


**İŞ LEASING**  
**(İŞ FİNANSAL KİRALAMA A.Ş.)**

**REGULATION**  
**FOR**  
**CORPORATE GOVERNANCE COMMITTEE**

	<b>CORPORATE GOVERNANCE COMMITTEE REGULATION</b>		
<b>Validity:</b>	Board Decision Number: 2151 dated 27.05.2014	Revision: 1.0	PER.18

## **Article 1 Purpose and Scope**

This Regulation covers the establishment of a Corporate Governance Committee and regulation of the duties and responsibilities of this Committee as well as its operational principles and procedures in order to ensure that the Board of Directors fulfills its duties and responsibilities on corporate governance in a healthy manner.

The duties of the Nominating Committee and Compensation Committee will be fulfilled by the Corporate Governance Committee until their establishment.

## **Article 2 Justification**

This Regulation has been prepared based on the Corporate Governance Communiqué of the Capital Markets Board.


## **Article 3 Establishment of the Corporate Governance Communiqué**

Corporate governance Committee is established by appointment of at least two members from among the Board members and the Manager of the Investor Relations Unit/Department.

The members of the Committee elect a Chairman among themselves. The Chairman of the Committee is elected from among the independent members of the Board. Persons who are not Board members but having specialization on their subjects can also become members to the Corporate Governance Committee.

If the Corporate Governance Committee has two members elected from the Board of Directors, both of these members are required to be from the independent members of the Board; and if the Committee has more than two board members, then majority of these members should be independent members. General Manager cannot become a member of the Committee.

The Manager of the Investors Relations Unit/Department is required to work full-time in the company and be positioned as a member of the Corporate Governance Committee.


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Corporate Governance Committee membership automatically ends upon the termination of the Board membership.

#### **Article 4 Duties and Responsibilities of the Corporate Governance Committee**

The duties and responsibilities of the Corporate Governance Committee have been outlined below.

- The Corporate Governance Committee establishes whether or not the corporate governance principles are duly applied in the Company, and determines the reasons if they are not applied and lay down the conflicts of interest emerging due to the non-application of these principles in the Company, and advises the Board of Directors for the improvement of the corporate governance applications.
- The Corporate Governance Committee supervises the activities of the Company's Investment Relations Department. The Committee lays down the fundamental principles regarding the communication of the Company with the investors, and reviews these principles on a regular basis.
- The Corporate Governance Committee, together with the Investors Relations Department, further submits to the Board of Directors its advice for the improvement of the communication between the Company and the shareholders, and the elimination and settlement of the possible disputes in between.
- The Corporate Governance Committee reviews the Corporate Governance Principles Compliance Report of the Company prior to its being published in the Company's annual activity report, and submits its opinions to the Board of Directors.
- The Corporate Governance Committee prepares its advice and assessments for the identification or amendment of the Company's Disclosure Policy and submits it to the Board of Directors. It also oversees to ensure that the Disclosure Policy covers at least the minimum obligatory content laid down by the laws and regulations regarding the communication of the Company with the stakeholders, and it reviews the content, quality, consistency and accuracy of the documents, presentations and explanations to ensure that they are prepared in accordance with the Disclosure Policy.
- The Corporate Governance Committee works for infusing the corporate governance culture into the Company and its adoption by the managers and employees at all levels. It follows the domestic and international developments on corporate

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governance front and monitors their possible effects for the Company.

The duties and responsibilities of the Corporate Governance Committee on nominations have been outlined below.

- The Corporate Governance Committee works for setting up a transparent system for the identification, assessment and training of the candidates for board membership and the managerial positions with administrative responsibility and for adoption of proper policies and strategies on this subject.
- The Corporate Governance Committee makes regular assessments on the structure and productivity of the Board of Directors and submits its advice on possible changes to the Board of Directors.
- The Corporate Governance Committee is responsible for performing the jobs regarding the nomination of the independent member candidates for the Board which are stipulated by the laws and regulations and which are compulsory for the Group including the Company as announced by the Board each year.

The duties and responsibilities of the Corporate Governance Committee on the salaries and remunerations have been outlined below:


- The Corporate Governance Committee lays down and oversees the principles, criteria and practices to apply to the compensations of the members of the Board of Directors and executives with administrative responsibility in view of the Company's long term targets.
- It submits to the Board of Directors its suggestions about the wages to be offered to the Board members and executives with administrative responsibility as set forth, also in consideration with the degree of realization of the criteria applicable to such compensation.
- It provides its assessments and suggestions on the creation and amendment of the Company's compensation policy which sets the compensation principles for the members of the Board of Directors and the managers with administrative responsibility, and submits its opinions to the Board of Directors.

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The Corporate Governance Committee also fulfills other duties and responsibilities within its area of responsibility as may be delegated to it by the Board of Directors.

## **Article 5 The Corporate Governance Committee's Operation Principles and Procedures**

- The Corporate Governance Committee meets at least once every three months and four times annually.
- The Committee meets with the attendance of all its members and takes its decisions by majority vote.
- The Committee keeps a decision book and the decisions taken by the Committee are recorded in this book with a log number.
- The results of the Committee's meetings are issued as an official report and the assessments and decisions of the Committee are submitted to the Board of Directors within at least one month following the relevant meeting of the Committee.
- The decisions of the Committee take effect upon the approval of the Board of Directors.
- The Corporate Governance Committee immediately submits its findings, assessments and suggestions on the area of its work and responsibility to the Board of Directors in writing.
- The Corporate Governance Committee may invite other people to its meetings as needed to get their opinions on a subject.
- The Investor Relations Unit/Department determines the agenda of the meetings, makes the calls for the meetings, ensures the communication within the members of the Committee, keeps the minute book, and fulfills other secretarial works of the Committee.
- The resources and support needed by the Committee during the execution of its duty are provided by the Board of Directors.
- Subject to the approval of the Board of Directors, the Committee may benefit from the opinions of the independent experts as may be needed on a subject related with its activities requiring specialization. The charge of such consultancy services needed by the Committee is provided by the Company.
- The members of the Corporate Governance Committee conduct their duties within the framework of the principles of independence and neutrality.

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### **Article 6 Validity**

The clauses of this Regulation take effect on the date approved by the Board of Directors and are executed by the Board of Directors.

### ***Relevant Decisions of the Board of Directors***

Decision	Validity	Revision	Relevant Articles
27.05.2014 / 2151	27.05.2014	1.0	All