

Minutes of the Ordinary General Assembly Meeting of Borsa İstanbul A.Ş. 12.04.2019

Ordinary General Assembly Meeting of Borsa İstanbul A.Ş. for the year 2018 took place on 12.04.2019 at Reşitpaşa Mahallesi Borsa İstanbul Caddesi No: 4 Sarıyer İstanbul. Mr. İsmail Aslanlar, representative of Ministry of Commerce, appointed via the document dated 11.04.2019 and numbered 43450233, supervised the meeting. Mr. Ergun Türeoğlu attended the meeting as representative of Capital Markets Board of Turkey (CMB).

The invitation, including the agenda, was made public in the following media, as required in Turkish Commercial Code and in the Articles of Association:

- Company website
- Public Disclosure Platform www.kap.org.tr
- Electronic general assembly meeting system
- Turkish Commercial Gazette dated 19.03.2019 and numbered 9790
- Dünya newspaper dated 20.03.2019.

As required by the Articles of Association, the invitation, meeting agenda, the amendment to Articles of Association and the media in which the invitation has been made public have been delivered to all shareholders through registered postal service. Agenda, the amendment to Articles of Association, annual report and the media in which the invitation has been made public have also been delivered through registered mail to Türkiye Wealth Fund (TWF), to Ministry of Treasury and Finance, and to CMB.

It was noted that share ledger, annual report, audit reports, financial statements, agenda, attendants' list, the Board resolution dated 14.03.2019 and numbered 2019/59 regarding the General Assembly meeting, other Board resolutions related to the agenda, amendment to Articles of Associations approved by CMB and Ministry of Commerce and other necessary documents have been made available at the meeting.

It was noted that:

- In line with the Board resolution dated 14.03.2019 and numbered 2019/59, Mr. Atila Türeli, Ms. İdil Arıkan Argun, Ms. Amine Tuğçe Duman and Ms. Ebru Uyguntürk from Legal Department have been authorized by the Board to control the validity of the proxies and to prepare the attendants' list. The proxies and the attendants' list have been confirmed to be in compliance with legal regulations.
- Through examination of the share ledger, it was noted that the capital is 423,234,000.00-TL and is divided into 42,323,400,000 shares..
- Borsa İstanbul A.Ş. and its subsidiary İstanbul Takas ve Saklama Bankası A.Ş. have Borsa İstanbul A.Ş. shares at their disposal. These shares have to be taken out of the quorum calculation. Therefore, the shares with a nominal value of 413,009,570.80-TL constitute the quorum in compliance with the Article 389 of Turkish Commercial Code. The shares with a nominal value of 130,000.00-TL attended the meeting via electronic system, the shares with a nominal value of 404,604,539.87-TL attended the meeting physically, therefore shares with a total nominal value of 404,734,539.87-TL attended the meeting.
- Chairperson Prof. Dr. Erişah Arıcan, CEO and Board member Mr. Murat Çetinkaya, Vice chairperson Mr. Zafer Sönmez, Board members Ms. Nicola Jane Beattie, Mr.

Yunus Arıncı, real person representative of Turkish Capital Markets Association Mr. Erhan Topaç, Mr. Tevfik Eraslan and the representative of audit firm KPMG Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. were present at the meeting.

The attendants' list was signed and with the permission of the representative of Ministry of Commerce, the meeting has been initiated.

Shareholders have been notified that voting would be done by raising hands. Ms. Arıcan opened the meeting with a brief speech and the agenda began to be discussed.

1. In relation to the first agenda item, TWF proposed that *“Mr. Atila Türeli is elected as the Meeting Chairman, Mr. Adnan Bahar as Secretary of the Meeting and Mr. Özgür Bülbül as Vote Collector and they are authorized to sign the meeting minutes and the attendants' list.”* No shareholder made comment, including those who attend via electronic system. The proposal has been put to the vote. It has been unanimously approved, and board of meeting has been established.

In line with the Article 9 of General Assembly Meeting Directive, the agenda has been read out. Chairman asked whether there is a petition to change the course of agenda items. No petition has been submitted, discussion of the agenda has been initiated.

2. In relation to the second agenda item, TWF proposed *“not to read out 2018 annual report prepared by the Board as it has been already shared with shareholders prior to the meeting.”* The proposal has been put into discussion. No shareholder made comment, including those who attend via electronic system. The proposal has been put to the vote. It has been unanimously approved. The discussion of the annual report got started.

CEO and Board member Mr. Çetinkaya presented 2018 activities. He highlighted operational and financial performance of the company, trade volume changes in markets, strategic priorities, projects targeting deepening of the capital markets, technological developments, amendments to the articles of associations and strategic partnerships.

No shareholder made further comment on the item.

3. In relation to the third agenda item *“Presentation of the Independent Audit report of the fiscal year 2018”* TWF proposed; *“instead of the whole 2018 audit report, only ‘the opinion of the auditor’ is to be read out because the report has been already shared with shareholders prior to the meeting.”*

The proposal has been put into discussion. No shareholder commented, including those who attend via the electronic system. The proposal has been put to the vote. It has been unanimously approved.

4. In relation to the fourth agenda item *“Presentation, discussion and adoption of the Balance sheet and Profit/Loss tables relating to the fiscal year 2018,”* TWF proposed *“instead of the entire balance-sheet and profit/loss statement, only a summary to be read out as the entire balance-sheet and profit/loss statement have been already shared with shareholders prior to the meeting.”*

The proposal has been put to the vote. It has been unanimously approved, including the shareholders attending via electronic system. The item has been put to vote. 2018 balance sheet

and income statement have been unanimously approved by shareholders, including the ones attending via electronic system.

5. In relation to the fifth agenda item, discharge of the Board members from liability as per Turkish Commercial Code has been put into discussion. No shareholder made comment, including those who attend via electronic system. The item has been put to vote. No board member has voted for himself/herself. Discharge of the Board members from liability as per Turkish Commercial Code has been unanimously approved, including the shareholders attending via the electronic system.

6. In relation to the sixth agenda item “Resolution upon the proposal of the Board of Directors in relation to the use of the profit shown on the balance sheet and payment of dividend for the fiscal year 2018”, Board resolution dated 14.03.2019 and numbered 2019/58 has been read out:

“Regarding the audited financial results of Borsa İstanbul A.Ş prepared in compliance with Turkish Financial Reporting Standards (TFRS) for the period between 01.01.2018 and 31.12.2018, Group’s net profit after tax is 1,173,543,200-TL; the net profit after excluding minority shares is 993,633,819-TL. After deducting the general legal reserve, per Article 519 of the Turkish Commercial Code and Art. 27/1/a of the Articles of Associations (31,343,914-TL), distributable profit is calculated 962,289,906-TL. When 916,790-TL donations is added up to that amount, the distributable net profit including donations is calculated 963,206,696-TL in compliance with TFRS.

If the same additions and deductions applied on the statutory net profit which is equal to 626,878,275-TL; 228,711,046-TL has been allocated to special fund; 31,343,914-TL has been allocated to general legal reserve and the distributable net profit including donations is calculated 367,740,105-TL.

Within this context, it is decided to suggest to shareholders:

- In compliance with Article 519 of Turkish Commercial Code, 31,343,914-TL has been allocated to legal reserve.
- 0.4344-TL gross dividend per share for 1-TL nominal value will be distributed to the shareholders who are eligible to receive dividend at the distribution date.
- Additional general legal reserve as 10% of the total distributed amount, excluding the 5% of the paid-in capital of the Company, in line with the Art. 519/1-c of the Turkish Commercial Code.
- Distribution date (which should not be later than 30.06.2019) to be determined by the Board of Directors.”

Board proposal has been put into discussion. CFO Mr. Muhittin Esen provided further information regarding dividend distribution. The item has been put to vote. It has been unanimously approved, including the shareholders attending via the electronic system.

7. In relation to seventh agenda item “If there has been vacated seats at memberships of the board of directors until the date of Annual Shareholders’ Meeting and an election has been made by the Board of Directors for the vacant board membership seat, approval of such election”, shareholders have been informed that there has not been such a case.

8. In relation to the eighth agenda item “amendment to the articles of association,” the amendments to the articles 3, 4, 6, 7, 8, 9, 10, 11, 12, 13, 15, 16, 17, 18, 20, 22, 23, 24, 28, 31,

32, provisional article 4 suggested by the board and approved by CMB (on 08.03.2019) and Ministry of Commerce (on 12.03.2019) have been put into discussion.

Mr. Attila Köksal, representing Ünlü Menkul Değerler A.Ş. stated that the consultancy council, which is planned to be established due to the amended articles, composed of brokerage houses and other capital markets actors, would be beneficial.

The amendment has been put into vote. It has been unanimously approved, including the shareholders attending via the electronic system.

As a response to the question of Mr. Erhan Topaç, President of shareholder Turkish Capital Markets Association, the chairman of the meeting explained that the quorum, required by the Article 454 of Turkish Commercial Code, has been secured and there will be no need to organize a privileged shareholders' meeting. The question was delivered to the representative of the Ministry of Commerce as well. He confirmed the chairman of the meeting's opinion. Group C shareholders, whose privileges have been abolished, were represented with a 70.83% participation ratio.

9. In relation to the ninth agenda item "Election of members of the Board of Directors," TWF proposed "*all current Board members to be removed from office*". The proposal has been put into discussion and then to vote. The proposal has been unanimously approved.

TWF proposed Ms. Erişah Arıcan, Mr. Metin Kıratlı, Mr. Fahrettin Altun, Mr. Murat Çetinkaya and Mr Yunus Arıncı (independent) to be nominated board members for three years, beginning from this General Assembly meeting.

Halk Yatırım Menkul Değerler A.Ş. proposed Mr. Cem Demiroğlu and Ms. Gülsevin Çipli to be nominated independent board members for three years, beginning from this General Assembly meeting.

European Bank for Reconstruction and Development proposed Ms. Nicola Jane Beattie to be nominated board member for three years, beginning from this General Assembly meeting.

Türkiye İş Bankası A.Ş., İş Yatırım Menkul Değerler A.Ş., Türkiye Sınai Kalkınma Bankası A.Ş. and Yatırım Finansman Menkul Değerler A.Ş. proposed Mr. Tevfik Eraslan to be nominated independent board member for three years, beginning from this General Assembly meeting.

The proposals have been put to discussion. No shareholder made comment, including those who attend via the electronic system. The proposals have been put to vote and approved unanimously.

Ms. Erişah Arıcan, Mr. Metin Kıratlı, Mr. Fahrettin Altun, Mr. Murat Çetinkaya, Mr Yunus Arıncı (independent), Mr. Cem Demiroğlu (independent), Ms. Gülsevin Çipli (independent), Ms. Nicola Jane Beattie and Mr. Tevfik Eraslan (independent) have been elected board members for three years.

10. In relation to the tenth agenda item "Resolution on the remuneration and other rights of the members and Chairman of the Board of Directors" TWF proposed that

- *Net monthly remuneration for chairperson is 24,000-TL and for board members is 18,000-TL*

- *Remuneration payment is realized, as all Borsa İstanbul employees, at the end of each month*
- *Chairperson and board members are entitled to have privileges described by the Article 15/4 of the Articles of Association regarding assignment of official car, coverage of business trips, accommodation, per diem allowance; moreover their husbands and wives, children and other dependents will have the same rights as Borsa İstanbul employees for medical care.*
- *If chairperson and board members are employed by more than one employer and, thus, have to provide income tax return, Borsa İstanbul will pay the corresponding tax if demanded by chairperson and board members; if they have more than one salary under the conditions described by Law No. 657 on Public Servants, the entire additional tax will be borne by Borsa İstanbul.*

No shareholder made comment, including those who attend via electronic system. The proposal on remuneration of chairperson and of board members has been put to vote and has been unanimously approved.

11. In relation to the eleventh agenda item, in line with Capital Markets Law and Turkish Commercial Code, the Board taking into account the suggestion of Audit Committee and via its resolution dated 07.03.2019 and numbered 2019/41, decided to elect KPMG Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. as auditor for the year 2019 for auditing financial statements and for pursuing other relevant activities described in these laws.

The item has been put into discussion. No shareholder made comment, including those who attend via the electronic system. The item was put to vote. KPMG Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. has been unanimously elected as auditor for the year 2019.

12. In relation to the twelfth agenda item, “Authorizing members of the Board of Directors for executing the operations which are regulated by articles 395 and 396 of Turkish Commercial Code” has been put to discussion. No shareholder made comment, including those who attend via electronic system. The item was put to vote.

Board members have been unanimously authorized to conduct activities in relation to the Articles 395 and 396 of Turkish Commercial Code.

13. Mr. Alp Krespin, representative of shareholder Deutsche Securities Menkul Değerler A.Ş. stated his opinion regarding the amended articles of associations and the ways in which the shares held by TWF can be made public via an IPO or transferred to a strategic partner. CEO Mr. Murat Çetinkaya and Türkiye Varlık Fonu Yönetimi A.Ş. CEO Mr. Zafer Sönmez representing TWF made explanations.

14. Meeting has been closed.