

## Norm Holding Audit Committee Operating Principles

### 1. Objective and Scope

- 1.1 This regulation determines the functioning and adequacy of the internal systems related to accounting, financial reporting and internal control of Norm Holding and its companies, the duties, authorities, responsibilities, working procedures and principles of the Audit Committee(Committee) established within the body of Norm Holding for the implementation and supervision of internal and external audit processes. The committee monitors the compliance of Norm Holding and its companies in terms of management in accordance with the Corporate Governance Principles of the Capital Markets Board, Turkish Commercial Code, Public Oversight, Accounting and Auditing Standards Authority, Turkish Auditing Standards and Institution, Turkish Accounting Standards and other legislation, and presents suggestions to the Board of Directors regarding remedial activities when necessary.
- 1.2 It ensures the selection of the independent audit firm that audits the accuracy, transparency, and compliance with the legislation and international accounting standards of the financial statements and other financial information of Norm Holding and its subsidiaries, the preparation of the contracts and the initiation of the independent audit process, and the coordination with the work of the independent audit firm at every stage, and notifies the opinion of the independent audit firm in writing to the Board of Directors.

### 2. Structure of the Committee

- 2.1 The Committee consists of at least two members elected from among Norm Holding Board of Directors members and Board Advisors. It is ensured that the majority of the committee members are not executive members.
- 2.2 Committee members are determined annually.
- 2.3 Advisors to the Board of Directors may be elected by the Norm Holding Board of

Directors for a certain period of time as committee members.

- 2.4 The chairman of the committee is preferably chosen among the independent members of the Norm Holding Board of Directors.
- 2.5 Norm Holding and its companies' Chairman of the Board and CEO cannot be members of the committee.
- 2.6 Norm Holding executives and experts in their fields who are not within the body of Norm Holding may also take part in the Committee temporarily when necessary.
- 2.7 The Committee may invite the management and employees of Norm Holding companies, representatives of companies and organizations and those who are experts in their fields to receive their knowledge and opinions.
- 2.8 The Committee may obtain external professional consultancy and benefit from the opinions of independent experts on the issues it deems necessary regarding its activities. The cost of the consultancy services provided is covered by the company.
- 2.9 All kinds of resources and support required for the committee to fulfill its duties are provided by the Norm Holding Board of Directors.
- 2.10 The decisions of the committee are advisory to the Norm Holding Board of Directors, and the final decision maker on related matters is the Norm Holding Board of Directors.
- 2.11 Secretarial operations of the committee are carried out by a manager with management and reporting competence.

### **3. Duties and Responsibilities**

- 3.1 The Committee takes the opinions of the responsible managers and independent auditors of Norm Holding and its companies regarding the accuracy and truthfulness of the financial statements and footnotes prepared by Norm Holding and its companies in accordance with the generally accepted accounting principles, Turkish Commercial Code, Public Oversight, Accounting and Auditing Standards Authority, Turkish Auditing Standards and Institution, Turkish Accounting Standards and other legislation, and notifies the Norm Holding and its companies' Board of Directors in writing with their own evaluations.

- 3.2 It works on the preparation, effectiveness and adequacy of the internal audit and internal control systems of Norm Holding and its companies.
- 3.3 It takes measures in case of detection of issues that limit or hinder the work of internal auditors.
- 3.4 It takes the necessary measures to ensure that the internal audit is transparent and that the internal audit activities are independent and impartial.
- 3.5 It monitors whether the fiscal and financial transactions of Norm Holding and its companies are carried out in compliance with the legislation and in-group regulations. It determines the rules that will be applied in case of violation of the regulations.
- 3.6 It makes the selection and evaluation of the independent audit company and presents its opinions to the Board of Directors.
- 3.7 It performs initiation of the audit process, monitoring and evaluation of its activities, the proposed audit scope and examination of the audit process.
- 3.8 It evaluates the issues that hinder the work of the independent external audit company, its performance and its independence.
- 3.9 It checks compliance with the legislation on transfer pricing and similar matters in the related transactions of Norm Holding and its companies.
- 3.10 Norm Holding is not subject to Capital Market legislation, as it is not a publicly traded company. Norm Holding and its companies apply only good management examples in fiscal and financial matters and the subjects that are in compliance with Norm Holding Management codes and whose boundaries are approved by the Norm Holding Board of Directors.
- 3.11 The Committee is responsible for monitoring the compliance of Norm Holding and its companies with the Corporate Governance Communiqué II-17.1 of the Capital Markets Board and the issues in the Articles 397 - 406 of the Turkish Commercial Code No. 6102 in the Audit section and the Articles 407 - 451 in the General Assembly Section.
- 3.12 It plays a leading role on behalf of the Norm Holding Board of Directors in resolving any fiscal and financial disputes that may arise between Norm Holding and its companies and the shareholders.
- 3.13 It provides support to Norm Holding and companies' managers in the preparation of

its financial report. It checks whether the information in the financial report is correct and consistent according to the information held by the committee. It first examines the report from the independent auditing company and presents it to the Board of Directors of Norm Holding and companies.

- 3.14 It regularly evaluates and monitors the structure, efficiency and performance of the fiscal and financial departments of Norm Holding and its companies. It makes remedial suggestions to the Norm Holding Board of Directors when it deems it necessary.
- 3.15 Committee meets at least once every two months. This can be increased according to the committee's decision, depending on the effectiveness of its efforts and the intensity of the required agenda.
- 3.16 The meeting agenda is created by the Chairman of the Committee and distributed to the members by the Committee Secretary.
- 3.17 Committee members can convey the issues they want to be included in the meeting agenda to the Chairman of the committee.
- 3.18 The work of the committee is written down and recorded. It submits reports containing meeting results to the board of directors.
- 3.19 Once a year, the Committee prepares a report on its work, reviews the committee's duties and working principles document, and submits what needs to be updated to the Norm Holding Board of Directors.
- 3.20 The Committee acts under its own authority and responsibility and makes recommendations to decision-making mechanisms where it deems necessary; however, the responsibility for the final decision always rests with the Norm Holding Board of Directors, and the work and responsibilities of the Committee do not abolish the duties and responsibilities of the Norm Holding Board of Directors that comes from the New Turkish Commercial Code.

#### **4. Enforcement and Implementation**

- 4.1 This regulation regarding the duties and working principles of the committee and the related amendments come into effect with the decision of Norm Holding Board of Directors.

- 4.2 Article 2.5 is not applicable in 2021.
- 4.3 The Norm Holding Board of Directors is responsible for the enforcement of this regulation.