

AGESA HAYAT VE EMEKLİLİK A.Ş.
AUDIT COMMITTEE
REGULATION

1. ESTABLISHMENT

The Audit Committee has been established with the decision of Agesa Hayat ve Emeklilik A.Ş. Board of Management dated 17 October 2014 in accordance with the capital market legislation.

2. AIM

It is monitoring the functioning and effectiveness of the accounting and the internal control system, and monitoring financial reporting, public disclosure of financial information, selection the independent auditing firm, preparation of independent auditing contracts and the work of the independent auditing firm at every stage.

Committee shall present the findings and suggestions in relation to the area of roles and responsibilities to Board of Management in writing.

3. DEFINITIONS

Chairman : Audit Committee Chairman,

Internal Audit : Section fulfilling the internal audit function in the presence of Agesa Hayat ve Emeklilik A.Ş.

Internal Audit System : System established in order to ensure the protection of company assets, the conduct of activities effectively and efficiently in accordance with the legislation, internal regulations and insurance customs and practices and in order to ensure the reliability and integrity of the accounting and financial reporting systems and the timely availability of the information,

Committee : Audit Committee,

Rapporteur : The person who fulfils the necessary procedures in relation to the committee meetings and activities depending on the Chairman,

Company : Agesa Hayat ve Emeklilik A.Ş.

Management : General Manager and managers working in direct connection,

BM : Agesa Hayat ve Emeklilik A.Ş. Board of Management

4. COMMITTEE STRUCTURE

Committee shall be established by BM, members shall be selected among BM members by BM. Committee shall consist of at least two members. Committee membership of the members shall end without the need for any further procedure in the event that the members leave BM for any reason or they lose the title of independent BM member.

Members shall choose one member among them as the chairman. Meeting arrangement and agenda shall be provided by the chairman.

Internal Audit shall perform the role of Committee Rapporteur depending on the Chairman.

5. ROLE AND POWER OF CHAIRMAN

Chairman shall chair the Committee, determine and manage the agenda of the meeting, enable the information flow and coordination between BM and Committee, take the necessary measures to fulfil effectively the roles and responsibilities of Committee.

6. ROLE OF RAPPORTEUR

He shall fulfil the directions of the Chairman and present the meeting agenda and relevant documents to Committee members before the meeting.

He shall take the necessary measures for the administrative organization in relation to the meetings. He shall ensure the participation of the persons required by the Chairman. He shall record the meeting minutes and decisions, and ensure their distribution. He shall ensure the recording of decisions in the Committee Decision Book with their sequence number.

BM Secretariat shall be responsible for the delivery of decisions and meeting minutes to BM members and the storage of Committee Decision Book.

7. MEETING VENUE AND TIME

Meetings shall be held at least four times a year once in at least three months in the Company headquarters or at another place upon the invitation of the Chairman. Meetings shall be held with the absolute majority of members including the Chairman and decisions shall be made by the absolute majority of the participants.

BM Chairman or Chairman may call Committee to an extraordinary meeting.

In the event that it is deemed appropriate by the Chairman, Company general manager, assistant general manager in charge of finance, legal advisor, managers responsible for risk and independent auditing firm officers shall attend the committee meetings and shall hold meetings of specific agenda with auditors and managers.

8. AGENDA

Chairman shall determine the meeting agenda. Committee members, BM or Company general manager shall deliver the issues that they want on the agenda and the relevant information and documents, the meeting agenda suggestions to Chairman and Rapporteur 10 days before the meeting date. Chairman shall evaluate the agenda suggestions and members shall be notified at least one week before the meeting about the agenda deemed appropriate.

9. ROLE AND RESPONSIBILITIES

The main role and responsibilities of AC are specified below:

9.1. Financial Information

It shall ensure the investigation of the compliance of the accuracy of the Company financial statements and the accounting principles followed by the Company with

applicable regulations. It shall evaluate the prepared reports; it shall present its evaluation results by taking the opinions of the internal auditors and the independent auditors to BM with warnings and recommendations if necessary.

9.2. Internal Control System

- 9.2.1. It shall monitor the functioning and effectiveness of the internal control system of the Company.
- 9.2.2. It shall evaluate the findings and suggestions of independent external auditors in relation to the financial reporting and the internal control system and it shall evaluate the opinions and actions of the management on this issue.
- 9.2.3. It shall supervise the company activities within the scope of their conduct in accordance with the legislation and company regulations.

9.3. Internal Audit

- 9.3.1. Committee shall take the necessary measures in order to ensure the effective, adequate and transparent performance of internal audit activity, it shall create an internal function, it shall arrange, guide and supervise the activities.
- 9.3.2. It shall evaluate and approve the annual internal audit plan, activities and internal audit organization structure within the framework of the principle of neutrality.
- 9.3.3. It shall analyse the internal audit reports regulated by the Company internal audit unit, and it shall periodically evaluate the actions decided to be taken by the management and their progress.
- 9.3.4. It shall assign Internal Audit to carry out the special investigation requests made by BM or general manager or required by Chairman to be carried out.

9.4. Independent Audit

- 9.4.1. It shall determine the issues and headings that require the appointment of the institutions having to do independent audit, it shall determine the selection of the independent auditing institutions, it shall ensure the preparation of independent audit contracts and it shall present them to the approval of BM.
- 9.4.2. It shall supervise and evaluate the start of the independent auditing period and the work of independent auditing firm at every stage.
- 9.4.3. It shall evaluate the reports prepared by the independent auditing firm and it shall give opinion and information to BM in writing.
- 9.4.4. It shall evaluate all the delivered issues apart from the regular reports by the independent auditors with the BM chairman within the framework of generally accepted auditing standards, and it shall give opinion and information to BM in writing if necessary.
- 9.4.5. It shall meet the independent auditors to discuss the competence of the internal control system and the other issues and shall evaluate the situation.

9.5. Compliance with Legislation

- 9.5.1. Investigation results carried out by governmental agencies shall be revised.
- 9.5.2. Periodical information shall be obtained from the Legal Consultancy of the Company regarding the legal issues (compliance with legislation, for and against

existing and potential litigations and other similar legal issues) that will significantly affect the Company.

9.6. Reporting

- 9.6.1.** Committee shall inform BM in writing about the activities, findings and suggestions in relation to the area of role and responsibilities after every auditing committee.
- 9.6.2.** Meetings and annual activities shall be specified in the annual activity report of the Company.
- 9.6.3.** BM shall be notified of the evaluations with the opinions taken from the responsible managers of the Company and independent auditors in relation to the evaluation of compliance of the accuracy of the accounting principles followed by the Company by reviewing the annual and interim financial statements to be disclosed to the public.

9.7. Other

- 9.7.1.** Accounting shall determine the investigation of complaints received by the Company in relation to the internal control system and independent auditing; its resolution; methods and criteria to be applied in the fields of the evaluation of the accounting and independent auditing notification within the framework of the principle of confidentiality.
- 9.7.2.** Independent expert opinion about the activities shall be utilized and a consultant shall be appointed on this issue. The cost of consultancy services shall be paid by the partnership. The information on the person/institution that services have been bought and the information on the relation of this person/institution with the Company shall be included in the activity report.
- 9.7.3.** Committee decisions shall be in the form of suggestion to BM and the final decision maker on the relevant issues shall be BM.

10. ENFORCEMENT AND EXECUTION

Chairman shall be responsible of the execution of this regulation. Committee shall revise the regulation annually or when required, it shall present the the work in relation to the required changed to the approval of BM. BM shall be authorized to amend or cancel the Regulation. Audit Committee Internal Regulation No 2008/50 dated 29 December 2008 has been abolished with the enforcement of this regulation.