



TÜRK TELEKOMÜNİKASYON A.Ş. CORPORATE GOVERNANCE & COMPLIANCE REPORT

Türk Telekomünikasyon A.Ş

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Statement of Compliance with Corporate Governance Principles

Türk Telekomünikasyon A.Ş. (“Türk Telekom”) pays utmost attention to implementing the Corporate Governance Principles published by the Capital Markets Board of Turkey (“CMB”). The Company updates its annual and interim activity reports and corporate website and makes them available to its shareholders to satisfy the principles. Shareholders have access to comprehensive information through the Türk Telekom investor relations website, constantly kept up-to-date, as well as the possibility of directing their queries to the Capital Markets and Investor Relations Department.

Türk Telekom successfully received an overall Corporate Governance rating of 8.80 as a result of an independent assessment by SAHA Corporate Governance and Credit Rating Company which is approved by the Capital Markets Board of Turkey. Thus, our Company’s Corporate Governance Rating has increased from 8.37 to 8.80.

Our Corporate Governance Rating was determined as a result of the examination made under four major topics (Shareholders, Public Disclosure and Transparency, Stakeholders, Board of Directors) weighted differently within the framework of the CMB’s Corporate Governance principles. The breakdown of our corporate governance rating under these major categories is as follows:

:

Sub Categories	Weight (%)	Degree - 2012
Shareholder	25	8.07
Public Disclosure & Transparency	35	9.33
Stakeholders	15	9.33
Board of Directors	25	8.47
Toplam	100	8.80

This rating assigned to Türk Telekom based on the Corporate Governance Principles is a clear sign that our Company is compliant with CMB Corporate Governance Principles to a large extent, has put the necessary policies and precautions into effect, and that our Company’s efforts for fully complying with the Corporate Governance Principles will continue.

Reasons for non-complied Corporate Governance Principles

Pursuant to the Communiqué Serial: IV, No:56 of the Capital Markets Board on the Definition and the Enforcement of the Corporate Governance Principles amended by the Communiqué Serial: IV No: 57, Serial: IV No: 60 and Serial: IV No: 63 and other regulations, non-complied issues with their grounds are as follows:

That the Articles of Association entitle shareholders to appoint a special auditor, and that there is no additional provision on minority rights

Turkish Commercial Code and the CMB regulations are qualified for the appointment of special auditor and minority rights.

Pursuant to the New Turkish Commercial Code 6102 which became effective in July, 2012, each shareholders right to appoint a special auditor will be protected.

Presence of voting privileges:

The privileges attached to the Golden Share held by the Republic of Turkey Under secretariat of Treasury are statutory (4763 numbered law), and our company is not authorized to amend these privileges.

No articles in the Articles of Association regarding the procedures for invitation of the members of the board for a meeting by shareholders and stakeholders

Pursuant to the New Turkish Commercial Code 6102 which became effective in July, 2012, each board member may submit a written request to the chairman of the board to invite members of board of directors for a meeting. There is no the other way of invitation of the board members for a meeting.

Mechanisms and models to encourage participation of the stakeholders in the management of the company are not regulated by intercorporate rules or the Articles of Association

This issue is in the preparation phase.

Charter of the Audit Committee hasn't been disclosed yet

This issue is in the preparation phase.

Disputes between stakeholders (regulatory bodies and public authorities)

Resolving disputes between stakeholders is an ongoing process.

Shareholders

Investor Relations Unit

At Türk Telekom, a Capital Markets and Investor Relations Department (“the Department”) has been formed which reports directly to the CEO with respect to the structured maintenance of relationships with existing and potential shareholders, effectively responding to queries from investors and analysts, and carrying out activities aimed at increasing the Company’s share value. The Department is supervised by the Capital Markets and Investor Relations Director, Onur Öz. Corporate Governance & Compliance Manager, Süleyman Kısaç, who holds required licenses, took the responsibility arising from capital markets legislation and coordination of corporate governance practices.

Primary activities handled by the Department are as follows:

- Performing the requirements of the Capital Market Regulations, handling necessary internal and external disclosures, and monitoring related processes for ensuring compliance with Corporate Governance Principles.
- Introducing and presenting the Türk Telekom Group to domestic and foreign individual and corporate investors.
- Keeping existing and potential investors regularly informed of the Company’s activities, financial standing and strategies in a timely, accurate and complete manner.
- Responding to the information requests by analysts researching the Company, ensuring proper and optimum promotion of the Company, and guaranteeing that reports for investors are prepared in an accurate and complete fashion.
- Sharing the interim and year-end statements, investor presentations, press releases and annual and interim activity reports regarding financial and operational results with investors and the press; updating the investor relations website regularly to ensure that shareholders have access to accurate and complete information.
- Keeping investors regularly informed about Türk Telekom and Turkish Capital Markets by participating in conferences and investor meetings.
- Monitoring public disclosures made pursuant to the Company’s disclosure policy and applicable legislation.
- Announcing within the Company stock news gained by watching the composition of domestic/foreign investors along with significant changes in trade volume.

Contact information for employees working in the Capital Markets and Investor Relations Department is as follows:

Full Name	Title	Phone Number	E-mail address
Onur Öz	Director		
Prof. Assoc. Dr. Rasim Özcan	Advisor		
Süleyman Kısaç	Manager		
Yunus Emre Çiçek	Manager		
Özge Kelek	Manager		
Elif Küçükçobanoğlu	Team Leader	+ 90 0212 309 96 30	ir@turktelekom.com.tr
Eren Öner	Team Leader		
Şule Gençtürk	Associate		
Sezgi Eser	Assistant Associate		
Ayça Sincan	Director Assistant		

Please contact Süleyman Kısaç and Sezgi Eser for questions related to dividends, General Assembly, or transfer of shares.

The Department received over 1,000 information requests by telephone and email during 2012, all of which were answered. The Company participated in 24 international and five domestic investor conferences in the same period, during which contacts were made with over 420 representatives from over 370 investment companies. In addition, the Department held over 30 internal investor meetings and around 100 teleconferences, thereby communicating with over 200 shareholders and/or analysts and ensuring that all queries were fully responded to.

Shareholders' Exercise of their Right to Obtain Information

Queries, other than those relating to trade secrets and undisclosed information, received from shareholders and analysts by the Capital Markets and Investor Relations Department by letter, phone,

email and other means are answered in the fastest and most effective way possible upon contacting the relevant person with the highest authority on the related matter. Over 1,000 information requests received by Türk Telekom in the relevant period were answered. Furthermore, current and retrospective information and developments relating to Türk Telekom which are of interest to shareholders are regularly communicated to concerned parties via the investor relations website both in Turkish and English. Such information and developments are also regularly communicated via email to those who are registered on our database.

In addition to the foregoing, within the context of shareholders exercising their right to obtain information, data and information are provided on the investor relations website so as to ensure rapid and easy access to information about Türk Telekom. A large portion of this information is provided on the website in both Turkish and English. The website covering the related documents and accessible at www.ttinvestorrelations.com is periodically updated.

Further details are presented under the heading "Corporate Investor Relations Website and its Content" below.

Company activities are periodically audited by independent auditors and statutory auditors appointed by the General Assembly upon proposal by the Board of Directors. Independent audit and financial consultancy services for 2012 activities were provided by Ernst and Young, which performs said services under the legal entity of Güney Bağımsız Denetim ve SMMM A.Ş.

There is no article related to the appointment of a special auditor in the Articles of Association. Shareholders did not request the appointment of a special auditor in 2012 and no special audit was conducted. Being a telecommunications company, activities of our Company are subject to the audit and enquiry of Information and Communications Technologies Authority, Capital Markets Board of Turkey and Competition Authority. The results of enquiries and audits are disclosed to the public within the context of press releases issued by the related authorities and disclosure of material events regulated by the Communiqué on the Principles Regarding The Public Disclosure Of Material Events.

Minority shareholders may request the appointment of a special auditor according to the 438th and 439th articles of the New Turkish Commercial Code 6102.

General Assembly Meetings

Article 19 of the Articles of Association reads as follows: "The General Assembly shall be the main decision body of the Company possessing every kind of authority in relation to the business of the Company provided by law." Article 21 of the Articles of Association lists the "Material Decisions to be adopted by the General Assembly" as follows:

- a) the presentation of any petition for winding-up;
 - b) any change to these Articles of Association;
-

- c) any change to the corporate name of the Company;
- d) any change to the accounting reference date or accounting policies except as required by law;
- e) any change in the share capital or the creation, allotment or issue of any shares or of any other security or the grant of any option rights or rights to subscribe to the capital or to convert any instrument into such shares or securities other than bonus shares;
- f) any reduction of capital or variation of the rights attaching to any class of shares or any redemption, purchase or other acquisition by the Company of any shares or other securities of that company;
- g) any merger with or material acquisition of any other company;
- h) the cessation of any major Business operation;
- i) any material change to the nature of its Business;
- j) the payment or declaration by the Company of any dividend or distribution of any other kind relating to the shares other than those in accordance with Article 30;
- k) decisions on any of the matters referred to in Article 12 (a) to (f) above to the extent such matters have not been approved in accordance with Article 12:
- the entry into of any contract or commitment not provided for in the Budget under which the Group Company may incur costs (per transaction) of more than US\$50 million;
 - the acquisition of any assets or property (other than in the ordinary course of business) at a total cost (per transaction) of more than US\$50 million;
 - the sale or disposition of any fixed assets for a total price per transaction of more than US\$10 million;
 - the borrowing of amounts by a Group Company which when aggregated with all other borrowings of that Group Company would exceed US\$150 million except for the loans obtained from banks in the ordinary course of business;
 - the entry into of any agreement (other than any management agreement referred to in Article 12(g) below) between a Group Company and a Shareholder (other than the holder of the Group B Shares) or its Associates which (x) is not on arm's length terms or (y) involves the transfer of monies or goods and services of a value greater than US\$30 million;
 - the appointment of any representative to act for the Company at any general assembly meeting of any Group Company (other than the Company and AVEA);
 - the entry into of any management agreement between a Group Company on the one part and a Shareholder, or any Associated Companies of a Shareholder or any person that entered into a management agreement/management consultancy agreement with the holder of the Group A

Shares or any of its Associated Companies in connection with the tender process for the block sale on the other part. However, this Article shall not prevent the Company from entering into employment or consultancy agreements with individuals.

2012 General Assembly Meetings

On 25 May 2012, an Ordinary General Assembly convened without any press or stakeholder participation where 89.62% of the Company shares were represented in proxy. An Extraordinary General Assembly Meeting convened on 30 June 2012 where 87.77% of the Company shares were represented in proxy. An Extraordinary General Assembly Meeting of the shareholders representing the Treasury, A Group and Privileged C Group convened on 30 June 2012 where 100% of their shares were represented. Shareholders posed their questions and had their answers during the meeting, and all spoken issues were written to the Minutes of the Meeting. No proposal for agenda items was given by shareholders during the meeting.

Particulars related to the 2011 Ordinary General Assembly Meeting dated 25 May 2012 were published in the Turkish Trade Registry Gazette (TTRG) no. 8081 dated 1 June 2012, and those of the Extraordinary General Assembly Meeting dated 30 June 2012 were published in the Turkish Trade Registry Gazette (TTRG) no.8108 dated 10 July 2012. In addition, the relevant Regulatory Disclosures of Material Events made by our Company were also published on the Public Disclosure Platform as of the meeting dates.

The rules governing the Company's General Assembly meetings are covered in Türk Telekomünikasyon A.Ş. Articles of Association which is publicly disclosed and posted on the investor relations website. According to Article 31 thereof, General Assembly meetings are announced at least 21 days in advance of the meeting date, excluding the dates of announcement and meeting, in the Turkish Trade Registry Gazette (TTRG) and two national newspapers in accordance with Article 444 of the Turkish Commercial Code and so as to inform the shareholders in advance of the General Assembly meetings. Information on General Assembly meetings, their agendas, invitation letters and sample proxy forms are also posted on the investor relations website.

The Company's Class A shares held by Ojer Telekomünikasyon A.Ş. and Class C shares held by the Undersecretariat of Treasury are registered, whereas the remaining shares are bearer shares. Shareholders who wished to exercise their rights arising from shareholding, fulfilled the necessary procedures for participation in the General Assembly meetings pursuant to applicable legislation and attended the General Assembly Meeting.

The announcements and explanations which Our Company is obliged to provide as per corporate governance principles, invitation to the General Assembly Meeting, and Minutes of the Meeting are made available for uninterrupted access to our shareholders at www.ttinvestorrelations.com.

In the General Assembly Meeting, shareholders were informed about the unchanged donation policy and donations including humanitarian aid made by Our Company to associations and charitable

institutions which totalled TL 42,030,143.85 for the year 2011. These associations and institutions operate in education, health, sports, and art.

Voting and Minority Rights

All shares of Turk Telekom can be transferred except for one privileged (golden) share of Group C. For the purpose of protecting the national interest in issues of national security and the economy, the following actions and resolutions cannot be taken without the affirmative vote of the holder of the C Group Privileged Share at either a meeting of the board of directors or the General Assembly. Otherwise, such transactions shall be deemed invalid.

- a) Any proposed amendments to the Articles of Association;
- b) The transfer of any registered Shares in the Company which would result in a change in the management control of the Company;
- c) The registration of any transfer of registered shares in the Company's shareholders' ledger.

Pursuant to the Articles of Association, the holder of the C Group Privileged Share appoints one member representing the Privileged Share. The C Group Privileged Share owner cannot participate in capital increases. At the Extraordinary General Assembly Meeting dated 30 June 2012, Mehmet Habib Soluk was elected as the Board member representing the Class C golden share for a term of office of three years.

The Company's Articles of Association contain the provision that minority rights are to be exercised by shareholders representing at least 5% of the paid-in capital. However, minority shareholders are not represented on the Board of Directors.

There are no reciprocal shareholding interests in the Company's share capital.

Dividend Rights

The Articles of Association grant no privileges regarding participation in the Company's profit. Each share is entitled to equal profit share; however, the holder of the Class C share does not receive any share of profits. Türk Telekom dividends are paid within the legally prescribed periods of time by applicable legislation.

Our Company adopts a policy of distributing 100% of distributable profit which is calculated based on Capital Markets Board regulations. The Dividend Distribution policy was submitted to the shareholders' information in the 2011 Ordinary General Assembly Meeting convened on May 25, 2012. On the other hand, the Board of Directors considered the short-term financial liabilities of Group companies and conditions of those contracts signed with creditors in determining the Company's dividend distribution policy.

The Board proposal regarding 2011 dividend distribution was resolved by the General Assembly and the dividend distribution on non-public shares was made on 29 May 2012 while the dividend distribution for public shares was made on 31 May 2012.

As stated in the Company's Articles of Association, the dates and the manner of distribution of annual profits to the shareholders are decided by the General Assembly upon proposal by the Board of Directors and in accordance with the provisions of the Capital Market Law and applicable legislation.

The Dividend Distribution Policy is stated above and disclosed to the public via investor relations web site (www.ttinvestorrelations.com).

Transfer of Shares

The provisions in the Company's Articles of Association restricting the transfer of shares are as follows:

Holders of Class A shares may transfer, always subject to vetoing by the Class C golden share, all or part of their shares to a third party at any time after either the expiration of the Strategic Undertaking Period or the date of full payment of the amount payable by the holder of Class A shares for its shares in the Company, whichever occurs later.

Holders of Class A shares may create a pledge or encumbrance in favor of a financial institution over its shares which will not be subject to pledge of shares¹ in time, as guarantee for money borrowed for the acquisition of such shares or otherwise. In the event that such pledge or encumbrance is cashed by the relevant financial institution, the same may be able to transfer the Class A shareholder's shares subject to pledge and encumbrance only upon prior written consent of the Treasury, the consent of which will not be unreasonably withheld.

Subject to the provisions of the following two paragraphs, holders of Class B shares may not transfer to a third party all or part of their shares during the course of the Strategic Undertaking Period without the prior consent of the holders of Class A shares, the consent of which will not be unreasonably withheld.

1. In the context of the public offering of the Company's shares, only the Treasury may have all or part of its shares quoted and sold on the stock exchange at any time without being subject to the restriction in the preceding paragraph.
2. Holders of Class B shares may additionally transfer, without being subject to the restriction set out in the first paragraph, their own shares that are equal to 5% or less of the Company's total shares at the time of the transfer in a single transaction or in a series of transactions at any time and at any price in line with the Law 406, to employees mentioned in the Law 406 and to "small savings holders."

¹ "Share Pledge" the pledge over 1.540.000.000.000 Group A registered shares of the Company (equal to 80% of the Group A registered Shares of the Company) granted to the Group B Shareholder as security for the deferred consideration under the Share Sale Agreement;

Furthermore, pursuant to the supplemental Article 17 of the Telegram and Telephone Law no 406 and Article 6, paragraph 4 of the Company's Articles of Association, the one Class C golden share may not be sold.

The Strategic Undertaking Period ended on November 14, 2008. A Group Shareholder paid the full amount of its payables in the Company.

Public Disclosure and Transparency

Company Disclosure Policy

Türk Telekom's Disclosure Policy has been formulated in line with the CMB's Communiqué on Principles Governing Disclosure of Material Events Serial: VIII, No: 54 and CMB's Corporate Governance Principles. The policy has been approved and put into effect by the Board of Directors and was submitted to the shareholders's information in the General Assembly Meeting convened on April 6, 2010. It was amended by board resolution no. 36 dated 23 June 2011 and submitted to shareholders for approval in the Extraordinary General Assembly Meeting dated November 14, 2011. The disclosure policy is posted on the investor relations website (www.ttinvestorrelations.com) under the "Corporate Governance" heading under the Investor Relations section. The Capital Markets and Investor Relations Department is responsible for the monitoring and development of the said policies, and the names and duties of the relevant responsibility owners are listed under the heading Investor Relations Unit. These individuals cooperate closely with the Board of Directors in the fulfillment of these responsibilities. 2012 year-end results were in line with the guidance for 2012 which was disclosed to the public at the beginning of the year.

Investor Relations Web Site and Its Content:

The Corporate Investor Relations website, which is accessible at www.ttinvestorrelations.com, is actively used in achieving transparency and public disclosure in accordance with Capital Markets legislation, CMB and ISE rules and regulations, and CMB's Corporate Governance Principles. A large portion of the information on the website is provided both in Turkish and English. The main headings covered on the website are listed below:

- Detailed Information About Company Profile
- Vision, Mission and Values
- Company Organization Chart and Shareholding Structure
- Information About The Members Of The Board Of Directors and Senior Management Of The Company
- Articles Of Association
- Trade Registry Information
- Financial Statements and Activity Reports
- Press Releases

- Investor Presentations
- Investor Relations News
- Stock Performance Information
- Contact Information Of Analysts Who Have Covered The Company
- Expectation Survey Of Analysts Regarding Financial Results
- Meeting Date Invitation To General Assembly, Agenda Of The General Assembly Of Shareholders and Documents Related To The Minutes Of General Assembly Meeting Agenda
- Meeting Minutes and List Of Attendants Of The General Assembly Of Shareholders
- Sample Letter Of Attorney
- Corporate Governance Practices and Compliance Report
- Dividend Distribution Policy, History And Capital Increases
- Disclosure Policy
- Independent Auditor
- Insiders With Administrative Responsibilities
- Internal Audit And Risk Management
- Related Party Transactions
- Remuneration Policy
- Compensation Policy
- Telecom Glossary
- Demand Circular Related To The Public Offering and Prospectus
- Türk Telekom Call Center And Contact Information
- CM&IR Contact Information
- Information Related To The Social Responsibility Projects Of Türk Telekom

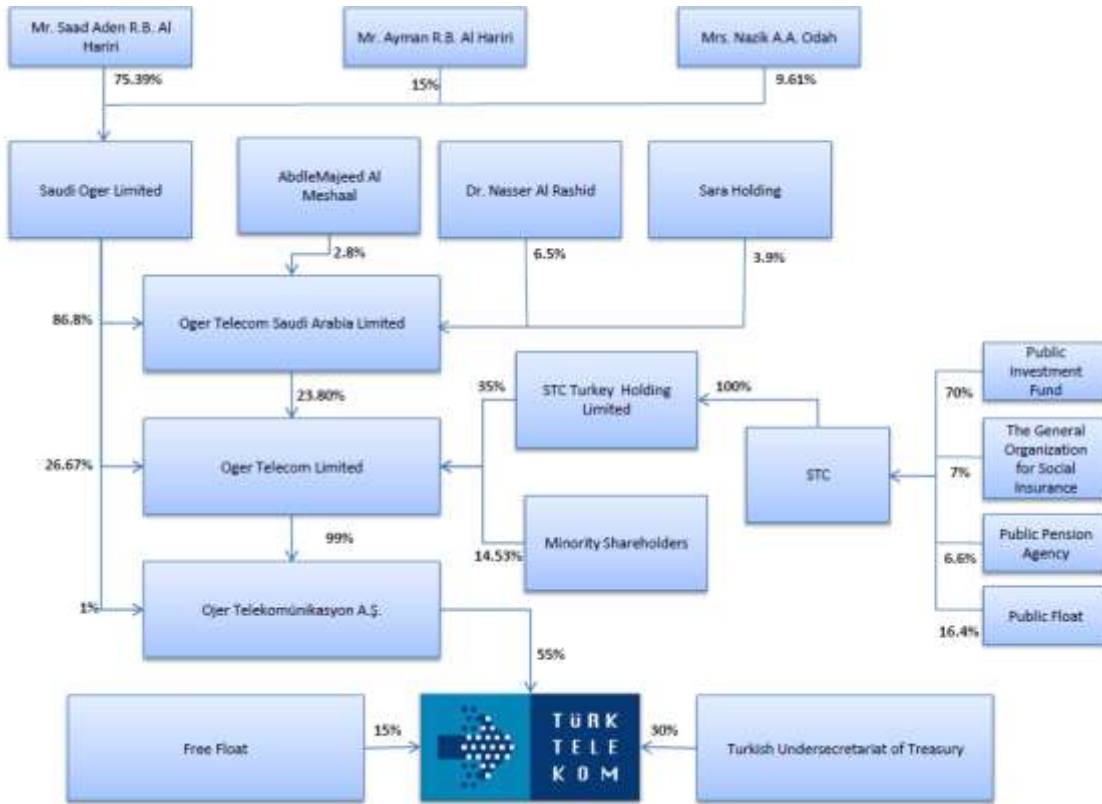
[Activity Report](#)

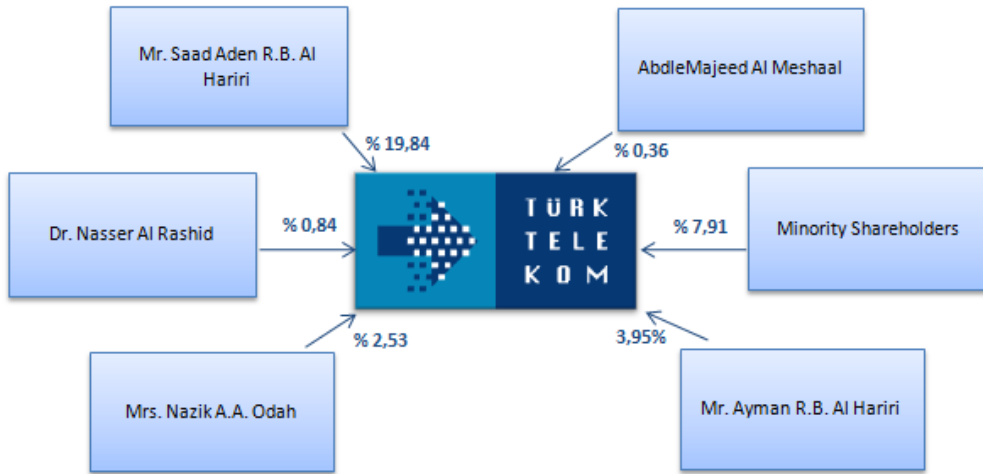
The content of the annual activity report is prepared in accordance with the New Turkish Commercial Code and with Capital Market Board regulations. There were no conflicts of interest arising between Türk Telekom and the related organizations which offer investment advice, investment analysis, and rating activity. The Board of Directors did not propose to distribute any dividends to the General Assembly. The Chief Executive Officer is not the Chairman of the Board of Directors. Türk Telekom achieved its financial guidance which was disclosed to the public. As there are no reciprocal shareholding interests in the Company's share capital, no information regarding this issue is placed in the activity report.

[Disclosure of Ultimate Controlling Individuals](#)

Not subject to the authorized capital system, the Company has a share capital of TL 3,500,000,000 which is fully paid-in. The distribution of the paid-in capital among the shareholders is shown below:

Class	Shareholder	(TL) Capital Amount	(%) Share
A	Ojer Telekomünikasyon A.Ş.	1,925,000,000.00	55
B	TR Undersecretariat of Treasury	1,049,999,999.99	30
C		0.01	
D	Free Float	525,000,000.00	15
Toplam		3,500,000,000.00	100





Stakeholders

Keeping Stakeholders Informed

Türk Telekom shareholders and investors are kept informed in line with public disclosure principles. The Company's Corporate and Customer Presidency and Call Center efficiently handle Türk Telekom customers' information requests about services and products as well as their comments or complaints, and they provide solutions to customer problems.

A customer relationship management exercise which entails a transition to a customer-oriented customer service approach from the existing service and technology-oriented relationship approach was conducted. Each customer's information is collected in one place, allowing Türk Telekom to analyze and to improve the customer experience thanks to "One Customer, One View Approach." Employees of Türk Telekom may identify the main reasons for customer complaints and find the best solutions for them by the Heroes of Customers project which was implemented in 2012. The Sales Channel Excellence Project was implemented to address shortcomings in the dealer network which required more investment and training. This project entailed an evaluation of the dealer network with geographical location, sales capabilities and financial positions of the dealers being assessed.

Intercorporate news items are issued by Human Resources – Internal Communication Department to employees.

Enabling stakeholders to freely communicate their concerns about any illegal or unethical practices to the Corporate Governance Committee or Audit Committee is an ongoing process.

Stakeholder Participation in Management

There is no specific rule of the Company regarding stakeholder participation in management.

Human Resources

Türk Telekom aims to be the most preferred company in the Turkish telecommunications sector, and to attract and recruit the most skilled human resources aligned with the corporate culture and values and in line with its future strategies and targets.

Recruitment and career planning are made in line with the principle of providing equal opportunities to employees within the context of human resources policy. Recruitment principles are defined according to objective criteria as part of body of rules for recruitment. These are aimed at generating long-term employment within the possibilities of technological developments, fiscal and economic conditions, sectoral variations, convergence of goods and services, organizational and changes in order to provide fast, high quality and economical services. Continuous improvement of the Company depends on the capability and flexibility of employees to adapt to changing conditions of the sector quickly and efficiently. In this regard, recruitment is made locally as well as internationally. Recruitment processes are defined pursuant to relevant legislation. Relations with employees are managed by Human Resources Partners; a human resources representative has not been assigned yet.

Working Culture

Türk Telekom makes it a goal to establish an ongoing relationship with its employees and stakeholders built on respect, trust, and ethical values, and adhering to the corporate culture built and maintained on the basis of respect and sharing, as well as its principles: Customer Focused, Trustworthy, Innovative, Responsible and Dedicated. There were no complaints regarding discrimination from any employee in 2012.

Our working culture is characterized by providing high-quality products and services, achieving high levels of customer satisfaction, and increasing productivity. The objectives which are specific, measurable, attainable, relevant and time bound, are compared based on their correlation with actual performance results. Alternative, Customer-Focused Approaches are developed in order to follow up, evaluate, and resolve customer complaints.

The Intranet of the Company creates corporate awareness, enables employees to access to all business resources, contributes to employees's career development and creates a synergy through events and social activities. Definitions of tasks and their distribution and performance-related reward mechanisms are disclosed by the Performance Management Team.

Health and Safety

Türk Telekom is obliged to develop measures pursuant to The Labor Law and articles related to Occupational Safety and Health issues raised, and to fulfill these requirements in all workplaces. Türk Telekom has created accident prevention and environmental awareness among employees by developing an Occupational Health and Safety & Environmental Management System model.

Türk Telekom has unionized labor. The rights of employees, employers and workers are protected in accordance with the Collective Labor Agreements signed.

Performance Management and Continuous Improvement

"In-house performance evaluation" methods have been established in order to manage and evaluate performance of employees. Responsibilities, competencies, performance of business development and contribution to company goals of employees are determined by objective criteria within the framework of quality, quantity, time and cost of the work. In this process, after the performance feedback, employee training requirements are determined and promotions and other reward mechanisms are executed within the context of objective criteria. Performance evaluation and knowledge of methods and mechanisms are made available to employees before assessment. The generated performance management module is outlined below:

- Planning and approval of individual targets in line with the objectives of the Company.
- Monitoring employee performance continuously in line with the goals, action plans and criteria, and giving feedback.
- Evaluating performance.
- Supporting motivation and continuous improvement, clarifying expectations regarding development plans.

Türk Telekom provides opportunities for the personal and professional development of its employees by employing a performance management concept focused on constant development where employees will be able to realize their full potential. Türk Telekom also aims to support corporate goals by enhancing the loyalty of its human resources – its most valuable asset. Within this process, Türk Telekom Academy supports the development of employees.

Remuneration

The Company aims to attract new well-qualified employees, to prioritize employee retention, to keep motivation high in order to make services sustainable, and to reward outstanding performers. Remuneration is determined by relevant legislation, job description, required responsibilities and qualifications, and current market value.

Code of Ethics and Social Responsibility

The Code of Ethics that is the key for the Company's success, as well as for the personal success of our employees, was approved by the Board of Directors and submitted to the shareholders's information in the 2009 Ordinary General Assembly Meeting convened on April 6, 2010. The Code of Ethics is a body of rules that must be adhered to by the Company executives, in particular, and all employees, in general, while also guiding other employees to act in compliance with these principles. The Code of Ethics is of a complementary nature to Türk Telekom's Disciplinary Principles.

Social Responsibility

Türk Telekom while adding value to its customers' lives with its products and services, gathered all social responsibility projects, implemented across Turkey, under "Türkiye'ye Değer" in 2012.

Turkey's leading communication and convergence technologies company contributes to the country by investing not only in technology and infrastructure but also in human resources.

Türk Telekom creates values undertaking various social responsibility activities that focus on the nation's economic and social needs including, in particular, education, culture and arts, technology, environment and sports.

Information on the "Türkiye'ye Değer" projects are shared with the public via the corporate website. Detailed information is also available at www.turkiyeyedeğer.com.tr.

Board of Directors

Structure and Formation of the Board of Directors

Structure of the Board of Directors is below:

Name/Surname	Duty	Independent/Not	Executive/Non Executive	Committees and Duties
Mohammed Hariri	Board Member	Not Independent	Non Executive	Corporate Governance Committee (Member)
Abdullah Tivnikli	Board Member	Not Independent	Non Executive	
Hakam Kanafani	Board	Not Independent	Executive	

	Member, Group CEO			
Rami Aslan	Board Member	Not Independent	Non Executive	Audit Committee (Observer Member)
Mazen Abou Chakra	Board Member	Not Independent	Non Executive	Audit Committee (Observer Member)
Maziad Al-Harbi	Yönetim Kurulu Üyesi	Not Independent	Non Executive	
Mehmet Habib Soluk	Board Member	Not Independent	Non Executive	
İbrahim Şahin	Board Member	Independent	Non Executive	Audit Committee (Member)
Süleyman Karaman	Board Member	Independent	Non Executive	Audit Committee (Member)
Efkan Ala	Board Member	Independent	Non Executive	Audit Committee (Chairman)
Adnan Çelik	Board Member	Independent	Non Executive	Corporate Governance Committee (Chairman)

Biographies of the members of Türk Telekom's Board of Directors are located in the Board of Directors Section of the annual report. Pursuant to the 10th article of the Articles of Association, the members of the Board of Directors shall hold office for a term of three years. There is no distribution of tasks between the members of Board of Directors except committee membership.. The General Assembly elected Independent members to the Board of Directors during its Extra Ordinary General Assembly Meeting held on 30 June 2012. Since a nomination committee could not be formed under the board of directors, the Audit Committee performed the functions of the Nomination Committee in line with CMB principals announced on 6 February 2012. Four independent members of Board of Directors were nominated to the Audit Committee by B Group Shareholders. A report regarding nominees' independence situation was submitted to the Board of Directors by Audit Committee. After CMB

provided consent for the nominees, the nominees of independent members of board of directors were elected by General Assembly's.

There were no circumstances which jeopardized the independence of the Board of Directors in the activity period. No company rules have been internally established regarding the positions of the Board of Directors held outside the company yet.

The positions of the Board Of Directors held outside the Company are as follows:

Name/Surname Duties in TT Group over the last 5 years	Duties outside of Türk Telekom	
Mohammed Hariri Board Member, Chairman of the Board, Chairman of the Audit Committee, Chairman of the Executive Committee	Chairmanship of the Board	Avea İletişim Hizm. A.Ş.,TTNET A.Ş., Ojer Telekomünikasyon A.Ş., Ojer Telecom Ltd, CELLC, GroupMed sal (Holding), BankMed sal, SaudiMed Investment Company, GroupMed International Holding Limited
	Board Membership	Enterprise de Travaux Internationaux, Arab Bank plc., Al Mal Investment Holding, 3C Telecommunications (PTY) Limited, Ojer International SA, Lanun Securities S.A., Associations des Banques du Liban.
	Vice Chairmanship of the Board	Saudi Ojer Ltd and other affiliated SPVs
	Other	A Member of the Advisory Board of Deutsche Bank PWM Middle East and Africa.

<p>Abdullah Tivnikli Board Member, Member of the Executive Committee</p>	<p>Chairmanship of the Board</p>	<p>4TEK İletişim A.Ş., Çeşme Enerji A.Ş., Eksim Elektrik Enerjisi İthalat İhracat ve Toptan Satış A.Ş., Eksim Yapı ve İnşaat A.Ş.,Eksim Yatırım Holding A.Ş.,Eymir Enerji A.Ş.,Fortek Telekomünikasyon Hizmetleri A.Ş.,İltek Enerji Yatırım San.ve Tic.A.Ş.,Karadeniz Elektrik Yatırım San. Tic. A.Ş.,Kartaltepe Enerji A.Ş.,Kök Makine San. ve Tic. A.Ş.,Körfez Gayrimenkul Yatırım Ortaklığı A.Ş.,Merzifon Enerji A.Ş.,Net Ekran Televizyonculuk Ve Medya Hizmetleri A.Ş.,Rewe Enerji A.Ş., Seferihisar Enerji A.Ş.,Stoneks Madencilik ve Doğaltaş San.ve Tic.A.Ş.,Susurluk Enerji A.Ş.,Tam Enerji Yatırım San. ve Tic. A.Ş.,Tokat Enerji A.Ş.</p>
	<p>Board Membership</p>	<p>Akabe İnşaat San.ve Tic.A.Ş.,Avea İletişim Hizmetleri A.Ş.,Kat Turizm Gayrimenkul Yatırımları Ve İşletme Ticaret A.Ş.,Ottoman Gayrimenkul Yatırımları İnş. ve Tic. A.Ş.,Saf Gayrimenkul Yatırım Ortaklığı A.Ş.,Sinangil Gıda Pazarlama San. ve Tic. A.Ş.,TT Net A.Ş. Sebit Eğitim ve Bilgi Teknolojileri A.Ş.,</p>
	<p>Vice Chairmanship of the Board</p>	<p>Argela Yazılım ve Bilişim Teknolojileri A.Ş.,Assist Rehberlik ve Müşteriz Hiz. A.Ş.,Batı Hattı Doğalgaz Tic. A.Ş.,Hasanbeyli Enerji A.Ş.,Innova Bilişim Çözümleri A.Ş., Kuveyt Türk Katılım Bankası A.Ş.,RSH Enerji A.Ş.</p>
<p>Hakam Kanafani Board Member, Member of the Executive Committee, Group CEO</p>	<p>Chairmanship of the Board</p>	<p>Argela Yazılım ve Bilişim Teknolojileri Sanayi ve Ticaret A.Ş., AssisTT Rehberlik ve Müşteri Hizmetleri A.Ş., Innova Bilişim Çözümleri A.Ş., Sebit Eğitim ve Bilgi Teknolojileri A.Ş., Pantel</p>

		International Group
	Board Membership	TTNET A.Ş., Avea İletişim Hizm. A.Ş., Ojer Telekomünikasyon A.Ş. and Net Ekran Televizyonculuk Ve Medya Hizmetleri A.Ş.
Rami Aslan Board Member, Observer Member of the Audit Committee	Board Membership	Oger Telecom Ltd, Cell C (Pty), 3C Telecommunications Pty Ltd, Innova Bilişim Çözümleri A.Ş., Sebit Eğitim ve Bilgi Teknolojileri A.Ş.
	Other	Oger Telecom Ltd. CEO, Senior Advisor to the Chairman of Saudi Oger Group
Mazen Abou Chakra Board Member, Observer Member of the Audit Committee	Board Membership	Oger Telecom Ltd, Cell C (Pty), 3C Telecommunications Pty Ltd, Argela Yazılım ve Bilişim Teknolojileri Sanayi ve Ticaret A.Ş., AssisTT Rehberlik ve Müşteri Hizmetleri A.Ş., Net Ekran Televizyonculuk Ve Medya Hizmetleri A.Ş.
	Other	Oger Telecom Ltd. Chief of Legal Officer
Maziad Nasser M Alharbi Board Member	Board Membership	Saudi Arabia'daki Call Center Company and SaleCo , Chairman of the Board in Intigral Company in Dubai
	Other	Vice President of Home Business Unit in Saudi Telecom Company
Mehmet Habib Soluk Board Member, Audit Committee Member	Other	Undersecretary of Ministry of Transport, Maritime and Communications, Member of the Trustee of Türk Telekom Health

		And Social Welfare
İbrahim Şahin Statutory Audit Board Member, Vice Chairman of the Board, Member of the Audit Committee, Vice Chairman of the Executive Committee	Board Membership	Avea İletişim Hizmetleri A.Ş., Turkey Golf Federation
	Other	General Manager TRT, Member of the Trustee of Türk Telekom Health And Social Welfare
Süleyman Karaman Board Member	Board Membership	Net Ekran Televizyonculuk Ve Medya Hizmetleri A.Ş.
	Vice Chairmanship of the Board	TTNET A.Ş.
	Other	General Manager of Turkish State Railways, Member of the Trustee of Türk Telekom Health And Social Welfare ,
Efkan Ala Statutory of Audit Board Member, Board Member, Member of the Audit Committee, Chairman of the Audit Committee	Other	Undersecretary of Prime Minister
Adnan Çelik Board Member, Chairman of The Corporate Governance Committee	Other	General Manager of IPBC Uluslararası Proje Yönetimi ve Müşavirlik A.Ş.

[Principles of Activity of the Board of Directors](#)

Pursuant to the Articles of Association, the Board of Directors shall meet at least four times a year or shall meet whenever the Company's business so requires. The activities of the Board of Directors are run by Board Secretariat. At least 10 Business Days before a meeting, a notice of the time of meeting and the agenda which is accompanied by any relevant papers are sent to the Board of Directors. Meeting notices are sent to the members of the Board of Directors via e-mail. The agenda of the meeting is set

via e-mail according to the proposals of members of the Board of Directors, CEO, VPs and executive members of departments. The agenda is finalized by receiving the consent of the Chairman of the Board. Five Meetings of the Board of Directors were held in fiscal 2012. The overall attendance rate of board meetings in 2012 was 95 percent.

Pursuant to the 12th article of the Articles of Association, questions arising at a meeting are passed by a simple majority of the votes of the Directors present at such meeting unless the resolution relates to a "Supermajority Decision Relating to the Board." Supermajority Decisions Relating to the Board are to be taken with the presence and affirmative vote of seven Directors, at least one of which shall be a Director representing the Treasury. Questions arising at the meeting of Board of Directors and issues with multiple views are recorded into minutes with the appropriate grounds of negative votes in detail. The rights of members of the Board of Directors representing C Group are explained in the section of Voting Rights and Minority Shares. In order to comply with corporate governance principles, 28 resolutions were taken for related party transactions. No negative votes on these resolutions were recorded.

Numbers, Structures and Independence of Committees within the Board of Directors

The membership structure of the Audit Committee was changed with the Board Resolution dated 17 October 2012. Efkân Ala was appointed as non-executive chairman of the Audit Committee. İbrahim Şahin and Süleyman Karaman were appointed as non-executive members of the Audit Committee. Non-executive board members Rami Aslan, Mazen Abou Chakra and Ameen Fahad A Alshiddi were appointed as observer members of the Audit Committee. Non-executive board member Jameel Abdullah A Al Molhem was appointed as board member and observer member of the Audit Committee replacing Ameen Fahad A Alshiddi who resigned from his position as of 11 December 2012.

The Corporate Governance Committee was established with the Board Resolution dated 17 October 2012. Adnan Çelik was appointed as non-executive chairman of the Corporate Governance Committee. Mohammed Hariri and Ghassan Hasbani were appointed as non-executive members of the Corporate Governance Committee. Non-executive board member Jameel Abdullah A Al Molhem was appointed to the membership of Corporate Governance Committee replacing Ghassan Hasbani who resigned from his position as of 11 December 2012. On March 24 2013 Al Molhem resigned from board and membership of Corporate Governance Committee and observer membership of Audit Committee.

The Audit Committee shall meet four times a year. The Committee reviewed and monitored Türk Telekom Group's processes of accounting, finance and auditing as well as their processes for monitoring compliance with law and regulations and their own code of business conduct, as well as such other matters which may be delegated specifically to the Committee by the Board from time to time. Preparations regarding the audit committee charter is an ongoing process. The Corporate Governance

Committee shall convene at least quarterly. Activities of the Corporate Governance Committee in 2012 were performed according to the guidelines included in its charter.

Risk Management and Internal Control Mechanism

The risk and opportunity management vision of Türk Telekom Group has been defined as “understanding, measuring and creating awareness about the risk universe of the group; maximising the value of group assets by managing risks and associated opportunities with a holistic approach; making risk and opportunity management a vital component of the corporate culture and strategic decision making process with the aim of contributing to sustainable growth and creating competitive advantage.”

Within this vision, the risk universe is currently being identified and managed by the relevant business units within Turk Telekom A.S. Hence, all risk areas are closely monitored and managed. Additionally, group companies of Avea and TTNET have established their Corporate Risk Management organizations.

As clearly expressed in its vision statement, Türk Telekom Group perceives risk management not only as minimizing potential losses but also as maximizing the expected benefits of opportunities. Within this context, senior management and the Board of Türk Telekom A.S. embrace the value-added nature of the Enterprise Risk Management (ERM) and fully support the initiative to ensure that the system works efficiently.

In 2011, Türk Telekom A.S. initiated a study to create a governance model for Enterprise Risk Management and developed a group-wide governance model for integrated ERM implementation. In this model, risks are managed by the business units. However, all the standards, policies and procedures of the ERM are set by the central risk management unit.

Thanks to the risk management processes, transparency of the Company may increase and new opportunities may be identified, by making the assessment of the financial, operational and managerial risks with the help of a systematic structure.

Following the development of the governance model, Enterprise Risk Management Directorate, reporting to Türk Telekom’s CFO, who will coordinate all risk management activities at the group level, was established.

ERM directorate commenced its activities to:

- Work on establishing a strong risk management culture within the Türk Telekom Group,
 - Develop methodologies for the identification and monitoring of all risks,
 - Make suggestions to the related committees about constructing ERM policies and procedures, defining risk appetite, and setting key risk indicators and limits,
 - Continuously monitor and report level of risks and planned risk mitigation actions,
-

- Support decision making by conducting various analyses,
- Ensure that business continuity plans are in place and up to date,
- Analyze risks attached to new services/products and investment decisions and review related processes with a risk-based approach.

The main risk exposures of Türk Telekom Group are strategic, financial, managerial and operational risks. Sophisticated risk measurement and management tools have begun to be used within the Company. We strongly believe that an enhanced structure of ERM practices will improve Türk Telekom Group's value by efficiently managing operational, financial, regulatory, strategic, legal and other risks.

Mission, Vision and Strategy

The mission and vision statements along with the strategy of the Company are mentioned in Strategy Section of the annual report. The Board of Directors monitors every month the performance of the Türk Telekom as far as reaching its strategic guidance. The Board of Directors' assessment of this issue is placed in the annual report.

Prohibition on Doing Business and Competing with the Company

The Company has adopted practices that are aligned with Articles 395 and 396 of the Turkish Commercial Code and Corporate Governance Principles attached to the Communiqué Serial: IV, No: 56 on the Determination and the Enforcement of the Corporate Governance Principles .

At the General Assembly Meetings dated 25 May 2012 and 30 June 2012, permission was given to the controlling shareholders, the Board of Directors Members, the senior executives, their spouses and their relatives by blood and marriage up to the second degree to make transactions which may cause conflict of interest for the Company or the Company's subsidiaries and to compete in accordance with the Communiqué of the Capital Markets Board Serial: IV, No:56 on the Determination and Execution of the Corporate Governance Principles and the general assembly was informed about the transactions of this nature realized within the year; and also permission was given to the Board of Directors Members to carry out works within or outside the scope of the Company's operations on their own behalf or on behalf of others or to be a partner to companies who perform such works, and to carry out other transactions as per Article 334 and 335 of the Old Turkish Commercial Code.

Remuneration of the Members of the Board of Directors

Shareholders were informed about the "Remuneration Policy" determined for board members of the Board of Directors and Senior Executives in accordance with the Corporate Governance Principles at the Ordinary General Assembly Meeting dated 25 May 2012. The Remuneration Policy was disclosed to the public and published on the Investor Relations website within the same day.

Remuneration of the members of the Board of Directors is determined by the General Assembly in accordance with Article 408 of the New Turkish Commercial Code and Article 8 of the Company's Articles of Association. The General Assembly approved and agreed that each member of the Board of Directors shall be paid net remuneration of TL 5,500 on monthly basis as well as the premiums at the same amount of the monthly remunerations twice a year in January and July. There is no performance measurement or performance-based rewarding system in place for Board members. The Company has never lent money or extended loans to any Board member or executive, no credit has been given as a personal loan through third persons, nor have any guarantees been provided such as suretyship in their favor.

The remuneration of directors and other members of key management were as follows (thousand TL)

	31 December 2012	31 December 2011
Short-term benefits	88.924	45.901
Long-term defined benefit plans	1.718	1.057
	90.642	46.958

Furthermore, the OTMSC charged to the Company a management fee amounting to TL 19.617 million and an expense fee in the amount of TL 351,000 for the year ended 31 December 2012 (in 2011, TL 14.619 million and TL 139,000, respectively), based on the contract between the OTMSC and the Company. The OTMSC's ultimate shareholder is Saudi Oger. A significant portion of the expense fee represents salaries of key management personnel. The contract was renewed on 15 April 2012 for an annual charge of US\$12 million (prior contract value was US\$8.5 million) for three years.

I have been nominated as the board member to be appointed in the Extraordinary General Assembly Meeting of Türk Telekomünikasyon Anonim Şirketi to be held on 30 June 2012. Pursuant to Corporate Governance Principles attached to the Communiqué Serial IV No: 56 on the Definition and the Enforcement of the Corporate Governance Principles which has been amended by Serial IV No: 57 and Serial IV No: 60, the independent board member nominees are required to submit to the Board of Directors their written declarations stating that they are independent at the time they are nominated. Consequently, according to the Corporate Governance Principles of the Capital Markets Board; I hereby submit to the information of the Audit Committee, the Board of Directors and all concerned parties that;

1. A direct or indirect, employment relationship of an executive position with important duties and responsibilities, shareholding or significant commercial relationship with Türk Telekomünikasyon A.Ş., related parties of Türk Telekomünikasyon A.Ş. or entities related in terms of management or capital to the persons controlling directly or indirectly more than 5% of the Türk Telekomünikasyon A.Ş.'s share capital has not been established by me, my spouses or up to third degree relatives by blood or marriage within the last five years.
2. I have not worked for firms, including audit, rating and consultancy firms (such as Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş, an independent audit company, SAHA Kurumsal Yönetim ve Kredi Derecelendirme A.Ş., MCKİNSEY Danışmanlık Hizmetleri Limited Şirketi), undertaking whole or a certain portion of the Türk Telekomünikasyon A.Ş.'s activities and organization (under a contract such as a partnership contract, management consultancy agreement and etc.), and also have not been appointed as board member to those firms within the last five years,
3. I have not worked for or have not been a shareholder or a board member of a firm which is a significant supplier or service provider to the Türk Telekomünikasyon A.Ş within the last five years,
4. I do not hold 1% or more shares of Türk Telekomünikasyon A.Ş nor any privileged shares.
5. I have necessary educational background, information and experience for fulfilling independent director duties,
6. I am a resident in Turkey as per the provisions of the Income Tax Law
7. I have the ethical standards, reputation and experience enabling them to contribute to activities of Türk Telekomünikasyon A.Ş, protect their impartiality with regard to conflict of interest that may arise among shareholders, make independent decisions by taking into account the rights of stakeholders.
8. I have time to follow the requirements of the business activities of Türk Telekomünikasyon A.Ş and to precisely perform the tasks I have undertaken.

I kindly submit for the Türk Telekomünikasyon A.Ş.'s Board of Directors' information.

EFKAN ALA



I have been nominated as the board member to be appointed in the Extraordinary General Assembly Meeting of Türk Telekomünikasyon Anonim Şirketi to be held on 30 June 2012. Pursuant to Corporate Governance Principles attached to the Communiqué Serial IV No: 56 on the Definition and the Enforcement of the Corporate Governance Principles which has been amended by Serial IV No: 57 and Serial IV No: 60, the independent board member nominees are required to submit to the Board of Directors their written declarations stating that they are independent at the time they are nominated. Consequently, according to the Corporate Governance Principles of the Capital Markets Board; I hereby submit to the information of the Audit Committee, the Board of Directors and all concerned parties that;

1. A direct or indirect, employment relationship of an executive position with important duties and responsibilities, shareholding or significant commercial relationship with Türk Telekomünikasyon A.Ş., related parties of Türk Telekomünikasyon A.Ş. or entities related in terms of management or capital to the persons controlling directly or indirectly more than 5% of the Türk Telekomünikasyon A.Ş.'s share capital has not been established by me, my spouses or up to third degree relatives by blood or marriage within the last five years.
2. I have not worked for firms, including audit, rating and consultancy firms (such as Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş, an independent audit company, SAHA Kurumsal Yönetim ve Kredi Derecelendirme A.Ş., MCKİNSEY Danışmanlık Hizmetleri Limited Şirketi), undertaking whole or a certain portion of the Türk Telekomünikasyon A.Ş.'s activities and organization (under a contract such as a partnership contract, management consultancy agreement and etc.), and also have not been appointed as board member to those firms within the last five years,
3. I have not worked for or have not been a shareholder or a board member of a firm which is a significant supplier or service provider to the Türk Telekomünikasyon A.Ş within the last five years,
4. I do not hold 1% or more shares of Türk Telekomünikasyon A.Ş nor any privileged shares.
5. I have necessary educational background, information and experience for fulfilling independent director duties,
6. I am a resident in Turkey as per the provisions of the Income Tax Law
7. I have the ethical standards, reputation and experience enabling them to contribute to activities of Türk Telekomünikasyon A.Ş, protect their impartiality with regard to conflict of interest that may arise among shareholders, make independent decisions by taking into account the rights of stakeholders.
8. I have time to follow the requirements of the business activities of Türk Telekomünikasyon A.Ş and to precisely perform the tasks I have undertaken.

I kindly submit for the Türk Telekomünikasyon A.Ş.'s Board of Directors' information.

İBRAHİM ŞAHİN



I have been nominated as the board member to be appointed in the Extraordinary General Assembly Meeting of Türk Telekomünikasyon Anonim Şirketi to be held on 30 June 2012. Pursuant to Corporate Governance Principles attached to the Communiqué Serial IV No: 56 on the Definition and the Enforcement of the Corporate Governance Principles which has been amended by Serial IV No: 57 and Serial IV No: 60, the independent board member nominees are required to submit to the Board of Directors their written declarations stating that they are independent at the time they are nominated. Consequently, according to the Corporate Governance Principles of the Capital Markets Board; I hereby submit to the information of the Audit Committee, the Board of Directors and all concerned parties that;

1. A direct or indirect, employment relationship of an executive position with important duties and responsibilities, shareholding or significant commercial relationship with Türk Telekomünikasyon A.Ş., related parties of Türk Telekomünikasyon A.Ş. or entities related in terms of management or capital to the persons controlling directly or indirectly more than 5% of the Türk Telekomünikasyon A.Ş.'s share capital has not been established by me, my spouses or up to third degree relatives by blood or marriage within the last five years.
2. I have not worked for firms, including audit, rating and consultancy firms (such as Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş, an independent audit company, SAHA Kurumsal Yönetim ve Kredi Derecelendirme A.Ş., MCKİNSEY Danışmanlık Hizmetleri Limited Şirketi), undertaking whole or a certain portion of the Türk Telekomünikasyon A.Ş.'s activities and organization (under a contract such as a partnership contract, management consultancy agreement and etc.), and also have not been appointed as board member to those firms within the last five years,
3. I have not worked for or have not been a shareholder or a board member of a firm which is a significant supplier or service provider to the Türk Telekomünikasyon A.Ş within the last five years,
4. I do not hold 1% or more shares of Türk Telekomünikasyon A.Ş nor any privileged shares.
5. I have necessary educational background, information and experience for fulfilling independent director duties,
6. I am a resident in Turkey as per the provisions of the Income Tax Law
7. I have the ethical standards, reputation and experience enabling them to contribute to activities of Türk Telekomünikasyon A.Ş, protect their impartiality with regard to conflict of interest that may arise among shareholders, make independent decisions by taking into account the rights of stakeholders.
8. I have time to follow the requirements of the business activities of Türk Telekomünikasyon A.Ş and to precisely perform the tasks I have undertaken.

I kindly submit for the Türk Telekomünikasyon A.Ş.'s Board of Directors' information.

SÜLEYMAN KARAMAN



I have been nominated as the board member to be appointed in the Extraordinary General Assembly Meeting of Türk Telekomünikasyon Anonim Şirketi to be held on 30 June 2012. Pursuant to Corporate Governance Principles attached to the Communiqué Serial IV No: 56 on the Definition and the Enforcement of the Corporate Governance Principles which has been amended by Serial IV No: 57 and Serial IV No: 60, the independent board member nominees are required to submit to the Board of Directors their written declarations stating that they are independent at the time they are nominated. Consequently, according to the Corporate Governance Principles of the Capital Markets Board; I hereby submit to the information of the Audit Committee, the Board of Directors and all concerned parties that;

1. A direct or indirect, employment relationship of an executive position with important duties and responsibilities, shareholding or significant commercial relationship with Türk Telekomünikasyon A.Ş., related parties of Türk Telekomünikasyon A.Ş. or entities related in terms of management or capital to the persons controlling directly or indirectly more than 5% of the Türk Telekomünikasyon A.Ş.'s share capital has not been established by me, my spouses or up to third degree relatives by blood or marriage within the last five years.
2. I have not worked for firms, including audit, rating and consultancy firms (such as Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş, an independent audit company, SAHA Kurumsal Yönetim ve Kredi Derecelendirme A.Ş., MCKİNSEY Danışmanlık Hizmetleri Limited Şirketi), undertaking whole or a certain portion of the Türk Telekomünikasyon A.Ş.'s activities and organization (under a contract such as a partnership contract, management consultancy agreement and etc.), and also have not been appointed as board member to those firms within the last five years,
3. I have not worked for or have not been a shareholder or a board member of a firm which is a significant supplier or service provider to the Türk Telekomünikasyon A.Ş within the last five years,
4. I do not hold 1% or more shares of Türk Telekomünikasyon A.Ş nor any privileged shares.
5. I have necessary educational background, information and experience for fulfilling independent director duties,
6. I am a resident in Turkey as per the provisions of the Income Tax Law
7. I have the ethical standards, reputation and experience enabling them to contribute to activities of Türk Telekomünikasyon A.Ş, protect their impartiality with regard to conflict of interest that may arise among shareholders, make independent decisions by taking into account the rights of stakeholders.
8. I have time to follow the requirements of the business activities of Türk Telekomünikasyon A.Ş and to precisely perform the tasks I have undertaken.

I kindly submit for the Türk Telekomünikasyon A.Ş.'s Board of Directors' information.

ADNAN ÇELİK

