

WORKING GROUP PRINCIPLES

The purpose of this document is to define the principles regarding the establishment, operation, and representation of Working Groups.

- As a think tank, SKD Türkiye develops sustainability projects and collaborations within its focus areas by engaging in dialogue with its members through Working Groups.
- Upon members' request, proposals for new Working Groups are submitted to the Board of Directors. A new Working Group can only be established with the approval of the Board of Directors.
- A Working Group that has fulfilled its purpose may be dissolved by a decision of the Board of Directors.
- Each Working Group is represented in the Board of Directors by at least one Board Member.
- Each Working Group also has designated Board Representatives. Together with the SKD Türkiye Projects and Working Groups team, these Representatives prepare the agenda proposals and provide guidance to ensure members' participation in activities.
- A Working Group convenes at least three times a year.
- For any Working Group unable to clarify its purpose and action plan after three meetings, the Board of Directors may decide to suspend its activities.
- The agenda, priorities, and projects to be implemented by a Working Group are determined jointly by its members.
- For projects to be implemented with the approval of the Board of Directors, a member company is appointed as Project Lead (preferably among the companies represented by Board Representatives) and at least one member company as Project Co-lead, on a voluntary basis. The SKD Türkiye Projects and Working Groups team works in coordination with the project lead and co-lead companies until the completion of the project.
- Member companies leading projects are expected to attend Board of Directors meetings periodically to provide updates on the current status of their projects.

- Each Working Group must finance its projects either internally or through external sources. Allocation from association resources is exceptional and subject to evaluation by the Board of Directors.
- Decisions within Working Groups are made democratically and with participatory principles.
- Working Groups operate under the umbrella of SKD Türkiye for a common purpose and in full compliance with Competition Law. Results of Working Group activities cannot be used partially or fully by member companies outside SKD Türkiye before official publication. After publication, any uses beyond the recommended application require Board of Directors approval.
- Working Group members are obliged to exercise due diligence in complying with Competition Law in all their activities within and outside SKD Türkiye. In case of any doubt regarding compliance, the Legal Counsel must be consulted before proceeding.

IMPORTANT NOTE ON COMPETITION LAW

In activities such as association or Working Group meetings, where undertakings in a competitive relationship come together, it is of utmost importance to ensure that members and participants act in compliance with Competition Law.

Key considerations under Competition Law for associations of undertakings include:

- Not engaging in discussions with representatives of competing companies on prices, salaries, salary increases & benefits, costs, interest rates, market conditions, or other sensitive data; not sharing competitively sensitive information or developing strategies/actions that restrict competition.
- Not sharing company-specific or non-public information related to the market in which competition exists and the products offered, such as pricing mechanisms, campaign details, capacity and investment plans, customer lists, customers' capacities, or sales potential.

- Not engaging in actions that may constitute collusion or joint exclusion of current or potential competitors.
- Not engaging in agreements or strategies that may amount to concerted practices, such as boycotts or policies designed to block market entry by competitors.
- Not sharing competitively sensitive information through intermediaries such as competitors' customers or suppliers.

In addition to the above, the following matters also require particular attention and legal oversight:

- Conducting benchmarking studies regarding competitors' marketing, sales, or pricing practices only by relying on publicly available information, citing lawful sources, without identifying specific undertakings, and with data collected from at least ten participants. Such studies must be carried out through an independent third party in line with competition law guidelines.
- Discussing with competitors common sectoral challenges that may create strategic market effects (e.g., local/regional issues related to market conditions, stock, distribution networks, or storage facilities).
- Entering into R&D agreements with competitors.
- Entering into joint procurement agreements with competitors or jointly determining procurement conditions.