

AG ANADOLU GROUP HOLDİNG A.Ş.

THE COMPENSATION PRINCIPLES OF AG ANADOLU GROUP HOLDİNG A.Ş. FOR THE BOARD MEMBERS AND SENIOR EXECUTIVES¹

The compensation principles of AG Anadolu Group Holding A.Ş. for the board members and senior executives was prepared to identify the compensation system and practices applicable to and the other rights and benefits offered to the board members and the senior executives.

The chairman and the members of the board of directors of the Company may be paid a monthly compensation/ remuneration in consideration of their services rendered with the said capacities. The amounts so payable shall be determined at the general assembly meetings. However; the independent members of the board shall, in any case, be paid a certain amount in order for them to maintain and preserve their independent status, and shall not be subject to company's performance-based compensation schemes.

Executive board members with shall be compensated under the policy set out for senior executives as detailed below.

The rights and the benefits offered to the senior executives within the Company's organization are identified within the following framework:

Monthly Wage: The monthly wage shall be determined on the basis of the market and/or industry conditions, the level of inflation and the respective position, seniority, qualifications and the individual performance of the executive, and be payable throughout the duration of the applicable employment contract. The monthly wage shall be reviewed on annual basis in accordance with the established principles and with due consideration of the criteria, on which the determination of the wage is based, if the market conditions do not change.

The information about the market and/or industry conditions shall be gathered through the agency of the generally accepted consultancy firms and the data obtained from other sources is used as a basis of the achievement of the goals set by and the future projections of the company.

The individual performance level shall be determined with due consideration of the matters related to the approach, the modus operandi and the conduct as well as the annual goals set by the executive along with the superior executive, to whom he/she is accountable, by the ratios defined.

Bonus Payment: The bonus payment shall be determined on the basis of the monthly wage and be paid in monthly installments throughout the duration of the employment contract.

Premium: In the event the lower limit identified with respect to certain weights on the basis of the Key Performance Indicators (KPI), which are defined for the calendar year and approved by the Board of Directors, is exceeded; a certain proportion depending on the executive's position of the annual sum of the monthly wage and bonus payments paid to the executive may be calculated on the basis of the KPI and the level of individual performance and be so paid to the executive as Premium.

Other Rights and Benefits: Such fringe benefits as health insurance and private pension etc. and other social aids are provided to the individuals generally and/or according to their respective qualifications, positions and the like conditions under the defined policies and regulations of the Company.

¹ As required by Capital Markets Board Corporate Governance Principles and approved through Board resolution dated April 26, 2012.
