

BATIÇİM BATI ANADOLU ÇİMENTO SANAYİİ A.Ş.

WORKING PRINCIPLES OF THE SUSTAINABILITY COMMITTEE

1. PURPOSE and SCOPE

Batiçim Batı Anadolu Çimento Sanayii A.Ş. (**'Company'**) and its subsidiaries that it has direct/indirect control over (**'Bati Anadolu Group of Companies'**) in the fields of environmental, social and corporate governance, to determine sustainability strategy, to execute, monitor, audit, review, improve and develop policies, targets and practices in the field of sustainability, The Sustainability Committee (the **'Committee'**) and the Sustainability Sub-Committee (the **'Sustainability Sub-Committee'**) have been established within the Board of Directors to assist the Board of Directors (the **'Board'**) in identifying and evaluating the risks and opportunities faced by Batı Anadolu Group of Companies in corporate matters and in determining the necessary steps.

This regulation aims to determine the Duties and Working Principles of the Sustainability Committee of Batiçim Batı Anadolu Çimento Sanayii A.Ş. (**'Working Principles'**).

2. COMPOSITION OF THE COMMITTEE

The Committee is formed and authorised with the approval of the Board of Directors and reports to the Board of Directors. The Committee shall consist of at least 5 (five) members in total, at least 1 (one) of whom must be a member of the Board of Directors, among the persons appointed to the following positions within the Company. The Company's Sustainability and Environment Chief (in case of structural changes within the Company, the Company official who has the duties and authorisations of the Sustainability and Environment Chief), as the sustainability manager (**'Sustainability Manager'**), is responsible for the coordination and reporting of the committee. It provides all internal and external communication of the committee and sub-committee project management.

- Board Member
- Head of Financial Affairs Group
- Marketing And Concrete Group President
- Head of Production Operation Group
- OHS, Environment And Sustainability Manager

The Chairman of the Committee (**'Committee Chairman'**) is determined by the decision of the Board of Directors.

The former committee members shall continue their duties for 3 (three) years until a new member is elected.

3. WORKING PRINCIPLES AND PROCEDURES

The Committee shall convene at least 2 (two) times a year, whenever deemed necessary. The meeting call is made by the Committee Chairman. The agenda of the meeting is determined by the Committee Chairman. The meeting is held with the participation of the majority of the Committee members. The Committee takes decisions on sustainability targets concerning the entire company by absolute majority and submits the relevant issues to the Board of Directors for approval.

The Sustainability Manager keeps the decisions taken at the Committee meetings in writing, including the place, time and participating member information. Decisions are archived as minutes by the Sustainability Manager.

All kinds of resources and support required for the Committee to fulfil its duties are provided by the Board of Directors.

The Committee shall benefit from the opinions of experts when necessary.

The decisions taken are reported to the Board of Directors through the Committee Chairman, and the Committee decisions that need to be approved by the Board of Directors (decisions that will shape the Company's sustainability strategy) are submitted to the Board of Directors for approval, with the final decision belonging to the Board of Directors.

4. DUTY And RESPONSIBILITIES

Committee;

- Proactively manages risks in the areas of Environmental, Social and Corporate Governance (ESG) and guides the sustainability strategy of Batı Anadolu Group of Companies.
- Identifies the material sustainability issues that need to be focussed on, formulates sustainability strategy, short, medium and long term goals, roadmaps and policies. Follows national and international developments in sustainability, sustainability issues before stakeholders, and each committee member brings important developments to the agenda of the Committee meetings, if any.
- Follows the sustainability roadmap created by Batı Anadolu Group of Companies to realise its sustainability targets and the developments in its practices, determines performance criteria within the scope of the targets and audits the performance.
- Regularly reviews, improves, develops, executes, monitors and audits sustainability goals, policies, practices, working principles and management systems, and submits these to the Board of Directors for approval.
- Assigns, authorises and coordinates projects within the Sustainability Subcommittee to support its activities for the effective management of sustainability issues.

5. STRUCTURE OF THE SUSTAINABILITY SUB-COMMITTEE

In order to support the implementation of its decisions, the Committee has established subcommittees consisting of managers who are knowledgeable about sustainability and personnel who are required to be involved by their job descriptions.

The Committee is authorised to make changes in the structure and number of subcommittees when deemed necessary.

The working subjects of the Sustainability Subcommittee are determined under 3 main headings;

Environmental (E):

a. Energy And Climate Change:

Optimising the company's energy use and reducing its carbon footprint

b. Waste And Recycling:

Develop waste management strategies and support recycling programmes.

c. Water And Natural Resources:

Enabling water utilisation and managing natural resources sustainably.

Social (S):*a. Employee Health and Safety:*

Worker your health to protect And trustworthy study environments to ensure.

b. Employee Rights and Human Resources:

Worker to your rights respect to show, fair work applications incentive to do.

c. Community Engagement and Community Development:

of the company activity it shows to societies participation And support programs to create.

Governance (G):*a. Transparency and Reporting:*

Increasing internal and external transparency, reporting ESG performance.

b. Ethics and Business Ethics:

Complying with ethical standards, strengthening business ethics.

c. Board of Directors and Leadership:

Strengthen the board structure, encourage sustainability leadership.

Duties and Responsibilities of the Sustainability Sub-Committee

The Sustainability Subcommittee reports directly to the Committee.

The Committee determines the projects for sustainability goals and strategies, and forms a project team from the members of the subcommittee.

A **'Project Leader'** is defined for each project.

The Project Leader is responsible for ensuring coordination and reporting the work outcomes to the Committee. All in projects, meeting of the minutes keeping Sustainability Manager by is provided.

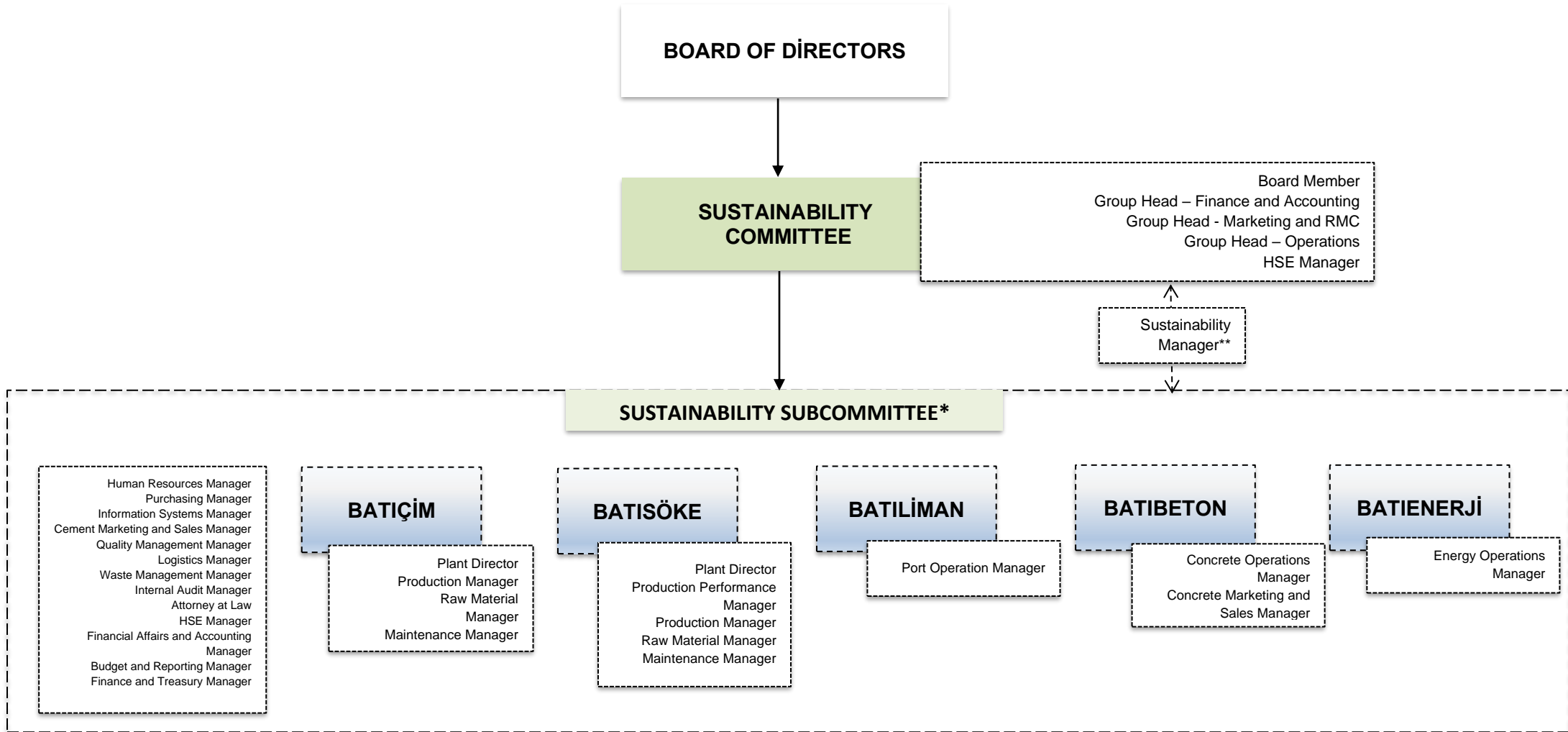
6. CHANGE IN WORKING PRINCIPLES

Proposals for amendments to these Terms of Reference shall be submitted to the Board of Directors by the Committee. The prepared proposals shall be included in the agenda of the first meeting of the Board of Directors and resolved upon. These Terms of Business may only be amended within the framework of the Board of Directors' decision in this respect.

7. ENTRY INTO FORCE

These Working Principles have been approved and entered into force with the Board of Directors Decision dated 28.03.2024 and numbered 1523.

SUSTAINABILITY GOVERNANCE MODEL



*Sustainability Subcommittee members take part in projects aimed at achieving goals and strategic objectives, for a limited or indefinite period of time.

** The Sustainability Manager is involved in all Committee and Sub-Committee work to ensure coordination.