

1. OBJECTIVE:

This document is prepared to define the structure of Ethics Committee and Discipline Committees of Aydem Yenilenebilir Enerji A.Ş., to reveal the principles and procedures of working together, to determine the principles of the process regarding the evaluation, examination and finalization of ethical statements.

2. SCOPE:

This document covers the evaluation of all employees Aydem Yenilenebilir Enerji A.Ş. and their actions and attitudes against the rules specified in the Ethical Rules and Working Principles document.

3. ABBREVIATIONS AND DEFINITIONS:

3.1 Abbreviations

Aydem: Aydem Yenilenebilir Enerji A.Ş.

IAU: Aydem Yenilenebilir Enerji A.Ş.- Internal Auditing Unit

HRD: Aydem Yenilenebilir Enerji A.Ş.- Human Resources Department

3.2 Definitions

Ethics Report Line: It is the communication channel (e-mail, telephone, etc.) created to report suspicious situations or violations of the Ethical Rules and Working Principles regarding all employees within Aydem.

Ethical Notification: Any suspicious situation or non-compliance notification that comes through the ethics report line and other communication means.

Ethical Review: It is a research, opinion forming and reporting on “tangible data” in order to understand the content of the ethical notices to be reviewed.

Ethics Committee: It is the committee responsible for conducting Aydem's activities within the framework of ethical rules determined by all its stakeholders, established in Aydem to evaluate and decide on ethical notification issues related to the Manager and others with superior title and it is also the ultimate decision-making authority on ethical issues for all other employees.

Disciplinary Committee: It is the committee established to evaluate and decide on ethical notification issues related to the Manager / Director of Aydem and the employees in lower titles.

4. IMPLEMENTATION:

4.1 Powers and Responsibilities

The Ethics Committee and Disciplinary Committee are responsible for ensuring the implementation and supervision of this procedure. IAU and HRD are responsible for the implementation of this procedure.

All of the ethical investigations of the manager and the employees with superior title are carried out and decided by the Ethical Board.

Ethical investigations regarding the manager and his employees in lower titles are evaluated and decided by the Disciplinary Committee.

HRD is responsible for the Ethics Committee and Discipline Committee and all secretariat operations (organizations of meetings, preparation of resolution text, announcements, etc.).

4.2 Ethics Committee and Disciplinary Committee

As per the working procedure of the Ethics Committee and Discipline Committee, there are two different types of member groups and a total of five members. The first of the member groups consists of 3 people, but they have the power to vote and make the final decision on ethical review. The other group consists of two members who provide opinions on ethical examination but are not entitled to vote.

Decision-making members of the Ethics Committee include the Chairman of the Board, Member of the Board of Directors and General Manager.

Decision-making members of the Disciplinary Committees decision-making member include the General Manager, HR Director and Head Legal Counsel/ Counselor. However, if the employee to be evaluated within the scope of ethical investigation is affiliated with the HR Directorate or Legal Department, Financial Affairs Director of Aydem acts as the decision-making member in the Disciplinary Committee instead of the related member.

One of the members of the Ethics Committee and Discipline Committee who provide opinion is the Internal Audit Manager as the permanent member and becomes the top supervisor (Director / Manager) of the others.

4.3 Ethical Notifications and Assessment

Notifications received through the ethics report line are viewed by the Internal Audit Manager and HR Director. Decision on whether to conduct an ethical review based on the notifications received is given by the Ethics Committee or Discipline Committee according to the title criterion.

In order for a statement to be subject to ethical review, it should be against Aydem's internal regulations, the Code of Ethics and Working Principles, the current collective bargaining agreement (CBA) or the applicable regulations. Offense and negligence resulting from a procedure or an action; it should require a legal, administrative or penal sanction.

The private lives of employees concern the individual and their families; actions not concerning their duties in administrative and legal aspects and not affecting them directly or indirectly, cannot be the subject of ethical review. However, if these actions or behaviors are detrimental to Aydem's reputation and security, it may be decided to conduct the necessary review.

All notifications are evaluated with high confidentiality principles in terms of both content and identity of the notifying person. Notifying employees or third parties cannot be subjected to any negative sanction for their actions. In addition, notifying employees cannot be dismissed or their positions cannot be changed without the Ethics Committee's approval within at least six (6) months following the notification date.

4.4 Ethical Review and Reporting

Ethical notifications to be reviewed by the Ethics Committee or Discipline Committee are forwarded to the IAU for the initiation of the review studies. The ethical statement is included in the business plan according to its severity and is assigned to the IAU employee (Internal Auditor) who will carry out the review with a written mandate.

In evaluating disciplinary processes, Disciplinary Procedures applies to all non-union employees. The current Collective Bargaining Agreement (CBA) applies for the employees being members of a union.

Within the scope of the ethical investigation being carried out; if deemed necessary, the only department authorized to examine the device and software records (notebook, external data storage device, mobile phone, tablet, e-mail, Skype, SMS, etc.) provided by Aydem to the relevant personnel is IAU. The said records can be subject to review by the IAU upon written request to the relevant department.

During the inspection activities, the IAU employees can refer to the statements and information of other Aydem employees or third parties in written form, except for the personnel subject to ethical investigation. It is essential that all employees share the information and documents requested within the scope of the review conducted by the IAU and contribute to the healthy operation of the process. Employees who intentionally hide information / documents or share manipulative information/documents are processed under the Disciplinary Practices Procedure.

The employees of the IAU take the utmost care to ensure that the daily operational activities of the relevant process owners are not interrupted during the work and carry out their duties in full neutrality and do not share the details of the work they conduct with the third parties. The managers of the relevant units subject to ethical investigation provides a suitable working environment to its employees during their duties and assists in taking other necessary measures in order that ethical review processes could be carried out in accordance with the requirements.

Following the completion of the ethics review activity, a meeting date is set with HRD channel of the Ethics Committee / Disciplinary Committee and the disciplinary action included in the said ethics review report is submitted to the Ethics Committee / Disciplinary Committee for evaluation. If the ethical review report includes a process improvement proposal, the proposal is shared with the relevant process owners; an action completion date is set with the process owner and whether the actions are realized is followed up by IAU. The Ethics Committee / Discipline Committee meets and gives its decision within 15 (fifteen) business days after the ethical investigation report is issued or the person's statement is taken.

4.5 Working and Decision-making Principles of Ethics Committee and Disciplinary Committee

Regarding the findings obtained as a result of ethical review; disciplinary action recommendations are presented by the IAU in the ethical review reports in accordance with the Disciplinary Practices Procedure articles or the Labor Law

The Ethics Committee / Disciplinary Committee, evaluating the subject according to the title criteria together with the Internal Audit Manager considering the opinions of other members and takes decision according to the majority of the decision-makers votes.

If, in the Disciplinary Committee, any decision contrary to the other actions proposed in accordance with the Disciplinary Practices Procedure action is proposed is taken, the final decision will be made by the Ethics Committee

5. CONTROL:

Effective Date: This procedure takes effect on the date of approval by the General Manager. The Ethics Committee has the authority to make the necessary internal arrangements and make decisions for the implementation of other principles and details that may or may not be related to the procedure

Revision: This procedure is reviewed annually by HRD and IAU.

6. REFERENCE DOCUMENTS:

ANNEX 1: Ethical Rules and Working Principles

ANNEX 2: Disciplinary Practice Procedure