

I. AIM

The purpose of this arrangement is to ensure that the Board of Directors of Batıçım Batı Anadolu Çimento Sanayii A.Ş. (the "Company") can carry out its duties and responsibilities in a healthy manner.

In accordance with The Communiqué on the Determination and Implementation of Corporate Governance Principles (Communiqué) published by the Capital Markets Board, Series IV, No. 56, determines the duties and working principles of the Corporate Governance Committee (the "Committee") to be established.

II. SCOPE

The Committee performs the duties of the Corporate Governance Committee, the Nominating Committee and the Remuneration Committee as set out in the Corporate Governance Principles. (Ref: Communiqué 4.5.1. numbered policy)

III. FORMATION OF CORPORATE GOVERNANCE COMMITTEE

1. The Corporate Governance Committee consists of at least four members of the Board of Directors. The majority of committee members are elected from among the non-executive members of the board. (Ref: Communiqué 4.5.9. numbered policy)

2. Members of the Corporate Governance Committee elect a chairman from among themselves. The chairman of the committee is elected from among the independent board members. (Ref: Communiqué 4.5.3. numbered policy)

3. The Executive Chairman/General Manager shall not take part in the committee. (Ref: Communiqué 4.5.4. numbered policy)

4. All the resources and support required to carry out their duties of the Committee are provided by the Board of Directors. The Committee may invite the administrator to their meetings and take their opinions as they deem necessary. (Ref: Communiqué 4.5.6. numbered policy)

5. The Corporate Governance Committee is appointed by the Board of Directors during the term of office of the Board of Directors. The Board of Directors may change its members or members of the Corporate Governance Committee as necessary during its term of office.

IV. Powers and Responsibilities**Corporate Governance Committee**

6. The Committee shall determine whether the Company fully implements the principles of corporate governance and why it is not being implemented if it does not, to express conflicts of interest arising from the failure to fully implement these principles, and to provides policies to improve the situation. (Ref: The policy numbered 4.5.10/a of the Communiqué.)

7. The Committee shall supervise the work of the Shareholder Relations Unit, which was established for the purpose of conducting relations with shareholders. (Ref: The policy numbered 4.5.10/b. of the Communiqué.)

Nominating Committee

8. The Committee evaluates candidate proposals for independent membership, including management and shareholders, taking into account whether the candidate carries the criteria for independence and submits its assessment by way of a report to be approved. (Ref: The policy numbered 4.3.8 of the Communiqué.)

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9. It carries out studies on the establishment of a transparent system in identifying, evaluating and training suitable candidates for the Board of Directors and determining policies and strategies in this regard (Ref: The policy numbered 4.5.11/a of the Communiqué.)

10. Makes regular assessments of the structure and efficiency of the Board of Directors and submits its recommendations regarding the changes that may be made in these matters to the Board of Directors (Ref: The policy numbered 4.5.11/b of the Communiqué.)

11. Determines and supervises approaches, principles and practices in performance evaluation and career planning of board members and senior managers. (Ref: 4.5.11/c principle numbered policy of the Communiqué.)

Remuneration Committee

12. Determines the recommendations of the board members and senior managers regarding the remuneration principles, taking into account the long-term objectives of the company (Ref: The policy numbered 4.6.3/a of the Communiqué.)

13. Determines the criteria that can be used for remuneration in connection with the performance of the Company and its members of the Board of Directors (Ref: The 4.6.3/b numbered policy of the Communiqué.)

14. Taking into account the degree of achieving the criteria, it presents its recommendations to the Board of Directors regarding the fees to be paid to board members and senior managers. (Ref: 4.6.3/c numbered policy of the Communiqué.)

15. Ensures that the fees of independent board members are at a level that protects their independence. (Ref: Communiqué 4.6.4 numbered policy.)

V. COMMITTEE MEETINGS

16. The Committee meets at the company's headquarters at least once a year regarding corporate governance, wages and nominating responsibilities. The timing of committee meetings is as consistent with the timing of board meetings as much as possible.

17. Decisions taken at committee meetings are made in writing, signed by the Committee members and stored in an orderly manner.

18. The Committee presents to the Board of Directors with a report to prepare the determinations and recommendations it has reached in relation to its field of duty and responsibility.

VI. VALIDITY

19. This regulation was approved and adopted by the Board of Directors of Batıçım Batı Anadolu Çimento Sanayii A.Ş. dated 25.01.2013, numbered 1206/01-01 and entered into force as of 25.01.2013.

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