

Supply Chain Policy (SPC)

Gülermak Heavy Industry Construction and Contracting Co. Inc. (“Gülermak”) is leading engineering and construction company with over 60 years of experience across a range of international markets. All companies of Gülermak family share a mutual Code of Business Ethics, other policies, and procedures. These umbrella documents are delivered by the Executive Board of Gülermak. The principles of these policies and procedures are reflected in our vision and the development of our Supply Chain Policy (the “SCP”).

Every member of the Gülermak supply chain is expected to uphold the same high standards and values as the company itself. We extend our commitments, policies, and values to our entire supply chain and encourage our suppliers, providers, collaborators, contractors, and subcontractors (jointly “Supply Chain Partners”) to comply with the same commitments.

Gülermak is committed to the sustainable development of its activities, respect for the environment, good corporate governance, regulatory compliance, healthcare, the promotion of diversity and inclusion, respect for human rights and rejection of all forms of bribery and fraud. Our commitments rely heavily on our connection with our Supply Chain Partners. Gülermak uses a limited number of trusted long term strategic Supply Chain Partners to provide Goods, Services, Materials and Equipment to support its business activities.

Our goals is a collaborative, sustainable supply chain where our partners help us produce efficient, creative, and sustainable solutions.

Any new and/or additional Supply Chain Partners will be duly scrutinized as part of the supplier due diligence process. It is important to us that companies operating within our supply chain can be held accountable for their actions, which is why we conduct extensive due diligence before making any purchases.

The safe, effective, fair, and robust management of our supply chain is governed by the application of Gülermak’s formal, and integrated policy statements. The Supply Chain Partners are expected to adapt to the criteria outlined in the documents below:

Policies, procedures, and contractual terms	Relevant scope
Modern Slavery and Human Trafficking Statement	Gülermak's Modern Slavery and Human Trafficking Statement specifies the mandatory conditions of employment and contractual conditions for our supply chain.
Code of Business Ethics (CBE)	The CBE ensures that all Gülermak Employees and any person who works for Gülermak are aware of the standards we set on Conflicts of Interest, Work Opportunities, Confidentiality, Anti-mobbing and Anti-Discrimination, Fair Treatment, Protection and Proper Use of Company Assets, Accuracy of Recording and Reporting, Compliance with Law, Rules and Regulations, Relations with Public Administration and Institutions, and Political Involvement.
Anti-Bribery and Anti-Corruption Policy (ABAC)	Bribery prevention, Fair and open competition, Insider dealing prevention, Fraud prevention, Whistleblowing, Discrimination, and isolation prevention are all covered by the Gülermak Anti-Bribery and Anti-Discrimination Policy. The sponsor for this policy is the Compliance Officer.

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Corporate Social Responsibility Policy (CSR)	<p>The Corporate Social Responsibility Policy is a declaration by Gülermak that we respect Human Rights, Labour Practices and Social Protection, the Environments that we have direct or indirect impact on, and that we exercise fairness while operating and dealing with the public and our employees. Within this document, we also set out our standards for community involvement.</p>
Health & Safety, Environmental & Sustainable Development, Quality Policy Statements (OHS, ENV, QAC)	<p>With these three policies of Gülermak, we communicate that, for Occupational Health and Safety, Environmental Aspects and Impacts, Continuous Quality Assurance, Gülermak follows the contemporary international standards, regulations, and laws. By these policies, we also guarantee the transparency and collaboration of our organisation with the community that we interact with.</p>
Guidelines for Gülermak Employees on Anti-Mobbing & Anti-Discrimination	<p>This document ensures that all Gülermak employees are well informed about Discrimination, Harassment, and Mobbing, are able to recognise the above, know how to act if one or more of them occur(s), and know how to avoid them.</p>
Procurement Procedure	<p>All supply chain partners need to follow Gülermak commitments toward Equality, Diversity and inclusion, fair treatment, and others. To achieve compliance Gülermak performing due diligence checks if new partners follow company best practices and obligations.</p>
Whistleblowing Mechanism, plus systems and procedures to encourage the reporting of concerns and the protection of whistle blowers,	<p>Our whistle blowing mechanism is designed for protecting the anonymity of an informant (either a victim or a witness) in a situation where one or more of the following policies: CSR, ABAC, CBE, ENV, OHS, QAC, Modern Slavery, Human Trafficking, Anti-mobbing and Anti-discrimination, or any procedures implemented by Gülermak, is/are violated. This mechanism ensures the Ethics Committee is well and informed about the incident(s) in a timely manner and intervene to either stop escalation of the incident and/or to totally resolve the situation.</p>
Information Security Management	<p>Gulermak current strategy and framework for IT risk management are the guidelines for identifying, assessing, evaluating, and controlling information related risk through establishing and maintaining the Information Security Management document.</p> <p>Gülermak's standards for maintaining confidential information are crucial to working with our clients. The same obligations need to be fulfilled by our supply chain partners who are engaged to work on the parts of project requiring confidential data.</p> <p>In order to secure operation at Gulermak, Gulermak ensures the availability of continuity plans, backup procedures, defence against damaging code and malicious activities, system and information access control, incident management and reporting.</p>
Standard contract clauses	<p>Clauses on commitment to Gülermak's policies related to business ethics, environment, health & safety, anti-bribery, anti-corruption, equal treatment, and human rights are shared with all operational units to be included as standard in all our contracts with the supply chain. The clauses cover obligations on the requirement to maintain Gülermak's policies and procedures, right to work checks, and the keeping of employment records.</p>

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Regulatory compliance

Our suppliers must comply with the laws and regulations in force in the jurisdictions where they operate, as well as with the Gülermak's procedures, instructions, and standards, including this Policy, our Code of Business Ethics, and other key policies.

Specifically, Gülermak considers it essential that suppliers adopt a zero-tolerance policy for particularly serious breaches, such as criminal offenses, violations of anti-trust or anti-corruption laws, and noncompliance with anti-money laundering and terrorist financing regulations.

In this respect, our supply chain must conduct their activities with integrity, honesty, and transparency.

Actions expected from the supply chain regarding labour relations and human rights

Supply Chain Partners are expected to comply with current regulation and the fundamental conventions and recommendations of the International Labour Organization, and to also take proactive measures based on the:

- Adoption of the principles of the UN Global Compact for suppliers

All Supply Chain Partners must accept the General Contracting Terms in effect when the contract is awarded. This means that the supplier agrees to assume and fully respect the following Ten Principles of the UN Global Compact, regarding the tasks undertaken by its own personnel, as well as by subcontractors.

Human Rights:

1. To support and protect the protection of human rights
2. To not be complicit in human rights abuses

Labour:

3. To uphold the freedom of association and the right to collective bargaining
4. To eliminate forced and compulsory labour
5. To abolish all forms of child labour
6. To eliminate discrimination in respect of employment and occupation

Environment:

7. To support a precautionary approach to environmental challenges
8. To promote greater environmental responsibility
9. To encourage the development and diffusion of environmentally friendly technologies

Anti-corruption

10. To work against corruption in all forms, including extortion and bribery

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The new supplier selection phase and the project execution phase

The ethical and sustainability requirements detailed in the preceding sections of this Policy are considered in Gülermak's process of approving and assessing the risk of new suppliers.

During project execution, Gülermak will conduct performance evaluations of the main suppliers, as well as those classified as high risk. These evaluations help suppliers assimilate the expectations of Gülermak and the other Group companies in terms of responsible supply chain management.

Promotion of best practices, measures to support and improve capacity

Gülermak will transparently convey its commitments and expectations for the commercial relationship to its suppliers, based on the content of this Policy and any possible amendments.

Gülermak will also encourage the ongoing improvement of its suppliers. This approach includes the restitution and resolution of noncompliance instances and the improvement of supplier capacity.

Gülermak's innovation capability is driven by our supply chain. Therefore, we work closely to support suppliers in establishing their new products and services. We do this by direct engagement, we do it in support of the Gülermak Academy, and we do it by supporting and leading on accelerators, including partnerships with our clients and partners.

Supervision of compliance with this Policy and audits

Gülermak will evaluate its suppliers' active compliance with this Policy and its possible amendments by means of prequalification assessment before any agreement and obtain their written consent that above mentioned policy and procedures are back-to-back understood and committed by the supplier. Moreover, Gülermak will also assess the implementation of those policy and procedures by the supply chain partners after their works are completed by a final evaluation and scoring of their performance in subject agreement

In the event a supplier does not comply with any of these policies, Gülermak may:

analyse the necessary corrective measures with the supplier and provide guidelines for improvement, or

terminate the contract with the supplier without prejudice to any other right that may correspond, in accordance with the applicable contractual clauses or legislation, if the violations are repeated or particularly dire. Gülermak may also proceed to remove the supplier from the registry of approved suppliers.

Any possible breach of this Policy must be reported to Gülermak using the communication line enabled by Gülermak to facilitate the secure and confidential reporting of violations of its Code of Business Ethics or other Policies, this one included.

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Supply Chain Partners of Gülermak and its family companies will have access to the communication line through the following channels:

email: ethic@gulermak.com

After review by the competent Committee and at the Committee's recommendation, this Supply Chain Policy (the "SCP") is approved by the Executive Board of Gülermak on 16th May 2022 and signed by Chairman of Executive Board Mustafa Tuncer in the furtherance of its general non-delegable duty to set the company's global policies and strategies.

Approved: 16th May 2022

Mustafa Tuncer
Chairman of Executive Board

Kemal Tahir Güleryüz
Chairman