

**EREĞLİ DEMİR VE ÇELİK FABRİKALARI
TÜRK ANONİM ŞİRKETİ
SHAREHOLDERS ORDINARY GENERAL ASSEMBLY MEETING
MEETING MINUTES**

Meeting No	: 76
Meeting Date	: July 14, 2020 – Time: 15.00
Meeting Place	: The Head Office of OYAK Maden Metalürji Group Conference Hall, Barbaros Mahallesi Ardıç Sokak No: 6 Ataşehir/İstanbul
Chairman	: OYAK Pazarlama Hizmet ve Turizm A.Ş. (Representative: Toker ÖZCAN) Deputy Chairman of the Board and Managing Director
Record Clerk	: Kemal Haluk ERUYGUR OYAK Legal Advisor
Vote Collector	: Buğrahan ELDELEKLİ Group Legal Director
Ministry Representative	: Şafak YERLİ

Ordinary meeting of 2019 of Ereğli Demir ve Çelik Fabrikaları T.A.Ş. Shareholders General Assembly; within the frame of the relevant regulations and the provisions of the articles of association, at the place and time shown above, under the presidency of the Company's Deputy Chairman of the Board and Managing Director OYAK Pazarlama Hizmet ve Turizm A.Ş. (Representative: Toker ÖZCAN) and in trust of the Ministry Representative Şafak YERLİ who was assigned with the writings of Istanbul Governorship Provincial Directorate of Trade dated 13.07.2020 and with number 00055797996 was performed.

- About the announcement of hereby the ordinary meeting of the Shareholders General Assembly; in line with the Turkish Trade Law and the Capital Market Law and the Articles of Association, announced in the 22 June 2020 dated and 10102 numbered issue of the Turkish Commercial Registry Gazette, on company's corporate web site (www.erdemir.com.tr), on the e-Company portal and e-GEM of Central Registry Agency and the place, time and the agenda of the meeting and the sample of the procuration are written in these announcements and all legal procedures are completed,
- According to the arranged List of Attendants; on the point of 17.990.852,4 shares which represent the capital of TRY 179.908,524 as principle, 172.719.182.832,3 shares which represent the capital of TRY 1.727.191.828,323 as representative, totally 219.938.400.418,5 shares which represent TRY 2.199.384.004,185 and 47.201.226.733,8 shares which represent the depositors of TRY 472.012.267,338 as representative are present herein this meeting,
- Deputy Chairman of the Board and Managing Director OYAK Pazarlama Hizmet ve Turizm A.Ş. (Representative: Toker ÖZCAN, Republic of Turkey ID No:), Board Member of OYAK Denizcilik ve Liman İşletmeleri A.Ş. (Representative: Güliz KAYA, Rep. of Turkey ID No:) with the Company Auditor DRT Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. (A member firm of Deloitte Touche Tohmatsu) representative Volkan BECERİK with Rep. of Turkey ID No: were present in the meeting,

Also determined and confirmed by the Ministry Representative, the meeting was opened by the Deputy Chairman of the Board and Managing Director OYAK Pazarlama Hizmet ve Turizm A.Ş. (Representative: Toker ÖZCAN).

- 1- In the first article of the agenda about **Opening, Formation of the General Assembly Meeting Chairmanship**; as required by the 25th article of the Articles of Association with the 7th article of the Internal Directive of the General Assembly of the Company, the duty of the Chairman of the Meeting was assumed by the Chairman of OYAK Pazarlama Hizmet ve Turizm A.Ş. (Representative: Toker ÖZCAN) and by the Chairman of the Meeting, OYAK Legal Advisor Kemal Haluk ERUYGUR for Record Clerk, Group Legal Director Buğrahan ELDELEKLİ for the Vote Collector, were assigned.
- 2- In the second article of the agenda about **The Authorization of Meeting Chairmanship for Signing of the Meeting Minutes and Other Documents**; it was with 219.936.899.418,5 votes accepting against 1.501.000 votes rejecting, decided by majority of votes to authorize the constituted Presidency of the Meeting for signing the meeting minutes herein of this meeting and other documents on behalf of those who are present.
- 3- In the third article of the agenda about **Reading and Discussion of the 2019 Board of Directors' Annual Activity Report**; since the activity report was presented to the shareholders before the meeting and given to the shareholders who requested for, the subject that there was no need to read it again was submitted for the General Assembly's approval and decided by majority of votes with 219.524.208.218,5 votes accepting against 414.192.200 votes rejecting.
- 4- In the fourth article of the agenda about **Reading of the 2019 Independent Audit Report**; since Independent Audit Report was presented to the shareholders before the meeting and given to the shareholders who requested for, the subject that there was no need to read it again was submitted for the General Assembly's approval and decided by majority of votes with 219.524.208.218,5 votes accepting against 414.192.200 votes rejecting.
- 5- In the fifth article of the agenda about **Reading, Discussion, Submission to Voting and Resolving the Balance Sheet and Profit & Loss Accounts Separately for the Financial Year of 2019**; since the Balance-Sheet and the Profit and Loss Accounts for the year 2019 was presented to the shareholders before the meeting and given to the shareholders who requested for, the subject that there was no need to read it again was submitted for the General Assembly's approval and decided by majority of votes with 219.524.208.218,5 votes accepting against 414.192.200 votes rejecting. On the subject through the Electronic General Assembly System (EGKS) shareholder Mr. Besim TAŞDEMİR share his opinions about dividend payment and share buy-back programme. Chairman Mr. Toker ÖZCAN thanked our shareholder for his opinions. Since there was nobody else who asked to speak about the subject, the confirmation of the Balance-Sheet and the Profit and Loss Accounts of the year 2019 were submitted to the vote of the General Assembly and as result of the voting, it was decided by majority of votes to accept the Balance-Sheet and the Profit and Loss accounts with 219.524.208.218,5 votes accepting against 414.192.200 votes rejecting.
- 6- In the sixth article of the agenda about **Discussion, Submission to Voting and Resolving the Acquittal of Members of the Board of Directors Separately for the Financial Year of 2019**; the quittances of the Members of the Board were submitted for the approval of the General Assembly and as result of the voting performed, they were approved with majority votes with 219.490.966.618,5 votes accepting against 447.433.800 votes rejecting. The Members of the Board did not vote for their own quittances.
- 7- In the seventh article of the agenda about **Discussion, Submission to Voting and Resolving the Proposal of Board of Directors for the Distribution of Profit for the Year 2019 and Dividend Payment Date**; following the reading of the Board's offer dated 14.07.2020 about

dividing and distributing the profit of the year 2019, On the subject through the Electronic General Assembly System (EGKS) shareholder Mr. Şeref DOĞAN share his opinions about the amount of dividend payment. Chairman Mr. Toker ÖZCAN thanked our shareholder for his opinions. Through the Electronic General Assembly System (EGKS) shareholder Mr. Şeref DOĞAN lodged a statement of opposition that “ We demand that the remaining portion of the previously offered distribution rate to be paid as share certificates.” As result of voting of the offer, being in the direction of the decision of the Company’s Board dated 19.06.2020 and with number 9705, with majority votes with 219.741.955.518,5 votes accepting against 196.444.900 votes rejecting that;

It is understood that the company's activities for the year 2019 were concluded with a TRY net 4.998.802.396 profit according to financial statements prepared in accordance with the provisions of the tax procedure law and TRY 3.316.526.590 net profit according to financial statements prepared in accordance with the provisions of the Capital Market Board communiqué numbered II.14.1:

- As a result of reaching the 20% limit of the paid-in capital,in accordance with 519th article of the Turkish Trade Law and provisions of Capital Markets Board, not to allocate general legal reserve fund at a rate of 5% on net profit of the year originated in financial statements of the year 2019 issued in accordance to the Tax Procedure Law,
- to allocate TRY 805.000.000 cash shareholder dividend at a rate of 24,272382 % according to the net distributable profit in the financial statements of 2019 prepared according to the CMB regulations, in the provisional article 13 of the Turkish Commercial Code “In equity companies, from the enactment of the provisional article 13 of the Law, until the 30/9/2020, it can be decided to distribute the net profit of 2019 only up to twenty-five percent in cash, and the previous year profits and free reserves cannot be subject to distribution.”
- Due to the allocated cash dividend is more than 5% of the company's paid-in capital, in accordance with the second paragraph clause (c) of article 519th of the Turkish Trade Law, to allocate the 10% of this excess amount of TRY 63.000.000 as a general legal reserve.
- TRY2.448.526.590 which is left after the separation of the first appropriation of legal reserves and first dividend to shareholders, will be put aside as an extraordinary reserves,
- To determine the dividend payment as lump sum and the profit distribution date as 17 July 2020.

8- In the eighth article of the agenda about Discussion, Submission to Voting and Resolving the Determination of the Number of the Board Members, Their Term of Office and Election of the Board Members in Accordance with the Legislation Provisions; following the reading of the offer which was given by the Representative of ATAER Holding A.Ş. Emre ÇETİN and the proposal submitted by Seyit ERGENÇ, the representative of the Privatization Administration of T.C. Ministry of Treasury and Finance, through the Electronic General Assembly System (EGKS) shareholder Mr. Ufuk GÜNEŞ asked “Do you plan to pay dividends after September?” Chairman Mr. Toker ÖZCAN “We comply with legal regulations. We will share the developments through KAP.” Through the Electronic General Assembly System (EGKS) shareholder Mr. Çağrı YILDIRIM asked “Why is there no withholding exemption in the second dividend offer? What kind of investment the company plans to make in the coming period with its undistributed profits?” Company's Financial Control and Reporting Director Mr. Avni SÖNMEZYILDIZ answered the first question “There was a withholding exemption over accumulated profits. As the accumulated profits were not distributed due to the legal arrangement made during the pandemic process, there was no withholding exemption.” For the second part of the question, the Chairman of the Meeting Mr. Toker ÖZCAN, answered, “We will share the developments regarding the undistributed dividend through KAP.” Through the Electronic General Assembly System (EGKS) shareholder Mr. Besim TAŞDEMİR share his opinions about the independent board member candidates and Mr. Toker ÖZCAN thanked for his suggestion. Offer submitted for the approval of the General Assembly and as result of the voting performed and according to the provisions of the 10th and the 11th articles of the Articles of Association;

- To determine the number of Board Members as 9 (nine),
- To be elected to serve as Board Members for 3 years;
 - OYTAŞ İç ve Dış Ticaret A.Ş. (Representative: Süleyman Savaş ERDEM, Rep. of Turkey ID No:),
 - OYAK Pazarlama Hizmet ve Turizm A.Ş. (Representative: Toker ÖZCAN, Rep. of Turkey ID No:),
 - T.C. Hazine ve Maliye Bakanlığı Özelleştirme İdaresi Başkanlığı (Representative: Bekir Emre HAYKIR, Rep. of Turkey ID No:),
 - OYKA Kağıt Ambalaj Sanayii ve Ticaret A.Ş. (Representative: Baran ÇELİK, Rep. of Turkey ID No:),
 - OYAK Denizcilik ve Liman İşletmeleri A.Ş. (Representative: Güliz KAYA, Rep. of Turkey ID No:),
 - OMSAN Lojistik A.Ş. (Representative: Aslıhan DÖĞER, Rep. of Turkey ID No:)
- To be elected to serve as an Independent Board Member for 1 year;
 - Yunus ARINCI Rep. of Turkey ID No:
 - Ali FİDAN Rep. of Turkey ID No:
 - Kurtuluş Bedri VAROĞLU Rep. of Turkey ID No:

It was decided by a majority of votes with 216.331.870.977,6 votes accepting against 3.606.529.440,9 votes rejecting.

- 9-** In the ninth article of the agenda about **Discussion, Submission to Voting and Resolving the Remuneration of the Members of Board of Directors**; the offer which was given by the Representative of ATAER Holding A.Ş. Emre ÇETİN was read and since there was no other offer, offer was submitted for the approval of the General Assembly and being in the direction of the offer it was decided by majority of votes with 182.247.013.784,7 votes accepting against 37.691.386.633,8 votes rejected that;

Not to pay wages to the General Assembly Members representing B Group shares, to determine the wage to be paid to the General Assembly Members representing A Group shares as TRY 4.450 net monthly (in the beginning of the relevant month, in advance), and to determine the wage to be paid to the Independent Members of the Board to be TRY 9.800 net monthly (in the beginning of the relevant month, in advance) and the new wages to be put into practice from the date 01.08.2020.

- 10-** In the tenth article of the agenda about **Submission to Voting and Resolving for Granting Authority to the Members of the Board of Directors in Accordance with Article 395 and Article 396 of the Turkish Commercial Code**; following the offer given by the representative of ATAER Holding A.Ş. Emre ÇETİN, within the frame of the 395th and the 396th articles of the Turkish Trade Law and the arrangements of the Capital Market Board; as result of the voting performed, it was decided by majority of votes with 214.208.559.418,5 votes accepting against 5.729.841.000 votes rejecting to give permissions which are mentioned in the 395th and 396th articles of the Turkish Commercial Law for the Board Members that the company and the board members can do business both on behalf of themselves and others, take action for a kind of commercial affair which falls into the subject of operation of the company on their own or other's account and become a partner of which the responsibility is unlimited of a company which deals with the same kind of business as of the company.

11- In the eleventh article of the agenda about **Discussion, Submission to Voting and Resolving the Proposal of Board of Directors for the Election of an Independent External Auditor for Auditing of Company's Accounts and Transactions for 2020 in Accordance with the Turkish Commercial Code and Capital Market Law**; following the reading of the offer of the Board dated 14.07.2020 in the direction of the decision of the Board dated 19.06.2020 with number 9701, as result of the voting performed, it was decided by majority of votes with 214.614.035.318,5 votes accepting against 5.324.365.100 votes rejecting to totally accept the offer and within the frame of the relevant provisions of the Turkish Commercial Code and the Capital Market Law, Ereğli Demir ve Çelik Fabrikaları T.A.Ş. and its subsidiary companies to select DRT Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik Anonim Şirketi (A Member of Deloitte Touche Tohmatsu) (Mersis No: 0291001097600016, Trade Registry Number: 304099, Tax Identification Number: 291 001 0976) whose office is at Eski Büyükdere Caddesi Maslak Mahallesi No:1 maslakno1 Plaza Maslak 34398 Sarıyer/İstanbul for the independent external audit services for the year 2020.

12- In the twelfth article of the agenda about **Informing the General Assembly on Guarantee, Pledge and Mortgages Granted in Favor of the Third Parties and of Any Benefits or Income thereof**; information about the subjects below was received from the informing writing of the Board dated 14.07.2020 in the direction of the decision of the Board dated 19.06.2020 with number 9702; related to the year 2019;

- Ereğli Demir ve Çelik Fabrikaları T.A.Ş. with TRY 30.196,844, Iskenderun Demir ve Çelik A.Ş. with TRY 34.353.631, Erdemir Madencilik Sanayi ve Ticaret A.Ş. with TRY 12.869.391 and Erdemir Çelik Servis Merkezi Sanayi ve Ticaret A.Ş. with TRY 57.312 companies which give warrants, deposits and hypothecs on behalf of their own legal entities and the warrant, deposit and hypothec balance of TRY 77.498.178 in total has been reached,
- Because of becoming warrantor for some credits used by ISDEMiR which ERDEMiR included in the scope of exact consolidation as of the date of 31.12.2019, ERDEMiR has given warranty of TRY 13.976.994 and in connection with the warranty given intended for ISDEMiR credits, ERDEMiR ASIA's 153.542.746 TL non-cash collateral for raw material purchases, ERDEMiR ENERJİ's 8.887.250 TL non-cash collateral for investment activities, ERSEM's 4.274.600 TL non-cash collateral for transmit to official institutions, ERDEMiR MADENCİLİK's 1,071,282 TL non-cash collateral for transmit to official institutions, ERDEMiR ENGINEERING's 380,000 TL non-cash collateral for transmit to official institutions, the total warranty income obtained in 2019 is TRY182.132.872,
- In connection with the guarantorship given in favor of the companies included in the full consolidation, the total guaranteed income in 2019 was 4.471.886 TL,
- General Assembly is informed about that there are no warranty, deposit and hypothecs given with the aim to carry on ordinary commercial activities and with the aim to provide the depth of third persons and there are no other warranty, deposit and hypothecs

13- In the thirteenth article of the agenda about **Informing the General Assembly Regarding the Donations and Contributions Made in 2019 and Submission to Voting and Resolving the Limit of Donations to be Made between 01.01.2020-31.12.2020**; from the informing writing of the Board dated 14.07.2020 in the direction of the decision of the Board dated 19.06.2020 with number 9703;

	2019 TRY	2018 TRY
A-Training and Teaching Activities	251.706	240.949

B-Cooperation Activities Developed with Public Institutions and Foundations	1.478.242	540.393
C-Cultural and Artistic Activities	78.996	-
D-Voluntary Works and Cooperation Activities Realized Intended for Charities	397.002	339.937
E-Cooperation Activities Realized with Charitable Foundations, Associations, Chambers and Institutions	255.954	167.803
F-Sporting Activities	2.168	52.008
TOTAL	2.464.068	1.341.090

As it is shown, information has given to the General Assembly that within the year 2019, TRY 2.464.068 donation and aid has been made totally and the determined upper limit has not been exceeded. As result of the voting about the donations and aids which will be made between 01.01.2020-31.12.2020, it was decided to accept the offer by majority of votes with 175.920.048.084,7 votes accepting against 44.018.352.333,8 votes rejecting and to bring an upper limit to the total of donations which the company shall make between 01.01.2020-31.12.2020 and this upper limit shall be 0,1% (one per thousand) of the solo net sales revenue.

On the subject through the Electronic General Assembly System (EGKS) shareholder Mr. Besim TAŞDEMİR share his opinions about share buy-back and undistributed profits. Chairman Mr. Toker ÖZCAN thanked our shareholder for his opinions.

- 14-** In the fourteenth article of the agenda about **Submission to Voting and Resolving of the Approval of the Share Buy-Back Program Prepared by the Board of Directors in accordance with the Communiqué on Buy-Backed Shares (II-22.1) of the Capital Markets Board and Authorization of Board of Directors**, since the “Share Buyback Program” was published on the Public Disclosure Platform and the Company's website, the subject which regulates the procedures and principles regarding the buy-back of shares representing the company capital from Borsa İstanbul A.Ş. and the disposal of the buy backed shares, there was no need to read it again was submitted for the General Assembly's approval and decided by majority of votes with 219.804.935.277,6 votes accepting against 133.465.140,9 votes rejecting.

Following the reading of the Board of Directors' proposal dated 14.07.2020 in line with the decision dated 19.06.2020 and numbered 9704, the proposal of the Board of Directors was submitted to the approval of the “Share Buy-Back Programme” and the authorization of the Board of Directors in the annex of this minutes. As a result of the voting; It was decided by majority of votes of 219.804.935.277,6 acceptance votes against 133.465.140,9 rejection votes.

- 15-** In the fifteenth article of the agenda about **Closure**, through the Electronic General Assembly System (EGKS) shareholder Mr. Çağrı YILDIRIM asked a question about the raw material prices and Mr. Toker ÖZCAN answered that he can reach to IR team for the details. The General Assembly meeting was closed with the thanks speech of the Chairman of the OYAK Pazarlama Hizmet ve Turizm A.Ş. (Representative: Toker ÖZCAN).

ANNEX: Ereğli Demir ve Çelik Fabrikaları T.A.Ş. Share Buy-Back Programme

Chairman of the Meeting

Ministry Representative

OYAK Pazarlama Hizmet ve Turizm A.Ş.
(Representative: Toker ÖZCAN)

Şafak YERLİ

Vote Collector

Record Clerk

Buğrahan ELDELEKLİ

Kemal Haluk ERUYGUR