

YÜNSA YÜNLÜ SANAYİ VE TİCARET A.Ş.

REMUNERATION POLICY

FOR BOARD MEMBERS, SENIOR EXECUTIVES AND WHITE-COLLAR EMPLOYEES

This policy document defines the remuneration systems and practices of our board members, senior executives and white-collar employees who are within the scope of those with administrative responsibilities within the scope of CMB regulations.

The purpose of this policy document is to ensure that the remuneration principles to be applied by the Company are determined in accordance with the relevant legislation, the Company's activities and strategies. Our Company aims to adopt a fair remuneration policy that will support the retention of executives who are competent in their fields and whose performance, loyalty and motivation are high, and who are needed to realize its long-term goals and strategies.

Payment plans based on the Company's performance cannot be used in the remuneration of independent board members. In determining the remuneration levels of the independent board members, care is also taken to ensure that the remuneration to be determined is at a level that will protect the independence of the member. The members of the board of directors are paid on a pro-rata basis, taking into account their term of office as of their appointment and resignation dates.

While determining the remuneration levels of board members, in addition to the corporate practices, the responsibility of the board member in the decision-making process, the level of knowledge, skills, competence, experience and the time spent by the board member are taken into consideration. Expenses incurred by board members due to their contributions to the company (transportation, telephone, insurance, etc. expenses) may be covered by the company.

Wages of senior executives and white-collar employees consist of two components: fixed and performance-based.

Our remuneration policy; wage and fringe benefits management is organized and implemented in line with the main objectives of fair, objective, high performance, competitive, rewarding and motivating criteria.

The remuneration policy takes economic data, market conditions, the size of the company, the qualifications required by the position and legislation into account.

The salaries and benefits paid to senior executives and white-collar employees are presented to the shareholders at the following general assembly meeting in accordance with the provisions of the Capital Markets Board and the Turkish Commercial Code.

Senior executives and white-collar employees may be paid bonuses based on the annual performance of the company and their personal performance, upon the decision of the Board of Directors.

The main objectives of our remuneration policy are to make remuneration by emphasizing the concepts of job size, performance, contribution to the business, knowledge/skills and competencies, to motivate employees and increase their loyalty by ensuring intra-company and inter-company wage balance and competitiveness in the market, and to recruit the workforce with the appropriate competencies that will enable our company to achieve its goals.

The Job Family Model that we apply within our company defines the roles in the organization, examples of basic responsibilities, performance indicators, knowledge/skills/experience and

competencies, and our remuneration policy is based on an objective system based on our Job Family Model.

The purpose of the Variable Remuneration management applied in our company is to encourage our employees to show superior performance by rewarding success and to establish a goal-oriented performance culture in our company in order to support our company to realize its budget targets and to achieve business results above its targets. Bonus payments, which are implemented to increase the efficiency and performance of managers with administrative responsibility, to ensure performance continuity and to differentiate managers who create added value for the Company, include the following components:

- Short-term (one-year) incentives encourage employees to focus their performance on achieving key financial and non-financial goals.
- The Long-Term (three-year) incentive plan is presented to the Chief Executive Officer to enhance shareholder value and provide shareholder perspective and reward long-term performance and stability.
- Long Term KPIs for the senior management team are reviewed and defined annually by the Board of Directors.
- Both short and long-term KPIs go beyond financial targets and include sustainability, leadership capacity and operational excellence. Depending on the nature of the business line or function, the Senior Leadership Team's sustainability goals include reducing greenhouse gas emissions, diversifying sustainable products and services, increasing ESG disclosure and rating scores, improving climate risk assessments, publishing policies such as equality, further incorporating ESG into capital allocation decisions, developing programs to eliminate unconscious bias against women, and quotas for female candidates for leadership positions.

Performance-based payments, in particular bonuses, will not be guaranteed in advance.

In order to support salary management with additional benefits, “fringe benefits” are considered as an important part of total reward management. The fringe benefits that we provide as a company include the principles of being competitive and fair in accordance with market conditions.

The Board of Directors is responsible for the implementation and development of this policy. The Corporate Governance Committee carries out the process of monitoring, auditing and reporting remuneration practices on behalf of the Board of Directors

Confidentiality of wages, bonuses and other personal rights is essential.