

ZORLU ENERJİ ELEKTRİK ÜRETİM. A.Ş.
WORKING PRINCIPLES OF THE CORPORATE GOVERNANCE COMMITTEE

1. PURPOSE

Purpose of these Working Principles (“Working Principles”) is to set out the duties, authorities, responsibilities, working procedures and principles of the Corporate Governance Committee (“Committee”) established within the Company by the Board of Directors decision dated 04.07.2007 and numbered 2007/25 in order to monitor the compliance of Zorlu Enerji Elektrik Üretim A.Ş. (“Company”) with the corporate governance principles, to carry out improvement studies in such regard and to submit proposals to the Board of Directors (“Board”) in line with the Corporate Governance Principles Communiqué of the Capital Markets Board (“Communiqué”).

Taking into consideration the structure of the Board of Directors, under the decision dated 29.06.2012 and numbered 2012/27 of the Board of Directors, the Company has delegated the authorities, duties and responsibilities to be assumed and performed under the Communiqué by the Nomination and Remuneration Committees to the Corporate Governance Committee.

2. SCOPE

These regulations set out the procedures and principles of practice of the Company’s Corporate Governance Committee.

3. STRUCTURE OF THE COMMITTEE

Committee members are appointed by the Board annually and consist of at least two non-executive members of the Board of Directors and the Investor Relations Manager. Chief Executive Officer cannot be a member of the Committee.

The Board shall appoint the chairman of the Committee from amongst the independent members. The Committee may designate a Vice-Chairman who shall serve in the absence of the Chairman.

Within the aforementioned purpose and scope; the Committee may, if it deems necessary and at the Company’s cost, acquire consultancy services from independent experts or firms regarding matters that concern its activities and invite to the meetings and obtain the opinions of such managers that it deems necessary.

The Committee is responsible towards the Board of Directors.

4. WORKING PRINCIPLES

In order to ensure the effective performance of its duties, the Committee shall meet at least twice a year.

Committee Chairman or a Committee member may invite the Committee to convene a meeting.

Committee meetings shall be held in accordance with the agenda distributed by the Corporate Governance Secretariat (“Secretariat”) prior to the meeting. Decisions taken at the Committee meetings shall be put into writing and archived by the Secretariat. In this regard, at the end of each meeting, a written report concerning the activities of the Committee shall be submitted to the Board together with a summary of the minutes of the meeting. The minutes of the meeting shall be retained by the Secretariat. The Committee may convene via teleconference or by any other means.

The Committee may, if deems necessary, delegate certain duties to one or more sub-committees composed of two or more members.

Decision quorum for the decisions of the Committee shall be the absolute majority of its members.

In designation of the nominations for the Board of Directors, the Committee shall convene as frequently as may be necessitated by the efficiency of its works and any and all resources and support necessary for the performance of its duties shall be provided by the Board of Directors.

5. DUTIES AND RESPONSIBILITIES

The Committee is entrusted with the following duties and acts within the limits of its authority and responsibility. The Board of Directors shall be responsible to make the final decision, at all times:

- a) Determining whether or not the corporate governance principles are implemented at the Company, if not, identifying its cause and conflicts of interest arising from failure to fully comply with these principles and proposing steps to improve corporate governance practices to the Board of Directors,
- b) Supervising the activities of the Investor Relations Department,
- c) Conducting studies on matters such as establishing a transparent system to designate, evaluate and train individuals that are eligible for Board of Directors membership and executive manager positions and setting out policies and strategies in such regard,
- d) Carrying out regular evaluations concerning the structure and efficiency of the Board of Directors and submitting proposals for changes that may be implemented in such regard to the Board of Directors,
- e) Determining and supervising the approaches, principles and practices of the members of the Board of Directors and executive managers on matters such as performance evaluation and career planning taking into account the long term targets of the Company,
- j) Submitting proposals to the Board of Directors regarding the remunerations to be paid to the members of the Board of Directors and executive managers, by taking into consideration the level of achievement of criteria.

The Committee shall review and evaluate the adequacy of these Working Principles and submit relevant amendment proposals to the Board of Directors for approval.

6. AMENDMENTS TO THE WORKING PRINCIPLES

Proposals for the amendments to these Working Principles shall be submitted by the Committee to the Board of Directors. Prepared proposals shall be added to the agenda of the first meeting of the Board of Directors.

7. ENFORCEMENT

These Working Principles shall enter into effect as of their date of approval by the Board of Directors.