

ARZUM ELEKTRİK Lİ EV ALETLERİ SANAYİ VE TİCARET A.Ş.
DUTIES AND WORKING PRINCIPLES OF THE AUDIT COMMITTEE

1. ESTABLISHMENT

At our company's Board of Directors meeting with number 2021/3 held on April 29, 2021, it was decided on to establish an Audit Committee within the scope of the provisions of the Capital Markets Board of Turkey regulations.

2. GROUND

This regulation has been created within the framework of the provisions of the Capital Markets Legislation and therefore the Capital Markets Corporate Governance Principles.

3. OBJECTIVE

The establishment purpose of the Audit Committee (referred to hereinafter as the "Committee") is to survey the functioning of the accounting and reporting systems of ArzumElektrikEvAletleri Sanayi veTicaret A.Ş. (referred to hereinafter as the "Company" or "Arzum"), the disclosure of financial information to the public as well as the operation and efficiency of independent auditing and internal control systemswithin the framework of the relevant laws and regulations.

4. AUTHORITY AND SCOPE

The Audit Committee is formed and authorized by the Board of Directors.The duties and working principles of the Audit Committee are determined by the Board of Directors.The Audit Committee makes use of the opinions of independent experts regarding its activities, and the cost of such consultancy services required by the Committee shall be covered by the Company.

The Audit Committee, established within the scope of the Capital Markets legislation continues its activities being affiliated to the Board of Directors.The Audit Committee acts within its own authority and responsibility and makes recommendations to the Board of Directors; however, the ultimate decision responsibility always rests with the Board of Directors.

5. STRUCTURE OF THE COMMITTEE AND MEMBERSHIP CRITERIA

1. The Audit Committee consists of at least two members.The chairman of the Committee and all of its members are elected from among the independent Board Members.
2. When the new Board of Directors is elected at the Ordinary General Assembly meeting, the members of the Audit Committee are determined by the Board of Directors in parallel with the term of office of the relevant Board of Directors.The duties of the old Committee members continue until a new one is elected.
3. Chief Executive Officer/General Manager cannot take charge in the Audit Committee.

4. All kinds of resources and supports required for the Committee in order to fulfill its duties are provided by the Board of Directors. The Committee may invite any manager it deems necessary to its meetings and take such manager's opinions.
5. The Audit Committee may invite any manager it deems necessary to its meetings and take such manager's opinions. The Committee makes use of the opinions of independent experts on any issues it deems necessary regarding its activities. The cost of such consultancy services required by the Committee shall be covered by the Company.
6. The provisions of the CMB (Capital Market Board) are reserved.

6. DUTIES AND RESPONSIBILITIES

The duties of the Audit Committee are as following;

1. Selection of the independent audit firm that the Company will receive service from, determining the scope of the services to be received from the independent audit firm, preparing the independent audit contracts and starting the independent audit process, survey of the work of the independent audit firm at every stage,
2. Evaluation of the status of the independent auditor in terms of the independence criteria, the declaration of independence and the additional services that may be obtained from the independent audit firm,
3. Evaluation of: the findings to be achieved within the scope of the independent audit conveyed to the Committee by the independent audit firm, any important issues related to the accounting policy and practices of the partnership; any alternative application and public disclosure options within the framework of the CMB's accounting standards and accounting principles, which were previously communicated to the Company management by the independent auditor; their possible consequences and proposal for implementation; and any important correspondence with the partnership management,
4. Examining and concluding complaints received by the Company regarding the Company's accounting, reporting and internal control systems and independent audit processes; determining the methods and criteria to be applied in the evaluation of the reports of the Company employees on accounting, reporting, internal control and independent auditing within the framework of the confidentiality principle,
5. Taking the opinions of the Company's responsible managers and independent auditors regarding the authenticity and accuracy of the annual and interim financial statements to be disclosed to the public in accordance with the accounting principles followed by the Company, and notifying the aforementioned in writing to the Board of Directors together with the Committee's own evaluations,

6. To fulfill other duties having been/to be assigned to the Committee by the CMB regulations and Turkish Commercial Code.

The Committee notifies the Board of Directors in writing of its evaluations and recommendations on the issues mentioned above.

7. COMMITTEE MEETINGS AND REPORTING

1. The Audit Committee convenes at least four times a year, at least once every three months, and the meeting results are recorded in the minutes and presented to the Board of Directors.
2. The Committee immediately notifies the Board of Directors in writing about the findings and suggestions it has achieved regarding its field of duty and responsibility.
3. The decisions of the committee are advisory to the Board of Directors, and the final decision maker on related matters is the Board of Directors.
4. The Committee ensures that the Board of Directors shall be informed on matters falling under the Committee's authority and responsibility.
5. Meeting and decision quorum is the absolute majority of the total number of Committee members.
6. It is possible to hold Committee meetings either with or without physical attendance by electronic means (either electronically or by conference call). Meetings with physical attendance may be held at the Company headquarters or any other place where Committee members have easy access. Minutes of the meetings held by electronic means without physical attendance are signed by the members of the Audit Committee. In addition, it is possible to circulate Committee decisions, and the decisions signed by all members on the same or different papers are valid.
7. Decisions taken at the Committee meetings are put in writing, signed by the Committee members and kept in an orderly manner.
8. Any decisions deemed necessary by the Committee are submitted to the Board of Directors.

8. ENFORCEMENT

These working principles of the Audit Committee have been approved by the Board of Directors decision dated April 29, 2021. The revision and updating of the said working principles as necessary will be subject to the approval of the General Assembly.