

**Cengiz Holding A.Ş.**

**Contract  
Management Policy**

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## 1. Objective

The objective of the Contract Management Policy ("**Policy**") is to ensure that the provisions in the contracts concluded by Cengiz Holding A.Ş. and its Group Companies ("**Cengiz Holding**", "**Holding**" or "**Group**") with their employees, customers, suppliers and all other third parties be prepared in accordance with the applicable laws and regulations and the operation of the Holding.

## 2. Definitions

If the terms, words, and expressions used in the policy have not been defined under this title, their meanings shall be taken from the applicable laws, regulations and sectoral meanings.

**Due Diligence Study:** Shall refer to the identification of third parties carried out by the Holding and the confirmation of such identity determinations from reliable sources, the verification of the identity of the persons who are the ultimate beneficiaries in financial transactions, the acquisition of partnership information in legal entities and the identification of the persons holding the ownership title, acquiring information about the type of transaction to be established and the nature of the transaction to take place and the regular implementation of all these processes after the establishment of the business relationship.

**Ultimate Beneficiary:** Shall refer to the real person who controls a business and/or the person on whose account a transaction is performed.

**Contract:** Texts drawn up between two or more parties where the parties declare their mutual and appropriate consent within the scope of a cooperation.

**Third Party:** Shall refer to the supplier, contractor, subcontractor, dealer, distributor, broker, agent or all representatives and consultants acting on behalf and on account of the Holding.

## 3. General Principles

The presence of two or more parties in the contracts and the obligations of the parties, the responsibilities regarding certain periods and the general terms and conditions constitute the main features of a contract. Accordingly, a contract must contain at least the following elements:

- In the contract, the name, surname and title, residence address and/or company headquarters of the parties should be clearly and completely stated,
- Signatures of the Parties,
- Subject matter and objective of the contract,
- Term of the Contract,
- Terms and conditions regarding the termination of the contract,

- If any payment is to be made, the amount, unit, payment method and due date of the same,
- Consequences of default,
- Obligations and responsibilities of the parties during the term of the contract.

## **4. Application Principles**

### **4.1. Issues to be Considered in the Preparation of Contracts**

Employees preparing the contract should pay attention to the following principles:

- Contract texts should be written in a language that accurately reflects the objective of the contract and understandable by everyone.
- The contract must be in complete integrity.
- Contracts must be prepared in a manner to submit a copy to each party.
- The names and commercial titles of the parties must be written in accordance with the original title stated in the identity card or the trade registry gazette.
- It is essential to pay attention to the stamp duty arising from the contract.
- The abbreviations used in the contracts should be explained and the meanings of technical issues and the terms should be written.
- Each contract page must be signed.

Cengiz Holding is aware of the contractual obligations that the parties are mutually responsible for in the contracts it has concluded and will conclude with its employees, customers and all third parties within the framework of the national legislation and international conventions. For this reason, if they suspect any violation of compliance issues such as prevention of laundering proceeds of crime and the financing of terrorism, fight against bribery and corruption, acting in accordance with human rights, it will be necessary to add articles to the contract stating that they have the right to control and termination on the other party. In the employment contracts concluded with the employees, Human Resources shall be mainly responsible for the inclusion of the relevant articles in the contracts and as for the contracts concluded with customers and third parties, such responsibility will be assumed by the process owners.

### **4.2. Termination of the Contract**

Contracts may be terminated if it is found out and/or detected that the following matters have been violated as the result of due diligence studies or received notifications.

- Agreed terms,
- Cengiz Holding Ethical Principles Guide,
- Cengiz Holding Policies,
- Contractual obligations and legal issues such as preventing bribery and corruption, international sanctions, fight against the laundering of proceeds of crime.

### **4.3. Definition, Classification and Keeping of Contracts**

Contracts should be classified, stored, archived, and destroyed according to the *Cengiz Holding Retention of Records Policy*.

#### **4.4.Review of Contracts**

After the contracts have been prepared by the relevant unit, they will be sent to the relevant commercial and technical teams to evaluate the content of the contract. After the commercial and technical teams have revised the contracts, the contracts will be examined by the Legal Department to be evaluated in terms of legal compliance. The contract should not be sent to the other party without the approval of the Legal Department.

Financial controls of the contracts will be carried out by the financial units. Evaluation of the contract in terms of insurance and payment terms and financial efficiency will be carried out by the relevant finance team.

Accounting units, on the other hand, will examine and evaluate the taxes and other financial obligations arising from the contract.

#### **4.5.Due Diligence Study**

In order to obtain sufficient information about the parties that Cengiz Holding enters into a business relationship and to ensure that the ethical values of the Holding are met by these parties, it is essential to carry out due diligence studies on third parties. The due diligence study<sup>5</sup> must be carried out and completed before the contract has been signed and must be carried out regularly throughout the term of the contract. In this context, the identification of the ultimate beneficiaries of the parties should be done and these persons should be sought in the sanction lists and negative news scans should be made using the public resources.

Cengiz Holding conducts a risk assessment study on the compliance risk level of third parties. It determines the periodic assessment process according to the risk level of the relevant party.

#### **4.6.Confidentiality of the Contract**

Cengiz Holding concludes its contracts within the framework of confidentiality principles as stated in internal policies. Ensuring the confidentiality of the contracts has been elaborated in the *Cengiz Holding Policy on the Confidentiality of Information*. The Holding ensures that information on the contracts is made available only to other personnel for the fulfillment of legal and contractual obligations.

### **5. Authorities and Responsibilities**

All Cengiz Holding employees shall be obliged to comply with this Policy and if they witness a situation contradicting the rules mentioned in the Policy, the situation must be forthwith reported to the

- Legal or
- Purchasing

departments.

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<sup>5</sup>Detailed information on the due diligence process is provided in the *Cengiz Holding Policy on the Prevention of Laundering Proceeds of Crime*.

The Legal and Purchasing Department shall be responsible for communicating the requirements of this Policy to the employees and creating an internal control environment where the employees act in accordance with the Policy.

If the legal regulations under this Policy in the countries where Cengiz Holding operates are stricter than those of the Policy, the relevant legal regulations should be considered.

If the policy is not abided by, employees may face various disciplinary penalties, which may include termination of employment.

**6. Revision History**

This Policy has been approved and entered into force with the relevant Board of Directors Decision of the Company and it will be the joint responsibility of the Legal and Purchasing Departments to periodically update the Policy in line with the changing legislation and Group processes.

Revision	Date	Description
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