



Cengiz Holding A.Ş.

Systematic Risk Analysis Policy

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1. Purpose and Scope

The Systematic Risk Analysis Policy (“Policy”) has been prepared to identify, assess, and manage compliance risks that may arise from the activities of Cengiz Holding A.Ş. and its Group Companies (“Cengiz Holding”, the “Holding” or the “Group”).

This Policy applies to all areas of activity and geographies of the Holding and covers employees, managers, and third parties acting on behalf of the Group.

The primary objectives of this Policy are to:

- Identify and assess compliance risks through a systematic methodology,
- Establish effective control mechanisms to address these risks,
- Safeguard the Holding’s reputation, legal compliance, and sustainability,
- Adopt a risk management approach in line with national legislation and international standards.

Cengiz Holding periodically reviews all legal, ethical, environmental, and operational risks that may arise during its activities within the framework of this Policy and implements necessary improvements.

2. Definitions

If the terms, words, or expressions used in this Policy are not defined under this section, they shall be interpreted in accordance with the applicable laws, regulations, and sectoral meanings.

Risk: The potential of a specific event or activity to create an adverse impact on the Holding’s operations, reputation, financial standing, compliance, or stakeholders.

Risk Matrix: The tool used to classify and visualise risks according to their likelihood and impact levels.

Compliance Risk: The occurrence of any action that may contravene laws and regulations, internal policies and procedures, contractual provisions, or voluntary commitments.

Third Party: Any supplier, contractor, subcontractor, dealer, distributor, intermediary, or any representative and consultant acting on behalf of the Holding.

3. General Principles

Cengiz Holding systematically identifies, evaluates, and manages compliance risks within the framework of its operations, taking into account national legislation and international conventions to which it is subject. This approach ensures not only the prevention of potential losses but also the reliable and sustainable conduct of operations. The Holding reviews its risk analysis periodically and updates it as necessary in line with new developments, regulatory changes, or variations in its areas of activity.

All business units directly contribute to the identification of risks related to their processes and the assessment of the effectiveness of existing controls. Unit managers are responsible for implementing necessary measures in areas with high risk and weak control environments. The Legal Department is responsible for the interdepartmental coordination of this entire process, as well as for its communication, monitoring, and finalisation.

The risk analysis process is a dynamic and ongoing one. Therefore, any change that may affect risk and control assessments during the year is immediately incorporated into the process. The

outcomes of the process are documented and archived in line with the principles of transparency and accountability.

4. Identification of Compliance Risks

The identification of compliance risks within the Holding is primarily the responsibility of process owners. Accordingly, employees are expected to recognise potential compliance risks encountered during their routine activities and take necessary measures to mitigate such risks.

In collaboration with the Legal Department, business unit managers conduct workshops and consultations to identify the compliance risks to which the Holding may be exposed. These risks are then consolidated for the Holding by the Legal Department.

When identifying risks, the following areas should also be taken into consideration:

- The geography in which the organisation operates
- The sector of activity
- Applicable regulatory requirements
- Market competition
- Potential customers and business partners
- Relations with foreign governments and public officials
- Interactions with third parties
- Gifts, hospitality, donations, and sponsorship activities
- Reports received through the whistleblowing mechanism
- Anti-bribery and anti-corruption
- Anti-money laundering
- Economic sanctions
- Data protection and confidentiality
- Human rights
- Environmental protection
- Protection of the environment

5. Assessment of Compliance Risks

Once compliance risks are identified, they must be regularly assessed to determine their likelihood of occurrence, potential impact, the effectiveness of existing mitigating controls, and whether additional controls are required.

When evaluating compliance risks and the related control environment, the following aspects should be taken into account, among others:

- Compliance risks already being monitored
- Key risks that have emerged during the year
- Employee awareness and training needs
- Effectiveness of current controls in mitigating risks
- Actual compliance breaches that have occurred
- Risks associated with third parties
- Sanctions imposed or potential penalties
- Findings from internal, external, or regulatory audits
- The need for policies and procedures

To ensure that the risk assessment process is managed effectively and efficiently, each risk should always be evaluated in consultation with process owners.

During the assessment phase, a risk assessment matrix should be created to classify processes based on impact and likelihood. Actions are then determined according to this classification.

While assessing the possibility of risks related to Cengiz Holding's activities; The current control environment, the availability of policies and procedures and their compliance with current legislation, the awareness and training level of the staff should be taken into account.

In the process of calculating the potential effects of risks, the effects on legal, financial, reputational, customer satisfaction and operations should be evaluated.

Main Process	Sub-Process	Impact					Likelihood					Risk Score
		1	2	3	4	5	1	2	3	4	5	$a \times b$

After the risk score calculation to be made in the main process – sub-process breakdown, the relevant risks are prioritized according to the table below.

Risk Level	Score Range	Description
Critical Level	$20 < (a \times b) \leq 25$	Immediate action required
High Risk	$16 < (a \times b) \leq 20$	Mitigation measures must be taken in the short term
Medium Risk	$9 < (a \times b) \leq 16$	Risk reduction activities to be planned in the medium term
Low Risk	$4 < (a \times b) \leq 9$	To be reviewed periodically
Negligible	$0 < (a \times b) \leq 4$	Acceptable risks, no additional action required

After risk scores are determined by process/sub-process breakdown, mitigation actions should be defined starting with the processes with the highest priority on the scale, and responsibilities should be assigned accordingly.

The risk assessment process is a dynamic and ongoing process. Any change throughout the year that may affect risks or the control environment (e.g., regulatory changes, organisational changes, or new projects) must be reflected in the risk assessment matrix. In this way, risk management remains up to date and effective.

Monitoring Compliance Risks

Employees are responsible for monitoring and tracking risks that may arise while carrying out their duties and responsibilities. Situations such as the emergence of a new risk, the elimination of an existing risk, a decrease in the effectiveness of mitigating controls, the need for additional controls, or the occurrence of violations must be reported to the Legal Department. The Legal Department provides guidance on the Holding's risk assessment activities and oversees whether processes are being carried out appropriately.

In the monitoring phase, actions may include updating policies or procedures, adjusting control processes, organising training sessions, providing employee communications, or implementing technological improvements in response to any newly identified risks.

6. Roles and Responsibilities

All Cengiz Holding employees are obliged to comply with this Policy. In the event that employees encounter a situation that is contrary to the rules set forth in the Policy, they must promptly report the matter to at least one of the following channels:

- Legal Department, or
- Business Development Department

The Legal and Business Development Departments are jointly responsible for communicating the requirements of this Policy to employees and for establishing an internal control environment to ensure that employees act in compliance with the Policy.

In countries where Cengiz Holding operates, if the legal regulations within the scope of this Policy are stricter than the provisions of the Policy, the relevant legal regulations shall prevail.

Failure to comply with the Policy may result in employees being subject to various disciplinary sanctions, including termination of employment.

7. Revision History

This Policy has been approved by the relevant Board of Directors Resolution of the Company and entered into force. The Legal and Business Development Departments are jointly responsible for ensuring that the Policy is periodically updated in line with changes in applicable legislation and Group processes.

Revision No.	Revision Date	Description
01	15.09.2025	Revised to enhance alignment with applicable legislation, international standards, and company practices.