

# **AG ANADOLU GRUBU HOLDİNG A.Ş.**

## **Corporate Governance Committee Charter**

**This Charter is approved by the Board Resolution dated February 2, 2018 and numbered (3).**

**Prepared by**  
Corporate Governance Committee

**Approved by**  
Board of Directors

**AG ANADOLU GRUBU HOLDİNG A.Ş.**  
**CORPORATE GOVERNANCE COMMITTEE CHARTER**

**1. GENERAL PRINCIPLES**

**Scope**

- 1.1.** This charter organizes the rules governing the Corporate Governance Committee of AG Anadolu Grubu Holding A.Ş.'s ("The Corporate Governance Committee") within the framework of Capital Markets Board Law and Corporate Governance Principles announced by Capital Markets Board.

**Purpose**

- 1.2.** The mission of The Corporate Governance Committee is to identify potential areas of improvement and to make recommendations to the Board of Directors to ensure that AG Anadolu Grubu Holding A.Ş. (The Company) becomes a role model for corporate governance and the most trusted Company by its stakeholders.
- 1.3.** The Corporate Governance Committee shall supervise the execution and the efficiency of the Corporate governance system of the Company in order to monitor the Company's compliance with the corporate governance principles suggestions to the Board, according to the given duty, authority and responsibilities given by the charter.
- 1.4.** The Corporate Governance Committee's objective is to create a culture and a climate of consistency, responsibility, accountability, fairness, transparency, and effectiveness that is deployed throughout the organization.

**2. THE CORPORATE GOVERNANCE COMMITTEE'S COMPOSITION, STRUCTURE AND APPLICATION PRINCIPLES**

- 2.1.** Board of Directors selects and appoints the members of the Committee among the Board members and the Committee comprises of at least two members. The majority of the Committee members are elected among the non-executive members of the Board. Qualified people who are not Board members can also be appointed as members the Corporate Governance Committee.

Investor Relations manager is appointed as a member of the Corporate Governance Committee.

The Corporate Governance Committee members are not supposed to be a member of another committee in the Board of Directors. However, to provide coordination between committees and contribute to work effectively, it is possible to appoint committee members as "associate member" to other committees.

The CEO or the General Manager cannot assume any position in the Committee.

The Committee members are to be appointed every year in the first Board of Directors meeting, following the Ordinary General Assembly meeting. The Corporate Governance Committee will serve until the next Ordinary General Assembly meeting.

The Board of Directors can terminate the membership of any and/or all of the Corporate Governance Committee members anytime. The Board then appoints new members for completing the term of office upon termination of the Committee membership, resignation or death of any committee member.

- 2.2.** The Corporate Governance Committee members select a chairman among them. Chairman of the committee should be elected among independent members of Board.
- 2.3.** The Corporate Governance Committee shall have the authority, to the extent it deems as necessary or appropriate, to retain independent advisors/experts or might engage regular “consultants” to the Committee. The Company shall provide the appropriate funding for respective fees of consulting services and “consultants”. However, in such a situation the annual report should provide information regarding the person/institution that provides the service and whether this person/institution has a relation with the Company or not.
- 2.4.** The Corporate Governance Committee shall convene at least four times per annum. The scheduling for the Corporate Governance Committee meetings should be parallel with that of the Board of Directors’ meetings. The Chair of the Committee briefs the Board of Directors concerning annual meeting plans.
- 2.5.** In case of an urgent need, upon the call of the Chair or any other member of the Corporate Governance Committee and the Chair of the Board of Directors, the Committee can hold extraordinary meetings.
- 2.6.** The members of the Corporate Governance Committee can hold online meetings or make phone meetings.
- 2.7.** The Corporate Governance Committee makes decisions through majority vote. In the case of an equality of votes on any issue, the Chair shall have the casting vote.
- 2.8.** The Corporate Governance Committee shall have the authority to meet any executives from senior management and employees at all levels within the framework of privacy principles, when it is deemed as necessary and appropriate.
- 2.9.** The Board of Directors and the management shall provide all necessary resources and support to the Corporate Governance Committee for its duties to be performed.
- 2.10.** The Committee should keep records of all their work in a documented manner. The “formal approval” of the meeting minutes of the Committee is obtained in the following meeting. The Committee’s written and signed meeting minutes and decisions should be maintained.
- 2.11.** The Corporate Governance Committee regularly briefs the Board of Directors about its meeting resolutions, important sightings, detections and recommendations.
- 2.12.** Any change to the Charter of the Corporate Governance Committee is subject to the approval of the Board of Directors.
- 2.13.** The Company forms the necessary mechanisms in order for the stakeholders to communicate with the “Corporate Governance Committee” or the “Audit Committee” about Company’s practices which are contrary to the legislation and unethical.

### **3. THE CORPORATE GOVERNANCE COMMITTEE'S DUTIES AND RESPONSIBILITIES**

- 3.1.** The Corporate Governance Committee desires to implement continuous improvement processes in the frame of both Capital Markets Board of Turkey and internationally accepted standards in order to have best practices within the Company.
- 3.2.** Determining whether or not corporate governance principles are being fully implemented by the Company, if not, the reason thereof, and state any conflict of interests arising as a result of imperfect implementation of these principles, and present remedial principles to the Board of Directors, is one of the responsibilities of the Committee.
- 3.3.** The Corporate Governance Committee should set the standards for all disclosures and basic principles of the investor relations, and review the benchmarks and adherence to these standards on an annual basis, make necessary recommendations to the Board of the Company.
- 3.4.** Until establishing a Nomination Committee and a Remuneration Committee, The Corporate Governance Committee exercises the functions of these committees based on the Committee principles.
- 3.5.** The Board members' orientation is under the Committee's responsibility.
- 3.6.** The Corporate Governance Committee submits the Company's disclosure policy to the Board of Directors for approval.
- 3.7.** The Corporate Governance Committee approves the Company's Corporate Governance Compliance Report and submits to the Board of Directors as a part of the annual report.
- 3.8.** The Corporate Governance Committee makes recommendations to the Boards of Directors and such recommendations do not eliminate responsibilities and duties of the Board that derives from Turkish Commercial Code.
- 3.9.** The Corporate Governance Committee ensures that a system with regards to the principles and practices regarding the evaluation of the performances, career planning and rewarding of the Board Members and executives is implemented, reviews this system and makes recommendations on this system.
- 3.10.** The Corporate Governance Committee prepares and presents an annual assessment report to the Board of Directors, which will be included in the annual report and consists of information like members of the Committee, the frequency of the meetings, the activities carried out, in addition to the working principles and evaluation of the Committee's efficiency, which will constitute a base for the Board's evaluation, and presents it to the Board
- 3.11.** The Corporate Governance Committee should evaluate and resolve any issues related to corporate governance.
- 3.12.** The Corporate Governance Committee shall review and supervise the studies regarding sustainability.
- 3.13.** In order to maintain integrity regarding corporate governance, the Corporate Governance Committee shall review the other Committee Charters and advise the related committees as necessary.

#### **4. ASSESSMENT**

- 4.1.** The Corporate Governance Committee conducts an annual performance assessment review in relative to the Committee's purpose, duties and responsibilities outlined herein and presents to the Board of Directors.

#### **5. ENFORCEMENT**

- 5.1.** This charter regarding the duties and working principles of the Corporate Governance Committee and further changes to this charter shall be effective with the approval of Board of Directors and is announced on KAP (Public Disclosure Platform).