

THE WORKING PRINCIPLES OF THE AUDIT COMMITTEE

1. ESTABLISHMENT

The Company's Board of Directors established the Audit Committee at the meeting of our Company on April 9, 2003, pursuant to the provisions defined in the regulations of the Capital Markets Board (CMB). Following that meeting, the working principles of the Audit Committee have been reviewed in accordance with updates in the regulations of the Capital Markets Board, with the decisions of the Board of Directors on May 4, 2012, March 25, 2019 and latest on May 5, 2022.

2. PURPOSE

To monitor the implementation of the accounting and reporting systems pursuant to the relevant laws and regulations, the disclosure of financial information to the public, and the effectiveness of the independent audit and internal audit system within our company.

3. DUTIES AND RESPONSIBILITIES

The duties of the Audit Committee are as follows:

- To appoint an independent auditing firm, to define the coverage of the services to be taken from the independent auditing firm, to initiate the independent audit process by preparation of the independent auditing contracts, and to monitor the progress of the independent audit firm at each stage.
- To assess the status of the independent auditor according to the criteria regarding independent auditors, the declaration of independence, and the additional services that may be received from the independent auditing firm.
- To evaluate the reports from the independent auditing process provided to the Committee by the independent auditing firm, important subject matters related to accounting policy and implementations of the company, the accounting and disclosure alternatives raised by the independent auditor that may be utilized in accordance with the CMB standards the potential results of such alternatives and any implementation recommendations, and important correspondences with the management of the company.
- To supervise the systems applied in the assessment of any complaints submitted to the company with regards to accounting, reporting, or internal auditing systems as well as the independent auditing process; any statements made by the company's staff about accounting, reporting, internal auditing and independent auditing pursuant to the confidentiality principles.
- To get the opinions of the responsible directors and independent auditors about the accuracy of annual and quarterly financial statements to be disclosed to public and their fair presentation and compliance

with accounting principles of the company and to submit those to the Board of Directors in writing along with their own assessment.

- To carry out the duties as may be assigned to the Committee under CMB regulations and the Turkish Commercial Code.

The Committee submits its evaluation and recommendations to the Board verbally or in written form.

4. THE COMMITTEE STRUCTURE AND MEMBERSHIP CRITERIA

- The Audit Committee is comprised of at least two members. The Chairman and the members of the Committee are elected from among the independent Members of the Board.

- The Board of Directors elects the members of Audit Committee following the election of the new Board itself at the ordinary meeting of the general assembly, in parallel with the term of office of the relevant Board of Directors. The ex-members of the previous committee remain in office until a new Committee member is elected.

- All of the resources and support necessary to the Committee are provided by the Board of Directors. The Committee may invite any manager it deems necessary to its meetings and get his/her opinions.

- The Committee may get guidance from independent experts on subjects requiring extra attention. The fee for such consultancy services will be paid for by the Company.

5. SUB COMMITTEES

The Audit Committee is permitted to establish sub-committees consisting of members elected from among its own members and/or from among third persons having experience in financial reporting and independent auditing.

6. MEETINGS

- The Auditing Committee meets at least once in every three months and at least four times a year, and the outcome of the meetings are recorded in the minutes and submitted to the Board of Directors. The Committee thereafter submits its findings and recommendations about its duties and responsibilities in writing to the Board of Directors.

- The decisions of the Committee are of an advisory nature to the Board and the Board's decision on the subject matter is final.

- The Committee shall ensure that the Board of Directors is informed on matters that are within its scope of authority and responsibility.

- The meeting and decision quorum is the absolute majority of the total number of members.
- It is possible for the committee meetings to be held either online or through a conference call without physical meetings. Physical meetings may be held in Company's headquarters or another location that is easy to access for the members. The minutes for both physical meetings and on-line meetings shall be signed by the Committee Members. Furthermore, Committee resolutions can be taken by circulation of resolutions among Committee members. In that case, the resolutions signed by all Committee members as one or several counterparts shall be valid.

7. REPORTING PROCEDURES

- The resolutions of the Committee are kept in a resolution register.
- The following information should always be available in the meeting minutes:
 - o The date of the meeting
 - o Information on the agenda of the meeting
 - o Resolutions
- Resolutions required by the Committee are submitted to the Board of Directors.
- The secretariat of the Board of Directors is responsible for preparing and keeping the reports. The prepared meeting minutes are archived after submitted to the information of the Committee members.

8. EFFECT

The working principles of the Audit Committee have initially been approved by the Board resolution of April 09, 2003 and recently amended by the Board resolution of May 5, 2022. The Board of Directors is authorized to revise and update the working principles as necessary.