

WORKING PRINCIPLES OF AUDIT COMMITTEE

1. FOUNDATION

Audit Committee was established by Decision of Our Company's Board of Directors dated 24.04.2003 and numbered 503 and within the scope of provisions included in Capital Markets Board (CMB) regulations. And then, working principles of Audit Committee was reviewed by Decision of Board of Directors dated 26.04.2012 and in accordance with improvements in the Capital Markets Board regulations and revised as below.

2. PURPOSE

The purpose is to disclose the operation of accounting and reporting systems in our company, to public within the framework of respective law and regulations and observe the operation and efficiency of independent audit and internal control system.

3. DUTIES AND RESPONSIBILITIES

Duties of Audit Committee are;

- To select independent auditing institution, commencement of independent auditing process by drafting the audit contracts, and to observe works of the independent auditing institution at every stage,
- To assess independent auditor's status against independency criteria, independency declaration and the additional services that might be purchased from independent audit institution,
- To assess determinations to be notified by independent audit institution and important points concerning the accounting policy and practices of Company, within scope of independent audit process; CMB's accounting standards notified by independent audit previously to Company management and alternative application and public disclosure options within the framework of accounting principles; probable causes of these and application proposal; and important correspondences with Company management,
- To assess and finalize the complaints received by Company concerning Company's accounting, reporting, internal control systems and independent auditing processes; to determine methods and criteria to be applied in terms of evaluating the notifications of Company employees' with respect to accounting, reporting, internal control and independent audit, within the framework of confidentiality principle,
- To notify accuracy and compliance of annual and interim financial statements to be disclosed to the public, with Company's accounting principles and reality, to Board of Directors together with its own assessments, after receiving opinions of Company's responsible managers and independent auditors,

- To accomplish other tasks assigned / to be assigned to the Committee by CMB regulations and Turkish Commercial Code.

The committee advises the Board of Directors in writing or orally its evaluations and recommendations on the abovementioned matters.

4. STRUCTURE AND MEMBERSHIP CRITERIA OF COMMITTEE

- The Audit Committee consists of at least two members. Committee President and members shall be elected among independent Members of Board of Directors.
- Upon election of new Board of Directors in Ordinary General Assembly, members of Audit Committee shall be determined in parallel with Board's term of office. Former committee members shall continue their duties until new committee members are elected.
- All kinds of resources and supports necessary for Committee to fulfill its own duties shall be provided by Board of Directors. Committee may invite any manager it deems necessary and receive his/her opinions.
- Committee may benefit from independent expert opinions when needed with regard to its own activities. Costs of consultancy services required and needed by Committee shall be borne by Company.

5. SUB-COMMITTEES

Sub-committees consisting of persons to be selected among Audit Committee's own members and/or externally and having enough experience and knowledge in the areas of financial reporting and independent audit may be formed with the purpose of ensuring effectiveness of works and studies of Audit Committee.

6. MEETINGS

- Audit Committee shall convene once every three months and therefore four times a year; and results of meeting shall be written to minute and submitted to Board of Directors. Committee shall immediately notify its determinations and recommendations concerning its own duties and responsibilities, to Board of Directors in written.
- Committee's decisions have the characteristics of advice to Board of Directors; and the final decision shall be made concerning the respective matter by Board of Directors.
- The Committee shall ensure notification of the Board of Directors in subjects within its authorization and responsibility.
- Quorum shall be absolute majority of total number of committee members.
- Meetings may be held in company's registered office or another place easily accessible by committee members.

7. REPORTING PROCEDURES

- Committee decisions are maintained in decision book.
- Meeting minute is required to include at least those following:
 - o Place and date of Meeting
 - o Agenda
 - o Information concerning the matters discussed in the meeting
 - o Decisions taken

- Decisions deemed necessary by Committee shall be submitted to Board of Directors.

- Secretary of Board of Directors shall be responsible for preparing and retaining the reports. Meeting minute prepared shall be archived following its submission to Committee Members.

8. EFFECT

These working principles of Audit Committee were approved by decision of Board of Directors dated 26.04.2012. Board of Directors is authorized to revise and update these aforementioned working principles, when needed.

WORKING PRINCIPLES OF CORPORATE GOVERNANCE COMMITTEE

1. FOUNDATION

Corporate Governance Committee was established by Decision of Our Company's Board of Directors dated 22.03.2010 and numbered 692 and within the scope of provisions included in Capital Markets Board (CMB) regulations, with the purpose of improving our Company's corporate governance practices by advising Board of Directors.

2. PURPOSE

The purpose is to determine whether corporate governance principles are applied or not in our Company, if not, the reasons why these principles are not applied and the conflicts of interests occurring due to the failure to apply these principles; and then to give Board of Directors advices enhancing corporate governance practices and to fulfill tasks and duties of Nomination Committee and Compensation Committee within the scope of Communiqué.

3. DUTIES AND RESPONSIBILITIES

Duties of Corporate Governance Committee are:

- determine whether corporate governance principles are applied or not in, if not, the reasons why these principles are not applied and the conflicts of interests occurring due to the failure to apply these principles; and then to give Board of Directors advices enhancing corporate governance practices,
- To supervise the activities of the investor relations unit,
- To review "Corporate Governance Compliance Report" to be disclosed to public and check the accuracy and consistency of information included in this report according to the information owned by Committee,
- To ensure Corporate Governance Principles to be developed, adopted and applied within the Company; to carry out a study on whether these principles are applied or not and to make suggestions improving the compliance degree to Board of Directors,
- To follow Corporate Governance Principles throughout the world and to make suggestions to Board of Directors so as to ensure necessary factors to be applied within the body of Company,
- To create a transparent system with the purpose of determining, evaluating and training appropriate candidates for Board of Director and carry out studies and works in determination of policies and strategies with this respect,
- To carry out evaluations on regular basis concerning the structure and efficiency of Board of Directors and to submit Board of Directors its recommendations on changes and amendments that might be made with this regard,
- To determine and supervise approaches, principles and practices for performance evaluation and career planning of Board Members and top managers,

- To determine recommendations regarding salary principles of Board Members and top managers by considering company's long-term objectives,
- To determine criteria that might be used in salary system in a manner depending on Company's and member's performance,
- To submit Board of Directors its recommendation concerning the salaries to be paid to Board Members and top managers by considering the criteria achievement degree.

The Committee advises the Board of Directors in writing or orally its evaluations and recommendations on the abovementioned matters.

4. STRUCTURE AND MEMBERSHIP CRITERIA OF COMMITTEE

- The Corporate Governance Committee consists of at least two members. Committee President shall be elected among independent Members of Board of Directors. Chief Executive Officer / General Manager may not take office in the committee.
- In case of consisting of two members, both members of the Committee, and in case of consisting more than two members, majority of the members of the Committee shall be composed of the Members of the Board of Directors who do not undertake any executive function. Persons, who are expert in their own subject but not Members of Board of Directors, may be included in the Committee.
- Upon election of new Board of Directors in Ordinary General Assembly, members of Corporate Governance Committee shall be determined in parallel with Board's term of office. Former committee members shall continue their duties until new committee members are elected.
- All kinds of resources and supports necessary for Committee to fulfill its own duties shall be provided by Board of Directors. Committee may invite any manager it deems necessary and receive his/her opinions.
- Committee may benefit from independent expert opinions when needed with regard to its own activities. Costs of consultancy services required and needed by Committee shall be borne by Company.

5. SUB-COMMITTEES

Sub-committees consisting of persons to be selected among Corporate Governance Committee's own members and/or externally and having enough experience and knowledge in corporate governance may be formed with the purpose of ensuring effectiveness of works and studies of Corporate Governance Committee.

6. MEETINGS

- The Committee shall convene as often as required by its duties assigned to it.
- Committee's decisions have the characteristics of advice to Board of Directors; and the final decision shall be made concerning the respective matter by Board of Directors.
- The Committee shall ensure notification of the Board of Directors in subjects within its authorization and responsibility.

- Quorum shall be absolute majority of total number of committee members.
- Meetings may be held in company's registered office or another place easily accessible by committee members.

7. REPORTING PROCEDURES

- Committee decisions are maintained in decision book.
- Meeting minute is required to include at least those following:
 - o Place and date of Meeting
 - o Agenda
 - o Information concerning the matters discussed in the meeting
 - o Decisions taken
- Decisions deemed necessary by Committee shall be submitted to Board of Directors.
- Secretary of Board of Directors shall be responsible for preparing and retaining the reports. Meeting minute prepared shall be archived following its submission to Committee Members.

8. EFFECT

These working principles of Corporate Governance Committee were approved by decision of Board of Directors dated 26.04.2012. Board of Directors is authorized to revise and update these aforementioned working principles, when needed. Structure of Corporate Governance Committee was reviewed and amended within the framework of provisions included in Capital Markets Board's Communiqué Concerning Determination and Application of Corporate Governance Principles, with Serial Number IV and Number 56 which entered into force by being published on the date December 30th 2011 and then approved by Decision of Board of Directors dated 26.04.2012.

WORKING PRINCIPLES OF RISK MANAGEMENT COMMITTEE

1. FOUNDATION

Risk Management Committee was established by decision of our Company's Board of Directors dated 16.07.2010 and numbered 701. And then the structure of Risk Management Committee was reviewed and revised by decision of Board of Directors dated 26.04.2012 as follows so as to make suggestions and recommendations to Board of Directors with the purpose of developing corporate governance practices of our Company; detecting risk earlier and establishing an effective risk management system, through considering new provisions included in Turkish Commercial Code numbered 6102 and Capital Markets Board Corporate Governance Principles.

2. PURPOSE

The purpose is to make suggestions and recommendations to Board of Directors for early detection, evaluation, effect and possibility calculation of all kinds of strategic, operational, financial and other risks that might damage Company's existence, development and continuity; management and reporting of these risk in compliance with Company's corporate risk taking profile; implementation of necessary measures concerning the detected risks; consideration of decision making mechanism and creation and integration of internal control system in this direction.

3. DUTIES AND RESPONSIBILITIES

Duties of Risk Management Committee are:

- To define, evaluate and monitor the existing and potential risk factors that might affect achieving the company objectives, within the framework of Enterprise Risk Management; and to determine principles on risk management in compliance with company's risk taking profile and to ensure these principles to be used in decision mechanism,
- To determine the risks that will be kept and managed, shared or completely eliminated in the Company according to the possibility and effect calculations,
- To ensure integration of risk management and internal control system with Company's corporate structure,
- To supervise whether practices in respective departments responsible for reviewing risk management systems and for risk management are executed in compliance with committee decisions,
- To detect technical bankruptcy and warn Board of Directors with this respect; and to develop suggestions concerning the measures,
- To accomplish other tasks assigned / to be assigned to the Committee by CMB regulations and Turkish Commercial Code.

The committee advises the Board of Directors in writing or orally its evaluations and recommendations on the abovementioned matters.

4. STRUCTURE AND MEMBERSHIP CRITERIA OF COMMITTEE

- The Risk Management Committee consists of at least two members. Committee President shall be elected among independent Members of Board of Directors. Chief Executive Officer / General Manager may not take office in the committee.
- Committee members shall be elected preferably among non-Executive Board Members or persons expert in their own subject who are not Board Members.
- Upon election of new Board of Directors in Ordinary General Assembly, members of Risk Management Committee shall be determined in parallel with Board's term of office. Former committee members shall continue their duties until new committee members are elected.
- All kinds of resources and supports necessary for Committee to fulfill its own duties shall be provided by Board of Directors. Committee may invite any manager it deems necessary and receive his/her opinions.
- Committee may benefit from independent expert opinions when needed with regard to its own activities. Costs of consultancy services required and needed by Committee shall be borne by Company.

5. SUB-COMMITTEES

Sub-committees consisting of persons to be selected among Risk Management Committee's own members and/or externally and having enough experience and knowledge in risk management may be formed with the purpose of ensuring effectiveness of works and studies of Risk Management Committee.

6. MEETINGS

- Committee shall convene as often as required by duties assigned to it and at least four times a year during one duty year unless required to convene more frequently by regulations.
- Committee's decisions have the characteristics of advice to Board of Directors; and the final decision shall be made concerning the respective matter by Board of Directors.
- The Committee shall ensure notification of the Board of Directors in subjects within its authorization and responsibility. It shall report its recommendations on risk and solutions to Board of Directors and auditor.
- Quorum shall be absolute majority of total number of committee members.
- Meetings may be held in company's registered office or another place easily accessible by committee members.

7. REPORTING PROCEDURES

- Committee decisions are maintained in decision book.

- Meeting minute is required to include at least those following:
 - o Place and date of Meeting
 - o Agenda
 - o Information concerning the matters discussed in the meeting
 - o Decisions taken

- Decisions deemed necessary by Risk Management Committee shall be submitted to Board of Directors.

- Secretary of Board of Directors shall be responsible for preparing and retaining the reports. Meeting minute prepared shall be archived following its submission to Committee Members.

8. EFFECT

These working principles of Risk Management Committee were approved by decision of Board of Directors dated 26.04.2012. Board of Directors is authorized to revise and update these aforementioned working principles, when needed.

WORKING PRINCIPLES OF EXECUTIVE COMMITTEE

1. FOUNDATION

Executive Committee has been established by Board of Directors' Decision of our Company dated 26.04.2012, so as to give advice and make suggestions to Board of Directors for the purpose of increasing efficiency of Board of Directors and ensuring the efficacy in the fields of investment and business development in areas fitting for its strategic targets by means of ensuring coordination between our Company's Board of Directors and administrative structure.

2. PURPOSE

Since the Board of Directors cannot convene as often as desired and on time, the purpose of this Committee is to follow up developments in the Company and the sector within which the Company is carrying out activity and inform Board of Directors about these developments when required; to ensure coordination between Company's administrative structure and Board of Directors; to put forward suggestions for developing strategies suitable for the Company and improving the efficiency of activities.

3. DUTIES AND RESPONSIBILITIES

Duties of Executive Committee are:

- To ensure necessary preparations, analysis and evaluations to be completed concerning effects on activities, financial dimension, legal status, compliance with strategic priorities, before submission of important matters to the approval of all members, which are to be decided by Board of Directors,
- To ensure transmission and issuance of subjects concluded by decision of General Assembly or Board of Directors, to Company management within the framework of directives and policies determined,
- To control whether Company's activities are carried out in accordance with Board of Directors' decisions and annual business plans or not,
- To follow up developments in economical, social and political environments of sector within which the Company carries on business and to evaluate effects of these developments and to determine strategies improving competitive power,
- To determine opportunities that might arise by monitoring sector dynamics, in the direction of determined strategies,
- To monitor company's weaknesses and strengths through internal analysis and to monitor opportunities and threats through external analysis,
- To search inner and external growth opportunities that will allow the Company to achieve its strategic objectives,
- To supervise the system functionality that will ensure company business programs to be formed, revised as required according to developments in outer environment and used as a performance criteria,
- To follow the management of the strategies and projects accepted by the Board of Directors,

- To assess significant legal developments that might affect the activities and effects of these developments.

The Committee advises the Board of Directors in writing or orally its evaluations and recommendations on the abovementioned matters.

4. STRUCTURE AND MEMBERSHIP CRITERIA OF COMMITTEE

- Executive Committee shall consist of one president and members in a number not less than 1/3 of Board of Directors.
- Upon election of new Board of Directors in Ordinary General Assembly, members of Executive Committee shall be determined in parallel with Board's term of office. Former committee members shall continue their duties until new committee members are elected.
- All kinds of resources and supports necessary for Committee to fulfill its own duties shall be provided by Board of Directors. Committee may invite any manager it deems necessary and receive his/her opinions.
- General Manager shall not take office in the committee, but he/she shall provide all information and works required. Committee shall not intervene in daily activities of General Manager; authority and responsibility in these activities shall belong to General Manager.
- Committee may benefit from independent expert opinions when needed with regard to its own activities. Costs of consultancy services required and needed by Committee shall be borne by Company.
- Committee members shall be paid compensations, at discretion of Board of Director, for the services they provide, in accordance with Company's Articles of Association by considering their term of office.

5. SUB-COMMITTEES

Sub-committees consisting of persons to be selected among Executive Committee's own members and/or externally and having enough experience and knowledge in their own subjects may be formed with the purpose of ensuring effectiveness of works and studies of Executive Committee. These sub-committees shall fulfill all necessary reporting and technical works.

6. MEETINGS

- Committee shall convene as often as required by the tasks assigned to it and at least once a month if it is not required to convene more frequently.
- In cases required by Board Chairman, the committee shall attend general and specific information meetings concerning Company's/Group's activities (such as Planning Council, Annual Budget and special purpose meetings).
- Committee's decisions have the characteristics of advice to Board of Directors; and the final decision shall be made concerning the respective matter by Board of Directors.
- The Committee shall ensure notification of the Board of Directors in subjects within its authorization and responsibility. It shall report information on activities being carried out and developed suggestions, to Board of Directors.

- Quorum shall be absolute majority of total number of committee members.
- Meetings may be held in company's registered office or another place easily accessible by committee members.

7. REPORTING PROCEDURES

- A meeting minute shall be prepared for committee's meeting within one week following each meeting.
- Meeting minute is required to include at least those following:
 - o Place and date of Meeting
 - o Agenda
 - o Information concerning the matters discussed in the meeting
 - o Decisions taken
- Decisions deemed necessary by Executive Committee shall be submitted to Board of Directors.
- Secretary of Board of Directors shall be responsible for preparing and retaining the reports. Meeting minute prepared shall be archived following its submission to Committee Members.

8. EFFECT

These working principles of Executive Committee were approved by decision of Board of Directors dated 26.04.2012. Board of Directors is authorized to revise and update these aforementioned working principles, when needed.