

HWASEUNG BULGARIA YAPTIRIMLAR VE İHRACAT KONTROLLERİ POLİTİKASI

1. PURPOSE AND SCOPE

- The purpose of this Sanctions and Export Controls Policy (“Policy”) is to set out the rules that must be considered by Hwaseung Automotive BG in order to comply with economic sanctions and export control obligations. Hwaseung Automotive BG fully complies with the obligations of economic sanctions and export controls imposed by the Republic of Turkey, the United Nations (“UN”), the United States (“USA”) and the European Union (“EU”) (“Turkey Sanctions”, “UN Sanctions”, “US Sanctions” and “EU Sanctions” respectively) and other jurisdictions (“Sanctions”), where relevant and applicable for commercial activities of Hwaseung Automotive BG is one of the basic principles of Hwaseung Automotive BG
- All employees and managers of Hwaseung Automotive BG are obliged to act in accordance with this Policy, which is an integral part of the Hwaseung Automotive BG Principles and Code of Ethics. Hwaseung Automotive BG expects its controlling shareholders and Business Partners to act in accordance with this Policy to the extent applicable to the relevant party and/or transaction and takes the necessary steps to ensure this.
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1. DEFINITIONS AND SUMMARY INFORMATION

- “EU Sanctions” refers to the sanctions adopted by the Council of the EU and applied by all member states. “US Sanctions” refers to Sanctions imposed by the US Federal Government, states and bodies. “Embargo” refers to the prohibition by a state of the export or import of all or certain products to a particular country for economic or political reasons. “UN Sanctions” refers to economic sanctions enacted by the United Nations Security Council and imposed by all member states of the United Nations. All UN members are obliged to comply with United Nations sanctions. “Export Control Regulations” refers to the legislation of the relevant country that regulates and restricts the import, export and re-export of technologies, information, products and services for trade, foreign policy and national security reasons. “Business Partners” suppliers, distributors, dealers, authorized services and other third parties with whom there is a business relationship
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“OFAC” stands for the Office of Foreign Assets Control of the United States Department of the Treasury.

"Money Laundering" is the integration of income obtained from illegal activities into the financial system as if it were obtained legally, in other words, the concealment of the fact that this income was obtained from illegal activities.

"Turkey Sanctions" refer to the sanctions and embargoes put into effect by the Republic of Turkey and implemented by the Ministry of Foreign Affairs. "Sanctions Target": - Any person, entity or government that is the target of the sanctions ("Listed Persons") (e.g. OFAC, Those on the Specially Designated Nationals and Blocked Persons ("SDN") list); - Companies in which the listed Persons directly or indirectly own 50% or more of the shares. - Natural persons residing in countries or territories subject to comprehensive sanctions ("Embargoed Countries") and legal entities registered in these countries. As of the date of publication of this policy, the embargoed countries are Crimea, Cuba, Iran, North Korea and Syria. - Means persons or companies owned or controlled by the governments of Embargoed Countries or the Government of Venezuela or operating as their agents.

3. GENERAL PRINCIPLES

States and International Organizations may restrict the transfer or supply of certain goods and services, technical data, information, materials and technology in accordance with Sanctions and Export Control Regulations. Economic, full or partial Embargoes can be imposed on specific countries, organizations or individuals for political, military or social reasons. Hwaseung Automotive BG, a globally operating organization, aims to take effective measures to manage the risks associated with Sanctions and Export Control Regulations.

- Hwaseung Automotive BULGARIA products and services should not be bought or sold directly or indirectly to Sanctioned Targets or Embargoed Countries. If the relevant business unit has any doubts regarding the relevant transaction or in exceptional cases (e.g. Conducting transactions with a party on the Sectorial Sanctions Identification List ("SSI") in certain cases; Conducting transactions with an Embargoed Country in a sector not subject to Sanctions in certain cases, etc.), Hwaseung Otomotiv BG relevant procedures should be followed to ensure that the relevant transaction does not violate the Sanctions or expose Hwaseung Automotive BG to Sanctions risk.

Complying with relevant legislation and contractual obligations, including Export Control Regulations and Sanctions in the countries of operation, is of great importance to Hwaseung Automotive BG Therefore:

- Unless necessary checks are carried out and the necessary licenses are obtained, business relations should not be entered into in violation of Sanctions or applicable Export Control Regulations and/or all activities that constitute a violation should be stopped; - In order to determine whether a third party is subject to Sanctions, the evaluation process should be managed in accordance with the Company's Pre-Competence Evaluation Procedure ("Pre-Competence Evaluation Procedure") and third-party due diligence studies should be conducted before Entering into a Business Relationship with Hwaseung Automotive BG in order to determine whether a third party is subject to Sanctions;-

	<i>EXPORT CONTROLS AND ECONOMIC SANCTIONS POLICY</i>	Doküman No : KYS-PH12 Yayın Tarihi : 01.01.2022 Rev. Tarihi : - Rev. No : 00 Sayfa No : 1/6
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- Monitoring studies should be carried out at a frequency to be determined based on the results of third-party due diligence studies.

. If any activity that is prohibited, in violation of Sanctions or applicable Export Control Regulations is detected during monitoring activities, the relevant process should be stopped immediately and Hwaseung Automotive BG should be informed.

- If Hwaseung Automotive BG is requested by any person or organization planning to enter into a business relationship to make a declaration, acceptance or commitment that Hwaseung Automotive BG will not do business with a specific country or persons or organizations resident of this country that are not included in the target of US, EU, UN and Turkey sanctions regulations (“Boycott Request”), this Boycott Request should not be accepted and Hwaseung Automotive BG should be contacted first as soon as such requests are received.

Payments and collections must be made in accordance with the legislation of the countries in which Hwaseung Automotive BG operates and must be recorded. Hwaseung Automotive BG cannot be a party to money laundering, terrorism and financing of weapons of mass destruction activities. For this purpose, Hwaseung Automotive BG

- Knows who its customers and business partners are; - Comes under the current legislation, Hwaseung Automotive BG Working Principles and Code of Ethics and all relevant policies;

- Ensures the accuracy of financial and commercial records;
- Maintains records of all activities in a secure and appropriate manner; - Conducts third-party due diligence in accordance with the legislation, Hwaseung Automotive BG relevant policies and procedures.

Violating this Policy may lead to the following situations, among others:

- Imprisonment of employees and Board Members (as a result of violation of certain Sanctions);
- Significant financial penalties for Hwaseung Automotive BG, Board Members and employees;
- Loss of reputation;
- Loss of business;
- Termination of agreements;
- Problems accessing international financing;
- Recall of loans; - Confiscation of Hwaseung Automotive BG assets.

4. IMPLEMENTATION OF THE POLICY

- Before establishing a business relationship with a new Business Partner or any other third party, third-party due diligence should be conducted to determine whether the person in question is a Sanctions Target, using a screening tool in accordance with the legislation and the Pre-Competence Assessment Procedure. When conducting these

studies, global sanctions lists should be scanned together with local lists. Due diligence should be conducted not only before establishing a business relationship, but also regularly throughout the business relationship. At any time, a violation of Sanctions and Export Control Regulations by the relevant units (risk of transactions with Sanction Targets, Money Laundering activities, etc.) if it is detected, this

- The Hwaseung Automotive BG management is immediately informed about the situation. Hwaseung Automotive BG management conducts the necessary additional investigation and notifies the relevant units to take all necessary legal actions, including but not limited to terminating the relationship with the relevant party and terminating the contracts. Hwaseung Automotive BG managers and employees ensure that arrangements are made in the contracts they will sign with Business Partners and other third parties that the relevant persons understand this Policy and will act in accordance with the Policy.

5. RESTRICTIONS ON U.S. PERSONS

- Even in commercial activities with Embargoed Countries, which are planned to be carried out with the approval of the Law and Compliance Leadership, US Persons (US Person) employees should not take part. "US Person" includes everyone located in the United States; any US citizen or green card holder, no matter where they are located (including dual citizens of the US and another country); companies established in the US or companies controlled by US companies, even if they are established outside the US. For more information on restrictions on US Persons, contact Hwaseung Automotive BG Management.

6. INFORMATION REQUESTS

- Hwaseung BG Automotive employees are responsible for certain transactions, counterparties, etc. by e-mail, fax or other means from the bank or correspondent banks where they work. it may receive information requests related to. Any employee who receives a request for information about sanctions should immediately forward this information request to Hwaseung Automotive BG Management. The responses given to information requests must be accurate and complete and must not contain misleading information. The responses to third party requests in question and the approvals received from Hwaseung Automotive BG Management for these responses, along with the relevant documents, should be recorded and archived by Hwaseung Automotive BG

In case of any uncertainty regarding the issues covered by this Policy, Hwaseung Automotive Management BG can be contacted..

7. POWERS AND RESPONSIBILITIES

- All employees and managers of Hwaseung Automotive BG are responsible for complying with this Policy and for implementing and supporting Hwaseung Automotive BG relevant procedures and controls in line with the requirements in this Policy. Hwaseung Automotive BG relevant

to the extent applicable to the party and the transaction, it expects all Business Partners to comply with this Policy and takes the necessary steps to do so. In the event that there is a difference between this Policy and the local legislation in force in the countries where Hwaseung Automotive BG operates, the Policy or the legislation that is more restrictive will apply, to the extent that the relevant practice does not constitute a violation of the local legislation. If you become aware of any action that you believe is contrary to this Policy, applicable legislation, or the Hwaseung Automotive BG Ethics Principles, you can consult or report this matter to your superior manager.

Hwaseung Automotive BG employees may consult Hwaseung Automotive BG Management regarding any questions about this Policy and its implementation. Any violation of this Policy by an employee may result in significant disciplinary action, including dismissal. If any third party expected to act in accordance with this Policy acts in violation of this Policy, the relevant contracts may be terminated.

8- Intellectual rights, industrial rights and intellectual products

Intellectual Rights: Legal rights that protect creative ideas, works and inventions. These rights include sensitivity and attention to issues such as copyright, trademark rights, trade secret rights and industrial design rights.

Industrial Rights: Protects works related to industry and commerce. Patents, designs and trademarks fall under the scope of industrial rights. Industrial property rights encourage the creation of new and original products while providing the owners of these products with the opportunity to protect their rights.

- **Intellectual Products:** Products protected under intellectual and industrial rights include creative works such as books, music, patents, trademarks and software.

8. REVISION HISTORY

- This Policy came into effect with the Board of Directors Decision dated 01.01.2022 and Hwaseung Automotive BG Management is responsible for updating the Policy.

REVISIONS

Rev.Number	Rev.Date	Revision Description	The Changing	Page
0	01.01.2022	İlk Yayın	-	-
	03.06.2023	Gözden Geçirme	-	-
	11.03.2024	Gözden Geçirme	-	-
	13.03.2025	Gözden Geçirme	-	-