



AKSA AKRİLİK KİMYA SANAYİİ A.Ş.
AUDIT COMMITTEE
PRINCIPLES OF ASSIGNMENT AND OPERATION

1. OBJECTIVE AND SCOPE

The objective of this regulation is to define the principles of assignment and operation of the Audit Committee Awareness (“Committee”) to be established by the Board of Directors of AKSA AKRİLİK KİMYA SANAYİİ A.Ş. (“Company”).

2. BASIS

This regulation was issued under the capital Market Legislation and the terms and principles contained in the Corporate Management Principles declared by the Capital Market Board

3. AUTHORIZATION

The Committee shall be established and authorized by the Board of Directors.

Committee resolutions are considered as an advice to the Board of Directors and the Board of Directors will have final discretion on related matters.

All resources and support required for the Committee to operate and perform its duties will be provided by the Board of Directors.

4. MEMBERS

The Committee will consist of at least two members.

All Committee member will be appointed from amongst independent Directors.

The Chairman and the members of the Committee will be designated and publicized by the Board of Directors.

5. MEETING AND REPORTING

The Committee will convene at least quarterly and 4 times in a year.

The quorum of meeting and resolution will be the pure majority of the total number of Committee members.

Resolutions passed in Committee meetings will be written down and signed by Committee members and retained properly.

Meetings will be held at the head office of the Company or at any other place easily accessible by Committee members. If members cannot convene, meetings may be held using other technological means.

The Committee will submit to the Board of Directors reports containing the results of meetings and activities.

6. DUTIES AND RESPONSIBILITIES

Independent External Audit

The Committee takes necessary measures for an efficient, adequate and transparent audit. In this context, the Committee supervises the appointment of independent audit company, preparation of independent audit agreements and initiation of independent audit process as well as the operations of the independent audit company at every stage of the process.

The independent audit company to provide services to the Company and services to be provided therefrom will be determined by the Committee responsible for audit and presented to the Board of Directors for approval.

The Committee reviews the scope and approach of audit proposed by independent external auditors; informs and makes propositions to the Board of Directors about issues that limit or hinder its operations.

The Committee ensures that important issues found during or as the result of audits performed by independent external auditors and propositions with respect to elimination these problems are timely submitted to and discussed by the Committee.

The independent auditor shall inform the Committee in writing on important matters as to the accounting policy and practices of the Company; alternative practice and publicizing options within the frame of Turkish accounting standards and accounting principles communicated to the Company previously, probable results thereof and proposals for practice as well as the correspondence with the Company management.

Accounting System and Financial Reporting

The Committee will supervise the operation and efficiency of the accounting system.

The Committee will inform the Board of Directors in writing as to conformance with the accounting policies of the Company, the appropriateness, truth and correctness of annual and interim period

financial statements to be publicized, by obtaining the opinions of the responsible managers of the Company and of independent auditors and adding its own evaluations.

Internal Audit

The Committee supervises the operation and efficiency of the internal audit system. For this purpose, the Committee reviews the operation, organizational structure, duties and operational principles of the internal audit unit and makes propositions to the Board of Directors with that respect.

The Committee informs the Board of Directors on matters limiting or hindering the operations and operational efficiency of internal auditors and makes propositions to the Board of Directors with that respect.

The Committee reviews and evaluates the internal audit report issued by the internal audit unit of the Company. It submits its opinion to the Board of Directors on important matters in the internal audit report as well as its warnings and recommendations with that respect.

Other Responsibilities

The Committee reviews complaints from partners and stakeholders with respect to the accounting and internal audit of the Company as well as independent audit. It defines the method and criteria to apply for having such complaints and notices are submitted to the Committee and evaluated within the frame of the principle of confidentiality.

The Committee also performs other supervision and monitoring activities requested by the Board of Directors.

The Committee performs the duties which have been / will be given to the Committee under the regulations of the Capital market Board and the Turkish Commercial Code.

While performing its duties, the Committee,

- May invite to its meetings any manager it considers appropriate to obtain the opinion of the manager;
- Uses independent expert review if considers necessary for its activities;
The fee for expert services required by the Committee will be covered by the Company.
- The Committee may create subordinate task groups for ensuring the efficiency of its operations, consisting of experienced and knowledged individuals to be appointed from amongst its members and/or from outside.

7. EFFECT

This regulation related to principles of assignment and operation of the Committee and any amendment thereto shall take effect upon a resolution of the Board of Directors