

### **1.0 PURPOSE**

The purpose of this regulation is to define the roles, responsibilities and working principles of the Audit Committees (Committee) established by the Boards of Directors of Naturel Holding and Naturel Holding's publicly traded companies, in accordance with the provisions of the Capital Markets Law No. 6362, Article 378 of the Turkish Commercial Code No. 6102 and the Corporate Governance Communiqué (No. II-17.1) issued by the Capital Markets Board.

#### 2.0 SCOPE

This regulation applies to Naturel Holding and all publicly held companies (Companies) within its structure.

The scope of this regulation is to assist the Board of Directors by overseeing the company's accounting system, public disclosure of financial information, independent audits and the operation and efficiency of the internal audit system in line with the Capital Markets Legislation and the principles included in this regulation, and to report to the Board of Directors the issues it has identified within the framework of the evaluations made.

#### 3.0 PRINCIPLES

This regulation is prepared in accordance with the relevant provisions of the Turkish Commercial Code, Capital Market Legislation, and the Corporate Governance Principles announced by Capital Market Board.

### 3.1 Organization

The Committee is established and authorized by the Board of Directors.

The Committee may consult independent experts on matters related to its activities.

The Committee is authorized to invite company employees, representatives of affiliates or related parties of the Holding, internal and external auditors, and subject-matter experts to meetings, to obtain information and, when needed, seek external legal or professional consultancy.

The cost of consultancy services required by the Committee shall be covered by the company.

The term of office of the Committee begins with the determination of the members and is parallel and limited to the term of the Board of Directors.

The Committee acts within its authority and responsibility and makes recommendations to the Board of Directors. However, the duties and responsibilities of the Committee does not relieve the Board of Directors from its responsibilities under the Turkish Commercial Code.



#### 3.2 Membership

The Committee shall consist of at least two members elected from among the independent members of the Board of Directors who are currently serving on the Board of Directors. The elected members are publicly disclosed through the Public Disclosure Platform.

### 3.3 Committee Meetings

The Committee meets at least four times a year, at least once every three months, at the Holding Headquarters. However, meetings may also be held at the Istanbul Office with prior notice.

Meetings may be held physically or through electronic means (via online conference call). The timing of Committee meetings shall align as much as possible with the timing of Board meetings. Decisions taken during Committee meetings shall be documented, signed by Committee members, and filed properly.

The activities and meeting results of the Committee are included in the annual activity report. The number of times the Committee has made written notifications to the Board of Directors during the accounting period is also stated in the annual activity report.

The Committee shall prepare a report on its findings and recommendations within its area of responsibility and presents it to the Board of Directors.

### **4.0 DUTIES and RESPONSIBILITIES**

### 4.1 Independent External Auditing

The Committee takes the necessary measures to ensure that independent external audits are carried out effectively, adequately and transparently. The selection of the independent audit firm, preparation of independent audit contracts, initiation of the audit process and the work of the independent audit firm are carried out under the oversight of the Committee.

The independent auditing organization from which the companies will receive service and the services to be received from these organizations are determined by the committee and submitted to the approval of the Board of Directors.

Before making a proposal for the selection of an independent audit firm, the Committee prepares a report stating whether there is any issue that may impact the independence of the organization, considering the consultancy services provided by the independent audit firms.

The Committee reviews the audit scope and audit approach proposed by the independent external auditors, informs the Board of Directors about issues that may limit or hinder their work, and makes recommendations.



The Committee shall ensure that significant findings detected during or as a result of audits conducted by independent external auditors and suggestions for resolving these findings are timely communicated to the Board of Directors and discussed.

The independent audit firm shall submit to the committee in writing the important issues regarding the company's accounting policy and practices, alternative application and public disclosure options within the framework of international accounting standards, their possible consequences and implementation recommendations.

The Committee also meets with the independent external auditors to discuss issues that the Committee or the auditors require to discuss specifically.

#### 4.2 Internal Auditing

The Committee takes the necessary measures to ensure that the company's internal audit activities are carried out effectively, adequately and transparently. For this purpose, it reviews the organizational structure and work of the Internal Audit Division. It makes recommendations to the Board of Directors regarding the establishment of an effective internal audit infrastructure, the definition of the authorities and responsibilities of the Internal Audit Division, and the functioning and oversight of the established structure.

The Committee examines and evaluates the Internal Audit Report prepared by the Internal Audit Division and submits it to the Board of Directors for review. It also investigates whether the warnings and recommendations made by the auditors regarding internal audit activities have been put into practice.

The Committee is immediately informed of any significant incidents encountered during internal audit activities. Issues that may limit or hinder the work of internal auditors are presented to the Board of Directors by the Committee, and recommendations are made to eliminate these issues.

The Committee reviews management accountability for the security and operation of the company's information system, as well as crisis plans created to record and protect transactions in the event that the information system becomes inoperable.

The Committee develops recommendations to reveal incidents that lead to abuse, non-compliance with laws and regulations, or deficiencies in internal auditing or similar matters. To this end, it reviews the company's monitoring system for compliance with laws and regulations, disciplinary penalties, and the results of investigations and follow-ups initiated by the company's management on these issues, and makes recommendations to the management for the necessary arrangements and actions.

### 4.3 Accounting System and Financial Reporting

The Committee audits the compliance of the periodic financial statements and notes on the accounts to be



disclosed to the public with the current legislation and international accounting standards and reports them to the Board of Directors in writing, after receiving the opinions of the responsible managers of the company and the independent auditing organization.

The committee reviews the annual report to be disclosed to the public and checks that the information contained therein is accurate and consistent with the information available to the committee.

The committee reviews significant accounting and reporting issues and legal matters and investigates their impact on the financial statements.

#### 4.4 Other Responsibilities

The committee examines and concludes complaints from associates and stakeholders regarding the company's financial statements, internal and independent audit activities or the subject of its activities. It is the committee's duty to create the necessary infrastructure for such complaints to reach the committee and be evaluated.

The results of audits and investigations carried out by regulatory authorities are reviewed by the committee, and recommendations for necessary corrections are submitted to the Board of Directors in writing.

It is the duty of the committee to monitor compliance with legal regulations and internal company regulations within the company and to ensure that changes in legal regulations regarding the company's activities are adapted to the company structure. In this context, the committee is informed by the relevant divisions about the monitoring of the obligations stipulated by the legal legislation.

The Committee may initiate special audits as deemed necessary and report the audit results to the Board of Directors. The Committee may appoint experts as consultants to assist it in such audits.

The Committee reports to the Board of Directors the issues it detects regarding conflicts of interest that may arise between Board Members, managers and other employees and units, and the misuse of the company's trade secrets, and makes recommendations on measures to be taken to prevent this situation.

The Committee also carries out other oversight and monitoring activities requested by the Board of Directors.

#### **5.0 BUDGET**

All resources and support necessary for the Committee to fulfill its duties are provided by the company with the approval of the Board of Directors.



## **6.0 ENFORCEMENT and REVIEW**

This regulation concerning the duties and working principles of the Committee, along with any amendments, shall come into effect upon the decision of the Board of Directors. The regulation shall be reviewed annually by the Board of Directors, and any necessary changes shall be incorporated accordingly.