

COMPENSATION POLICY

The compensation policy of Netaş Telekomünikasyon A.Ş. is established to determine the principles applicable to the compensation of members of the Board of Directors and senior management of the Company in order to ensure compliance with corporate governance principles within the scope of Capital Markets Legislation.

While fulfilling the requirements of applicable legislation, the compensation policy of the Company takes into account the current financial status of the Company, its plans, targetted revenues, risk structure and corporate policies. Sector specific compensation market is monitored through regular compensation surveys each year to ensure that the compensation principles applicable to Directors and senior management of the Company are fair, scalable and balanced.

The compensation policy of the Company consists of fixed and variable compensation based on performance.

Fixed salary, is determined on the basis of assumed roles and responsibilities. The nature of the work and required experience is taken into account. It is paid as a fixed sum on specified dates of the year without being subject to performance criteria.

Performance based salary, is determined by an appropriate bonus plan, based on the performance and contribution of individuals against defined performance objectives assigned to individuals within the scope of corporate strategy. In addition to individual performance other criteria such as corporate performance, profitability, liquidity status of the company is also taken into account while determining performance based salary.

Compensation for the members of the Board is determined by the general assembly of shareholders based on their contributions and assumed roles in Committees of the Board. The Articles of Association of the Company allows the distribution of an amount not to exceed 3 percent of the total distributable profit, to be determined by the general assembly of shareholders, as dividend to Board members.

Expenses of the members of the Board such as transportation, accomodation and communication incurred in connection with Company business are reimbursed by the Company.

Stock options and performance based payment plans are not applied to independent members of the Board; their compensation level is determined to ensure the maintenance of their independence.

The Board of Directors is responsible to issue, implement, revise and amend the policy as necessary in accordance with legislation. Procedures and principles relating to the application of the policy is established and managed by the Human Resources Department. The compensation policy and/or its amendments are presented to the shareholders at general meetings and posted on the website of the Company.