

INTERNAL DIRECTIVE ON OPERATING PRINCIPLES AND PROCEDURES FOR GENERAL ASSEMBLY OF ASELSAN ELEKTRONİK SANAYİ VE TİCARET A.Ş.

PART ONE

Objective, Scope, Basis and Definitions

Objective and Scope

Article 1 – (1) The objective of this Internal Directive is to determine Operating Principles and Procedures for General Assembly of ASELSAN Elektronik Sanayi ve Ticaret A.Ş. subject to the provisions of the Law, relevant legislation and Articles of Association. This Internal Directive covers any ordinary and extraordinary General Assembly meetings of ASELSAN Elektronik Sanayi ve Ticaret A.Ş.

Basis

Article 2 – (1) This Internal Directive has been prepared by the Board of Directors in compliance with the provisions of the Regulation on the Procedures and Principles for General Assembly meetings of Joint Stock Companies (AŞ) and Representatives of the Ministry of Customs and Trade to Be Present in These Meetings.

Definitions

Article 3 – (1) The following terms used in this Internal Directive have the meanings assigned to them below:

- a) Sitting : One day meeting of the General Assembly
- b) Law: Turkish Commercial Code No 6102 of 13/01/2011
- c) Session: Each of the parts of each sitting interrupted by rest, lunch break and similar reasons
- d) Meeting : Ordinary and extraordinary general assembly meetings
- e) Meeting Board: Board comprising Meeting Chairman elected by the Board of Directors to manage the meeting in compliance with sub-clause one of Article 419 of the Law, Meeting Deputy Chairman elected by the General Assembly if necessary, Minutes Clerk designated by the Meeting Chairman and Vote Collection Officer if deemed necessary by the Meeting Chairman

PART TWO

Operating Procedures and Principles for the General Assembly

Provisions to be observed

Article 4 – (1) Meeting is held in compliance with the provisions of the Law, Relevant Legislation and Articles of Association regarding general assembly.

Entry to Meeting Venue and Preparations

Article 5 – (1) The shareholders or their representatives contained in the list of attendance issued by considering the list of shareholders provided by the Board of Directors from the Central Registration Authority, and Member of the Board of Directors, auditor, Board of Directors member nominees, Ministry Representative if appointed, and persons to be elected or assigned as and to the meeting board membership positions, other Company executives and employees, guests and audio and video recording technicians may enter the meeting venue.

(2) It is required that while entering the Meeting Venue, real person shareholders and representatives appointed via the Electronic General Assembly System pursuant to Article 1527 of the Law show their ID cards, natural person shareholders' representatives show their ID Cards with their representation documents, legal entity shareholders' representatives produce their representation documents and they all subsequently sign the places indicated for them individually on the list of attendees. Such control operations are conducted by the Board of Directors or one or several members of the Board of Directors assigned by the Board of Directors or one or several persons assigned by the Board of Directors.

(3) Tasks for preparation of the Meeting Venue in a manner accommodating any shareholders and making available any stationery, documents, tools and supplies to be needed during the meeting at the Meeting Venue as well as supply of suitable for recording audio and video are performed by the Board of Directors.

Opening the Meeting

Article 6 – (1) The Meeting opens at the Company headquarters or at a location approved by Board of Directors at the pre-announced time (The provisions of Article 416 of the Law for meeting without call are reserved) after it is established by the President or Deputy President of the Board of Directors or one of the members of the Board of Directors under minutes that the quorums as stipulated by Articles 418 and 421 of the Law are secured.

Formation of the Meeting Board

Article 7 – (1) A chairman and if deemed necessary a deputy chairman, who shall be responsible for the management of the General Assembly and are not required to be shareholders, are first elected from among the nominees recommended under management of the person opening the meeting pursuant to the provisions of Article 6 of this Internal Directive.

(2) Minimum one Minutes Clerk and if deemed necessary an adequate number of vote collection officers are assigned by the Chairman. In addition, the Meeting Chairman assigns specialists for the purpose of meeting technical operations for electronic general assembly system in connection therewith.

(3) The Meeting Chairman is authorized to sign meeting minutes and any other documentation constituting a basis for such minutes.

(4) The Meeting Chairman acts in compliance with the provisions of the Law, Articles of Association and this Internal Directive while managing General Assembly meeting.

Duties and powers of Meeting Board

Article 8 – (1) The Meeting Board performs the following tasks under the management of the chairman:

- a) To inspect whether the Meeting takes places at the address indicated in public notice and whether the Meeting Venue is compliant therewith if so specified by the Articles of Association.
- b) To inspect if the General Assembly is called to the Meeting via public notice published on the Company web site, Public Disclosure Platform and in the Turkish Trade Registry Gazette as indicated by the Articles of Association, if this call is made at least two weeks before the meeting date excluding days of public notice and meeting and if the shareholders registered in the share book and shareholders providing their addresses upon submission of share certificates or documents proving their position as shareholders to the Company in advance are informed of the meeting date and agenda including such newspapers where public notice appeared or would appear and take down these facts in the meeting minutes.

- c) To control if anyone not having the authority to enter the meeting venue attends the meeting and if the tasks as stipulated by Sub-clause 2 of Article 5 of this Internal Directive are performed by the Board of Directors in connection with entrance to the meeting venue.
- d) To inspect if all of the shareholders or their representatives are present in cases where the General Assembly convenes without notice pursuant to Article 416 of the Law, if there is any objection to the meeting being held by this method and if quorum is maintained throughout the meeting.
- e) To determine if the following are made available at the meeting venue fully and specify this condition in the meeting minutes: Articles of Association also containing any amendments thereto in case of amendments, share book, Board of Directors annual report, financial tables, agenda, draft amendment prepared by the Board of Directors in case of amendment to the Articles of Association serving as a basis for the agenda, authorization letter and draft amendment attached thereto received from the Ministry in cases where amendment to the Articles of Association is subject to authorization by the Ministry of Customs and Trade, list of attendees prepared by the Board of Directors, postponement minutes in connection with previous meeting in cases where General Assembly is called to meeting upon postponement and any other necessary documents in connection with the Meeting.
- f) To conduct ID control of attendees participating General Assembly directly or by proxy by signing the list of attendees upon an objection or where necessary and control representation documents for accuracy.
- g) To find out if the executive members and minimum one member of the Board of Directors and auditor in the case of companies subject to audit are present in the meeting and specify this condition in the meeting minutes.
- h) To direct General Assembly works subject to agenda, prevent deviation from agenda, save for exclusions stipulated by the Law, ensure order of the Meeting and take necessary measures for this purpose.
- i) To open and close sittings and sessions and close the Meeting.
- j) To read out or cause to be read out to General Assembly any resolutions, drafts, minutes, reports, recommendations and any other similar documents in connection with issues discussed and speak in connection therewith and allow anyone intending to speak in connection therewith to take platform.
- k) To hold voting in connection with any resolutions submitted by the General Assembly and announce results thereof.
- l) To safeguard that minimum quorum for the Meeting is maintained at the beginning, continuation and end of the Meeting and that resolutions are adopted in compliance with quorums stipulated by the Law and Articles of Association.
- m) To disclose any notices served by representatives to General Assembly as designated by Article 428 of the Law.
- n) To prevent those deprived of voting rights from casting votes on resolutions indicated by Article 436 of the Law pursuant to the said article and safeguard any limitations imposed on voting rights and privileged voting pursuant to the Law and Articles of Association.
- o) To postpone for discussion in the Meeting to be held after month deliberation of financial tables and discussion of issues in connection therewith upon request of one tenth (one twentieth of shareholders in case of publicly listed companies) without a need for General Assembly to adopt a resolution thereof.
- p) To ensure issuing of minutes for General Assembly works, annotate any objections in minutes, sign resolutions and minutes and indicate any votes cast in favor or against any resolutions adopted by the General Assembly in minutes in a manner not leaving room for doubt in connection therewith.

- q) To deliver meeting minutes, Board of Directors annual report, auditor reports in case the company is subject to audit, financial tables, list of attendees, agenda, voting papers and minutes for elections if any and any other documents to one of the members of the Board of Directors within meeting minutes, in connection with the meeting upon closing of the meeting.

Tasks to be completed before proceeding with the discussion of agenda

Article 9 – (1) Meeting Chairman reads out or causes to be read out meeting agenda to General Assembly. Chairman asks if there are any proposed changes to the order of discussion of agenda items and if any, such a proposal submitted to General Assembly for approval. The order of discussion of agenda items may be changed upon a decision taken by those in the Meeting unanimously.

Agenda and discussion of agenda items

Article 10 – (1) The following issues must be included on the agenda of ordinary General Assembly meetings:

- a) Opening and formation of Meeting Board.
- b) Discussion of Board of Directors annual report, auditor reports in case the company is subject to audit and financial tables.
- c) Release of members of the Board of Directors and auditors, if any.
- d) Election of such members of the Board of Directors and auditors in case of companies subject to audit whose terms in office expire.
- e) Determination of remunerations and rights such as attendance fees, bonuses and premiums of members of the Board of Directors.
- f) Determination of utilization method and distribution of profit and dividend rates.
- g) Discussion of amendments to Articles of Association if any.
- h) Any other issues considered necessary.

(2) Agenda of any extraordinary General Assembly meeting is constituted by the reasons requiring convention of such Meeting.

(3) Any issues not covered by meeting agenda save for exclusions indicated below may be discussed and agreed:

- a) Issues may be supplemented to agenda unanimously in case of presence of all the shareholders.
- b) Request by any shareholders for particular audit is agreed by the General Assembly disregarding if it is included in the agenda pursuant to Article 438 of the Law.
- c) Issues in connection with dismissal of any members of the Board of Directors and election of replacements are deemed relevant to the item on discussion of year end financial tables and directly discussed and agreed upon request whether there are any items on the agenda in connection therewith.
- d) In case of presence of justifiable grounds such as irregularities, incompetence, violation of loyalty obligation, difficulty in performing tasks due to involvement in many companies as a member, incompatibility and misuse of powers, issues in connection with removal of members of the Board of Directors and election of replacements are included in agenda unanimously whether there are any items relevant thereto on agenda.

(4) Any agenda items already discussed and decided by the General Assembly may not be discussed and decided again unless otherwise agreed by attendees unanimously.

(5) Any issues required to be discussed by the General Assembly as a result of audit conducted or upon request by the Ministry for any reasons are included in the agenda.

(6) Agenda is determined by the person inviting General Assembly to Meeting.

Taking the floor in the Meeting

Article 11 – (1) Shareholders or other concerned parties intending to take the floor on an agenda item under discussion, inform the Meeting Board accordingly. The Board announces persons, who would take the floor, to General Assembly and allow such persons to address the assembly in order of applications. A person having his turn to take the floor, loses his right if he is not present in the Meeting Venue. Speeches are made at the spot allocated for this purpose, directly addressing General Assembly. Persons may mutually change their turns for speech. In case of limitation to speech duration, a person speaking upon his turn may continue his speech on condition of completion within the speech duration of the first person who would speak after him in cases where that person would give him his speech right. Speech duration may not be prolonged otherwise.

(2) Meeting Chairman may allow such members of the Board of Directors and auditor intending to provide clarifications on issues under discussion to take the floor notwithstanding any order in place in connection therewith.

(3) Duration of speeches is decided by the General Assembly upon proposal of Chairman or shareholders depending on agenda intensity, large number and importance of issues required to be discussed and number of persons intending to take the floor. In such cases, General Assembly decides on the issues as to whether limitation of speech duration would be required in the first instance and then length of duration through individual voting thereof.

(4) In connection with communication of comments and recommendations by such shareholders or their representatives participating in General Assembly electronically pursuant to Article 1527 of the Law, procedures and principles as designated by the said article and sub-regulations thereof are applicable.

Voting and method of casting votes

Article 12 – (1) Before commencement of voting, Meeting Chairman announces the issue to be voted on to General Assembly. In cases where a draft resolution is to be voted on, voting is proceeded to after this is established in writing and then read out. Someone is allowed to take the floor only on procedural issues once it is announced that voting is to be proceeded to. In the meantime, in case of any shareholder not allowed to take the floor although he made a request thereof earlier, he is given the right to take the floor upon his reminder subject to confirmation by the Chairman. No one is allowed to take the floor once voting gets under way.

(2) Votes on issues discussed in the Meeting are cast by raising hands individually. Such votes are counted by the Meeting Chairman. If necessary, the Board may assign an adequate number of persons to assist with vote counting. Those not raising hands are deemed having cast “rejection” votes and such votes are considered having been cast against relevant decision in evaluation.

(3) In connection with voting by such shareholders or their representatives participating in General Assembly electronically pursuant to Article 1527 of the Law, procedures and principles as designated by the said article and sub-regulations thereof are applicable.

Issuing of meeting minutes

Article 13 – (1) Meeting Chairman prepares list of attendees indicating shareholders or their representatives, shares held by them, their groups, numbers and nominal values and it is ensured that minutes indicate summary of questions asked in General Assembly and answers to them and contain clear indication of resolutions adopted and numbers of affirmative and negative votes cast on each resolution and that minutes are issued in compliance with principles indicated by the Law and Relevant Legislation.

(2) General Assembly minutes are issued by type writer, on computer or hand writing legibly using ink pen during the meeting in the Meeting Venue. A printer must be available in the Meeting Venue allowing printouts so that minutes may be typed on computer.

(3) Minutes are issued in minimum two counterparts and each page of minutes is signed by the Meeting Board and the Ministry Representative if he also attends.

(4) Minutes must specify company trade name, meeting date and venue, total nominal value of company shares and number of shares, total number of shares represented directly and by proxy in the meeting, name of the Ministry Representative if he also attends, date and number of assignment letter thereof, method of invitation in case of meeting by notice and whether meeting is held without notice.

(5) Numbers of votes on decisions taken in the meeting are specified by minutes in figures and words for avoidance of doubt in connection therewith.

(6) Names of those casting negative votes on decisions taken in the meeting and intending to procure inclusion of their opposition in minutes and their grounds for opposition are taken down in minutes.

(7) In cases where opposition grounds are provided in writing, such a letter is attached to minutes. Minutes specify names of shareholders or representatives expressing opposition and a note that letter of opposition is attached thereto. Letter of opposition attached to minutes is signed by the Meeting Board and Ministry Representative in case of his attendance.

Operations to be made at the end of meeting

Article 14 – (1) At the end of Meeting, Meeting Chairman delivers a copy of minutes and any other documents in connection with General Assembly to any of members of the Board of Directors present in the meeting. This fact is taken down in separate minutes to be issued between the parties.

(2) Board of Directors is obligated to submit a notarized copy of minutes to the Trade Registry and procure registration and public communication of any issues contained in these minutes, which require registration and public communication, no later than fifteen days from meeting date.

(3) Minutes are also posted by companies required to run Internet sites on Internet site no later than five days from General Assembly date.

(4) Meeting Chairman additionally delivers copies of list of attendees, agenda and General Assembly meeting minutes to the Ministry Representative in case of former's attendance.

Electronic attendance in the meeting

Article 15 – (1) Operations to be performed by the Board of Directors and Meeting Board if means are in place for electronic attendance in General Assembly meeting pursuant to Article 1527 of the Law are fulfilled by considering Article 1527 of the Law and Relevant Legislation.

PART THREE

Miscellaneous provisions

Ministry Representative's attendance and documents in connection with General Assembly meeting

Article 16 – (1) The provisions of Regulation on the Procedures and Principles for General Assembly meetings of Joint Stock Companies (AŞ) and Representatives of the Ministry of Customs and Trade To Be Present in These Meetings are reserved in connection with requiring a representative for meetings for which Ministry Representative’s attendance is compulsory and this representative’s tasks and powers.

(2) Preparation of list of those qualifying for attendance in the meeting and those in attendance and issue of representation documents to be used in the General Assembly and meeting minutes must comply with the provisions of the Regulation referred to by first sub-clause.

Issues not stipulated by the Internal Directive

Article 17 – (1) Action is taken in line with decision to be taken by the General Assembly where any issues not stipulated by this Internal Directive are encountered in meetings.

Adoption of and amendment to the Internal Directive

Article 18 – (1) This Internal Directive is put into force, registered and publicly communicated by the Board of Directors upon approval by General Assembly of ASELSAN Elektronik Sanayi ve Ticaret A.Ş. Any amendment to the Internal Directive is subject to the same procedure.

Entry into force of the Internal Directive

Article 19 – (1) This Internal Directive is adopted by General Assembly meeting of ASELSAN Elektronik Sanayi ve Ticaret A.Ş. on 29.03.2013 and enters into force on the date of public communication in the Turkish Trade Registry Gazette.