other related transactions at the land register, tax departments and the similar public and private entities in respect thereof;
- d) To borrow loans related with its activities, and to carry out and to perform any and all kinds of financial activities containing any undertaking or not, and to enter into and to execute agreements; and to receive and to obtain general banking services from the banks;
- e) Within the framework of and in accordance with the procedures and principles set out by Capital Markets Legislation and within the maximum limit specified by the general assembly; provided that such donations and aids shall not contravene to the regulations in relation to transfer of concealed gains, and that the required material disclosures shall be announced, and that any donations granted within the year shall be submitted to the knowledge of the shareholders at the general assembly; to donate and to provide aids within the scope of social responsibility so as to not to disrupt and/or hinder the purpose and the scope of the Company;
- f) To enter into and to execute agreements with national and international companies and organizations, and to enter into and to execute know-how agreements with the same in relation to its purpose and scope.

Apart from the above stated matters, resolution of the General Assembly shall be adopted in case it is wished to enter into any other works and activities which may be required or useful for the Company. In order for performance and implementation of such resolutions which are of a nature to amend the Articles of Association; authorizations shall be obtained from the Ministry of Customs and Commerce of the Republic of Turkey as well as the Capital Markets Board.

While carrying out the above mentioned matters, the Company shall fulfill the obligations of public disclosure in accordance with the Capital Markets Law and the relevant legislation in order to enable that the investors are informed thereto.

## **PRINCIPAL OFFICE AND SUB-OFFICES OF THE COMPANY**

**Article 4** - The principal office of the Company is located in Istanbul. The address of the Company is Levent Mahallesi, Meltem Sokak, Is Kuleleri Kule-2 Kat:13 No:10/14 Besiktas Istanbul. In the cases of any changes to the address, the new address shall be had registered to the Trade Registry, and shall be declared through the Trade Registry Gazette of Turkey as well as the company's official website and shall further be notified to the Ministry of Customs and Commerce of the Republic of Turkey, and to the Capital Markets Board. The Company shall not be obliged to amend the Articles of Association solely for the purpose of changing its

address, provided that the new address is located within the jurisdiction of the same trade registry office. However the Articles of Association is required to be amended in case the principal office of the Company is moved to another city. The Company may establish branches, agencies and liaison offices either at home or abroad, upon the satisfaction of the requirements provided by the Capital Markets Legislation.

## **DURATION OF THE COMPANY**

**Article 5-** The Company has been incorporated for an indefinite period of time to start as of its final incorporation.

The said duration may be revised by the amendment of these Articles of Associations under the provisions of Turkish Commercial Code, the Capital Market Law and the other related legislation.

## **CAPITAL AND TYPE OF STOCKS**

**Article 6 –** The Company has adopted registered capital system as per the provisions of the Capital Markets Law, and has started to implement the authorization, dated 24.12.2009, dated 37/1096, of the Capital Markets Board.

The upper limit of registered capital of the Company amounts to TL 3.000.000.000.- (Three Billion Turkish Liras), and the said capital has been divided into 3.000.000.000 (Threebillion) shares each having a nominal value of TL 1 (One Turkish Lira).

The authorization for the registered capital upper limit granted by the Capital Markets Board shall be valid and effective for the period between 2023-2027 (5 years). Even in the event that the upper limit of the registered capital, for which authorization has been granted, could not be achieved as of 2027, in order for the board of directors' adoption of a resolution for the increase of the capital after 2027, it shall be mandatory to obtain authorization for a further period from the general assembly by obtaining authorization from the Capital Markets Board for the previously authorized upper limit or for a further upper limit. In the event that such authorization could not be obtained, then the Company shall be deemed to have left the registered capital system.

The issued capital of the Company amounts to TL 1.500.000.000 (One billion five hundred million Turkish Liras) which has been fully paid-up. The mentioned capital has been divided into 1.500.000.000 (One billion five hundred million) shares each having a value of TL 1.00 (One Turkish Lira). 150.000 (One hundred fifty thousand) of those shares comprise of Group (A), and 1.499.850.000 (One billion four hundred ninety-nine million eight hundred fifty thousand) of the same comprise of Group (B) shares.

In case of capital increase, no Group (A) shares may be created, but Group (B) shares shall be issued to represent such increased capital.

Group (A) shares are registered shares, and Group (B) shares are bearer shares.

In respect of share transfers, no restriction shall be applicable in accordance with the provisions prescribed by the Capital Markets Legislation.

Share transfers are subject to the provisions of the Turkish Commercial Code and Capital Markets Law.

The provisions of the second sentence of the second paragraph of article 497 of the Turkish Commercial Code and of paragraph 3 thereof are hereby reserved.

The foregoing provisions shall apply to all shares including bearer shares which are monitored as registered.

The provisions of article 379 et seq. of the Turkish Commercial Code and of the Capital Markets Law governing acquisition of own shares by the Company are hereby reserved.

In the event that preemptive rights have been exercised, then the remaining shares, or in the event that exercise of the preemptive rights are subject to any restriction, then all recently issued shares shall be offered to public pursuant to the provisions of the Capital Markets Legislation, at market price, not to be less than the nominal value.

The Board of Directors shall be entitled to increase the issued capital by issuing new shares up to the registered upper limit of the capital, in accordance with the provisions of the Capital Markets Law. Resolutions adopted by the Board of Directors regarding capital increases shall be announced to the public by virtue of material disclosures.

Provisions of the Capital Markets Legislation governing requirements, authorizations, notifications and declarations pertaining to the transfer of shares as well as any and all rights associated therewith and to changes to the shareholding structure of the company are hereby reserved.

The shares representing the capital shall be monitored as registered.

## **OBTAINMENT OF OPERATING LICENSE AND AFFILIATION TO THE EXCHANGE**

**Article 7** - The Company shall fulfill the requirements for commencement of intermediary activities and shall thereupon obtain the necessary operating permits and licenses from the Capital Markets Board. Furthermore, the Company shall obtain Exchange Affiliation Certificates from the relevant exchanges with a view to conduct stock exchange transactions.

## **CAPITAL INCREASE, DECREASE AND PREEMPTIVE RIGHTS**

**Article 8** – The capital of the Company may be increased or decreased when and if required, in accordance with the provisions of Turkish Commercial Code and Capital Markets Legislation.

The capital of the Company may not be increased unless the shares are fully paid up in cash, save for increases funded through internal resources.

In the event that the capital is increased, the existing shareholders shall be entitled to exercise preemptive rights in relation to purchasing new shares at the portion of their shareholding with

regards to the capital of the Company. The terms of exercise in relation to such preemptive rights shall be determined by the Board of Directors.

## **BOARD OF DIRECTORS AND TERMS OF OFFICE**

**Article 9** – The Company shall be represented and managed by a Board of Directors composing of 9 (nine) members, to be appointed by the General Assembly, under the provisions of the Turkish Commercial Code, among the persons who bear the qualifications specified in the relevant provisions of the Capital Markets Legislation.

Legal persons may be elected as members of the Board of Directors. In that case, in addition to the legal person, who is appointed as a member of the Board of Directors, a real person materializing such legal person shall also be registered and declared. The recommendations to be made and the votes to be cast by such real person at Board of Directors' meetings shall be deemed to have been made and cast by that legal person. All responsibility thereto shall be borne by the legal person. The legal person is entitled to replace this real person any time by its unilateral will. In that case dismissal process is not required to be performed. The representative of legal person may not be elected as a member of the Board of Directors on behalf thereof.

Executive member may not serve as the Chairman of the Board of Directors.

6 (six) members of the Board of Directors shall be elected among the nominees to be nominated by the majority of the Group A shares, and 3 (three) of the same shall be elected among the nominees to be nominated by the Group B shares. A candidate named and nominated by certain classes of shares should absolutely be elected and appointed by the General Assembly in the absence of just grounds to the contrary.

In the event that the majority of the Group A shares could not nominate any member for the Board of Directors, then such election shall be performed by the General Assembly in accordance with the general provisions.

It is mandatory that simple majority of the Members of the Board of Directors have graduated from a higher educational institute. Provisions of Turkish Commercial Code and Capital Markets Legislation governing qualifications of the Board of Directors and responsibilities of the Members of the Board of Directors are hereby reserved.

The term of office of the Members of the Board of Directors shall be one year at most. Any Member of the Board of Directors, whose term of office has elapsed, may be re-elected to serve as a Member of the Board of Directors.

The General Assembly may at any time substitute and Member of the Board of Directors provided that an item to this end is included in the agenda, or in the presence of just cause even in the absence of any such item.

Persons meeting the statutory requirements may be elected by the Board of Directors to serve in order to replace any Member of the Board of Directors, who has deceased or resigned or who has been deprived of the capacity to act as a Member of the Board of Directors pursuant to Article 363 of Turkish Commercial Code. Such persons shall serve until the immediate meeting

of the General Assembly. If agreed by the General Assembly, such persons shall complete the term of office of their predecessors.

## **COMMITTEES AND UNITS REPORTING TO THE BOARD OF DIRECTORS**

**Article 10** – In order to ensure the smooth functioning and performance of its duties and responsibilities, the Board of Directors shall establish the Committees and Units, which are required to be established in accordance with Turkish Commercial Code and Capital Markets Legislation, and which are deemed to be appropriate by it, and shall determine the number of the members of, and shall appoint such members of such committees and units.

The Board of Directors may replace or dismiss the Members of the Committees and Units at any time it may wish.

## **REPRESENTATION AND ENGAGEMENT OF THE COMPANY AND DIVISION OF LABOR AMONG THE MEMBERS OF THE BOARD OF DIRECTORS**

**Article 11** - The Company shall be managed and represented toward third parties by the Board of Directors. Those persons who are authorized to sign for and on behalf of the Company and the procedures to be followed for exercising such signatory powers shall be determined by the Board of Directors in order for the representation of the Company and for the documents and agreements to be executed on behalf of the Company to be valid and engage the Company, the resolution adopted by the Board of Directors to this end shall be registered and declared. Any document to be issued and any contract or agreement to be executed by the Company shall be required to bear the signatures of those officials, who are authorized to represent and engage the company, under the Company's trade name for effectiveness. Those persons representing the Company on matters that are explicitly stated in the respective resolution adopted by the Board of Directors, may be authorized to represent the Company through their individual signature. The Company shall be represented and engaged through double signatures on matters apart from those stated in the respective resolution adopted by the Board of Directors.

Those persons who are authorized to represent the Company may not enter into business transactions outside the purpose and scope of the Company as described under article 3, or act in violation of the law. Otherwise the Company shall recourse to such persons in case the Company is held accountable for such business transactions or actions. In cases where third parties know or are in a position to know that the business transactions that is carried out is outside the purpose and scope of the Company, the Company shall not be bound by that transaction. Third parties engaging in business transactions with the Company on a continuous basis, receiving letters from the Company explaining the situation or warning the other party or notifying the resolutions adopted by the Company, and acknowledging the same may not claim to be acting in good faith.

Save for the non-assignable duties and powers as stipulated in article 375 of the Commercial Code, the Board of Directors may delegate representative powers thereof pursuant to the second paragraph under article 370 and any or all of its managerial duties pursuant to article 376, to a minimum of 2 managing directors. In that case the powers and responsibilities of each member who is appointed as a managing director must be defined clearly in a way to avoid any doubt.

The Board of Directors is entitled to delegate management of the Company to the General Manager, in part or in whole, by virtue of an internal directive, apart from the non-assignable duties and powers as stipulated in article 375 of the Commercial Code.as well non-assignable duties and powers as stipulated in other articles thereof.

Managing directors, directors, general manager, assistant general managers and other executives as well as specialist staff must bear the qualifications stipulated in the relevant clauses of Capital Markets Legislation.

The monthly wages, premiums, bonuses and remunerations payable to the members of the Board of Directors shall be determined by the General Assembly.

The Members of the Board of Directors may not obtain authorization from the General Assembly in order to be exempt from being prohibited to carry out transactions with the Company as well as prohibition of competition, basing on the Article 395 and the Article 396 of the Turkish Commercial Code. The relevant provisions of Capital Markets Legislation to this end are hereby reserved.

The Board of Directors shall elect and appoint a Chairman and a Deputy Chairman each year. The Board of directors shall convene whenever the activities, affairs and transactions of the Company may require, upon the summons by the Chairman of the Board of Directors or by the Deputy Chairman. However, the Board should, in principle, convene at least once a month. Each Member of the board of directors may request the summons for a Board meeting in writing from the Chairman or, in the absence thereof, the Deputy Chairman. The Chairman or the Deputy chairman must endeavor their best efforts to fulfill the request by any Member of the Board of Directors for a Board meeting to be held, depending on the requirements and to the extent possible.

The shareholders representing at least 5% of the capital of the Company, and the beneficiaries defined within the Corporate Governance Principles announced to the public by the Capital Markets Board, may be invited to attend to any meeting of the Board of Directors, by forwarding their request thereto to the Chairman of the Board of Directors. In the event that the Chairman of the Board of Directors draws the conclusion that no immediate meeting is necessary, then s/he may bring such matter in relation to invitation to the agenda and discussion at the next meeting of the Board of Directors.

The date and agenda of the meeting of the Board of Directors shall be determined by the Chairman. Such duties shall be fulfilled by the Deputy Chairman in the absence of the Chairman. However, the date of the meeting may also be determined by virtue of a resolution to be adopted by the Board of Directors.

Meetings of the Board of Directors must be held at the principal office of the Company. However the Board of Directors may resolve to convene elsewhere.

Those who are entitled to attend the meetings of the Board of Directors of the Company, are entitled to attend such meetings on line pursuant to article 1527 of the Turkish Commercial Code. The Company may establish an Electronic Meeting System enabling those who are entitled to attend such meetings, to attend such meetings and to cast votes on line pursuant to the Communiqué on Board Meetings of Business Corporations to be Held On Line, Apart from



General Assembly Meetings of Joint Stock Companies, or may procure services from systems established for such purpose. The Company must ensure that those who are entitled to attend such meetings are enabled to exercise the rights granted to them under the relevant legislation, within the framework stipulated in the above mentioned Communiqué, through the system established pursuant to this provision of the articles of association of the company or through the system to provide support services.

The Board of Directors shall convene upon attendance of the majority of the total number of board members and resolve with simple majority of members present at the meeting. In case of equality of votes, discussion of the respective item of the agenda shall be postponed to the next meeting. The respective proposal shall be deemed to have been rejected in case of equality at the second meeting. Board resolutions can also be adopted by obtaining written consent of the majority of all members as a minimum, for a proposal made to all Members of the Board of Directors, pursuant to paragraph 4 under article 390 of the Turkish Commercial Code.

Board resolutions may be adopted on line and recorded with a secure digital signature and the fact that the resolution is maintained in electronic medium shall be noted in the book of resolutions and the number of the resolution adopted by the board shall be recorded accordingly.

## **INDEPENDENT AUDITORS, THEIR DUTIES AND SPECIAL AUDITS**

**Article 12** – The General Assembly shall appoint an independent auditing firm as the Auditor of the company every year. Following the election, the board of directors will have registered in the Trade Registry, the information on which auditor is commissioned with audits and announce the same through the company's official website along with the Trade Registry Gazette of Turkey containing the relevant text. Any auditor which has been appointed as the Company auditor for seven years during a period of ten years shall not be appointed again unless three years have elapsed since the last appointment.

Dismissal of Independent auditors is subject to the provisions of the Turkish Commercial Code. The provisions of the 2<sup>nd</sup> paragraph of Article 399 of Turkish Trade Code are hereby reserved. The relevant provisions of Capital Markets Legislation are hereby reserved.

General Assembly may replace the Independent Auditor at any time it may wish, without being abided by the term of office of the same.

## **GENERAL ASSEMBLY**

**Article 13** - The following principles shall be applicable to the General Assembly meetings.

a) Call for the Meeting: General Assembly Meetings shall convene in ordinary and extraordinary manners in accordance with the provisions of Turkish Commercial Code and Capital Markets Legislation. The calls for such meetings shall be subject to the provisions of article 414 of the Turkish Commercial Code. The relevant provisions of Capital Markets Legislation are hereby reserved. The General Assembly may be called for a meeting by the Board of Directors, even if the term of office thereof has elapsed. The provisions of articles 410, 411 and 412 of Turkish Commercial Code are hereby reserved.

b) Time of the Meeting: Ordinary General Assembly shall convene within three months as of the end of the accounting year of the Company and Extraordinary General Assembly shall convene wherever and whenever the affairs of the Company so require or in cases where the causes specified in article 410 et seq. of the Turkish Commercial Code may arise.

c) Voting and Appointment of Proxies: Each share with a nominal value of TL 1.- shall have one vote at Ordinary and Extraordinary General Assembly meeting and shareholders may exercise their rights of vote during General Assembly meetings in proportion to the overall nominal value of the shares held by them, pursuant to article 434 of the Turkish Commercial Code. The provisions of the Capital Markets Legislation governing prohibition of the transfer of shares which are monitored as registered, limited to the date of the General Assembly meeting. The shareholders or their proxies present at the meetings shall have the right of one vote per share. The shareholders may be represented during the General Assembly meetings in accordance with the provisions of articles 427 to 431 of the Turkish Commercial Code. The provisions of Capital Markets Legislation governing voting by proxy at general assembly meetings of publicly held joint stock companies shall be observed. The shareholders may appoint other shareholders or any non-shareholder proxy to represent themselves during the General Assembly Meetings. Any proxy, who is also a shareholder, shall be entitled to the votes associated with the shares they represent as well as the shares they hold. Provisions of Capital Markets Legislation and Turkish Commercial Code governing voting at General Assembly meetings shall be observed.

The shareholders/shareholder representing at least 5% of the capital may request from the Board of Directors in writing by specifying the requiring causes and the agenda thereto, to call the General Assembly to convene, or if the General Assembly is to be already convened, then they may request from the Board of Directors to bring the matters, for which they wish to have resolutions adopted, on to the agenda of the meeting. The provisions of Article 411 and 412 of Turkish Commercial Code are hereby reserved. Compliance shall be ensured in relation to any amendments to be made at the capital market legislation regarding such matter.

d) Discussions and Quorum for Resolution: The matters as per the provisions of Article 409 of Turkish Commercial Code shall be discussed and resolved during the General Assembly Meetings of the Company. The matters of the dismissal from office of the members of the Board of Directors and the election of new members for the seats of such dismissed members are considered to be related to the agenda item, regarding the discussion of the year-end financial statements. Items which are not included in the agenda shall not be added to the agenda without prejudice to the provisions of article 438 of the Commercial Code. The quorum for General Assembly Meetings and for the resolutions to be adopted shall be governed by the provisions of the Turkish Commercial Code as well as the Capital Market Law. In respect of the General Assembly meetings to be held in relation to the matters prescribed under the 1<sup>st</sup> and the 3<sup>rd</sup> paragraphs of the Article 421 of the Turkish Commercial Code, the quorum for meeting specified under Article 418 of the Turkish Commercial Code shall prevail. The managing directors, if any and minimum one member of the Board of Directors and the Independent Auditor must be present at General Assembly meetings. The provisions of the 5<sup>th</sup> paragraph of Article 421 of Turkish Commercial Code are hereby reserved.

The provisions of the Capital Markets Legislation governing prohibition of the transfer of shares which are monitored as registered, limited to the date of the General Assembly meeting.

The General Assembly Meetings shall be chaired by the chairman of the Board of Directors. This duty shall be carried out by the Deputy Chairman in the absence of the Chairman. The member of the Board of Directors who is present at the meeting shall chair the meeting in the absence of both the Chairman and the Deputy Chairman. General Assembly meetings shall be chaired in accordance with the provisions of the “Internal Directive on General Assembly Meetings”.

e) Venue of the Meeting: General Assembly Meetings shall be held at the principal office or any other appropriate venue located within the same city as the principal office of the Company.

Those who are entitled to attend the General Assembly meetings of the Company, are entitled to attend such meetings on line pursuant to article 1527 of the Turkish Commercial Code. The Company may establish an Electronic General Assembly Meeting System enabling shareholders to attend General Assembly meetings, to state their opinions, to make proposals and to cast votes on line pursuant to the Regulation on General Assembly Meetings of Joint Stock Companies to be held On Line, or may procure services from systems established for such purpose. The Company must ensure shareholders and their representatives attending all General Assembly meetings are enabled to exercise the rights granted to them under the said Regulation through the system established pursuant to this provision of the articles of association of the company.

f) Information shall be provided in relation to any donations and aids granted within the concerned fiscal year, at the General Assembly Meeting.

g) Attendance of the Representative of the Ministry of Customs and Trade of the Republic of Turkey to General Assembly meetings: It is obligatory for the Representative of the Ministry of Customs and Trade of the Republic of Turkey to attend any general assembly meeting, either ordinary or extraordinary and to sign the minutes of the meeting together with the incumbents. The resolutions adopted at the General Assembly Meetings in the absence of the representative of the Ministry and the minutes of the meetings, which do not bear the signature of the representative of the Ministry shall not be valid and effective.

In respect of any and all kinds of matters regarding the General Assembly, the regulations, which are required to be adhered with regards to corporate governance of the Capital Market Legislation and the Capital Market Law, shall be complied with.

## **ANNOUNCEMENTS**

**Article 14** - The announcement pertaining to registered matters related to the Company shall be made in the Turkish Trade Registry Gazette and all announcements that are required to be made by the Company pursuant to article 1524 of the Turkish Commercial Code shall be made on the company's official website.

The announcements in relation to call of the General Assembly to convene, shall be made in accordance with the relevant provisions of the Turkish Commercial Code, as well as the provisions of the Capital Markets Legislation which are required to be applied mandatorily.

The provisions of Article 198 of Turkish Trade Code are hereby reserved.

The provisions of articles 474 and 532 shall be applicable for the announcements on capital decrease or liquidation.

Provisions of the Capital Markets Legislation governing announcements are hereby reserved.

Any material disclosures to be disclosed as per the regulations of the Capital Markets Board, and any and all kinds of disclosure or announcement to be prescribed by the Capital Markets Board or the Turkish Commercial Code, shall be made timely in accordance with the relevant legislations.

## **ACCOUNTING YEAR**

**Article 15** - The accounting year of the Company shall begin on the first day of January, and shall end on the last day of December of that year.

## **DETERMINATION AND DISTRIBUTION OF THE PROFIT**

**Article 16** – The profits of the Company shall be determined on the basis of the balance sheet of the company drawn up in accordance with Turkish Accounting Standards.

The determined annual profit shall be distributed as follows;

Primary Legal Reserve:

a) Some 5% shall be reserved as the general legal reserve each year until achieving 20% of the paid capital of the Company.

First Dividend:

b) First dividend at the ratio and amount to be determined by the Capital Markets Board shall be reserved, on the basis of the amount to be found out by adding the amounts of any donation granted within the year, from the remaining amount.

c) After the abovementioned deductions have been made, the General Assembly shall be entitled to resolve to distribute the dividend to the Members of the Board of Directors, to the officers, employees, workers of the Company, and to foundations established for various purposes.

Second Dividend:

d) The General Assembly shall be entitled to distribute the portion, remaining after the amounts mentioned here above have been deducted, either in full or in portion as the second dividend, or to reserve the same as extraordinary contingency reserve.

Secondary Legal Reserve:

e) 10% of the total amount to be distributed to the persons to receive shares from the profit shall be added to the general legal reserve pursuant to sub-paragraph (c) under paragraph 2 of article 519 of the Turkish Commercial Code.

The provisions of the 3<sup>rd</sup> paragraph of Article 519 of Turkish Trade Code are hereby reserved.

f) The profit shares to be distributed to shareholders shall not be determined until the reserves that are required to be allocated pursuant to the law and the optional contingency reserves as stipulated in the Articles of Association are actually allocated.

g) Dividend shall be distributed equally to all of the existing shares as of the date of distribution, without taking into account the date of issuance and acquisition of such shares.

h) There is no privilege between the share groups with regards to dividend.

Optional contingency reserves to be allocated by the Company are subject to the provisions of article 521 of the Turkish Commercial Code.

**Dividend Advance:**

Provided that it has been authorized by the General Assembly, and that it is appropriate and in accordance with the relevant provisions of Capital Market Legislation; the Board of Directors may distribute cash dividend advance over the profits shown on interim financial statements having been subjected to independent audit, limited to the concerned year. The power to distribute dividend advance granted to the Board of Directors by the General Assembly, shall be limited for the year for which such power has been granted. Unless the dividend advances given for the previous year have been fully set-off, no resolution may be adopted to give any additional dividend advances or to distribute any dividends.

**Date of Distribution of Profit:**

The method and date of distribution of annual profit shall be determined by the General Assembly upon the proposal of the Board of Directors in line with the provisions of Turkish Commercial Code and Capital Markets Legislation. Any distributed profits may not be recalled. The provisions of Article 512 of Turkish Trade Code are hereby reserved.

## **FINANCIAL STATEMENTS AND REPORTS**

**Article 17 -** Financial statements, Annual Report of the Board of Directors, , Auditors' Report and profit distribution proposals by the Board of Directors shall be submitted to the examination of the shareholders at the principal office and branches of the Company at least three weeks prior to the date of the General Assembly meeting.

Financial Reports shall be drawn up and announced in accordance with the provisions of the Turkish Commercial Code, Capital Markets Law and the relevant legislation and submitted to relevant authorities.

## **COMPLIANCE WITH THE PROVISIONS OF LAW AND CORPORATE GOVERNANCE PRINCIPLES**

**Article 18 -** Any matter not provided herein shall be governed by the provisions of Turkish Commercial Code, the Capital Market Law and other legislations. Any provisions herein on contrary to the Turkish Commercial Code and the Capital Market Legislation shall not be applicable.

In respect of the matters specified within these Articles of Association; the Corporate Governance Principles, which are prescribed to be adhered to by the Capital Markets Board, shall be observed. The transactions, which are performed not in compliance with the mandatory principles, and the board resolutions so adopted, shall be ineffective, and shall be deemed to be contrary to the Articles of Association.

For related party transactions of the Company, which are deemed to be of important nature in respect of implementation of the Corporate Governance Principles, and the transactions in relation to granting any guarantees, pledges and mortgages for the favor of any third persons, the regulations of the Capital Markets Board, the implementation of which are prescribed to be mandatory shall be adhered.

The number, qualifications and remuneration of the independent members to hold office at the Board of Directors shall be determined in accordance with the regulations, the implementation of which are prescribed to be mandatory, in relation to corporate governance, of the Capital Markets Board.

While establishing any committees and units to be formed up by the Board of Directors, the regulations, the implementation of which are prescribed to be mandatory, in relation to corporate governance, of the Capital Markets Board, shall be adhered and observed.