



# REMUNERATION POLICY

Publication Date: 23.03.2020 (General Assembly)

## REMUNERATION POLICY FOR MEMBERS OF BOARD OF DIRECTORS AND EXECUTIVES

The Remuneration Policy ("**Policy**") of Enerjisa Enerji A.Ş. ("**Company**") defines the remuneration system and benefits applicable to the members of board of directors and executive managers, who have administrative liabilities in accordance with the Capital Markets Law numbered 6362, Communiqué on Corporate Governance (II-17.1) of the Capital Markets Board of Turkey ("**CMB**") and other Capital Markets legislation.

The dividend, stock option or the Company's performance-based payment plans do not apply to independent members of board of directors.

Expenses incurred by members of board of directors during their service to the Company (transportation, telephone, insurance and other costs) may be reimbursed by the Company.

The remuneration policy and benefits management system are based on fair, objective, performance-oriented, competitive, encouraging and motivating criteria.

The objectives of our remuneration policy are to ensure that remuneration take into consideration business size, performance, business contribution, knowledge, skills and competencies; to increase employee motivation and loyalty through observing wage balance within the company and among similar companies, and achieving competitiveness in the market; and to retain a competent workforce that will enable the Company to achieve its targets.

The business family model<sup>1</sup> in effect defines organizational roles, key responsibilities, performance indicators, knowledge and skills, and competencies, and the remuneration policy is built on an objective system that is designed with the business family model at its core.

The remuneration of executive managers consists of two components: base pay and performance bonus.

Executive managers may also be eligible for a variable performance bonus to be paid three months following the close of relevant fiscal year, which is calculated as a percentage of gross annual wages according to Company and individual performance ratings. The purpose of the performance-driven bonus pay is to reward achievements and encourage employees to display exceptional performance and meet or exceed the budgeted targets of the Company, thereby instilling a goal-oriented performance culture in the Company.

Benefits constitute an important part of total reward management in order to support wages with additional benefits. The Company seeks to ensure that additional benefits are fair, competitive and compatible with market conditions. Benefits extended to executive managers include, among others, private medical and health insurance, company-matched pension plans, company telephone lines and company cars.

*[1]"business family model" describes a number of different roles which are engaged in the same kind of work. Every Business Family forms a homogeneous set of job positions of the same nature which are responsible for the accomplishment of a certain role within an organization. (e.g. Operational management, Professional Administrative, Technological)*