

# TÜRK HAVA YOLLARI ANONİM ORTAKLIĞI

## ARTICLES OF ASSOCIATION AMENDMENT TEXT

CURRENT TEXT	REVISED TEXT
<p><b>SHARE CAPITAL AND SHARE CERTIFICATES</b></p> <p><b>ARTICLE 6</b> The Company has adopted the registered share capital regime pursuant to the provisions of Capital Market Law No: 2499 and is applying this regime according to the permission of the Capital Market Board dated 26.10.1990 No: 815.</p> <p>a. Authorized Share Capital:</p> <p>The authorized capital of the Company is <b>5.000.000.000.- (five billion)</b> Turkish Lira. This authorized capital is divided into <b>500.000.000.000 (five hundred billion)</b> shares, each with the nominal value of 1 Kuruş (one kuruş).</p> <p>b. Issued Share Capital and Share Certificates:</p> <p>The issued share capital of the Company is 1.380.000.000.- (one billion three hundred eighty million) Turkish Lira divided into 138.000.000.000.- (one hundred thirtyeight billion) shares each with the nominal value of 1 Kuruş (one kuruş) and is completely paid.</p> <p>The permit provided by the Capital Market Board for the authorized capital ceiling is valid for the years <b>2020-2024</b> (5 years).</p> <p>In the period ended 2024, even if the authorized capital ceiling levels are not attained, in order for the Board of Directors to take capital increase decision for the period after 2024, the Board of Directors must get authorization for a new period at the General Assembly that will be held after permission of Capital Market Board for a previously approved ceiling level or a new level. <b><del>In case the Company doesn't get such an authorization, the Company will be considered as signed out from the authorized capital system.</del></b></p> <p>From <b>2020</b> to 2024, The Board of Directors is authorized to increase the issued capital when necessary by issuing registered share certificates up to the authorized capital ceiling, in compliance with the provisions of Capital Market Law.</p> <p>The shares that represent the capital are being tracked within the frame of dematerialization principles.</p>	<p><b>SHARE CAPITAL AND SHARE CERTIFICATES</b></p> <p><b>ARTICLE 6</b> The Company has adopted the registered share capital regime pursuant to the provisions of Capital Market Law No: 2499 and is applying this regime according to the permission of the Capital Market Board dated 26.10.1990 No: 815.</p> <p>a. Authorized Share Capital:</p> <p>The authorized capital of the Company is <b>10.000.000.000.- (ten billion)</b> Turkish Lira. This authorized capital is divided into <b>1.000.000.000.000 (one trillion)</b> shares, each with the nominal value of 1 Kuruş (one kuruş).</p> <p>b. Issued Share Capital and Share Certificates:</p> <p>The issued share capital of the Company is 1.380.000.000.- (one billion three hundred eighty million) Turkish Lira divided into 138.000.000.000.- (one hundred thirty-eight billion) shares each with the nominal value of 1 Kuruş (one kuruş) and is completely paid.</p> <p>The permit provided by the Capital Market Board for the authorized capital ceiling is valid for the years <b>2025-2029</b> (5 years).</p> <p>In the period ended 2029, even if the authorized capital ceiling levels are not attained, in order for the Board of Directors to take capital increase decision for the period after 2029, the Board of Directors must get authorization for a new period at the General Assembly that will be held after permission of Capital Market Board for a previously approved ceiling level or a new level.</p> <p>From <b>2025</b> to 2029, The Board of Directors is authorized to increase the issued capital when necessary by issuing registered share certificates up to the authorized capital ceiling, in compliance with the provisions of Capital Market Law.</p> <p>The shares that represent the capital are being tracked within the frame of dematerialization principles.</p>

Shares are separated into two groups and all of them are registered.

By taking into consideration the rules of Capital Market Board and upon consent of the Capital Market Board, the “nature of foreigner” as indicated in paragraph 6(d) below and the limitations incidental thereto and the rights granted to the Company in case of share transfers exceeding the foreign limit not complying with the provisions of the Articles of Association will be denoted on the share certificates issued to represent the share capital.

Below are the shares of the share groups in the issued share capital of the Company:

Group: A  
Amount of Capital (TL):1.379.999.999,99  
Type: Registered  
Amount of Shares: 137.999.999.999

Group: C  
Amount of Capital (TL): 0,01  
Type: Registered  
Amount of Shares: 1

Total Capital (TL): 1.380.000.000,00  
Total Amount of Shares: 138.000.000.000

Group C share is owned by ~~Prime Ministry~~, the Directorate of Privatization Administration, or in case such duties are transferred by the ~~Prime Ministry~~ the Directorate of Privatization Administration then the transferee institution. Privileges granted to the Group C Share in this Articles of Association, will continue to apply as long as ~~Prime Ministry~~, the Directorate of Privatization Administration or in case such duties are transferred by ~~the Prime Ministry~~, the Directorate of Privatization Administration, then the transferee institution holds this Group C share.

In the event of cancellation of the privilege granted to Group C share in this Articles of Association, then Group C share will convert to a Group A share. Upon such conversion of the Group C share to a Group A share, then the right “to nominate a Board Member” granted in Article 10 of this Articles of Association to Group C, will pass to the shareholders holding Group A shares.

c. Preferential Purchase Option:

The Board of Directors is entitled to issue premium shares in compliance with the provisions indicated in Article 8. Unless limited with the authorized board of the Company, the shareholders will participate the capital increase in proportion to the shares held by them and will

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Below are the shares of the share groups in the issued share capital of the Company:

Group: A  
Amount of Capital (TRY):1.379.999.999,99  
Type: Registered  
Number of Shares: 137.999.999.999

Group: C  
Amount of Capital (TRY): 0,01  
Type: Registered  
Number of Shares: 1

Total Capital (TL): 1.380.000.000,00  
Total Number of Shares: 138.000.000.000

Group C share is owned by the **The Republic of Türkiye Ministry of Treasury and Finance Privatization Administration, (hereinafter referred to as the “Directorate of Privatization Administration”)** or in case such duties are transferred by the Directorate of Privatization Administration then the transferee institution. Privileges granted to the Group C Share in this Articles of Association, will continue to apply as long as the Directorate of Privatization Administration or in case such duties are transferred by the Directorate of Privatization Administration, then the transferee institution holds this Group C share.

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c. Preferential Purchase Option:

The Board of Directors is entitled to issue premium shares in compliance with the provisions indicated in Article 8. Unless limited with the authorized board of the Company, the shareholders will participate the capital increase

have the preferential option to purchase the shares issued under their group. Group C will not participate in the capital increase with a preferential purchase option.

#### d. Shareholders Nature

The shares held by the foreigner shareholders may not exceed 40 % of the issued share capital of the Company. In calculating the rates of the shares held by the foreigner shareholders, the rate of foreign shareholding in the shares held by the shareholder holding Group A shares which are not open for public will be taken into consideration as well.

Foreign shareholder shall mean:

- foreign natural or legal persons;
- Turkish companies, share capital of over 49 % of which are owned by foreigners;
- Turkish companies in which majority members of administrative and representative boards are not Turkish citizens and in which majority votes are not on Turkish partners according to their articles of associations;
- Turkish companies under actual control of the aforementioned.

In order to ensure that the aforementioned share rate limitations on the foreigner partners will be complied with the provisions of the Articles of Association, the Company will use separate parts for foreign shareholders in registering the shareholders and their related share rates in the Share Register.

It is obligatory to promptly notify the Company of any share purchase and sale reaching to 1 % of the issued share capital of the Company. Moreover, the shareholders who have reached or exceeded the maximum foreign shareholding rates as indicated in this Articles of Association, are obliged to promptly notify the Company as they become aware of this. The purpose of such notification is to follow the foreigner element and remarkable share movements and to ensure the Board of Directors to perform its powers based on these, and only notification will not result with the nature of being a shareholder unless registered in the Share Register, and only the records in the Share Register will be relied on in such cases.

In cases where it is understood through the notifications or through other means that the total shares held by the foreigner shareholders have exceed 40 % of the issued share capital of the Company, then the Board of Directors will be under the obligation, to promptly notify the related shareholders lately within 7 (seven) days, starting from the latest share transfer, to dispose of the shares which exceed the foreign shareholding limit, in amounts and rates to be in conformity to

in proportion to the shares held by them and will have the preferential option to purchase the shares issued under their group. Group C will not participate in the capital increase with a preferential purchase option.

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In cases where it is understood through the notifications or through other means that the total shares held by the foreigner shareholders have exceeded 40 % of the issued share capital of the Company, then the Board of Directors will be under the obligation, to promptly notify the related shareholders at the latest within 7 (seven) days, starting from the latest share transfer, to dispose

the foreign shareholding limit and otherwise the Company will be entitled to apply any of the measures indicated below. The foreign shareholder to whom the notice to dispose of its exceeding shares has been served, will be under the obligation to sell such shares which have caused the foreign shareholding limit to be exceeded, to a person who is not included in the foreign shareholder definition in this Articles of Association, within the period stated in the notice. In case such shares are not disposed despite the notification, then the Board of Directors will be under the obligation to meet in 3 (three) days and to take a resolution to cover the measures indicated below in regard to the shares exceeding the limit.

(i) To redeem with the nominal value, the shares held by the foreign shareholder which has caused the foreign shareholding limit to be exceed, through decreasing the share capital; with this purpose, the Company will first notify the shareholder who has exceed the foreign shareholding limit that his shares will be redeemed. In case such a notice may not be served then the fact will be announced in two newspapers published at the place where the head office of the Company is located. Expenses related with such redemption, will be collected from the shareholder who has caused the redemption, through deduction from the redemption amount.

(ii) In cases where the total share rate of the foreign shareholder is over the limit indicated in this Articles of Association, then the Board of Directors will be entitled to increase the share capital in order to reduce the rate of the shares exceeding the limit. In this case, new shares may be issued by limiting the preferential purchase options of the existing shareholders according to the rules of the Capital Market Board.

In cases where the foreign shareholding limit as indicated in this Article is exceed, the Board of Directors will be entitled to resolve about the method to apply firstly to reduce the share rates to the limits permitted.

#### **INCREASE AND DECREASE IN THE SHARE CAPITAL**

##### **ARTICLE 8**

Whenever required the share capital of the Company may be increased or decreased in conformity with the provisions of Turkish Commercial Code and Capital Market Law.

Whenever deemed required, the Board of Directors will be entitled, in compliance with the provisions of Capital Market Law to increase the

of the shares which exceed the foreign shareholding limit, in amounts and rates that comply with the foreign shareholding limit and in the event of non-compliance, the Company will be entitled to apply any of the measures indicated below. The foreign shareholder who has been served with the notice to dispose of its excess shares, will be under the obligation to sell such shares that have caused the foreign shareholding limit to be exceeded, to a person who is not included in the foreign shareholder definition in this Articles of Association, within the period stated in the notice. In case such shares are not disposed of despite the notification, then the Board of Directors will be under the obligation to meet within 3 (three) days and to take a resolution regarding the measures indicated below in regard for the shares exceeding the limit.

(i) To redeem with the nominal value, the shares held by the foreign shareholder which has caused the foreign shareholding limit to be exceed, through decreasing the share capital; with this purpose, the Company will first notify the shareholder who has exceed the foreign shareholding limit that his shares will be redeemed. In case such a notice may not be served then the fact will be announced in two newspapers published at the place where the head office of the Company is located. Expenses related with such redemption, will be collected from the shareholder who has caused the redemption, through deduction from the redemption amount.

(ii) In cases where the total share rate of the foreign shareholder is over the limit indicated in this Articles of Association, then the Board of Directors will be entitled to increase the share capital in order to reduce the rate of the shares exceeding the limit. In this case, new shares may be issued by limiting the preferential purchase options of the existing shareholders according to the rules of the Capital Market Board.

In cases where the foreign shareholding limit as indicated in this Article is exceed, the Board of Directors will be entitled to resolve about the method to apply firstly to reduce the share rates to the limits permitted.

#### **INCREASE AND DECREASE IN THE SHARE CAPITAL**

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Whenever deemed required, the Board of Directors will be entitled, in compliance with the provisions of Capital Market Law to increase the

<p>share capital by issuing new share certificates up to the registered share capital limit and to take resolutions to limit the new share purchase rights of the shareholders and to issue premium shares. New shares may not be issued unless the share certificates already issued are totally sold and their amounts are totally paid. <del>It is obligatory to indicate the issued share capital of the Company on the documents covering the trade name of the Company.</del></p>	<p>share capital by issuing new share certificates up to the registered share capital limit and to take resolutions to limit the new share purchase rights of the shareholders and to issue premium shares. New shares may not be issued unless the share certificates already issued are totally sold and their amounts are totally paid.</p>
<p><b>QUALIFICATIONS AND CONDITIONS REQUIRED FOR ELECTION OF THE BOARD MEMBERS</b></p> <p><b>ARTICLE 11</b>  In order to be able to get elected as a Board member, these persons are required not be placed under guardianship or curatorship, not to have gone under bankruptcy personally or the company managed by such person, not to have gone under incapability, <del>not to have been convicted for shameful offences</del> or offences indicated in Civil Aviation Law, <del>must be a shareholder of the Company</del> and must possess qualifications required by the Turkish Commercial Code, Capital Markets Law and relevant legislation. <del>In the event of election of a person who is not actually a shareholder, such person may start his/her office only after becoming a shareholder.</del></p> <p>The Shareholders Assembly may give permissions for cases covered in Articles 395 and 396 of Turkish Commercial Code.</p> <p>It is a requirement that minimum six members of the Board, including the members representing Group C shares, will be Turkish citizens.</p>	<p><b>QUALIFICATIONS AND CONDITIONS REQUIRED FOR ELECTION OF THE BOARD MEMBERS</b></p> <p><b>ARTICLE 11</b>  In order to be able to get elected as a Board member, these persons are required not be placed under guardianship or curatorship, not to have gone under bankruptcy personally or the company managed by such person, not to have gone under incapability, not to have been convicted for offences indicated in <u>Capital Markets Law, Banking Law, Law On the Prevention of The Financing of Terrorism</u> and Civil Aviation Law and must possess qualifications required by the Turkish Commercial Code, Capital Markets Law and relevant legislation.</p> <p>The Shareholders Assembly may give permissions for cases covered in Articles 395 and 396 of Turkish Commercial Code.</p> <p>It is a requirement that minimum six members of the Board, including the members representing Group C shares, will be Turkish citizens.</p>
<p><b>DUTIES AND POWERS OF THE BOARD OF DIRECTORS</b></p> <p><b>ARTICLE 15</b>  The Board of Directors is the representative <del>and administrative</del> body of the Company. The Board of Directors <del>is entrusted with all duties, excluding those entrusted to the Shareholders Assembly by law and Articles of Association, and is entitled with all powers incidental to such duties.</del></p> <p><del>Pursuant the provisions of Article 367 and 370 of Turkish Commercial Code, the Board of Directors may delegate, totally or partially, such administration and representation powers to one or more members, to the president, executive vice president, manager(s) who are not Board members and</del></p>	<p><b>DUTIES AND POWERS OF THE BOARD OF DIRECTORS</b></p> <p><b>ARTICLE 15</b>  The Board of Directors is the <u>administrative and representative</u> body of the Company. <u>In accordance with the Turkish Commercial Code, the Capital Markets Law, relevant legislation and the Articles of Association, the Board of Directors is authorized to make decisions on all matters necessary for achieving the business objectives of the Company, except for those matters reserved for the authority of the General Assembly.</u></p> <p><u>Without prejudice to Article 375 of the Turkish Commercial Code, the Board of Directors may delegate its management and representation powers, in whole or in part, to one or more Board members, committees established within the Company, and/or managers of the Company who are not members of the Board,</u></p>

<p><del>may establish executive committees among members or non-member persons for the execution of such powers. However, the powers cannot be delegated by the Board of Directors in matters in which Group C is privileged.</del></p> <p>The Board of Directors may establish committees in accordance with the Turkish Commercial Code, Capital Markets Legislation <del>and the relevant legislation and prepare an internal directive in accordance with Article 367/1 of the Turkish Commercial Code.</del></p> <p>All financial and other information required for the Board members to perform their duties and Board of Directors proposals and their enclosures will be submitted in due time.</p>	<p><u>within the scope of Articles 367 to 371 of the Law. The Board of Directors may issue internal directives in accordance with Article 367 of the Turkish Commercial Code.</u></p> <p>The powers cannot be delegated by the Board of Directors in matters in which Group C is privileged.</p> <p>The Board of Directors may establish committees in accordance with the Turkish Commercial Code and Capital Markets Legislation.</p> <p>All financial and other information required for the Board members to perform their duties and Board of Directors proposals and their enclosures will be submitted in due time.</p>
<p><b>DOCUMENTS TO BE SUBMITTED</b></p> <p><b>ARTICLE 34</b>  <del>Three copies of the Reports of the Board of Directors and the Auditors, balance sheet, loss and profit statements, minutes of the Shareholders Assembly meeting signed by the government commissary and the attendance list will be submitted to the Ministry of Customs and Trade within one month following the meeting date.,</del></p> <p><del>The financial statements and reports required by the Capital Market Board and, if independent auditing is required then the independent audit report, will be submitted to the Capital Market Board and announced to the public in accordance with the procedures and principles determined by the Capital Market Board.</del></p>	<p><b>DOCUMENTS TO BE SUBMITTED</b></p> <p><b>ARTICLE 34</b>  <u>Removed.</u></p>
<p><b>DETERMINATION AND DISTRIBUTION OF PROFIT</b></p> <p><b>MADDE 36</b>  The net profit, as indicated in the annual balance sheet, found after deducting from the revenue of the Company, the amounts required to be paid or reserved by the Company like general expenses and various depreciations and the taxes required to be paid by the Company, following the deduction of the losses of the past years, will be distributed in the following priority, by complying with the Capital Market regulations:</p> <p>a) Legal reserve fund in the <del>rate of 5 %</del> will be reserved.</p> <p>b) First dividend in the rate and amount <del>as determined by Capital Market Board</del> will be deducted from the balance.</p> <p>c) After deducting from the net profit the amounts indicated in clauses (a) and (b) above, the Shareholders Assembly will be entitled to</p>	<p><b>DETERMINATION AND DISTRIBUTION OF PROFIT</b></p> <p><b>ARTICLE 36</b>  The net profit, as indicated in the annual balance sheet, found after deducting from the revenue of the Company, the amounts required to be paid or reserved by the Company like general expenses and various depreciations and the taxes required to be paid by the Company, following the deduction of the losses of the past years, will be distributed in the following priority, by complying with the Capital Market regulations:</p> <p>a) <u>A legal reserve fund will be allocated at the rate specified by law.</u></p> <p>b) <u>From the remaining amount, the first dividend will be allocated</u> at the rate and amount <u>approved by the General Assembly.</u></p> <p>c) After deducting the amounts specified in sections "a" and "b" from the net profit, the</p>

<p>resolve either to distribute as second dividend or to reserve as extraordinary reserve fund, the entire or any portion of the balance.</p> <p>d) Second reserve fund will be reserved according to Article 519, paragraph 2, clause c of Turkish Commercial Code in the rate of one tenth of the amount found after deducting the profit share in the rate of 5 % of the issued share capital from the amount resolved to be distributed to the shareholders and those entitled to participate the profit.</p> <p>e) Unless legal reserves required by law and the first dividend determined in the Articles of Association for the shareholders are reserved, no resolution may be adopted to reserve other reserve funds, to transfer profit to the coming year, and unless first dividend is paid in cash and/or in share certificates, <del>no resolution may be adopted to</del> distribute profit to the privileged shareholders in profit distribution, to the holders of participation, founder and ordinary interest certificates, to the members of the Board and officers, employees and workers, to the trusts established for various purposes and similar persons and/or institutions.</p>	<p>General Assembly is authorized to distribute the remaining amount, in whole or in part, as a second dividend or to allocate it as an extraordinary reserve.</p> <p>d) Second reserve fund will be reserved according to Article 519, paragraph 2, clause c of Turkish Commercial Code in the rate of one tenth of the amount found after deducting the profit share in the rate of 5 % of the issued share capital from the amount resolved to be distributed to the shareholders and those entitled to participate the profit.</p> <p>e) Unless the legal reserves required by law and the first dividend determined in the Articles of Association for the shareholders are allocated, no resolution may be adopted to allocate other reserve funds or to transfer profit to the following year. . Unless the first dividend is paid in cash and/or in share certificates, <u>no profit distribution may be made to</u> privileged shareholders, to the holders of founder and beneficial interest certificate, to the members of the Board of Directors, officers, employees, and workers, or to trusts established for various purposes and similar persons and/or institutions.</p> <p><u>The Company may distribute dividend advances to shareholders within the framework of Capital Markets regulations. In order to distribute dividend advance, the Board of Directors must be authorized by a General Assembly resolution, limited to the relevant year.</u></p>
<p><b>TIME AND FORM OF PAYMENT OF THE PROFIT</b></p> <p><b>MADDE 38</b> Shareholders Assembly will <del>determine</del> the time and form of the payment of the profit, <del>by taking into consideration the Bulletins</del> of the Capital Market Board.</p>	<p><b>TIME AND FORM OF PAYMENT OF THE PROFIT</b></p> <p><b>ARTICLE 38</b> The time and method of dividend payments shall be resolved by the General Assembly upon the proposal of the Board of Directors, <u>taking into consideration regulation of the Capital Market Board.</u></p>
<p><b>PROVISIONAL ARTICLE 1</b></p> <p><del>In accordance with the new code “The Law on the amendment to the Turkish Commercial Code” numbered 5274, nominal value of a share is changed to 1 New Kurus, previously a nominal value of TL1,000.</del></p> <p><del>Therefore, 10 shares each with a nominal value of TL 1,000 will be replaced by new shares with a nominal value of 1 New Kurus. In relation to the replacement, shareholders’ existing rights due to the ownership continue to exist.</del></p> <p><del>The replacement process will be initiated by the Board of Directors, in line with the</del></p>	<p><b>PROVISIONAL ARTICLE 1</b> <u>Removed.</u></p>

<b>regulations that will be put in place with the new registry system of the capital market instrument.</b>	
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