

# **SASA POLYESTER SANAYİ A.Ş.**

## **BOARD OF DIRECTORS COMMITTEES INTERNAL REGULATIONS**

### **EARLY DETECTION OF RISK COMMITTEE**

<b>REVISION NO</b>	<b>2</b>
<b>EFFECTIVE DATE</b>	<b>15.08.2013</b>
<b>REVISED ON</b>	<b>10.05.2022</b>

## **1. DECISION OF ESTABLISHMENT**

The Early Detection of Risk Committee (“Committee”) was established to be in charge and authorized based on the decision of Sasa Polyester Sanayi A.Ş. Board of Directors dated 15.08.2013 and in accordance with the provisions of the Article 378 of the Turkish Commercial Code No. 6102 and the Corporate Governance Principles Communiqué of the Capital Markets Board (CMB).

## **2. PURPOSE**

This Committee has been established by the Board of Directors for the early detection of all kinds of strategic, operational, financial, and other risks that may endanger the existence, development, and continuation of Sasa Polyester Sanayi A.Ş., and implementation of necessary measures and remedies for these and to manage risks.

## **3. DUTIES, AUTHORITIES AND RESPONSIBILITIES OF THE COMMITTEE**

- 3.1.** The Committee works to identify risks that may endanger the existence, development, and continuation of the Company, to establish crisis prevention models, management systems, early diagnosis and detection, to implement necessary precautions regarding risks, and to manage risk.
- 3.2.** The Committee reviews the risk management systems at least once a year and monitors the implementation of risk management practices in accordance with the Committee Decisions.
- 3.3.** The Committee may invite any manager it deems necessary to its meetings and take their opinions.
- 3.4.** The Committee benefits from the opinions of independent experts on the issues it needs regarding its activities. The cost of consultancy services required by the Committee is covered by the Company.
- 3.5.** The Committee decisions are advisory to the Board of Directors, and the Board of Directors is the final decision maker on related matters. The Committee submits its evaluations and recommendations on the above issues to the Board of Directors in writing.
- 3.6.** The Committee fulfills other duties and responsibilities assigned/to be assigned pursuant to the Turkish Commercial Code and the Capital Markets Legislation.

## **4. STRUCTURE**

The Committee has been established to be in charge and authorized in accordance with the provisions of the Article 378 of the Turkish Commercial Code No. 6102 and the Corporate Governance Principles Communiqué of the Capital Markets Board.

The members of the committee are determined by the Company's Board of Directors and disclosed to the public.

The Committee consists of a maximum of three members, including the Chairman appointed by the Company's Board of Directors.

### ***4.1. Chairman***

The Chairman of the Committee is appointed by the Company's Board of Directors from among the independent members.

### ***4.2 Members***

In the Committee; except for the Chairman, there are a maximum of two Members elected by the Company's Board of Directors. Committee members are preferably selected from non-executive Board members.

### ***4.3 Reporter***

The person responsible for the Company's Risk Management Coordination acts as the reporter of the Committee.

## **5. MEETINGS AND REPORTING**

**5.1** The committee meets as often as its task requires for the effectiveness of the work. The meeting and decision quorum is the absolute majority of the total number of Committee members.

**5.2** All the work done by the Committee is written down by the reporter and a record is kept. Reports containing information about the work of the Committee and the results of the meeting are submitted to the Board of Directors of the Company after approval by the Committee Members.

**5.3** The Secretariat of the Board of Directors is responsible for communicating the resolutions and meeting minutes to the Members of the Board of Directors and keeping the minutes book.

## **6. DETERMINATION OF THE AGENDA**

The meeting agenda is determined by the Chairman of the Committee.

The Board of Directors and Committee members submit the topics they want to be included in the agenda to the Chairman of the Committee.

## **7. MEETING PLACE AND DATE**

Meetings are held at least six times a year at a location deemed appropriate by the Chairman. At the beginning of each year, the annual meeting calendar of the Committee is determined by the Chairman of the Committee and announced to all members.

## **8. DUTIES OF THE CHAIRMAN**

- 8.1.** Chairs the Early Detection of Risk Committee and manages the meetings.
- 8.2.** Sets the meeting agenda.
- 8.3.** Provides information flow and coordination between the Board of Directors and the Committee.
- 8.4.** During the discussion of certain issues, he may invite the relevant expert or experts to the meeting when necessary.
- 8.5.** Takes the necessary measures for the Committee to fulfill its duties and responsibilities effectively.

## **9. DUTIES OF THE COMMITTEE MEMBERS**

- 9.1.** It is the primary duty of each member to attend the Early Detection of Risk Committee meetings. The member informs the Chairman of the Committee about the meeting that he cannot attend.
- 9.2.** While performing his duties, he closely follows national and international developments in Corporate Governance and Risk and shares this with other members by keeping himself updated in this field.
- 9.3.** He takes part in the subjects that need to be worked on within the committee.
- 9.4.** He conveys his views on the agenda to the Chairman of the Committee.

## **10. DUTIES OF THE REPORTER**

- 10.1.** Assists the Chairman of the Committee in preparing the agenda.
- 10.2.** Delivers the meeting agenda and the reports prepared on the risks of Sasa to the Committee Members before the meeting.

- 10.3.** After each meeting, immediately puts the committee decisions and meeting minutes in writing and submits them to the Chairman of the Committee.
- 10.4.** Sends the opinions and recommendations made by the Committee to the Company's Board of Directors, along with the Committee Chairman and Members.
- 10.5.** Provides the administrative organization of the meetings. Coordinates the participation of the people whom the Chairman of the Committee wants to attend the meeting.
- 10.6.** Performs other duties assigned by the Chairman of the Committee regarding early detection of risk.

## **11. TERM OF OFFICE**

The term of office of the Committee members is parallel to the term of office of the Members of the Company's Board of Directors. The Committee is re-formed following the election of the Members of the Board of Directors.

## **12. STRUCTURE, ROLES, AND RESPONSIBILITIES OF THE WORKING GROUPS UNDER EARLY DETECTION OF RISK COMMITTEE**

### **12.1. STRUCTURE OF THE CLIMATE CHANGE WORKING GROUP**

The Climate Change Working Group, one of the Working Groups under the Early Detection of Risk Committee, carries out adaptation studies to the transition to a low-carbon economy, plans for reducing carbon emissions, analysis of risks and opportunities of climate change in terms of our company.

The activities of the Climate Change Working Group are carried out under the leadership of the Early Detection of Risk Committee. The Climate Change Working Group consists of a multidisciplinary structure with members from the Energy, Water, Construction, Finance, Occupational Safety and Environment departments.

### **12.2. ROLES AND RESPONSIBILITIES OF THE CLIMATE CHANGE WORKING GROUP**

The Climate Change Working Group organizes meeting at least 2 (two) times a year and presents a report evaluating the climate-related risks and opportunities for the Company. The tasks of the group are:

- To lead the identification, assessment and management of climate-related risks and opportunities,
- To report to the Early Risk Detection Committee the climate-related risks and opportunities, along with their corresponding potential financial impacts on the

Company,

- To establish a process for integrating climate-related risks into the corporate risk database,
- To monitor the management of climate-related risks in relation to the general risks that the company is exposed to,
- To provide disclosures on the financial impact of climate-related risks in the Annual Integrated Report,
- To ensure that the Committee receives corporate support in order to establish a structure for the inclusion of climate-related risks in the corporate risk management program.

### **13. ENFORCEMENT AND EXECUTION**

This regulation was revised and put into practice with the decision of Sasa Polyester Sanayi A.Ş. Board of Directors dated 10.05.2022 and numbered 30. The Chairman of the Committee is responsible for its execution. The Board of Directors of the Company is authorized to make the necessary changes in the regulation.