

**INVITATION TO THE ORDINARY GENERAL ASSEMBLY  
FROM  
THE BOARD OF DIRECTORS  
OF  
TÜRKİYE SİNAİ KALKINMA BANKASI A.Ş.  
(TSKB)**

Our Esteemed Shareholders,

In order to discuss and resolve the issues of the agenda regarding the year 2018, our Board of Directors decided to hold the Ordinary General Assembly meeting on March 28<sup>th</sup>, 2019, Thursday at 14:00 at the Headquarters of TSKB, which is located in Meclisi Mebusan Cad., No: 81, Fındıklı, İstanbul and to invite the Shareholders of our Bank to the General Assembly Meeting.\*

In order to attend our Ordinary General Assembly Meeting and exercise their voting rights; Shareholders are not required to blockage shares by the Central Registry Agency. Our Shareholders may attend the meeting physically or by electronic means. Submission of the personal ID cards shall be adequate for the shareholders willing to be present in the meeting. Physical attendance is not possible for Shareholders declaring their electronic participation.

Shareholders willing to attend via Electronic General Meeting System(E-GEM) are required to hold a secured electronic signature and fulfill the necessary procedures by the Central Registry Agency in order to attend the meeting directly or appoint a proxy through E-GEM. Correspondingly; Shareholders or their proxies willing to attend via E-GEM are required to fulfill their obligations in accordance with the Regulation on Attendance at General Assembly Meetings of Joint Stock Companies by Electronic Means promulgated at the Official Gazette dated 28 August 2012 and numbered 28395 and the Communiqué on Electronic General Meeting System Applicable at General Assemblies of Joint Stock Companies promulgated at the Official Gazette dated 28 August 2012 and numbered 28395.

Shareholders who will not participate in the General Assembly Meeting physically or by electronic means but would like to be represented by proxy shall prepare a proxy in the form enclosed, the proxy form sample is also available at the headquarters of our Bank and at our web site [www.tskb.com.tr](http://www.tskb.com.tr), and the signature of the Shareholder, who is conferring such a proxy, should be certified by the Notary Public or the List of Authorized Signatures, which is also certified by the Notary Public, should be attached to the proxy form pursuant to the Capital Markets Board's Communiqué No. II-30.1. The sample proxy enclosed (Annex-1) is not required in case a proxy is defined via E-GEM pursuant to the regulations of the Central Registry Agency.

The Shareholders entrusting the registered shares pursuant to the Capital Markets Law are required to prepare the "Document Representing the Entrusted Shares" and "Notification of Instructions Form" according to the provisions of the "Regulation on the Procedures and Terms of the General Assembly Meetings of the Joint Stock Companies and the Customs and Trade Ministry Representatives Assigned to the Mentioned Meetings" the examples of which are enclosed to the Regulation.

Annual Report, Balance Sheet, Profit and Loss Statements and entire Audit Reports and other relevant documents will be presented for the review of our Shareholders, at the Affiliates Division at the headquarters of our Bank and at our Bank's web site [www.tskb.com.tr](http://www.tskb.com.tr) and E-GEM portal of the Central Registry Agency three weeks before the date of General Assembly.

The information to be disclosed to public subsequent to the General Assembly invitation is embedded in the Information Leaflet which is available at TSKB web site [www.tskb.com.tr](http://www.tskb.com.tr).

We kindly request the participation of our Esteemed Shareholders to the General Assembly Meeting on the date and time depicted above.

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\* Pursuant to Article 29 of the Capital Markets Law, our Shareholders will not be informed via registered mail.

**FURTHER INFORMATION PROVIDED PURSUANT TO THE CORPORATE GOVERNANCE PRINCIPLES OF THE  
CAPITAL MARKETS BOARD**

Further information that should be disclosed pursuant to the Communiqué II.7.1 on Corporate Governance Principles of The Capital Markets Board is duly provided hereunder.

**1. Shareholder Structure and Voting Rights**

Bank's up to date shareholder structure and capital information are as follows:

**Capital Information(\*)**

Paid Capital : TRY 2.800.000.000

Registered Capital : TRY 4.500.000.000

**Shareholder Structure**

<b>Title of the Shareholder</b>	<b>Nominal Value(TRY)</b>	<b>Share in Capital(%)</b>
TÜRKİYE İŞ BANKASI A.Ş.	1.160.261.522,13	41,44
TÜRKİYE VAKIFLAR BANKASI T A O	234.569.502,34	8,38
CAMIŞ YATIRIM HOLDİNG A.Ş.	162.301.658,39	5,80
Other	1.242.867.317,14	44,39
<b>TOTAL</b>	<b>2.800.000.000,00</b>	<b>100</b>

(\*) Illustrating the real and legal persons directly holding 5% or more shares or voting rights as published on the Public Disclosure form as of 01.03.2019.

Paid capital consists of 280.000.000.000 (twohundredeighty billion) shares with a value 1 Kuruş per share and with no privileged rights.

**2. Information Regarding Material Alterations In Relation to Management and Activity**

There exist no material alteration in relation to management or activity of our Bank or our subsidiaries. All material issues are publicly disclosed pursuant to the relevant legislation.

**3. In Case the Agenda of the General Assembly Includes Dismissal, Substitution or Election of the Board of Directors; the Justifications of Dismissal and Substitution, Briefing Regarding the Candidate Members of the Board of Directors**

Not applicable.

**4. Information Regarding Written Enquiries of the Shareholders In Relation to Insertion of Provisions to the Agenda**

Not Applicable.

**5. Information Regarding Amendment of Articles of Association**

Pursuant to 8<sup>th</sup> Agenda Item; amendment of Articles Association's Article 11 captioned "Issue of Bonds and Other Securities, With a Right to Purchase – Replace", Article 23 captioned "Board of Directors' Remuneration" and Article 47 "Distribution of Dividend" shall be submitted to the General Assembly's approval. All necessary approvals of Banking Regulation and Supervision Authority, Capital Markets Board and Ministry of Customs and Trade have been duly obtained for the amendment of the Articles of Association.

## **OUR REMARKS ON THE AGENDA OF THE ORDINARY GENERAL ASSEMBLY TO BE HELD ON MARCH 28<sup>TH</sup>, 2019**

### **1- Commencement, constitution of the Meeting Presidency in accordance with the Articles of Association of the Bank and delegation of authority to the Meeting Presidency for the execution of the minutes of the General Assembly,**

In accordance with the provisions of the Turkish Trade Code (TTC) numbered 6102, the Regulations on General Assembly's of the Companies with Share Capital and Ministry of Customs and Trade Representatives to be Present in Such Meetings (Regulation) and the Internal Directive on Principles and Procedure of the Functioning of Bank's General Assembly (the "Internal Directive"); the Meeting Presidency to preside over the General Assembly shall be formed.

Furthermore, the issue of authorization of the Meeting Presidency to record the resolutions passed in the General Assembly to the minutes shall be submitted for approval.

### **2- Review and discussion of the Annual Reports of the Board of Directors and Independent Auditors regarding the accounts and transactions of the Bank within the year of 2018,**

In accordance with the provisions of the Regulations of the Capital Markets Board (CMB) and Banking Regulation and Supervision Agency (BRSA) and TTC and the Regulation; the Board of Directors' Annual Report including the Corporate Governance Compliance Report for the 2018 Activity Period, the Auditor's and the Independent Auditing Firm's Reports shall be available, so that our Shareholders may review them, at our Bank's headquarters, web site ([www.tskb.com](http://www.tskb.com)) and the Electronic General Assembly System ("E-GEM") starting from three weeks before the date of the General Assembly and the abovementioned reports shall be read in the General Assembly and submitted to the Shareholders' opinions and approval.

### **3- Review, discussion and approval of the balance sheet and profit and loss statement of the Bank for the year of 2018,**

In accordance with the provisions of the CMB and BRSA Regulations and TTC and the Regulation; the Balance Sheet and the Profit and Loss Statement of 2018 Activity Period shall be available, so that our Shareholders may review them, at our Bank's headquarters, web site ([www.tskb.com](http://www.tskb.com)) and the E-GEM starting from three weeks before the date of the General Assembly meeting and shall be read in the General Assembly and submitted to the Shareholders' opinions and approval.

### **4- Release of the Members of the Board of Directors,**

In accordance with the provisions of TTC and the Regulation; the General Assembly shall be offered to release one-by-one the Members of the Board of Directors and Auditors from the transactions and accounts of 2018 Annual Period.

### **5- Approval of the Board Resolution regarding the determination and allocation of the profit generated in 2018,**

In accordance with the Bank's Dividend Policy; considering the national and global economic conditions, the long term growth targets of the Bank, the sustainability of its strong equity structure, as well as the Banking Regulatory and Supervisory Agency's guidance regarding the banking sector, it will be submitted to the approval of the General Assembly, as shown in the attached 2018 Profit Distribution Proposal that of the net profit of TL 660,925,623.04, TL 33,046,281.15 will be reserved as general legal reserve, and the remaining TL 627,879,341.89 will be set aside as extraordinary reserves under shareholders' equity. The Profit Distribution Offer may be found in Annex.

### **6- Determination of allowance for the Members of the Board of Directors,**

In accordance with the provisions of TTC and the Regulation and Article 23 of our Articles of Association which is currently in force; the monthly allowance for the Board of Directors shall be determined.

**7- Election of Independent Audit Firm,**

Our Board of Directors resolved on 26.10.2016 that Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. (Ernst & Young Global Limited) was to be appointed as the independent audit firm for a period of 3 years covering 2017, 2018 and 2019; subsequently, in accordance with the Turkish Commercial Code and Turkish Banking legislation, the appointment of Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. (Ernst & Young Global Limited) for independent auditing services for the year 2019 shall be submitted for the approval of the shareholders in the prospective General Assembly Meeting.

**8- Approval of the Amendment of Articles 11, 23 and 47 of the Articles of Association,**

Amendment of Articles Association's Article 11 captioned "Issue of Bonds and Other Securities, With a Right to Purchase – Replace", Article 23 captioned "Board of Directors' Remuneration" and Article 47 "Distribution of Dividend" shall be submitted to the General Assembly's approval. All necessary approvals of Banking Regulation and Supervision Authority, Capital Markets Board and Ministry of Customs and Trade have been duly obtained for the amendment of the Articles of Association.

**9- Presenting the revised Profit Distribution Policy of the Bank for the approval of the General Assembly,**

Pursuant to Corporate Governance Principles of the Capital Markets Board, the Bank's Dividend Policy was announced on 17.03.2006. The Board of Directors has resolved to amend the Dividend Policy and the amendments will be submitted to the approval of the General Assembly. The dividend policy will be in force right after the approval of the amendment of the Articles of Association by the relevant authorities and General Assembly. The Dividend Policy is enclosed.

**10- Presenting the revised Disclosure Policy to the General Assembly,**

Pursuant to Corporate Governance Principles of the Capital Markets Board, the Bank's Disclosure Policy was announced on 17.03.2006. The Board of Directors has resolved to amend the Disclosure Policy and the amendments will be presented to the General Assembly. The above-mentioned Article does not require approval of the General Assembly; it is only for informative purposes. The Disclosure Policy is enclosed.

**11- Presentation of the information regarding the donations made within the year and determination of the upper limit for donations to be made within the year 2019,**

The donations throughout the year must be informed to the General Assembly in accordance with the regulations of CMB and BRSA. The aforementioned article is only for informative purposes. In accordance with the relevant provisions of our Bank's Articles of Association, donation of TRY 160.000,00 have been made to the Turkish Education Foundation for the year 2018.

Pursuant to the CMB's decree which requires the upper limit of the donations to be determined by the General Assembly, the General Assembly will decide on the upper limit of the donations of 2019.

**12- Authorization of the Members of the Board of Directors for the transactions depicted in Articles 395 and 396 of the Turkish Commercial Code,**

The issue of authorization of the Members of the Board of Directors so that they may carry out the activities listed in TTC Article 395 with the title of "Prohibition of Transactions with Company" and TTC Article 396 with the title of "Non-Competition" shall be submitted to the General Assembly for approval.

**13- Presenting information regarding the transactions within the scope of Article 1.3.6. of the Communiqué on Determination and Implementation of Corporate Governance Principles of the Capital Markets Board.**

Article 1.3.6. of the Communiqué on Determination and Implementation of Corporate Governance Principles of the Capital Markets Board: The right to compete or enter into transactions of the Shareholders who have the managing authority, the board, the executives and their spouses or relatives related by blood or affinity up to the second degree which may cause conflict of interest with the company and its affiliates should be pre-approved by the general assembly and the necessary information must be given in the general assembly. The above mentioned Article does not require approval of the General Assembly; it is only for informative purposes.

**PROXY**  
**TÜRKİYE SİNAİ KALKINMA BANKASI A.Ş. (TSKB)**

I appoint Mr./Mrs. ...., detailed information is depicted below, as my representative to be authorized to represent me, to vote, to submit proposals and to sign necessary documents in accordance with the conceptions stated hereunder by me, during the Ordinary General assembly of TÜRKİYE SİNAİ KALKINMA BANKASI A.Ş. (TSKB), which will take place at Headquarters of the Bank, on March 28<sup>th</sup>, 2019, Thursday at 14:00 hours.

Proxy's(\*)

Name Surname/Trade Name:

ID No/Taxation No, Trade Registry and Number and MERSIS No.

(\*) Foreign Citizen Proxy should provide the applicable information for the required fields.

**A- EXTENT OF REPRESENTATIVE AUTHORITY:**

**The extent of the representative authority shall be stated by the selection of either (a), (b) or (c) in Section 1 and Section 2.**

**1. Regarding the Issues in the General Assembly Agenda**

- a) Proxy is authorized to vote in the direction of his/her discretion.
- b) Proxy is authorized to vote in the direction of suggestions of company administration.
- c) Proxy is authorized to vote for each and every agenda item in direction of instructions depicted in the table below:

Instructions: In case the Shareholder's selection is (c), instructions should be inserted for each agenda item by marking the one of the boxes (accept or reject) and if reject is marked, the opposing opinion to be inserted in the minutes of the general assembly shall be mentioned.

Agenda	Accept	Reject	Opposing Opinion
1.			
2.			
3.			

**2. Special instructions for other issues arising at the General Assembly meeting and especially for the minority rights:**

- a) Proxy is authorized to vote in the direction of his/her discretion.
- b) Proxy is not authorized regarding this issue.
- c) Proxy is authorized to vote in direction of instructions depicted in the table below:  
SPECIAL INSTRUCTIONS: (Special instructions shall be written.)

**B- THE SHAREHOLDER SHALL INDICATE THE SHARES REPRESENTED VIA SELECTING ONE OF THE ALTERNATIVES BELOW:**

**1. I hereby approve the proxy for my shares details of which are depicted below.**

- a) Issuance and serial of shares\* :
- b) Share numbers/Group\*\* :
- c) Amount and Nominal Value of Shares:
- ç) Whether the share is privileged  
for voting, or not. :
- d) Whether the share is registered  
or bearer share :
- e) Percentage of the total shares hold by the Shareholder:

\* Not required for the registered shares.

\*\* Group information shall be inserted for the registered shares instead of numbers.

**2. I hereby approve the proxy for my shares indicated in the list drafted by the Central Registry Agency one day prior to the general assembly illustrating the shareholders entitled to attend to the general assembly.**

**SHAREHOLDER'S NAME SURNAME/TRADE NAME:(\*)**

ID No/Taxation No, Trade Registry and Number and MERSIS No. Adress

(\*)Foreign Citizens should provide the applicable information for the required fields.