

# **SASA POLYESTER SANAYİ A.Ş.**

**BOARD OF DIRECTORS COMMITTEES**

**INTERNAL REGULATION**

**SUSTAINABILITY COMMITTEE**

|                           |                   |
|---------------------------|-------------------|
| <b>REVISION NO</b>        | <b>0</b>          |
| <b>EFFECTIVENESS DATE</b> | <b>13.12.2021</b> |

## **I. Decision for Establishment**

Within the framework of the “Sustainability Principles Compliance Framework”, published by the amendment dated 2 October 2020, to the Corporate Governance Communiqué of the Capital Markets Board, and the Paris Convention which also been signed by our country within the scope of Climate Change Movement; the Sustainability Committee (the Committee) has been established by the decision, dated 13.12.2021 and no.64, of the Board of Directors of Sasa Polyester Sanayi A.Ş., on the basis of United Nations Sustainable Developments Objectives.

## **II. Objective and Scope**

The Committee targets to increase the value generated by the Company’s in environmental, social and corporate governance areas and to compose its sustainability strategy, to set its policies in the field of sustainability, its goals based on science, and to conduct, monitor and supervise its practices in this regard.

## **III. Composition and Structure of the Committee**

The Committee shall be composed and authorised by decision of the Board of Directors. The Committee shall consist of minimum 12 (twelve) and maximum 24 (twenty four) members. It is essential that at least 1 (one) member of the board of directors, should take part in the committee. At the first committee meeting; chairman, vice chairman, working groups coordinator, committee coordinator and a reporter shall be selected by the members of the committee. In cases where the chairman cannot attend meetings of the Committee, the vice chairman of the committee, and in cases where both of them cannot attend, the General Manager shall chair a meeting. Coordination of the committee shall be provided by the Committee coordinator. Sustainability goals, strategies and policies, etc., determined in line with the decisions taken at a meeting of the Committee, shall be deemed data for sustainability reports of the Company. Implementation of the decisions taken by the Committee shall be performed by Working Groups. Coordination of Working Groups and their communication with the committee, shall be managed by the Working Groups Coordinator. During a period, new member can be accepted for the committee, by decision of current committee, without requiring decision of the Board of Directors.

## **IV. Working Procedures and Principles of the Committee**

The Committee shall work on meeting basis. The Committee shall convene at the times deemed necessary, not to be less than 2 (two) times a year. Date of a meeting and articles on the agenda of a meeting, shall be notified to the committee members by the Committee Coordinator, in electronic environment at least 7 (seven) business days before. Meetings of the Committee shall be held by attendance of at least half of the number of members. It is essential that at least one of the chairman, vice chairman of the committee or the General Manager should attend, and in cases where at least one of these persons cannot attend, meeting shall be postponed. Decisions of the

committee shall be taken by absolute majority. In case of equilibrium, vote of the Chairman of the Committee, shall be counted as 2 (two) votes.

The reporter shall prepare in writing the report which shall include decisions taken at the committee meetings, including also the place, time of meeting and the information regarding participant members, and shall ensure that it is signed by the participants. S/he shall share said report, after preparing it, with the committee and working groups in electronic environment, and shall archive it accordingly. These decisions shall be taken into consideration, when the sustainability report is prepared.

All kinds of resources and support required for the Committee to fulfil its duties, shall be provided by the Board of Directors. The Committee may invite a person or employee, it shall deem necessary, to the meetings and may take that person's opinions.

The Committee shall be obliged to report the decisions taken, to the Board of Directors, via the Chairman of the Committee / Vice Chairman of the Committee.

## **V. Duties and Responsibilities of the Committee**

In line with the United Nations Sustainable Development Objectives, for the Company, the Committee shall, within the scope of its duties and responsibilities;

- conduct work activities and develop projects for the purpose of integrating sustainability into the Company's structure,
- follow national and international developments regarding sustainability,
- compose the sustainability strategy, goals, road maps and policies,
- manage, in pro-active manner, the risks regarding social, environmental and corporate governance issues, and direct the Company's sustainability strategy and policy,
- support development of projects intended to decrease carbon emissions in business processes within the scope of combating against climate change, and ensure implementation of such projects,
- follow the Company's road may regarding sustainability and developments in relation to implementation thereof; set objectives; accordingly, determine the performance criteria; supervise performance in accordance with the objectives and ensure participation of all related units of the Company, in the process actively,
- authorise and coordinate the Working Group composed by it within the Company's organisation within the scope of relevant work activities,
- revise regularly the sustainability policies, objectives, practices, working principles, management systems, and rearrange, implement, monitor and monitor them; in necessary cases, present them for approval of the Board of Directors,
- ensure that all employees of the Company be informed in line with the Company's sustainability policy and objectives, and conduct work activities intended for internalisation of these policies by the employees,

- ensure realisation of stakeholder participation for all stakeholders regarding the Company’s sustainability strategy, policy and practices,
- ensure that outputs of works, correspond to the Company’s sustainability policies and the Company’s expectations.

The Committee shall provide information, regarding its activities and outputs, to the Board of Directors, at least once a year. The Company shall ensure that all stakeholders be informed, in line with the sustainability policy and objectives determined by the Committee. It shall conduct activities for the purpose of internalisation of these policies by the employees.

**V.I. Duties of the Chairman of the Committee**

S/he shall;

- chair meetings of the Committee.
- attend the Committee meetings and vote relating to decisions taken. S/he shall sign minutes of a meeting, in the capacity of chairman.
- be responsible for reporting the decisions taken at the Committee meeting, to the Board of Directors.
- call the Committee for ordinary and extraordinary meetings, and shall make notice to the Committee Coordinator to invite the members. S/he shall be responsible for enforcing the internal regulation.
- give instruction for preparation of the agenda for the meetings of the Committee.
- supervise whether the decisions taken at a meeting, are implemented or not.
- determine the persons responsible for the decisions taken at a Committee meeting, and the completion periods thereof.

**V.II. Duties of the Members of the Committee**

They shall;

- attend meetings of the Committee and vote relating to decisions taken and sign minutes of a meeting, in the capacity of member.
- if there are articles s/he wants to be added on the agenda of a meeting, declare them to the Chairman of the Committee.
- Meeting may be requested by the members of the Committee. They shall declare their request for holding a meeting, to the chairman.
- follow the developments and trends regarding sustainability and report them to the Committee.
- prepare the sustainability communication plan, and implement it.
- coordinate communication with non-governmental organisations.
- The Committee Coordinator shall declare the date of a meeting and articles on the agenda of a meeting, to the members of the Committee, at least 7 (seven) business days before.

**V.III. Duties of the Reporter**

- S/he shall prepare the report containing the decisions taken at the Committee's meetings, in a form including also the place, time of meeting and information regarding participant members, and shall ensure that it is signed by the participants.
- S/he shall share the report, in electronic environment, with the committee and working groups, and shall archive it.

#### **V.IV. Terms of Office**

Term of office of the Committee Members, shall be the same as the term of office of the Members of the Board of Directors. Following selection of the Board of Directors again, new Committee Members shall be designated by the Board of Directors.

#### **VI. Composition, Responsibilities and Working Principles of the Working Groups**

Working Groups shall consist of the persons who work at related units of the Company, for the purpose of realising the projects relating to objectives set in matters which shall support sustainability work on the committee side. Coordination of the Working Groups shall be conducted by the Working Groups Coordinator. Working Groups shall convene separately by their members and shall present the report printouts relating to a meeting, to the Working Groups Coordinator. The Working Groups Coordinator shall present minutes of a meeting and project report printouts, to the committee in electronic environment.

#### **VII. Effectiveness and Enforcement**

This Sustainability Committee Internal Regulation shall come into force by approval of the Board of Directors and on the approval date. The Chairman of the Committee shall be responsible for enforcement hereof. The Board of Directors shall be authorised to make the changes, deemed necessary, in the internal regulation. The Board of Directors undertakes to fulfil the requirements set forth in this policy and shall expect its employee to fulfil the same commitments.