

ANEL ELEKTRİK PROJE TAAHHÜT VE TİCARET A.Ş

Corporate Governance Principles Compliance Report of The Year 2015

1. Corporate Governance Principles Compliance Statement

Our company aims that corporate governance is made dominant over the company management with all of its components and that the value is ensured to the company partners, employees, stakeholders, environment and society by this way.

Based upon this understanding, we aim to provide maximum benefit both to our Company and shareholders in the subject of relations with the shareholders in line with our transparency, reliability, accountability and honesty principles.

The management of our Company started its works in accordance with the Corporate Governance Principles made widely known by the Capital Market Board for the purpose of making necessary regulations for its (1.3.1.), (1.3.5.), (1.3.6.), (1.3.9.), (4.2.6.), (4.3.1.), (4.3.2.), (4.3.3.), (4.3.4.), (4.3.5.), (4.3.6.), (4.3.7.), (4.3.8.), (4.5.1.), (4.5.2.), (4.5.3.), (4.5.4.), (4.5.9.), (4.5.10.), (4.5.11.), (4.5.12.), (4.5.13.), (4.6.2.) and (4.6.3.) numbered principles that it is liable to implement, and completed the necessary regulations to a large extent in line with this purpose. Therefore, our Company complied with "Corporate Governance Principles", made widely known by the Capital Market Board, in 01.01.2015 - 31.12.2015 activity period, except for some compulsory and non-compulsory principles specified below. There is not any conflict of interest arising from cases summarized below and that are not implemented.

- In the Company's Articles of Association any regulation was not made within the scope of dissenters' rights in accordance with 1.5.2 numbered article of "Corporate Governance Principles".
- There is not a written compensation policy for the employees which should be established in accordance with 3.1.2 numbered article of the "Corporate Governance Principles" of our Company available.
- The mechanisms required for communicating the transactions, being contrary to relevant

legislation of the company and being inappropriate in terms of ethics of the Company by the stakeholders to the corporate governance committee or committee being responsible for the audit, specified with 3.1.4 numbered article of the "Corporate Governance Principles", were not able to be established within the period.

- In accordance with 4.3.4 numbered article of the "Corporate Governance Principles" of our Company, the number of members in independent board of directors, which should be composed of 7 persons, was not able to be made three. The exception provided for the companies in the third group with 6th Article of Notification was utilized. At present, two independent members of board of directors maintain their duties.
- The wages paid to members of the Board of Directors and senior managers and all other benefits provided in accordance with 4.6.5 numbered article of the "Corporate Governance Principles" are announced to the public through annual activity report. However, the announcement is not made on the basis of a person, but on a whole basis that the discrimination of board of directors and senior manager is included.
- In the Articles of Association of the Company any provision restricting transfer of B Group shares does not exist. However, there are some conditions with regard to transfer of A Group shares.
- A Group shareholders were accorded some preferential rights. One of them is; that the whole of members of the Board of Directors, except for its independent members, is selected among the A Group shareholders or candidates that they slate, another one is in voting right, during voting of the General Assembly A Group shareholder has (2) voting rights and B Group shareholder has (1) voting right.
- In the Articles of Association of Anel Elektrik there is not any provision that the shareholders may request for special audit from the general

assembly, being an individual right.

SECTION I - SHAREHOLDERS

2. Shareholder Relations Unit

Within the body of our Company, there is Investor Relations Department carrying on business from the day that we go public. Cem Özşen, Financial Affairs Manager and Finance Director, and Department carrying on business depending on the Corporate Governance Committee submit the information with regard to the activities, which they performed under duty titles in the Corporate Governance Notification, to the Committee in the meetings of the Corporate Governance Committee held within the year. The relevant information are communicated additionally to the Board of Directors through minutes of committee resolutions.

The information about the Investor Relations Department are given below.

Önder Mutlu Bulut Investor Relations Manager

He has SPF Advanced Level License and Corporate Governance Rating Expertise License.

Semra Çağlar Financial Control and Consolidation Executive

She has SPF Advanced Level License and Corporate Governance Rating Expertise License.

Telephone : +90 216 636 22 53
E-mail : investor.relations@anel.com.tr
Address : Anel İş Merkezi, Saray Mahallesi, Site Yolu Sokak No:5/4 Ümraniye / İstanbul

Main duties that the department carries out are given below:

- To provide the correspondences made between the investors and partnership and the records with regard to other information and documents to be kept reliable, secure and updated.
- To respond to written information requests of the partnership's shareholders with regard to the partnership.
- To prepare documents that should be submitted for information and investigation of the shareholders with regard to the meeting of the general assembly and to take precautions that will ensure the meeting of the general assembly

to be held in accordance with the relevant legislation, articles of association and other intra-partnership regulations.

- To observe and follow that the obligations arising from the capital market legislation are fulfilled, including all kind of points with regard to the corporate governance and public disclosure.

The questions posed to the Investor Relations department are answered in accordance with Anel Information Policy.

3. Exercising Shareholders' Rights to Obtain Information

The information provided for the website in the Corporate Governance Principles were submitted for use of the shareholders on the website of our Company in Turkish and English, so that the shareholders can reach the information about our Company easily. Updating and monitoring the website are under the responsibility of the Investor Relations Department.

The verbal and written questions posed to the Investor Relations Department were answered without making any distinction within the scope of principle of equality and within the scope of information disclosed to the public as soon as possible, provided that it is not an information having characteristic of business secret or not being already disclosed to the public.

In the articles of association of our Company, there is not a regulation with regard to regulating request for appointment of special auditor in the articles of association given in the Corporate Governance Principles. There have not been a request for appointment of special auditor within the year.

4. General Assembly Information

In 2015 Ordinary Meeting of General Assembly realized on 29.05.2015 with quorum of 56,85 %. Apart from that, any meeting of the general assembly was not held within the year. The announcements of our ordinary meeting of general assembly were made before the general assembly date in 18.03.2015 dated Turkish Trade Registry Gazette, in Ortadoğu and Hürses newspapers, broadcasting throughout Turkey, on 09.04.2015, in Public Disclosure Platform, on Central Registry Agency's Electronic General Assembly System and on our website, and the press did not participate in our meeting.

It was paid attention that the general assembly announcements were made early and through various channels in order to facilitate the participation in the general assembly. Prior to the General Assembly, the annual activity report and financial statements were kept available in registered office for the shareholders. In addition to this, whole of this information was published on our Company website with General Assembly Announcement and agenda items. In the general assembly, the shareholders exercised their questioning rights and the questions were answered. Any agenda offer was not made by the shareholders.

A policy with regard to Contributions and Aids was established by our Company, published in the Public Disclosure Platform, notified to our investors and public and the approval of the General Assembly was received. The information about the contributions and aids made to associations and foundations, being beneficial for the public, within the year was given in the General Assembly with a separate agenda item.

The General Assembly minutes and other documents are submitted for information of the shareholders and all stakeholders on our Company website, the Public Disclosure Platform and Central Registry Agency' Electronic General Assembly System.

5. Voting Rights and Minority Rights

The meetings of the general assembly and quorum in this meeting are subject to Turkish Commercial Code provisions. The shares of our company were divided as A group and B group. A group shares have privileges. In the meetings of the general assembly, a share in A group has two (2) voting rights and a share in B group has one (1) voting right.

In the meetings of the general assembly the shareholders may have themselves represented by other shareholders or proxy holder appointed extrinsically by them within the scope of regulations of the Capital Market Board with regard to voting by proxy. The proxy holders, being shareholder of the company, are authorized to cast the votes of the shareholder they represent, in addition to their own votes.

In our company there is not any reciprocal shareholding relation.

It is cared to have the dissenters' rights exercised within the scope of the Capital Market Law, however, no regulation was decided with regard to the matter in our articles of association.

6. Dividend Right

The dividend policy of our Company was rearranged in accordance with the Capital Market Board legislation and company's articles of association and accepted in the ordinary general assembly held within the year. The date and type of dividend are decided by the General Assembly upon suggestion of the Board of Directors by paying regard to the Capital Market Legislation.

At the end of the fiscal year of 2014, the profit in the amount of 1.314.008,66TL was distributed to our partners with approval of the general assembly.

7. Transfer of Shares

In the articles of association of our Company, there is an information as regards Bearer shares may be transferred freely in accordance with the legislation provisions, but in the transfer processes of Registered shares, the transfer process of Registered shares will be completed after the transfer request, made in written, is deemed appropriate by the Board of Directors and registered in stock ledger.

SECTION II - PUBLIC DISCLOSURE AND TRANSPARENCY

8. Information Policy

It aims that shareholders and all stakeholders of our Company are enlightened completely in time and with exact information within the scope of Information Policy established within the Corporate Governance Principles, published by the Capital Market Board. The information to be disclosed within this scope is the information that is not included in the scope of business secret. The information policy is published on the Company website.

Anel Elektrik Proje Taahhüt ve Ticaret Anonim Şirketi ("Anel") uses the means, being within the scope of "Information Policy", in explanations that are compulsory to be made within the scope of the Capital Market Legislation and other relevant legislations. The purpose of Anel Information Policy is to provide the explanations to be disclosed to the public in line with the regulations, to which the Company is subject, to be communicated to the shareholders, investors, employees and customers and all stakeholders completely, fairly, truthfully, in time, comprehensibly and in an easily accessible way, synchronously, actively and transparently.

9. Corporate Website and Its Content

The website of the company has been established for the purpose of informing the shareholders, stake and all public clearly, transparently and synchronously, and its address is www.anel.com.tr. The Company's website contains Capital Market Board resolutions and announcements and information deemed necessary, which are governing implementation of the Capital Market Board Corporate Governance Principles Notification and Principles, and continuous updates are made. Furthermore, the information on the website can also be read in English. The website of the Company contains the points specified in the corporate governance principles.

On the other hand, the activities carried out by our company within the scope of corporate social responsibility principle are also included in our website.

10. Activity Report

The activity reports of our Company are prepared in accordance with criteria specified in the Corporate Governance Principles published by Turkish Commercial Code, Ministry Regulations and Capital Markets Board.

SECTION III - STAKEHOLDERS

11. Informing The Stakeholders

Our stakeholders having directly relation with our Company and having relation in the company's activities in reaching the targets are our shareholders, investors, suppliers, customers, employees and other stakeholders in the society.

As Anel, one of our purposes is to take the management decisions fairly, transparently and in an accountable way, and to fulfill our responsibility towards all of these groups within this scope ideally. The shareholders, investors and analysts may reach financial reports, activity reports and other information about the Company from our Company website.

In addition to this, they may also reach the Investor Relations department through telephone or through e-mail by using e-mail address of investor.relations@anel.com.tr.

Although the mechanisms required for communicating

the transactions, being contrary to legislation and being inappropriate in terms of ethics, of the Company by the stakeholders to the Corporate Governance Committee or Committee Being Responsible For The Audit, the information transfer to the employees is made by being gathered in various organizations or through intranet system used within the Company. Some important announcements are transmitted to all employees through e-mail. The regulations required for providing two-way information flow between the manager and employees are made.

12. Participation of the Stakeholders in Management

In the company's articles of association, any model with regard to participation of our stakeholders in the management was not established. On the other hand, the requests and suggestions transmitted in periodical meetings, in which the managers participate, are taken into consideration and the processes with regard to them are considered.

13. Human Resources Policy

One of the primary objectives of the Human Resources Policy is to support the continuous improvement of the employees who are the key players who contribute to the Company's success in achieving company's goals and strategies, in expanding its corporate capabilities and creating value. We aim to add new workforce who recognize Anel's values that would carry us to the future. The base of the Human Resources policy would be supporting our employees' development, creating the opportunities that unearth the employees' potential and encouraging the contributions and the successes they bring to the company.

The recruitment process is determined with fixed criteria. Additionally, career planning of the employee is prepared when the employee starts his/her job and we aim to provide equal opportunities for people that possess equal conditions. Plan and current status of the career plan are assessed at every year end.

The company organizes training sessions contributing directly to our corporate success, to take a step further in employees' personal and professional development.

Gökçe Babayiğit, Gülay Savaşan and Murat Akcan are appointed as employee's representatives who are charged to maintain relationship with employees

and inform Company decisions about employees or development that concern them. In addition, the representatives exchange ideas with employees about the current status of the Company, training, career and health.

Job descriptions and distributions as well as performance and other criteria are well defined with internal company regulations, these documents are accessible to all employees in the portal.

360-degree performance evaluation is completed once a year depending on the competencies required for the position and the determined targets. The company aims to remunerate the employees based on their responsibilities and the value they add to the organization.

All employees are treated equally without any discrimination on the basis of ethnicity, language, religion, race or gender regarding Training & Development, Performance Management, Career Management, Remuneration and other Human Resources processes. There has been no employee's complaint regarding this issue during the year.

The company has not taken any supportive action for the effective recognition of the right to freedom of association and collective labor agreement. However, the Company reviewed and restructured Human Resources system and processes based on requirements, to endure corporate structure's success in 2015.

14. Ethical Code of Conduct and Social Responsibility

Executive Board developed Ethical Code of Conduct for the company and its employees, the code is disclosed to the public via the company website.

The principles mentioned in the Ethical Code of Conduct, form the basis of our Corporate culture.

Due the importance Anel has attached to sustainability, Anel Group has signed in 2013 United Nations (UN) Global Compact. Anel, by implementing 10 principles mentioned in Global Compact in its applications and strategies, seeks for improvements.

Çelikel Education Foundation, founded in 2007 intends to establish a collaboration between educational institutions, parents and non-governmental organizations in order to raise creative,

responsible, freethinking and open to developments young generations. The Foundation determines the current problems that young people are facing and opportunities together with them and provides solutions. It creates social, personal and professional development opportunities. Foundation, grants scholarship every year to the successful students in need.

With this scholarship program, we aim to improve the level of education in Turkey, to provide better conditions for more students and increase the quality of life for our young generation. With the cooperation of our volunteers, we provide them education-development, monitoring and internship opportunities.

The company continued to participate in social responsibility programs. Our activities about social responsibility are mentioned in the Company's website and in the annual report.

CHAPTER IV - EXECUTIVE BOARD

15. Executive Board's Structure and Constitution and Independent Membership

We have 7 Board members in our organization. 5 executive directors and 2 non-executive directors take place in Executive Board. Having three women in our Board correspond well with our Corporate Governance principles with 42,86% female members rate. However, we didn't reach the presence of three independent members in Executive Board. We have benefited from the exception provided for 3rd group of companies with 6th Article of Corporate Governance Communiqué. Two independent board members continue at the present time to their work.

Cahit Tüzel, Independent Board Member has voluntarily left his job on 27th November 2015; Neslihan Tonbul was assigned to this post on 02nd December 2015.

Full Name	Position / Title
Rıdvan ÇELİKEL (Representing Anel Holding A.Ş.)	Chairman - (Executive)
Avniye Mukaddes AKAY	Vice Chairman - (Executive)
Ahmet Bülent BATUKAN	Member - (Executive)
Mahir Kerem ÇELİKEL	Member - (Executive)
Merve Şirin ÇELİKEL	Member - (Executive)
Neslihan TONBUL	Independent Member - (Non-executive)
Prof. Dr. Ahmet Münir Ekonomi	Independent Member - (Non-executive)

Rıdvan ÇELİKEL

(Chairman of The Board)

Rıdvan Çelikel graduated from Electrical Engineering Department of Yıldız Technical University. He began his career at Öneren Engineering in 1975, where he worked until 1983. After working as a partner in Aktek Elektrik for two years, Çelikel established Anel Elektrik in 1986. Currently, he is the Chairman of the Board of Anel Group companies. Rıdvan Çelikel also serves as Founding Member and Vice Chairman of the Board at ETMD, the Electrical Installation Engineers Association.

Avniye Mukaddes AKAY

(Vice Chairman of The Board)

Avniye Mukaddes Akay graduated from Chemical Engineering Department of Istanbul University, she has served as a Member of the Board of Anel Group companies since 1986. Currently, she is the Vice Chairman of the Board and the Support Units Group President. In addition, she is the President of Çelikel Education Foundation.

Mahir Kerem ÇELİKEL

(Board Member)

After graduating from Robert College in 1999, Mahir Kerem Çelikel received his bachelor's degree from Johns Hopkins University's Department of Mathematical Sciences and Electrical Engineering in 2004 and his MBA from Boğaziçi University's Department of Business Administration in 2007. Subsequently, he completed his Master's in History at Boğaziçi University and began his Ph.D. in History at Berkeley University. Çelikel started his career at Anel Group in 2013. Currently, he serves as Member of the Board of Anel Group Companies.

Merve Şirin ÇELİKEL

(Board Member)

Merve Şirin Çelikel received her bachelor's degree in Electrical & Electronical Engineering from Technische Universitaet Berlin in 2008, and her MBA in Business Administration from INSEAD University in 2012 as a scholarship student. In November 2008, she started her professional career as a Project Engineer at Hexagon Global Energy, a company that operates in alternative energy investments. Between 2009 and 2011, Merve Şirin Çelikel worked as a Senior Tender Engineer at the Wind Power Department and as Project Quality Manager at the Tender Department of Siemens Energy. She joined Anel Group in 2011 and currently serves as Member of the Board of Anel Group companies.

Ahmet Bülent BATUKAN

(Board Member)

Ahmet Bülent Batukan received his degree in Mathematics from Middle East Technical University in 1976, and a Master's degree in Business Management from Gazi University. Between 1976 and 1981, Batukan worked as Assistant Manager in charge of Ankara Regional Sales at Koç Burroughs Computer Systems. He joined Saniva (Sperry Univac) in 1981 as Ankara Regional Manager and then took the position of Istanbul Major Computers Department Manager. Between 1988 and 1991, Batukan served as General Manager at Kavala Group Teleteknik. In 1991, he joined Setus as Founding Partner and served as General Manager until 1998. After serving as Board Member at Setkom from 1998 to 2005, Batukan joined Anel Group in 2005. He currently serves as a Member of the Board of Anel Group companies.

Ahmet Münir EKONOMİ, Ph.D.

(Independent Board Member)

After graduating from Istanbul University Faculty of Law in 1955, Ahmet Münir Ekonomi received his Ph.D. from Munich University's Faculty of Law. Ekonomi started his academic career as Labor Law Assistant at Istanbul Technical University, and later he was appointed as Assistant Professor and Professor. He taught Labor Law at Istanbul University and Galatasaray University's Faculty of Engineering and Technology. In addition to Anel Group, Ekonomi serves as a consultant for Akbank T.A.Ş., Eczacıbaşı Holding A.Ş., Türk Ekonomi Bankası A.Ş., Türk Telekom A.Ş., Pharma Vision Holding A.Ş., Japon Tütün Ürünleri Pazarlama A.Ş. and Unilever Holding A.Ş. Formerly a Member of the Board at the Yaşar Educational and Cultural Foundation, he currently serves as a Board Member at the Istanbul Foundation for Culture and

Arts, Dr. Nejat Eczacıbaşı Science and Arts Foundation, Istanbul Modern Art Foundation, Istanbul Museum of Modern Art and Istanbul Archeology Museum Society. Ekonomi currently holds the position of Independent Board Member at Anel Elektrik. He meets all the requirements defined in the Corporate Governance Principles set out by the Capital Markets Board and is not affiliated with Anel Elektrik or its subsidiaries.

Neslihan TONBUL
(Independent Board Member)

Beginning her career in 1983 at the Irving Trust Company (now The Bank of New York Mellon), she is specialized in marketing, risk management and new business development. She has been assigned to Board Member in Yaşar Holding in 2009, followed by Board appointments at Prysmian Kablo and consultancy at New Zealand Trade and Enterprise. She received a B.A. degree in Economics and Political Science from Rutgers University in 1981 and was awarded an M.A degree in International Business

from the Fletcher School of Law and Diplomacy at Tufts University in 1983. Ms. Tombul is also an active member of various NGOs including ARIT (American Research Institute in Turkey), YPO Istanbul Chapter (Young Presidents Organization), and Trustee of TGEV (Educational Volunteers Foundation of Turkey). She is also a founding member of the American Business Forum in Turkey and a member of International Advisory Board of FSTC (Foundation for Science, Technology and Civilization) based in the United Kingdom. She is Independent Board Member since December 2005 at Anel Elektrik Proje Taahhüt ve Ticaret A.Ş. and member of Audit Committee, Corporate Governance Committee, and Early Detection of Risk Committee. Neslihan Tonbul meets the criteria of an Independent Member in the scope of Capital Markets Board of Turkey Corporate Governance Principles. She isn't involved in any relationship with Anel Elektrik Proje Taahhüt ve Ticaret A.Ş. and its related parties.

Board Member	Other Duties
Rıdvan ÇELİKEL	Chairman of the Board of Anel Group Companies
Avniye Mukaddes AKAY	Vice Chairman of the Board of Anel Group Companies
Merve Şirin ÇELİKEL	Board Member of Anel Group Companies
Ahmet Bülent BATUKAN	Board Member of Anel Group Companies
Mahir Kerem ÇELİKEL	Board Member of Anel Group Companies
Ahmet Münir EKONOMİ, Ph.D.	Consultant at Akbank T.A.Ş., Eczacıbaşı Holding A.Ş., Türk Ekonomi Bankası A.Ş., Türk Telekom A.Ş., PharmaVision Holding A.Ş., Japon Tütün Ürünleri Pazarlama A.Ş. and Unilever Holding A.Ş.
Neslihan TONBUL	Consultant at Cambrige Family Enterprise Group. Board Member of Turcas Petrol A.Ş. Consultant at New Zealand Trade and Enterprise.

Board members have been selected on 23rd May 2013 in a General Assembly meeting to serve for 3 years.

Board members are selected from our General Assembly among shareholders of group A and the candidates they select, as stated in our Articles of Incorporation.

Except for our Independent Board Members, other Board Members may serve as Board Member in Anel Group's other companies.

16. Operating Principles of the Board of Directors

The Executive Board meets as often as the company's business requires, as stated in our Articles of Incorporation. Meeting invitations are sent by e-mail or Board members are contacted by phone. Board Secretariat which is set up within the Executive Board in accordance with Corporate Governance Principles, informs Board members by sending meeting agenda and other related documents.

Meeting is held with the presence of half of the total Board Members, plus one member. The Board meets in line with principles set in the Turkish Commercial Code and Articles of Incorporation, the decision quorum being a simple majority of participants.

In 2015, Board Members participation rate to the 26 meetings held was 95%. The members are very attentive to participate every meeting and express their opinions. Opinions of members who didn't participate in the meeting but submit their opinions in writing are shared with other members during the meeting.

Board decisions and resolutions on all related parties are taken by a majority vote of Independent Members in accordance with Corporate Governance Principles. No members voted against the Board decisions at the meeting held during this reporting period.

Although there were no material events, as described in the Communiqué on the Corporate Governance Principles, the majority of independent board members have agreed with Board decisions in 2015. All material events resolved at the meetings are announced to the public via material disclosure.

Additional vote right or veto power is not granted to Board members in case of a tie in votes. Every board member, including the Chairman, has only one vote and no member has granted predominant vote.

Board members and Senior managers are insured with a policy worth \$25 million dollars because of the damage that may cause to company while performing their duties.

17. Number, Structure and Independence of Committees Formed under the Executive Board

Audit Committee, Corporate Governance Committee, Early Detection of Risk Committee as well as the

Nomination and Remuneration Committee reporting to the Corporate Governance Committee continued their activities in 2015. Information about their operations and working principles have been disclosed to the public on the company's website.

Due to the current structure of the Board of Directors, Independent Board Member Prof. Dr. Ahmet Münir Ekonomi serves as the Chairman in all Committees. Another Independent Board Member Neslihan Tonbul who replaces Cahit Düzal after he left this job serves as a member in all committees. Committees and their members are listed below.

Corporate Governance Committee	Full Name	Position
CHAIRMAN	Prof. Dr. Ahmet Münir EKONOMİ	Independent Member
MEMBER	Neslihan TONBUL	Independent Member
MEMBER	Önder Mutlu BULUT	Executive
Audit Committee	Full Name	Position
CHAIRMAN	Prof. Dr. Ahmet Münir EKONOMİ	Independent Member
MEMBER	Neslihan TONBUL	Independent Member
Early Detection of Risk Committee	Full Name	Position
CHAIRMAN	Prof. Dr. Ahmet Münir EKONOMİ	Independent Member
MEMBER	Neslihan TONBUL	Independent Member

The committees meet as frequently as required by Corporate Governance Principles. The minutes are submitted to Executive Board.

Procedures that committees follow when performing their duties are available on the company's website.

18. Risk Management and Internal Control Mechanisms

Internal auditing and risk management mechanisms were determined to assess the company's current and potential risk, as well as to take necessary actions and preventive measures. These mechanisms are approved by Executive Board and their implementation started.

According to Internal Audit Code approved by Executive Board, the aim of internal audit is to monitor, develop, and improve every operation of the company as well as to serve as independent consultant and to offer impartial assurance in order to add value to the group. General Management contributes to the assessment and the improvement of the efficiency and effectiveness of Risk Management, Internal Control and Management processes by developing systematic approaches.

Internal Audit Activities content is as following:

1. The scope of audit includes all operations and activities of the company.
2. Audit Group is responsible for assessing the compliance of the Risk Management, Internal Control and Management processes with the guidelines set by Executive Board, and determining if the processes function as intended. For this purpose, Audit Group performs the following tasks:
 - a) Defining well all financial and operational risks that may have a negative impact on the company's operations and effectively managing these risks,
 - b) Establishing effective communication with relevant departments and branches on matters within the scope of the audit.
 - c) Keeping important financial, managerial and operational information for company's operations, as accurate, reliable and current as possible

- d) Ensuring that all employees and their operations comply with Company policies, procedures and principles, Ethical Code of Conduct, Standards as well as relevant legal regulations and law.
- e) Ensuring efficiency on procurement of all company's resources and on their use.
- f) Developing constantly quality and improvement effort on the internal controlling processes.
- g) Monitoring that the regulations and legal issues that effect company's operations are communicated with related departments and branches
- h) Reviewing and evaluating critical audit results about managerial control, efficiency and corporate identity issues with relevant senior management.

During the ordinary General Assembly Meeting on 23rd May 2013, the per diem fees for Executive Board members were discussed in the agenda, and the discussion led to a Board decision.

In accordance with Corporate Governance Principles, all remunerations and all other benefits granted to Executive Board Members and senior managers are disclosed to the public via the company's annual report. However, the information is disclosed in two separate totals for each group – Board members and senior managers – the information is not on individual basis.

The company paid 1.082.989,96_Turkish Lira to Board Members as salaries and per diem fees in 2015; 833.191,80_TL to Senior managers as total financial benefits.

The Company did not issue this year loans or lines of credit to any Board Member, did not extend the terms of loans or credits, and did not give any guarantees or sureties in their favor.

19. Strategic Goals of the Company

Since 1986, Anel Elektrik has endeavored to protect our future by acting with awareness to add value to the planet, to the society and to the institutions and companies that we serve. We are maintaining our values by sharing them. This perspective is reflected on the company's vision and mission statements as well as on its goals and critical performance indicators, which are defined in annual strategic plans. Executive Board reviews and approves the company's goals and critical performance indicators during the year-end budget meetings. Executive Board reviews the operating results in comparison with last year's performance and target indicators in ordinary meetings.

20. Financial Rights

Remuneration of Executive Board Members and Senior Managers is done according to "Principles for Remuneration of Executive Board Members and Senior Managers," which was approved by the Executive Board in 2012. These principles intend to plan, implement and manage the remuneration practices in compliance with the company's activities scope and structure, long-term targets and strategies, ethical values, and internal balance as well as the relevant law. These principles are available on the company website.