

İSTANBUL SETTLEMENT AND CUSTODY BANK INC. DIVIDEND DISTRIBUTION POLICY

İstanbul Settlement and Custody Bank Inc. (Takasbank) Dividend Distribution Policy (Policy) is prepared by Board of Directors and approved by General Assembly.

The purpose of this Policy is to determine the methods and principles of dividend distribution by taking into account the balance between shareholder expectations and medium and long term plans of Takasbank, as well as national and global economic conditions and growth targets.

Dividend distribution shall be decided by the General Assembly upon the proposal of the Board of Directors prepared in accordance with the provisions of the Turkish Commercial Code, banking legislation, tax legislation, other legislation to which Takasbank is subject and the provisions of the articles of association of the Bank. In the dividend distribution, a consistent policy is followed in line with the corporate governance principles in force, which takes into account the balance between the interests of the shareholders and the company.

Policy aims to distribute at least 20% of the distributable period profit, calculated in accordance with the provisions of the Turkish Commercial Code, banking legislation and the articles of association, taking into account the Bank's medium and long-term strategic targets, planned investments and cash situation. In determining the dividend ratio to be distributed, the Bank's forward-looking projections and capital adequacy ratios calculated based on the current situation are taken into account within the framework of the legislation on banks' capital adequacy. If requested by the Banking Regulation and Supervision Agency (BRSA), permission is obtained from the BRSA before the profit distribution is discussed in the General Assembly.

Dividends are distributed equally to all of the existing shares, regardless of their date of issuance and acquisition.

Dividend amounts determined in accordance with the relevant legal regulations and the provisions of the Bank's articles of association are determined by the General Assembly and distributed to the shareholders on the dates determined by the General Assembly within the stipulated legal periods.

If the Board of Directors proposes not to distribute dividends, it informs the shareholders at the General Assembly about the reasons of this situation and how to use the undistributed profit.

Policy can be reviewed annually, taking into account the financial performance, investment projects, and sectoral and economic conditions.