

## **TURKISH PETROL REFINERIES CORPORATION**

### **MEETING MINUTES OF ORDINARY GENERAL ASSEMBLY HELD ON 21 MARCH 2018**

The 2017 Ordinary General Assembly Meeting of Tüpraş was held on Wednesday, 21 March 2018 at 10:00 am, at the address of Tüpraş Headquarters at Körfez /KOCAELİ, under the supervision of the Ministry's Commissary Veysi Uzunkaya, assigned by the letter dated 14.03.2018 and numbered 32751523 of the Ministry of Customs and Trade of The Turkish Republic, Kocaeli Provincial Directorate of Commerce.

The invitation for the meeting also including the agenda has been made in accordance with the Law and the Articles of Association and was published on 27 February 2018, in the Turkey Trade Registry Gazette number 9525. Announcements were made 21 days prior to the General Assembly, on the web site of the company at [www.tupras.com.tr](http://www.tupras.com.tr), via the Central Registry Agency's (MKK) e-Company Portal, Electronic General Assembly System and with registered mail from post office (PTT) in Körfez/Kocaeli to the owners of bearer shares which are not traded in the stock exchange.

It is understood from the list of attendants that out of 25,041,920,000 shares, each bearing a nominal value of Kr 1 (One Kr) amounting to the company's total capital of TL 250,419,200.00; shareholders holding representing 20,047,281,122 shares corresponding to capital of TL 200,472,811.22 were present by proxies, shareholders holding 400 shares representing a capital of TL 4.00 were present by personally. Total of 20,047,281,522 shares corresponding to paid in capital of TL 200,472,815.22 were represented at the meeting, thereby reaching the minimum quorum as set in the legislation and the Articles of Association. It has been declared that 7,275,901,900 shares with nominal value TL 72,759,019 is represented by the Depository of Representatives Company.

It has been determined that the Company has taken the necessary measures regarding the Electronic General Assembly as per Paragraph Five and Six of Turkish Commercial Code Article 1527. Mrs. Fettane Sayın, who holds a "Central Registration Agency Electronic General Assembly System Expert Certificate", has been appointed by Mr. Yağız Eyüboğlu, Member of Board of Directors, to use the Electronic General Assembly System and the meeting has been opened both physically and electronically and the agenda has been opened for discussion.

Mr. Yağız Eyüboğlu, Member of Board of Directors, has provided information about the method of voting. As required by the Law and the Articles of Association, with the regulations on counting of electronic votes reserved, shareholders who are physically present at the meeting were requested to vote by raising hands and those who vote negatively were requested to express their objections with verbal declaration.

As a result of the discussions held in respect to the agenda, the following decisions have been taken.

1. In accordance with the 1st item on the Agenda, the election of the Chairman of Meeting in charge of the administration of the Annual Ordinary General Meeting was put to vote. Mr. Doğan Korkmaz has read the proposal for the Chairman presented by Mr. Yağız Eyüboğlu, proxy of our shareholder Enerji Yatırımları A.Ş. As a result of the vote, Mr. Yağız Eyüboğlu has been elected as the Chairman of the Ordinary General Assembly by a unanimous vote with TL 200,472,815.22 in the affirmative.

The Chairman of the Meeting appointed Mr. İbrahim Yelmenoğlu as vote collector and Mr. Doğan Korkmaz as record clerk.

The Chairman of The Meeting declared that all other relevant documents to discuss the Agenda of the General Assembly are available at the meeting.

## TURKISH PETROL REFINERIES CORPORATION

### MEETING MINUTES OF ORDINARY GENERAL ASSEMBLY HELD ON 21 MARCH 2018

The Chairman of The Meeting declared that himself and members of the Board; Mr. Mehmet Ömer Koç, Mr. Temel Kamil Atay, Mr. Levent Çakıroğlu, Mr. Bülent Bulgurlu, Mr. Turgay Durak, Mr. Erol Memioğlu, Mr. Ahmet Turul, Mr. Kutsan Çelebican, Mr. Osman Mete Altan, Mr. Süleyman Karaman were personally present in the meeting and Ediz Günsel attended the meeting on behalf of the Independent Audit Company PwC Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik Anonim Şirketi. The reasons for the non-presence of the other Board members have been notified.

2. In accordance with the 2nd item on the Agenda, it has been informed that the 2017 Annual Report was published 21 days prior to the Annual General Meeting, and disclosed through the Public Disclosure Platform, The Central Registry Electronic Annual General Meeting system and on the company's website, www.tupras.com.tr. The Board of Directors' Report related to the activities in 2017, prepared by the Company's Board of Directors has been read by İbrahim Yelmenoğlu. The discussion for the 2017 Annual Report opened and nobody took the floor. The motion has been approved and accepted by a majority vote with TL 199,744,692.22 paid in-share capital in the affirmative and TL 708,123 paid in-share capital against votes.
3. In accordance with the 3rd item on the Agenda, the Meeting Chairman requested the Audit Report Summary issued by PwC Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik Anonim Şirketi with regard to 2017 accounting period to be read. The Independent Auditor Report Summary was read by Mr. Doğan Korkmaz, the record clerk of the Council. As this agenda topic was not subject to voting, the General Assembly of Shareholders was only informed thereabout.
4. In accordance with the 4th item on the Agenda, it has been informed that Company's 2017 Annual Consolidated Financial Statements, prepared and issued pursuant to the "Communiqué on Principles of Financial Reporting in Capital Markets", Serial II, No. 14.1, of the Capital Markets Board and audited by Independent Auditor, have been made public and disclosed to all shareholders at the Company's corporate website at www.tupras.com.tr address, at the Company's Registered Offices, at the Public Disclosure Platform and in Electronic General Assembly System of Central Registry Agency 21 days prior to this meeting. The balance sheet and income statement summaries are read by Mr. Doğan Korkmaz who was the record clerk of the Council. Upon discussions, 2017 Annual Consolidated Financial Statements and Statutory Statements prepared in accordance with the Taxation Procedures Code are approved and accepted by a majority vote as a result of aye votes for TL 199,849,758.22 paid-in share capital against nay votes for TL 603,057 paid-in share capital.
5. The Chairman proposed for the approval of the General Assembly for the release of The Board Members separately and individually from their liabilities in connection with annual accounts and activities of the company for the fiscal year of 2017. As a result of the voting, all of the Members have been released separately and individually by a majority vote as a result of aye votes for TL 199,756,939.22 paid-in share capital against nay votes for TL 695,876 paid-in share capital.
6. According to the enclosed dividend distribution table based on the financial statements for the accounting period January 1 - December 31, 2017, in compliance with the TAS/TFRS and statutory results, prepared by Turkish Petroleum Refineries Corporation, and audited by PwC Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik Anonim Şirketi our proposal for profit distribution is explained below:

## TURKISH PETROL REFINERIES CORPORATION

### MEETING MINUTES OF ORDINARY GENERAL ASSEMBLY HELD ON 21 MARCH 2018

- a. Pursuant to Article 519 of the Turkish Commercial Code, 5% Legal Reserve to be set aside. However since the capital reserves already exceeded 20% of equity as of December 31, 2017, 5% Legal Reserve has not been set aside in 2017.

According to the Capital Markets Law and Capital Markets Board Regulations, consolidated net income attributable to equity holders of the parent company is in the amount of TL 3,811,546,000.00. When donations of TL 27,406,755.38 to charitable organizations are added, the first assessment base for dividend is TL 3,838,952,755.38. According to the statutory records, it was realized that TL 3,715,044,558.44 of net distributable profit exists.

- b. In accordance with the Capital Market Law, Capital Market Board Regulations, Company's Articles of Association and Dividend Distribution Policy, as per enclosed dividend distribution table, the following profit distribution is proposed;

TL 3,406,452,377.60 to be distributed as first dividend to shareholders  
TL 339,393,141.76 to be put aside as secondary dividends to shareholders,

- c. The total amount of dividend to be paid in cash is TL 3,406,452,377.60.
- d. If the above mentioned dividend distribution proposal is approved by the general assembly, on the basis of statutory accounts, the amount to be distributed is TL 3,406,452,377.60 as cash, of which TL 3,378,451,504.04 is from other earnings of the current period and TL 28,000,873.56 is from distributable other reserves. Secondary legal reserves with a value of 339,393,141.76 of which 336,593,054.40 will be funded from current year earnings and remaining TL 2,800,087.36 will be funded from distributable other reserves.
- e. On this basis, a cash dividend of gross=net TL 13,603 is to be paid for one nominal stock worth TL 1.00 at a rate of 1,360.3% to our legally obligated corporate taxpayer shareholders and limited corporate taxpayer shareholders earning dividends through a Turkey-based business or permanent representation office. Other shareholders are going to be paid a gross rate of 1,360.3%, a cash dividend of gross TL 13,603, and net rate of 1,156.255%, a cash dividend of net TL 11.56255 for one nominal stock worth TL 1.00.

The dividend distribution is suggested to begin on March 29, 2018. Accordingly, the 2017 dividend distribution statement is accepted and approved by a unanimous vote as a result of aye votes for TL 200,472,815.22 paid-in share capital.

7. In accordance with article 7 of Agenda, the meeting proceeded with the election of the Board Members. The proposal of Meeting Chairman Mr. Yağız Eyüboğlu, proxy of our shareholder Enerji Yatırımları A.Ş for Members of Board of Directors has been read. The Ministry Commissar of Customs and Trade has seen the candidacy and acceptance of duty statements of those who were unable to participate the General Assembly. The number of Board Members were determined as 15 in total with 5 independent members, and The Board of Directors as Mustafa Rahmi Koç - TR ID Number 12001049568, Semahat Sevim Arsel - TR ID Number 29902866798, Ömer Mehmet Koç – TR ID Number 11992049892, Yıldırım Ali Koç - TR ID Number 11989049966, Levent Çakıroğlu - TR ID Number 27226347542, Temel Kamil Atay - TR ID Number 39163572826, Bülent Bulgurlu - TR ID Number 11899054074, Osman Turgay Durak - TR ID Number 13348799734, Erol Memioğlu - TR ID Number 11140152948, Yağız Eyüboğlu - TR ID Number 56203424310, and The independent members of the Board of Directors as Ahmet Turul - TR ID Number

## TURKISH PETROL REFINERIES CORPORATION

### MEETING MINUTES OF ORDINARY GENERAL ASSEMBLY HELD ON 21 MARCH 2018

16757264626, Muharrem Hilmi Kayhan - TR ID Number 26938219246, Ayşe Canan Edibođlu - TR ID Number 16592323786, Kamil Ömer Bozer - TR ID Number 11860125666 and Süleyman Karaman - TR ID Number 20467864748, (representing the Turkish Privatization Administration and an independent member according to the reference to the notice, dated 15.01.2018 from Privatization Administration of The Turkish Republic, have been elected as Board Members to serve till the Ordinary General Assembly to be organized for the reviewing of the accounts of the year 2017. The motion was approved by a majority vote with TL 194,727,905.22 in the affirmative and TL 5,724,910 against votes.

It has been informed that the resume of the Board Members have been announced to the public 21 days prior to the General Assembly meeting at the Public Disclosure Platform, the Central Registry Electronics General Assembly System's organization, the company's corporate web address at [www.tupras.com.tr](http://www.tupras.com.tr), and printed in 2017 Annual Report, except Mr. Süleyman Karaman, whose resume has been presented in the meeting.

8. It is stated that "Remuneration Policy for Members of Board of Directors and for Executive Management", which was prepared within the context of Capital Markets Board's communique on Corporate Governance, and presented to the shareholders and approved at General Assembly dated 29.03.2017 have been disclosed to shareholders and made public before 21 days of the General Assembly Meeting (through the Public Disclosure Platform, company's web site [www.tupras.com.tr](http://www.tupras.com.tr), the Electronic General Meeting System of the Central Securities Depository and 2017 Annual Report booklets), and in this context, as mentioned in footnote no. 31 of our Financial Reports, total sum of benefits provided to executive management, consisting of the members of the Board of Directors and senior executive managers in 2017 amounted TL 53,843 thousand. These statements are accepted and approved by a majority vote as a result of aye votes for TL 199,756,515.22 paid-in share capital against nay votes for TL 696,300 paid-in share capital.
9. Mr. Yađız Eyübođlu, representative of the company's shareholder; Enerji Yatırımları A.Ş., announced a proposal for the determination of wages of The Members of the Board of Directors within the context of the Remuneration Policy for Members of Board of Directors and for Executive Management. It was decided that an annual gross remuneration of TL 396,000 is to be paid, and payments to be made with equal monthly instalments and commence the month following this General Assembly until the next General Assembly with a majority vote of TL 145,097,086.22 in the affirmative and TL 55,375,729 against votes.
10. Within the framework of the Turkish Commercial Code and the Capital Markets Board of Turkey, taking into consideration the recommendation of the Audit Committee of the Board of Directors, reference to the board resolution dated 23.01.2018 PwC Bađımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik Anonim Şirketi that is addressed at Süleyman Seba Cad. BJK Plaza No:48/9 Beşiktaş İstanbul and registered İstanbul Trade Registration, with registration number of 201465, has been elected as Independent Audit Firm for auditing Financial Statements and Reports of 2018 accounting period and for conduct of other activities required pursuant to the relevant provisions of aforesaid laws. It is resolved by a majority vote as a result of aye votes for TL 196,214,375.22 capital against nay votes for TL 4,238,440.
11. The General Assembly of Shareholders has been informed that during 2017, the Company has expended a total sum of TL 27,406,755.38 for donations and grants to foundations and associations for charitable purposes. Additionally, the proposal presented by the proxy of our shareholder Enerji Yatırımları A.Ş. has been read. The proposal for setting the upper limit for the donations and Grants in 2018 as 0.2% of the revenue of previous year has been voted and accepted by a majority vote as a result of aye votes for TL 145,053,762.22 paid-in share capital against nay votes for TL 55,419,053 paid-in share capital.
12. In accordance with the regulations of CMB, the General Assembly of Shareholders has been informed about securities, pledges, mortgages and other guarantees given by our Company and its affiliates in 2017 in favour

## **TURKISH PETROL REFINERIES CORPORATION**

### **MEETING MINUTES OF ORDINARY GENERAL ASSEMBLY HELD ON 21 MARCH 2018**

of third parties, and earnings or benefits arising from such. It has been presented to the shareholders that, as stated in the footnote number 22 of the consolidated financial statements disclosed to the public, as of 31.12.2017, TL 667,986 thousand had been given in favour of the Company's subsidiaries included in the scope of consolidation, in the form of securities, pledges, given mortgages and other guarantees and the resulting amount of invoices to these subsidiaries for this was TL 1,535 thousand. Our shareholders were also informed that this article would not be voted on, as it is included in the agenda only for information purposes.

13. Granting permission to our shareholders who control the management, the Members of the Board of Directors, senior executives and their spouses, and blood relatives and relatives by marriage up to second degree within the framework of the articles 395 and 396 of the Turkish Commercial Code and in the relevant regulations of the Capital Markets Board of Turkey has been accepted by a majority vote as a result of aye votes for TL 190,867,415.22 paid-in share capital against nay votes for TL 9,605,400 paid-in share capital. Additionally, in line with the Capital Markets Board's Communique on Corporate Governance, the General Assembly has been informed about the fact that some of shareholders having managerial control, board members, executive managers and up to the second degree blood or affinity relatives are the board members of some of other Koç Group companies including the ones that engage in similar business activities of our company; the Assembly has also been informed that no transactions have been carried out that should be disclosed in the year 2017 within the context of the 1.3.6th article of Corporate Governance Communique.
14. In the requests and expectations section of the agenda, shareholders expressed their wishes and comments. Then, having no other agenda topic to be discussed, the Chairman closed the meeting.

Representative of the Ministry, Mr. Veysi Uzunkaya asked whether there was any objections to decisions taken in the meeting from those participating either in person or by proxy and as per his request, it is recorded in the minutes that there were no objections raised.

This document of Meeting Minutes is issued with 4 copies, and is read and signed at the meeting place following the end of meeting.

**21 March 2018**

**Ministry Representative**

Veysi Uzunkaya

**Chairman**

Yağız Eyüboğlu

**Vote Collector**

İbrahim Yelmenoğlu

**Secretary of Minutes**

Doğan Korkmaz

**TURKISH PETROL REFINERIES CORPORATION**

MEETING MINUTES OF ORDINARY GENERAL ASSEMBLY  
HELD ON 21 MARCH 2018

Appendix-1

**01.01.2017 - 31.12.2017 PROFIT DISTRIBUTION PROPOSAL**

<b>TURKISH PETROLEUM REFINERIES CORPORATION DIVIDEND DISTRIBUTION TABLE (TL)</b>		
<b>1. Paid in Capital/Issued Capital</b>		<b>250.419.200,00</b>
<b>2. Total Legal Reserves (According to Statutory Income Statements)</b>		<b>279.668.162,56</b>
<b>Information on privileges in profit distribution if any in the Articles of Association</b>		
	According to CMB	According to Statutory Records
<b>3. Current period profit</b>	4.445.028.000,00	4.178.243.263,46
<b>4. Taxes payable ( - )</b>	633.482.000,00	463.198.705,02
<b>5. Net profit ( = )</b>	<b>3.811.546.000,00</b>	<b>3.715.044.558,44</b>
<b>6. Previous years losses ( - )</b>		0,00
<b>7. General Legal reserves ( - )</b>		
<b>8. DISTRIBUTABLE NET PROFIT FOR THE PERIOD ( = )</b>	<b>3.811.546.000,00</b>	<b>3.715.044.558,44</b>
<b>9. Donations made during the year ( + )</b>	27.406.755,38	
<b>10. Net Distributable Profit added donations</b>	3.838.952.755,38	
<b>11. First dividend to Shareholders</b>		
Cash	3.406.452.377,60	12.520.960,00
Bonus		
<b>Total</b>	<b>3.406.452.377,60</b>	<b>12.520.960,00</b>
<b>12. Dividend to privileged shareholders</b>		
<b>13. Distributed other dividend</b>	<b>0,00</b>	<b>0,00</b>
- Dividend to the Board Members		
- Dividend to the Employees		
- Other		
<b>14. Dividend to redeemed shareholders</b>		
<b>15. Secondary dividends to shareholders</b>		<b>3.365.930.544,04</b>
<b>16. General legal reserves</b>	<b>339.393.141,76</b>	<b>336.593.054,40</b>
<b>17. Statutory reserves</b>		
<b>18. Special reserves</b>		
<b>19. EXTRAORDINARY RESERVES</b>	<b>65.700.480,64</b>	<b>0,00</b>
<b>20. Other Resources to be distributed</b>	<b>0,00</b>	<b>28.000.873,56</b>
Previous years profit		
Extraordinary reserves		0,00
- Other distributable reserves as per the law and the Articles of Association	0,00	28.000.873,56
<b>21. Allocated Legal Reserves to be distributed from other sources</b>		<b>2.800.087,36</b>

**DIVIDEND RATIO TABLE**

	GROUP	TOTAL AMOUNT OF DIVIDEND DISTRIBUTED		TOTAL DISTRIBUTED DIVIDEND/NET DISTRIBUTED PROFIT	* Dividend per share with nominal value of TL 1	
		AMOUNT (TL)	BONUS (TL)	RATIO (%)	AMOUNT (TL)	RATIO (TL)
NET *	A	3.156.078.128,19		82,80	11,5626	1.156,2550
	C	0,14		0,00	11,5626	1.156,2550
	<b>TOTAL</b>	<b>3.156.078.128,33</b>	<b>0,00</b>	<b>82,80</b>		

(\*According to the calculation of net dividend distribution, the 51% of shares owned by corporate tax payers and not publicly traded are not subject to withholding tax, whilst the 49% of shares that are publicly traded are subject to a 15% withholding tax on the assumption that the beneficial owners are individual taxpayers.