

**ŞOK MARKETLER TİCARET A.Ş.**  
**CORPORATE GOVERNANCE COMMITTEE**  
**FUNCTIONS AND WORKING PRINCIPLES**

**PURPOSE & SCOPE**

**Article 1-** The purpose of this arrangement is to define the duties and working principles of the Corporate Governance Committee to be established by the Board of Directors of Şok Marketler Ticaret A.Ş.

It is the duty of the Corporate Governance Committee to monitor the compliance of the Company with the Corporate Governance Principles in accordance with the Capital Markets Legislation and the Capital Markets Board Corporate Governance Principles, to make improvements in this regard, and to submit recommendations to the Board of Directors.

**BASIS**

**Article 2 -** This document has been prepared within the scope of the arrangements, provisions and principles of the Turkish Trade Law, capital markets legislation, Articles of Partnership and the "Corporate Governance Principles" set out in the Capital Market.

**CREATION AND STRUCTURE**

**Article 3 -** It consists of 3 members among which at least two members of the Board of Directors and managers from the Investor Relations Department.

**Article 4-** The Committee is appointed by the Board of Directors as limited to the Board of Directors Membership period. The members of the Board of Directors of the Company appoint, at the first Board meeting following the General Assembly meeting in which they are elected, the Committee members to serve until the next election of Board of Directors . Expired members can be re-elected.

The Board of Directors can change the Committee members, appoint a new member to complete their term of office in case of termination, resignation or death of a member, and can reduce / increase the number of members.

**Article 5-** The chairman of the Corporate Governance Committee is elected by the committee members among the independent board members In the committee, people who perform the executive function directly, such as Chief Executive Officer / General Manager, cannot take part in the committee.

The Committee may delegate some of its duties to one or more subcommittees, consisting of two or more members, if deemed necessary. The expertise of people with sufficient experience and knowledge on Corporate Governance as well as their own members can be used in recruiting members in the creation of a sub-working group.

**WORKING PRINCIPLES**

**Article 6-** The Corporate Governance Committee convenes when it deems necessary. Committee meetings can be held by bringing together the members as well as using technological communication means. The timing of the committee meetings is compatible with the timing of the Board meetings as much as possible.

**Article 7-** The decisions taken at the committee meetings are written. Decisions signed by the committee members are kept regularly. The Committee submits the determinations and recommendations it reaches regarding its field of duty and responsibility to the Board of Directors.

**Article 8 -** All types of resources and support required in order for the Corporate Governance Committee to fulfill its duties are provided by the Board of Directors. The Committee is entitled to invite any managers it may deem necessary to the meetings and take their opinions. In addition, they can benefit from independent expert opinions on the issues they need regarding their activities. The costs of the consultancy services needed by the Committees are covered by the Company.

The Committee convenes with the participation of all members and takes decisions with the majority of the members attending the meeting, and if any, counter opinions are recorded. Committee decisions are advisory to the Board of Directors.

## **DUTIES AND RESPONSIBILITIES**

**Article 9-** Considering the structure of the Company's Board of Directors, with the decision of the Board of Directors dated 0X.07.2018 and numbered 2018 / XX; With the Communiqué, the authority, duty and responsibility of fulfilling the duties envisaged for the Nomination Committee and the Remuneration Committee are also left to the Corporate Governance Committee.

The duties and responsibilities of the Corporate Governance Committee are set out below. The Committee has:

- a) To determine whether the Corporate Governance Principles are implemented or not in the Company, the reasons thereof if they are not implemented, and the conflicts of interest that emerge due to the failure to comply with these principles fully, to make recommendations to the Board of Directors as aimed to improve the corporate governance principles,
- b) To report to the Board of Directors the applicability of those suitable for capital market legislation and company structure by following the world practices regarding Corporate Governance Principles,
- c) To ensure the development, adoption and application of corporate governance principles within the Company, to make remedial suggestions by conducting studies on the issues if determined that they are not implemented,
- d) To supervise the activities of the Investor Relations Department,
- e) To review the “Corporate Compliance Report” to be announced to the public in terms of compliance and consistency with the capital market legislation,
- f) To make evaluations on the organization and efficiency of the Board of Directors and to submit recommendations on any changes that may be made in this respect to the Board of Directors,
- g) To carry out studies as aimed to establish a transparent system to identify, evaluate and train candidates who are suitable for the Board of Directors and top positions, and to define policies and strategies in this respect,

To define the principles and criteria on the remuneration of the members of the Board of Directors and managers with administrative responsibilities, and the implementation thereof considering the long-term objectives of the company,

- i) Taking into consideration the degree of achieving the criteria used in the remuneration, to submit to the Board of Directors and senior executives their suggestions regarding the total personal payment package including the remuneration, in-kind benefits, annual variable payment, performance-based incentive payments, retirement payments and other payments, if any. and it acts within its own authority and responsibility, and the final decision responsibility always belongs to the Board of Directors.

The Committee reviews and evaluates the adequacy of these Working Principles and submits the proposed amendments to the Board of Directors for approval.

## **OTHER ISSUES**

**Article 10-** The duties and responsibilities of the Corporate Governance Committee do not eliminate the responsibility of the Board of Directors arising from the Turkish Commercial Code.

## **EFFECTIVENESS**

**Article 11-** This regulation concerning the duties and working principles of the Corporate Governance Committee and the revisions thereof enter into force by a resolution of the Board of Directors.