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## SUBCOMMITTEE WORKING PROCEDURE



### 1.0 PURPOSE

The purpose of this procedure is to determine the working principles of the Subcommittees established within Naturel Holding, its subsidiaries and affiliations. (alltogether will be referred to as Naturel Holding" of the "Holding").

### 2.0 SCOPE

This procedure covers all Subcommittee members established within Naturel Holding, the organisational departments that will support the Subcommittees, and the management activities that will follow the Subcommittee activities.

### 3.0 RESPONSIBILITIES

All Subcommittee Members and Management are responsible for the implementation of this procedure.

### 4.0 DEFINITIONS and ABBREVIATIONS

#### DEFINITIONS

**Subcommittee:** These are the groups within Naturel Holding that will plan, realize and report the activities based on the corporate goals, vision, mission and values of the Holding.

#### ABBREVIATIONS

ESG: Environmental, Social, Governance

KPI: Key Performance Indicator

QM: Quality Management

### 5.0 IMPLEMENTATION

The Subcommittees established within Naturel Holding are listed below.

- Reporting Subcommittee
- Supply Chain Subcommittee
- Data Management Subcommittee
- Waste Management Subcommittee
- Environment Subcommittee
- Innovation Subcommittee
- Stakeholder Relations Subcommittee
- Occupational Health and Safety Subcommittee

#### Purpose of Establishment of Subcommittees:

The purpose of the establishment of the Subcommittees is to increase sustainability and, for committee members, to accept responsibility for the requirements and actions necessary for corporate transformation efforts including following-up, researching, studying and reporting. To increase inter-

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departmental communication and collaboration for the corporate transformation that needs to be realized through inter-departmental cooperation.

### Subcommittee Setup and Member Selection:



Subcommittees are set up based on Naturel Holding's corporate goals, vision, mission and values. It is aimed to improve compliance and adaptation, incorporate best practices into the holding and practice ESG criteria, in relation to all main operations of Naturel Holding.

Subcommittees and their members are determined by the Sustainability and Corporate Transformation Department. The determined Subcommittees and their members are submitted to the approval of the General Manager. The General Manager adds his/her own opinions, if any, and approves the committees and their members.

When selecting a member, the candidate's professional experience, his/her position at Naturel Holding, his/her knowledge of the subcommittee of which he/she will be a member and the contribution he/she can make to the committee are taken into consideration.

The determined Subcommittees and their members are notified to the relevant persons by the Sustainability and Corporate Transformation Department.

### Responsibilities of Subcommittees:

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- Works towards the integration of corporate goals and ESG criteria, which are integrated with Naturel Holding's sustainability goals, into the Holding's management systems.
- It is responsible not only for supporting decisions, but also for the coordination, control and reporting of the implementation of corporate strategies.
- It convenes at least once a month.
- Identifies gaps, necessary actions and progress towards actions.
- Establishes the necessary communication and cooperation between other subcommittees and operational departments for improvements towards targets
- Makes recommendations for best practices
- Recommends necessary changes and improvements in policies, regulations and processes.
- Determines the requirements and the budget to develop solutions suitable for the organization.
- Submits a monthly written report to the General Manager and the Executive Committee on the 1st day of each month to take necessary decisions.
- Appoints a manager or spokesperson for the subcommittee when necessary

### Determination of Subcommittee Goals:

Each Subcommittee shall first determine the objectives of the committee. The objectives will be based on the Subcommittee Work topics included in this procedure. Subcommittees take the following criteria into account when setting targets:

- Corporate Values
- Sustainability goals
- ESG Criteria
- Risk management
- Laws and regulations
- Best practices
- Finance / Budget

The objectives set;

- Be clear and precise.
- They should be measurable.
- Realization period should be determined.
- How often and when they will be measured should be specified.
- The responsible person must be identified.

Subcommittees will obtain the ESG Criteria from the Sustainability Department and will take this as the basis when setting targets.

Targets are determined jointly by the Subcommittee members and recorded with the FR.ALT.001 Subcommittee Targets and Tracking Form. The determined targets are submitted to the approval of the General Manager. The General Manager expresses his/her opinions, if any, and approves or rejects them. Targets are updated in line with the views of the General Manager and submitted for approval again.

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### Subcommittee Work:

Subcommittees start their work in line with the approved targets they have set. They obtain the information and documents they may need from all organizational departments and their heads. Subcommittees identify and manage the risks related to their objectives in a timely manner.

While Subcommittees work towards their goals, they investigate what and how local and foreign competitors and leading companies do, depending on the subject of the committee. They try to adapt the identified practices to Naturel Holding, if these practices are identified as having potential to improve the current operations.

### Reporting Subcommittee:

Provided that it is not limited to these and is continuously improved,

- Within the scope of the obligations determined by the relevant laws and regulations, the creation of content that is consistent with the investor presentations, corporate presentations, corporate brochures, independent audit reports, annual reports, sustainability reports, ESG reports, UNGC reporting requirements of 3 publicly traded subsidiaries, and the creation of content that is consistent with all reports, continuous updating and improving the design of reports and presentation
- Determining the time table and budget for the independent audit of all reports, if necessary
- Obtaining all necessary information and data (targets, realization) with explanations from other Subcommittees throughout the year before the reporting period
- Coordinating the reporting / independent audit / design time tables and ensuring that the necessary controls and approvals are obtained from the management before publication
- Working in cooperation with the IT department to digitise the necessary reporting
- Monitoring the legal and regulatory changes required for reporting and making the necessary updates and improvements
- Identifying all other new actions towards the objectives, receiving proposals, budgeting and submitting them for senior management decision
- Increasing the quality of service received from 3rd party companies
- Continuous monitoring of the good functioning of new applications, monthly reporting of problems and risks together with their solutions

### Supply Chain Subcommittee:

Provided that it is not limited to these and is continuously improved,

- Continuous improvement of supply chain sustainability within the scope of ESG requirements
- Continuous improvement of supplier relations
- Establishment of an online web-based supplier recruitment platform
- Organizing supplier trainings and raising awareness on sustainability
- Organizing and managing supplier surveys and reporting the results
- Working in collaboration with IT to identify and procure the necessary digital and IT requirements

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- Increasing the quality of service received from 3rd party companies
- Identifying all other new actions towards the objectives, receiving proposals, budgeting and submitting them for senior management decision
- Continuous monitoring of the good functioning of new applications and monthly reporting of disruptions and risks together with their solutions

### Data Management Subcommittee

Provided that they are not limited to these and are continuously improved,

- Conducting e-archive activities within the scope of ESG requirements
- Ensuring integration of the independent audit report, Annual Report, Sustainability Report, ESG Reporting and KPI reporting with the ERP system
- Identifying and providing the necessary technical infrastructure and consultancy needs for better data management
- Increasing the quality of service received from 3rd party companies
- Identifying all other new actions towards the objectives, receiving proposals, budgeting and submitting them for senior management decision
- Continuous monitoring of the good functioning of new applications and monthly reporting of disruptions and risks together with their solutions

### Waste Management Subcommittee

Provided that they are not limited to these and are continuously improved,

- Managing paper, glass, plastic, e-waste, e-waste, chemical waste in the office and field with necessary measurement and documentation within the scope of QM, ESG requirements
- Making the necessary legal and administrative applications and obtaining permits in accordance with the legislation
- Identifying targets for continuous improvement of waste management systems and reduction of waste management, developing appropriate actions and projects and presenting them to senior management
- Working in cooperation with IT to provide the information required for reports through the ERP system
- Increasing the quality of service received from 3rd party companies
- Identifying all other new actions towards the objectives, receiving proposals, budgeting and submitting them for senior management decision
- Continuous monitoring of the good functioning of new applications and monthly reporting of disruptions and risks together with their solutions

### Environment Subcommittee:

Provided that they are not limited to these and are continuously improved,

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- Determination and management of Energy efficiency targets within the scope of QM, ESG requirements
- Managing environmental impact, biodiversity, carbon footprint, harmful emissions, carbon certification measurements and targets, collecting, storing and reporting necessary data as required
- Working with third party consultants to produce reports
- Increasing the quality of service received from 3rd party companies
- Establishing effective and efficient data reporting systems required for carbon footprint calculations
- Working in cooperation with IT to provide the information required for reports through the ERP system
- Identifying all other new actions towards the objectives, receiving proposals, budgeting and submitting them for senior management decision
- Continuous monitoring of the good functioning of new applications and monthly reporting of disruptions and risks together with their solutions

### **Innovation Subcommittee:**

Provided that they are not limited to these and are continuously improved,

- Pre evaluation of innovation ideas and projects from internal stakeholders, external stakeholders, Sustaintech and other stakeholder networks
- Identification and analysis of climate technology ideas that can be invested in and/or incubated by the Holding
- Developing social impact projects focused on climate technologies and innovation and having discussions with stakeholders for collaborations

### **Stakeholder Relations Subcommittee:**

Provided that they are not limited to these and are continuously improved,

- Improving relations with internal and external stakeholders within the scope of ESG requirements
- Improving customer relations after sales,
- Developing international standards in customer satisfaction policy
- Organizing customer satisfaction surveys
- Organizing employee satisfaction surveys and submitting reports to take actions on the findings
- Increasing the quality of service received from 3rd party companies
- Identifying all other new actions towards the objectives, receiving proposals, budgeting and submitting them for senior management decision
- Continuous monitoring of how well new applications are working and reporting on a monthly basis with solutions

### **Occupational Health and Safety Subcommittee:**



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Provided that it is not limited to these and is continuously improved,

- Continuous improvement of occupational health and safety issues in the value chain within the scope of QM, ESG requirements and development of projects for improvement
- Managing third party firms
- Increasing the quality of service received from 3rd party companies
- Identifying all other new actions towards the objectives, receiving proposals, budgeting and submitting them for senior management decision
- Continuous monitoring of how well new applications are working and reporting on a monthly basis with solutions

### 1.0 REGISTRATIONS

FR.ALT.001 Subcommittee Goals and Tracking Form

### 2.0 REVISION HISTORY

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00	19.11.2024	-	First broadcast