

Türk Traktör ve Ziraat Makineleri A.Ş.

Community Investment Policy

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1. PURPOSE AND SCOPE

The purpose of this Community Investment Policy (the “Policy”) is to put forward the principles to adopt while developing community investment initiatives. TürkTraktör recognizes the impact of its operations on its stakeholders, the environment, and community at large and emphasizes significance of sustainable development.

This Policy, which is an integral part of the TürkTraktör Code of Ethics¹, is developed to demonstrate TürkTraktör’s commitment to making a positive impact on the welfare and sustainable development of related communities and the environment engaged with as a corporate citizen.

TürkTraktör is committed to conducting business in conformity with the highest ethical standards. As a signatory to the UN Global Compact², Koç Holding A.Ş. complies with UN Global Compact’s 10 Principles and TürkTraktör also observes compliance with these Principles.

2. DEFINITIONS

“**Community Investment**” means strategic involvement in, and partnership with organizations or individuals, to address a range of social and environmental issues defined by the company to contribute to its long-term corporate interests and to enhance its reputation.”

“**The Sustainable Development Goals**” are the 17 goals adopted by all UN Member States in 2015, as part of the 2030 Agenda for Sustainable Development which set out a 15-year plan to achieve the Goals, addressing global challenges including those related to poverty, inequality, climate, environmental degradation, prosperity, and peace and justice.³

“**Sustainability Working Group**” is responsible for determining the framework for sustainability management, realizing performance enhancing practices and reporting processes, and consists of the following members: Chief Production Officer (President), Chief Financial Officer, Human Resource Director, Corporate Communication Manager, Compliance and Competition Manager, Health and Occupational Safety Manager, Human Resource Manager (Ankara), Human Resource Manager (Erenler), Industrial Relations and Administrative Affairs Manager, Building and Facilities Maintenance Supervisor (Ankara), Internal Audit Supervisor, Investor Relations Supervisor, Environment Engineer (Erenler), Environment Specialist (Ankara).

“**The UN**” means the United Nations.

“**The UN Global Compact**”⁴ is a global pact initiated by the United Nations, to encourage businesses worldwide to adopt sustainable and socially responsible policies, and to report on their implementation. The UN Global Compact is a principle-based framework for businesses, stating ten principles in the areas of human rights, labour, the environment and anti-corruption.

“**TürkTraktör**” means Türk Traktör ve Ziraat Makineleri A.Ş.

¹ Please refer to TürkTraktör Code of Ethics for details.

² <https://www.unglobalcompact.org/what-is-gc/mission/principles>

³ <https://www.un.org/sustainabledevelopment/sustainable-development-goals/>

⁴ <https://www.unglobalcompact.org/what-is-gc/mission/principles>

3. GENERAL PRINCIPLES

TürkTraktör conducts “Due Diligence” on organizations or individuals that are supported by TürkTraktör, in order to ensure that Community Investments are met by the reliable parties with sound purposes.

TürkTraktör ensures that Community Investments, including those with organizations or individuals, abide by TürkTraktör Ethics Code, Human Rights Policy, Donations and Sponsorship Policy, Anti-Bribery and Corruption Policy and other relevant policies.

Applying to memberships of the regional, national, or international organizations, or being signatory to agreements related to Community Investments require ensuring compliance with the UN Global Compact Principles as it may affect TürkTraktör’s reputation.

4. APPLICATION OF THE POLICY

While making Community Investments, in line with TürkTraktör Sustainability Strategy TürkTraktör considers the following:

- Whether the relevant Community Investment is compatible with the priorities and needs of the regions where business activities are carried out,
- Providing a clear connection between Community Investment activities and business strategy,
- Establishing strong partnerships with civil society organizations, international organizations, universities or individuals in order to put forward applicable solutions,
- Ensuring that the objectives and results of the Community Investments are measurable and scalable by design, and the results have the potential to be disseminated across other businesses and regions, and
- Ensuring that they are aligned with the social and environmental goals, as mentioned in the UN Sustainable Development Goals.

5. AUTHORITY AND RESPONSIBILITIES

This Policy is to provide guidance in developing Community Investment initiatives for all employees, directors and officers of TürkTraktör. If you notice any action you believe to be inconsistent with this Policy, you are required to seek guidance from TürkTraktör Sustainability Working Group, the responsible function.

6. REVISION HISTORY

This Policy takes effect on 18.11.2021 as of the date approved by the Board of Directors and is maintained by TürkTraktör Sustainability Working Group.

Revision	Date	Comment