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Official Gazette dated 01/04/2015, numbered 29313

REGULATION ON ORGANIZATIONAL STRUCTURE AND OPERATING PRINCIPLES OF THE ENERGY MARKETS OPERATOR COMPANY OF TURKEY

CHAPTER ONE General Provisions

Purpose

ARTICLE 1 – (1) The purpose of this Regulation is to designate the procedures and principles regarding the timely and proper fulfillment of the activities to be carried out by the Energy Markets Operator Company of Turkey, and the organizational structure, duties and jurisdiction of its units, and to ensure coordination between these units.

Scope

ARTICLE 2 – (1) This Regulation covers the duties, powers and responsibilities, organizational structure and working procedures and principles of the Energy Markets Operator Company of Turkey.

Legal Basis

ARTICLE 3 – (1) This Regulation has been prepared based on Article 11 of the Electricity Market Law No. 6446, dated 14 March 2013.

Definitions and Abbreviations

ARTICLE 4 – (1) The followings shall mean;

- a) **Ministry:** The Ministry of Energy and Natural Resources;
- b) **Articles of Association:** Articles of Association of the Energy Markets Operator Company of Turkey;
- c) **Intraday market:** Organized wholesale electricity market operated by the Market Operator, which allows market participants to balance their portfolios and/or trade electricity until the intraday market gate closing time, as defined in the relevant legislation regulating balancing and settlement transactions;
- ç) **Day-ahead market:** Organized wholesale electricity market operated by the Market Operator, established for the purchase and sale of electricity and/or capacity to be delivered on the next day, on a settlement period basis;
- d) **İŞKUR:** Turkish Employment Organization;
- e) **Authority:** The Energy Market Regulatory Authority;
- f) **Central settlement institution:** The institution established as a central clearing institution in accordance with the Capital Markets Law No. 6362 dated 6/12/2012 which is used for carrying out financial transactions between the market participants to be designated by the relevant regulation;

g)¹ **Organized wholesale electricity markets:** Day-ahead market, intraday market and other electricity markets requiring post-dated physical delivery, where electricity, capacity or retail purchase is carried out and that is organized and operated by a central intermediary legal entity with a market operating license; the markets operated by Borsa İstanbul Anonim Şirketi where standardized electricity contracts traded as capital market instruments and derivative products based on electricity and/or capacity are traded; electricity markets such as the balancing power market; and the ancillary services market that is organized and operated by TEİAŞ;

ğ)² **Market operating activity:** Operation of organized wholesale electricity markets, other energy markets, YEK-G system and organized YEK-G system and financial settlement transactions of the activities carried out in these markets and other financial transactions related to the mentioned activities;

h)³ **Market participant:** Legal entities with license and the different categories created for these legal entities as defined in the Electricity Market Balancing and Settlement Regulation dated 14 April 2009 and published in the Official Gazette numbered 27200, licensed legal entities participating in the organized YEK-G market as defined in the Regulation on Renewable Energy Resource Guarantee Certificate in the Electricity Market published in the Official Gazette dated 14/11/2020 and numbered 31304, and the license holder legal entities as defined in the Organized Wholesale Natural Gas Sales Market Regulation published in the Official Gazette dated 31/3/2017 and numbered 30024;

i) **SGK:** Social Security Institution;

i)⁴

j) **Company:** Energy Markets Operator Company of Turkey;

k) **TEİAŞ:** Turkish Electricity Transmission Corporation;

l) **Turkish Commercial Code:** Turkish Commercial Code dated 13 January 2011 and numbered 6102;

m) **Settlement:** Calculation of receivables and debt amounts arising out of the balancing mechanism and/or energy imbalance defined in the Electricity Balancing and Settlement Regulation and the Organized Wholesale Natural Gas Sales Market Regulation, the YEK-G system and organized YEK-G system operated pursuant to the Regulation on Renewable Energy Resource Guarantee Certificate in the Electricity Market, and preparation of relevant receivable-debt notifications;

n)⁵ **BOTAŞ:** Petroleum Pipeline Company of Turkey;

o)⁶ **Other energy markets:** Other energy markets that the Authority permits to be operated, although they are out of the scope of the market operating license;

¹ Amended pursuant to the Regulation published in the Official Gazette dated 04 March 2021 and numbered 31413.

² Amended pursuant to the Regulation published in the Official Gazette dated 04 March 2021 and numbered 31413.

³ Amended pursuant to the Regulation published in the Official Gazette dated 04 March 2021 and numbered 31413.

⁴ Repealed pursuant to the Regulation published in the Official Gazette dated 04 March 2021 and numbered 31413.

⁵ Inserted pursuant to the Regulation published in the Official Gazette dated 04 March 2021 and numbered 31413.

⁶ Inserted pursuant to the Regulation published in the Official Gazette dated 04 March 2021 and numbered 31413.

ö)⁷ **Organized YEK-G market:** The market organized and operated by the Market Operator, where YEK-G certificate is bought and sold among market participants;

p)⁸ **Organized wholesale natural gas market:** Markets where natural gas trading and balancing transactions are carried out by license holders who benefit from the natural gas system, natural gas markets requiring post-dated physical delivery and the market that is regulated by the Board where other natural gas market transactions are performed;

r)⁹ **YEK-G system:** The system managed by the Market Operator, which includes the issuance, transfer, withdrawal, expiry or cancellation of the YEK-G certificate for the electricity generated by generation facilities registered in the system to be established within the scope of the Regulation on Renewable Energy Resource Guarantee Certificate.

CHAPTER TWO

General Assembly and Board of Directors

Structure of General Assembly

ARTICLE 5 – (1) The General Assembly, which is the highest decision making body of the company, shall consist of shareholders.

(2) Shareholders shall exercise their rights regarding the Company affairs at the General Assembly, subject to statutory exceptions.

(3)¹⁰ The General Assembly shall adopt decisions with respect to cases clearly stipulated in the Turkish Commercial Code and the Articles of Association.

Structure of Board of Directors

ARTICLE 6¹¹ – (1) The representation and administration of the Company shall be carried out by the Board of Directors consisting of 7 (seven) members to be elected by the General Assembly within the framework of the provisions of the Turkish Commercial Code and the Articles of Association.

(2) The Chairman of the Board of Directors shall be elected by the General Assembly every 3 years. In accordance with the provisions of the Articles of Association, the Board of Directors shall elect at least one vice chairman from among its members, to act in the absence of the Chairman of the Board of Directors.

Duties and powers of the Board of Directors

ARTICLE 7¹² – (1) The Board of Directors shall be authorized to adopt decisions on all kinds of business activities and transactions required for the realization of the Company's activities, except those left to the authority of the General Assembly pursuant to the Turkish Commercial Code and the Articles of Association.

⁷ Inserted pursuant to the Regulation published in the Official Gazette dated 04 March 2021 and numbered 31413.

⁸ Inserted pursuant to the Regulation published in the Official Gazette dated 04 March 2021 and numbered 31413.

⁹ Inserted pursuant to the Regulation published in the Official Gazette dated 04 March 2021 and numbered 31413.

¹⁰ Amended pursuant to the Regulation published in the Official Gazette dated 04 March 2021 and numbered 31413.

¹¹ Amended pursuant to the Regulation published in the Official Gazette dated 04 March 2021 and numbered 31413.

¹² Amended pursuant to the Regulation published in the Official Gazette dated 04 March 2021 and numbered 31413.

(2) The duties and powers of the Board of Directors that are nontransferable and may not be waived in accordance with the relevant provisions of the Turkish Commercial shall be as follows;

a) High level management the Company at a and issuance of instructions pertaining to high level management.

b) To designate the management organization of the Company.

c) To establish the necessary order for financial planning, to the extent required by the accounting, financial audit and management of the Company.

ç) To appoint and dismiss managers and individuals assigned the same functions and those who have the authority to sign.

d) To supervise whether the individuals in charge of management act in accordance with the legislation, this Regulation, the Articles of Association, the internal directives of the Company and the written instructions of the Board of Directors.

e) To maintain the share ledger, resolution books of the Board of Directors and General Assembly meetings and discussions, arranging the annual activity report and corporate governance statement and submitting them to the General Assembly, preparing the General Assembly meetings and executing the decisions of the General Assembly.

f) To notify the court in case of insolvency.

(3) In addition to the duties and powers set forth under the second paragraph of this Article that are nontransferable and may not be waived, the Board of Directors cannot delegate duties and powers regarding the following matters:

a) To approve the strategic plan and annual budget.

b) To delegate some of the tasks within the scope of the activities of the Board of Directors, except for those specified in the second and third paragraphs of this Article.

c) To give guarantee, surety or security.

ç)¹³ To establish a pledge or mortgage on the assets of the Company, provided that it is not contrary to the provisions of the Electricity Market Licensing Regulation published in the Official Gazette dated 2/11/2013 and numbered 28809.

d) To save or invest on fixed and tangible assets of the Company exceeding or equivalent to the threshold determined by the Board of Directors, to make a proposal for the liquidation of the assets of the Company, to make a proposal to the General Assembly for the dissolution and liquidation of the Company.

e) To submit proposals to the General Assembly for merger and demerger, without prejudice to the provisions of the Electricity Market Law dated 14/03/2013 and numbered 6446.

f) To obtain approval of the Authority before the merger and demerger process takes place.

g) To purchase a major part of another Company's share certificates or partnership shares or assets, to submit a proposal to the General Assembly for concluding a joint venture or cooperation agreement; provided that these are limited to its principal scope of activity.

ğ) To propose to increase or decrease the share capital of the Company to the General Assembly.

h) To submit a proposal to the General Assembly regarding the combination, redemption or division of the shares.

¹³ Amended pursuant to the Regulation published in the Official Gazette dated 04 March 2021 and numbered 31413.

1) To submit a proposal to the General Assembly on any amendment to the Articles of Association.

i) To appoint and dismiss the general manager, directors and legal counsel.

j) To have the Company participate in any service or consultancy contract that will result in the Company assuming an undertaking exceeding the threshold determined by the Board of Directors, or to decide to amend the same.

k)¹⁴ To submit resolutions to the approval of the Authority regarding the establishment of new products to be traded in the energy markets under the scope of its market operation license, other energy markets and the organized YEK-G market.

l) To decide on the selection of software and hardware within the scope of information systems to be used for market operation and financial settlement activities or to change the existing systems.

m) To determine the thresholds designated in subparagraphs d and j of this paragraph.

n) To decide to merge with one or more energy markets by taking a market merger decision and submit this decision to the Authority's approval.

o) To become partners with foreign market operators, to make decisions regarding all cooperation agreements to be made with these market operators, and to implement the cooperation, subject to Ministry approval.

ö) To prepare market operating tariffs and submit them to the Authority.

p) To approve the fee to be paid to the central settlement institution in return for the services to be provided by the central settlement institution to the legal entities operating in the market.

(4)¹⁵ The principal duties and powers of the Board of Directors within the framework of the provisions of the Articles of Association and the Turkish Commercial Code excluding powers and duties that are not transferable and cannot be waived as set forth under the second and third paragraphs of this Article, shall be as follows:

a) To determine the values and ethical rules of the Company.

b) To approve and put into effect the internal directives and operating procedures of the Company.

c) To decide on the strategies and policies regarding the management of the risks faced by the Company, and to take the necessary measures to effectively manage the risks.

ç) To approve the Company's investment plan.

d) To conduct surveillance activities to ensure that financial reports are understandable, transparent and reliable.

e) To ensure that necessary measures are taken by examining periodic budget realization reports.

f) To present the financial statements of the Company to the General Assembly together with its proposal for profit distribution.

g)¹⁶ to decide on the acquisition or development of market surveillance systems to ensure that market surveillance activities are carried out effectively and efficiently, in line with the recommendation of the Market Surveillance Director.

¹⁴ Amended pursuant to the Regulation published in the Official Gazette dated 04 March 2021 and numbered 31413.

¹⁵ Amended pursuant to the Regulation published in the Official Gazette dated 04 March 2021 and numbered 31413.

¹⁶ Amended pursuant to the Regulation published in the Official Gazette dated 04 March 2021 and numbered 31413.

ğ)¹⁷ To submit , to the approval of the Authority, the procedures and principles prepared or the updates to be made to them regarding the energy markets, other energy markets, the YEK-G system and the organized YEK-G market within the scope of its market operation license.

h) To apply to the Authority for the license necessary for establishment of new organized wholesale energy markets in line with market development.

1) To decide on the regulations regarding employee benefits, compensation, in-kind and in-cash consideration, bonuses and all kinds of social rights and benefits.

i) To determine the job descriptions, powers and responsibilities, working procedures and principles, and the limits of representation and signature authority and finalize the number of employees.

j)¹⁸

k) To select the members of, to determine the criteria, procedures and principles for their selection and operation of committees to be established, and to continuously audit their activities.

l) To determine the principles regarding the organizational structure and transfer of management, including the opening and closing of offices and representative offices.

m) To prepare an internal directive containing the rules regarding the working principles and procedures of the General Assembly.

n) To submit proposals to the General Assembly on the selection of the independent external audit firm.

o)¹⁹ To submit legislative proposals to the Authority regarding the execution of market surveillance activities.

ö)²⁰ To examine the reports prepared by the Market Surveillance Director and to take the necessary measures.

(5) In order to carry out Company activities, the Board of Directors may delegate to the General Manager all or some of its duties and powers other than those that are nontransferable and may not be waived.

(6)²¹

(7) The Board of Directors is obliged to fulfill other duties and powers assigned to it by the Company's Articles of Association.

CHAPTER THREE

Committees and Their Duties

Establishment of Committees

ARTICLE 8 – (1) The Board of Directors may establish committees that will report to it, in order to carry out its activities effectively and efficiently, and to fulfill its duties and responsibilities in a healthy manner, without being limited to those committees set out in this Regulation. The duties, powers and responsibilities of these committees and their working procedures and principles

¹⁷ Amended pursuant to the Regulation published in the Official Gazette dated 04 March 2021 and numbered 31413.

¹⁸ Repealed pursuant to the Regulation published in the Official Gazette dated 04 March 2021 and numbered 31413.

¹⁹ Amended pursuant to the Regulation published in the Official Gazette dated 04 March 2021 and numbered 31413.

²⁰ Amended pursuant to the Regulation published in the Official Gazette dated 04 March 2021 and numbered 31413.

²¹ Repealed pursuant to the Regulation published in the Official Gazette dated 04 March 2021 and numbered 31413.

shall be determined by the Board of Directors in accordance with the provisions of the relevant legislation.

Audit and Compliance Committee

ARTICLE 9 – (1) The Audit and Compliance Committee shall consist of 3 (three) Board members. The Audit and Compliance Committee shall elect a chairman from among the committee members.

(2) The duties and powers of the Audit and Compliance Committee shall be as follows:

a) To monitor compliance with Company values and ethical rules determined by the Board of Directors.

b) To monitor the execution of all Company activities in accordance with the relevant legislation.

c) To monitor the effectiveness and efficiency of the accounting system.

ç) To assist the oversight of the Board of Directors in ensuring that financial reports are understandable, transparent and reliable.

d) To supervise the independent audit activities and to submit suggestions for the selection of the independent external audit firm.

e)²²

f) To monitor whether actions regarding internal audit results are taken, to evaluate the functionality of the internal control system and to submit the necessary measures to the Board of Directors.

Early Detection of Risk Committee

ARTICLE 10²³ – (1) The Early Detection of Risk Committee shall consist of 3 (three) members of the Board of Directors. The committee shall select a chairman from among its members.

(2) The duties and powers of the Early Detection of Risk Committee shall be as follows:

a) To make suggestions to the Board of Directors on risk management strategies and policies;

b) To develop recommendations in order to determine the principles of risk management practice and establish risk management mechanisms within the framework of the strategies and policies accepted by the Board of Directors;

c) To evaluate the effectiveness and functionality of risk management mechanisms and to ensure that necessary issues are referred to the Board of Directors through a functional risk monitoring system;

ç) To evaluate the risk factors that may affect the achievement of Company targets according to their effects and probabilities and report them to the Board of Directors.

Market Monitoring Committee

ARTICLE 11²⁴ –

²² Repealed pursuant to the Regulation published in the Official Gazette dated 27 June 2015 and numbered 29399.

²³ Amended pursuant to the Regulation published in the Official Gazette dated 27 June 2015 and numbered 29399.

²⁴ Repealed pursuant to the Regulation published in the Official Gazette dated 04 March 2021 and numbered 31413.

CHAPTER FOUR

General Manager

Qualifications and employment ban of the General Manager

ARTICLE 12 – (1) The qualifications specified in the Articles of Association for members of the Board of Directors shall be sought in the General Manager.

(2)²⁵ The General Manager may serve as a board of directors member in publicly owned or public subsidiary companies that are not directly involved in market activities. Aside from that, the General Manager cannot take any position in public or private organizations during his term of duty, unless it is based on a special law, and cannot hold shares in companies with licenses in the electricity and natural gas market.

The duties and powers of the General Manager

ARTICLE 13²⁶ – (1) The General Manager shall be obliged to manage the Company with care and prudence in line with the decisions of the General Assembly and the Board of Directors, and within the framework of the provisions of the Turkish Commercial Code, the Electricity Market Law, other relevant legislation and the Articles of Association.

(2) The Board of Directors may delegate its duties and powers listed below to the General Manager, to the exclusion of its duties and powers that are nontransferable and may not be waived:

a) To evaluate the strategic plan draft and submit the same to the Board of Directors for approval.

b) To decide on the Company policies to be implemented in line with the strategies determined by the Board of Directors.

c) To prepare the drafts of the internal directives and operating procedures of the Company and submit them to the Board of Directors.

ç)²⁷ To evaluate and submit to the Board of Directors the procedures and principles prepared or updated regarding the energy markets included in its market operation license, other energy markets, the YEK-G system and the organized YEK-G market.

d) To coordinate efforts to establish new organized wholesale energy markets in line with market development, and to present them to the Board of Directors.

e)²⁸ To evaluate and present new products and transactions in the energy markets included in its market operation license, other energy markets, the YEK-G system and the organized YEK-G market; and to present them to the Board of Directors.

f)²⁹ To submit suggestions regarding the acquisition, development, removal or modification of the necessary information technology systems to the approval of the Board of Directors, in order to ensure the execution of transactions in the energy markets included in its market operation license, other energy markets, the YEK-G system and the organized YEK-G market.

²⁵ Amended pursuant to the Regulation published in the Official Gazette dated 17 October 2018 and numbered 30568.

²⁶ Amended pursuant to the Regulation published in the Official Gazette dated 04 March 2021 and numbered 31413.

²⁷ Amended pursuant to the Regulation published in the Official Gazette dated 04 March 2021 and numbered 31413.

²⁸ Amended pursuant to the Regulation published in the Official Gazette dated 04 March 2021 and numbered 31413.

²⁹ Amended pursuant to the Regulation published in the Official Gazette dated 04 March 2021 and numbered 31413.

g) To evaluate the studies and suggestions regarding the cooperation of the Company with foreign market operators and submitting them to the Board of Directors.

ğ) To evaluate market merger studies with one or more energy markets and submitting them to the Board of Directors.

h)³⁰ Performing service procurement regarding energy markets included in its market operation license, other energy markets, and activities within the scope of the YEK-G system and the organized YEK-G market.

ı) To submit market operation tariff studies to the Board of Directors.

i) To present to the Board of Directors the fee to be paid to the central settlement institution in return for the services to be provided by the central settlement institution to legal entities operating in the market.

j)³¹ To examine the market surveillance reports and to ensure that the necessary measures are taken in accordance with the relevant legislation and agreements signed between the Company and market participants.

k) To approve market participant applications, to decide on temporary or permanent cancellation of permits to trade in the operated markets within the framework of market participation agreements and the relevant legislation.

l) To prepare the budget of the Company, to decide on the content and timing of the income items and submit it to the Board of Directors for approval.

m) To take necessary measures by examining periodic budget realization reports.

n) To present the investment plan to the Board of Directors and to make the necessary investments in line with the approved plan.

o) To implement the necessary measures in order to prevent identified financial risks.

ö) To finalize procurement decisions within its authority; to decide on transactions regarding receivables, rights and debts of the Company with third parties.

p) To determine the information flow and reporting lines within the Company and to ensure functioning of the same.

CHAPTER FIVE

Service Units and Their Duties

Service Units and Their Duties

ARTICLE 14³² – (1) The service units of the Company shall be as follows:

a) Market Operations Directorate.

b) Strategy Development Directorate.

c) Information Technologies Directorate.

ç) Internal Control and Risk Management Directorate.

d) Finance and Support Services Directorate.

e)³³ Market Surveillance Directorate.

³⁰ Amended pursuant to the Regulation published in the Official Gazette dated 04 March 2021 and numbered 31413.

³¹ Amended pursuant to the Regulation published in the Official Gazette dated 04 March 2021 and numbered 31413.

³² Amended pursuant to the Regulation published in the Official Gazette dated 27 June 2015 and numbered 29399.

³³ Inserted pursuant to the Regulation published in the Official Gazette dated 04 March 2021 and numbered 31413.

e) Legal Consultancy Department

(2) Service units shall be obliged to operate in accordance with the Company policies determined by the Board of Directors, the internal directives and operating procedures put into effect by the Board of Directors, and the relevant legislation.

(3) Service units shall be obliged to work in accordance with the job descriptions, powers and responsibilities, working procedures and principles, information flow and reporting rules, representation and signature authority limits determined by the Board of Directors.

Directors

ARTICLE 15³⁴ – (1) Directors shall report to the General Manager. The Internal Control and Risk Management Director and Market Surveillance Director shall report to the Board of Directors and the committees established within the Board of Directors in terms of their activities, and to the General Manager in terms of the administrative aspects. The General Manager may assign duties by delegating authority and responsibility among Directors within the framework of the business and needs anticipated while managing the Company.

(2) The General Manager shall appoint a Director to represent him/her in his/her absence.

Market Operations Directorate

ARTICLE 16 – (1) The duties and powers of the Market Operations Directorate shall be as follows:

a) To submit to the approval of the General Manager the temporary or permanent cancellation of the licenses to operate in the markets, when necessary, within the framework of the Market Participation Agreements and the relevant legislation.

b)³⁵ To perform registration procedures for market participants to operate in the markets operated by TEİAŞ and the Company, and sharing the relevant registration information with TEİAŞ and BOTAŞ.

c) To announce the purchase and sales amounts and the market price in line with the orders submitted by market participants.

ç)³⁶ To report trade results, payment information, collateral information and other relevant data regarding energy markets included in its market operation license, other energy markets, YEK-G system and organized YEK-G market to the relevant market participant.

d)³⁷ To examine and conclude the objections that may be raised regarding the transactions taking place in the energy markets included in its market operation license, other energy markets, the YEK-G system and the organized YEK-G market.

e)³⁸ To perform collateral calculations regarding energy markets included in its market operation license, other energy markets, YEK-G system and organized YEK-G market; to accept cash and/or non-cash collaterals to be deposited by market participants.

³⁴ Amended pursuant to the Regulation published in the Official Gazette dated 27 June 2015 and numbered 29399; Inserted pursuant to the Regulation published in the Official Gazette dated 04 March 2021 and numbered 31413.

³⁵ Amended pursuant to the Regulation published in the Official Gazette dated 04 March 2021 and numbered 31413.

³⁶ Amended pursuant to the Regulation published in the Official Gazette dated 04 March 2021 and numbered 31413.

³⁷ Amended pursuant to the Regulation published in the Official Gazette dated 04 March 2021 and numbered 31413.

³⁸ Amended pursuant to the Regulation published in the Official Gazette dated 04 March 2021 and numbered 31413.

f) To determine new methods for collateral calculation, if necessary, and to take the necessary measures in case collateral is not provided.

g)³⁹ To carry out financial settlement procedures regarding the organized wholesale electricity markets and the organized wholesale natural gas sales market that are within its scope of duty, organized wholesale electricity markets operated by TEİAŞ within the scope of its market operation license and imbalance calculations; to calculate the receivable and debt amounts to be accrued, and prepare the relevant receivable-debt notifications.

ğ)⁴⁰ To ensure the necessary communication with Borsa İstanbul A.Ş., İstanbul Clearing and Custody Bank A.Ş., TEİAŞ, BOTAŞ and other related parties in order to carry out settlement, collateral, payment and collection transactions.

h) To ensure confidentiality of all kinds of information and data that qualify as commercial information regarding market participants that are not intended to be disclosed to the public.

ı) To publish statistics on price formation and transactions within the scope of its data publishing activities with the aim of independence, transparency and non-discrimination between the parties.

i) To prepare other reports requested by the Ministry and the Authority.

j) To conduct studies to determine market operating tariffs within the framework of the procedures and principles determined by the Authority and to submit them to the General Manager.

k) To determine the price to be paid to the central settlement institution in consideration of the services to be provided by the central settlement institution to legal entities operating in the market.

l)⁴¹ To work in coordination with other relevant Directorates for the establishment of new organized wholesale energy markets in line with market development.

m)⁴² To submit proposals to other relevant Directorates for the development of solutions that will support the efficient development of the energy markets included in its market operation license, other energy markets, the YEK-G system and the organized YEK-G market.

n)⁴³

o) To establish a Call Center in order to provide effective and fast service to the market participants regarding the operated markets, to answer questions directed through the Call Center in coordination with the relevant units, to correct it or convey it to the relevant units for correction in the event of an error being detected.

ö) To fulfill other duties assigned by the General Manager that fall within the scope of its duty and the exercise of its powers.

Strategy Development Directorate

ARTICLE 17⁴⁴ – (1) The duties and powers of the Strategy Development Directorate shall be as follows:

a) To prepare the draft of strategic plan and to submit it to the General Manager;

³⁹ Amended pursuant to the Regulation published in the Official Gazette dated 04 March 2021 and numbered 31413.

⁴⁰ Amended pursuant to the Regulation published in the Official Gazette dated 04 March 2021 and numbered 31413.

⁴¹ Amended pursuant to the Regulation published in the Official Gazette dated 04 March 2021 and numbered 31413.

⁴² Amended pursuant to the Regulation published in the Official Gazette dated 04 March 2021 and numbered 31413.

⁴³ Repealed pursuant to the Regulation published in the Official Gazette dated 27 June 2015 and numbered 29399.

⁴⁴ Amended pursuant to the Regulation published in the Official Gazette dated 27 June 2015 and numbered 29399.

b) To prepare action and investment plans in line with the Company's mission, vision, strategy and policies;

c) To determine the performance and quality indicators of the Company; to make suggestions for improvement by monitoring corporate performance and quality;

ç) To provide all kinds of consultancy, training, seminar and course services related to its field of activity; to cooperate with institutions and organizations related to their fields of activity and to participate in their activities; to contribute to the efforts to establish and operate vocational training institutions for energy market activities;

d) To promote the Company at national and international level; to communicate with the media;

e) To interpret the legislation in force regarding the Company and its activities and the obligations arising from these regulations and to inform other units on this matter; to provide opinions in coordination with relevant units by following the legislative amendments and amendment proposals;

f)⁴⁵ (**Amended: 04/03/2021 – Regulation No. 31413/ art.10**) To prepare, update and submit to the General Manager the principles and procedures regarding the energy markets included in its market operation license, other energy markets, the YEK-G system and the organized YEK-G market, in cooperation with the relevant units;

g) To prepare drafts of internal directives and operating procedures regarding the Company, to update them and submit them to the General Manager;

ğ)⁴⁶ (**Amended: 04/03/2021 – Regulation No. 31413/ art.10**) To carry out new product development activities that will be subject to trade in energy markets included in its market operation license, other energy markets, YEK-G system and organized YEK-G market;

h)⁴⁷ (**Amended: 04/03/2021 – Regulation No. 31413/ art.10**) To work towards the establishment of new organized wholesale energy markets in line with the development of the market, to develop solutions that will support the effective development of the energy markets included in its market operation license, other energy markets, the YEK-G system and the organized YEK-G market, in line with the opinions of the relevant units;

ı) To carry out work regarding the cooperation prospects of the Company with foreign market operators;

i) To carry out studies for market merger with one or more energy markets;

j) To fulfill other duties assigned by the General Manager that fall within its scope of duty and exercise its powers.

Information Technologies Directorate

ARTICLE 17/A⁴⁸ – (1) The duties and powers of the Information Technologies Directorate shall be as follows:

⁴⁵ Amended pursuant to the Regulation published in the Official Gazette dated 04 March 2021 and numbered 31413.

⁴⁶ Amended pursuant to the Regulation published in the Official Gazette dated 04 March 2021 and numbered 31413.

⁴⁷ Amended pursuant to the Regulation published in the Official Gazette dated 04 March 2021 and numbered 31413.

⁴⁸ Inserted pursuant to the Regulation published in the Official Gazette dated 27 Jun 2015 and numbered 29399.

a) To determine the information technology strategy of the Company and to ensure that application development and/or supply projects are carried out in line with the information technology strategy;

b) To ensure the accessibility, continuity and operation of managed systems; to ensure system backup, capacity management, performance tracking, optimization, patch management, identity management, access and authorization;

c) To ensure that application changes and updates are carried out in a way that does not cause interruptions in systems; to ensure that the systems used are up-to-date and secure, to make suggestions and studies for the application of appropriate technological innovations on the software developed;

ç) To plan and execute the required technological innovations; to implement methods to close gaps and troubleshoot operating problems in managed systems; to prepare technical specifications for the purchase of required software and systems;

d) To plan activities such as installation, configuration, capacity management, patch management, change management, operation and maintenance, security, hot/cold backup and system restore for the Company's database management systems, to prepare and document the necessary procedures and applications for these operations;

e) To ensure the management and coordination of information technology projects carried out in the Company within the framework of program management principles; to determine the Company's quality policies in the field of information technologies, to ensure that the management of systems, software development processes and the supplied software and hardware comply with the quality policies; to determine the most suitable software development methodologies for information technology projects carried out within the Company and to ensure their implementation;

f) To determine and monitor Company's information security processes; to establish information security policies and controls and monitor compliance with them; to implement periodic security audits and tests in order to guarantee the security of information systems and the data it contains;

g) To make risk assessments for information technology assets and processes within the company and to produce and implement preventive policies for identified risks;

ğ)⁴⁹ To follow the innovations and legislative amendments regarding energy markets included in its market operation license, other energy markets, YEK-G system and organized YEK-G market; to acquire information technology systems and necessary hardware to meet the amended requirements, to develop software and/or to purchase from external suppliers and to integrate with existing systems, to provide test systems for users;

h) To follow the developments in the field of information technologies that will enable the establishment of new organized wholesale energy markets or to develop existing markets in line with the development of energy markets, to develop solutions and suggestions that will support the effective development of organized wholesale energy markets by working with the relevant units;

ı) To fulfill other duties assigned by the General Manager that fall within the scope of its duty and to use its powers.

⁴⁹ Amended pursuant to the Regulation published in the Official Gazette dated 04 March 2021 and numbered 31413.

Internal Control and Risk Management Directorate

ARTICLE 17/B⁵⁰ – (1) The duties and powers of the Internal Control and Risk Management Directorate shall be as follows:

- a) To determine the values and ethical rules of the Company and submit them to the approval of the Board of Directors;
- b) To establish the necessary internal control procedures to monitor the execution of the Company's activities in accordance with the legislation and internal regulations and submit them to the approval of the Board of Directors;
- c) To establish necessary internal control procedures to ensure that financial reports are accurate, understandable, transparent and reliable and submit them to the approval of the Board of Directors;
- ç) To prepare the necessary periodic reports according to the internal control procedures approved by the Board of Directors and submit them to the Board of Directors;
- d) To supervise independent external audit activities and to carry out the necessary work for the selection of an independent external auditor;
- e) To report on whether necessary actions have been taken regarding the results of internal audit and to submit them to the Board of Directors;
- f) To determine the risk management strategies and policies for the purpose of early diagnosis of the causes that may endanger the existence, development and continuation of the Company, to take the necessary precautions regarding the detected risks and to manage the risks, and to submit them to the Board of Directors for approval;
- g) To determine the principles of risk management practice and to establish risk management mechanisms within the framework of the strategies and policies accepted by the Board of Directors;
- ğ) To review the risk management system at least once a year;
- h) To prepare a risk report that evaluates the risk situation every two months that points out the threats, if any, and shows the remedies, and submit it to the Board of Directors;
- ı) To send the reports prepared to the independent external auditor of the Company after being evaluated by the Board of Directors of the Company;
- i) To carry out its activities under and in coordination with the Audit and Compliance Committee and Early Detection of Risk Committees established within the Board of Directors according to their relevance;
- j) To discuss the suggestions and reports to be submitted to the Board of Directors in these committees first, and then to submit them to the Board of Directors together with the committee decision;
- k) To write and maintain the committee decisions of the Audit and Compliance Committee and the Early Detection of Risk Committees and to perform similar secretarial services.

Finance and Support Services Directorate

ARTICLE 18 – (1) The duties and powers of the Finance and Support Services Directorate shall be as follows:

⁵⁰ Inserted pursuant to the Regulation published in the Official Gazette dated 27 June 2015 and numbered 29399.

a) To perform or procure services regarding communication, cleaning, lighting, heating, construction, maintenance, repair, transportation, security and similar services that are needed by the Company.

b) To carry out purchasing, leasing and insurance works; to prepare specifications, to execute tender procedures and to finalize contracts within the scope of the purchase and rental process of goods and services.

c) To carry out general documentation and archival work; to carry out transactions and keep records of movable and immovables, scrap and waste.

ç) To plan and execute civil defense, disaster and emergency and mobilization services.

d) To prepare the draft budget by consolidating the budget estimates received from other units in each budget period to submit to the General Manager.

e) To follow the cash flow in the Company account within the scope of the budget; to identify and meet financing needs; to provide opinion to the General Manager regarding the determination of financial risks and measures.

f) To prepare periodic budget execution reports and submitting them to the General Manager and the Board of Directors.

g) To prepare and report periodic financial statements.

ğ) To establish the necessary accounting system in order to carry out the accounting transactions of the Company effectively and efficiently.

h) To carry out the accounting procedures of the Company, to keep archives of accounting documents and records.

ı) To perform billing, collection and payment transactions in line with the published settlement results.

i) To make intra-company personnel payments, legal payments to institutions and other payments to be made outside the Company, to provide follow-up and collection of receivables.

j)⁵¹

k) To determine the human resources strategy to take place in the strategic plan.

l) To carry out recruitment activities for new employees of the Company.

m) To carry out the works and procedures relating to the personal rights of the employees of the Company; to provide necessary communication with SGK, İŞKUR and similar institutions regarding personnel processes and to make necessary legal notifications.

n) To perform activities related to employees' leave, appointment, relocation, promotion, retirement, rewards and disciplinary procedures.

o) To evaluate and follow up employees' annual leave, excuse and sick leave requests.

ö) To establish individual performance management system and related procedures.

p) To create the career plans of the employees, to follow their development, to carry out the procedures related to performance and career evaluations.

r) To create the training plans for the employees and to send the employees to domestic and foreign postgraduate education programs and temporary professional duties abroad in line with these plans.

s) To organize cultural, sports and social activities in order to motivate the employees and increase employee satisfaction.

⁵¹ Repealed pursuant to the Regulation published in the Official Gazette dated 27 June 2015 and numbered 29399.

ş) To carry out transactions regarding periodic payments such as wages, additional payments, overtime, and non-periodic payments such as travel expenses and compensation and to ensure that these payments are made.

t) To carry out transactions regarding all kinds of side benefits and assistance.

u) To determine the necessary measures regarding occupational safety, occupational health and security and to ensure that they are implemented.

ü) To fulfill other duties assigned by the General Manager that are within the scope its duties and exercise of its powers.

Market Surveillance Directorate

ARTICLE 19⁵² – (1) Market Surveillance Directorate shall consist of a Market Surveillance Director and enough personnel. The Market Surveillance Director shall be responsible to the General Manager in terms of administration, and to the Board of Directors in terms of its activities.

(2) Market Surveillance Directorate shall carry out its activities independent from the Company and market participants and on the basis of confidentiality. The Board of Directors shall take the necessary administrative and financial measures to enable the Directorate to carry out its activities independently.

(3) The duties and powers of the Market Surveillance Directorate shall be as follows:

a) To carry out market surveillance activities in line with the duty of the Company to ensure the formation of prices within the framework of supply and demand without discrimination between equal parties, and in line with other national or international market surveillance procedures and practices.

b) To present to the Board of Directors the studies for the acquisition or development of automated market surveillance systems that will minimize human intervention in order to ensure that market surveillance activities are carried out effectively and efficiently.

c) To report the results obtained as a result of market surveillance activities to the Chairman of the Board of Directors to be submitted to the Authority.

ç) In case transactions are detected by the systems used in market surveillance that create market abuse and/or possibility of market abuse, to take the necessary precautions stipulated in the relevant legislation and contracts and to submit detailed data regarding these transactions to the Authority as soon as possible in order to audit them.

d) To submit the monthly market surveillance activity report, which does not contain trade secret information regarding the market participants, to the Board of Directors for submission to the Authority.

e) To make suggestions to the Board of Directors on issues that will contribute to market development as a result of market surveillance activities.

f) To evaluate the reliability, performance, reporting capacity and flexibility of market surveillance systems and submitting reports to the Board of Directors relating to these.

g) To conduct studies on information sharing with the public, to submit suggestions to the Board of Directors on the information to be published.

Legal Department

⁵² Inserted pursuant to the Regulation published in the Official Gazette dated 04 March 2021 and numbered 31413.

ARTICLE 19 – (1) Legal Consultancy Department shall carry out its activities directly under the General Manager.

(2) The duties and powers of the Legal Consultancy Department shall be as follows:

a) To provide legal consultancy to the Board of Directors, General Manager and Committees.

b) To represent the Company before judicial and administrative authorities, arbitrators, enforcement offices, commissions, relevant public institutions, organizations, and international arbitration courts in legal matters related to the Company's duties.

c) To follow up all kinds of lawsuits, executions and disputes to which the Company is a party, to represent the Company in order to resolve it, to inform the relevant parties, to carry out the procedures for initiating legal proceedings when necessary.

ç) To express opinion on all kinds of legislation, contracts, proposals, undertakings and drafts sent from related parties.

d)⁵³

e) To inform the Board of Directors and the General Manager about the legal measures to be adopted for the benefit of the Company and to implement these measures.

f) To fulfill other duties assigned by the General Manager that falls within the scope of its duties and to use its powers.

CHAPTER SIX

Provisional and Final Provisions

Confidentiality Obligation

ARTICLE 20 – (1) Members of the Board of Directors shall not use trade secrets identified in relevant legislation regarding Market Participants either to their own or any other party's benefit.

(2) Employees of the Company shall be obliged to comply with the confidentiality of secrets pertaining to partnerships, institutions and all other individuals and legal entities who are related to the Company as well as the Company itself, which they learn due to their title and duties; and not to disclose these secrets to anyone other than the authorized persons and authorities identified in the legislation, and not to use these secrets for their own benefit or to the benefit or detriment of third parties. This obligation shall continue to apply after an employee is no longer employed in the Company.

Matters not Addressed under the Regulation

ARTICLE 21 – (1) The Board of Directors shall be authorized to make decisions, make arrangements and put into practice matters that are not addressed under this Regulation regarding the management of the Company or matters that are not clear.

Enforcement

ARTICLE 22 - (1) This Regulation shall enter into force on the date of its publication.

Execution

⁵³ Repealed pursuant to the Regulation published in the Official Gazette dated 27 June 2015 and numbered 29399.

ARTICLE 23 - (1) The provisions of this Regulation shall be executed by the Chairman of the Board.

	Regulation Published in the Official Gazette	
	Dated	Numbered
	1/4/2015	29313
	Regulations Amending the Regulation Published in the Official Gazettes	
	Dated	Numbered
	1	27/6/2015
2	17/10/2018	30568
3	4/3/2021	31413