



CORPORATE SOCIAL RESPONSIBILITY POLICY

PENTHOL GROUP OF COMPANIES

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1. PURPOSE AND SCOPE

As Penthol Group of Companies ("**Penthol**"), we are committed to conducting our business in a socially responsible, ethical, and sustainable manner, reducing economic, environmental and social impacts as well as related risks arising from our operational activities, creating added value for our stakeholders and leaving a sustainable world for future generations.

In line with the UN's Sustainable Development Goals, this Corporate Social Responsibility Policy ("**Policy**") emphasizes the fundamental principles of our corporate social responsibility (CSR) approach, reflects our dedication to making a positive contribution to the environment and society and establishes the framework for implementing and monitoring our CSR initiatives.

All Penthol employees, contractors and business partners shall be subject to this Policy. We also expect our business partners to uphold the CSR approach and urge them to adopt similar policies within their own businesses.

2. DEFINITIONS

Business Partners: Our suppliers, customers, contractors, all sorts of representatives, subcontractors and consultants, institutions/organizations with which we do business with including any other third parties.

Corporate Social Responsibility (CSR): It refers to the way in which businesses regulate themselves in order to ensure that all their activities positively affect society as a whole. CSR policies aim to guarantee that companies work ethically, considering human rights as well as the social, economic, and environmental impacts of what they do as a business.

Human Rights: Rights that are unique for every person irrespective of gender, race, ethnicity, religion, language, age, nationality and other differences in opinions and wealth; it also mentions the right to equality, freedom and dignity.

3. GENERAL PRINCIPLES

As Penthol, we aim to earn the confidence of our employees, customers, shareholders, suppliers, local authorities, government organizations and NGOs as well as contribute to the communities in which we operate as good neighbors, creating lasting social benefits and a positive impact. We strive to support social resilience for people who live and work in the communities in which we operate. We're recruiting local people and training them for a rewarding career.

4. OUR COMMITMENTS

4.1. Relations with Employees

As Penthol, we are committed to the well-being and continuous improvement of our staff, maintaining cultivating and sustaining a workplace where employees are appreciated and valued, where each of our employees has a clear understanding of their role and how they contribute to business.

Additionally, we exhibit utmost diligence in adhering to the following rules, even if not prescribed by existing laws and without any limitations:

- Direct or indirect forced labor, compulsory labor, or the employment of children, either in a workplace owned by Penthol or through subcontractors, is prohibited.
- In the hiring process, during employment, or upon termination of employment, no discrimination or mobbing is practiced against employees.
- The primary principle in hiring and promoting employees is based on the qualifications and skills required by the job and the individual's performance.
- Employees are assigned to roles where they can effectively use their potential and contribute to and create value for the company's main objectives.
- Employees are provided with information about the company's vision, mission, strategy, policies, objectives, operational results, and their own duties and responsibilities. All matters that may concern our employees are regularly shared with them.
- We ensure full and correct use of all personal rights of our employees; treat them honestly and fairly, providing a non-discriminatory, safe, and healthy work environment.
- We diligently ensure the respect of our employees' rights and encourage ongoing dialogue with our employees.
- We provide necessary training and development opportunities for our employees to improve themselves and perform their jobs better.
- Employees who comply with ethical rules and meet the expectations are fairly compensated in proportion to the value they create for the company.

4.2. Relations with Society and the Environment

- We conduct all our activities in full compliance with national and international laws and regulations, adhering to universal legal values and human rights,
- We believe that the essence of real competition is respect for society and the environment, and adopt a "People First" approach in all our processes,
- We fulfill our social and environmental responsibilities towards society in all regions where we operate, in close collaboration with our employees, customers, suppliers, public and non-governmental organizations and other stakeholders,
- As an environmentally respectful company, we pay utmost attention to protecting human and public health, as well as the environment, both in our own activities and in those of our suppliers and all collaborating institutions. In our operations, we comply with all health and safety laws, regulations and standards,

- We strive to meet the world’s growing energy needs in ways that are economically, environmentally and socially responsible. We are committed to doing no harm to people and protecting the environment, while developing marketing and sales operations of energy resources and products,
- We identify and apply the necessary improvements and development activities that minimize or eliminate our negative environmental impacts and risks. We aim to achieve net-zero emission target, with no harm and no leaks. We strive to deal with contractors who have concredited environmental procedures/standards and ISO 14001 certificates,
- While maintaining our activities in line with the sustainable growth target, we follow policies that are respectful to the environment and society, and we aim to participate in various CSR projects prepared with social, environmental and cultural content, such as protecting the environment through environmentally-friendly technology investment, supporting education, ending poverty and hunger, enabling a positive social impact,
- We also encourage our employees to take part in social volunteering,
- We develop and implement approaches to ensure that all of our business partners and particularly our suppliers, act following the CSR standards of Penthol,
- We are dealing with the traditions and social cultures of the regions where we operate in a sensitive manner,
- We recognize and understand the significance of the local community where we operate. We aim to enhance our contribution to the community by taking into account the needs of local communities, and by promoting ethical and socially responsible marketing and sales.

5. IMPLEMENTATION, REVIEW AND ENFORCEMENT

Our Corporate Social Responsibility Policy was published on 30.11.2023 with the approval of our President. Our Sustainability Committee shall examine this Policy on a regular basis, taking into account the current requirements and changes to our operating conditions. After approval of our President on the basis of a recommendation by our Sustainability Committee, amendments considered to be necessary shall take effect.

Penthol Corporate Social Responsibility Policy shall be made available to all our business partners and stakeholders, including employees, through our company website and intranet site.