

**Türkiye Petrol Rafinerileri A.Ş.  
(TÜPRAŞ)**

**Supply Chain Compliance Policy**

**Table of Contents**

- 1. **PURPOSE AND SCOPE** ..... 3
- 2. **DEFINITIONS** ..... 3
- 3. **GENERAL PRINCIPLES** ..... 5
- 4. **GUIDING PRINCIPLES FOR BUSINESS PARTNERS** ..... 6
  - 4.1. **Laws and Regulations** ..... 6
  - 4.2. **Anti-Bribery and Corruption & Prevention of Laundering of the Proceeds of Crime and Financing of Terrorism and Weapons of Mass Destruction** ..... 7
  - 4.3 **Human Rights** ..... 7
    - 4.3.1. **Employment** ..... 7
    - 4.3.2. **Compliance with Labor Laws**..... 7
    - 4.3.3. **No Harassment or Violence** ..... 7
    - 4.3.4. **Discrimination** ..... 7
    - 4.3.5. **Freedom of Organization and Collective Bargaining**..... 7
  - 4.4 **Health and Safety** ..... 8
  - 4.5 **Environment** ..... 8
  - 4.6 **Compliance with the Code of Ethics and International Conventions** ..... 8
  - 4.7 **Conflict of Interest**..... 8
  - 4.8 **Reporting**..... 8
  - 4.9 **Training and Development** ..... 9
  - 4.10 **Management Systems** ..... 9
- 5. **AUTHORITY AND RESPONSIBILITIES**..... 9
- 6. **EFFECTIVE DATE** ..... 9

## 1. PURPOSE AND SCOPE

The purpose of this Supply Chain Compliance Policy (the “**Policy**”) is to communicate Tüpraş’s principles and values which are the reflection of its attention regarding human rights, safety, environment, and ethics to our Business Partners and provide them with the necessary guidance on the standards, methods, and principles we expect them to meet.

This Policy is also intended to provide guidance to Tüpraş in their processes for selecting and monitoring Business Partners.

All employees and directors and officers of Tüpraş shall comply with this Policy, which is an integral part of the Koç Group Code of Ethics, and Tüpraş Code of Ethics, Tüpraş Supplier Management Policy, and Tüpraş Supplier Code of Ethics. Tüpraş expects its Business Partners are aware of and act in accordance with this Policy.

## 2. DEFINITIONS

“**Bribery**” refers to giving, offering, promising, or proposing anything of value with the aim of obtaining Improper Advantage over, or Corruptly Influencing a business transaction or relationship. Forms of value covers any form of benefit including but not limited to money, gifts, entertainment that:

- affect or may affect impartiality, performance, and ability to make decisions,
- may be reputation wise detrimental if it became public,
- would be a breach of the applicable legislation,
- can be perceived as bribery, or
- may correspond to a privileged treatment for carrying out a certain task.

“**Business Partner**” includes suppliers, customers, contractors, and other third parties with Tüpraş have a business relationship and all kinds of representatives, subcontractors, consultants, etc. acting on behalf of Tüpraş, as well as their employees and representatives.

“**Corruption**” means “the abuse of entrusted power for private gain.

“**Export Control Regulations**” means the laws and regulations that regulate and restrict the import, export and re-export of technologies, information, goods, and services for reasons of commerce, foreign policy and national security.

“**Government/Public Official**” broadly refers to a variety of individuals including but not limited to the following:

- Employees working at government bodies domestically or in a foreign country,
- Employees of government business enterprises (domestic or in a foreign country),
- Employees of political parties, political candidates, (domestic or in a foreign country),
- Any person who holds a legislative, administrative, or judicial position, (domestic or in a foreign country),
- Judges, jury members, or other officials who work at domestic, foreign, or international courts,
- Officials or representatives working at national or international parliaments,
- Arbitrators resorted to, who have been entrusted with a task within the arbitration procedure, to resolve a legal dispute.

“**Human Rights**” are rights inherent to all human beings, regardless of gender, race, color, religion, language, age, nationality, difference of thought, national or social origin, and wealth. This includes the right to an equal, free, and dignified life, among other human rights.

“**ILO**” means The International Labor Organization.

“**Koç Group**” means Koç Holding A.Ş. and companies which are controlled directly or indirectly, jointly, or individually by Koç Holding A.Ş. and the joint venture companies listed in its consolidated financial report.

“**Laundering the Proceeds of Crime**” means the activities that involve taking criminal proceeds and disguising their illegal source in anticipation of ultimately using such criminal proceeds to perform legal and illegal activities.

“**Politically Exposed Person (PEP)**” refers to individuals who are currently or in the past, either domestically or in a foreign country, elected or appointed to an important public function; board members, senior executives and deputy executives of international organizations and other persons holding equivalent positions; senior politicians; senior officials of political parties; senior judicial, administrative or military officials; senior executives of state-owned enterprises; and the spouses, first-degree relatives (mother, father and children) and relatives of all such persons.<sup>1</sup>

“**Sanction(s)**” are restrictions on financial or commercial transactions imposed by one or more countries or organizations and intended to target another country, region, sector, organization, individual aircraft, or vessel. Economic sanctions and export controls administered by the Republic of Turkey, the UN, the United States of America (the “US”), the United Kingdom (the “UK”) and the European Union (the “EU”), (respectively, “**Turkey Sanctions**”, “**UN Sanctions**”, “**US Sanctions**”, “**UK Sanctions**” and the “**EU Sanctions**”) as well as the economic sanctions and export controls administered by other jurisdictions.

“**Sanctions Target**” means:

- Any individual, entity, vessel or government which is a designated target of Sanctions (collectively, “**Listed Persons**”) (e.g., SDNs);
- Companies owned 50% or more, directly or indirectly, by a Listed Person;
- Individuals or companies that are resident, incorporated, registered, or located in countries or territories such as Crimea, Donetsk, Luhansk and Sevastopol Regions of Ukraine, Cuba, Iran, North Korea, and Syria that are subject to a comprehensive country or territory-wide Embargo as of the approval/revision date of this Policy (i.e., the “**Embargoed Countries**”), and
- Persons or companies owned or controlled by, or operating as agents of, the governments of Embargoed Countries or the Government of Venezuela.

“**The UN**” means the United Nations.

“**The UN Guiding Principles on Business and Human Rights**”<sup>2</sup> is a set of guidelines for states and companies to prevent, address and remedy human rights abuses committed in business operations.

“**The UN Global Compact**”<sup>3</sup> is a global pact initiated by the United Nations, to encourage businesses worldwide to adopt sustainable and socially responsible policies, and to report on their implementation. The UN Global Compact is a principle-based framework for businesses, stating ten principles in the areas of human rights, labor, the environment, and anti-corruption.

“**The ILO Declaration on Fundamental Principles and Rights at Work**”<sup>4</sup> is an ILO declaration adopted in 1998 that commits all member states whether or not they have ratified the relevant Conventions, to respect, and promote the following four categories of principles and rights in good

---

<sup>1</sup> <https://www.fatf-gafi.org/documents/documents/peps-r12-r22.html>

<sup>2</sup> [https://www.ohchr.org/Documents/Publications/GuidingPrinciplesBusinessHR\\_EN.pdf](https://www.ohchr.org/Documents/Publications/GuidingPrinciplesBusinessHR_EN.pdf)

<sup>3</sup> <https://www.unglobalcompact.org/what-is-gc/mission/principles>

<sup>4</sup> <https://www.ilo.org/declaration/lang--en/index.htm>

faith:

- Freedom of association and effective recognition of collective bargaining,
- Elimination of all forms of forced or compulsory labor
- Abolition of child labor
- Elimination of discrimination in employment and occupation.

“**The Universal Declaration of Human Rights (UDHR)**”<sup>5</sup> is a milestone document in the history of human rights, proclaimed by the United Nations General Assembly in Paris on 10 December 1948 as a common standard of achievements for all peoples and all nations. It sets out, for the first time, fundamental human rights to be universally protected.

“**Tüpraş**”, refers to Turkish Petroleum Refineries Inc. and all companies that are directly or indirectly, individually, or jointly controlled by this company, and business partnerships included in Tüpraş's consolidated financial report.

### **3. GENERAL PRINCIPLES**

Tüpraş selects its Business Partners based on factors such as technical competence, product and service quality, pricing, corporate reputation, and financial soundness etc. Tüpraş also applies a risk-based approach to assess the compliance-related risks associated with its Business Partners in order to ensure compliance with the principles outlined in this Policy. Within the framework of this approach, the following points are considered:

- Taking necessary measures to effectively manage the risks associated with Sanctions and Export Control Regulations,<sup>6</sup>
- To Conduct Due Diligence<sup>7</sup> regularly on Business Partners before and during the business relationship to ensure that they are not directly or indirectly Sanctions Targets, and to verify that there is no negative intelligence on Bribery, Corruption, Laundering the Proceeds of Crime and financing of terrorism and weapons of mass destruction, human rights violations, etc., and to identify any other potential compliance risks and to take necessary measures in order to fulfill disclosure obligation in accordance with all the legislation on the protection of personal data in force in the countries where Tüpraş operates, to obtain explicit consents where necessary, as well as to conduct proper screening processes for individuals acting on behalf of Business Partners, to evaluate all details of the business and transactions within the scope of the applicable Sanctions and to obtain all necessary commitments before and during the business relationship with any Business Partner Auditing the Business Partners, when necessary, to determine whether they comply with the Tüpraş Code of Ethics, in particular applicable legislations, contractual obligations, and the Guiding Principles for Business Partners ("Principles") detailed below,
- Providing necessary training to Business Partners to ensure compliance with expected standards, if required.

#### ***Business Partner Onboarding Process***

As a first-line role<sup>8</sup>, the business units, before establishing a business relationship with a new Business

---

<sup>5</sup><https://www.un.org/en/universal-declaration-human-rights/>

<sup>6</sup> Please refer to Tüpraş Sanctions and Export Controls Policy for details.

<sup>7</sup> During this work, it is necessary to fulfil disclosure obligations in accordance with all relevant local personal data protection regulations in the countries where Tüpraş operates, obtain explicit consent and any other necessary commitments from persons acting on behalf of and for the account of the Business Partners.

<sup>8</sup> First line roles refer to the business units responsible for the delivery of products and/or services to customers. Each first-line employee involved in these processes, which can also be referred to as operational issues, is responsible for their own self-assessments.

Partner, are responsible for identifying potential risks associated with Sanctions and Export Control Regulations, ensuring that the relevant party is not a Sanctions Target, and perform intelligence ("Due Diligence")<sup>9</sup> through a screening tool by taking all necessary commitments in accordance with all the legislation on the protection of personal data in force in the countries where Tüpraş operates, in order to identify compliance and other reputational risks such as Bribery, Corruption, Laundering the Proceeds of Crime, financing of terrorism and weapons of mass destruction, human rights violations, etc. and assessing whether the relevant parties comply with the Guiding Principles for Business Partners<sup>10</sup>. In addition, it should be confirmed whether the relevant Business Partner is a Public Official or a PEP by conducting internet, media, and other database searches.

Due Diligence is carried out by the business units under the coordination of Chief Legal and Compliance Office as a second line role<sup>11</sup> and is monitored regularly. If the Due Diligence contains a warning sign regarding any compliance risk, or it is determined that the Business Partner is a Public Official or a PEP, the officer or department in charge of compliance must be informed immediately. The Chief Legal and Compliance Office may decide to stop the transaction or conduct Enhanced Due Diligence ("EDD"). In this case, the General Manager is informed about the compliance risks identified and the possible impact of these risks and the measures suggested to be taken in case of establishing, terminating, or continuing a business relationship. The General Manager shall make the decision to establish, continue or terminate the business relationship considering the assessments and recommendations of the relevant EDD report.<sup>12</sup> Decisions taken with the approval of the General Manager shall be regularly reported to Koç Holding Legal and Compliance Department by the Chief Legal and Compliance Office, and the entire process shall be subject to internal audit<sup>13</sup>, if deemed necessary.

At the stage of signing a contract with a Business Partner, Tüpraş shall ensure that the relevant persons are informed about this Policy. Furthermore, Tüpraş reserves the right to terminate the contract or apply other penalties in the event of a violation of the Policy. Clauses such as the obligation to comply with this Policy, the Principles and Tüpraş's audit right over the relevant party are included in the relevant contracts.

#### **4. GUIDING PRINCIPLES FOR BUSINESS PARTNERS**

Tüpraş's Guiding Principles for Business Partners ("Principles") and this Policy are established as a part of Koç Group's Compliance Program and are prepared in accordance with the UN Global Compact. All Business Partners of Tüpraş are expected to comply with these Principles.

##### **4.1. Laws and Regulations**

Business Partners of Tüpraş are expected to act in compliance with all laws, rules, and regulations applicable to their business and industry, including competition, the prevention of Laundering the

---

<sup>9</sup> Please refer to Tüpraş Sanctions and Export Controls Policy for details.

<sup>10</sup> Please refer to the "4. Guiding Principles for Business Partners" section of this Policy for details.

<sup>11</sup> The Compliance Function, which is called the second line and is closely linked to the processes in the first line, provides support to the first line in managing compliance risks and coordinates the business units. In addition to continuous monitoring activities, it also proposes action plans to prevent the occurrence/recurrence of risks and supports the first line by ensuring follow-up.

<sup>12</sup> Due Diligence and Extended Due Diligence studies are stipulated in Tüpraş Anti-Bribery and Corruption Policy, Tüpraş Laundering of Proceeds of Crime, Prevention of Financing of Terrorism and Proliferation of Weapons of Mass Destruction Policy and Tüpraş Supply Chain Policy in line with the national and international regulations, aims to know the third business partner. For details, see Tüpraş Policy on Prevention of Laundering Proceeds of Crime, Financing of Terrorism, and the Proliferation of Weapons of Mass Destruction.

<sup>13</sup> As a third line role, internal audit aims to provide independent and objective assurance and advice on the adequacy/effectiveness of governance and risk management based on retrospective findings.

Proceeds of Crime and the financing of terrorism and weapons of mass destruction, data privacy, anti-bribery, and anti-corruption laws.

#### **4.2. Anti-Bribery and Corruption & Prevention of Laundering of the Proceeds of Crime and Financing of Terrorism and Weapons of Mass Destruction**

Business Partners are expected to comply with applicable laws regarding the anti-bribery and corruption, Prevention of Laundering of the Proceeds of Crime and Financing of Terrorism and Weapons of Mass Destruction, while conducting business on behalf of Tüpraş.

Any form of bribery and the giving or receiving of anything of value, directly or indirectly, to gain an improper advantage and influence the objective decision-making processes is unacceptable. Any activity that may lead to prevention of laundering of the proceeds of crime and financing of terrorism and weapons of mass destruction, with or without malicious intent, is unacceptable and illegal.

All transactions must be accurately and transparently recorded in the books and records with sufficient descriptions.

#### **4.3 Human Rights**

Business Partners are expected to conduct their business activities in accordance with the Tüpraş Human Rights Policy.

##### **4.3.1. Employment**

Business Partners of Tüpraş shall ensure that their operations are not associated with child labour, forced labour, or labour abuse.

In addition, in accordance with the conventions and recommendations of the ILO, the Universal Declaration of Human Rights, and the UN Global Compact, Tüpraş expects its Business Partners to have a zero-tolerance policy towards slavery and human trafficking.

##### **4.3.2. Compliance with Labor Laws**

Business Partners are expected to comply with the labour laws of the countries in which they operate.

Wages shall be set competitively in accordance with the relevant sectors, the local labour market and, where applicable collective bargaining agreements. All compensations, including social benefits shall be paid in accordance with the applicable laws and regulations.

##### **4.3.3. No Harassment or Violence**

Business Partners are expected to provide a workplace free from violence, harassment and other unsafe or disturbing conditions resulting from internal or external threats. Any form of physical, verbal, sexual or psychological harassment, bullying, abuse, or threat will not be tolerated.

##### **4.3.4. Discrimination**

Business Partners are expected to provide a work environment where any form of discrimination is not tolerated; where employees are treated fairly and where there is of discrimination, (based on race, gender, colour, national or social origin, ethnicity, religion, age, disability, sexual orientation, or political opinions).

##### **4.3.5. Freedom of Organization and Collective Bargaining**

Business Partners are expected to respect their employees' the right and freedom of choice of their employees to join trade unions and to bargain collectively without fear of retaliation.

#### **4.4 Health and Safety**

Business Partners are expected to provide a safe and healthy working environment, to comply with all relevant laws and regulations and to implement all necessary safety measures for all work areas. Business Partners must take immediate action, when unsafe conditions or behaviours occur and minimise the risk of injuries and accidents.

#### **4.5 Environment**

Tüpraş expects its Business Partners to make every effort to protect and preserve the environment. In this regard, Tüpraş encourages its Business Partners to;

- Comply with all applicable environmental and safety laws and regulations including various plans and procedures related to health, safety, and environmental management such as Tüpraş's Occupational Health and Safety Plan, Tüpraş Business Continuity Plan, Process Safety Plan, Emergency Management Standard, and Integrated Management System Handbook.
- Continuously improve their environmental performance and resource efficiency.
- Reduce their environmental impact to address greenhouse gas emissions and energy consumption, water management, waste management, pollution prevention and protection of biodiversity.
- Have effective monitoring systems and procedures for industrial accidents and other emergency situations.
- Encourage their Business Partners and third parties to improve their environmental performance.

#### **4.6 Compliance with the Code of Ethics and International Conventions**

Tüpraş expects its Business Partners to conduct their business with fairness, integrity and in accordance with the law and the Koç Group Code of Ethics, and the Tüpraş Code of Ethics, Tüpraş Supplier Management Policy, and Tüpraş Supplier Code of Ethics.

Tüpraş expects its Business Partners to conduct their business in accordance with the laws, international conventions to which the Republic of Türkiye is a party, the United Nations Declaration of Human Rights, the United Nations Global Compact and to act within the framework of fairness, accuracy, honesty, responsibility, trust, accountability, openness, and respect.

#### **4.7 Conflict of Interest**

Business Partners shall not enter into personal transactions with Tüpraş employees that could lead to an actual or perceived conflict of interest and damage Tüpraş and Koç Holding's reputation.

Persons, organizations and Tüpraş employees who have or are likely to have a close relationship (such as kinship, friendship or similar) between Business Partners or other persons and organizations that may have a business relationship with Tüpraş, and Tüpraş employees who give business to these persons and organizations, approve their business or take decisions regarding them, are obliged to inform the officer or department in charge of compliance about the situation.

Before establishing any direct or indirect business relationship between a former Tüpraş employee and Tüpraş, the department that will establish a business relationship shall inform chief Legal and Compliance Office and the necessary approval process is carried out within the scope of the Tüpraş internal procedures.

#### **4.8 Reporting**

Business Partners are expected to provide effective lines of communication for reporting violations and taking the necessary action in a timely manner. Business Partners and their employees should be



able report their concerns without any fear of retaliation or retribution. Additionally, employees of Business Partners may report their concerns directly via Stakeholder Communication Management System at <https://piy.tupras.com.tr/BildirimKayit.aspx>, to Tüpraş Call Center <http://tupras.com.tr/iletisim> or to Tüpraş Ethics Hotline with anonymous reporting option at ["koc.com.tr/hotline"](http://koc.com.tr/hotline).

#### **4.9 Training and Development**

Tüpraş encourages its Business Partners to provide their employees with training programs and tools to enhance their skills and capabilities.

#### **4.10 Management Systems**

Business Partners are expected to establish and maintain appropriate management systems in order to ensure that they operate in accordance with laws, regulations and the principles set forth in this document.

### **5. AUTHORITY AND RESPONSIBILITIES**

All employees and directors of Tüpraş are responsible for complying with this Policy, implementing, and supporting the relevant Tüpraş's related procedures and controls in accordance with the requirements of this Policy. Tüpraş also expects its Business Partners to comply with and or act in accordance with this Policy.

If there is a discrepancy between the local regulations, applicable in the countries where Tüpraş operates, and this Policy, the stricter of the two shall prevail, unless such practice is in violation of the relevant local laws and regulations, the stricter of the two, supersede.

If you become aware of any action that you believe is inconsistent with this Policy, the applicable law or the Koç Group Code of Ethics or the Tüpraş Code of Ethics, you may seek guidance the incident to your line manager or report to Chief Legal and Compliance Office. Alternatively, you may report the incident to Tüpraş Ethics Hotline with anonymous reporting option via the following link: ["koc.com.tr/hotline"](http://koc.com.tr/hotline).

Tüpraş employees may contact the Chief Legal and Compliance Office of Tüpraş for their questions regarding this Policy and its application. Violation of this Policy may result in significant disciplinary actions including dismissal within the scope of the Labor Law and other related laws and Tüpraş internal policies and regulations. If this Policy is violated by third parties who are expected to comply with this Policy, the related contracts may be terminated.

### **6. EFFECTIVE DATE**

This Policy has been approved by the Board of Directors dated 11 August 2021 and the Chief Legal and Compliance Office will be responsible for its updates.

<b>Revision</b>	<b>Effective Date</b>	<b>Notes</b>
1	23.05.2024	Missing expressions are added to the Definitions, the expressions that cause ambiguities are improved, referrals the Prevention of Laundering of the Proceeds of Crime and Financing of Terrorism and Weapons of Mass Destruction are added.