

ENERJİSA ENERJİ A.Ş.
AUDIT COMMITTEE CHARTER

1. PURPOSE AND SCOPE

This charter is intended to provide members of Enerjisa Enerji A.Ş. Audit Committee with practical guidance to fulfil their oversight responsibilities. The charter defines the organization, authorities, responsibilities of Audit Committee and its members as well as primary rules of committee operations.

Enerjisa Enerji A.Ş. and all its subsidiaries mentioned as a whole as Enerjisa herein this report are in scope of this charter.

2. DEFINITIONS

BoD: Enerjisa Enerji A.Ş. Board of Directors.

Chairperson: Audit Committee Chairperson.

Compliance: Conforming to the related rules, regulations, policies and procedures.

Enerjisa: All Enerjisa Enerji A.Ş. operational companies and corporate functions as a whole.

Independence: The freedom from conditions that threaten objectivity or the appearance of objectivity.

Internal Audit Department: The function executing Internal Audit activities at Enerjisa companies.

Chief Audit Executive: Enerjisa Head of Internal Audit.

Management: CEO, CFO and/or General Manager and managers working in direct connection.

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

Risk: The possibility of an event occurring that will have a negative impact on the achievement of objectives. Risk is measured in terms of impact and likelihood.

Risk management: Processes to identify, assess, manage and control potential events or situations, to provide reasonable assurance regarding the achievement of the organization's objectives.

3. IMPLEMENTATION

3.1 Definition of Roles

The audit committee will assist the Board of Directors by advising on and making recommendations in relation to;

- The integrity of the financial statements and the internal control processes,
- The effectiveness of the Internal Audit function of the Enerjisa,
- The effectiveness of Internal Audit processes and functioning systems,

- The independence, qualifications and performance of the external auditors,
- The compliance with applicable laws and regulations.

3.2 Authorization

Audit committee is authorized to;

- Oversight the internal control system, accounting processes, reporting systems of Enerjisa,
- Coordinate the internal audit activities across Enerjisa and ensure the quality of these activities,
- Ensure that Internal Audit Department performs its activities independently, effectively and with adequate proficiency and adequate human resource,
- Take decision to buy service from consultancy firms, external auditors, or other experts in order to ensure that committee carries out its responsibilities,
- Perform or give authorization to perform any examination/investigation in its responsibility frame,
- Have access to any information and document of the Enerjisa,
- Review the performance of Internal Audit Department and assign/discharge the chief audit executive,
- Put the responsibilities defined in this charter into practice.

3.3 Responsibilities

Audit Committee is responsible for conducting the duties below within the definition of its purpose to assist to BoD in order to carry out oversight responsibilities:

Financial Data and Reporting

- Review the veridicality, accuracy and integrity of annual and interim public financial statements, accounting principles of Enerjisa and compliance with Applicable Law and notifying the Board of Directors together with the opinions of the responsible executives and independent auditors of Enerjisa in writing in order to obtain BoD's approval of financial statements.
- Examine significant accounting issues and disagreements, including significant changes regarding the application of accounting and reporting regulations.
- Review the major changes to Enerjisa's accounting principles and practices based on advice of the management, independent auditors, chief audit executive or management
- Monitoring and ensuring effectiveness and soundness of financial reporting processes and systems of the Enerjisa Companies.

Internal Controls

- Monitor and ensure effectiveness of internal control systems including information technology security and control.

- Understand the scope of internal and external auditor's reviews of internal control systems in relation to financial reporting and obtaining reports on significant findings and recommendations together with the management's view.

Internal Audit

- Guarantee the objectivity of the internal audit team as the reporting body.
- Review the responsibilities, resources, functions and performance of the Internal Audit Department and Chief Audit Executive of Enerjisa.
- Propose the appointment and when and if appropriate the replacement of the Enerjisa's Chief Audit Executive who will report to the Audit Committee.
- Review and approve internal audit methodology, annual internal audit plan, any changes required in the planned scope of the audit plan and organizational structure of the internal audit function.
- Review any difficulties encountered in the course of the internal audit work, including any restrictions on the scope of the work of the internal auditor or access to required information.
- Review reports of the Internal Audit Department of Enerjisa and their respective summaries prepared for the Board.
- Review significant findings and recommendations of the Internal Audit Department together with management's responses.
- Review Enerjisa's internal audit procedures against international standards/benchmarks.

External Audit

- Oversee all efforts regarding the selection, engagement, evaluation, appraisal, compensation, termination and replacement of the independent audit company.
- Evaluate and present to the Board of Directors recommendations regarding areas to be audited by the authorized independent audit company.
- Monitor auditor independency, the rotation of audit partners and potential conflicts of interests arising from the control systems of the auditor and permitted non-audit services.
- Review the reports, findings and all related matters that the independent audit company believes should be discussed. Share relevant opinion and information with the BoD.
- Contribute to solve significant disagreements between Enerjisa's senior management and independent audit company.

Compliance

- Review policies and procedures for receipt and handling of complaints, concerns and risks regarding accounting internal controls and auditing matters.
- Review company policies and procedures regarding investigations about compliance, code of ethics, conflict of interest, mismanagement and fraud.
- Obtain regular updates from legal counsel regarding compliance and legal matters which may have a significant impact on Enerjisa.
- Oversee risk policies and processes relating to financial statements, reporting processes, compliance and auditing and guidelines, policies and processes for monitoring risks.

3.4 Organization

The Audit Committee comprises 2 independent non-executive members of Enerjisa Board of Directors. The roles and responsibilities, working principles and members of the Audit Committee are determined by BoD and announced in Public Disclosure Platform (KAP). Members shall choose one member among them as the chairperson. Meeting arrangement and agenda shall be provided by the chairperson or Head of Audit. Head of Internal Audit shall perform the role of Committee Rapporteur depending on the chairperson.

Head of Internal Audit of EnerjiSA, Head of Internal Audit of Sabancı Holding and Head of Corporate Audit of E.ON SE are regular invitees of all meetings. CFO and/or a Director responsible for financial reporting will join the semi-annual meetings during which audited financial statements will be discussed with external auditors.

3.4.1 Role and power of Chairperson

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

3.4.2 Role of Rapporteur

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

He/she shall take the necessary measures for the administrative organization in relation to the meetings. He/she shall ensure the participation of the persons required by the Chairperson. He/she 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.

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

3.5 Meetings, Resolutions, Reports

- The meetings of the Committee are organized at least four times once every three months per year. BoD Chairman or Audit Committee Chairperson may call Committee to an extraordinary meeting. The audit committee records the meeting minutes and submit their resolutions to the Board of Directors.
- For the financial statements and notes to the financial statements that are subject to audit, BoD resolution dated the report release date to KAP is required. For the financial statements and notes to the financial statements that are not subject to audit, BoD resolution dated at most one day before the report release date to KAP is required. And before these BoD resolutions, the Audit Committee 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 BoD with warnings and recommendations if necessary. The quorum for meetings require the attendance of all Audit Committee members and the decision quorum consists of the affirmative votes of all members.
- The Audit Committee Chairperson is responsible for setting up meetings and for calling those meetings.
- An appointed member of the Audit Committee or an appointed employee of Enerjisa Internal Audit is assigned to record the minutes of each meeting and to circulate those minutes to the Audit Committee members.
- The Audit Committee Chairperson regularly report on the activities to the Board of Directors. In addition, in case the request of the BoD, presents oral reports at the meetings of the BoD.
- In the annual report of the Company, a brief explanation on activities and resolutions of the Audit Committee is added. In addition, number of verbal communications done to the BoD by the Audit Committee in the relevant financial calendar year is stated in the annual report.
- The Audit Committee regularly and at least every two years review the efficiency of their own activities, and submit a report on their findings to the BoD.

3.6 Duty Period

The Audit Committee members' duty period is same as Enerjisa BoD members' period. Following appointment of the board members, the Audit Committee members are selected among the Independent members of BoD.

If Enerjisa Board membership of any member ends by any reason, the membership of Audit Committee ends as well. In this case, Enerjisa Board of Directors appoints a new member in its next meeting.

In case of membership change in Audit Committee, a hand over period is applied under close monitoring of the Board of Directors and the following actions are ensured to be realized:

- Following the appointment of new Audit Committee members by BoD, new Audit Committee members come together with ex Audit Committee members.
- The following documents and if necessary additional critical documents, that would impair the effectiveness of Audit Committee if not shared, should be hand over to the new Audit Committee members:
 - Audit Committee Charter, Internal Audit Charter
 - Annual audit plan and supplementary documents
 - A list of outstanding items that should be followed up

4. RELATED DOCUMENTS

Internal Audit Charter: The document of which the purpose is to establish the mandate of Enerjisa Internal Audit Department (Enerjisa IA) to assign the responsibilities and identify the standards according to which it will be implemented.

5. REVIEW

Audit Committee is held accountable for administration of this charter. Audit Committee Charter is reviewed and updated annually. This charter is valid by approval of Enerjisa Board of Directors, which is fully authorized to make changes if it deems necessary.