

İSKENDURUN DEMİR VE ÇELİK
ANONİM ŞİRKETİ
SHAREHOLDERS ORDINARY GENERAL ASSEMBLY MEETING
MEETING MINUTES

Meeting No	: 31
Meeting Date	: March 16, 2021 – Time: 10.00
Meeting Place	: The Head Office of OYAK Maden Metalürji Conference Hall, Barbaros Mahallesi Ardiç Sokak No: 6 Ataşehir/İstanbul
Chairman	: Erdemir Çelik Servis Merkezi Sanayi ve Ticaret A.Ş. (Representative: Aslıhan DÖĞER) Deputy Chairman of the Board and Executive Director
Record Clerk	: Kemal Haluk ERUYGUR OYAK Legal Advisor
Vote Collector	: Buğrahan ELDELEKLİ Group Legal Director
Ministry Representative	: Hatun KOSTAK

Ordinary meeting of 2020 of İskenderun Demir ve Çelik 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 Executive Director Erdemir Çelik Servis Merkezi Sanayi ve Ticaret A.Ş. (Representative: Aslıhan DÖĞER) and in trust of the Ministry Representative Hatun KOSTAK who was assigned with the writings of Istanbul Governorship Provincial Directorate of Trade dated 12.03.2021 and numbered 00062285213, 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 17 February 2021 dated and 10269 numbered issue of the Turkish Commercial Registry Gazette, on company's corporate web site (www.isdemir.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 103.668.991 shares which represent the capital of TRY 1.036.689,91 as principle, 275.132.563.316 shares which represent the capital of TRY 2.751.325.633,16 as representative, totally 277.041.545.807 shares which represent TRY 2.770.415.458,07 and 1.805.313.500 shares which represent the depositors of TRY 18.053.135 as representative are present herein this meeting,
- Deputy Chairman of the Board and Executive Director Erdemir Çelik Servis Merkezi Sanayi ve Ticaret A.Ş. (Representative: Aslıhan DÖĞER, Republic of Turkey ID No:), Board Member and Executive Director of Erdemir Madencilik Sanayi ve Ticaret A.Ş. (Representative: Gürtan DAMAR, Rep of Turkey ID No:), Board Member of Erdemir Mühendislik Yönetim ve Danışmanlık Hizmetleri 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 Osman ARSLAN 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 Executive Director Erdemir Çelik Servis Merkezi Sanayi ve Ticaret A.Ş. (Representative: Aslıhan DÖĞER).

- 1- In the first article of the agenda about **Opening, Formation of the General Assembly Meeting Chairmanship**; as required by the 24th 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 Erdemir Çelik Servis Merkezi Sanayi ve Ticaret A.Ş. (Representative: Aslıhan DÖĞER) 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 decided by a majority of votes with 277.041.515.807 votes accepting against 30.000 votes rejecting 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 2020 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 with 277.041.545.807 votes accepted unanimously.

Since there was no request to speak about the Annual Report, the agenda item was followed.

- 4- In the fourth article of the agenda about **Reading of the 2020 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 with 277.041.545.807 votes accepted unanimously.
- 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 2020**; since the Balance-Sheet and the Profit and Loss Accounts for the year 2020 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 with 277.041.544.307 votes accepting against 1.500 votes rejecting. Since there was nobody who asked to speak about the subject, the confirmation of the Balance-Sheet and the Profit and Loss Accounts of the year 2020 were submitted to the vote of the General Assembly and as result of the voting, it was decided to accept the Balance-Sheet and the Profit and Loss accounts with 277.041.544.307 votes accepting against 1.500 votes rejecting.

The Opinion of the Opposition has been made by Çetin ÖZYURT, the shareholder on EGKS, as follows:

"The corporate tax rate in our country is 22 percent. According to this rate, we have paid approximately 500 million TL (50 million USD) of excess tax. How will we avoid the high tax liability we will encounter in a sudden change in exchange rates towards the end of December 2021 or December 2022? Tax is now the biggest expense item. I suggest that a board to be established to bring this to the lowest level. If necessary, we should change the USD currency, and if this affects our business, we should discuss with the Treasury and ensure that the exchange rate difference is included in the scope of exemption. "

- 6- In the sixth article of the agenda about **Submission to Voting and Resolving the Changes in the Membership of the Board of Directors during the Period**; in accordance with Article 363 of the Turkish Commercial Code and Article 10 of the Company's Articles of Association, the proposal of the Board of Directors dated 05.02.2021 numbered 623 regarding the change in the membership of the Board of Directors were submitted to voting and as a result of the

voting, it was unanimously approved with 277.041.545.807 votes to appoint Mahmut Cengiz AYDIN as the Independent Member of the Board of Directors which was vacated due to the resignation dated 17.07.2020 of Yunus ARINCI who was Independent Member of the Board of Director.

7- In the seventh 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 2020**; 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 unanimously approved with 277.041.545.807 votes. The Members of the Board did not vote for their own quittances.

8- In the eighth 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 2020 and Dividend Payment Date**; following the reading of the Board's offer dated 16.03.2021 about dividing and distributing the profit of the year 2020. As result of voting of the offer, being in the direction of the decision of the Company's Board dated 11.02.2021 numbered 632 and dated 17.02.2021 numbered 634, with 277.041.545.807 votes unanimously accepted that;

It is understood that the company's activities for the year 2020 were concluded with a TRY 4.530.656.169 net profit according to financial statements prepared in accordance with the provisions of the tax procedure law and TRY 2.423.348.729 net profit according to solo 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 2020 issued in accordance to the Tax Procedure Law,
- to allocate TRY 2.216.226.117 cash shareholder dividend at a rate of 91,45 % on the net distributable net profit of the year in financial statements of 2020 which were prepared according to legislations of Capital Markets Board,
- 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 207.122.612 as a general legal reserve.
- As an additional cash dividend of the remaining TRY 1.495.773.883 as a result of the allocation of second appropriation of legal reserves TRY 149.577.388 from TRY 1.645.351.271 which is the total of the previous year profits of TRY 49.623.501 and the extraordinary reserves of TRY 1.595.727.770 in other resources planned to be distributed.
- To distribute a total dividend of TRY 3.712.000.000 to the shareholders, of which TRY 2.216.226.117 from the first dividend, and TRY 1.495.773.883 from the second dividend from other sources.
- To determine the dividend payment as lump sum and the profit distribution date as 24 March 2021.

9- In the ninth article of the agenda about **Discussion, Submission to Voting and Resolving the Determination of the Election and Term of Office of the Independent Board Members in Accordance with the Legislation Provisions**; following the reading of the offer which was given by the Representative of Ereğli Demir ve Çelik Fabrikaları T.A.Ş. Çiğdem KÖKER ALPAYDIN offer submitted for the approval of the General Assembly and as result of the voting performed and according to the provisions of the 9th and the 10th

articles of the Articles of Association;

- To be elected to serve as an Independent Board Member for 1 year;

- Ali FİDAN Rep. of Turkey ID No:
- Kurtuluş Bedri VAROĞLU Rep. of Turkey ID No:
- Mahmut Cengiz AYDIN Rep. of Turkey ID No:

It was decided by a majority of votes with 277.028.766.207 votes accepting against 12.779.600 votes rejecting.

10- In the tenth 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 Ereğli Demir ve Çelik Fabrikaları T.A.Ş. Çiğdem KÖKER ALPAYDIN 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 275.228.232.307 votes accepting against 1.813.313.500 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 5.250 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 11.500 net monthly (in the beginning of the relevant month, in advance) and the new wages to be put into practice from the date 01.04.2021.

11- In the eleventh 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 Ereğli Demir ve Çelik Fabrikaları T.A.Ş. Çiğdem KÖKER ALPAYDIN, 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 277.001.243.807 votes accepting against 40.302.000 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.

12- In the twelfth 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 2021 in Accordance with the Turkish Commercial Code and Capital Market Law**; following the reading of the offer of the Board dated 16.03.2021 in the direction of the decision of the Board dated 12.03.2021 numbered 637, as result of the voting performed, it was decided by majority of votes with 275.276.534.307 votes accepting against 1.765.011.500 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, İskenderun Demir ve Çelik A.Ş. 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 Maslak No1 Plaza Maslak 34398 Sarıyer/İstanbul for the independent external audit services for the year 2021.

13- In the thirteenth 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 16.03.2021 in the direction of the decision of the Board dated 12.03.2021 numbered 638; General Assembly was informed that the Company has given a guarantee of 57.538.316 TL on behalf of its own legal personality in 2020, and has no collateral pledges, mortgages and surety in favor of other third parties for joint venture partnership and ordinary commercial activities, and there are no revenues and benefits from them.

- 14-** In the fourteenth article of the agenda about **Informing the General Assembly Regarding the Donations and Contributions Made in 2020 and Submission to Voting and Resolving the Limit of Donations to be Made between 01.01.2021-31.12.2021;** from the informing writing of the Board dated 16.03.2021 in the direction of the decision of the Board dated 12.03.2021 numbered 639;

	2019 TRY	2020 TRY
A- Cooperation Activities Developed with Public Institutions and Foundations	657.722	3.822.808
B- Training and Teaching Activities	984.619	852.140
C- Voluntary Works and Cooperation Activities Realized Intended for Charities	148.902	158.332
D- Cooperation Activities Realized with Charitable Foundations, Associations, Chambers and Institutions	60.595	347.471
E- Sporting Activities	14.645	-
F- Cultural and Artistic Activities	44.353	28.756
G- Health and Support Activities on Financial Matters	886	2.757
TOTAL	1.911.722	5.212.264

As it is shown, information has given to the General Assembly that within the year 2020, TRY 5.212.264 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 01.01.2021-31.12.2021 financial period, it was decided to accept the offer by majority of votes with 275.236.202.307 votes accepting against 1.805.343.500 votes rejecting and to bring an upper limit to the total of donations which the company shall make between 01.01.2021-31.12.2021 financial period and this upper limit shall be 0,05% (five per ten thousand) of the Company's 2021 net sales revenue.

- 15-**In the fifteenth article of the agenda about **Closure**, the General Assembly meeting was closed with the thanks speech of Aslıhan DÖĞER who is the representative of the Chairman Erdemir Çelik Servis Merkezi Sanayi ve Ticaret A.Ş.

Chairman of the Meeting

Erdemir elik Servis Merkezi Sanayi ve Ticaret A.Ş.
(Representative: Aslıhan DÖĞER)

Ministry Representative

Hatun KOSTAK

Vote Collector

Buğrahan ELDELEKLİ

Record Clerk

Kemal Haluk ERUYGUR