

**MİGROS TİCARET A.Ş.**  
**INFORMATION DOCUMENT**  
**ORDINARY GENERAL ASSEMBLY MEETING, DATED SEPTEMBER 25, 2013 FOR**  
**EXAMINING ACTIVITIES OF THE YEAR 2012**

The Ordinary General Assembly Meeting of our Company will be held at 11:00 a.m on September 25, 2013., at the Migros Ticaret A.Ş. Head Office, Atatürk Mahallesi Turgut Özal Bulvarı No:7 34758 Ataşehir / Istanbul to examine activities of 2012, to deliberate the below-mentioned agenda and reach at a decision thereupon.

Provided that the rights and obligations of those shareholders who will be participating electronically are reserved, those of our shareholders, who will not be able to participate in the meeting in person, are required to issue their powers of attorney based on the following sample or obtain the sample power of attorney form from our Company Head Office or our company website at [www.migroskurumsal.com](http://www.migroskurumsal.com), fulfill the obligations stated in the notification of the Capital Markets Board Communiqué Series: IV No: 8 and submit their powers of attorney with their signatures certified by a Notary Public. It is not necessary for a proxy who has been appointed electronically over the Electronic General Assembly System to submit his/her power of attorney.

According to the fourth paragraph of article 415 of the New Turkish Commercial Code no 6102 and the first paragraph of article 30 of the Capital Markets Law no. 6362, the depositing of share certificates cannot be made into a condition of the right to participate and vote in a general assembly meeting. Within this context, if our shareholders wish to participate in the General Assembly meeting, there is no need for them to have their shares blocked. However, those shareholders who did not wish our Company to be notified of their identities and the information on the shares in their accounts and to whose information our Company has not access as a result are required to apply to the intermediary institution holding their accounts and have the "restriction" blocking notification of their identities and information on the shares in their accounts to our Company lifted at the latest by 16:30 on the day prior to the General Assembly meeting if they wish to participate in such General Assembly meeting.

Those of our shareholders who will be voting through the Electronic General Assembly System should obtain information from the Central Registry Agency (MKK), our Company's website at [www.migroskurumsal.com](http://www.migroskurumsal.com) or our Company's Head Office (Telephone: 0216 579 30 00) in order to be able to fulfill their obligations within the scope of the relevant Regulation and Communiqué.

Provided that the provisions on electronic voting are reserved, the voting on the Agenda of the General Assembly Meeting will be exercised in open voting by a show of hands. As stipulated in our Company's Articles of Association, none of the Company's shares enjoy privileged voting rights. All votes are equal. At the General Assembly, each shareholder possesses voting rights proportional to the nominal value of its shares.

Board of Directors and Auditors Reports, Independent Audit Reports and Balance Sheet and Income Statement for the year 2012 and the dividend distribution proposal are available for our shareholders' information in Migros Ticaret A.Ş. Head Office, Atatürk Mahallesi Turgut Özal Bulvarı No: 7 34758 Ataşehir / Istanbul, on the company website [www.migroskurumsal.com](http://www.migroskurumsal.com) and on the Central Registry Agency's Electronic General Assembly System 3 weeks prior to the meeting.

For the information of our Dear Shareholders.

Respectfully,

**Migros Ticaret A.Ş.**

## Additional Disclosures Pursuant to the Regulations of the Capital Markets Board

Of the additional disclosures which must be made pursuant to the “Communiqué on the Principles to be complied with by Joint Stock Companies subject to the Capital Markets Law”, Series IV, No. 41, and the “Communiqué Concerning the Establishment and Implementation of the Corporate Governance Principles”, Series IV, No. 56 of the Capital Markets Board, those pertaining to the issues in the agenda are made under the relevant agenda item and the general disclosures are made in this section for your information.

### 1. Shareholding Structure and Voting Right

The capital of the Company is TL 178,030,000 and has been divided into 17,803,000,000 shares each bearing a nominal value of Kr 1 (One Kr).

Every shareholder is entitled to one vote for each share of stock he/she holds at the General Assembly meetings; none of the Company's shares enjoy privileged voting rights.

Shareholder	Value of the Shares (TL)	Ratio of Capital (%)	Voting Right	Ratio of Voting Right (%)
MH Perakendecilik ve Ticaret A.Ş.	143,323,336	80.51	14,332,333,600	80.51
Other – Publicly Held	34,706,664	19.49	3,470,666,400	19.49
<b>Total</b>	<b>178,030,000</b>	<b>100.00</b>	<b>17,803,000,000</b>	<b>100.00</b>

### 2. Information Regarding Changes in Management and Operations that would have a Significant Impact on Corporate Activities of our Company and our Affiliates:

No changes were made in the management or operations of our Company or our affiliates in 2012 that would have a significant impact on our corporate activities.

### 3. Information about the Requests of the Shareholders, the Capital Market Board or the other Public Authorities for Inclusion of Issues in the Agenda:

No such request has been received for the Annual General Meeting where the activities in 2012 will be discussed.

**Migros Ticaret A.Ş. Agenda for the Ordinary  
General Assembly Meeting and Additional  
Explanations**

**Dated September 25, 2013**

1. Opening the meeting and electing the presiding committee; authorizing the presiding committee to sign the minutes of the annual general meeting,

**Explanation:** “The Chairman and Presiding Committee, who will preside over the general assembly meeting, will be elected in accordance with the provisions of the Turkish Commercial Code (TCC) and T.R. Ministry of Customs and Commerce regulation on the general assembly meetings of stock corporations (Regulation).

The meeting council that will conduct the General Assembly meeting will be elected in accordance with the provisions of the “Turkish Commercial Code no. 6102” (TCC) and the “the Regulation on the Principles and Procedures for the General Assembly Meetings of Joint Stock Corporations and the Customs and Commerce Ministry Representatives who will be Present at such Meetings” (“Regulation” or “General Assembly Regulation”).

2. Reading, deliberating, and voting on the statutory auditors’ report and on a summary of the independent auditor’s report submitted by the independent auditors DRT Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik AŞ (a member of Deloitte Touche Tohmatsu International), both concerning the company’s 2012 activities and accounts,

**Explanation:** A summary of the auditor’s report and independent auditors’ report, both of which are made available for examination by our shareholders at our Company’s head office, the company’s corporate website at [www.migroskurumsal.com](http://www.migroskurumsal.com) and the Electronic General Assembly Portal of the Central Registry Agency (“MKK”) for 3 weeks prior to the General Assembly Meeting as per the TCC, Regulation, Capital Markets Law and relevant regulatory framework, shall be read at the General Assembly and presented for the opinion and approval of our shareholders.

3. Reading, deliberating, and voting on the financial statements for 2012,

**Explanation:** Information shall be presented on the financial statements and statutory financial statements, all of which are made available for examination by our shareholders at our Company’s head office, the company’s corporate website at [www.migroskurumsal.com](http://www.migroskurumsal.com) and the Electronic General Assembly Portal of MKK for 3 weeks prior to the General Assembly meeting as per the TCC, Regulation, Capital Markets Law and relevant regulatory framework, and submitted for the opinion and approval of our shareholders.

4. Reading, deliberating, and voting on the Board of Directors’ report and the annual report, both concerning the company’s 2012 activities and accounts,

**Explanation:** Information shall be presented on the Board of Directors’ Report and Annual Report, both of which are made available for examination by our shareholders at our Company’s head office, the company’s corporate website at [www.migroskurumsal.com](http://www.migroskurumsal.com) and the Electronic General Assembly Portal of MKK for 3 weeks prior to the General Assembly meeting as per the TCC, Regulation, Capital Markets Law and relevant regulatory framework, submitted for the opinion and approval of our shareholders.

5 Individually releasing each of the members of the company's board of directors of their fiduciary responsibilities for the company's activities in 2012,

**Explanation:** Releasing each Board member individually with regard to any operations, activities and accounts with regard to 2012 within the framework of the provisions of the TCC and the Regulation shall be presented to the general assembly's approval. The curriculum vitae of the Board members are included under **Appendix-1**.

6. Individually releasing each of the members of the company's statutory auditors of their fiduciary responsibilities for the company's activities in 2012,

**Explanation:** Releasing each Auditor individually with regard to any operations, activities and accounts with regard to 2012 within the framework of the provisions of the TCC and the Regulation shall be presented to the general assembly's approval.

7. Approving, amending and approving, or rejecting the Board of Directors' proposal concerning distribution of 2012 profits and the date of their distribution,

**Explanation:** According to the 2012 consolidated financial statements prepared in accordance with the principles set forth in the Capital Markets Board Communiqué on the Profit Distribution of Companies the Shares of Which are Traded on the Istanbul Stock Exchange, Series, IV No 27, the provisions of our partnership's articles of association as well as the profit distribution policies disclosed by our Company to the public, the net profit for the period is TL 88,136,409. The possibility of setting the profit for the period aside as extraordinary reserves and not distributing any profit for the 2012 fiscal period shall be submitted to the approval of our shareholders during the General Assembly. Since the statutory threshold has been reached, there is no need to set aside any first legal reserves.

In order to strengthen our Company's existing balance sheet and to ensure healthier management of the cash flow in future years, profit distribution has not been proposed for this year. The plan is to use the profit for the period to meet any working capital requirements the Company may have in the following period as well as to finance new investment activities.

The table pertaining to the proposal concerning profit distribution has been included under **Appendix 2**. The subject matter was announced to the public on 29 August 2013 in a material event disclosure notice as well as being announced at our Company's head office, website on [www.migroskurumsal.com](http://www.migroskurumsal.com) and the MKK's Electronic General Assembly Portal for a period of 3 weeks prior to the General Assembly Meeting.

8. As required by Capital Markets Board regulations and by Corporate Governance Principles, providing information about the company's dividend payment policy in 2013 and the years that follow,

**Explanation:** Our Company's profit distribution policy, which can be found under **Appendix 3**, shall be submitted to the general assembly's information as per the requirements of the Capital Markets Board and the subject policy was announced to the public on 29 August 2013 in a material event disclosure notice as well as being announced at our Company's head office, website on [www.migroskurumsal.com](http://www.migroskurumsal.com) and the MKK's Electronic General Assembly Portal for a period of 3 weeks prior to the General Assembly Meeting.

9. Subject to the approval of the Capital Markets Board and the Ministry of Customs and Commerce and in the forms which have been approved, approving, amending and approving, or rejecting the Board of Directors' proposals concerning the following changes in the company's articles of association: amendment of the existing texts article 3 named "Purpose of Scope", article 5 named "Headquarters and Branches", article 7 named "Share Capital", article 8 named "Share Certificates", article 9 named "Issuance of shares", article 10 named "Issuance of Securities",

article 11 named "General Assembly Meetings", article 11/A named "Submitting the Minutes and its Appendices to the Ministry and the Capital Markets Board and the Announcement of the Minutes and its Appendices", article 12 named "Voting", article 13 named "Chairman's Panel", article named 14 "Meeting and Resolution Quorums", article 15 named "Commissar", article 16 named "Board of Directors", article 16/A named "Committees", article 17 named "Term of Office and Duties of the Board of Directors", article 18 named "Meeting of the Board of Directors", article 19 named " Meeting and Resolution Quorum of the board of Directors", article 20 named "Binding and Representing the Company", article 21 named "Remuneration of the Directors", article 23/A named "Financial Statements and Independent Audit", by changing the Article number as 22, article 25 named "Announcements" by changing the article number as 23, article 26 named "Amendments to the Articles of Association", by changing the Article number as 24, article 28 named "Distribution of Profit", by changing the Article number as 26, article 29 named "Date of Dividend Distribution", by changing the Article number as 27, article 30 named "Reserves", by changing the Article number as 28 and article 32 named "Legal Provisions", by changing the Article number as 30, of Articles of Association;

removing article 22 named "Auditors", article 23 named "Duties of the Auditors", article 24 named "Remuneration of Auditors", and article 33 named "Articles of Association to be delivered to the ministry" of Articles of Association;

changing the article number, without making any changes in the current contents, of article 27 named "Annual Accounts" to article 25, article 31 named "Dissolution and Liquidation of the Company" to article 29, article 34 named "The Competent Court" to article 31, and article 35 named "Compliance with Corporate Governance Principles" to article 32

**Explanation:** The permissions required from the Capital Markets Board and T.R. Ministry of Customs and Commerce for the Articles of Association Amendments, set forth in **Appendix 4** and which have been prepared to ensure that our Company's Articles of Association complies with the provisions of the Turkish Commercial Code no 6102 and Capital Markets Law no 6362. These permissions have been announced to the public on 23 July 2013 and 25 July 2013 as well as being announced at our Company's head office, website on [www.migroskurumsal.com](http://www.migroskurumsal.com) and the MKK's Electronic General Assembly Portal for a period of 3 weeks prior to the General Assembly Meeting. The subject articles of association amendments shall be submitted to the General Assembly's approval.

**10.** As required by Capital Markets Board regulations and Corporate Governance Principles, providing information about and voting on the company's director and senior manager remuneration policy as well as payments which have been made pursuant to that policy,

**Explanation:** As required under the Communiqué Series IV, No 56 of the Capital Markets Board, the principles for the remuneration of Board members and senior management have been put into writing by our Company. The remuneration policy prepared for this purpose may be found under **Appendix 5.**

**11.** Determining any financial compensation to be paid to the board of directors such as the gross monthly fees, attendance fees and bonuses,

**Explanation:** The gross monthly salaries of the Board members shall be determined within the framework of the principles set forth in the provisions of the TCC and Regulation as well as our articles of association.

Pursuant to the resolution passed in the Ordinary General Assembly of last year, Independent Board Members were paid a gross salary of TL 16,000 for every meeting at which they were present, while the other board members were not paid a monthly salary. The proposal to pay Independent Board Members a gross salary of TL 16,000 for every meeting at which they are present, and not to pay the other board members a monthly salary shall be presented to the General Assembly approval during the General Assembly Meeting to be held on 25 September 2013.



12. Approving, amending and approving, or rejecting the Board of Directors' "General assembly Internal Guidelines" setting forth rules to govern principles and procedures pertaining to company's general meetings,

**Explanation:** Pursuant to article 419(2) of the TCC, the Company's Board of Directors is required to prepare and submit to the approval of the first General Assembly "Internal Guidelines" pertaining to the working principles and procedures of the General Assembly that complies with the minimum elements set forth in article 41 of the General Assembly Regulation issued by the Ministry. The Internal Guidelines are registered and announced with the Trade Registry. The General Assembly Internal Guidelines, which may be found under **Appendix 6** and which have been approved by our Company's Board of Directors, shall be presented to the General Assembly's approval.

13. As required by Capital Markets Board regulations and Corporate Governance Principles, providing information about the company's disclosure policy,

**Explanation:** As required under the Capital Markets Board Communiqué Series: VIII, no 54, companies are required to prepare "Disclosure Policies" and add an item to the agenda to disclose information to the shareholders. Our Company's Disclosure Policy has been presented under **Appendix 7** as well as having been announced at our Company's head office, website on [www.migroskurumsal.com](http://www.migroskurumsal.com) and the MKK's Electronic General Assembly Portal for a period of 3 weeks prior to the General Assembly Meeting.

14. Providing information about the socially beneficial donations and assistance granted by the company to foundations and associations in 2012; determining an upper limit on donations and assistance to be granted in 2013 as required by Capital Markets Board regulations and the Articles of Association of the Company,

**Explanation:** According to article 7 of the Capital Markets Board Communiqué Series: IV, No: 27, all donations made during the year must be disclosed to the general assembly. The referred article is not concerned with the general assembly's approval and only serves the purpose of providing disclosure. Our Company has donated TL 650,553.69 to various organizations and foundations during 2012. Our company's Donation and Assistance Policy has been presented under **Appendix 8**.

Furthermore, the upper limit of the donations that may be made during 2013 will be determined by the general assembly as per paragraph 5 of article 19 of the Capital Markets Law no 6362.

15. Voting on the Board of Directors' selection, upon the recommendation of the Audit Committee, of the company's independent auditors as required by Communiqué on capital market independent auditing standards published by the Capital Markets Board and by the Turkish Commercial Code

**Explanation:** Upon the recommendation of the Audit Committee, the Board of Directors resolved to select DRT Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. (a Member of Deloitte Touche Tohmatsu International) as the auditor of our Company's 2013 annual report and accounts in its meeting of 28 March 2013 in accordance with the principles of the Communiqué on Independent Audits in the Capital Market as published by the Capital Markets Board and this selection shall be submitted to the General Assembly's approval.

16. As required by Capital Markets Board regulations, providing information about collateral, pledges, and mortgages granted by the company in favor of third parties in 2012,

**Explanation:** Pursuant to the Capital Markets Board Decision dated 9 September 2009 and numbered 28/780, information on any security, pledges, mortgagees and guarantees provided by the company as security for the debts/obligations of third parties in order to ensure the carrying out of the Company's ordinary commercial activities is provided under footnote 14 of our Financial Statements of 31 December 2012.

17. Under articles 395 and 396 of the Turkish Commercial Code and the regulations of the Capital Markets Board, authorizing; shareholders with management control, members of Board of Directors who are also shareholders, senior executives and their spouses and relatives related by blood and affinity up to the third degree, to enter into transactions with the Company or its subsidiaries; and also informing the shareholders regarding the transactions made with the related parties including these people in 2012 pursuant to the Corporate Governance Principles,

**Explanation:** Board Members may only conduct transactions falling within the scope of article 395 titled “Prohibition on Transacting with the Company, Becoming Indebted to the Company” and article 396 titled “Non-Compete” of the TCC, upon approval from the General Assembly. According to the Capital Markets Board’s mandatory Corporate Governance Principle no 1.3.7, in order for shareholders with management control, Board Members, senior managers and their spouses and relatives related by blood and affinity up to the second degree may only carry out transactions that could lead to a conflict of interest or compete with the company or its affiliates if approval is granted by the General Assembly in advance and such transactions must be disclosed to the General Assembly. In order to comply with such requirements, the possibility of granting such permission shall be submitted to the shareholders’ approval during the General Assembly and disclosures shall be made to our shareholders with regard to any transactions of such nature as have been conducted during the year. There have been no transactions of such nature during 2012.

18. Petitions.

**MİGROS TİCARET A.Ş.**

## PROXY STATEMENT

### TO THE GENERAL ASSEMBLY MEETING CHAIRMANSHIP OF MİGROS TİCARET ANONİM ŞİRKETİ,

I, the undersigned, hereby appoint and empower ..... as my proxy fully authorized to represent me / the Company, vote and make proposals and sign all the required documents on behalf of me / the Company in accordance with my / the Company's instructions written here-below at the Ordinary General Assembly Meeting of Shareholders of Migros Ticaret A.Ş. that will be held at the address of Atatürk Mahallesi Turgut Özal Bulvarı No:7 34758 Ataşehir / İstanbul at 11:00 a.m. on September 25, 2013 Wednesday.

#### A) SCOPE OF THE POWER OF REPRESENTATION

- a) The Proxy named above is authorized to vote on all the agenda items at his/her own discretion.
- b) The Proxy is authorized to vote on all the agenda items in accordance with the instructions given below.

Instructions: (Specific instructions can be inserted)

- c) The Proxy is authorized to vote on all the agenda items in line with the proposals of the Company's management.
- d) In respect of all other issues that may arise during the Meeting, the Proxy is authorized to vote in accordance with the following instructions. (If no instruction is given, the Proxy casts vote at his/her own discretion.)

Instructions: (Specific instructions can be inserted)

#### B) SHARE CERTIFICATES HELD BY THE SHAREHOLDER

- a) Quantity-Nominal Value;
- b) Privileged in Voting or Not;
- c) Bearer or Registered;

First name, surname or title of the shareholder:

Signature:

Address:

NB:

1. In Section (A), one of the options of (a), (b) or (c) will be selected and explanations should be given for the options (b) and (d).
2. The signature of the principal shareholder should be certified by a notary public. If the proxy is not notarized, circular of signatures certified by a notary is required as an attachment of the proxy.
3. Our foreign shareholders should submit to the headquarter of our company, the Turkish translations of their proxies which have been notarized by a notary public.



## **APPENDIX – 1 Resumes of the board members**

### **Fevzi Bülend Özaydınlı**

Born in 1949, F. Bülend Özaydınlı received his bachelor's degree from the American University of Beirut. He started his career at OYAK in 1972 where he held various senior management positions until 1987. Before leaving OYAK, Özaydınlı had served as Assistant General Manager of Associates for 8 years and held seats on the boards of directors of numerous companies. He joined the Koç Group in 1987.

After serving as Maret Assistant General Manager, F. Bülend Özaydınlı was the General Manager of Migros Türk T.A.Ş. for 10 years. He was appointed as the President of Koç Fiat (Tofaş) Division in 2000; in addition to that position, he was named the Deputy CEO of the Koç Group in 2001.

Having held the position of Koç Holding CEO from 2002 until May 2007, Özaydınlı served on the boards of directors of Koç Holding, Arçelik, Tofaş, Ford Otosan, Koç Finansal Hizmetler, Migros, Tüpraş and Türk Traktör companies, as well as Vehbi Koç Foundation.

F. Bülend Özaydınlı has been working as the Chairman of the Board at Migros since May 2008.

#### **External Positions Held**

Fevzi Bülent Özaydınlı, the Chairman of the Board at Migros, serves as the Chairman of the Board at Baracuda Su Ürünleri Sanayi ve Ticaret Anonim Şirketi.

### **Ömer Özgür Tort**

Born in 1973, Ömer Özgür Tort received his undergraduate degree in industrial engineering from İstanbul Technical University, upon which he went to US for graduate studies. He got his master's degree in engineering management from the University of Missouri in 1996.

He started his business life as an industrial engineer at Migros Türk T.A.Ş. in 1996, where he became International Investments Coordination Manager in 1998. In 2001, he assumed additional responsibility as CRM Applications Manager. Tort worked as Assistant General Manager of Sales and Marketing at Ramenka from 2002 to 2006, when he returned to Turkey and carried on with his career as Assistant General Manager of Human Resources at Migros Türk T.A.Ş.

Tort has been serving as the General Manager and a board member at Migros since August 2008.

#### **External Positions Held**

Ömer Özgür Tort also serves as the Chairman of the Board of Sanal Merkez Ticaret A.Ş., a subsidiary of Migros Ticaret A.Ş. He is also a board member at Trade Council of Shopping Centers and Retailers (in Turkish: AMPD).

### **Nicholas Stathopoulos**

Born in 1969, Nicholas Stathopoulos got his undergraduate degree in business administration from the University of Athens, followed by a graduate degree from the Harvard Business School.

He began his career in 1995 at the Boston Consulting Group (BCG), where he worked until 1998. Having been a partner at Apax Partners from 1998 until 2005, Stathopoulos has been serving as a managing partner at BC Partners since 2005.

Nicholas Stathopoulos has been a Board member at Migros since May 2008.

## **External Positions Held**

Nicholas Stathopoulos serves as the managing partner at BC Partners. He also holds seats on the boards of directors of Gruppo Coin SpA and Com Hem AB companies.

### **Stefano Ferraresi**

Born in 1972, Stefano Ferraresi received his undergraduate degree in business administration from Bocconi University in Italy, and his graduate degree from the Stockholm School of Economics.

Having started his business life at Barclays Capital, Ferraresi worked in the Finance Department at Merrill Lynch London office from 2000 to 2002. Ferraresi has been a director at BC Partners since 2002.

Stefano Ferraresi has been a Board member at Migros since May 2008.

## **External Positions Held**

Stefano Ferraresi functions as a director at BC Partners. He also holds a seat on the Board of Directors of Gruppo Coin SpA.

### **Giovanni Maria Cavallini**

Born in 1950, Giovanni Maria Cavallini got his bachelor's degree in civil engineering from Politecnico di Milano University in Italy and his master's degree from the Harvard Business School.

He began his career in 1978 at the Boston Consulting Group; from 1988 to 1994, he served as the CEO of Società Iniziative Commerciali, and as a member of the Board of Directors at Società Sviluppo Commerciale. He served as the Chairman of the Board at OBI Italy (Tengelmann Group) from 1994 to 1996, and has been the CEO and Chairman of the Board of Interpump Group S.p.A. since 1996.

Giovanni Maria Cavallini has been a Board member at Migros since 2009.

## **External Positions Held**

Giovanni Maria Cavallini serves as the CEO and Chairman of the Board of Interpump Group S.p.A. He also holds seats on the boards of directors of Ansaldo STS and Brembo S.p.A. companies.

### **Glen Allen Osmond**

Born in 1971, Glen Allen Osmond received his bachelor's degree in economics from the Brigham Young University, and his master's degree from the Kellogg School of Management.

He began his business life at Bain & Company in 1996, and worked at Kidd & Company in 2000 and 2001. Osmond worked for MESA Investment Advisory from 2003 to 2007, and he has been serving at State General Reserve Fund since 2012.

## **External Positions Held**

Glen Allen Osmond functions as an executive at State General Reserve Fund.

## **Independent Board Members**

### **Jacob Cornelio Adriano de Jonge**

Born in 1953, Jacob Cornelio Adriano de Jonge studied at the Department of Philosophy and Arts at the United States International University.

He began his career at Makro Brasil in 1977, where he held various positions in different countries. He left the company in 2003, when he was holding the position of CEO of Makro Thailand. Having served as the COO of Walmart from 2003 to 2005, Jonge was the CEO of De Bijenkorf from 2007 until 2012.

Jacob Cornelio Adriano de Jonge possesses the qualifications of an independent board member as per the CMB's Corporate Governance Principles. He is not related in whatsoever manner to Migros Ticaret A.Ş. and/or its related parties.

### **External Positions Held**

Jacob Cornelio Adriano de Jonge serves as the CEO of V&D BV company and as a member of the Advisory Board of Agri Holding BV company.

### **Tayfun Bayazıt**

Born in 1957, Tayfun Bayazıt got his bachelor's degree in mechanical engineering from the Southern Illinois University, followed by a master's degree from Columbia University.

Having started his career at Citibank in 1980, Bayazıt assumed various positions at Yapı Kredi Bank from 1982 until 1995 and left the bank when he was serving as Assistant General Manager. He functioned as the General Manager of Interbank from 1995 to 1996, and of Banque de Commerce et de Placements from 1996 to 1999. Having worked as Vice President at Doğan Holding from 1999 until 2001, Bayazıt was the CEO and a board member of Dışbank (2001-2005), Fortis Bank (2005-2007), and Yapı Kredi Bank (2007-2009). Having held the position of Managing Director at Yapı Kredi Bank from 2009 to 2011, Bayazıt has been serving as an advisor since 2011.

Tayfun Bayazıt possesses the qualifications of an independent board member as per the CMB's Corporate Governance Principles. He is not related in whatsoever manner to Migros Ticaret A.Ş. and/or its related parties.

### **External Positions Held**

Tayfun Bayazıt is a founding partner of Bayazıt Yönetim Danışmanlık Hizmetleri Ltd. Şti. He is an independent member on the boards of directors of Doğan Şirketler Grubu Holding A.Ş. and TAV Havalimanları Holding A.Ş. Serving as the country corporate officer at Marsh & McLennan Group, Turkey, Bayazıt holds seats on the boards of directors of Marsh Sigorta ve Reasürans Brokerliği A.Ş., Tam Faktoring A.Ş., Vector Yatırım A.Ş., Beşiktaş Gayrimenkul Geliştirme San. Ve Tic. Ltd. Şti., Bomonti Gayrimenkul Pazarlama İnşaat ve San. Tic. A.Ş. and Embarq, Turkey companies, and on the advisory board of Taaleritehdas Asset Management Ltd., Finland. He is also a faculty member at Koç University and the Vice President of the Board of Directors of TUSIAD (Turkish Industry and Business Association).

## **Hakkı Hasan Yılmaz**

Born in 1957, Hakkı Hasan Yılmaz got his bachelor's degree in industrial engineering from the Middle East Technical University.

He began his business life at Presiz Metal İmalat Sanayi and then worked as a market analyst at TAKSAN Takım Tezgahları A.Ş. and as a capital goods specialist at DPT (State Planning Organization) from 1981 to 1984. He assumed various positions at Unilever from 1984 until 1995, when he left the company while serving in the position of Regional Leader responsible for East Asia detergent business. He served as the Chairman and CEO of Uzay Gıda from 1995 to 1996. He was the Chairman and CEO of nine entities in Turkey, in which Unilever was the majority shareholder, from 1996 to 2000.

He taught at Koç University from 2000 to 2002, when he joined Koç Holding as President of Food, Retailing and Tourism. Since 2005, he has been lecturing at Koç University. He was a member of the Board of Directors of Migros from April 2002 until April 2006. He has been the CEO of Fenerbahçe Futbol A.Ş. since 8 January 2013.

Hakkı Hasan Yılmaz possesses the qualifications of an independent board member as per the CMB's Corporate Governance Principles. He is not related in whatsoever manner to Migros Ticaret A.Ş. and/or its related parties.

### **External Positions Held**

Serving in the position of CEO of Fenerbahçe Spor Kulübü ve Fenerbahçe Futbol A.Ş. since 8 January 2013, Hakkı Hasan Yılmaz holds a seat on the Board of Directors of Hürriyet Gazetecilik ve Matbaacılık A.Ş. and on the advisory board of Mudo A.Ş. He is also a faculty member at Koç University.

On 6 June 2012, each of the company's independent board members individually signed an independent board member's affidavit, the text of which is presented below, and submitted their affidavit to the company.

## Independent Board Members' Affidavit

To the Board of Directors of Migros Ticaret Anonim Şirketi ("the company"):

Owing to my having been proposed as a candidate for a seat as an independent board member on your company's Board of Directors at your company's general meeting to be held on 28 June 2012, I hereby declare and wish it to be known by all Company organs, shareholders, and other interested parties that I am a candidate to serve as an independent board member at the company within the framework of the company's articles of association and the criteria of the Capital Markets Board's Corporate Governance Principles and that I possess the qualifications to do so and furthermore:

a) That neither I, nor my spouse, nor any relative of mine whether by blood or by marriage unto the third degree, have, within the most recent five years, entered into any direct or indirect relationship involving employment, capital, or any commercial interest of a significant nature, with the company, or with any related parties of the company, or with any corporate entity whose shareholders control, whether directly or indirectly, a 5% or greater interest in the company's capital or management;

b) That within the most recent five years, I have neither been employed by nor served as a board member in any company, including companies involved in the company's auditing, rating, or consulting functions, which controls all or any part of the company's activities or organization within the framework of any agreement that has been entered into;

c) That within the most recent five years, I have been neither a partner, nor an employee, nor a board member in any firm which provides the company with substantial amounts of any products or services;

d) That no shareholding interest that I may have in the company amounts to more than 1% of the company's capital and that none of these shares entail any special rights;

e) That, as may be seen from my resume, I am possessed of the professional training, knowledge, and experience necessary to duly fulfill the duties I shall undertake as an independent member of the Board of Directors;

f) That, as of the date on which my candidacy for board membership was proposed and this affidavit is submitted, I am not a full-time employee of any public agency or organization and that, if elected, I shall not be for the duration of my term of office;

g) That I am a resident of Turkey as defined in the Income Tax Law;

h) That I am possessed of ethical standards and of professional repute and experience sufficient to enable me to make a positive contribution to the company's affairs, to maintain my impartiality in any disputes that may arise among the company's shareholders, and to come to decisions freely on the basis of all stakeholders' interests;

i) That I will be able to devote to the company's affairs an amount of my time sufficient to keep track of the conduct of the company's activities and to fully satisfy the requirements of the duties I will be undertaking.

**APPENDIX – 2 Dividend Distribution Proposal for 2012**

<b>Migros Ticaret A.Ş. Profit Distribution for 2012 (TL)</b>			
<b>1. Paid-in Share Capital</b>			<b>178.030.000,00</b>
<b>2. Total legal reserves (as per statutory records)</b>			<b>455.318.616,38</b>
		As per Capital Markets Board	As per Statutory Records
<b>3</b>	<b>Profit for the period</b>	128.836.677,35	62.374.702,83
<b>4</b>	<b>Taxes (-)</b>	40.773.548,12	33.476.202,50
<b>5</b>	<b>Net Profit (=)</b>	88.063.129,23	28.898.500,33
<b>6</b>	<b>Prior years' losses (-)</b>	0,00	0,00
<b>7</b>	<b>First series of legal reserve fund (-)</b>	0,00	0,00
<b>8</b>	<b>NET DISTRIBUTABLE PROFIT FOR THE PERIOD (=)</b>	0,00	0,00
<b>9</b>	<b>Grants made during the year to tax exempt foundations and associations (+)</b>	650.553,69	
<b>10</b>	<b>Net distributable profit including grants, as the first level dividend base</b>	0,00	
<b>11</b>	First level dividend to shareholders	0	
	Cash	0	
	Shares		
	Total	0	
<b>12</b>	Dividends distributed to preferred shareholders		
<b>13</b>	Dividends distributed to members of the Board of Directors, employees, etc.		
<b>14</b>	Dividends distributed to holders of usufruct right certificates		
<b>15</b>	Second dividend to shareholders		
<b>16</b>	Second series of legal reserve fund	0,00	
<b>17</b>	Status reserves		
<b>18</b>	Special reserves		
<b>19</b>	<b>EXTRAORDINARY RESERVES</b>	0,00	0,00
<b>20</b>	<b>Other sources planned for distribution</b>		
	- Prior years' income		
	- Extraordinary reserves		
	- Other distributable reserves as per the legislation and Articles of Association		

<b>INFORMATION ABOUT DIVIDEND TO BE DISTRIBUTED</b>				
<b>INFORMATION ON DIVIDEND PER SHARE</b>				
-	GROUP	TOTAL DIVIDEND AMOUNT (TL)	DIVIDEND PER SHARE FOR 1 TL NOMINAL VALUE	
			AMOUNT (TL)	SHARE (%)
<b>GROSS</b>	A			
	B			
	<b><u>TOTAL</u></b>	0,00	0,00	0
<b>NET</b>	A			
	B			
	<b><u>TOTAL</u></b>	0,00	0,000	0,0
<b>THE RATIO OF DISTRIBUTED PROFIT TO THE DISTRIBUTABLE PROFIT INCLUDING GRANTS</b>				
<b>TOTAL DISTRIBUTION TO SHAREHOLDERS (TL)</b>		<b>THE RATIO OF DISTRIBUTED PROFIT TO THE DISTRIBUTABLE PROFIT INCLUDING GRANTS (%)</b>		
0,00		0,0		



### **APPENDIX – 3 Dividend Distribution Policy**

Our company may distribute the profit, which was calculated by the Board of Directors in accordance with CMB communiqués and regulations and by taking into consideration long term strategies, investments, financing plans and state of profitability and submitted to the General Assembly's approval, in the form of cash, bonus shares or a certain ratio of cash and bonus shares or may retain such profit. This is the Company's policy for the next three years. Any change in this policy will be publicly disclosed.

**APPENDIX – 4 Amendment of Articles of Association**

<b>EXISTING (OLD) TEXT</b>	<b>NEW TEXT</b>
<b>Article 3 – Purpose and Scope</b>	<b>Article 3 – Purpose and Scope</b>
<p>The purpose of the incorporation of the Company is to provide consumers with food and other necessities and products in optimal conditions. For this purpose, the Company’s most significant activities are the performance of services such as collecting, loading, shipping, unloading, sorting, packaging, marketing, storing, which are added to the cost of the products until the products are passed from the producer onto the consumer, in an economical manner, to prevent the products from spoiling and to prevent any losses in the value thereof, to supply the products to the consumers in an ideal form of marketing and organization, and to do business in the retail market.</p> <p>The Company may, in relation to its above mentioned purposes, engage in the following:</p> <ol style="list-style-type: none"> <li>a. All kinds of administrative, financial, commercial activities in order to realize its purpose and scope,</li> <li>b. To buy, sell, import, export, produce or have others produce in retail and wholesale all kinds of food products, including fresh fruits and vegetables, family necessities and all kinds of industrial, agricultural and commercial goods and services in Turkey and abroad,</li> <li>c. To establish, operate, manage shopping malls, to establish warehouses, open stores, to establish and operate fuel sale and service stations separately or together with the abovementioned facilities, to operate traveling/itinerant sales cars, to act as commission agent in various fields, to perform contract manufacturing, to have others perform contract manufacturing, to grant agencies and distributorships,</li> <li>d. Provided that open/unpackaged products are also included, to supply products for sale at a</li> </ol>	<p>The purpose of the incorporation of the Company is to provide consumers with food and other necessities and products in optimal conditions. For this purpose, the Company’s most significant activities are the performance of services such as collecting, loading, shipping, unloading, sorting, packaging, marketing, storing, which are added to the cost of the products until the products are passed from the producer onto the consumer, in an economical manner, to prevent the products from spoiling and to prevent any losses in the value thereof, to supply the products to the consumers in an ideal form of marketing and organization, and to do business in the retail market.</p> <p>The Company may, in relation to its above mentioned purposes, engage in the following:</p> <ol style="list-style-type: none"> <li>a. All kinds of administrative, financial, commercial activities in order to realize its purpose and scope,</li> <li>b. To buy, sell, import, export, produce or have others produce in retail and wholesale all kinds of food products, including fresh fruits and vegetables and prepared food, family necessities and all kinds of industrial, agricultural and commercial goods and services in Turkey and abroad; making field and garden farming; manufacture, produce, have others produce, buy and sell, import and export all stuff and materials mentioned in this provision.</li> <li>c. To establish, operate, manage shopping malls, to establish warehouses, open stores, to establish and operate fuel sale and service stations separately or together with the abovementioned facilities, to operate traveling/itinerant sales cars, to act as commission agent in various fields, to perform contract manufacturing, to have others</li> </ol>

<p>low price in clean conditions and by complying with the hygiene regulations and commercial requirements after standardizing them in accordance with their type and variety,</p> <p>e. To establish and operate facilities that produce, purchase, sell, transport, prepare, package and conserve food and necessity products in Turkey and abroad, to establish private partnerships and affiliates to be active in the above mentioned fields or any other field of activity that would benefit the Company or to participate in existing businesses or partnerships which do business in these areas of activity,</p> <p>f. To facilitate the procurement of the raw and auxiliary products needed by the producers and manufacturers that perform sales connections with the Company, to import any of these as necessary or to have these produced domestically, to assist the producers in agricultural or technical matters and if necessary to grant them advances in exchange for security to be deducted from the purchase price of the products,</p> <p>g. All kinds of dispositions and activities to aid and facilitate the realization of the purpose and scope of the Company, benefitting from incentives,</p> <p>h. To purchase, sell, import or export all kinds of machinery, equipment, vehicles and devices including but not limited to all kinds of land and sea vehicles, and spare parts thereof relating to the scope and purpose of the Company; establishment leasing, renting, purchasing and sale of facilities and installations; provided that it does not engage in brokerage activities, acquiring shares in existing companies or companies to be incorporated in the Republic of Turkey or abroad for these purposes, on the condition that the provisions of the last paragraph of Article 15 of the Capital Markets Law is reserved, participating in existing companies or in companies to be incorporated and</p>	<p>perform contract manufacturing, to grant agencies and distributorships, to open modern farm places, stalls, nurture places and slaughterhouse, cold stores, a bread factory, an integrated meat industrial complex, department stores, restaurants, canteens, cafeterias and stores, to establish selling, marketing and distributing organizations for prepared food, to benefit from the organizations already established.</p> <p>d. Provided that open/unpackaged products are also included, to supply products for sale at a low price in clean conditions and by complying with the hygiene regulations and commercial requirements after standardizing them in accordance with their type and variety,</p> <p>e. To establish and operate facilities that produce, purchase, sell, transport, prepare, package and conserve food and necessity products in Turkey and abroad, to establish private partnerships and affiliates to be active in the above mentioned fields or any other field of activity that would benefit the Company or to participate in existing businesses or partnerships which do business in these areas of activity,</p> <p>f. To facilitate the procurement of the raw and auxiliary products needed by the producers and manufacturers that perform sales connections with the Company, to import any of these as necessary or to have these produced domestically, to assist the producers in agricultural or technical matters and if necessary to grant them advances in exchange for security to be deducted from the purchase price of the products,</p> <p>g. All kinds of dispositions and activities to aid and facilitate the realization of the purpose and scope of the Company, benefitting from incentives,</p> <p>h. To purchase, sell, import or export all kinds of machinery, equipment, vehicles and devices including but not limited to all kinds of land and</p>
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providing all kinds of financial assistance to such companies, borrowing funds for realizing such purposes and owning shares in these kinds of companies,

- i. Provided that disclosures required by the Capital Markets Board within the scope of the special situations for ensuring the notification of investors are made, to acquire or construct immovables and limited rights in rem related thereto that facilitate or assist the purpose and scope of the Company and to exercise all kinds of legal dispositions over such immovables and limited rights in rem, establishing limited rights in rem and annotating leases in favor of third parties to obtain loans by establishing mortgages or providing other security or borrowing money without any collateral; entering into a commercial enterprise pledge, standing as guarantor against the liabilities of third parties, granting all kinds of surety in rem or in personam, establishing and releasing mortgages and pledges and all other similar rights in rem in favor of the Company or in favor of third parties upon the entirety or any other part of the current or future assets of the Company,
- j. Acquiring, and carrying out all kinds of dispositions on patents, licenses, franchises, concessions, marks, models, designs, trade names, know-how, copyrights, special manufacturing and production techniques, engineering and consultancy services and all other similar intangible rights and property useful for the activities related to the purpose and scope of the Company and the registration and cancellation of those rights, signing agreements with foreign and Turkish real persons and legal entities with regard to various intellectual rights,
- k. Provided that it does not constitute brokerage activities or securities portfolio management, to issue, purchase, sell, and exercise all kinds of legal dispositions over bonds and all other

sea vehicles, and spare parts thereof relating to the scope and purpose of the Company; establishment, leasing, renting, purchasing and sale of facilities and installations; provided that it does not engage in brokerage activities, acquiring shares in existing companies or new companies to be incorporated in the Republic of Turkey or abroad for these purposes, on the condition that the provisions of Article 21 of the Capital Markets Law is reserved, participating in existing companies or in companies to be incorporated and providing all kinds of financial assistance to such companies, borrowing funds for realizing such purposes and owning shares in these kinds of companies,

- i. Provided that disclosures required by the Capital Markets Board within the scope of the special situations for ensuring the notification of investors are made and capital markets legislation is complied with, to acquire or construct immovables and limited rights in rem related thereto that facilitate or assist the purpose and scope of the Company and to exercise all kinds of legal dispositions over such immovables and limited rights in rem, establishing limited rights in rem and annotating leases in favor of third parties to obtain loans by establishing mortgages or providing other security or borrowing money without any collateral; entering into a commercial enterprise pledge, standing as guarantor against the liabilities of third parties, granting all kinds of surety in rem or in personam, establishing and releasing mortgages and pledges and all other similar rights in rem in favor of the Company or in favor of third parties upon the entirety or any other part of the current or future assets of the Company,
- j. Acquiring, and carrying out all kinds of dispositions on patents, licenses, franchises, concessions, marks, models, designs, trade names, business/company names, know-how,

<p>similar securities; provided that no brokerage activities are conducted, to purchase and sell shares, bonds and other securities owned by private or public legal entities,</p> <p>i. Engaging in activities in marketing, economic organization, technical consultancy and feasibility studies in relation to the above mentioned activities,</p> <p>m. Participating in legal entities or establishing partnerships with Turkish and foreign real persons in order to conduct activities that are related to, facilitate or assist the purpose and scope of the Company; provided that it does not engage in any brokerage activities to purchase, sell and exercise all kinds of legal dispositions over interests and shares owned by public or private legal entities,</p> <p>n. Entering into service agreements with local and foreign technical and artistic experts and groups necessary for the facilities to be established, applying for the work permits of these persons,</p> <p>o. Granting, acquiring, transferring, renting and establishing representative offices, general distributorships, consultancies, commission houses, distributorships, agencies and dealerships in the Republic of Turkey and abroad related to the purpose and scope of the Company,</p> <p>p. Engage in all kinds of training/educational activities related to the purpose and scope of the Company, cooperating with other relevant organizations, participating in their activities,</p> <p>q. Benefitting from all kinds of technology and rationalization measures and cooperating with real persons and public and private legal entities doing business in this field in order to achieve its purpose and scope,</p> <p>r. The Company may help or make donations to charitable foundations, associations, universities and similar organizations and public legal entities in accordance with the</p>	<p>copyrights, special manufacturing and production techniques, engineering and consultancy services and all other similar intangible rights and property useful for the activities related to the purpose and scope of the Company and the registration and cancellation of those rights, signing agreements with foreign and Turkish real persons and legal entities with regard to various intellectual rights,</p> <p>k. Provided that it does not constitute investment services and activities, to issue, purchase, sell, and exercise all kinds of legal dispositions over bonds and all other similar securities; provided that no brokerage activities are conducted, to purchase and sell shares, bonds and other securities owned by private or public legal entities,</p> <p>i. Engaging in activities in marketing, economic organization, technical consultancy and feasibility studies in relation to the above mentioned activities,</p> <p>m. Participating in legal entities or establishing partnerships with Turkish and foreign real persons in order to conduct activities that are related to, facilitate or assist the purpose and scope of the Company; provided that it does not engage in any brokerage activities to purchase, sell and exercise all kinds of legal dispositions over interests and shares owned by public or private legal entities,</p> <p>n. Entering into service agreements with local and foreign technical and artistic experts and groups necessary for the facilities to be established, applying for the work permits of these persons,</p> <p>o. Granting, acquiring, transferring, renting and establishing representative offices, general distributorships, consultancies, commission houses, distributorships, agencies and dealerships in the Republic of Turkey and abroad related to the purpose and scope of the Company,</p>
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principles set forth by the Capital Markets Board,

The Company may only provide a security or grant a pledge or mortgage within the context of above paragraph “i” or article 4 of the Articles of Association solely in favor of its own legal personality or a company it has included within the scope of full consolidation or another third person for the purpose of carrying out of its ordinary commercial activities. Article 35 titled “Compliance with Corporate Governance Principles” of these Articles of Association is reserved.

If, in the future the Company wishes to enter into and be engaged in activities other than those listed above, which are deemed beneficial to or necessary for the Company, such intent shall be submitted to the approval of the General Assembly by the Board of Directors and upon a resolution to this effect, such activities as contemplated shall be undertaken. Since these resolutions constitute amendments to the Articles of Association, all necessary approvals will be obtained from the Capital Markets Board and Ministry of Commerce for the implementation thereof.

- p. Engage in all kinds of training/educational activities related to the purpose and scope of the Company, cooperating with other relevant organizations, participating in their activities,
- q. Benefitting from all kinds of technology and rationalization measures and cooperating with real persons and public and private legal entities doing business in this field in order to achieve its purpose and scope,
- r. assisting or making donations to charitable foundations, associations, universities and similar organizations and public legal entities in accordance with the principles set forth by the Capital Markets Board and in a manner that does not interfere with its own purpose and objectives and provided that it is not contrary to the provisions of capital markets legislation pertaining to the shifting of disguised earnings, the required disclosures for special circumstances have been made and the shareholders are notified of any donations that have been made in that year during the general assembly meetings,
- s. Leasing and/or subleasing the parking areas, carrying out parking lot management and executing agreements with third persons in relation to parking lot management,
- t. Installing, managing and/or having others manage charging stations for electric or alternative energy vehicles at the parking lots of the stores and Shopping Centers.
- u. Regarding Electric Market, establishing manufacturing facilities in order to cover its electric and heat energy needs within the framework of an auto producer license according to the related legislations, producing electric and heat energy, in case of surplus production, selling the electric and heat energy and/or capacity to the other corporate bodies who have the license and to independent consumers and importing equipment and fuel relating with the facilities on non-commercial basis.

	<p>The upper limit of any donations the Company may make within the scope of paragraph “r” above shall be set by the general assembly. No donations exceeding such limit shall be made and any donations made shall be added to the distributable profit calculation.</p> <p>The Company may only provide a security or grant a pledge or mortgage within the context of above paragraph “i” or article 4 of the Articles of Association solely in favor of its own legal personality or a company it has included within the scope of full consolidation or another third person for the purpose of carrying out of its ordinary commercial activities. Article 35 titled “Compliance with Corporate Governance Principles” of these Articles of Association is reserved.</p> <p>Provided that the provisions of article 125 of the Turkish Commercial Code are reserved, if, in the future there is any desire to enter into any kind of activities other than those within the framework of this article, which are deemed beneficial to or necessary for the Company, such intent shall be submitted to the approval of the General Assembly by the Board of Directors and upon a resolution to this effect, such activities as contemplated shall be undertaken.</p> <p>If any amendments are made to the Company’s purpose and scope, it is necessary to obtain the required approvals from the Ministry of Customs and Commerce and the Capital Markets Board.</p>
<b>Article 5 – Headquarters and Branches</b>	<b>Article 5 – Headquarters and Branches</b>
<p>The headquarters of the Company is in Istanbul. The address is Turgut Özal Bulvarı No: 6, 34758 Ataşehir, Istanbul. Any changes in the address of the Company shall be registered with the Trade Registry and published in the Turkish Trade Registry Gazette and also notified to the Ministry of Industry and Commerce and to the Capital Markets Board.</p> <p>Any notifications sent to the registered and published address are considered to be made to the Company. Failure to register the new address</p>	<p>The headquarters of the Company is in Istanbul. The address is Atatürk Mahallesi Turgut Özal Bulvarı No. 7 (previous No.10), 34758 Ataşehir, İstanbul. Any changes in the address of the Company shall be registered with the Trade Registry and published in the Turkish Trade Registry Gazette and also notified to the Ministry of Industry and Commerce and to the Capital Markets Board.</p> <p>Any notifications sent to the registered and published address are considered to be made to</p>



<p>of the Company in the required time frame although the Company has moved from the registered and published address is considered a reason for dissolution of the Company.</p> <p>The Company may establish branches in the Republic of Turkey or abroad by notifying the Ministry of Industry and Commerce and complying with legal provisions.</p>	<p>the Company. The Company may open branches in Turkey or abroad provided that it complies with the legal rules and files the necessary applications.</p>
<p><b>Article 7 – Share Capital</b></p>	<p><b>Article 7 – Share Capital</b></p>
<p>The share capital of the Company is TL 178,030,000 (Turkish Lira). The share capital has been divided into 17,803,000,000 shares, each with a nominal value of 1 Kurus (one Kurus). The previous share capital of the Company of TL 174,323,340 has been fully paid.</p> <p>The share capital TL 3,706,660 which has been increased at this time, is realized at the nominal values of the equities stated on the expert report which is dated January 7, 2009 rendered within the scope of the decision of the Istanbul 5th Commercial Court of First Instance dated on December 5, 2008 and numbered E. 2008/2248 D.İş and the report of the expert company Ernst Young Kurumsal Finansman Danışmanlık A.Ş. dated December 15, 2008 regarding the merger. Such equities are provided via the merger by acquisition of Migros Türk T.A.Ş. with all its assets and liabilities in its consolidated financial statements dated September 30, 2008 as a whole in accordance with the Communiqué of the Capital Markets Board regarding the Principles on Merger Transactions Serial: I, No:31, Article 451 of the Turkish Commercial Code that regulates merger by acquisition and other relevant articles of the aforesaid code, and Articles 19 and 20 of the Corporate Tax Law.</p> <p>370,666,000 registered shares with a nominal value of 1 Kurus that will be issued as a result of the merger will be distributed to the shareholders of Migros Türk T.A.Ş. that will be dissolved as a result of the merger to be exchanged with Moonlight Perakendecilik ve Ticaret A.Ş. shares.</p>	<p>The share capital of the Company is TL 178,030,000 (Turkish Lira). The share capital has been divided into 17,803,000,000 shares, each with a nominal value of 1 Kurus (one Kurus). The previous share capital of the Company of TL 174,323,340 has been fully paid.</p> <p>The share capital TL 3,706,660 which has been increased at this time, is realized at the nominal values of the equities stated on the expert report which is dated January 7, 2009 rendered within the scope of the decision of the Istanbul 5th Commercial Court of First Instance dated on December 5, 2008 and numbered E. 2008/2248 D.İş and the report of the expert company Ernst Young Kurumsal Finansman Danışmanlık A.Ş. dated December 15, 2008 regarding the merger. Such equities are provided via the merger by acquisition of Migros Türk T.A.Ş. with all its assets and liabilities in its consolidated financial statements dated September 30, 2008 as a whole in accordance with the Communiqué of the Capital Markets Board regarding the Principles on Merger Transactions Serial: I, No:31, Article 451 of the Turkish Commercial Code that regulates merger by acquisition and other relevant articles of the aforesaid code, and Articles 19 and 20 of the Corporate Tax Law.</p> <p>370,666,000 registered shares with a nominal value of 1 Kurus that have been issued as a result of the merger have been distributed to the shareholders of Migros Türk T.A.Ş., which has been dissolved as a result of the merger to be exchanged with Moonlight Perakendecilik ve</p>

<p>The shares representing the share capital will be tracked in a dematerialized form within the scope of dematerialization principles.</p> <p>Furthermore, the Board of Directors may resolve to issue shares over the nominal values, and to restrict the right to obtain new shares of the shareholders upon prior approval of the General Assembly. The Board of Directors shall exercise such right in accordance with the principle of equal treatment to the shareholders.</p> <p>If the issued capital is increased for free, each shareholder obtains new shares pro rata with their shareholding in the Company.</p>	<p>Ticaret A.Ş. shares.</p> <p>Furthermore, shares may be issued over the nominal values, by the decision of the General Assembly. If the issued capital is increased for free, each shareholder obtains new shares pro rata with their shareholding in the Company.</p>
<p><b>Article 8 – Share Certificates</b></p>	<p><b>Article 8 – Shares</b></p>
<p>Share certificates are registered shares and may be issued in denominations of one (1) or more shares.</p>	<p>All of the shares representing the share capital are registered and will be tracked in a dematerialized form within the scope of dematerialization principles.</p>
<p><b>Article 9 – Issuance of Shares</b></p>	<p><b>Article 9 – Issuance and Transfer of Shares</b></p>
<p>The Company may issue bearer or registered shares in accordance with the provisions of the Capital Markets Law.</p> <p>The cost of the sold shares shall be obtained in cash and in full. New shares may not be issued unless the issued shares are sold and their considerations are paid in full.</p>	<p>The Company may issue registered shares in accordance with the provisions of the Turkish Commercial Code and the Capital Markets Law.</p> <p>The cost of the sold shares shall be obtained in cash and in full. New shares may not be issued unless the issued shares are sold and their considerations are paid in full.</p> <p>The shares of the Company shall be transferred in accordance with the provisions of the Turkish Commercial Code and capital markets legislation.</p> <p>Provided it remains within the legal limitations, the Company may acquire its own shares or accept its own shares as a pledge.</p>
<p><b>Article 10 – Issuance of Securities</b></p>	<p><b>Article 10 – Issuance of Capital Market Instruments</b></p>
<p>In accordance with the Turkish Commercial Code, Capital Markets Law and related applicable laws, the Company may issue, for sale to real persons</p>	<p>In accordance with the provisions of the Turkish Commercial Code, Capital Markets Law and related applicable laws, the Company may issue,</p>

<p>and legal entities in Turkey or abroad, all kinds of bonds, financing bonds (commercial paper), participating redeemable shares, bills of debt, profit and loss partnership certificates and any other securities that may be accepted in accordance with the legislation of the Capital Markets Board.</p> <p>Pursuant to the Capital Markets Board legislation, the securities within the scope of this Article may be issued upon the resolution of Board of Directors provided that the necessary approvals are obtained.</p>	<p>for sale to real persons and legal entities or institutions without legal personality in Turkey or abroad, all kinds of redeemable shares or debt instruments such as bonds, financing bonds (commercial paper), asset backed commercial papers, participating redeemable shares, certificates that grant the right to purchase and convert, profit and loss partnership certificates and any other securities and other capital market instruments that may be deemed suitable under capital market legislation.</p> <p>Provided that the legal permissions have been obtained, the Board of Directors is indefinitely authorized to issue all securities and other capital market instruments in the nature of debt instruments within the scope of this article.</p>
<p><b>Article 11 – General Assembly Meetings</b></p>	<p><b>Article 11 – General Assembly Meetings</b></p>
<p>The General Assembly may convene in ordinary and extraordinary meetings.</p> <p>The Ordinary General Assembly Meeting shall be held at least once each year and no later than three months after the end of the preceding financial year at the Company headquarters or at another place where the Company’s branch offices are located as may be designated by the Board of Directors.</p> <p>Articles 355, 365, 366 and 368 of the Turkish Commercial Code shall apply to invitations with respect to General Assembly meetings.</p> <p>On the other hand, notice shall not be served on the owners of share certificates which were issued in registered form and are traded on the exchange by means of a letter. At the same time, announcement of the General Assembly meeting shall, in addition to the methods set forth in the legislation, be made at least 3 weeks prior to the date of the General Assembly meeting by all communication means available to the Company, including electronic communication.</p> <p>The Ordinary General Assembly Meeting shall be called by the Board of Directors or any other person who is authorized to issue such a call</p>	<p>The General Assembly may convene in ordinary and extraordinary meetings.</p> <p>The Ordinary General Assembly Meeting shall be held at least once each year and no later than three months after the end of the preceding financial year at the Company headquarters or at another suitable location in the city in which the headquarters are located or at another place where the Company’s branch offices are located as may be designated by the Board of Directors without being subject to the condition that it be located within the borders of the city in which the headquarters are located.</p> <p>During General Assembly meetings, resolutions shall be taken after discussing the matters required under the provisions of articles 408 and 409 of the Turkish Commercial Code and the capital market legislation.</p> <p>Articles 410 <i>et seq.</i> of the Turkish Commercial Code and the relevant provisions of the capital markets legislation shall apply to invitations with respect to General Assembly meetings.</p> <p>On the other hand, notice shall not be served on the owners of share certificates which were issued in registered form and are traded on the exchange</p>

<p>pursuant to the Turkish Commercial Code and the agenda of the meeting shall be determined in accordance with the Turkish Commercial Code and the Articles of Association.</p> <p>Extraordinary General Assembly Meetings may be convened at any time with 3 weeks' notice upon a call by the Board of Directors or any other person who is authorized to issue such a call pursuant to the Turkish Commercial Code.</p> <p>The General Assembly meeting announcement to be made on the Company's website shall, in addition the announcements and explanations required as per the legal legislation, announce the content specified in article 1.3.2 of the Capital Markets Board Corporate Governance Principles to the shareholders.</p>	<p>by means of a letter. At the same time, announcement of the General Assembly meeting shall, in addition to the methods set forth in the legislation, be made at least 3 weeks prior to the date of the General Assembly meeting by all communication means available to the Company, including electronic communication. It is mandatory to make the announcements on the Company's corporate website and Public Disclosure Platform and other locations specified by the Capital Market Board.</p> <p>The Ordinary General Assembly Meeting shall be called by the Board of Directors or any other person who is authorized to issue such a call pursuant to the Turkish Commercial Code and the agenda of the meeting shall be determined in accordance with the Turkish Commercial Code and the Articles of Association.</p> <p>Extraordinary General Assembly Meetings may be convened at any time with 3 weeks' notice upon a call by the Board of Directors or any other person who is authorized to issue such a call pursuant to the Turkish Commercial Code.</p> <p>The General Assembly meeting announcement to be made on the Company's website shall, in addition the announcements and explanations required as per the legal legislation, announce the content specified in article 1.3.2 of the Capital Markets Board Corporate Governance Principles to the shareholders.</p> <p>The Turkish Commercial Code and capital market legislation and in particular the provisions of the Regulation on Ministry Representatives, Regulation on Electronic General Assemblies and Communiqué on the Electronic General Assembly System must be complied with in relation to the procedural rules to be implemented with regard to the physical, electronic, personal or via proxy participation of shareholders in ordinary and extraordinary General Assembly meetings, the act of presenting a suggestion, declaring an opinion or casting a vote, the invitation of shareholders to the meeting, the agenda and the procedure to be</p>
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	followed during and after a meeting.
<b>Article 11/A - Submitting the Minutes and its Annexes to the Ministry and the Capital Markets Board and the Announcement of the Minutes and its Annexes</b>	<b>Article 11/A - Electronic Participation in General Assembly Meetings</b>
<p>Two copies of the reports of the Board of Directors and of the Auditors, the annual balance sheet and income statement, the minutes of the General Assembly, and the attendance chart shall be delivered to the Ministry of Industry and Commerce within one month following the last meeting date of the General Assembly and one copy of each of these documents shall be delivered to the Capital Markets Board together with the necessary announcements.</p> <p>The documents to be delivered to the Ministry of Industry and Commerce can also be submitted to the ministry commissar present at the meeting.</p> <p>The principles of the Capital Markets Law and the relevant communiqués of the Capital Markets Board shall be taken as basis for the preparation and announcement of the balance sheet, income statement and the reports of the Board of Directors and of the Auditors.</p>	<p>Those who have the right to participate in meetings of the Company's General Assembly may also participate in such meetings electronically in accordance with article 1527 of the Turkish Commercial Code. The Company may either create an electronic general assembly system that enables right holders to electronically participate in, share their opinions, make suggestions and cast votes in these meetings pursuant to the provisions of the Regulation concerning Electronically Held General Assemblies for Joint Stock Corporations or may purchase services from systems that have been established for this purpose. In any general assembly meetings that may be held, it will be made possible for right holders and their representatives to exercise their rights as specified in the referred Regulation by means of the system established in accordance with this clause of the articles of association.</p> <p>Electronic participation in General Assemblies shall be realized through the electronic environment provided by the Central Registry Agency (MKK).</p> <p>Electronic participation and casting of votes in a general assembly gives rise to all the legal consequences of physical participation and casting of votes.</p>
<b>Article 12 – Voting</b>	<b>Article 12 – Voting</b>
<p>Each share shall entitle its holder to 1 (one) vote.</p> <p>Votes shall be cast by show of hands. However, upon the demand of Shareholders or their representatives representing at least 10% (ten percent) of the capital, balloting shall be obligatory.</p>	<p>In General Assembly Meetings, each shareholder's voting rights shall be calculated according to the ratio of the aggregate nominal value of the shares held by the shareholder to the total nominal value of the Company's share capital. Within this context, each share shall entitle its holder to 1 (one) vote.</p>

<p>Shareholders may be represented at General Assembly Meetings by proxies, who are not required to be shareholders. Proxies who are Shareholders of the Company shall be entitled to vote the Shares of the shareholders whom they represent separately from their own shares. Powers of attorney shall be issued in accordance with Article 360 of the Turkish Commercial Code.</p>	<p>Votes shall be cast by show of hands. However, upon the demand of Shareholders representing at least 10% (ten percent) of the capital, balloting shall be obligatory. The legal provisions concerning the exercise of voting rights during electronically held general assembly meetings are reserved.</p> <p>Shareholders may be represented at General Assembly Meetings by proxies, who are not required to be shareholders. Proxies who are Shareholders of the Company shall be entitled to vote the Shares of the shareholders whom they represent separately from their own shares. The granting of representative authority to participate in and exercise voting rights during General Assembly meetings as well as the rules to which such representatives are subject shall be governed by the relevant provisions of the Turkish Commercial Code and secondary legislation issued on the basis of this Code and capital markets legislation.</p>
<p><b>Article 13 – Chairman’s Panel</b></p>	<p><b>Article 13 – Chairman’s Panel</b></p>
<p>The Chairman of the Board of Directors, or in his absence the Vice Chairman or in his absence the representative of the majority shareholder will serve as the Chairman of General Assembly Meetings. The clerk and the vote collector of the General Assembly Meetings are not required to be elected among the shareholders. The minutes of General Assembly Meetings shall be promptly translated into English after each meeting and shall be kept in the General Assembly Resolution Books together with the Turkish versions.</p>	<p>The Chairman of the Board of Directors, or in his absence the Vice Chairman or in his absence the representative of the majority shareholder will serve as the Chairman of General Assembly Meetings. The clerk and the vote collector of the General Assembly Meetings are not required to be elected from among the shareholders. The chairman of the meeting may appoint experts to perform the technical transactions for the Electronic General Assembly System during the meeting.</p> <p>The minutes of General Assembly Meetings shall be promptly translated into English after each meeting and shall be kept in the General Assembly Discussion and Resolution Book together with the Turkish versions.</p> <p>Internal guidelines concerning the rules and procedures of the General Assembly shall be prepared by the Board of Directors and shall then</p>

	be registered and announced upon the General Assembly's approval. General Assembly meetings shall be conducted in line with the provisions of these internal guidelines which must not violate the law, secondary legislation and the Company's articles of association.
<b>Article 14 – Meeting and Resolution Quorums</b>	<b>Article 14 – Meeting and Resolution Quorums</b>
Meeting and resolution quorums for any and all General Assembly meetings shall be governed by the relevant terms of the Turkish Commercial Code.	Meeting and resolution quorums for any and all General Assembly meetings shall be governed by the relevant articles of the Turkish Commercial Code and capital market legislation.
<b>Article 15 – Commissar</b>	<b>Article 15 – Ministry Representative</b>
Presence of a Commissar appointed by the Ministry of Industry and Commerce at all ordinary and extraordinary General Assembly Meetings are mandatory. Decisions taken at the Shareholders Meeting in the absence of the Commissar, and the minutes which do not bear the signature of the Commissar, are null and void.	The presence of a Ministry Representative appointed by the Ministry of Customs and Commerce at all ordinary and extraordinary General Assembly Meetings is mandatory.
<b>Article 16 – Board of Directors</b>	<b>Article 16 – Board of Directors</b>
<p>The affairs and management of the Company shall be carried out by a Board of Directors composed of 9 (nine) members who are elected by the General Assembly from among the shareholders in accordance with the provisions of the Turkish Commercial Code.</p> <p>Where a legal entity is a shareholder, one or more persons representing such legal entity may be elected as Board member(s) of the Company and each member so appointed shall have one vote. In case of any vacancy on the Board, the Board of Directors shall temporarily appoint a person who possesses the qualifications required by law and shall submit such appointment for the approval of the first General Assembly to be convened.</p> <p>There are executive and non-executive members on the Board of Directors. A non-executive Board member is a person who has no administrative duties in the Company other than his membership on the Board of Directors and does not intervene</p>	<p>The affairs and management of the Company shall be carried out by a Board of Directors composed of 9 (nine) members who are selected by the General Assembly in accordance with the provisions of the Turkish Commercial Code.</p> <p>In the event that a legal entity becomes a member of the Board of Directors, a single real person who has been selected by and who may be replaced by such legal entity at any time, shall also be registered and announced together with such legal entity. Only the referred real person who has been registered may participate and vote in Board of Directors' meetings on behalf of the legal entity.</p> <p>There are executive and non-executive members on the Board of Directors. A non-executive Board member is a person who has no administrative duties in the Company other than his membership on the Board of Directors and does not intervene in the Company's day-to-day flow of business and</p>



<p>in the Company's day-to-day flow of business and ordinary activities.</p> <p>Among the non-executive Board members shall be independent members who possess the attribute of being capable of carrying out their duties without being subject to any influence as per the principles set forth in capital market legislation.</p> <p>Rules with regard to the number of non-executive and independent members within the Board of Directors, the attributes of such members, the methods of their selection are subject to capital market legislation and in particular the Capital Markets Board Corporate Governance Principles.</p> <p>In case of a vacancy on the Board due to the death, resignation or withdrawal of a member, the Board of Directors may appoint a new member pursuant to Article 315 of the Turkish Commercial Code to be approved by the General Assembly. The new member may continue his office for the remainder of the term of the member he is replacing.</p> <p>The duties, rights, obligations and responsibilities of the Board of Directors, the election of the Chairman and the Vice-Chairman, their fees and obligation to deposit a security and any other matter concerning the Board of Directors are governed by the provisions of the Turkish Commercial Code.</p>	<p>ordinary activities.</p> <p>Among the non-executive Board members shall be independent members who possess the attribute of being capable of carrying out their duties without being subject to any influence as per the principles set forth in capital market legislation.</p> <p>Rules with regard to the number of non-executive and independent members within the Board of Directors, the attributes of such members, the methods of their selection are subject to capital market legislation and in particular the Capital Markets Board corporate governance principles.</p> <p>In the event that any membership on the Board of Directors is vacated due to death, resignation or any statutory reason, the vacated membership shall be filled by the Board of Directors in accordance with article 363 of the Turkish Commercial Code on the condition of being submitted to the approval of the first General Assembly to be held. A member so selected shall serve until the General Assembly meeting in which his/her appointment is to be approved and shall complete the term of duty of the member s/he has replaced if approved.</p> <p>The duties, rights, obligations and responsibilities of the Board of Directors, the election of the Chairman and the Vice-Chairman, their fees and any other matter concerning the Board of Directors are governed by the provisions of the Turkish Commercial Code.</p>
<p><b>Article 16/A – Committees</b></p>	<p><b>Article 16/A – Committees</b></p>
<p>The Board of Directors may form committees to monitor the course of business, to prepare reports on matters presented to it, to implement its decisions or for the purpose of internal controls. Members of the Board of Directors may be included in such committees.</p> <p>Within this context, the Board of Directors may, without any limitation, form a “Audit Committee”, “Nomination Committee,” “Early Risk Identification</p>	<p>The Board of Directors may form committees to monitor the course of business, to prepare reports on matters presented to it, to implement its decisions or for the purpose of internal controls. Members of the Board of Directors may be included in such committees.</p> <p>Within this context, the Board of Directors may, without any limitation, form a “Audit Committee”, “Nomination Committee,” “Early Risk Recognition</p>

<p>and Management Committee,” “Corporate Governance Committee” and “Remuneration Committee”.</p> <p>The manner in which committees to be created within the framework of this article are to be formed, the attributes of the members of such committees, the duties and powers of such committees, the areas of responsibility of such committees, the financial rights granted to the members thereof as a result of their position shall be determined and ascertained by the Board of Directors in accordance with the Turkish Commercial Code and the provisions of capital market legislation.</p>	<p>and Management Committee,” “Corporate Governance Committee” and “Remuneration Committee”. Under the Turkish Commercial Code, the formation of an Early Risk Recognition and Management Committee is mandatory. The manner in which committees to be created within the framework of this article are to be formed, the attributes of the members of such committees, the duties and powers of such committees, the areas of responsibility of such committees, the financial rights granted to the members thereof as a result of their position shall be determined and ascertained by the Board of Directors in accordance with the Turkish Commercial Code and the provisions of capital market legislation.</p>
<p align="center"><b>Article 17 – Term of Office and Duties of the Board of Directors</b></p>	<p align="center"><b>Article 17 – Term of Office and Duties of the Board of Directors</b></p>
<p>Board of Directors members are elected for a maximum term of 3 years, unless a shorter term is determined at the General Assembly where they have been appointed. A member whose term of office has expired may be re-elected. The General Assembly may, if it deems necessary, replace the Board of Directors members at any time.</p>	<p>Board of Directors members are elected for a maximum term of 3 years, unless a shorter term is determined at the General Assembly where they have been appointed. A member whose term of office has expired may be re-elected. The General Assembly may replace the Board of Directors at any time if there is a relevant item on the agenda or if there is a justified reason even without there being any such item on the agenda.</p>
<p>Duties and Authorities of the Board of Directors:</p> <p>The Board of Directors is authorized to pass resolutions for each transaction indicated in this Articles of Association and the law, other than the ones that require the resolution of the General Assembly.</p> <p>The following transactions can be conducted via the resolution of the Board of Directors.</p> <p>a. Employment and dismissal of the General Manager and Deputy General Managers, managers of the industrial plants of the Company, auditors, first degree authorized signatories and the persons who are hired in accordance with an agreement, determination of the working methods, salaries and</p>	<p>The Board of Directors is authorized to pass resolutions on any and all matters and transactions necessary for the realization of the Company’s business except for those set aside for the General Assembly’s authority in the law and the articles of association.</p> <p>The Board of Directors may, to the extent permitted by the Turkish Commercial Code, delegate its responsibilities and duties entirely or partially to the General Manager, to the Deputy General Manager and to the Senior Managers. In such case the Board of Directors shall issue guidelines in line with article 367/1 of the Turkish Commercial Code.</p> <p>Provided that the provisions of article 375 of the</p>

<p>authorities of these persons; (the Board of Directors may enter into service agreements that exceed its term, provided that these agreements do not exceed the term of the following period),</p> <p>b.Establishment and liquidation of industrial plants, subsidiaries and partnerships,</p> <p>c.Opening and closing of branches,</p> <p>d.Regulations and circulars to be applied in the Company,</p> <p>e.Providing movable and immovable assets as collateral for the loans to be obtained from the banks and other credit institutions,</p> <p>f.Constructing, purchasing, selling immovables on behalf of the Company, establishing mortgages over the immovables owned by the Company,</p> <p>g.Expunging the records of the receivables and rights that exceed TL 5,000 and that are not possible to be collected, and related settlement or release resolutions,</p> <p>h.Determining the liabilities to be assumed by the Company under collective bargaining agreements, determining the bonuses and indemnifications that exceed the provisions of the collective bargaining agreements, rendering lock-out resolutions,</p> <p>i.Establishing provident funds or foundations for the employees of the Company under Article 468 of the Turkish Commercial Code, or participating in a similar foundation,</p> <p>j.Determining and amending the annual business plan, budget, permanent staff and the amendments thereto,</p> <p>k.Preparing the balance sheet, profit and loss statement and the activity report and submitting these to the General Assembly,</p> <p>l.Other works that are deemed by the Executive Director or the General Directorate necessary to be resolved on by the Board of Directors.</p>	<p>Turkish Commercial Code are reserved, the below transactions may only be carried out with a resolution of the Board of Directors.</p> <p>a.Employment and dismissal of the General Manager and Assistant General Managers, and first degree authorized signatories , determination of the working methods, salaries and authorities of these persons; (the Board of Directors may enter into service agreements that exceed its term, provided that these agreements do not exceed the following term),</p> <p>b.Establishment and liquidation of subsidiaries and partnerships,</p> <p>c.Regulations and circulars to be applied in the Company,</p> <p>d.Providing movable and immovable assets as collateral for the loans to be obtained from the banks and other credit institutions,</p> <p>e.Constructing, purchasing, selling immovables on behalf of the Company, establishing mortgages over the immovables owned by the Company,</p> <p>f.Expunging the records of the receivables and rights that exceed TL 5,000 and that are not possible to be collected, and related settlement or release resolutions,</p> <p>g.Determining the liabilities to be assumed by the Company under collective bargaining agreements, determining the bonuses and indemnifications that exceed the provisions of the collective bargaining agreements, rendering lock-out resolutions,</p> <p>h.Establishing provident funds or foundations for the employees of the Company under article 522 of the Turkish Commercial Code, or participating in a similar foundation,</p> <p>i.Determining and amending the annual business plan, budget, permanent staff and the amendments thereto,</p> <p>j.Preparing the balance sheet, profit and loss statement and the activity report and</p>
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	<p>submitting these to the General Assembly.</p> <p>The Board of Directors may appoint business agents and commercial representatives.</p>
<p><b>Article 18 – Meeting of the Board of Directors</b></p> <p>The Board of Directors shall convene when the business and transactions of the Company necessitate it. The invitations to a meeting of the Board of Directors shall include the date, time, place and agenda of the meeting and shall be sent by facsimile, letter or electronic mail at least 3 days prior to the date of such meeting.</p> <p>The Board of Directors shall convene at the Company’s headquarters. The meetings of the Board of Directors may be held at another place within or outside of the Republic of Turkey.</p> <p>The Board of Directors convenes with the attendance of at least 6 members and shall pass resolutions with the majority vote of those members present at the meeting.</p>	<p><b>Article 18 – Meeting of the Board of Directors</b></p> <p>The Board of Directors shall convene when the business and transactions of the Company necessitate it. The invitations to a meeting of the Board of Directors shall include the date, time, place and agenda of the meeting and shall be sent by the chairman of the Board of Directors or the vice chairman via facsimile, letter or electronic mail at least 3 days prior to the date of such meeting. In addition, during a Board of Directors meeting, the Board of Directors meetings to be held throughout one year may be arranged to adhere to an annual schedule. A contravention of this procedure or schedule shall not affect the validity of the resolution that was passed.</p> <p>The Board of Directors shall convene at the Company’s headquarters. The meetings of the Board of Directors may be held at another place within or outside of the Republic of Turkey.</p> <p>Provided that none of the members have requested that a meeting be held, within the framework of the fourth paragraph of article 390 of the Turkish Commercial Code it is possible for the Board of Directors to pass a resolution by circulating the text for the resolution.</p> <p>Those who have the right to participate in meetings of the Company’s Board of Directors may also electronically participate in such meetings in accordance with article 1527 of the Turkish Commercial Code. The Company may either create an Electronic Meeting System that enables right holders to electronically participate and cast votes in these meetings pursuant to the provisions of the Communiqué concerning Meetings to be Held Electronically for Commercial Companies other than General Assembly Meetings for Joint Stock Corporations or may purchase services from systems that have been established for this purpose. In any meetings that</p>

	<p>may be held, it will be made possible for right holders to exercise their rights as specified in the relevant legislation in accordance with the provisions of the Communiqué by means of the system established in accordance with this clause of the articles of association or the system through which support services are being purchased.</p> <p>If a member does not declare that s/he will physically attend the meeting, a meeting of the Board of Directors may either be wholly held electronically or it may be conducted whereby some members are physically present while other members participate electronically. In such case the meeting and resolution quorums specified in article 19 of these articles of association are applicable exactly as is.</p>
<p><b>Article 19 – Meeting and Resolution Quorum of the Board of Directors</b></p>	<p><b>Article 19 – Meeting and Resolution Quorum of the Board of Directors</b></p>
<p>The meeting quorum for the Board meetings shall be the presence of one plus half of the number of the members of the Board of Directors.</p> <p>Decisions shall be taken by affirmative votes of the majority of the attendants.</p>	<p>The meeting quorum for the Board meetings shall be the presence of at least 5 members of the Board of Directors and resolutions may be passed with the affirmative votes of the majority of those present.</p>
<p><b>Article 20 – Binding and Representing the Company</b></p>	<p><b>Article 20 – Binding and Representing the Company</b></p>
<p>The Board of Directors is authorized for the management and representation of the Company. Documents to be provided and agreements executed by the Company shall be considered valid if they bear the signatures of two persons authorized to represent the Company under the official corporate title of the Company. In this respect, circulars of the company to be registered and announced in the Trade Registry shall be followed.</p> <p>Documents and agreements prepared and executed on behalf of the Company shall not be considered valid unless they bear the signatures of the aforementioned person(s) authorized to represent the Company upon the Company's corporate title.</p>	<p>The Board of Directors is authorized to represent the Company. Documents to be provided and agreements executed by the Company shall be considered valid if they bear the signatures of two persons authorized to represent the Company under the official corporate title of the Company. In this respect, circulars of the company to be registered and announced in the Trade Registry shall be followed.</p>

<p>The Board of Directors may delegate its competences which are necessary to conduct the operations promptly and to execute the decisions to one or more executive member(s) to be selected among the members or to the Executive Committee, pursuant to Article 319 of the Turkish Commercial Code.</p> <p>The Board of Directors may, to the extent permitted by the Turkish Commercial Code, delegate its responsibilities and duties entirely or partially to the General Manager, to the Deputy General Manager and to the Senior Managers.</p> <p>The procedure to establish the Executive Committee and its authorities, and the fee, premium and compensation to be paid to the Executive Members shall be determined by the Board of Directors.</p>	
<b>Article 21 – Remuneration of the Directors</b>	<b>Article 21 – Financial Rights of the Directors</b>
<p>Remuneration for the Chairman and members of the Board of Directors shall be determined by the General Assembly.</p> <p>Share options or payment plans based on the Company's performance cannot be used with regard to the remuneration of independent Board members.</p> <p>The rules set forth in capital markets legislation must be complied with in regard to the remuneration of senior executives and members of the Board of Directors.</p>	<p>An honorarium, salary, bonus, premium and a share of annual profits may be paid to the Directors provided that the amount and/or manner thereof have been determined in a General Assembly resolution.</p> <p>Share options or payment plans based on the Company's performance cannot be used with regard to the remuneration of independent Board members.</p> <p>The rules set forth in capital markets legislation must be complied with in regard to the remuneration of senior executives and members of the Board of Directors.</p>
<b>Article 22 – Auditors</b>	-
<p>3 (three) auditors, either among the shareholders or from outside, shall be elected by the General Assembly for maximum 3 (three) years.</p>	-
<b>Article 23 – Duties of the Auditors</b>	-
<p>Aside from being charged with the duties listed in Article 353 of the Turkish Commercial Code, auditors are also required and authorized to advise the Board of Directors for realization of all</p>	-

<p>measures they deem necessary for the protection of Company's interests and to maintain proper management of the Company and, if necessary, to demand convening of the General Assembly, determine the agenda for such General Assembly, prepare the report mentioned in Article 354 of the Turkish Commercial Code.</p> <p>Should important and urgent reasons arise, auditors are obliged to use such authority at once. Auditors are jointly and severally liable for incompetence in executing the functions they are charged with under the Turkish Commercial Code and Articles of Association.</p>	
<p align="center"><b>Article 23/A – Financial Statements and Independent Audit</b></p>	<p align="center"><b>Article 22 – Financial Statements and Independent External Audit</b></p>
<p>Pursuant to the legislation of Capital Markets Board, an Independent Auditor (“Independent Auditor”), which will carry out independent auditing of the financial statements of the Company, shall be appointed by the General Assembly upon the proposal of the Board of Directors. This Independent Auditor serves for the permanent and/or special purpose audits depending on the term defined by the legislation of Capital Markets Board.</p> <p>The Company is not allowed to accept any consultancy services from the Independent Auditor, the personnel employed by this Auditor or a consultancy company directly or indirectly controlled by this institution in either management or share capital perspective and the personnel employed by the said consultancy company. Consultancy services provided by partners and managers of the Independent Auditor are within the scope of this regulation.</p> <p>The financial statements of the Company shall be prepared in accordance with standards determined by the Capital Markets Law and the regulations and communiqués of the Capital Markets Board and the International Financial Reporting Standards.</p> <p>Financial Statements and reports pursuant to</p>	<p>An “Independent Auditor” to carry out the independent audit of the Company’s financial statements and activity report in accordance with the Turkish Commercial Code and capital market legislation shall be selected by the General Assembly upon a proposal of the Board of Directors as the “auditor” referred to in article 397 <i>et seq</i> of the Turkish Commercial Code and the “independent auditor” referred to in capital market legislation by the fourth month of each operating period and in any case prior to the end of the operating period in which it shall carry out its duties.</p> <p>Within this context, the Company is required to appoint an “Independent Auditor” that satisfies the terms specified in article 400 of the Turkish Commercial Code, regulations of the Public Oversight, Accounting and Audit Standards Authority and capital markets legislation.</p> <p>The Auditor shall be registered with the trade registry in accordance with the relevant laws and secondary legislation and the requisite notifications and announcements shall also be made.</p> <p>The Company is not allowed to accept any consultancy services from the Independent Auditor, the personnel employed by this Auditor or</p>



<p>legislation of Capital Markets Board, Independent Auditor's Reports in case of being subject to the Independent Audit are transmitted to Capital Markets Board and disclosed in accordance with the principals determined by CMB.</p>	<p>a consultancy company directly or indirectly controlled by this institution in either management or share capital perspective and the personnel employed by the said consultancy company. Consultancy services provided by partners and managers of the Independent Auditor are within the scope of this regulation.</p> <p>The financial statements and activity reports of the Company shall be prepared in accordance with the Turkish Commercial Code and the rules set forth in capital markets legislation and within this framework the Turkish Accounting Standards, the Turkish Financial Reporting Standards and comments in line with the rules established by the Public Oversight, Accounting and Auditing Standards Authority as well as the International Financial Reporting Standards and shall be audited in compliance with the Turkish Auditing Standards and international auditing standards.</p> <p>The Company's financial statements and reports as well as independent audit reports shall be sent to the relevant authorities and announced to the public in accordance with the principles and procedures established in article 524 of the Turkish Commercial Code and other relevant articles in addition to the capital market legislation.</p> <p>In the event that the financial statements and reports required by the Capital Markets Board are subject to an independent audit, such independent audit report shall be disclosed to the public in accordance with the provisions specified by the Capital Markets Board.</p>
<p><b>Article 24 – Remuneration of Auditors</b></p>	<p>-</p>
<p>The remuneration of the Auditors shall be determined by the General Assembly.</p>	
<p><b>Article 25 – Announcements</b></p>	<p><b>Article 23 – Announcements</b></p>
<p>Without prejudice to the provisions of Article 37 paragraph 4 of the Turkish Commercial Code and mandatory provisions regarding the announcements and in accordance with the communiqués of the Capital Markets Board, the announcements in relation with the Company are</p>	<p>Without prejudice to the provisions paragraph 4 of Article 35of the Turkish Commercial Code and mandatory provisions of the Turkish Commercial Code regarding announcements and also complying with capital market legislation, announcements concerning the Company are</p>

<p>required to be published in the Turkish Trade Registry Gazette and on the website of the Company.</p> <p>Announcements relating to invitation to the General Assembly Meeting must be published at least two weeks in advance pursuant to Article 368 of the Turkish Commercial Code excluding the date of publication of the announcement and the date of the meeting.</p> <p>The announcements made in relation to decrease of the share capital and liquidation must be made according to Articles 397 and 438 of the Turkish Commercial Code, respectively.</p> <p>Furthermore, the announcements which are required to be published pursuant to the Capital Markets Law shall be made in accordance with the provisions of the aforesaid law and the relevant communiqués.</p>	<p>required to be published in the Turkish Trade Registry Gazette, the Public Disclosure Platform, on the corporate website of the Company and through other legally required channels.</p> <p>The announcements made in relation to decrease of the share capital and liquidation must be made according to Articles 474 and 532 and 541 of the Turkish Commercial Code, respectively.</p>
<p><b>Article 26 – Amendments to the Articles of Association</b></p>	<p><b>Article 24 – Amendments to the Articles of Association</b></p>
<p>The proposals of the Board of Directors for any amendments to these Articles of Association must be discussed in the General Assembly.</p> <p>The amendments to the Articles of Association and their application are subject to the approvals of the Ministry of Industry and Commerce and the Capital Markets Board. Such amendments and the relevant Board of Directors resolution shall be announced after being duly certified and registered with the Trade Registry. The amendments to the Articles of Association become effective as of the date of announcement.</p>	<p>The proposals of the Board of Directors for any amendments to these Articles of Association will be discussed in the General Assembly.</p> <p>The validity of amendments to the Articles of Association and their implementation are subject to the approvals of the Ministry of Customs and Commerce and the Capital Markets Board. Such amendments and the relevant Board of Directors' resolution shall be announced after being duly certified and registered with the Trade Registry.</p> <p>Amendments to the articles of association are effective against third persons after such amendments have been registered.</p>
<p><b>Article 28 – Distribution of Profit</b></p>	<p><b>Article 26 – Distribution of Profit</b></p>
<p>The balance remaining after deduction of all paid or incurred expenses, of amortization funds and various provisions from the income calculated at the end of the fiscal year, is the net profit of the Company before taxation.</p> <p>A provision shall be set aside from this profit for</p>	<p>The net profit for the period – as reflected in the annual balance sheet – remaining after amounts such as general overhead costs and amortizations, which must be paid or set aside by the Company, as well as any taxes the legal entity is required to pay have been deducted from the income calculated for the Company at the end of</p>

any and all kinds of taxes, fund shares and similar financial liabilities that are required to be paid by the Company in accordance with the decisions of the Capital Markets Board. The losses of the previous years (if any) shall be deducted from this remaining net profit which is displayed in the annual balance sheet and this net profit is distributed in the following order:

- Legal reserves of 5% determined under the Turkish Commercial Code and legal reserves as provided by other legislation, and
- First dividends in the percentages and amounts determined by the Capital Markets Board shall be set aside.

The General Assembly shall be authorized to render a decision for the total or partial allocation of the balance as the extraordinary legal reserve or its distribution. 5% of the paid in capital shall be deducted from the amount to be distributed to the shareholders and the persons that contributed to the profit as a profit share, and 1/10 of the remaining amount shall be set aside as the secondary legal reserves as per Article 466, paragraph 2, sub-paragraph 3 of the Turkish Commercial Code.

If the profit share is used as a share certificate by way of capital increase, or if the undistributed profits in the balance sheet are used in the capital increase and share certificates are provided in exchange, a secondary legal reserve may not be set aside in accordance with the decisions of the Capital Markets Board.

No further legal reserve shall be set aside unless the legal reserves that are required to be set aside by law and the first dividend that is indicated to be set aside for the shareholders in the Articles of Association are set aside, and no share of profit shall be distributed to the members of the Board of Directors, employees, the redeemed share/founders share owners, privileged share owners, foundations that are established for several purposes and other similar persons and/or entities unless the first dividend is paid in cash

the operating period shall be distributed as set forth below after the losses from the previous year have been deducted:

General Legal Reserves:

- a) 5% is set aside as general legal reserves.

First Dividend:

- b) Within the framework of the profit distribution policy to be determined by the general assembly and in line with the provisions of the relevant legislation, the first dividend is set aside from the remainder after having added the amount of the annual donation, if any.

- c) Once the amounts stated above have been set aside, the General Assembly is entitled to resolve to distribute a certain percentage of the profit to members of the board of directors, officers, personnel and employees, foundations formed for various purposes and persons and institutions of a similar nature.

Second Dividend:

- d) The General Assembly is entitled, at its own discretion, to distribute all or part of the amount remaining after the amounts listed in paragraphs (a), (b) and (c) have been set aside from the net profit for the period as the second dividend or to set such amount aside as reserves in accordance with article 521 of the Turkish Code of Obligations.

General Legal Reserves (second distribution):

- e) Of the portion to be distributed to shareholders and other persons who participate in the profit, ten percent of the amount remaining once the 5% profit shares paid to shareholders has been deducted shall be added to the general legal reserves in accordance with the second paragraph of article 519 of the Turkish Commercial Code.

Unless the legal reserves required to be set aside as per the provisions of the law have been set aside, no resolution can be passed for the setting aside of the profit share calculated for the shareholders or other reserves, for the carrying forward of profits to the next year or for the

<p>and/or as share certificates.</p> <p>The Company can distribute dividend advances to its shareholders within the framework of the regulations set forth in the Capital Markets Legislation.</p> <p>Dividend may be distributed from the net profit in accordance with Article 470 of the Turkish Commercial Code or from the reserves that are allocated to the purpose of dividend distribution</p>	<p>distribution of profit to members of the board of directors, officers, personnel and employees, foundations formed for various purposes and persons and/or institutions of a similar nature.</p> <p>The share of the profits shall be distributed equally to all shares regardless of when such shares may have been issued or acquired.</p> <p>The Company may distribute dividend advances to its shareholders within the framework of the regulations set forth in the capital markets Legislation. In order to distribute dividend advances, it is necessary for a general assembly resolution to have authorized the Board of Directors, with such authority being limited to the relevant year.</p>
<p><b>Article 29 - Date of Dividend Distribution</b></p>	<p><b>Article 27 - Date of Dividend Distribution</b></p>
<p>The General Assembly determines the date and method of distribution of dividends in accordance with the communiqués of the Capital Markets Board.</p> <p>Dividends distributed under the terms of these Articles of Association cannot be claimed back.</p>	<p>The manner and timing of the distribution of any profit to be distributed, shall be determined by the general assembly upon a suggestion by the Board of Directors.</p> <p>Any resolution passed by the general assembly for the distribution of profit in accordance with the provisions of these articles of association may not be claimed back.</p>
<p><b>Article 30 – Reserves</b></p>	<p><b>Article 28 – General Legal Reserves</b></p>
<p>In accordance with Article 466 of the Turkish Commercial Code, 5% of the net profit of the Company shall be set aside each financial year as a Legal Reserve until it reaches 20% of the paid up capital of the Company. The provisions of Article 466 of the Turkish Commercial Code are reserved.</p> <p>If for any reason the Legal Reserves fall below 20% of the paid up capital of the Company, 5% of the net profit of the Company shall be set aside until the Legal Reserves reach 20%.</p> <p>Unless the general legal reserves exceed half of the capital stock, it may be spent exclusively for curing the losses, maintaining operations and the business when business is low, taking precautions to prevent or alleviate the consequences of</p>	<p>In accordance with Article 519 of the Turkish Commercial Code, 5% of the net profit of the Company shall be set aside each financial year as a General Legal Reserve until it reaches 20% of the paid up capital of the Company. The provisions of Article 519 of the Turkish Commercial Code are reserved.</p> <p>If for any reason the General Legal Reserves fall below 20% of the paid up capital of the Company, 5% of the net profit of the Company shall be set aside until the General Legal Reserves reach 20%.</p> <p>Unless the general legal reserves exceed half of the capital stock, it may be spent exclusively for curing the losses, maintaining operations and the business when business is low, taking precautions</p>

<p>unemployment.</p> <p>No dividends can be distributed to shareholders unless the legal reserves and funds to be mandatorily set aside by law or by the Articles of Association are set aside from the net profit.</p>	<p>to prevent or alleviate the consequences of unemployment.</p>
<p><b>Article 32 – Legal Provisions</b></p>	<p><b>Article 30 – Legal Provisions</b></p>
<p>The relevant provisions of the Turkish Commercial Code and capital markets legislation shall apply to all matters not covered by these Articles of Association.</p> <p>The term “capital market legislation” used in these Articles of Association means the Capital Market Law no. 2499 as well as any Communiqués and all other kinds of secondary legislation enacted by the Capital Markets Board and other agencies on the basis of such Law as well as the resolutions issued by the Capital Markets Board and corporate governance principles that the Company is required to comply with.</p>	<p>The relevant provisions of the Turkish Commercial Code and capital markets legislation shall apply to all matters not covered by these Articles of Association.</p> <p>The term “Turkish Commercial Code” or “TCC” as used in these Articles of Association shall mean the Turkish Commercial Code no. 6102, which was published in the Official Gazette dated 14.02.2011 and numbered 27846 and subsequently entered into force on 01.07.2012, and any secondary legislation enacted on the basis of this Code by any Ministry, in particular the Ministry of Customs and Commerce, the Council of Ministers and other office/authority. Any references made to the Code by specifying the number of a particular article shall also include the provisions of specific secondary legislation pertaining to that particular article.</p> <p>The term “capital market legislation” used in these Articles of Association means the Capital Market Law no. 6362, which entered into force upon its publication in the Official Gazette no 28513 on 30.12.2012, as well as any Communiqués and all other kinds of secondary legislation enacted by the Capital Markets Board and other agencies as well as the announcements and resolutions issued by the Capital Markets Board and corporate governance principles that the Company is required to comply with.</p>
<p><b>Article 33 – Articles of Association to be Delivered to the Ministry</b></p>	<p>-</p>
<p>The Company shall print out this Articles of Association and submit it to the shareholders. It shall also deliver 10 copies of the Articles of Association to the Ministry of Industry and Commerce.</p>	<p>-</p>

<b>Article 27 – Annual Accounts</b>	<b>Article 25 – Annual Accounts</b>
<p>The fiscal year of the Company shall commence on 1st January and end on the last day of December.</p> <p>The first fiscal year shall begin from the date of incorporation of the Company, and end on the last day of December.</p>	<p>The fiscal year of the Company shall commence on 1st January and end on the last day of December.</p> <p>The first fiscal year shall begin from the date of incorporation of the Company, and end on the last day of December.</p>
<b>Article 31 - Dissolution and Liquidation of the Company</b>	<b>Article 29 - Dissolution and Liquidation of the Company</b>
<p>The Board of Directors may invite the General Assembly to convene in order to discuss the dissolution and liquidation of the Company for any reason or the continuation of the Company. The Company is dissolved on the grounds stated in the Turkish Commercial Code or via a court judgment. Apart from these, the Company is dissolved via a General Assembly resolution within the scope of the legal provisions. In the event that the Company is dissolved for a reason other than bankruptcy or has been dissolved; the General Assembly will appoint the liquidators. The liquidation method, the performance and completion of the liquidation proceedings, authorities and liabilities of the liquidators are determined according to legal provisions.</p>	<p>The Board of Directors may invite the General Assembly to convene in order to discuss the dissolution and liquidation of the Company for any reason or the continuation of the Company. The Company is dissolved on the grounds stated in the Turkish Commercial Code or via a court judgment. Apart from these, the Company is dissolved via a General Assembly resolution within the scope of the legal provisions. In the event that the Company is dissolved for a reason other than bankruptcy or has been dissolved; the General Assembly will appoint the liquidators. The liquidation method, the performance and completion of the liquidation proceedings, authorities and liabilities of the liquidators are determined according to legal provisions.</p>
<b>Article 34 - The Competent Court</b>	<b>Article 31 - The Competent Court</b>
<p>The courts located in the same place as the headquarters of the Company shall have jurisdiction over any dispute to arise between the Company and the shareholders during the operation or liquidation of the Company.</p>	<p>The courts located in the same place as the headquarters of the Company shall have jurisdiction over any dispute to arise between the Company and the shareholders during the operation or liquidation of the Company.</p>
<b>Article 35 – Compliance with Corporate Governance Principles</b>	<b>Article 32 – Compliance with Corporate Governance Principles</b>
<p>Mandatory Corporate Governance Principles are complied. The transactions and Board Decisions, which are not in line with mandatory principles, are void and considered against the Articles of Association.</p>	<p>Mandatory Corporate Governance Principles are complied. The transactions and Board Decisions, which are not in line with mandatory principles, are void and considered against the Articles of Association.</p>

<p>In transactions which are of importance to Corporate Governance Principles which are with related parties, and in transactions which involve furnishing mortgages, guarantees, indemnity, surety and pledge to third parties on our own account or for any other parties, the regulations on Corporate Governance Principles of Capital Markets Board as well as the principles stipulated in capital markets charter are complied with.</p> <p>In terms of main shareholders, board members, high level executives and their up to second degree relatives to compete and/or enter into transactions with the company and its affiliates in a manner which may create a conflict of interest, a prior approval of the General Assembly is required and furthermore the general assembly shall be informed about executed transactions and competitive activities of the abovementioned persons in the General Assembly Meeting.</p>	<p>In transactions which are of importance to Corporate Governance Principles which are with related parties, and in transactions which involve furnishing mortgages, guarantees, indemnity, surety and pledge to third parties on our own account or for any other parties, the regulations on Corporate Governance Principles of Capital Markets Board as well as the principles stipulated in capital markets charter are complied with.</p> <p>In terms of main shareholders, board members, high level executives and their up to second degree relatives to compete and/or enter into transactions with the company and its affiliates in a manner which may create a conflict of interest, a prior approval of the General Assembly is required and furthermore the general assembly shall be informed about executed transactions and competitive activities of the abovementioned persons in the General Assembly Meeting.</p>
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## **APPENDIX – 5 Remuneration Policy**

Migros' remuneration policy defines the remuneration system and procedure applicable to the Board Members and Senior Managers of the Company under the Capital Markets Board ("CMB") regulations. The rules set forth in capital markets legislation must be complied with in regard to the remuneration of senior executives and board members.

### **1. Members of the Board of Directors**

Remuneration for the Board of Directors is determined at the General Assembly Meeting by shareholders in accordance with the Articles of Association of the Company. Pursuant to the resolution passed during the Ordinary General Assembly Meeting for the previous year, Independent Board Members were paid a gross salary of TL 16,000 for every meeting at which they were present, while the other board members were not paid a monthly salary. Stock options or payment plans based on the performance of the Company shall not be used while determining the salaries of the independent board members.

If a Board Member is also employed as a senior manager in the Company at the same time, it is possible for such person to be paid a fixed salary and bonus payments in accordance with the remuneration policies for senior management.

### **2. Senior Management**

Total income of senior management is composed of two components including fixed salary system and performance based bonus system.

The senior managers receives a fixed monthly salary, based on factors such as salary market, current salary structure of the company, long term targets of the Company, executive compensation policy and position based payment policy in compliance with the applicable laws.

The senior managers also receive remuneration based on both their individual and company performances according to company's Performance Management System. Criteria based on this system are mentioned below:

- **Bonus Base:** Bonus bases vary from management job levels and job grades. Bonus bases shall be revised each year in accordance with international compensation practices.
- **Company Performance:** Company scorecard is defined and revised each year and is focused on company's results. Company scorecard contains financial criteria such as Consolidated Sales, Consolidated EBITDA, Consolidated Net Cash and etc. Targets of these criteria are defined according to the yearly budget and performance is measured by how each criterion meets its target values.
- **Individual Performance:** Balanced scorecard methodology is used to define individual performance. Executive Management individual scorecard contains different subjects from Financial, Operational, Customer, and Technological Innovation and Employee dimensions.

Shareholders are informed in accordance with legislation regarding the total amount of remuneration which was determined according to above principles and paid to senior managers. The total amount of remuneration is provided in financial statements of the Company in the relevant fiscal year.



## **APPENDIX – 6 Internal Guidelines for General Assembly Meeting**

### **Internal Guidelines concerning the Working Principles and Procedures for the General Assembly of Migros Ticaret Anonim Şirketi**

#### **PART ONE**

##### **Scope, Objectives, Basis and Definitions**

###### **Article 1 – Scope and Objectives**

The purpose of these internal guidelines is to determine the working principles and procedures of the general assembly of Migros Ticaret Anonim Şirketi within the framework of the law, relevant legislation and provisions of its articles of association. These internal guidelines cover all ordinary and extraordinary meetings of the Migros Ticaret Anonim Şirketi general assembly.

###### **Article 2 - Basis**

These internal guidelines have been prepared by the board of directors in accordance with the procedures of the Regulation on the Principles and Procedures for the General Assembly Meetings of Joint Stock Corporations and the Customs and Commerce Ministry Representatives who will be Present at such Meetings.

###### **Article 3 - Definitions**

In these internal guidelines:

- a) Session : shall mean a day's meeting for the general assembly;
- b) Law: shall mean the Turkish Commercial Code no 6102 dated 13.01.2011;
- c) Sitting: shall mean each part of a session that is interrupted for a rest period, meal break or similar reasons;
- d) Meeting: shall mean ordinary and extraordinary meetings of the general assembly;
- e) Meeting council: shall mean the council comprised of the meeting chairman elected by the general assembly to chair the meeting in accordance with the first paragraph of article 419 of the Law, the meeting vice chairman elected by the general assembly if necessary, the record keeper/secretary elected by the meeting chairman to record the minutes and the vote collector elected if deemed necessary by the meeting chairman.

## **PART TWO**

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

#### **Article 4 – Provisions to be complied with**

The meeting shall be conducted in accordance with the provisions of the law, relevant legislation and articles of association concerning the general assembly.

#### **Article 5 – Entering the location for the meeting and preparations**

1- The shareholders entered on the list of those present prepared by the board of directors or the representatives of such shareholders, members of the board of directors, auditors, the Ministry representative, persons to be elected or appointed to the meeting council, other managers and employees of the company allowed in, video and audio technicians/staffs and members of the press may enter the meeting location.

2- While entering the meeting location it is required for real person shareholders and their representatives, who have been appointed through the electronic general assembly system established in accordance with article 1527 of the law, to present IDs, for the representatives of real person shareholders to present their powers of attorney together with their IDs, for the representatives of legal entity shareholders to also present the documentation for their authority and thereby sign the lines indicated to them on the list of those present. These controls shall be carried out by the board of directors or one or more members of the board of directors appointed by the board of directors or one or more persons appointed by the board of directors.

3- Duties such as preparing a meeting location large enough for all the shareholders and making any stationary, documents, vehicles and equipment that may be required during the meeting available shall be carried out by the board of directors. In addition, the Ordinary and Extraordinary General Assembly Meetings of Migros Ticaret A.Ş. shall be recorded both as video and audio.

#### **Article 6 – Opening the meeting**

Upon determination on the record that the quorums set forth in articles 418 and 421 of the Law have been met, the meeting will be opened by the chairman, vice chairman or a member of the board of directors on the previously announced time at the head office of the company located at the address of Atatürk Mahallesi Turgut Özal Bulvarı No:7 (previous No.10), 34758 Ataşehir - İstanbul or at another location specified in accordance with article 11 of the Company's articles of association.

#### **Article 7 – Formation of the meeting council**

1- Under the administration of the person who opened the meeting pursuant to article 6 of these internal guidelines, first a chairman and if deemed necessary a vice chairman, neither of whom is required to be a shareholder, shall be selected from among the suggested nominees to be responsible for conducting the general assembly meeting. In accordance with article 13 of the company's articles of association, the chairman of the board of directors, or in his/her absence the vice chairman of the board of directors or in his/her absence the representative of the majority shareholder shall be selected to act as the meeting chairman.

2- The chairman shall appoint at least one record keeper/secretary and if necessary a sufficient number of vote collectors. In addition, the meeting chairman may appoint experts to perform the technical works for the electronic general assembly system during the meeting.

3- The meeting council has the power to sign the meeting minutes and other documents comprising the basis for such minutes.

4- In conducting the general assembly meeting, the meeting chairman shall act in accordance with the provisions of the law, the articles of association and these internal guidelines.

## **Article 8 – Duties and powers of the meeting council**

The meeting council shall perform the following duties under the leadership of the meeting chairman:

- a) checking whether or not the meeting was held at the address specified in the announcement and if specified in the articles of association whether or not the meeting location was in compliance therewith;
- b) checking whether the general assembly was convened with an announcement published on the company's website and the Turkish Trade Registry Gazette in the manner specified in the articles of association and whether such announcement had been made at least three weeks in advance, excluding the date of the announcement and the date of the meeting and entering the circumstances into the minutes;
- c) checking whether persons without authorization to enter the meeting location have entered the meeting or not and whether the duties concerning entry into the meeting location as specified in the second paragraph of article 5 of these internal guidelines have been performed by the board of directors;
- d) checking whether all of the shareholders or representatives are present at general assembly meetings held without an invitation as per article 416 of the law, whether any objections are raised to holding the meeting in such a manner and whether the quorum is maintained all the way through to the end of the meeting;
- e) ascertaining whether the articles of association containing the amendments if amendments have been made, the share ledger, the board of directors' annual report, auditor reports, financial statements, agenda, draft amendment prepared by the board of directors if an articles of association amendment is on the agenda, letter from the Ministry of Customs and Commerce granting permission for the amendment to the articles of association, the list of those present as prepared by the board of directors, the minutes for postponement if the general assembly has been convened due to a postponement of the previous meeting and other necessary documentation pertaining to the meeting are completely available in full at the meeting location and indicating this situation in the meeting minutes;
- f) checking the IDs of those attending the general assembly in person or by proxy by having signed the list of those present as necessary or upon the raising of an objection and checking the accuracy of the documents for representation;
- g) ascertaining whether the managing directors and at least one member of the board of directors and auditor are present at the meeting and indicating this situation in the meeting minutes;
- h) Conducting the general assembly's efforts within the framework of the agenda, preventing deviation from the agenda other than for the exceptions specified in the Law, ensuring order in the meeting and taking the precautions necessary for this;
- i) opening and closing the sessions and sittings and closing the meeting;
- j) Reading or having others read the decisions, drafts, records, reports, suggestions and similar documents pertaining to the matters under discussion to the general assembly and giving the floor to those who wish to speak on such matters;
- k) Calling for a vote for matters that must be resolved by the general assembly and giving notice of the results thereof;
- l) monitoring whether the necessary minimum meeting quorum is met at the beginning, during and at the end of the meeting and whether resolutions have been passed in line with the quorums specified in the Law and the articles of association;

m) Preventing those without voting rights under article 436 of the Law from voting on matters listed in such article, complying with all restrictions established by the Law and articles of association on voting rights and exercise of privileged voting;

n) upon a request by those holding shares in one twentieth of the capital, postponing discussion of the financial statements and related matters to the meeting to be held one month later without the need for a general assembly resolution to this end;

o) ensuring that the minutes for the efforts of the general assembly are prepared, entering the objections into the minutes, signing the resolutions and minutes, indicating the affirmative and dissenting votes cast with regard to the resolutions passed during the meeting in a manner that leaves no room for doubt;

p) at the end of the meeting, delivering to a member of the board of directors the meeting minutes, board of directors' annual report, auditor reports, financial statements, list of those present, agenda, suggestions, ballots and records for the voting if any and all documents pertaining to the meeting.

### **Article 9 – Actions to be taken prior to discussion of the agenda**

The meeting chairman shall read or have another read the meeting agenda to the general assembly. The chairman shall ask if there are any suggestions for making changes to the order of discussion of the items on the agenda and if there is a suggestion, this shall be voted upon by the general assembly. The order of discussion of the items on the agenda may be changed with a majority of the votes of those present at the meeting.

### **Article 10 – The agenda and discussion of the agenda items**

1. It is mandatory for the below matters to be included in the agenda for the ordinary general assembly:

- a) opening and formation of the meeting council;
- b) discussion of the board of directors' annual report, auditor reports and financial statements;
- c) release of the members of the board of directors and auditor;
- d) election of members of the board of directors and auditor whose terms have expired;
- e) determination of the salaries, attendance fees, bonuses and premiums for the members of the board of directors;
- f) determination of how the profit shall be used, distributed and percentage of the dividend shares;
- g) discussion of amendments to the articles of association, if any;
- h) other matters deemed necessary.

2. The agenda for extraordinary meetings shall consist of the reasons necessitating such meeting.

3. Other than the exceptions specified below, matters not included on the meeting agenda may not be discussed or resolved upon:

- a) if all of the shareholders are present, a matter may be added to the agenda with a unanimous vote;
- b) regardless of whether such item is on the agenda, as per article 438 of the Law, the general assembly will resolve on the request of any shareholder for a special audit;

c) regardless of whether such item is on the agenda, the removal of members of the board of directors from duty and the appointment of their replacements shall be deemed to pertain to the item of discussions on the yearend financial statements and will directly be discussed and resolved upon if so requested;

d) even if such item is not on the agenda, the issues of the removal of members of the board of directors from their duties due to the existence of justified reasons such as corruption, inadequacy, breach of the duty of loyalty, difficulty in performing their duties due to membership in a large number of companies, discord, abuse of power shall be added to the agenda with the majority of votes of those present at the general assembly meeting;

4. an item on the agenda that has been discussed and resolved by the general assembly may not be discussed and resolved for a second time unless those present resolve to do so unanimously;

5. items requested to be discussed in the general assembly after an audit or by the Ministry for any reason shall be added to the agenda;

6. the agenda shall be determined by the person who convened the general assembly meeting;

7. it is mandatory for items that the Capital Market Board desires to be discussed or announced to the shareholders be included in the agenda for the general assembly.

#### **Article 11 – Taking the floor during a meeting**

1- Shareholders or other concerned persons who wish to speak on the agenda item under discussion shall inform the meeting council. The meeting council shall announce the persons who will speak to the general assembly and shall give such persons the floor in order of their application. If the person whose turn it is to speak is not at the meeting location, s/he will lose her/his right to speak. Speeches shall be given by addressing the general assembly from the location set aside for this purpose. Persons may change their speaking order amongst themselves. If the time permitted for a speech is limited, a person whose turn it is to speak may only continue speaking after her/his time has expired until the expiration of the time granted to the person following her/him if such person gives her/him his/her right to speak. The time granted for a speech cannot be extended in any other way.

2- The meeting chairman may disregard the speech order and give the floor to members of the board of directors or the auditor who wish to give explanations pertaining to the matters under discussion.

3- The time allotted for speeches shall be determined by the general assembly upon suggestions by the chairman or shareholders by taking into consideration how loaded the agenda is, the number and importance of items that must be discussed and the number of persons who wish to speak. In such circumstances the general assembly will vote separately first on whether or not it is necessary to place any restrictions on the length of speeches and then on what such time restriction should be.

4- The principles and procedures specified in article 1527 of the Law and secondary legislation shall be applied with regard to the communication of the opinions and suggestions of shareholders or their representatives who are attending the general assembly electronically as provided under article 1527 of the Law.

## **Article 12 – Voting and manner of casting votes**

1- Before the commencement of voting, the meeting chairman shall explain to the general assembly the issue to be voted upon. If a draft resolution is to be voted on, this shall be voted on after it has been ascertained in writing and read. Once it has been announced that voting shall commence, only requests to speak on matters of procedure can be made. At this time, if there is a shareholder who was not given the floor even though s/he had made the request, s/he will be allowed to speak by raising a reminder which is then confirmed by the chairman. No one will be allowed to speak once the voting has commenced.

2- Votes on matters discussed at the meeting may be cast by a show of hands or standing up or separately declaring approval or dissent out loud. These votes shall be counted by the meeting chairman. If necessary, the meeting council may appoint a sufficient number of people to count the votes. Those who do not raise their hands, do not stand up or do not make any kind of declaration shall be deemed to have voted “dissentingly” and in ascertaining the voting, such votes are counted as having been cast against the relevant resolution.

Balloting shall be used upon a request by shareholders representing 10% (ten percent) of the capital.

3- The principles and procedures specified in article 1527 of the Law and secondary legislation shall be applied with regard to the casting of votes by those shareholders or their representatives who are attending the general assembly electronically as provided under article 1527 of the Law.

## **Article 13 – Preparing the meeting minutes**

1- The meeting chairman shall sign the list of those present which indicates the shareholders or their representatives, the shares held by them, the class of such shares, the number and nominal value of such shares and shall ensure that the minutes are written in accordance with the law and relevant legislation whereby the questions asked and answers provided during the general assembly are summarized, the resolutions passed are clearly indicated along with the number of affirmative and dissenting votes cast with regard to each resolution.

2- The general assembly minutes shall be written at the meeting location during the meeting by using a typewriter, computer and/or by hand on the condition they are written in a legible manner with the use of a pen. In order for the minutes to be written on the computer, it is mandatory for a printer to be available in order to obtain a printout at the meeting location.

3- At least two original counterparts of the minutes must be prepared and each page thereof must be signed by the meeting council and Ministry representative.

4- The minutes must include the company's trade name, date and location of the meeting, the aggregate nominal value of the shares and the number of shares, the total number of shares represented at the meeting in person or by proxy, the name and surname of the Ministry representative as well as the date and number of the letter appointing him/her to the post, if the meeting is being held upon an announcement, the basis for the meeting and the fact that the meeting is being held without an announcement if that is the case.

5- The numbers of the votes for the resolutions passed at the meeting must be indicated in figures as well as in writing so as not to leave any room for doubt.

6- The names, surnames and grounds for dissension of those who cast dissenting votes on the matters resolved in the meeting and who wish for such dissent to be recorded in the minutes, shall be entered into the minutes.

7- If the grounds for dissent are provided in writing, such text shall be added to the minutes. The records will specify the name, surname of the dissenting shareholder or representative and note that the dissenting text has been appended to the minutes. The dissenting text appended to the minutes shall be signed by the meeting council and Ministry representative.

#### **Article 14 – Actions to be taken at the end of the meeting**

1- At the end of the meeting, the meeting chairman shall deliver to a member of the board of directors who was present at the meeting a copy of the meeting minutes and all other documents pertaining to the general assembly. This shall be ascertained by means of a separate record to be prepared between the parties.

2- The board of directors is required to submit a notarized copy of the minutes to the trade registry and to register and announce those matters on such minutes which are subject to registration and announcement at the latest within fifteen days of the date of the meeting.

3- The minutes shall also be posted on the website a within one day of the date of the general assembly at the latest.

4- The meeting chairman shall also deliver a copy of the list of those present, the agenda and the minutes for the general assembly meeting to the Ministry representative.

#### **Article 15 – Electronic participation in the meeting**

In accordance with article 1527 of the Law, the opportunity for electronically participating in general assembly meetings has been provided. The actions to be carried out by the board of directors and the meeting council shall be performed by taking into consideration article 1527 of the law and relevant legislation.

Electronic participation in general assembly meetings shall be realized through the electronic environment provided by the Central Registry Agency (MKK).

### **PART THREE Miscellaneous Provisions**

#### **Article 16 – Attendance of the Ministry Representative and documents pertaining to the general assembly meeting**

1- The attendance of the Ministry representative is mandatory and the provisions of the Regulation concerning the Rules and Principles for the General Assembly Meetings of Joint Stock Corporations and the Ministry of Customs and Commerce Representatives who will Attend such Meetings, which pertain to making requests for such representative and the powers and duties of the representative, are reserved.

2- It is mandatory to comply with the provisions of the Regulation specified in above subparagraph 1 in preparing the list for those who may attend the general assembly meeting and those present at the meeting, the documentation to be used for representation at the meeting and the meeting minutes.

#### **Article 17 – Circumstances not included in the internal guidelines**

If any circumstances not covered by these internal guidelines arise during a meeting, action shall be taken in line with the general assembly's decision.

#### **Article 18 – Adoption of the internal guidelines and amendments**

These internal guidelines shall be implemented, registered and announced by the board of directors upon approval from the Migros Ticaret Anonim Şirketi general assembly. Any amendments to be made to the internal guidelines shall also be subject to the same procedure.

#### **Article 19 – Effectiveness of the internal guidelines**

Having been adopted in the Migros Ticaret Anonim Şirketi general assembly meeting of .../.../2013, these internal guidelines will enter into effect on the date they are announced in the Turkish Trade Registry Gazette.

## **APPENDIX – 7 Disclosure Policy**

Information shall be disclosed to the public correctly and in due time by taking into consideration those matters that fall under the scope of the Capital Markets Board's Communiqué On The Principles Regarding The Public Disclosure Of Material Events (Series: VIII, No: 54) In addition, any material information that could affect the decisions of shareholders and the holders of other interests shall also be disclosed to the public. In order to ensure easy access by shareholders to information disclosed to the public, such information is also announced on our corporate website. Disclosures made to the public (investor presentations, press bulletins, etc) are published on our corporate website and in disclosing these, data distribution companies, written and visual media are also used in addition to the Public Disclosure Platform disclosures. A disclosure policy for informing the public has been formulated and announced to the public. The profit distribution policy set forth in the Activity Report and our corporate website is being disclosed to the shareholders during the General Assembly Meetings. The Disclosure Policy, which has been prepared by the Board of Directors and is updated according to the relevant regulatory framework as necessary, is disclosed to the shareholders during the General Assembly and is subsequently published on our corporate website. The Investor Relations Department correctly, accurately and in compliance with the principle of equality responds to any questions directed by shareholders to the Company with regard to the Company's disclosure policy.

Migros' public disclosure policy requires it to share any and all information upon demand unless such information is a commercial secret or would provide a competitive advantage to third parties and would adversely affect the Company's operations.

### **Vehicles Used within the Framework of the Disclosure Policy**

In ascertaining its public disclosure policy within the framework of the provisions of the Turkish Code of Obligations and the regulatory framework of the CMB and Istanbul Stock Exchange, Migros Ticaret A.Ş. makes use of the below methods and vehicles:

- Material event disclosures sent to the Public Disclosure Platform ("KAP")
- Financial reports sent to the Public Disclosure Platform ("KAP")
- Annual and interim reports
- Corporate website ([www.migroskurumsal.com](http://www.migroskurumsal.com))
- Information and introductory documents prepared for shareholders
- Investor meetings
- Prospectus, circular, announcements and other documents required to be prepared in accordance with the Capital Markets Regulatory Framework
- Press releases via written and visual media
- Announcements and declarations made via the Turkish Trade Registry Gazette and daily newspapers



## **Material Event Disclosures and Financial Statements**

Periodic financial statements, footnotes, annual/interim reports are prepared so as to reflect the company's true financial status and disclosed to the public. Financial statements are prepared in accordance with national/international accounting standards within the scope of CMB communiqués. The footnotes of the financial statements indicate which accounting policies have been applied.

## **Annual Reports and Informational Presentations**

Annual reports are prepared with sufficient detail to enable parties who require information on the company to access the necessary information and are updated as necessary or as required by legislation in every period.

Our Company has shared the presentations and bulletins it has prepared to inform its shareholders in every quarter of 2012 after the financial statements have been disclosed on our corporate website. Furthermore KAP has been informed that such information has been uploaded.

## **The Company Website and its Contents**

The corporate website ([www.migroskurumsal.com](http://www.migroskurumsal.com)) was offered to customers and shareholders for the first time in 1997.

All information and disclosures that could affect the exercise of any shareholding rights are presented to our shareholder's use on our company's corporate website in an up-to-date manner.

The content of the corporate website ([www.migroskurumsal.com](http://www.migroskurumsal.com)) was enriched during the year. Furthermore, each of our formats has a separate website and these sites are open to our shareholders' use. The corporate website provides its services under main headings of:

- About Us,
- Our Brands and Our Stores,
- Corporate Social Responsibility,
- Quality and Product Safety,
- Investor Relations,
- Human Resources

as well as various subheadings pertaining thereto and includes in its contents issues specified under article 2.2. 'the website' of section II of the CMB "Communiqué concerning the Determination and Implementation of Corporate Governance Principles" as well as many other topics.

Under our corporate website's heading of "Investor Relations" are the main sections of "Migros Corporate, Financial Reports, Capital Increase and Profit Share Information, General Assembly Information, Material Event Disclosures, Announcements for our Shareholders, Frequently Asked Questions and Contact Us". Our shareholders may find detailed information on Migros under subsections linked to these main sections. Our Investor Relations page is updated as necessary and as required by legislation and ensures that our investors are able to easily access up-to-date information.

Information that must be disclosed to the public such as trade registry information, shareholding structure is available on our website in Turkish and English.

## **APPENDIX – 8 Donation Policy**

The Company may help or make donations to charitable funds, associations, universities and similar organizations and public legal entities in accordance with the principals set forth by the Capital Markets Board.

In the selection of the form and amount of the donation as well as the real or institutional entity to receive such a donation, compliance with Migros' corporate social responsibility policies are adhered to.

Donations that are worth over TL 50,000 as a yearly total sum requires the decision of the Board of Directors.

Donations made by the Company in the fiscal year will be submitted for the information of the shareholders during the Annual General Assembly Meeting. Amount of donations made by the Company to foundations and societies during 2012 is TL 650,553.69.