

**PUBLIC ANNOUNCEMENT FORM**

**Title of Company / Name of Partnership** : TÜRK TUBORG BİRA VE MALT SANAYİİ A.Ş.

**Address** : Kemalpaşa Caddesi No:52 Işıkkent/İZMİR

**Telephone and Fax Number** : Tel : 0232-399 20 00  
Fax : 0232-436 19 04

**Date** : 18.04.2014

**Subject** : Duties and Operating Principles of Committees

**TO ADMINISTRATION OF ISTANBUL STOCK EXCHANGE**

**ISTANBUL**

**PUBLIC ANNOUNCEMENT :**

Board of Directors of the Company decided in its meeting of 18 April 2014 to accept attach regulations governing duties and operating principles of the Audit Committee, the Corporate Governance Committee, and the Early Detection of Risk Committee according to the Corporate Governance Communiqué No. II-17.1.

With Our Regards,  
TÜRK TUBORG BİRA VE MALT SANAYİİ A.Ş.

# **THE DUTIES AND WORKING PRINCIPLES OF CORPORATE GOVERNANCE COMMITTEE**

## **I. OBJECTIVE AND SCOPE**

**Clause 1-** The purpose of this regulation is to stipulate the duties and working principles of the Corporate Governance Committee (The Committee) which is to be established by the board of directors of Türk Tuborg Bira ve Malt Sanayi ve Anonim Şirketi (The Company). The duties of the Committee are to monitor the compliance of the Company with the corporate governance principles as set under the capital markets legislation and the principles stated in this regulation, to make necessary amendments to ensure such compliance in this matter and to submit suggestions to the Board of Directors (The Board).

## **II. GROUNDS**

**Clause 2-** This document is prepared taking into consideration the framework of the regulations, provisions and principles set by the Capital Markets Authority and the Corporate Governance Principles issued by the Capital Market Board.

## **III. ORGANIZATION**

### **Establishment**

**Clause 3- The Committee is established and authorized by the Board.**

**Clause 4-** The Committee comprises of at least two members appointed by the Board of the Company [pursuant to the article 4.5.3 of Capital Markets Board Corporate Governance Principles in Communiqué on Corporate Governance Principles Serial: II-17.1]. The Board may appoint new members of the Committee and replace existing members in accordance with applicable legislation. In case that the Committee comprises of only two members, each of these two members, and in case that it has more than two members, the majority of the members shall be elected from among those members of the Board who do not carry out executive functions such as general manager or execution committee member and administrative title in terms of management.

The chairman of the Committee shall be appointed from among the independent Board members. [pursuant to the article 4.5.3 of Capital Markets Board Corporate Governance Principles in Communiqué on Corporate Governance Principles Serial: II-17.1].

### **Committee Meetings**

**Clause 5-** The Committee meets once a year and any other time whenever necessitated in an appropriate place to the members of the Board. The timing of the Committee meetings is arranged coincided with the Board meetings to the extent possible. The Committee meetings can be held via audio-videos conference systems.

The quorum for committee meetings shall be the attendance of the committee chairman and minimum one other member. The suggestions of the committee can be adopted without a meeting unless the members of the committee request for a physical meeting for discussion purposes and can unanimously agree on suggestions.

The Committee's suggestions are put in writing, signed by the Committee members and kept regularly. [pursuant to the article 4.5.8 of Capital Markets Board Corporate Governance Principles in Communiqué on Corporate Governance Principles Serial: II-17.1].

The Committee submits the suggestions related to its duty and responsibilities with a report to the Board [pursuant to the article 4.5.8 of Capital Markets Board Corporate Governance Principles in Communiqué on Corporate Governance Principles Serial: II-17.1].

#### **IV. DUTIES AND RESPONSIBILITIES**

##### **Compliance with the Corporate Governance Principles**

**Clause 6-** The Committee reviews whether the corporate governance principles are enforced within the Company; and if not, it comes up with suggestions for the rationale for such lack of enforcement and provides reformatory suggestions concerning the conflicts of interest occurring as a result of not enforcing such principles to the Board for the implementation at their discretion. In this context, the Committee shall review the issues directly related to the corporate governance principles which are not being followed by the Company that would be for the benefit of the Company and the shareholders, and provides suggestions for the implementation of principles in accordance with the organizational structure of the Company.

The Committee works on the arrangements and modifications required to be done within the Company in order for the corporate governance principles to be understood, adopted and enforced by the employees of the Company, and submits the results of these works to the Board.

##### **Board**

**Clause 7-** The Committee shall work on the matters of establishing a transparent system with the purpose of determining suitable candidates for the Board membership; evaluating, training and awarding these candidates and determining policies and strategies in this subject.

##### **Investor Relations**

**Clause 8-** Investor Relations Unit, which is established to ensure the compliance with the applicable legislation, articles of association and other inter-company regulations while exercising the shareholders' rights and to take precautions to ensure the exercise of these rights, works directly with the chairman of Committee. Investor Relations Unit is active in the exercise of the shareholding rights, reporting to the Board and provides communication between the Board and shareholders.

The clauses below are among the main duties of the Shareholders and Investor Relations Unit:

- a- To ensure that the records related to the shareholders are kept accurately, safely and up-to-date
- b- To give response to the written information requests of the shareholders related to the Company within the Board's knowledge except for the confidential information and trade secrets of the Company which are not announced to the public. In case of any doubt on confidentiality of the information, the Committee shall submit such issue to the Board before the announcement.

- c- To ensure that the general assembly meeting is convened in compliance with the legislation in force, articles of association and other inter-company regulations,
- d- To prepare the documents that the shareholders may benefit from in the general meeting,
- e- To ensure that the results of the general assembly voting are recorded and the reports related to the results are sent to the shareholders, and
- f- To supervise and monitor every kind of issue related to the public disclosure including the legislation and public disclosure policy.

### **Other Responsibilities**

**Clause 9-** The Committee examines the complaints received from the partners and beneficiaries within the scope of its duty and provides solutions for those.

Besides, in case that there is no Nomination Committee in the Company, the Committee undertakes duties of that committee and; (i) works on creating a transparent system in the matters of determining, evaluating and training appropriate candidates for the Board and determining policies and strategies on this matter; (ii) makes regular evaluations over the structure and productivity of the Board and submits the suggestions related to the modifications that can be done to the Board; and (iii) determines and supervises the approaches, principles and applications about the performance evaluation and career planning of the Board members and senior managers [pursuant to the article 4.5.11 of Capital Markets Board Corporate Governance Principles in Communiqué on Corporate Governance Principles Serial: II-17.1].

Also in case that there is no Remuneration Committee in the Company, the Committee undertakes the duties of this committee and; (i) provides suggestions of the Board members and senior managers related to the principles of salary by taking into consideration the long-term objectives of the company; (ii) provides suggestion with respect to criteria that can be used in salaries that would be dependent on the performance of the Company and the member and put this in writing as the salary policy; and (iii) submit its suggestions related to the salaries to be given to the Board members and senior managers by considering the degree of reaching to the criteria [pursuant to the article 4.5.13 of Capital Markets Board Corporate Governance Principles in Communiqué on Corporate Governance Principles Serial: II-17.1].

### **V. BUDGET**

**Clause 10-** The Board shall provide every support and resources required for the Committee to carry out its duties. If considered necessary the Committee may invite the managers and consult them. [pursuant to the article 4.5.6 of Capital Markets Board Corporate Governance Principles in Communiqué on Corporate Governance Principles Serial: II-17.1]

**The Committee may benefit from the opinions of the independent experts within its scope of work when it is necessitated. The cost of the consultancy services that are required by the Committee shall be borne by the Company.** [pursuant to the article 4.5.7 of Capital Markets Board Corporate Governance Principles in Communiqué on Corporate Governance Principles Serial: II-17.1]

## **V. ENFORCEMENT**

**Clause 11-** This regulation on the duties and working principles of the Committee and amendments related hereto shall come into force upon adoption of a resolution by the Board to this purpose.

# **THE DUTIES AND WORKING PRINCIPLES OF THE EARLY DETERMINATION OF RISK COMMITTEE**

## **I. OBJECTIVE AND SCOPE**

**Clause 1-** The purpose of this regulation is to stipulate the duties and working principles of the Early Determination of Risk Committee (The Committee) which is to be established by the Board of Directors (The Board) of Türk Tuborg Bira ve Malt Sanayi ve Anonim Şirketi (The Company).

## **II. GROUNDS**

**Clause 2-** This document is prepared in accordance with the framework of the regulations, provisions and principles set under the Capital Market Legislation and the Corporate Governance Principles of the Capital Market Board.

## **III. ORGANIZATION**

### **Establishment**

**Clause 3 –** The Committee is established and authorized by the Board.

The working period of the Committee is parallel to the working period of the Board.

**Clause 4-** The Committee comprises of at least two members appointed by the Board [pursuant to the article 4.5.3 of Capital Markets Board Corporate Governance Principles in Communiqué on Corporate Governance Principles Serial: II-17.1]. The Board may appoint new members of the Committee and replace existing members in accordance with applicable legislation.

The general manager or chief executive officer cannot be a member of the Committee [pursuant to the article 4.5.4 of Capital Markets Board Corporate Governance Principles in Communiqué on Corporate Governance Principles Serial: II-17.1].

The chairman of the Committee shall be appointed from among the independent Board members [pursuant to the article 4.5.3 of Capital Markets Board Corporate Governance Principles in Communiqué on Corporate Governance Principles Serial: II-17.1].

### **Committee Meetings**

**Clause 5-** The Committee meets at least four times a year and at least once in three months in an appropriate place to the members. The Committee meetings can be held via audio-videos conference systems.

The suggestions adopted in the Committee meetings shall be in written form, signed by the Committee members and kept regularly [pursuant to the article 4.5.8 of Capital Markets Board Corporate Governance Principles in Communiqué on Corporate Governance Principles Serial: II-17.1].

The quorum for committee meetings shall be the attendance of the committee chairman and minimum one other member. The suggestions of the committee can be adopted without a meeting

unless the members of the committee request for a physical meeting for discussion purposes and can unanimously agree on suggestions.

The Committee submits the results of its reviews and its suggestions related to its duty and responsibilities with a report to the Board [pursuant to the article 4.5.8 of Capital Markets Board Corporate Governance Principles in Communiqué on Corporate Governance Principles Serial: II-17.1].

#### **IV. DUTIES AND RESPONSIBILITIES**

**Clause 6-** The Committee (i) works for the purpose of early detection of the risks that may endanger the existence, development and permanence of the Company, taking necessary precautions related to the detected risks and management of such [pursuant to the article 4.5.12 of Capital Markets Board Corporate Governance Principles in Communiqué on Corporate Governance Principles Serial: II-17.1] and (ii) reviews the risk management systems at least once a year. The Committee reports the results of its works and its suggestions to the Board once in two months [pursuant to the article 378 of Turkish Commercial Code].

#### **V. BUDGET**

**Clause 7-** The Board shall provide every support and resources required for the Committee to carry out its duties.. If considered necessary, the Committee may invite the director and consult them. [Pursuant to the article 4.5.6 of Capital Markets Board Corporate Governance Principles in Communiqué on Corporate Governance Principles Serial: II-17.1].

**The Committee may benefit from the opinions of the independent experts within its scope of work when it is necessitated. The cost of the consultancy services that are required by the Committee are borne by the Company** [pursuant to the article 4.5.7 of Capital Markets Board Corporate Governance Principles in Communiqué on Corporate Governance Principles Serial: II-17.1].

#### **VI. ENFORCEMENT**

**Clause 8-** This regulation on the duties and working principles of the Committee and amendments related hereto shall come into force upon adoption of a resolution by the Board to this purpose

# THE DUTIES AND WORKING PRINCIPLES OF THE AUDIT COMMITTEE

## I. OBJECTIVE AND SCOPE

**Clause 1-** The purpose of this regulation is to stipulate the duties and working principles of the Audit Committee (The Committee) which is to be established by the Board of Directors (the Board) of Türk Tuborg Bira ve Malt Sanayi ve Anonim Şirketi (The Company).

The Committee shall report any issues it detects within the framework of the evaluations conveyed to the Board by assisting the Board in the supervision of the operation and activity of the accounting system, public disclosure of the financial information, independent auditing and internal control system of the Company in compliance with the capital market legislation and the principles stated in this regulation.

## II. GROUNDS

**Clause 2-** This document is prepared in accordance with the framework of the regulations, provisions and principles set under the Capital Market Legislation and the Corporate Governance Principles of the Capital Market Board.

## III. ORGANIZATION

### Establishment

**Clause 3-** The Committee is established and authorized by the Board. Furthermore, The Committee may benefit from the opinions of the independent experts within its scope of work when it is necessitated. The working period of the Committee is parallel to the working period of the Board.

The Committee acts only within its authorization and responsibilities and gives advice to the Board but the duty and responsibility of the Committee does not remove the responsibility of the Board arising from the Turkish Commercial Law.

**Clause 4-** The Committee comprises of at least two members appointed from among independent Board members of the Company to be appointed by the Board of the Company [pursuant to the article 4.5.2 and 4.5.3 of Capital Markets Board Corporate Governance Principles in Communiqué on Corporate Governance Principles Serial: II-17.1]. The Board may appoint new members of the Committee and replace existing members in accordance with applicable legislation.

The general manager or chief executive officer or board members who are not independent cannot be a member of the Committee [pursuant to the article 4.5.3 and 4.5.4 of Capital Markets Board Corporate Governance Principles in Communiqué on Corporate Governance Principles Serial: II-17.1].

### Committee Meetings

**Clause 5 –** The Committee meets at least four times a year and at least once in three months [pursuant to the article 25/8 of the Communiqué regarding the Independent Audit Standards in Capital Markets (Series: X, No: 22)] in an agreeable place to the members. The timing of the Committee meetings is coincided with the timing of the Board meetings as far as possible.



The quorum for committee meetings shall be the attendance of the committee chairman and minimum one other member.

The suggestions adopted in the Committee meetings shall be in written form, signed by the Committee members and kept regularly.

The Committee submits the suggestions it makes related to its duties and responsibilities with a report to the Board. [pursuant to the article 4.5.8 of Capital Markets Board Corporate Governance Principles in Communiqué on Corporate Governance Principles Serial: II-17.1].

#### **IV. DUTIES AND RESPONSIBILITIES**

##### **Independent External Auditing**

**Clause 6** – The Committee takes necessary precautions for the independent external auditing to be made effectively, adequately and transparently. In this context, the works of appointment of the independent auditing firm, preparation of the independent auditing contracts and starting the process of independent auditing, and each steps of all the works of the independent auditing firm are performed under the supervision of the Committee.

The independent auditing firm that the Company will receive service and the services to be received from that firm are determined by the Committee and are submitted to the approval of the Board. In this context, the Committee approves any charges and compensation of the independent external auditor related to the auditing of the Company.

The Committee reviews the scope and approach of the auditing that the independent external auditors suggested, informs the Board about the issues that limit or disrupt the works of the Board and makes suggestions.

Before making an offer for the appointment of the independent auditing firm by the Committee, a report, stating whether an issue to affect the independency of the independent auditing firm exists by considering the consultancy services to be received from the independent auditing firm, is prepared.

The Committee ensures that the important matters detected during or after the auditing performed by the independent external auditors and the suggestions related to the solutions to these problems reach to the Committee in time and that they are discussed in the Committee.

The independent auditing firm submits the important matters related to the accounting policy and implementations of the Company, options of alternative implementations and public declaration within the framework of international accounting standards which are conveyed to the Company management previously, and their possible results and the suggestions of implementations and also the important correspondences with the Company management in writing to the information of the Committee.

##### **Internal Control**

**Clause 7** – The Committee takes the necessary precautions for the internal auditing of the Company to be conducted effectively, adequately and transparently. For this purpose, it makes suggestions to the Board for creation of a reliable auditing infrastructure in the

**Company and the subsidiaries, recognition of the authorization and responsibilities of the internal auditing unit, putting the internal auditing processes in writing and operation and supervision of the created structure by reviewing the works and organization structure of the internal auditing unit of the Company.**

The Committee analyzes the internal auditing report prepared by the internal auditing unit, evaluates the report and presents opinions to the Board. Also, it controls whether the warning and advice made by the auditors related to the internal control are applied or not.

The Committee develops suggestions that assist the revelation of the events leading to misappropriation in the internal control and malpractices and non-compliances to the laws and regulations. For this purpose, the Committee reviews the monitoring system, which is developed to comply with the laws and regulations, the disciplinary penalties and investigations and legal proceedings initiated and conducted by the Company regarding these issues; and makes suggestions to the management to make the necessary arrangements and take necessary actions.

**Accounting System and Financial Reporting**

**Clause 8** – The Committee, as responsible for financial reporting, audits the compliance of the periodical financial tables and footnotes to be disclosed to the public with the current legislation and international accounting standards and reports them to the Board in writing by receiving the opinions of the responsible directors of the Company and independent auditing firm.

The Committee reviews the activity report to be disclosed to the public and checks if the information stated in the report are correct and consistent with the information that the Committee has.

The Committee reviews the significant accounting and reporting matters and the juridical issues and analyzes their effects over the financial tables.

**Other Responsibilities**

**Clause 9** – The Committee examines the complaints received from the shareholders and the beneficiaries, related to the financial tables of the Company, internal control system, and the activity of independent auditing or its scope of activity and provides solutions for these complaints. It is the Committee's duty to create the required infrastructure for such complaints to reach to and to be evaluated by the Committee.

The results of the auditing and investigations performed by the regulatory authorities are reviewed by the Committee, and suggestions related to the reformation which are required are submitted in writing to the Board's information.

It is the Committee's duty to supervise the compliance with the inter-company regulations and directives in the Company and to ensure that the changes occurred in the legal regulations related to the activities of the Company are adapted to the Company's structure. In this context, the Committee is informed by the related units about the pursuance of the obligations that the legal legislation sets forth.

The Committee submits the issues it detects concerning the conflicts of interest that may emerge between the Board members, directors, other employees and units and the issues concerning the

misuse of the confidential business information of the Company to the information of the Board and makes suggestions about the precautions to be taken to prevent such kind of a situation.

Also the Committee performs other supervision and monitoring activities requested by the Board.

## **V. ENFORCEMENT**

**Clause 10-** This regulation on the duties and working principles of the Committee and amendments related hereto shall come into force upon adoption of a resolution by the Board to this purpose.