

GLOBAL ECONOMIC SANCTIONS COMPLIANCE POLICY AND PROCEDURE

1. Introduction

Mapa Construction and Trade Co. Inc. (“**Company**”) and its subsidiaries (hereinafter referred to collectively as the “**Mapa Group**”) commit to conduct its operations ethically and in compliance with the applicable laws and regulations of all the countries in which Mapa Group operates. This commitment includes complying with the applicable and relevant economic and trade sanctions laws and regulations.

2. Sanctions Compliance Statement

When relevant and applicable to its businesses, Mapa Group complies with the sanctions administered by the Republic of Turkey (“**Turkey Sanctions**”), the United Nations (“**UN Sanctions**”), the United States Government (“**US Sanctions**”), the European Union (“**EU Sanctions**”), the United Kingdom (“**UK Sanctions**”), and the economic sanctions and trade controls administered by other jurisdictions (collectively “**Sanctions**”).

The Annex 1 : Overview of Sanctions attached to this Policy provides details about these sanctions.

The Company and its subsidiaries comply with Anti-Money Laundering laws, Combating the Financing of Terrorism laws (AML/CFT), Anti-bribery and Anti-corruption laws. The Company and its subsidiaries do not enter into commercial transactions in which there is a risk of laundering of proceeds of crime or financing terrorism, or anti-bribery and anti-corruption.

3. Purpose of the Policy

This **Global Economic Sanctions Compliance Policy and Procedure** (together with the **Annex 1: Overview of Sanctions** and **Annex 2: Sanction Compliance Policy and Procedure Acknowledgement**, referred to as the “**Policy**”) provides the framework for ensuring compliance of Mapa Group with the applicable economic and trade sanctions laws and regulations governing international trade transactions and activities.

This Policy sets out Mapa Group’s **general statement** and **principle-based approach** for sanction compliance and communicates it to its stakeholders.

All subsidiaries within Mapa Group are encouraged to **refer to the principles of this Policy where necessary**, as well as to **establish their own Sanctions Compliance Policies and Procedures**, in accordance with this Policy, based on the requirements of their business operations.

4. Applicability of the Policy

This Policy applies to all relevant employees, directors, officers of Mapa Group, these persons shall comply with this Policy.

In addition, to the extent applicable, Mapa Group expects that its **business partners (suppliers,**

distributors, contractors, subcontractors, service providers, consultants, etc.) also complies with this Policy.

5. Reason for the Policy

Any breach of Sanctions may have a serious impact on Mapa Group's reputation, and harmful consequences, including but not limited to loss of business, significant financial penalties, difficulties in access to international financing and credits, government investigations, etc. Therefore, Mapa Group established this Policy.

As a globally operating conglomerate, Mapa Group intends to take all necessary actions and precautions to manage and reduce the risks related to non-compliance with Sanctions. The objective of this Policy is to ensure that Mapa Group is not involved in any business activity contrary to the applicable and relevant Sanctions and/or Mapa Group does not engage in any business with any business party that may be subject to Sanctions.

6. Ensuring Compliance with Sanctions:

To determine whether any transaction might create a risk of non-compliance to Sanctions, we must check the answers to some questions, including:

- **Where Mapa Group does business:** ensuring compliance with sanctions on restricted countries/territories;
- **Whom Mapa Group does business with:** ensuring compliance with sanctions on restricted persons/entities;
- **How Mapa Group does business:** avoiding to circumvent, evade, or facilitate the contravention of sanctions rules;
- **How Mapa Group keeps records:** ensuring accuracy in financial and commercial records; keeping the records of all its activities safely and properly;

The payments and collection of revenues must be made and recorded to the books in accordance with the laws and regulations of the countries in which Mapa Group conducts its business activities.

The violations of Sanctions can occur from the direct and indirect provision of services, as well as through processing **payments in US dollars, where a sanctioned jurisdiction or party is present.**

The Company and its subsidiaries also comply with the **Sanctions lists incorporated in any contract** entered into with business partners.

7. Screening Obligation and Due Diligence (KYC) Procedures

Mapa Group ensures that the **screening** against the Sanctions list and **due diligence procedures, KYC – (Know Your Customer/ Know Your Client)** procedures, should be performed before engaging in any transactions with new companies or individuals, as well as during the course of the business relationship.

The screening and due diligence are the processes of identifying whether or not individuals or entities are listed in global sanction lists for restricted persons, embargoed countries, etc. The initial sanctions screening and ongoing sanctions screening are performed by related business departments within the workflow.

The Company has appointed a **Sanction Compliance Officer** who will serve as the coordinator for sanctions compliance matters. The Sanction Compliance Officer is responsible for overseeing sanction compliance functions, such as screening of the proposed transactions against the list of sanctioned countries, companies and persons.

Sanction Screening Tool: Mapa Group uses **advanced information technology resources** to ensure sanction compliance, detailed as follows.

Sanction Scanner Software is the screening tool (“**Screening Tool**”) used by Mapa Group with the **automated ongoing monitoring feature**, to meet due diligence and Know Your Customer (KYC) requirements with respect to Anti-Money Laundering (AML), Combating the Financing of Terrorism (CFT), organized crime sanctions and Politically Exposed Persons (PEPs).

The Screening Tool provides a database of Politically Exposed Persons (PEPs) and heightened risk individuals and organizations, used around the world to help to identify and manage financial, regulatory and reputational risk.

Manual and Automated Screening: Mapa Group follows sanction screening procedures within due diligence process, before entering into any business activities with new companies or individuals, and during any continuing business relationship, whenever necessary.

- Manual screening is done before any first business relationship and thereafter if manual review is necessary.

- Automated screening is done during any continuing business relationship.

Automated Ongoing Monitoring: Mapa Group automated the ongoing monitoring process by using the automated ongoing monitoring feature on Screening Tool. We periodically screen against dynamic up-to-date global databases for monitoring any changes in client risks and exposure. The Screening Tool has an extensive global database list updated every 15 minutes.

We can set a list of the individuals and entities with whom Mapa Group works continuously and choose a frequency for checks on the Screening Tool, then the system will check automatically according to this frequency and send the results of these checks to the related department. There is a rule of minimum frequency for checks which is **1 check/month** and this frequency may be shortened according to the specific needs and risk based approach.

PEP (Politically Exposed Person) means an individual who is, or has at any time been entrusted with a prominent public function, for example, a head of state, head of government, government minister or deputy or assistant government minister, judicial or military officials, senior executives of state-owned corporations, important political party officials. A PEP may presents a higher risk for potential involvement in bribery and corruption by virtue of their position and the influence that they may hold.

Designating a potential client as a PEP does not mean that we can't work with this person. PEP control is only a part of the risk assessment process, and awareness of red flags is essential in this assessment.

PEP risk categories are as follows:

High Risk Level PEP: People with titles such as Heads of Government, Heads of State, Kings, Cabinet Members, Ministers, Members of Parliament, Deputies, Military Force Commanders, Supreme Court Presidents, Heads Of Law Enforcement Force, Party Presidents and Court Presidents are included in this class.

Medium Risk Level PEP: People with titles such as High Ranking Soldiers, Governors, Religious and Spiritual Leaders, Ambassadors, Consuls, Members of High Court Delegations, and Under Secretaries are included in this class.

Medium Risk Level PEP: People with titles such as Mayors and Managers of Public Institutions or Public Affiliated Organizations or Deputy Head of Mission are included in this class.

Low Risk Level PEP: People who have a relative close association with people who are in the category of politically exposed persons are included in this class.

In case of any PEP match in one of those four categories on the screening process, Sanction Compliance Officer will immediately inform the relevant department for the match and according to their feedback, related PEP is put into automated ongoing monitoring process.

Our related personnel have access to Sanction Scanner and are responsible to run checks before entering into any business relation, as well as during our business relationship on a regular basis to maintain compliance with changeable sanctions.

8. Party Screening Procedures

Mapa Group follows screening procedures set forth below when engaging in any transactions with new companies or individuals.

1). Identify all parties to a business transaction, including but not limited to:

- a. intermediaries (agents);
- b. purchasers;
- c. sellers;
- d. end-users;
- e. customers;

- f. distributors;
- g. financial institutions; and
- h. shipping or logistics companies
- i. subcontractors.

2). Note relevant information for each party involved in the transaction, including:

- a. owners;
- b. addresses;
- c. alternative corporate identities (i.e. "d/b/a");
- d. countries of origin;
- e. citizenship; and
- f. affiliate corporate entities.

3). Screen each party against sanction lists. For common names and those with multiple possible spellings, use fuzzy logic or screen all spelling variations. For this aim, Mapa Group may use the screening tool, namely Sanction Scanner.

4). Documentation of the screening process. Documentation of screening results is done digitally. Sanction Scanner records all searched items in its log file system with date label, to be proof for future audits.

5). If the screening results in a confirmed match, inform immediately Sanction Compliance Officer and Chief Legal Counsel. Do not proceed with the transaction.

6). If the screening results in no positive or potential matches, proceed with the transaction. Maintain your records of the screening, but be sure to perform the screening again if you conduct another transaction with these parties in the future. Lists can change from day to day.

If the screening results in a positive or potential positive match, do not conduct any further interaction with the party until the result has been resolved. Sanction Compliance Officer informs immediately Chief Legal Counsel, who will consult with Mapa Group CEO. Do not proceed with the transaction.

7). The history logs are kept separately for each month and they are extracted at the first working week of the following month by the Sanction Compliance Officer. All these records are kept in the Security Server Folder.

8). Sanction Compliance Officer cross-checks with the Sanction Scanner entries at the related accounts with commercial activities. Internal controls have been made and no major deficiencies to sanction compliance have been detected as of the revision date of this Policy. Internal controls will continue to be made on a regular basis.

9. Zero Tolerance Approach

Mapa Group applies a “zero tolerance” approach regarding compliance. Mapa Group does not tolerate violations of this Policy and/or the applicable laws and regulations governing

economic sanctions and export controls. Any suspicions of non-compliance with this Policy and related laws will be internally investigated and the appropriate measures will be taken by Mapa Group, if applicable. Mapa Group may impose **disciplinary actions** against any Company personnel who has violated this Policy, up to and **including termination of employment**.

10. Training and awareness programs:

Mapa Group will provide periodic training, in order to promote awareness of the obligations under the Sanctions laws and export controls laws, and to help employees and managers to understand their roles and responsibilities under this Policy. All designated relevant employees and managers are required to participate in and complete general sanctions and export controls training programs.

The training will be provided to :

- New recruits;
- Employees, managers who are promoted/ transferred to business departments and countries exposed to the risk of non-compliance to sanctions.
- Employees, managers who should periodically repeat the training due to high exposure to risk.

11. Reporting

Each relevant employee, officer and director, business partner, stakeholder has the responsibility to ask questions, report suspected violations and express concerns regarding compliance with this Policy. Any employee, officer or director who wants to know or believes that any other employee or manager of Mapa Group has engaged or is engaging in conduct that violates this Policy and the laws and regulations governing economic sanctions and export controls, applicable to the Mapa Group's operations, shall report such information to his or her manager and/or to Sanction Compliance Officer.

You may report such conduct openly or **anonymously without fear of retaliation**. Mapa Group will not discipline, discriminate against or retaliate against any employee who reports such conduct, with good faith, unless it is determined that the report was made with knowledge that it was false. Any manager who receives a report of a violation of this Policy must immediately inform Sanction Compliance Officer and Chief Legal Counsel.

Persons wishing to report concerns or inconsistent action with this Policy, or to ask any questions related to this Policy are encouraged to contact us by email at "sanction compliance email address" communicated to all our employees and our business partners, if necessary.

12. Sanction Compliance Policy and Procedure Acknowledgement

A copy of this Policy will be provided to employees, managers and business partners who work in sensitive areas with respect to sanction compliance. These employees, managers and business partners will be asked to sign the acknowledgement form that appears at the end of this Policy (in **Annex 2: Sanction Compliance Policy and Procedure Acknowledgement**) or provide an electronic acknowledgement to the same effect.

13. Continuous Compliance Improvement

Mapa Group is committed to continually improving its policies and procedures. Any need for improvements will be applied as soon as possible.

This Policy will be updated, amended or revised from time to time to improve its effectiveness, subject to the approbation of the Board of Directors.

14. Exemptions

In case of extraordinary circumstances (such as act of god, war) some restrictions or sanctions may be lifted by the Turkish Government and Mapa Group may operate under special permission which will be obtained from official authorities.

ANNEX 1: OVERVIEW OF SANCTIONS

UN SANCTIONS

The UN Security Council can take action to maintain or restore international peace and security under Chapter VII of the United Nations Charter. Sanctions measures, under Article 41, encompass a broad range of enforcement options that do not involve the use of armed force. Since 1966, the Security Council has established sanctions regimes, i.e. in Southern Rhodesia, South Africa, the former Yugoslavia, Haiti, Iraq (2), Angola, Rwanda, Sierra Leone, Somalia and Eritrea, Eritrea and Ethiopia, DRC, Côte d'Ivoire, Sudan, Lebanon, DPRK, Iran, Libya, Guinea-Bissau, CAR, Yemen, South Sudan, as well as against ISIL (Da'esh) and Al-Qaida and the Taliban.

Security Council sanctions have taken a number of different forms, in pursuit of a variety of goals. The measures have ranged from comprehensive economic and trade sanctions to more targeted measures such as arms embargoes, travel bans, and financial or commodity restrictions. The Security Council has applied sanctions to support peaceful transitions, deter non-constitutional changes, constrain terrorism, protect human rights and promote non-proliferation. UN Sanctions list is a dynamic list and should be followed by :

<https://www.un.org/securitycouncil/sanctions/information>

US SANCTIONS

The United States maintains a variety of economic sanctions measures against certain countries, as well as against specific individuals and entities. The U.S. Department of the Treasury's Office of Foreign Assets Control ("OFAC") implements, administers, and enforces the U.S. economic sanctions program. The two sets of U.S. regulations most relevant to Mapa Group's operations are:

1. The economic sanctions provisions of the U.S. Department of the Treasury, Office of Foreign Assets Control ("OFAC"); and

2. The Export Administration Regulations (“**EAR**”) of the U.S. Department of Commerce, Bureau of Industry and Security (“**BIS**”), and its economic sanctions provisions.

Mapa Group employees should have familiarity with these two sets of regulations.

The United States also imposes comprehensive sanctions against the following countries: Cuba, Iran, North Korea, Syria and Crimea region of Ukraine, Russia.

EU SANCTIONS

The European Union (“**EU**”) applies sanctions to implement UN Security Council Resolutions or to further the objectives of the CFSP (EU’s common foreign and security policy), namely

- promoting international peace and security
- preventing conflicts
- supporting democracy, the rule of law and human rights and
- defending the principles of international law

While EU sanctions inherently have an effect in non-EU countries, as they are a foreign policy tool, the measures apply only within EU jurisdiction. In other words, the obligations they impose are binding on EU nationals or persons located in the EU or doing business here.

The task of conducting investigations into potential non-compliance cases falls to the Member States and their national competent authorities. Member States must have in place effective, proportionate and dissuasive penalties, and enforce them when EU sanctions are breached.

Where applicable to its business, Mapa Group follows the EU Sanctions for its commercial activities.

UK SANCTIONS

The UK implements a set of sanctions regimes through regulations made under the Sanctions and Anti-Money Laundering Act 2018 (“the Sanctions Act”). The Sanctions Act is the primary legal basis for the UK to impose, update and lift sanctions.

The UK Government publishes the UK Sanctions List, detailing those designated under the regulations made under the Sanctions Act. The list also shows the sanctions measures that apply to these persons or ships, and in the case of UK designations, provides a statement of reasons for the designation.

Her Majesty's Treasury (HM Treasury) Office for Financial Sanctions Implementation (OFSI) provides an integrated list of individuals and entities under financial sanctions, including those under the Sanctions Act and other UK legislation.

There are a number of UK Government departments and agencies involved in the sanctions.

REPUBLIC OF TURKEY SANCTIONS

The Republic of Turkey Sanctions refer to the sanctions and embargoes that are imposed by the Republic of Turkey and administered by the Turkish Ministry of Foreign Affairs. The Republic of Turkey usually follows and applies sanctions based on the Decision of the UN or similar institutions. Moreover, there may be lists of individuals and entities published by Turkish



Authorities.

OTHER SANCTION LISTS

Sanction lists other than UN, TR, US, EU Sanctions lists which are included through contractual clauses in commercial contracts are also followed by the Mapa Group.

**ANNEX 2:
Sanction Compliance Policy and Procedure Acknowledgement**

As the employee/ manager/ supplier/ contractor/ subcontractor/ business partner/ third party [delete as appropriate], I certify that I have read and understood this Policy and I will comply with this Policy.

I recognize that this Policy is a statement of Mapa Group’s policy regarding compliance with the laws and regulations governing economic sanctions and export controls applicable to Mapa Group’s operations.

I understand that I am expected to adhere to this Policy during the term of my employment or business or contractual relationship with Mapa Group.

I’m aware of my reporting obligation; and I undertake to report to Mapa Group, if I suspect or become aware of any violations of this Policy and/or the applicable laws and regulations governing economic sanctions and export controls.

I further confirm my understanding that any violation of this Policy may result in appropriate measures, up to and including the termination of the employment, or the termination of the business and contractual relationship and may impose legal and criminal sanctions against me.

Date: _____

Name: _____

Title: _____

Signature: _____