

A Remuneration Committee has been established in accordance with the regulations, rules and principals specified in Capital Market legislation and Corporate Governance Principles of the Capital Markets Board. This is the Compensation Policy of the Company for the Board of Directors and Top-Level Executives which shall be disclosed to the Public.

REMUNERATION POLICY FOR BOARD OF DIRECTORS AND TOP LEVEL MANAGERS

OBJECTIVES

Cimentas' primary objective with this compensation policy is to provide a reasonable and competitive executive total compensation opportunity to attract and retain high calibre executives possessing the experience and skills needed to improve the overall performance of the company.

Cimentas targets compensation levels which are consistent with market-based compensation practices, compatible with its scale and scope of activities', structure and its long-term targets.

In light of the above; the compensation of the Directors and top level managers are determined in compatible with the Company's performance, general remuneration and compensation policies and human resources practices fixed by the Board of Directors ("BoD") in accordance with the Corporate Governance Principles. In terms of this resolution, the principles defined by the Remuneration Committee are taken into consideration.

The remuneration principles of Directors and top level managers are submitted to the information of the shareholders during the General Assembly Meeting as a separate agenda item whereby the shareholders shall be enabled to present their opinions.

Board of Directors assures the compatibility of the compensation of the Board of Directors members and top-level managers with the Company's ethical values, internal balances and strategic targets.

Remuneration Committee

The Committee presents its observations and recommendations regarding the remuneration of the Directors and top-level managers by taking into consideration, its compatibility with the scope, structure and strategies of the Company's activities, ethical values, internal balances and long-term targets of the Company.

The Committee presents its observations and recommendations regarding the remuneration of the members of Committees who are elected from the members of the BoD by not only based on its connection with the short-term performances of the company such as profit or income, but also taking into consideration the tasks and responsibilities undertaken and the efforts and works performed by them.

The Committee develops remuneration criteria for the members of the BoD depending on their position of being executive or non-executive and their performances. The Committee presents its recommendations for remuneration of the Directors and top-level managers by taking their level of conformity to these criteria in consideration.

The Committee comprising at least two members, submits its suggestions on the remuneration policy and its practices in a report every year to the Board of Directors for the purpose of observing and auditing on behalf of Board of Directors.

Board of Directors

The participation fee (*buzur hakke*) to be paid to the Board members for each Board meeting they attend is determined by the General Assembly of the Company upon the proposals of the Remuneration Committee through the Board.

Additional compensation related with company dividend distribution is basically allowed by the law subject to the Articles of Association of the Company and resolved by the General Assembly. However, for the time being there is no provision in the Company Articles of Association in this regard.

Executive Members of Board of Directors & Top-Level Managers

The compensation package of Executive Members of Board of Directors and top-level managers consist of cash and non-cash benefits. Cash benefits are monthly salary and annual bonuses based on performance evaluation and/or the non-cash benefits are company car, health insurance, life insurance, travel/accommodation and hosting expenses, company house(where required).

The compensation package of the Executives and top-level managers shall be determined in a manner; consistent with market-based compensation practices, compatible with its scale and scope of activities', in line with HR policies and attraction and retention purposes.

Non- Executive Members of Board of Directors

Basically, a participation fee per meeting which is determined by the General Assembly, is paid to the Non- Executive Members of Board of Directors. Additionally, in case of participating in a committee or committees that are comprised by the Board of Directors, a payment can be resolved by the Board of Directors based on the assignment, responsibility and endeavour and against working period and comparatively to these fundamentals.

Independent Board Members

The Independent Board members shall receive "participation fee" which is fixed by the General Assembly for each board meeting they attend. Stock option or payment schedules based on the Company's performance cannot be used on the remuneration of the independent members of the Board of Directors.

Committee Membership

The compensation of the committee members, which shall be established by the Board, shall be determined by the Board based on the tasks and responsibilities of the Committee in question and taking into consideration the required time and efforts of the members.