

# **SASA POLYESTER SANAYİ A.Ş.**

## **BOARD OF DIRECTORS COMMITTEES INTERNAL REGULATIONS**

### **CORPORATE GOVERNANCE COMMITTEE**

<b>REVISION NO</b>	<b>2</b>
<b>EFFECTIVE DATE</b>	<b>03.05.2012</b>
<b>FIRST REVISION</b>	<b>30.06.2014</b>
<b>SECOND REVISION</b>	<b>31.07.2017</b>

## **1. DECISION OF ESTABLISHMENT**

Created in accordance with the Corporate Governance Principles of the Capital Markets Board (CMB), this Committee was established with the decision of Sasa Board of Directors dated 03.05.2012.

## **2. PURPOSE**

A Corporate Governance Committee has been established to assist the Board of Directors fulfill its duties and responsibilities in a healthy manner. Corporate Governance is the management process of Sasa Polyester Sanayi A.Ş. based on ethical values, responsible to the inside and outside, transparent and responsible in its decisions, taking into account the interests of its stakeholders and aiming at sustainable success.

The Committee makes propositions and makes recommendations to Sasa Board of Directors to determine the Corporate Governance Principles in line with the CMB and other internationally accepted Corporate Governance Principles.

## **3. DUTIES AND RESPONSIBILITIES OF THE CORPORATE GOVERNANCE COMMITTEE**

### **3.1. DUTIES AND RESPONSIBILITIES UNDER THE CORPORATE GOVERNANCE COMMITTEE**

3.1.1. It determines whether the Corporate Governance Principles are applied in the company if not, the reason and the conflicts of interest that occur due to not fully complying with these principles, and makes recommendations to the Board of Directors to improve Corporate Governance Practices.

3.1.2 It supervises the work of the Investor Relations Department.

### **3.2. DUTIES AND RESPONSIBILITIES UNDER THE NOMINATION AND REMUNERATION COMMITTEE**

3.2.1 It works to establish a transparent system for the identification, evaluation, and training of suitable candidates for the Board of Directors and to determine policies and strategies in this regard.

3.2.2 It determines the approaches, principles, and practices of the Members of the Board of Directors and Senior Executives regarding performance evaluation and career planning, and supervises them.

- 3.2.3 It determines the recommendations of the Members of the Board of Directors and the Senior Executives regarding the principles of remuneration, taking into account the long-term goals of the company.
- 3.2.4 It determines the criteria that can be used in remuneration, taking into account the performance of the company and the member.
- 3.2.5 Considering the degree of achievement of the criteria, it submits its proposals to the Board of Directors regarding the remuneration to be given to the Members of the Board of Directors and Senior Executives.
- 3.2.6 It supports studies on compliance with Sasa business ethics values.
- 3.2.7 Committee Decisions are advisory to the Board of Directors, and the final decision maker on related matters is the Board of Directors.
- 3.2.8 The Committee notifies its evaluations and recommendations on the above issues in writing to the Members of the Board of Directors.

Corporate Governance Committee; evaluates the independent member candidate proposals, including the candidates proposed by the management and shareholders, by taking into account whether the candidate meets the independence criteria, and submits its evaluation to a report for the approval of the Board of Directors.

The Independent Board Member Candidate submits a written statement to the Corporate Governance Committee, at the time of nomination, that he is independent within the framework of the criteria set by the legislation, articles of association, and CMB Legislation.

## **4 STRUCTURE**

Corporate Governance Committee consists of a maximum of four Members including the Chairman appointed by Sasa Polyester Sanayi A.Ş. Board of Directors and a maximum of two Reporters, in line with the "Corporate Governance Principles" of the CMB.

### **4.1. Chairman**

The Chairman of the Corporate Governance Committee is appointed by Sasa Polyester Sanayi A.Ş. Board of Directors from among the Independent Members of the Board of Directors.

If the Chairman of the Committee becomes vacant for any reason, the Chairman of the Board of Directors appoints one of the Committee Members as the temporary chairman until a new Chairman is appointed at the first Board Meeting following the vacancy.

## **4.2. Members**

Sasa Polyester Sanayi A.Ş. consists of a maximum of four members, two members of the Board of Directors elected by the Board of Directors, and two members from the Financial Affairs Group Directorate.

Other persons deemed appropriate by the Chairman may also attend the meetings.

## **4.3. Reporter**

A maximum of two members from the Financial Affairs Group Directorate act as the Reporter of the Corporate Governance Committee on matters related to their duties.

## **5 Reporting**

- 5.1. The decisions of the committee are kept in the minutes book to be kept for the committee.
- 5.2. Meeting minutes are kept regularly by the meeting reporters. After being approved by all Committee Members, it is presented to Sasa Polyester Sanayi A.Ş. Board of Directors.
- 5.3. The Secretariat of the Board of Directors is responsible for communicating the decisions and meeting minutes to the Members of the Board of Directors and keeping the minutes book.
- 5.4. Meeting and decision quorum is the absolute majority of the total number of members.

## **6 DETERMINATION OF THE AGENDA**

The meeting agenda is determined by the Chairman of the Committee.

Members and shareholders notify the matters they want to be included in the agenda to the Chairman of the Corporate Governance Committee through the relevant Reporter.

## **7 MEETING PLACE AND DATE**

Meetings are held at least four times a year at a location deemed appropriate by the Chairman. At the beginning of each year, the annual meeting calendar of the Corporate Governance Committee is determined by the Chairman of the Committee and announced to all members.

## **8 DUTIES OF THE CHAIRMAN**

- 8.1. He chairs the Corporate Governance Committee and manages the meetings.
- 8.2. Sets the meeting agenda.
- 8.3. He provides information flow and coordination between Sasa Polyester Sanayi A.Ş. Board of Directors and the Corporate Governance Committee.
- 8.4. During the discussion of certain issues, he may invite the relevant expert or experts to the meeting when necessary.
- 8.5. When the chairman is not attending the meeting, he appoints one of the members to chair the committee meeting.
- 8.6. He takes the necessary measures for the Committee to fulfill its duties and responsibilities effectively.

## **9 DUTIES OF THE COMMITTEE MEMBERS**

- 9.1. It is the primary duty of each member to attend the Corporate Governance Committee meetings. The member informs the Chairman of the Committee about the meeting that he cannot attend.
- 9.2. While performing his duties, he closely follows national and international developments in Corporate Governance and keeps himself updated in this field, and shares this with other members.
- 9.3. He takes part in the subjects that need to be worked on within the committee.
- 9.4. He conveys his views on the agenda to the Chairman of the Committee.

## **10 DUTIES OF THE REPORTERS**

- 10.1. They assist the Chairman of the Committee in the preparation of the agenda regarding their subjects.
- 10.2. They deliver the meeting agenda and related documents to the Committee Members before the meeting.
- 10.3. The Committee presents its decisions and meeting minutes to the Chairman of the Committee, immediately after each meeting, in writing.
- 10.4. They send the opinions and recommendations of the Committee to the Board of Directors along with the Chairman and Members of the Committee.
- 10.5. They ensure the administrative organization of the meetings. They coordinate the

participation of the people whom the Chairman of the Committee wants to attend the meeting.

- 10.6. They also perform other duties assigned by the Chairman of the Committee regarding the Corporate Governance Principles.

## **11 TERM OF OFFICE**

The term of office of the committee members is parallel to the term of office of the Members of the Board of Directors of Sasa Polyester Sanayi A.Ş. The Corporate Governance Committee is re-formed following the election of the Members of the Board of Directors.

## **12 ENFORCEMENT AND EXECUTION**

This regulation was revised and put into practice with the decision of Sasa Polyester Sanayi A.Ş. Board of Directors dated 31.01.2017 and numbered 7. The Chairman of the Committee is responsible for its execution. The Board of Directors is authorized to make necessary changes in the regulations.