

**Türk Prysmian
Kablo ve Sistemleri A.Ş.**

ARTICLES OF ASSOCIATION

INDEX

<u>TITLES</u>	<u>Article No.</u>	<u>Page No.</u>
Establishment	1	1
Trade Name of the Company	2	2
Company purpose and primary fields of activity	3	2
Company Headquarters and Branches:	4	3
Duration of the Company	5	3
Registered Capital	6	4
Issue of bonds and other securities	7	4
Board of Directors	8	4
Resolutions of the Board of Directors	9	6
Auditors	10	7
General Assembly	11	7
Authorizations of the General Assembly	12	8
Notification to the Ministry and Appointment of Representative	13	8
Financial Year	14	8
Profit Distribution and Legal Reserves	15	8
Liquidation of Company	16	9
Announcements	17	9
Miscellaneous Provisions	18	10

Article 1 – Establishment:

An Incorporated Company has been immediately established among the below listed founders pursuant to the provisions of the Turkish Commercial Code.

Based on the decree of the Council of Ministers dated 26.7.1963 and no 6/2019; Foreign Investors are entitled to make use of the rights, exemptions and facilities granted by the «Foreign Investment Incentives Law» no 6224.

Founders:

«SIEMENS UND HALSKE AKTIENGESELLSCHAFT»
BERLIN VE MÜNCHEN

München 2
Wittelsbacherplatz 2
Federal Almanya

«SIEMENS – SCHUCKERTWERKE AKTIENGESELLSCHAFT»
BERLIN VE ERLANGEN

Erlangen
Sieboltstr. 5

TÜRKİYE SINAİ KALKINMA BANKASI
ANONİM ŞİRKETİ

İstanbul / Tophane
Necatibey Cad.

Türkiye Cumhuriyeti

VEHBİ KOÇ

İstanbul / Şişli
Halaskargazi Cad. 266/9

SİMKO TİCARET VE SANAYİ A.Ş.

İstanbul / Fındıklı
Meclisi Mebusan Cad. 50
Fındıklı Han

Article 2 – Trade Name of the Company:

Trade Name of the Company

Türk Prysmian Kablo Ve Sistemleri Anonim Şirketi

Article 3 – Company purpose and primary fields of activity:

The company aims to carry out all commercial and industrial activities related to the manufacturing, importing, exporting and trading of all kinds of materials including cables and conductors, machinery and apparatus, tools and equipment in the field of electrotechnics and the associated parts and accessories, raw materials and auxiliary materials, semi-products and finished products.

The company may be particularly engaged in the following activities to achieve this aim.

- a) To build and operate laboratories and plants with the required outfit and infrastructure in order to carry out geometrical, electrical, mechanical, chemical, optical and fire resistance tests and experiments on the raw materials for cable production and on all kinds of end-product cables in line with national and international standards or predetermined methods and to report the results, to make fire classification of the cables and to perform all kinds of laboratory activities, to sign license, patent and know-how agreements and to establish partnerships, if necessary, with domestic and foreign companies for the purpose of building laboratories and plants.
- b) The company may acquire, sell, hire or rent all kinds of movable and immovable assets according to the Capital Markets regulations; make subdivision and unification, make promises for real estate sale, establish usufruct and right of way or accept such rights. Provided that the clarifications stipulated by the Capital Markets Board within the scope of special situations are made in order to enlighten the investors in relation to company business, the company may establish all kinds of real and personal rights, including mortgage and lien, on its own real estates in favor of third persons in order to execute the ordinary commercial activities and for the benefit of the subsidiaries included with full consolidation into the company's legal entity and financial charts, may establish and remove mortgages and liens and other real and personal rights in its own favor in order to secure its receivables. The company may establish all kinds of guarantees on its assets including but not limited to surety and security. The company shall primarily stick to the Capital Markets Board regulations when establishing guarantees, securities, mortgages and liens in favor of third persons and itself.
- c) On condition of not being involved in intermediary business and security portfolio management, the Company may sign long, medium and short term credit agreements with and obtain credits from domestic and foreign organizations, institutions and banks for businesses within its field of activity; and on condition of

not having the nature of investment services and activities, the company may issue, purchase, sell and put up as collateral share certificates, bonds, debt securities and other securities, financial derivatives, structured instruments and/or other capital market instruments pursuant to the provisions of the Turkish Commercial Code, Capital Markets Law and related legislation.

- d) The company may acquire all kinds of transportation vehicles.
- e) Save for the article 21/1 of the Capital Markets Law, it may participate in all types of existing and potential organizations and transfer its partnerships.
- f) Company will act in accordance with Capital Market Board regulations, and relevant legislation and make the required material disclosures if company would buy back its own shares.
- g) It may sign agency, dealership, commissioning, distribution agreements.
- h) It may acquire, use, sell, transfer, hire all kinds of intellectual rights, invention, license, patent, brand, model, technical know-how, commercial titles, copyright, special production methods and similar intangible rights or may acquire from third persons the rights to use these rights.
- i) The company may establish foundations for social purposes within the framework of the Capital Markets regulation and in the manner and to the extent that it will not hinder the realization of its fields of activity. The company while preserving its purpose and scope may make donations, provided that the donations are not violating the transfer pricing regulations of the Capital Market Law and they are added to the distributable profit assessment, all the donations made during the year are submitted to the shareholders' information in the general assembly and the special cases are clarified accordingly. The limit of the donations is determined by the General Assembly and donations exceeding this limit cannot be made.

It is required to get the approvals of Capital Markets Board and Ministry of Customs and Trade if any amendment is made on the purpose and subject of the Company.

Article 4 – Company Headquarters and Branches:

Company headquarters is in Mudanya. The address is Ömerbey Mahallesi Bursa Asfaltı Caddesi No: 51 Mudanya Bursa. The company may establish offices, open branches or representation offices in Turkey or abroad. In cases of change of address, the new address is registered in the Trade Register and announced in the Turkish Trade Registry Gazette and notified to the Capital Markets Board and the Ministry of Customs and Trade. The new address is published in the company website and in Public Disclosure Platform. All notifications to the registered and announced address are deemed to be duly received by the company. Having moved from the previously registered and announced address, failure to have the new address registered is a reason for termination of the company.

The company informs the Ministry of Customs and Trade and the Capital Markets Board about the changes in its registered address.

Article 5 – Duration of the Company:

The company has been established for an unlimited duration.

Article 6 – Registered Capital:

The company accepted the registered capital system in accordance with the provisions of the Capital Market Act and adopted this system upon the permission of the Republic of Turkey, Prime Ministerial Treasury and Foreign Trade Undersecretariat, Foreign Capital General Directorate dated November 27, 1992 and No.10410 and with the permission of the Capital Market Board dated December 11, 1992 and No.4463.

The Registered Capital ceiling of the company is TL.300.000.000,00 (threehundredmillion), and is divided into 300.000.000,00 (threehundredmillion) shares, each having a nominal value of TL. 1.-(one).

Registered capital ceiling permission given by the Capital Market Board will be valid between 2018-2022. Even if the Company does not increase up to the ceiling till the end of 2022, in order for the Board of Directors to take a decision with respect to capital increase after 2022, the Board has to get an authorization of the General Assembly after getting a second permission from CMB limited with 5 years' period for the priorly granted ceiling or for a new ceiling amount. The capital cannot be increased with Board resolution unless the said authorization is obtained.

The paid in capital of the company is TL 141,733,652.00. - and all of the capital has been paid free of collusion. As regards the paid in capital, all shares are bearer shares.

The capital of the company, can be increased or decreased in accordance with Capital Market Legislation and Turkish Commercial Code in case of need.

The Board of Directors, in accordance with the provision of the Capital Market Act, whenever it deems necessary, is authorized to increase the paid in capital and make decisions regarding restriction of shareholders' right to buy new shares and issue share above the nominal value, with premium or below the nominal value by issuing registered shares or bearer shares until the Registered Capital ceiling. The authorization to make decisions on restriction of shareholders' right to buy new shares cannot be used in a way to cause inequalities among the shareholders.

Unless the issued shares are sold totally and the sum corresponding of them encashed, no new shares will be issued.

Shares representing the capital are tracked as per the principles of dematerialization.

Article 7 – Issue of bonds and other securities:

The company may, by the resolution of the Board of Directors and pursuant to the provisions of the Turkish Commercial Code, Capital Markets Law and other applicable legislation, issue all kinds of bonds, financial bills, profit and loss sharing certificates or other trusted securities and valuable papers acceptable by the Capital Markets Board for being sold to real or legal persons both inside the country and abroad.

The company may issue participating shares indefinitely by the General Assembly resolution and based on the principles determined by the Capital Markets Board.

Article 8 – Board of Directors:

Company business, administration and representation are executed by the Board of Directors consisting of 5 to 9 people.

The number and qualifications of the independent members of the Board of Directors are determined according to the Capital Markets Board regulation related to corporate management.

Members of the Board of Directors are selected by the company General Assembly according to the provisions of the Capital Markets regulation, the Turkish Commercial Code and the Company Articles of Incorporation. Independent members may be reelected upon the expiry of their period of office, provided the provisions of the capital market regulation are observed.

The Board of Directors is authorized to take resolutions about all company business, except for the issues for which the General Assembly has been exclusively authorized by the capital market regulation, the Turkish Commercial Code and the Articles of Incorporation.

The Board of Directors is responsible against the company for observing all restrictions considered by the status or by the General Assembly resolution.

Provided that the legally non-assignable authorizations are reserved and in accordance to the internal directive to be prepared by the Board of Directors pursuant to article 367 of the Turkish Commercial Code, the administrative power of the Board of Directors may be transferred to one or more of the members of the Board of Directors, to the general manager and/or to third persons in various stages of the company management.

The representative power of the Board of Directors may be transferred to one or more managing directors or to third persons in various stages of the company management, to be exercised individually or collectively. However, in such cases, the representative power of at least one Board member must be retained. The delegation of the representation power is not valid unless the notarized resolution showing the representatives and their representation capacity is registered in trade registry and announced. Limitations regarding authority to represent cannot be enforced against bona fide third parties; however, limitation registered and announced on the authority to represent may only be allocated to activities pertaining to the registered office or branches of joint-stock companies or such may be achieved by issuance of joint signature. The articles of 371, 374 and 375 are reserved.

Apart from the above-mentioned representatives, the board of directors may assign the non-representative board members or those having an employment contract relation with the company as a commercial agent with limited powers or as other merchant assistants. The duties and authorizations of these assignees are clearly expressed in the internal directive which is to be prepared pursuant to the Turkish Commercial Code. In that case, registration and announcement of the internal directive is a must. Commercial agents and other merchant assistants cannot be assigned by way of internal directives. The commercial agents and other merchant assistants authorized pursuant to this item are also registered and announced in the trade registry. The board of directors shall be severally liable for any damages the company or third persons will suffer because of these people.

The relevant legislation in force shall be applied in respect of the formation and working principles of the committees that are required to be established by the Board of Directors as per Capital Market Law, corporate governance regulations of Capital Markets Board, Turkish Commercial Code and relevant legislation and their relations with Board of Directors.

Board of directors shall form an “Audit Committee”, “Early Detection of Risk Committee” “Corporate Governance Committee”, “Nomination Committee, Compensation Committee” in order to fulfill its duties and responsibilities in a reliable way. However, in case that a separate nomination committee and compensation committee cannot be established due to the

structure of the board of directors, corporate governance committee shall fulfill the duties of such committees.

Duties, working principles and the members of the committee shall be determined by the board of directors and disclosed to public.

All members of the Audit committee and the chairmans of the other committees are required to be elected from the independent members.

Article 9– Resolutions of the Board of Directors:

The Board of Directors makes its resolutions in the meetings convened upon the chairman's invitation. The chairman calls the Board of Directors for meeting upon the reasoned written request of one of the members.

The Board of Directors is invited to the meeting by way of letter or telegram. The invitation includes the meeting agenda.

The members not attending the meeting may vote by way of letters. Votes given in this way are taken into account in determining the number of votes required for the resolution.

Board meetings may be held at any place to be determined by the Board of Directors and at the required intervals.

Those who are entitled to attend the meetings of the company board of directors may do so in the electronic environment pursuant to article 1527 of the Turkish Commercial Code. The company may either establish an Electronic Meeting System that allows the right holders to attend these meetings in the electronic environment according to the provisions of the Declaration about the Commercial Company Meetings in the Electronic Environment Except for the General Assemblies of Incorporated Companies or purchase services from the already existing systems established for this purpose. During the meetings, the right holders are enabled to exercise their rights granted by the related legislation within the framework stated in the declaration either by means of the system established pursuant to this provision of the articles of association or by means of the outsourced support system.

Without prejudice to the regulations about the Board meetings to be conducted in the electronic environment, the Board of Directors may also make resolutions by way of distributing a written Board resolution among the members pursuant to the related article of the Turkish Commercial Code, without actually convening a meeting. The Board of Directors may also hold a meeting by way of using technological facilities such as video conference or teleconference, without coming physically together; however, the resolutions made in such meetings must then be signed by hand.

The majority of the board members must be present at the board meetings and votes of the majority of participants are required to make resolutions. This rule applies also when the meeting is held electronically or when the resolution is made without an actual meeting.

The Corporate Management Principles stipulated by the Capital Market Board must be observed. Any transaction performed and any resolution made without observing the mandatory principles is considered invalid and in violation of the articles of incorporation.

Transactions of importance for the application of Corporate Management Principles, all kinds of related party procedures of the company and the procedures of giving guarantees, mortgages and liens in favor of third persons are governed by the corporate management regulations of the Capital Markets Board.

Article 10 – Auditors:

Company audits and the audits of other issues stipulated by the Turkish Commercial Code, the capital market regulation and any other legislation are governed by the related provisions in the Turkish Commercial Code and the Capital Market Regulation.

Article 11 – General Assembly: General Assembly of company shareholders may have ordinary and extraordinary meetings.

General Assemblies are governed by the following principles.

- a) **Time of Meeting:** The ordinary General Assembly is held within 3 months following the fiscal year of the company. General Assembly may convene extraordinarily, if necessary.
- b) **Method of Calling:** The notifications in respect of the Ordinary and Extraordinary General Assemblies shall be made in accordance with TCC and Capital Market regulations.
- c) **Meeting Place:** General Assemblies may be held at company headquarters; or at any other address within the boundaries of Bursa or İstanbul provinces.
- d) **Attending the General Assembly in electronic environment:** Those who are entitled to attend the general assemblies of the company may do so in the electronic environment pursuant to article 1527 of the Turkish Commercial Code. The company may either establish an electronic General Assembly system that allows the right holders to attend General Assemblies in the electronic environment, to express their views, to make suggestions and to give votes according to the provisions of the Regulation about the General Assemblies of Incorporated Companies in the Electronic Environment or purchase services from the already existing systems established for this purpose. In all General Assemblies, the right holders and their representatives must be able to exercise their rights granted by the said provisions of the regulation by means of the system established pursuant to this provision of the articles of association.
- e) **Voting Right and Representation:** Each share gives its holder a voting right. The articles of Turkish Commercial Code, Capital Market Law and other relevant regulations shall be complied with while voting. Shareholders may exercise their voting rights by either attending the General Assemblies personally or authorizing a third person, regardless of being a shareholder or not, as their representative. Regulations of the Capital Market Board about voting by proxy are reserved.
- f) **The quorum for Meeting and Resolving:** Without prejudice to the heavier quorums stipulated by the Articles of Incorporation, the Turkish Commercial Code and Capital Market Board regulations, meeting quorum means the representation of more than half of the company capital. Resolutions are made by the majority of votes in the meetings.
- g) **Voting:** In General Assemblies, open voting is the rule. Secret voting may be preferred if requested by at least 10% of the meeting participants.

- h) Meeting Management:** The General Assembly appoints a chairman to preside the meeting, a clerk to keep the meeting minutes and a vote collector to count the votes.

Article 12 – Authorizations of the General Assembly:

The general assembly makes resolutions in those cases expressly stipulated in the law and the articles of incorporation. Without prejudice to the legally nontransferable duties and authorizations of the General Assembly, the following duties and authorizations are not transferable either:

The execution of the following activities depends on the prior or consequent approval or consent of the General Assembly.

- 1- The annual investment and financing plan prepared by the Board of Directors;
- 2- Purchasing and selling immovable properties and establishing mortgage on company real estates;
- 3- Establishing branches and partnerships (sub-branches) and acquiring or selling subsidiaries,
- 4- Moving on to new areas of production

The amendment of Articles of Association shall be resolved by the General Assembly called in accordance with the Law and provisions of this Articles of Association after the required approvals of Capital Markets Board and Ministry of Customs and Trade are obtained as per Turkish Commercial Code, Capital Markets Board regulations and provisions of the Articles of Association. These amendments are registered in the Trade Registry and announced in the Turkish Trade Registry Gazette. The amendments to the articles of association shall be effective after being registered against third parties.

Article 13 – Notification to the Ministry and Appointment of Representative

In order to have a Ministry Representative present in the General Assemblies, the application must be made to the Ministry of Customs and Trade under the conditions and within the period pursuant to the Turkish Commercial Code the other legislation.

Article 14 – Financial Year:

The company financial year starts on January 1 and ends on December 31 of the same year.

Article 15 – Profit Distribution and Legal Reserves:

The net profit of the period indicated in the balance sheet, which is the remainder when the company's mandatory expenses such as the overall expenses and various amortizations as well as any mandatory taxes to be paid by the legal entity and any losses from the previous year are deducted from the income calculated at the end of the financial year, is distributed in the following order.

General Legal Reserves:

- a) 5% of the profit is reserved for the general legal reserves until its amount reaches twenty percent of the paid capital,

First Dividend:

- b) The first dividend is reserved from the remaining profit after addition of the donations made within the year, in line with the Turkish Commercial Code and the Capital Market regulation and the profit distribution policy of our company.
- c) After the above reductions are made, the General Assembly has the right to decide to distribute the profit share to members of the board of directors, partnership employees.

Second Dividend:

- d) The General Assembly is authorized to distribute as the second dividend, in whole or in part, what remains after the amounts mentioned in paragraphs (a), (b) and c) are deducted from the net profit of the period or to set aside as the legal reserve upon the company's request as per article 521 of Turkish Commercial Code.

General Legal Reserves:

- e) For the part reserved for distribution among shareholders and profit sharers, first a premium equal to 5% of the paid capital is deducted and then ten percent of the balance is saved as a secondary legal reserve pursuant to the sub clause two of article 519 of the Turkish Commercial Code.
- f) No other reserves may be saved before the legal reserves are spared and the dividends are distributed to the shareholders according to the articles of incorporation and profit distribution policy, no profits may be transferred to the following year and no dividends may be given to board members and partnership employees and these people may not be entitled to receive any dividends before the stipulated dividends are paid in cash.
- g) The dividend is distributed equally among all of the current shares, regardless of their date of issue or acquisition, as of the date of distribution.
- h) The manner and time of the profit distribution are decided by the General Assembly upon the request of the Board of Directors in line with the Capital Market regulation.
- i) Advance dividends in cash may be distributed in consideration of the profits shown in the intermediate financial statements prepared for periods of 3, 6 and 9 months in accordance with the Capital Market regulation and audited by independent limited auditors. Related principles in the Capital Markets regulation apply to the distribution of advance dividends.
- j) The resolution of the General Assembly in respect of the profit distribution as per this articles of association cannot be withdrawn.

Article 16- Liquidation of Company:

Company liquidation is carried out according to Turkish Laws.

Article 17- Announcements:

The legally obligatory announcements of the company are published in the Turkish Trade Registry Gazette and in the other channels stipulated by the provisions of the Turkish Commercial Code, Capital Markets Law and Capital Markets Board declarations.

Article 18- Miscellaneous Provisions:

The matters not expressly addressed in these Articles of Association are governed by the Capital Market Law, Turkish Commercial Code and the provisions of the related legislation.