



COMPLIANCE POLICY

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1. Purpose and Scope

This Compliance Policy (“**Policy**”) is prepared for Entek in accordance with Koç Group Compliance Policy¹. The purpose of this Policy is to establish a customized, comprehensive and effective compliance framework for Entek, and demonstrate Entek’s commitment to compliance with laws and regulations, internal policies, good corporate governance practices and ethical rules.

This Policy also describes Entek’s Compliance structure.

All employees, directors and officers of Entek shall comply with this Policy, which is an integral part of the Entek Code of Ethical Conduct and Practice Principles² (“**Ethical Rules**”).

2. Definitions

“**Business Partner**” includes authorized service and/or solution providers with whom Entek cooperates in matters such as, but not limited to, specific business models or project development, suppliers and other third parties with whom the company has a business relationship and all kinds of representatives, subcontractors, consultants, etc. acting on behalf of the company, as well as their employees and representatives.

“**Chief Legal and Compliance Officer (CLCO)**” is primarily responsible for managing and overseeing the Compliance Program for Entek.

“**Compliance**” is defined as adhering to the requirements of laws, regulations, industry and organizational standards, internal policies and procedures and generally accepted ethical standards.

“**Compliance Program**” shall have the meaning assigned to this term in Section 4.1.

“**Entek**” means companies which are controlled directly or indirectly, jointly or individually by Entek Elektrik.

“**Entek Elektrik**” means Entek Elektrik Üretimi A.Ş.

(1) <https://www.koc.com.tr/about-us/code-of-ethics-and-compliance-policies>

(2) <https://www.entekelektrik.com.tr/en/icerik/etik-ilkeler-ve-uyum-politikalari>

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

“**Koç Holding**” means Koç Holding A.Ş.

“**Retaliation**” is any negative action, including but not limited to demotion, discipline, firing, salary reduction, or job or shift reassignment, to punish an employee for a protected activity, such as reporting an injury, safety concern, mismanagement, abuse of authority, or legal violation in the workplace.

“**Risk Management Committee**” is established for the purpose of early diagnosis of the risks that may endanger the existence, development and continuity of Entek to implement measures, manage and report these risks in line with Entek’s corporate risk-taking profile, and to make suggestions to the board of directors of Entek, about developing and integrating internal control systems.

“**Systematic Risk Analysis**” is a process to identify, assess and monitor the principal compliance risks that Entek faces as a business.

“**Tüpraş**” means Türkiye Petrol Rafinerileri A.Ş., companies which are controlled directly or indirectly, jointly or individually by Türkiye Petrol Rafinerileri A.Ş. and the joint venture companies listed in its latest consolidated financial report.

3. Compliance Obligations

3.1. Overview of Obligations

Effective compliance management can only be achieved through a well-designed and tailored Compliance structure. It can then be sustainable if it is embedded in the corporate culture and in employee behavior, by being integrated into all processes and operations.

Entek’s Compliance obligations go beyond adherence to mandatory regulations (laws, permits, licenses, rules and guidelines of regulatory authorities, court decisions, conventions etc.) and include, its Compliance commitments such as agreements with third parties, organizational standards such as policies and procedures, or other voluntary commitments.

3.2. Compliance Domains and Risk Analysis

Entek Elektrik's Legal and Compliance Department, together with the Entek's relevant business units shall periodically conduct risk assessments for relevant normative domains, and analyze the specific Compliance related risks to which operations, employees and/or Business Partners may be particularly exposed (through questionnaires, workshops, one-on-one interviews etc.). Company policies and procedures shall be drafted/revised as necessary in accordance with such assessment and analysis.

Tailor-made Compliance reviews and analysis take into account the Entek's fingerprint, including but not limited to its own characteristics, complexity, risks, risk appetite, governance, business lines, products and services, the industry sector, market competitiveness, regulatory landscape, potential customers and Business Partners, transactions with foreign governments, payments to foreign governments, use of third parties, gifts, travel and entertainment expenses, charitable contributions. Besides, while the purpose of such a compliance risk analysis is to address and take action in all relevant Compliance domains, based on their likelihood and impact, the following shall be prioritized:

- 1) Anti-Bribery and Corruption
- 2) International Sanctions
- 3) Anti-Money Laundering
- 4) Data Privacy
- 5) Competition
- 6) Human Rights

Koç Holding's Legal and Compliance Department and Tüpraş Legal and Compliance Department monitor the Compliance risk analysis carried out by the Entek and while evaluating the results, it also takes into account Koç Group's and/or Tüpraş's relevant indicators, internal audit reports and case related investigations, Compliance cases and control results in order to identify potential compliance-related risks and take the necessary precautions.

4. Compliance Program

4.1. Main Components of the Compliance Program

Entek’s Compliance Program (“**Compliance Program**”) is a set of rules, policies and procedures based upon Koç Group Compliance Program and aimed at addressing issues with a risk-based approach. It incorporates the corporate governance and compliance culture and written standards promoted by the top management and monitored by Entek Elektrik’s Legal and Compliance Department, with the participation of all employees.

The main operational pillars of Compliance Program are as follows:

- Prevention
- Detection
- Response

The following illustration shows the components of the Compliance Program and its composition. This framework reflects the general approach and strategy towards Compliance, i.e. the Compliance Program of Entek

Illustration I: The Compliance Program of Entek



Prevention is managed through Compliance risk assessments, due diligence practices, written policies and procedures communication and trainings. **Detection**, is supported by technology and data analytics as well as monitoring, testing and audit practices. **Response** involves investigations and reporting activities.

4.2. Compliance Organization

Entek’s approach to Compliance is shaped by the tone at the top, which demonstrates the importance that top management attaches to Compliance related issues. By applying the core values, generally accepted corporate governance and ethical standards, the top management sets an example for the entire organization and helps to embed Compliance in the culture, behavior and attitude of every member of Entek.

A solid Compliance organization is the key to ensuring an effective Compliance structure. The Compliance organization refers to the leadership and organizational structure that is responsible and accountable for the decision-making, development, implementation, monitoring and supervision of the Compliance Program. Compliance organization is structured in Entek Elektrik. Illustration II below shows the current Compliance organization of Entek which runs through Entek Elektrik.

Illustration II: The Compliance Organization Entek



As shown above, the Compliance organization is fulfilled by:

- Chief Legal and Compliance Officer (“CLCO”),
- Entek Elektrik’s Legal and Compliance Department,
- Compliance Committee,
- Risk Management Committee.

Considering the importance of top management’s leadership on Compliance related issues, Entek Elektrik’s CEO and the Board of Directors of the related Entek company have the overall responsibility to provide leadership on Compliance related issues by monitoring the application of core values, generally accepted corporate governance and ethical standards.

In order to have a successful Compliance Program, the CLCO position shall have:

- **Empowerment:** Full and clear authority, C-level designation and authority to carry out his/her duties.
- **Independence:** In order to maintain its independence, the CLCO reports to the Board of Directors, while directly reporting directly to the CEO.
- **Seat at the Table:** The CLCO attends the key meetings where all major business decisions are taken.
- **Line of Sight:** The CLCO sets the standards in risk areas even if they are related and implemented by other business units.
- **Resources:** The CLCO has sufficient resources to manage the Compliance Program.

The CLCO performs his/her duties with the support of Entek Elektrik’s Legal and Compliance Department and has the ultimate responsibility for the activities of the Entek Elektrik’s Legal and Compliance Department.

Entek Elektrik’s Legal and Compliance Department has 3 main functions: Functional Responsibilities, Monitoring and Line of Sight.

Functional Responsibilities cover the management of key risks identified through the Systematic Risk Analysis process, including but not limited to the following:

- Identifying and managing Compliance risk areas (including Business Partner risks),
- Ensuring that Compliance risks are classified and analyzed and prioritized based on the results,

- Establishing and identifying the policies, procedures and controls that the organization must have in place to prevent, detect and manage the Compliance breaches,
- Providing or organizing on-going training support for employees and conducting Compliance awareness campaigns to ensure that all employees are aware of what is expected of them in order to comply with Entek policies,
- Establish a Compliance reporting and documentation system for the Entek,
- Establishing Compliance performance indicators, monitoring and measuring the Compliance performance of Entek,
- Analyzing the performance of Entek to determine the need for corrective action plans,
- Ensure that the Compliance Program is reviewed at planned intervals,
- Ensure access to appropriate professional advice in the establishment and implementation and maintenance of the Compliance Program,
- Ensure that the Compliance policies, procedures and the other documents are appropriate and accessible to employees and Business Partners,
- Ensure that Compliance structure is applied uniformly and consistently throughout the Entek.

Monitoring Responsibilities include the monitoring and review of certain Compliance risks that are considered to be the primary responsibility of other departments or units. These activities include but are not limited to the following:

- Promoting the inclusion of Compliance responsibilities in job descriptions and employee performance management processes,
- Developing and implementing processes to manage information such as complaints and/or feedback through the whistleblowing system and other mechanisms,
- Ensure that whistleblowing mechanisms are easily accessible, known and confidential,
- Ensure that only authorized persons have access to confidential documents related to the Compliance Program.

Finally, Line of Sight means that the Entek Elektrik's Legal and Compliance Department acts in an advisory capacity for all Compliance-related risks identified by the Systematic Risk Analysis.

Given its role and responsibilities, the Entek Elektrik's Legal and Compliance Department shall have sufficient and qualified resources and personnel, including Compliance Managers supported by the Compliance Officer/s, who are fully dedicated to the compliance matters.

The Compliance Committee (“Committee”) aims to increase the efficiency of the Compliance structure by advising to the CLCO (and Entek Elektrik's Legal and Compliance Department). The Committee, which consists of the CLCO, Group Director of Shared Services and Transformation, the CFO and Internal Audit and Risk Management Manager and other directors or managers of other business units as appropriate, acts as an advisory body to assist the CLCO in the decision-making process as required.

The Risk Management Committee consists of CFO, Power Generation Deputy Manager, CLCO, Internal Audit and Risk Management Manager and other directors. In this respect, the Committee acts as a link between Entek Elektrik's Legal and Compliance Department and the Board of Directors.

4.3. Raising Concerns and Disciplinary Actions

4.3.1. Reporting and Whistleblowing

Any stakeholder or employee who witnesses or is aware of any action inconsistent with the Ethical Rules, or who suspects such a situation, is expected to report his/her concerns to Entek through the hotline at koc.com.tr/hotline (“**Hotline**”).

The Hotline is designed to protect the whistleblowers' confidentiality and anonymity of the whistleblowers. It is essential that anyone reporting an incident feels comfortable and safe in raising their concerns and does not hesitate to do so. All complaints will be treated confidentially and whistleblowers who report in good faith will be protected from any Retaliation.

No action will be taken against anyone who reports in good faith, an action or behaviour that he/she believes/suspects to be a misconduct, even if the outcome of the investigation does not substantiate the relevant report. Those who deliberately make false reports may be subject to various disciplinary actions.

4.3.2 Investigations and Disciplinary Actions

All incidents reported through the Hotline or other channels will be reviewed to determine the need for an investigation. If an investigation is initiated, and a recommendation for disciplinary action is made as a result, the matter will, be brought to the attention of the Entek Elektrik's Disciplinary Committee depending on the nature of the incident and the person under investigation. Disciplinary measures shall be taken on the basis of objective criteria. For those disciplinary matters that are to be reviewed by Koç Holding, the Disciplinary Committee of Koç Holding has the authority to decide whether or not to take a disciplinary action and the nature of the disciplinary action.

5. Authority and Responsibilities

If you become aware of any action that you believe is inconsistent with this Policy, the applicable law or the Ethical Rules, you may seek guidance or report this incident to your line manager. You may alternatively report the incident to Hotline.

Entek employees may contact the Entek Elektrik's Legal and Compliance Department for their questions regarding to this Policy and its application.

6. Revision History

This Policy takes effect on 28.09.2022 as of the date approved by Entek Elektrik's Board of Directors and for each Entek company, it will take effect on the date of Board of Directors approval of relevant company. This Policy will be maintained by the Entek Elektrik's Legal and Compliance Department.

Revision	Date	Comment
V.01	30.09.2021	
V.02	28.09.2022	
V.03	05.02.2024	Definition of Business Partners has been updated. Expressions that cause ambiguities have been improved.