

**MINUTES OF THE ORDINARY GENERAL SHAREHOLDERS' MEETING OF  
T. GARANTI BANKASI A.Ş. HELD ON APRIL 4<sup>TH</sup>, 2019**

The Ordinary General Shareholders' Meeting of T. Garanti Bankası A.Ş. for the year 2018 was held on April 4<sup>th</sup>, 2019 at 10a.m. at the address of Levent, Nispetiye Mahallesi, Aytar Caddesi No: 2 Beşiktaş, İstanbul, under the supervision of the representative of the Ministry of Customs and Trade Sabire Elbükten, authorized by The Republic of Turkey, İstanbul Governorship Provincial Office for Trade's letter dated 03/04/2019 and numbered 43197817.

The invitation to the meeting, including the agenda, was announced three weeks prior to the meeting date calculated by excluding the announcement and meeting dates in accordance with the relevant legislation and the Articles of Association, in the Turkish Trade Registry Gazette dated 07/03/2019, numbered 9782 and, in Sabah and Hurriyet Newspapers dated 08/03/2019, on the Bank's websites at [www.garanti.com.tr](http://www.garanti.com.tr) and [www.garantiinvestorrelations.com](http://www.garantiinvestorrelations.com), on the Public Disclosure Platform and on the Electronic General Assembly System and e-Company Information Portal of the Central Registry Agency.

Pursuant to paragraphs 5 and 6 of article 1527 of the Turkish Commercial Code, the Bank's preparations for its Electronic General Shareholders' Meeting were carried out in compliance with the regulations, and the General Shareholders' Meeting started simultaneously on physical and electronic platforms. Ömer Çirkin was assigned to the task of handling the Electronic General Assembly System.

Alper Güvenç, the representative of the Bank's auditor and group auditor KPMG Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. (KPMG) was present at the meeting.

Upon examination of the Attendance List, it was concluded that out of the 420.000.000.000 shares equivalent to the Bank's issued capital of TRY 4.200.000.000; a total of shares corresponding to TRY 3,607,811,601.87 were present in the meeting with shares corresponding to TRY 19,621.87 being represented in person and shares corresponding to TRY 3,607,791,980 being represented by proxy whereas shares corresponding to TRY 1,514,091,980 were represented by the representatives of the depositors. Therefore the minimum meeting quorum set forth in the legislation and the Articles of Association was met.

The Meeting was opened by Board Member/General Manager Ali Fuat Erbil in accordance with Article 34 of the Bank's Articles of Association and the Internal Directive for the Working Methods and Principles of the General Assembly.

1-) In order to establish the Board of Presidency, the proposal given by İhsan Can Argon, the representative of Banco Bilbao Vizcaya Argentaria S.A, was read and voted.

Upon the proposal that was submitted, with affirmative votes of shares corresponding to TRY3.607.811.401,87; it was resolved that Avni Aydın Düren be elected as the President of the Meeting.

The President of the meeting assigned İhsan Can Argon as the vote collecting clerk and Gizem Duygu Selvi as the secretary for writing the minutes of the meeting.

2-) The next agenda item was reading and discussing the Board of Directors' Integrated Annual Report for 2018. Since the report had been posted on the Bank's website, on the Public Disclosure Platform and on the Electronic General Assembly System and e-Company Information Portal of the Central Registry Agency three weeks prior to the General Shareholders' meeting for the examination of the shareholders, İhsan Can Argon as the representative of Banco Bilbao Vizcaya Argentaria S.A, submitted a proposal to assume the Integrated Annual Report as read. Following the voting, the proposal was accepted by the majority of the votes, with dissenting votes of shares corresponding to TRY 12.7542.905 versus affirmative votes of shares corresponding to TRY3.480.263.746,87.

The Board of Directors' Integrated Annual Report for 2018 was accepted by the majority of the votes, with dissenting votes of shares corresponding to TRY 12.7542.905 versus affirmative votes of shares corresponding to TRY3.480.263.746,87.

3-) The next agenda item was reading the Independent Auditor's Report for 2018. Since the report had been posted on the Bank's website, on the Public Disclosure Platform and on the Electronic General Assembly System and e-Company Information Portal of the Central Registry Agency three weeks prior to the General Shareholders' meeting for the examination of the shareholders, İhsan Can Argon as the representative of Banco Bilbao Vizcaya Argentaria S.A, submitted a proposal to read only the "Summary Opinion" part of the Independent Auditor's Report. Following the voting, the proposal was accepted by the majority of the votes, with dissenting votes of shares corresponding to TRY 129.917.902 versus affirmative votes of shares corresponding to TRY 3.477.888.749,87. The Summary Opinion part of the Independent Auditor's Report for the year 2018 was read to inform the shareholders.

4-) The Assembly moved on to the next agenda item on reading, discussion and approval of the financial statements for 2018. As the Financial Statements had been posted on the Bank's website, on the Public Disclosure Platform and on the Electronic General Assembly System and e-Company Information Portal of the Central Registry Agency within the legally prescribed time limit of three weeks prior to the general shareholders' meeting for the examination of the shareholders, İhsan Can Argon as the representative of Banco Bilbao Vizcaya Argentaria S.A submitted a proposal to assume the financial statements as read. Following the voting, the proposal was accepted by the majority of the votes, with dissenting votes of shares corresponding to TRY 320.946.579 versus affirmative votes of shares corresponding to TRY 3.286.860.071,87. The President had the summary of the financial statements read. Subsequently, the Assembly deliberated on the reports and they were put to vote.

The Financial Statements for the year 2018 were approved by the majority of the votes, with dissenting votes of shares corresponding to TRY 320.946.579 versus affirmative votes of shares corresponding to TRY 3.286.860.071,87.

5-) The proposal prepared by the Board of Directors for profit distribution for the accounting year 2018 was presented to the General Assembly for approval. In accordance with the Banking Law, Capital Markets Law and related regulations, Article 45 of the Bank's Articles of Association and Profit Distribution Policy, considering the Bank's growth target, its long term strategy, along with domestic and international economic developments, the proposal of the Board of Directors regarding the transfer of the distributable net profit in the amount of 6.638.235.755,02 Turkish Liras realized

in the 2018 accounting period to the Extraordinary Reserves Account without being distributed to the shareholders and the Profit Distribution Table as is shown below were submitted for the approval of the shareholders.

<b>2018 DISTRIBUTION OF THE PROFIT TABLE - Turkish Liras</b>	
NET PROFIT	6,638,235,755.02
A - 5 % for the 1st Legal Reserve Fund (TCC 519/1)	0.00
B - First dividend corresponding to the 5 % of the paid up capital	0.00
C - 5 % Extraordinary Reserve Fund	331,911,787.75
D- Second Dividend To Ordinary Shareholders	0.00
2nd Legal Reserve Fund (TCC 519/2)	0.00
The other funds have to be kept in the Bank (CIT 5/1/e)	6,416,192.13
D - Extraordinary Reserve Fund	6,299,907,775.14

Furthermore, the transfer of 2.983.668,69 Turkish Liras which was exempted from Corporate Tax in accordance with sub-paragraph (e) of first paragraph of Article 5 of the Corporate Tax Law and was transferred to a special fund account due to fulfilment of conditions defined in the relevant legislation and the transfer of 397.309.382,28 Turkish Liras which was recognized as income in prior periods' profit or loss account due to transition of TFRS 9 Financial Instruments Standard as of 1 January 2018 to the Extraordinary Reserves Account, were submitted for the approval of the shareholders.

The proposal for the use of profit for the year 2018 as shown above was approved by the majority of the votes, with dissenting votes of shares corresponding to TRY 6.574 versus affirmative votes of shares corresponding to TRY 3.607.805.027,87.

6-) Release of the Board Members whose board memberships continue, with respect to their duties in the year 2018 was submitted to the approval of the shareholders. The Board Members were released from liability by the majority of the votes, with dissenting votes of shares corresponding to TRY 130.906.953 versus affirmative votes of shares corresponding to TRY 3.476.867.294,87.

7-) A proposal was submitted by İhsan Can Argon as the representative of Banco Bilbao Vizcaya Argentaria SA for the approval of the shareholders to increase the number of the Board Members from nine to ten excluding CEO in accordance with Article 18 of the Articles of Association and to elect Belkis Sema Yurдум to the newly established Board Membership to fill the remaining term of office of other Board Members who was previously elected as the independent board member under the Corporate Governance Principles of the Capital Markets Board for the remaining term of office set forth in the independency criteria and whose term of Independent Membership has expired.

Following the voting, the increase in the number of the Board Members from nine to ten excluding CEO and the election of Belkis Sema Yurдум in order to fill the remaining term of office of other Board Members were approved by the majority of the votes, with dissenting votes of shares corresponding to TRY 1.012.082.349 versus affirmative votes of shares corresponding to TRY 2.595.721.560,87.

Furthermore, in accordance with principle 4.4.7. of the Corporate Governance Principles prepared by the Capital Markets Board, the shareholders were informed about the positions held by our Board Member in our Bank's subsidiaries, group companies, affiliates as well as in other private sector

companies and institutions in order to make available her knowledge and experience in such organizations.

<b>Name-Last Name of Member of Board of Directors</b>	<b>Positions Held Outside the Bank</b>
<b>Belkıs Sema Yurdum</b>	Garanti Bank S.A. Board Member

8-) A proposal was submitted by İhsan Can Argon as the representative of Banco Bilbao Vizcaya Argentaria SA for the approval of the shareholders to elect Mevhibe Canan Özsoy for whom the Capital Markets Board of Turkish Republic did not express an adverse opinion regarding her independent board membership candidature, as the independent board member in accordance with the Corporate Governance Principles of the Capital Markets Board to fill the remaining term of office of other Board Members.

Following the voting, the election of Mevhibe Canan Özsoy as an independent board member in order to fill the remaining term of office of other Board Members was approved by the majority of the votes, with dissenting votes of shares corresponding to TRY 3.974.470 versus affirmative votes of shares corresponding to TRY 3.603.830.051,87.

Furthermore, in accordance with principle 4.4.7 of the Corporate Governance Principles prepared by the Capital Markets Board, the shareholders were informed about the positions held by our Board Member in our Bank's subsidiaries, group companies, affiliates as well as in other private sector companies and institutions in order to make available her knowledge and experience in such organizations.

<b>Name-Last Name of Member of Board of Directors</b>	<b>Positions Held Outside the Bank</b>
<b>Mevhibe Canan Özsoy</b>	General Elektrik Ticaret ve Servis A.Ş. Chairman and CEO, Grid Solutions Enerji Endustrisi A.Ş. Board Member, GE Enerji Endustri Ticaret ve Servis A.Ş. Board Member, Komet Enerji Sanayi ve Ticaret A.Ş. Board Member, GE Renewable Enerji A.Ş. Board Member, TUSAŞ Motor Sanayii A.Ş. Board Member, Artesis Teknoloji Sistemleri A.Ş. Board Member, Sağlık ve Eğitim Vakfı (SEV) Board Member, Amerikan Şirketler Derneği Board Member.

9-) Election of the Independent Auditor in accordance with Article 399 of Turkish Commercial Code, the selection of KPMG Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. (KPMG) (which is located at the address of İş Kuleleri, Kule 3, Kat 2-9, Levent-İstanbul, registered at the Istanbul Trade Registry with the number of 480474, the tax payer of Boğaziçi Kurumlar Tax Office with the number of 5890269940 and which has a central registration system number of 0589-0269-9400-0013) as the independent audit firm of the Bank and the group for the year 2019, in accordance with the Turkish Commercial Code, was submitted for the approval of the General Assembly. The election was approved by the majority of the votes, with dissenting votes of shares corresponding to TRY 183.682.910 versus affirmative votes of shares corresponding to TRY3.423.857.890,87.

**10-)** In accordance with principle no. 4.6.2 of the Corporate Governance Principles issued by the Capital Markets Board, our shareholders were informed as follows in relation to the principles of remuneration of the Board members and executives with administrative responsibilities.

*A remuneration policy applicable to all of our employees has been constructed and announced by our Bank in accordance with the legislation. A just and performance and success oriented remuneration policy has been created. Our Bank's Remuneration Policy has been implemented just as it was approved. It is being periodically reviewed. In addition to the remuneration policy applicable to the entire employees of our Bank, the Remuneration Committee has continued to apply the policies, which are not merely profit-oriented, as per the legislation in relation to the remunerations and premiums payable to the Board of Directors members charged with administrative duties and the Top Level Executives, and has reviewed these periodically. The policy, developed in parallel with the national legislation and international practices, has continued to be applied.*

*The portion of 10,61% in the total personnel cost figure given in the financial statements in relation to the benefits provided in 2018 to the Bank employees including the Board of Directors members and the top level executives results from the payments of premiums and variable remunerations made to all employees on the basis of their performance.*

**11-)** During the deliberations on the agenda, İhsan Can Argon, the representative of Banco Bilbao Vizcaya Argentaria S.A. presented a proposal. In accordance with this proposal, it was submitted for the shareholders' approval that the net honorarium amount of TRY 4,000 paid to the Board Members remain unchanged, that in case the Board Members to be assigned for another duty in the Bank, the payments to these members and to other independent members be determined by the Remuneration Committee to be authorized by the Board of Directors as per the Corporate Governance Principles, that an upper limit of TRY 30.000.000 net amount be set for the total fees to be paid until the ordinary general shareholders' meeting to be held in 2020. The proposal was accepted by the majority of the votes, with dissenting votes of shares corresponding to TRY 1.279.234.588 versus affirmative votes of shares corresponding to TRY 2.328.489.942,87.

**12-)** Shareholders were informed regarding the donation of TRY 11.605.437 made by the Bank to entities and institutions within the year 2018.

Furthermore, a proposal submitted by the representative of Banco Bilbao Vizcaya Argentaria S.A, İhsan Can Argon in relation to setting of a cap for the donations to be made in the year 2019 within the framework of the Banking Legislation and Capital Markets Board regulations was put to vote. As a result of the voting, as proposed, setting of a cap within the framework of the procedures and principles set out in Article 59 of the Banking Law no. 5411 and in a manner not exceeding four per thousand of the Bank's equity capital was accepted by the majority of the votes, with dissenting votes of shares corresponding to TRY 196.378.697 versus affirmative votes of shares corresponding to TRY 3.411.353.510,87.

**13-)** The issue of granting permission to the Board of Directors members in accordance with articles 395 and 396 of the Turkish Commercial Code, without prejudice to the provisions of the Banking Law, was put to vote. As a result of the voting, the issue was accepted by the majority of the votes,

with dissenting votes of shares corresponding to TRY122.663.894 versus affirmative votes of shares corresponding to TRY 3.485.145.754,87.

14-) Within the scope of principle no. 1.3.6 of the Corporate Governance Principle issued by the Capital Markets Board, our shareholders were informed that shareholders controlling the management, board of directors members, executives with administrative responsibilities and their spouses and relatives by blood and marriage up to the second degree have not entered into any significant transaction that may give rise to a conflict of interest with our Bank or its subsidiaries and that they have not realized any transaction of a commercial nature falling within the field of operation of our Bank or its subsidiaries either in their own name or in the name of others, and they have not become a partner with unlimited liability in another partnership engaged in a similar commercial business.

As there were no other items to be discussed in the agenda, the President of the Meeting declared the end of the meeting after thanking the General Assembly.

The dissenting opinions for the relevant items provided herein by Shareholder Ali İhsan GÜRCAN, who casted dissenting votes in decisions and submitted a written dissenting opinion to the Presidency of the Meeting, were annexed to the minutes.

These Minutes of the General Assembly Meeting were issued and signed by us at the place of meeting.

04.04.2019

**REPRESENTATIVE OF THE MINISTRY**

SABİRE ELBÜKEN

**MEETING PRESIDENT**

AVNİ AYDIN DÜREN

**VOTE COLLECTING OFFICER**

BBVA Representative İHSAN CAN ARGON

**SECRETARY OF MINUTES**

GİZEM DUYGU SELVİ

**DISSENTING VOTES**

ALİ İHSAN GÜRCAN