

PINAR SÜT MAMULLERİ SANAYİİ A. Ş.**CORPORATE GOVERNANCE COMMITTEE CHARTER****I. PURPOSE:**

The purpose of this regulation is to set down the duties and responsibilities of Corporate Governance Committee (the “Committee”) of Pinar Süt Mamulleri Sanayii A.Ş. (the “Company”).

It is the duty of the Committee to supervise activities of the Investor Relations Unit, to monitor compliance of the Company with corporate governance principles, determine reasons behind and conflicts caused by non-compliances if any, and to take improvement steps in connection therewith, and to present its advices and suggestions to the Board of Directors.

II. GROUNDS:

This document has been prepared within the frame of provisions and principles set forth in the Capital Markets Legislation and the Capital Markets Board’s Corporate Governance Principles.

III. COMPOSITION OF THE COMMITTEE:

- a. The Committee is formed and authorized by the Board of Directors.
- b. The Committee is composed of minimum two members. If the Committee is composed of two members, both of them, or if the Committee is composed of more than two members, the majority of its members are selected from non-executive members of the Board of Directors. The Company’s General Manager cannot be assigned in the Committee.
- c. Term of office of the Committee is parallel to term of office of the Board of Directors. The Committee Chairman is elected by the General Assembly of Shareholders from among independent directors following the date of election of independent directors.
- d. The Committee may make use of independent expert opinions on all and any matters needed with respect to its activities. In this case, the cost of consulting services needed by the Committee is borne and paid by the Company.
- e. All kinds of sources and supports needed by the Committee for performance of its duties will be provided by the Board of Directors. The Committee may, if and when deemed necessary, invite any manager to its meetings and take opinions of him/her.
- f. The Committee acts within the frame of its own powers and responsibilities, and makes suggestions to the Board of Directors, but the Committee’s duties and responsibilities do not relieve the Board of Directors from its liabilities arising out of the Turkish Commercial Code.

IV. COMMITTEE MEETINGS AND REPORTING

- (a) The Corporate Governance Committee meets at least once a quarter. Decisions taken in the Committee meetings are documented in writing, and signed by the Committee members, and regularly archived.
- (b) The Committee reports to the Board of Directors its determinations and suggestions with regard to its areas of authorization and responsibility.

V. RESPONSIBILITIES:

(a) Compliance With Corporate Governance Principles:

- The Committee works on internal regulations and changes required to be effected in order to ensure that corporate governance principles are understood, adopted and implemented by the Company employees, and reports the results of its works to the Board of Directors.
- The Committee determines whether the Corporate Governance Principles are implemented or not, and if not implemented, the reasons thereof, and detects the conflicts of interests caused by non-compliance of all of these principles, and presents suggestions to the Board of Directors for improvement of practices.
- The Board of Directors may further decide to assign the duties of any one or both of Nomination Committee and Remuneration Committee required to be formed pursuant to the legislation pertaining to corporate governance principles to Corporate Governance Committee, rather than appointing these committees separately. In this case, all duties of this Committee stipulated in the applicable laws and by decisions of the Board of Directors are performed by the Corporate Governance Committee.

(b) Investor Relations:

The Committee supervises the activities of the Shareholder Relations Unit. The Shareholder Relations Unit works on use of shareholding rights, and reports the results to the Board of Directors, and establishes communication between the Board of Directors and the shareholders.

Basic duties and functions of the Shareholder Relations Unit are as follows:

- To ensure that records on shareholders are kept healthily, safely and current.
- To answer the shareholders' written information requests on the Company, except for confidential information and trade secrets of the Company which have not yet become public. To participate in and organize both domestic and abroad investor meetings within the frame of related legislation, articles of association, corporate governance principles and information policy.
- To ensure that the general assembly meetings are held in accordance with the applicable laws, articles of association and other in-house regulations.
- To prepare the documents that may be used by shareholders in general assembly meetings.
- To ensure that voting results are recorded, and resulting minutes are prepared accordingly.
- To supervise and monitor all matters relating to public disclosure, also including the applicable laws and the Company's information policy.

VI. EFFECTIVE DATE:

This regulation pertaining to duties and responsibilities of the Committee, and all and any changes herein, become effective upon a relevant decision of the Board of Directors.