

## **Internal Directive**

### **Regarding the Working Principles and Procedures of the General Shareholders' Meetings of Zorlu Enerji Elektrik Üretim AŞ**

#### **FIRST PART**

#### **Purpose, Scope, Basis and Definitions**

##### **Purpose and scope**

**ARTICLE 1-** (1) The purpose of this Internal Directive is the determination of the working principles and procedures of the general shareholders' meetings of Zorlu Enerji Elektrik Üretim Anonim Şirketi, within the frame of the provisions of the Law, relevant regulations and the articles of association. This Internal Directive applies to all the ordinary and extraordinary general shareholders' meetings of Zorlu Enerji Elektrik Üretim Anonim Şirketi.

##### **Basis**

**ARTICLE 2-** (1) This Internal Directive is prepared by the board of directors in compliance with the provisions of the Regulation on the Procedures and Principles with respect to the General Assembly Meetings of the Joint Stock Companies and the Representatives of the Ministry of Customs and Trade who shall Attend such Meetings.

##### **Definitions**

**ARTICLE 3-** (1) In this Internal Directive;

- a) Session: means the daily meeting of the general assembly,
- b) Law: means Turkish Code of Commerce no 6102 dated 13/1/2011,
- c) Sitting: means each part of each session interrupted due to the reasons such as resting, meal brake and similar reasons,
- d) Meeting: means the ordinary and extraordinary general shareholders' meetings,
- e) Meeting Council: means the council composed of the president who is elected by the general assembly in order to direct the meeting in compliance with the 419th Article of the Law, vice president of the meeting elected by the general assembly, if required, the minutes-secretary to be determined by the president of the meeting and, if deemed required by the president of the meeting, the vote collector.

## **SECOND PART**

### **Working Principles and Procedures of the General Assembly**

#### **Provisions to be applied**

**ARTICLE 4 – (1)** The meeting is held in compliance with the provisions of the Law, relevant regulation and the articles of association related to the general assembly.

#### **Entry to the meeting place and preparations**

**ARTICLE 5 – (1)** The shareholders registered in the list of attendants prepared by the board of directors, or their representatives, the members of the board of directors, the auditors, if any, the representative of the Ministry, if appointed and the people to be elected or appointed as the president of the council can enter the meeting place. The people to be recommended by the board of directors due to their relevance with the items on the agenda and to be approved by the president of the meeting shall attend the meeting. If the president of the meeting deems it required to keep an audio and visual record of the discussions during the general shareholders' meeting, then the people to be recorded and the people whom the president of the meeting required to attend the meeting with respect to the agenda articles can also attend the meeting. The stakeholders and the members of the press may attend the general shareholders' meetings without the right to speak.

(2) During the entry into the meeting place, it is required for the real person shareholders and for the representatives appointed over the electronic general assembly system established in compliance with 1527th Article of the Law to show their ID cards, for the representatives of the real person shareholders to show their identity cards together with their representation certificates, for the representatives of the legal person shareholders to show their authorization certificates and to sign their place in the list of attendants. The mentioned control procedures are performed by the board of directors or one or more member of the board of directors to be appointed by the board of directors or a person or people to be appointed by the board of directors.

(3) The duties related to the preparation of the meeting place in a way to accommodate all the shareholders, availability of all the stationery, documents, tools and devices at the meeting place to be needed during the meeting are performed by the board of directors. If the president of the meeting decides to have audio or visual recording during the meeting, then the technical preparations related thereto shall be performed by the board of directors or the people to be appointed by the board of directors.

#### **Opening the meeting**

**ARTICLE 6 – (1)** The meeting is opened at the place where the company headquarters or any branch of the company or at a convenient place of the city where the administrative center is located, at a time previously declared, by the chairman of the board of directors or vice chairman or any one of the members of the board of directors upon determination by a report that the quorums indicated in the

418th and 421st articles of the Law are achieved. The provisions related to convening a meeting without invitation indicated in the 416th article of the Law are reserved.

### **Formation of the meeting council**

**ARTICLE 7-** (1) In compliance with the provision of the 6th article of this Internal Directive, a president and if required a vice president is elected under the management of the person opening the meeting, first among the recommended candidates who shall be responsible from the management of the general shareholders' meeting and who shall not be required to be a shareholder.

(2) At least one minutes-secretary and if required, sufficient number of vote collectors shall be elected by the president.

(3) The presidency of the meeting council shall be authorized to sign the minutes of the meeting and other documents created as based on such minutes.

(4) While chairing the general shareholders' meeting, the president of the meeting acts in compliance with the provisions of the Law, articles of association and this Internal Directive.

### **The duties and authorities of the meeting council**

**ARTICLE 8 –** (1) The meeting council chaired by the president performs the following duties:

a) To examine whether the meeting is held at the address indicated in the announcement and if determined in the articles of association, to examine whether the meeting place is appropriate for this.

b) To examine whether the general assembly is invited to the meeting as indicated in the articles of association based on the announcement published through the internet site and Turkish trade Registry Gazette, whether such announcement is made at least three weeks in advance excluding the dates of announcement and meeting and to report this in the minutes of the meeting.

c) To control whether those who are not authorized to enter the meeting place enter the meeting or not and whether the duties stated in the second paragraph of the 5th article of this Internal Directive with respect to the entry into the meeting place are performed by the board of directors.

d) In case the general shareholders' meeting is convened without invitation in compliance with 416th article of the Law, to examine whether the shareholders or their representatives are all present or not, whether there are objections for conveying the meeting this way and whether the meeting quorum is preserved until the end of the meeting.

e) To determine the availability at the meeting place, of the articles of association including the amendments if any, stock register, annual report of the board of directors, auditor reports, financial statements, the agenda, the amendment draft prepared by the board of directors if there is an amendment in the articles of association in the agenda, the permit letter obtained from the Ministry if the amendment of the articles of association is subject to the permit of the Ministry of Customs and

Trade and attached amendment draft, the list of attendants prepared by the board of directors, the postponement report with respect to the previous meeting if the general shareholders' meeting is invited upon a postponement and other required documents related to the meeting and to indicate this state in the minutes of the meeting.

f) Upon an objection or a requirement, to perform the control of the identity of those attending the general shareholders' meeting in person or by proxy, through signing the list of attendants and to control the accuracy of the representation certificates.

g) To determine whether the managing directors and at least one member of the board of directors and the auditor are present in the meeting or not and to indicate this state in the minutes of the meeting.

h) To direct the works of the general assembly within the frame of the agenda, to prevent digression from the agenda except for those exceptions indicated in the Law, to provide the meeting order, to take the measures required for this.

i) To open, close the sessions and sittings and to close the meeting.

j) To read or cause to be read before the general assembly the decisions, drafts, minutes, reports, recommendations and similar documents related to the issues discussed and to give the floor to those who desire to speak about these.

k) To have the voting with respect to the decisions to be taken by the general assembly and to declare the results.

l) To control whether the minimum meeting quorum is maintained in the beginning, continuity and end of the meeting and whether such decisions are taken in compliance with the quorum indicated in the Law and the articles of association.

m) To declare to the general assembly, the notifications made by the representatives indicated in the 428th article of the Law. The provision of the article 30.4 of the Capital Market Law is reserved.

n) In compliance with article 436 of the Law, to prevent the voting of those, who do not have voting right, in the decisions indicated in the mentioned article, to control all the limitations imposed by the Law and the articles of association on the voting right and privileged voting.

o) Upon the demand of the shareholders holding one twentieth of the capital, to postpone the discussion of the financial statements and the issues relevant thereto, for discussion in the meeting to be convened one month later, without any need for a decision of the general assembly.

p) To provide the issuance of the minutes with respect to the general assembly works, to note the objections in the minutes, to sign the decisions and the minutes, to indicate in the meeting minutes the votes given in favor of and against the decisions taken in the meeting without leaving any room for doubt.

r) To deliver the meeting minutes, annual activity report of the board of directors, auditor reports, financial statements, list of attendants, agenda, motions, if any, the voting papers of the elections and minutes and all the documents related to the meeting, to one of the members of the board of directors present together with a report.

### **Procedures to be performed before starting the discussion of the agenda**

**ARTICLE 9** – (1) The president of the meeting reads the meeting agenda to the general assembly or causes this to be read. The president asks whether there is a recommendation of change with respect to the discussion order of agenda articles, if there is a recommendation, then this state is presented to the general assembly for approval.

The discussion order of the agenda articles can be changed with the decision of the majority of the votes present in the meeting.

### **Agenda and the discussion of the agenda articles**

**ARTICLE 10** – (1) The following items are required to be included in the agenda of the ordinary general assembly:

- a) Opening and formation of the meeting council.
- b) Discussion of the annual report of the board of directors, auditor reports and financial statements.
- c) Acquittal of the members of the board of directors and the auditors.
- d) Election of the members of the board of directors and auditor, whose term of office had expired.
- e) Determination of the remuneration of the members of the board of directors, and their attendance fees, and the rights such as bonuses and premiums.
- f) Determination of the method of use and distribution of the profit and the dividend shares.
- g) If any, discussion of the amendments of the articles of association.
- h) Other issues deemed required.

(2) The agenda of the extraordinary general shareholders' meeting is composed of the reasons that require the meeting.

(3) Save for those exceptions indicated below, the items not included in the agenda of the meeting are not discussed and decisions are not taken with respect to such items:

- a) In case of presence of all the shareholders, items can be added to the agenda by unanimous votes.
- b) In compliance with 438th article of the Law, the special audit demand of any shareholder is decided by the general assembly whether or not it is included in the agenda.

c) The issues of dismissal and election of the members of the board of directors are considered to be related to the article of discussion of the year-end financial statements and these are discussed upon demand and decided irrespective of whether there is an article in the agenda with respect to the mentioned issue.

d) Even if there are no articles in the agenda, in case of presence of valid grounds such as corruption, insufficiency, breach of loyalty, difficulty in performance of the duties due to the membership in many companies, incompatibility, misuse of power, then dismissal and election of the members of the board of directors is included in the agenda with the majority of the votes of those present in the general assembly.

(4) The agenda article discussed and decided in the general assembly cannot be re-discussed and decided unless it is decided unanimously by the attendants.

(5) The items which the Ministry requires to be discussed in the company's general assembly, as a result of the inspections conducted or by any reason whatsoever, are included in the agenda.

(6) The agenda is determined by the party conveying the general shareholders' meeting.

#### **Taking the floor during the meeting**

**ARTICLE 11** – (1) The shareholders desiring to take the floor with respect to the agenda item under discussion or other relevant people notify the meeting council about this. The council announces to the general assembly the people who shall take the floor and the floor is given to these people as based on their order of application. If the person who is given the floor is not present at the meeting place, then such person loses his turn. The speeches are given as addressed to the general assembly from the place allocated for this purpose. The people may change their turns among themselves. In case of limitation of the speech time, then the person whose turn comes and starts giving his speech can only continue his speech when his time is up only if the person following him gives his right to speak to him on condition to complete his speech within the speech time of such person. The speech time cannot be extended by any other means whatsoever.

(2) The president of the meeting can give the floor to the members of the board of directors and the auditor, who desire to make explanations about the items discussed, regardless of their turns.

(3) The time of the speeches is decided by the general assembly upon the recommendation of the president or the shareholders as based on the intensity of the agenda, the abundance, significance of the issues to be discussed and the number of people who desire to take the floor. In such cases, the general assembly decides by separate voting whether limitation of speech time is required or not and what this time shall be.

(4) In compliance with 1527th article of the Law, the Principles and procedures indicated in the mentioned article and sub-regulations are applied with respect to the submittal of opinions and

recommendations of the shareholders or their representatives attending the general assembly through electronic medium.

### **Voting and voting method**

**ARTICLE 12 –** (1) Before the start of the voting, the president of the meeting announces the issue to be discussed, to the general assembly. If a decision draft is to be voted, then this is determined in writing, read out and then voting is started. After it is announced that the voting is to be started, the floor can be taken only with respect to the procedure. If there are shareholders who were not given the floor although they had demanded, he can use his right to speak after he reminds and the President approves. Floor is not given after voting.

(2) The votes related to the issues discussed in the meeting are used by raising hands. However, upon the demand of those who possess one tenth of the capital represented by the attending partners, secret voting can be performed. These votes are counted by the meeting council. If required, the council can appoint sufficient number of people for counting the votes. Those who do not raise hands are considered to give nay vote and these votes are assumed to be given against the relevant decision during evaluation.

(3) In compliance with 1527th article of the Law, the principles and procedures indicated in the mentioned article and sub-regulations are applied with respect to the submittal of opinions and recommendations of the shareholders or their representatives attending the general assembly through electronic medium.

### **Issuance of the minutes of the meeting**

**ARTICLE 13 –** (1) The president of the meeting signs the list of attendants containing the shareholders or their representatives, the shares owned by these, their groups, numbers and nominal values of such shares, the questions asked in the general assembly and the answers given to these are summarized, the decisions and the number of positive and negative votes used for each vote are clearly written in the minutes and this way it is provided to issue the minutes of the meeting in compliance with the principles indicated in the Law and the relevant regulation.

(2) The minutes of the general assembly is written in the meeting place and during the meeting by a typewriter, by a computer or by an ink pen legibly. In order to write the minutes through a computer, there should be a printer in the meeting place in order to take the print of the minutes.

(3) The minutes of the meeting is issued at least as two copies and each page is signed by the meeting council and the representative of the Ministry.

(4) The following issues are required to be indicated in the minutes: the trade name of the company, the meeting date and place, the total nominal value of the company shares and the number of shares, the total number of shares represented in the meeting in person and as proxy, the name and surname of the representative of the Ministry and the date and number of such representative's appointment

letter, the form of invitation if the meeting is down with an invitation, a statement if the meeting is not announced.

(5) The number of votes related to the decisions taken during the meeting is indicated clearly in the minutes of the meeting.

(6) The names, surnames of those who vote against the decisions taken in the meeting and who desire their objection to be indicated in the minutes, and their reasons of objection are written in the minutes.

(7) If the reason of objection is given in writing, then this is attached to the minutes. The name and surname of the partner or the representative who objected is written in the minutes and it is indicated that the letter of objection is attached to the minutes. The letter of objection attached to the minutes is signed by the meeting council and the representative of the Ministry.

### **The procedures to be performed at the end of the meeting**

**ARTICLE 14-** (1) At the end of the meeting, the president of the meeting delivers a copy of the minutes and all other documents related to the general assembly to one of the members of the board of directors present.

(2) The board of directors is obliged to have a copy of the minutes notarized, at the latest, within fifteen days after the meeting date and to submit it to the trade registry office and to register and announce the issues contained in this minutes which require registration and announcement.

(3) The minutes is also published on the Company's web site, at the latest, within five days after the date of the general shareholders' meeting.

(4) The president of the meeting also delivers to the representative of the Ministry, a copy of the list of attendants, agenda and the minutes of the general shareholders' meeting.

### **Attendance to the meeting through electronic medium**

**ARTICLE 15 -** (1) In case it is permitted to attend the general assembly meeting through electronic medium in compliance with 1527th article of the Law, the procedures to be performed by the board of directors and the meeting council are performed by taking into consideration the 1527th article of the Law and the relevant regulations.



## **THIRD PART**

### **Miscellaneous**

#### **The attendance of the representative of the Ministry and the documents related to the general assembly meeting**

**ARTICLE 16** – (1) The provisions of Regulation on the Procedures and Principles with respect to the General Assembly Meetings of the Joint Stock Companies and the Representatives of the Ministry of Customs and Trade who shall Attend such Meetings related to demanding a representative from the Ministry and the duties and authorities of such representative are reserved.

(2) The provisions of the Regulation in the first paragraph are required to be complied with in preparation of the list of those who can attend the general assembly and the list of attendants, in the representation documents to be used in the general assembly and issuance of the minutes of meeting.

#### **The circumstances not included in the Internal Directive**

**ARTICLE 17** – (1) In the meetings if there are circumstances which are not anticipated in this Internal Directive, then action shall be taken in compliance with the decision to be given by the general assembly.

#### **Adoption of the Internal Directive and amendments**

**ARTICLE 18** – (1) This Internal Directive is entered into force, registered and announced by the board of directors with the approval of the general assembly of Zorlu Enerji Elektrik Üretim Anonim Şirketi. The changes to the Internal Directive are also subject to the same procedure.

#### **Effectiveness of the Internal Directive**

**ARTICLE 19** – (1) This Internal Directive enters into force on the date it is announced in Turkish Trade Registry Gazette, following its adoption by the general shareholders' meeting of Zorlu Enerji Elektrik Üretim Anonim Şirketi held on March 28, 2013.