

TÜRKİYE ŞİŞE VE CAM FABRİKALARI A.Ş. WORKING PRINCIPLES OF BOARD COMMITTEES

The Board of Directors may establish committees and commissions and assign them to address certain issues in order to provide solutions deemed necessary by the legislation and appropriate for the purpose, in order to realize the strategies of Şişecam Group. It is essential that the duration of the committees be limited to the term of office of the Board of Directors and the assigned member of the Board of Directors. Commissions, on the other hand, are formed permanently or temporarily to address a specific subject and carry out activities such as monitoring the progress of the efforts and preparing reports on the desired subjects.

The Corporate Governance and Compliance Office performs the secretariat services of the committees. The information and documents of all Committees are preserved.

Formation

Unless otherwise stated in the relevant section for each Committee, these general provisions apply to all committees at the level of the Board of Directors. As sub-committees of the Board of Directors of Şişecam, the Audit Committee, the Corporate Governance Committee, the Committee for Early Detection of Risk are formed in accordance with the regulations of the Capital Markets Board, and the Group Performance Management Committee, the Social Responsibility Committee and the Sustainability Committee are also formed. In accordance with the Capital Markets legislation, the duties of the Remuneration Committee and the Nomination Committee are also carried out by the Corporate Governance Committee, unless these committees have already been established.

In parallel with the legislation, if it is possible to combine the duties, powers, and responsibilities of more than one committee within a committee, committees with the aforementioned features may be formed. It is essential to establish other committees that are deemed necessary in parallel with changes in legislation. In addition to the aforementioned committees, it is possible to establish other committees deemed appropriate by the Board of Directors.

The duties, working principles, and members of the committees are determined by the Board of Directors in accordance with the Legislation. The Committees consist of at least two members elected from among the members of the Board of Directors unless there is a contrary provision in the Legislation. In terms of the qualifications of the members and chairmen, the provisions of the Legislation shall be complied with.

The CEO or those with executive duties, or those who are affiliated with an executive unit, and members assigned for management matters cannot be appointed as members of the committees under the Board of Directors.

The term of office of the committee members is equivalent to the term of membership in the Board of Directors unless otherwise decided by the Board of Directors.

Apart from the aforementioned committees, the Board of Directors may establish committees to address the necessary issues. Group Employees can be recruited in the committees formed from within the Company for a specified matter, provided that they do not have voting rights.

Working Principles of the Committees

Committee activities are carried out through working meetings where members come together. When determining the meeting dates of the committees, the provisions of the Legislation and the working principles announced by the Board of Directors are followed.

Committee meetings are held in parallel with Board meetings to the greatest extent possible.

Third parties (Group Employees, consultants, auditors, etc.) may be invited to the meeting for consultative purposes, without having the right to vote, by the Chairman of the Committee in order to present their opinions and provide information regarding the topics on the agenda.

Meetings are held with an agenda. The agenda is determined by the Chairman of the Committee, and it includes the duties assigned to the Committees by the Legislation and this regulation.

Information and documentation regarding the agenda are prepared by the Corporate Governance and Compliance Office and delivered to the members within a reasonable time frame prior to the meeting.

If deemed necessary, the committees may solicit the opinion of independent experts or organizations in order to fulfill their duties.

Committee meetings are held only if the majority of the total number of members is reached. Committee decisions are made by the majority of the members present at the meeting.

Matters discussed and decisions made at the meeting are recorded in the minutes by the committee secretary and signed by the members.

The committees regularly convey the matters they address within the authority given to them to the Board of Directors through the Chairman of the Board, depending on the nature of such matters.

Audit Committee

The Audit Committee consists of at least two members, and all members must be independent members of the Board of Directors. The Audit Committee convenes at least once every three months. In cases required by the company's business, it can also convene upon request of any member, without having to wait for the quarterly routine meeting. Members of the Board of Directors who do not hold the qualifications for independence cannot be recruited for the committee. The Corporate Governance and Compliance Office performs the secretariat services of the committee.

The duties and obligations of the Audit Committee:

- i. Carrying out the necessary procedures to select the independent audit company, preparing the independent audit contracts and initiating the independent audit process, and overseeing the activities of the independent audit company at every stage,
- ii. Determining the adequacy of the independent auditor with respect to the independence criteria, as well as to the declaration of independence and the additional services that can be obtained from the independent audit company,
- iii. Evaluating the findings obtained within the scope of the independent audit report conveyed to the committee by the independent audit company, together with important issues related

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- to the accounting policy and practices of the partnership, and assessing alternative practices and public disclosure options, their possible consequences, and implementation proposals within the framework of the accounting standards and accounting principles of the Capital Markets Board, which were previously communicated to the Company management by the independent auditor,
- iv. Determining the methods and criteria to be applied in assessing and finalizing the complaints received by the Company regarding the accounting, reporting, and internal audit systems and independent audit processes of the company, and evaluating the statements of employees relating to accounting, reporting, internal audit, and independent auditing in full confidentiality,
 - v. Soliciting the opinions of the responsible managers and independent auditors on the compliance of the annual and midterm financial statements to be disclosed to the public with the accounting principles and the reliability and accuracy thereof, and notifying the Board of Directors in writing together with personal evaluations,
 - vi. Monitoring compliance with regulations regarding Internal Audit, Internal Regulation and other internal policies and implementation procedures approved by the Board of Directors, and making suggestions to the Board of Directors regarding the measures to be taken,
 - vii. Ensuring the establishment of communication channels that enable internal irregularities to be reported directly to the committee itself or to the Risk Management and Internal Audit Function,
 - viii. Examining Internal Audit plans and submitting them to the approval of the Board of Directors,
 - ix. Fulfilling other duties assigned to the committee as per the Capital Markets Board regulations and the Turkish Commercial Code.

Committee for Early Detection of Risk

The Committee for Early Detection of Risk consists of at least two members. If it consists of two members, both members must be non-executive Board members; if it consists of more than two members, the majority must be non-executive Board members. The Committee for Early Detection of Risk convenes at least once every three months. In cases required by the company's business, it can also convene upon request of any member, without having to wait for the quarterly routine meeting. Experts who are not members of the Board of Directors may also be members of the Committee for Early Detection of Risk. The chairman of the committee is elected from among the independent members of the Board of Directors. The CEO cannot be a member of the committee but may attend the meetings to give information. The Corporate Governance and Compliance Office performs the secretariat services of the committee.

The duties and obligations of the Committee for Early Detection of Risk:

- i. Carrying out monitoring activities targeting risk management policies and practices and supporting the Board of Directors in this regard,
- ii. Evaluating the availability of the necessary methods, tools, and implementation procedures for identifying, measuring, monitoring, and controlling risks,
- iii. Managing and evaluating risks arising from management activities and reviewing the alignment of risky activities with risk appetite and strategic objectives.



Corporate Governance Committee

The Corporate Governance Committee consists of at least two members. If it consists of two members, both members must be non-executive Board members; if it consists of more than two members, the majority must be non-executive Board members. The Corporate Governance Committee convenes at least once every three months. In cases required by the company's business, it can also convene upon request of any member, without having to wait for the quarterly routine meeting. Experts who are not members of the Board of Directors may also be members of the Corporate Governance Committee. The chairman of the committee is elected from among the independent members of the Board of Directors. The CEO cannot be a member of the committee but may attend the meetings to give information. The Corporate Governance and Compliance Office performs the secretariat services of the committee.

The duties and obligations of the Corporate Governance Committee:

- i. Monitoring and overseeing Company activities in order to ensure the compliance of corporate governance policies, regulations, and procedures with the Legislation,
- ii. Leading, monitoring, and supporting activities that define and determine corporate governance principles, the code of ethics and corporate values,
- iii. Submitting proposals designed to improve corporate governance principles and practices to the Board of Directors,
- iv. Overseeing the remuneration policies, processes, and practices on behalf of the Board of Directors in order to ensure an independent and effective remuneration system,
- v. Evaluating the compensation for Board members to be proposed to the General Assembly, and making proposals to the General Assembly on the issues of remuneration, attendance fees, premiums, and the distribution of a share of the annual profit among the members of the Board of Directors,
- vi. Constantly monitoring changes in compensation practices, business trends, and the Legislation in order to establish and manage a robust and competitive compensation system,
- vii. Working toward the establishment of a transparent system for the determination, evaluation, and training of suitable candidates for the Board of Directors and the executive roles to be determined, and determining policies and strategies in this regard,
- viii. Evaluating the independence of the members of the Board of Directors to be nominated as independent candidates,
- ix. Performing regular evaluations of the structure and effectiveness of the Board of Directors and submitting recommendations to the Board of Directors regarding the changes that can be made with respect to these matters.

Group Performance Management Committee

It is essential to ensure the measurement of the performance of the Group with respect to the targets determined as a result of the evaluations conducted by the Board of Directors regarding the financial results expected to be achieved in accordance with annual plans and the budget prepared by the Office of the CEO. The goals serving as a basis for performance expectations are determined and evaluated with an understanding that aligns with the long and medium-term strategic plans of the Group, towards realizing the Group's Mission and Vision, by also paying regard to the Group's stakeholders. During the performance evaluation of the Group, a holistic

evaluation is performed by taking into account the Group's reputation and the Group's values and sustainability goals; the sole focus is not on the financial results. It is possible to consider the evaluations in terms of the ranks within the Group and examine them in the context of positions.

The Group Performance Management Committee is formed to perform these activities. The Committee consists of the Chairman of the Board of Directors and an independent member, and the report to be prepared on a periodic or annual basis is submitted to the Board of Directors.

The Group Performance Management Committee convenes at least once every three months. In cases required by the company's business, it can also convene upon request of any member, without having to wait for the routine meeting. Experts who are not members of the Board of Directors may also be members of the Group Performance Management Committee. The CEO cannot be a member of the committee but may attend the meetings. The Corporate Governance and Compliance Office performs the secretariat services of the committee.

Social Responsibility Committee

Social Responsibility involves the Group's consideration of social benefit with its social stakeholders while working towards its long-term strategic goals. The function of the Social Responsibility Committee is to determine the general approach of the Group on this path and guide it in fulfilling its duty of corporate citizenship.

The Social Responsibility Committee consists of at least three members. The majority of the members must be non-executive Board members. The Social Responsibility Committee convenes when deemed necessary and when needed. Experts who are not members of the Board of Directors may also be members of the Social Responsibility Committee. The CEO cannot be a member of the committee but may attend the meetings. The Corporate Governance and Compliance Office performs the secretariat services of the committee.

The duties and obligations of the Social Responsibility Committee:

- i. Determining the Group's corporate social responsibility (CSR) policies in addition to its general approach and standard,
- ii. Providing guidance and making suggestions to the Board of Directors to enable the fulfillment of its duty of corporate citizenship arising from its social responsibility and sustainability approach,
- iii. Supporting Şişecam in implementing projects aimed at contributing to social, economic, and environmental development alongside social development in its regions of operation, and determining the main principles to be followed in the projects to be implemented,
- iv. Ensuring that all social development activities are carried out within the principles of sustainability, transparency, and participation,
- v. Enabling the preparation of the Şişecam CSR investment program,
- vi. Examining the reports on the activities and projects to be carried out within the scope of the CSR Investment Program of the Group,
- vii. Ensuring that the activities carried out by the responsible units are reported to the Board of Directors.

Sustainability Committee

Şişecam adopts corporate sustainability and value creation for all its stakeholders as the basis of the way of doing business. Şişecam's corporate sustainability strategy is shaped in an integrated manner around the axes of "protect, empower and develop" in line with the United Nations Sustainable Development Goals, reflecting the sustainability priorities of the company. In line with this strategy, the Sustainability Committee works to accelerate the integration of sustainability into the Group structure and to determine the relevant policies and approaches by ensuring consideration of these matters at the top level.

The Sustainability Committee consists of at least three members. The majority of the members must be non-executive Board members. The Sustainability Committee convenes at least once every three months. In cases required by the company's business, it can also convene upon request of any member, without having to wait for the quarterly routine meeting. Experts who are not members of the Board of Directors may also be members of the Sustainability Committee. The CEO cannot be a member of the committee but may attend the meetings. The Corporate Governance and Compliance Office performs the secretariat services of the committee.

The duties and obligations of the Sustainability Committee:

- i. Determining the general approach and standard of the Group in the field of sustainability,
- ii. Ensuring that issues, risks, and opportunities that prioritize sustainability are determined and Environment, Sustainability, Governance (ESG) policies are established accordingly,
- iii. Determining short and long-term goals in accordance with sustainability policies and ensuring their disclosure to the public,
- iv. Monitoring efforts to integrate sustainability into the structure of the Group and developing projects in this direction,
- v. Approving the Group's sustainability roadmap and performance criteria in its practices, auditing the reported performance in accordance with the targets,
- vi. Ensuring that the responsible committee/unit reports the activities carried out within the scope of the policies to the Board of Directors at least once a year and within the maximum time frame determined for the disclosure of annual reports to the public.

Board of Ethics

Operating under the Corporate Governance Committee, the Board of Ethics determines and updates the Group's code of ethics based on universal principles and guidelines, by taking into account the global understanding and the realities of the region in which it operates. It is responsible for supervising the implementation of the determined rules and assessing the discrepancies. It examines submitted applications and, if it deems necessary, ensures that the matter is examined by the Risk Management and Internal Audit Function for a more detailed evaluation of the relevant notice. The Board of Ethics reports its activities to the Corporate Governance Committee. The working principles, duties, authorities, and responsibilities of the Board of Ethics are regulated by the Regulation on the Board of Ethics of Şişecam Group. In cases where a violation of a member of the Board of Directors must be assessed, a committee of three members determined by the Board of Directors conducts the aforementioned assessment.

