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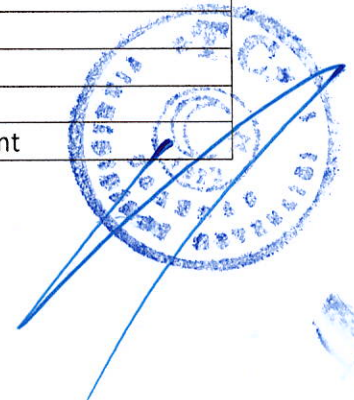


02 Mayıs 2023

**POLICY
FOR PREVENTION OF LAUNDERING CRIME REVENUES
AND TERRORIST FINANCING**

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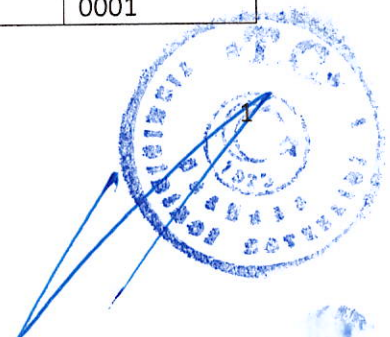
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1. PURPOSE

T.O.M Katılım Bankası Anonim Şirketi (the "Bank"), with its Policy for Prevention of Laundering Crime Revenues and Terrorist Financing (the "Policy"), aimed to organize the necessary work on the establishment of adequate procedures for the monitoring the customer transactions in order to prevent the laundering crime revenues and terrorist financing, reporting, keeping records, organizing training activities and execution of internal audit activities with a risk-oriented approach.

2. SCOPE

This policy covers all the Bank's stakeholders, Bank employees, and the Bank's relations with third parties.

3. DEFINITIONS

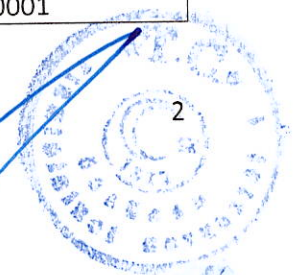
The Policy is established based on various legal documents, including the Banking Law (the "Law"), Capital Markets Law, Turkish Code of Commerce ("CoC"), relevant regulations, national and international directives, particularly the Regulation on Measures for Prevention of Laundering Crime Revenues and Financing of Terrorism, the Bank's Articles of Association, Internal Directives of the Board of Directors, and other applicable legal regulations.

The policy is grounded on managing compliance risk arising from customers and takes into account the following aspects:

- Ensuring continuous compliance with national and international laws, regulations, and sanctions;
- Implementing risk-based "Know Your Customer" and "Monitor Your Customer" principles;
- Detection and reporting of suspicious transactions;

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- Safeguarding the reputation and brand value of the Bank in the eyes of national and international authorities.

For the purposes of this Policy;

BRSA: refers to the Banking Regulation and Supervision Agency,

UNSC: refers to the United Nations Security Council,

Law: refers to Law No 5549 on Prevention of Laundering Crime Revenues,

Assets: refers to any interest or asset that is fully or partially possessed by or any fund and income, directly or indirectly controlled by a natural person or legal entity, or obtained from the same or conversion of the same into each other; and any interest or asset that is fully or partially possessed by or any fund and income, directly or indirectly controlled by a natural person or legal entity acting on behalf or on account of a natural person or legal entity, or obtained from the same or conversion of the same into each other;

MASAK: refers to the Republic of Turkey, Ministry of Treasury And Finance, Financial Crimes Investigation Board,

Crime Revenue: refers to the values of assets arising from a crime that carries a minimum prison sentence of 6 months or more, as defined in Article 282 of the Turkish Penal Code,

Laundering of Crime Revenues: refers to the transactions aimed at making the profits obtained through illegal means appear as if they were obtained through legal means, to save the said earnings in the financial system, especially in the form of cash, and to gain legitimacy by passing them through a process within the financial system and changing their identity,

Crime of Laundering of Crime Revenues: it is defined in Article 282 of the Turkish Penal Code. This crime involves hiding the illegal origin of assets obtained from a crime that carries a minimum prison sentence of 6 months pursuant to Article 282 of the Turkish Penal Code and giving the impression that the assets were obtained legitimately.

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OFAC (Office of Foreign Asset Control): refers to the unit within the U.S. Department of the Treasury, Overseeing Outsourced Assets/Accounts,

FATF (Financial Action Task Force): refers to the organization established in 1989 by G7 countries in Paris to implement measures, both nationally and internationally, to prevent money laundering and terrorist financing.

Compliance Supervisor: refers to the officer appointed by the Bank, vested with the necessary authority, in order to ensure compliance with the obligations imposed by the Law and the legislation enacted on the basis of the Law,

Senior Management: refers to the Board of Directors and executives of T.O.M. Katılım Bankası Anonim Şirketi,

Executives: refers to the T.O.M. Katılım Bankası A.Ş.'s General Manager and Assistant General Managers, directors of the units within the internal systems, the directors of the units other than the consultancy departments, who work in positions equivalent to or above the Assistant General Manager in terms of their powers and duties, even if they are employed with other titles,

Regulation: refers to the Regulation on Measures for Prevention of Laundering Crime Revenues and Financing of Terrorism,

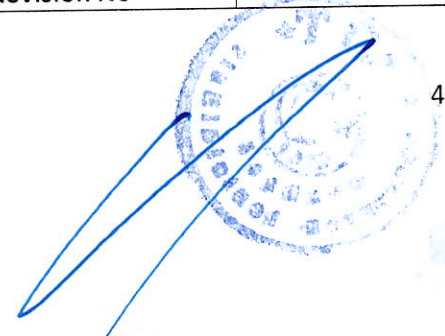
Liable Party: refers to our Bank pursuant to the institutions defined in the Law,

Executive Management: refers to the senior directors not involved in the internal systems organization.

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4. POLICY PRINCIPLES

4.1 Risk Management Activities

The risk management policy primarily aims to identify, assess, and prioritize money laundering and terrorist financing-related risks, establish appropriate measures, and mitigate the risks that may arise for the Bank. In this context, the Bank established the risk assessment principles of "Know Your Customer" and "Monitor Your Customer."

4.2 Know Your Customer

With regard to the transactions made and mediated by the responsible parties, pursuant to Article 3 of the Law, it is obligatory to determine the identities of those who make transactions and those on whose behalf or account transactions are made before any transactions are made. In this context, the "Principles of Know Your Customer" are regulated in the third section of the Regulation.

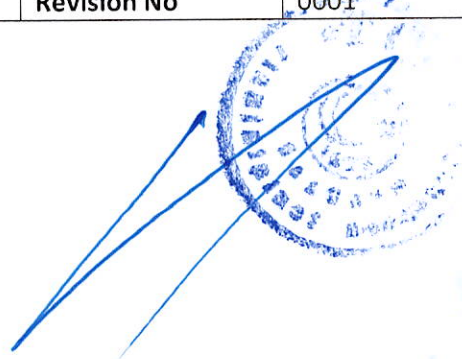
In this regard, the Bank makes the necessary controls and takes additional measures regarding:

- the determination and confirmation of the valid identity and address information of the (potential) customers, which are accepted by the legal authorities before the transaction and while the continuous business relationship is maintained,
- the income levels of customers, their requested or performed financial services align with their business activities, the general operational style of the customer type involved, and their income sources,
- the possibility of customers being on national/international sanction lists.

In cases where the bank is unable to identify or obtain sufficient information about the purpose of a business relationship, it refrains from establishing a business relationship or performing the requested transaction. If doubts arise about the adequacy and accuracy of the previously obtained customer identification information, the bank terminates the business relationship.

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The Bank is required to make the following determinations at a minimum as part of standard know-your-customer measures:

- Identification and confirmation of customer identity, address confirmation, signature specimen, real beneficiary, authorized representatives pursuant to the legal regulations and internal policies of the Bank,
- Screening customers for risks of being included in international sanctions lists (including country risk assessment),
- Determining whether the customer and the parties associated with the customer are politically exposed person or affiliated with the politically exposed person,
- Investigation of whether the customer and the parties related to the customer are related to very-high-risk countries accepted pursuant to international sanctions and internal regulations of our Bank,
- Detection of whether someone has acted on behalf and/or on account of someone else,
- Monitoring customer transactions to detect unusual transactions,
- Identification and confirmation of the source of income,
- Receiving information about the reason for working with the bank.

The Bank applies enhanced customer measures for customers deemed risky by the Bank as a result of the risk assessment conducted at the time of customer acceptance or subsequently. Irrespective of the outcome of the risk assessment, the bank may need to prioritize taking heightened measures and/or revising monitoring procedures in line with the evaluation of risky customers, transactions, and sectors under national and international regulations and contemporary banking standards.

The Bank is required to make the following determinations at a minimum as part of enhanced customer measures:

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- Identification of the customer, beneficial owner, and authorized representative (including company structure) and filtering against the risks of being included in international sanctions lists,
- Approval of the customer relationship by the relevant business segment management/senior management,
- Identification of the customer, the real beneficiary, and their wealth and, where necessary, confirmation on documents,
- Determination of whether the customer's funding sources and/or capital are easily and satisfactorily verified and, if necessary, confirmation on the document,
- Examining the information and documents related to the reason for working with the bank.

4.3 Risk Assessment Methodology

All customers should be evaluated in terms of potential money laundering and related risks within the scope of the minimum standards in our Bank's Prevention of Laundering Crime Revenues and Terrorist Financing Procedure. For this purpose, Bank uses a risk assessment methodology that considers the following:

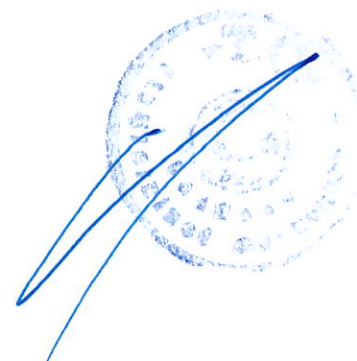
- The geographic location in which the customer operates (country, region, etc.),
- Certain products and services provided to the customer,
- Whether the customer is a politically exposed person,
- The customer's business or industry,
- The type of transactions performed by the customer,
- Customer's ownership structure, capital, and management control.

The Bank revises its methodology when encountering new risks related to customers and transactions and takes the necessary measures accordingly.

The Bank conducts a thorough examination of customers, beneficiaries, authorized representatives, and, if applicable, the customer's partnership/control structure in accordance with the general rules set forth by the legislation. This examination involves identifying and verifying business units and related parties.

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The following are the persons and institutions who will not have their financial transactions mediated under the risk assessment methodology or who will be subjected to increased measures during the establishment of a business relationship:

- Individuals and organizations that refrain from providing information and documents and entering into records,
- Individuals and organizations who want to open an account anonymously or under a pseudonym,
- Bearer share companies,
- Individuals and organizations included in national and international sanctions lists,
- Individuals and organizations in risky sectors and occupational groups,
- Individuals and organizations located in or affiliated with countries that do not have adequate regulations on the prevention of money laundering and terrorist financing (risky countries),
- Shell banks,
- Politically Exposed Persons.

4.4 Categories of Risky Transactions

The Bank identifies the following transaction categories as high-risk for money laundering and terrorist financing purposes. These transactions require more stringent security measures during their execution and monitoring compared to other types of transactions. The types of transactions categorized as risky are not limited to those listed below. However, the Compliance Officer determines risky or suspicious transactions in accordance with sub-regulations within the framework of regulations on suspicious transactions published by MASAK.

- Cash Transactions: In order to detect proceeds from crime, it is important to note that cash transactions are often involved. Therefore, the relevant personnel should be particularly cautious during cash transactions.
- Electronic Transfers: In all transfers from other banks and financial institutions to our bank for individuals who have not passed the customer identification stage, the beneficiary must go through the customer recognition process before the payment is made. No transaction shall be made for the customers who do not go through this process.

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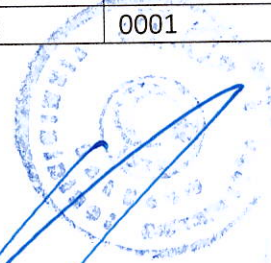
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In addition, it is obligatory to indicate the account number and the name of the recipient in money and securities transfers to be made from accounts that have undergone the identification process with the Bank. Transactions that do not comply with this definition are prohibited.

On the other hand, in order to comply with anti-money laundering and counter-terrorism financing regulations, recipient and sender information in money transfers are verified against the list of terrorist organizations published by the Israeli state, as well as the OFAC, European Union, and United Nations lists. The Compliance Officer determines which transfer types will be subject to control and how the control will be carried out based on evaluations from relevant departments.

- Collection of the Personal Checks Drawn on Foreign Banks: Collecting personal checks in foreign currency drawn on foreign banks is not an acceptable way to initiate customer relations. The provision of this service is subject to the written approval of the relevant assistant general manager and is limited to companies and individuals with a solid commercial track record and reputation, a balance between the amount of the check, transaction volume, and tangible assets, as well as detailed information about their commercial transactions and business ethics.
- Internet, Call Center transactions: In transactions made through these channels, extra caution should be taken as they do not involve face-to-face interaction with bank staff. Therefore, the appropriateness of these transactions should be closely monitored based on the information and documents provided by the customers during the account opening process.
- Cash-secured transactions: When cash-secured loan applications are made, appropriate measures must be taken to examine the economic sense and justification of the transaction.
- Transactions made from accounts of High-Risk Customers: The bank should closely monitor the transactions of customers classified with high-risk profiles as a result of the classification created according to the determined risk profile and apply more stringent control rules accordingly. Measures in this regard are determined by the Compliance Officer.

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- Correspondent Banking: The regulations in many countries concerning money laundering and terrorist financing are better than in other areas. Thus, simplified measures, as described in the MASAK regulations, can be taken to build a long-term relationship with financial institutions. However, correspondent banking transactions typically involve large volumes and may be directed to the account of the bank's customers, making them part of the high-risk transaction group regarding money laundering and terrorist financing, as they are not recognized by the serving bank.

The bank carries out necessary measures to obtain information about the operating structure, primary business activities, and procedures regarding money laundering and terrorist financing of the correspondent banks it will provide services to before opening an account. It also assesses the presence of applicable regulations in the countries where the institution operates. Such service requests are subject to the approval of senior management. The Bank refrains from offering correspondent services to banks that are not under surveillance for money laundering and terrorist financing.

Financial institutions operating in Turkey can benefit from simplified measures according to MASAK regulations. The decision to apply simplified measures for financial institutions operating abroad is made by the Compliance Officer.

4.5 New Products and Activities

Before introducing or starting new products or activities, the bank must assess the risks related to money laundering and terrorist financing. In this context, within the framework of the bank's written processes regarding new products and activities, before the product/activity is approved, it should be evaluated by the Compliance Department in terms of risks related to money laundering and terrorist financing.

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The bank employs innovative technological tools to accurately and sufficiently identify service beneficiaries and takes necessary measures accordingly. The Compliance Officer confirms the adequacy of these measures before commencing the service.

4.6 Monitoring and Control Activities

The Bank performs continuous monitoring and control activities to prevent money laundering and terrorist financing. These activities cover, at minimum, the following:

- High-risk customers and transactions,
- Transactions with risky countries,
- Complex and unusual transactions,
- Transactions that are not compatible with the customer’s business, funding sources, and profile,
- Related transactions,
- Electronic Transfers,
- Remote transactions,
- New products and services.

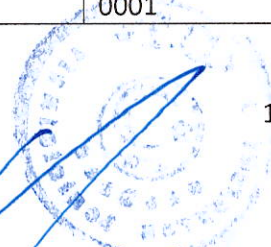
The Bank carries out the following activities to monitor the services and transactions it offers or mediates:

- Examination through computer-aided programs,
- Media search,
- Examination through our bank and MASAK mandatory screening lists,
- Special investigation activities.

If the personnel or business lines involved in providing financial services or mediating transactions come across a suspicious activity related to money laundering and terrorist financing, they are subject to investigation as part of the Bank’s efforts to prevent such activities.

4.7 Suspicious Transactions Reporting

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It refers to the presence of any information, suspicion, or any reason to suspect that the assets subject to the transaction carried out or attempted to be carried out at or through the Bank have been obtained illegally or used for illegal purposes, used for terrorist acts or by terrorist organizations, terrorists or those who finance terrorism or are related to or linked to them. The definition of a suspicious transaction includes the acquisition of the assets subject to the transaction illegally, as well as their use for illegal purposes, thus preventing the financing of terrorism (including its relatedness). Except for the information given to the inspectors assigned with liability supervision and to the courts during the trial, the Bank shall not give the information that a suspicious transaction has been or will be reported to MASAK to anyone, including the parties of the transaction. This obligation includes the persons, institutions, and organizations that reported the suspicious transaction to MASAK, or the members of these persons who actually carry out and manage the transaction, or their legal representatives and proxies, as well as other personnel who are aware of the suspicious transaction reporting in any way.

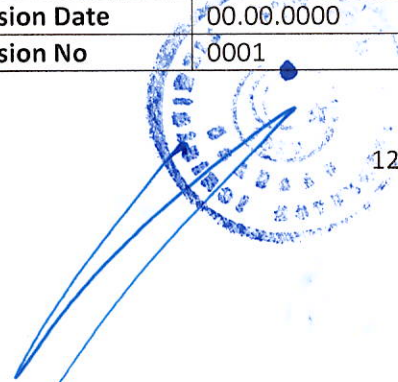
The bank staff is required to inform the Compliance Officer in writing about any suspicious transactions conducted or attempted to be conducted before or through the bank.

The Compliance Officer is authorized and responsible for evaluating the notified transactions and deciding whether or not to report them to MASAK. While assessing the nature of the transaction, if necessary, the Compliance Officer may ask for the customer's documents or request a copy from the relevant department or branch.

It is obligatory to carry out the suspicious transaction within the period specified in the legal regulations. In order to avoid any delay, the notification of transactions is considered a priority task for the related staff. The Compliance Officer makes sure to inform the relevant Public Prosecutor's Office promptly in addition to reporting to MASAK in cases where the delay is not acceptable.

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If the Compliance Officer determines that the transaction is not suspicious, s/he must provide a written explanation of their decision.

The types of suspicious transactions, indicators for notifying such transactions, and procedures for reporting them are set out in sub-regulations that are to be issued in compliance with legal regulations. The Compliance Officer is responsible for drafting sub-regulations on this matter.

4.8 Submission and Storing of Information and Document

The Bank handles the procedures associated with the obligation to furnish information and documents as stipulated in the relevant articles of the Regulation and implements the required precautions. The Bank stores the documents related to its obligations, such as training and internal auditing, as well as transactions, in various environments for a period of ten years from the issuance date, the books and records from the last registration date, and the documents and records related to identification from the last transaction date. These documents and records are submitted to the authorities if requested.

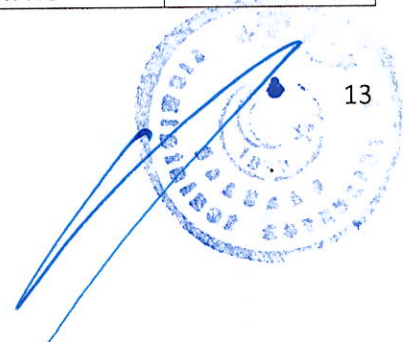
4.9 Training Activities

Training activities are planned in coordination with the Corporate Governance Department and are organized for all Bank personnel, either locally (classroom training) or remotely (e-learning programs, reminder, and awareness messages):

- Definition and introduction of MASAK,
- Internal compliance officer information and suspicious transaction reporting channels,
- Concepts of laundering crime revenues and financing of terrorism,
- Stages, methods, and case studies of laundering crime revenues,
- National and international regulations for the prevention of laundering crime revenues and financing of terrorism,
- Risk fields,
- Our bank's corporate policy and procedures,
- Principles on know-your-customer,

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- Suspicious transaction reporting,
- Suspicious transaction types,
- Storing and submission obligation,
- Submission of information and document,
- Sanctions to be applied in case of non-compliance with liabilities,
- International regulations in the field of preventing money laundering and terrorist financing.

4.10 Internal Audit Activities

The Internal Audit Department conducts an annual review and audit of the Bank’s policies and procedures, risk management, monitoring and control activities, and training activities to determine their adequacy and efficiency. This includes assessing the effectiveness of the risk policy and ensuring that transactions are carried out in compliance with the Law, regulations, and communiqués issued in accordance with the Law. The review is conducted with a risk-based approach, also evaluating the institution’s policies and procedures. The deficiencies, errors, and abuses revealed as a result of the audits carried out by the Internal Audit Department, as well as opinions and suggestions to prevent reoccurrence, are reported to the Board of Directors. To define the scope of the audit, deficiencies detected in monitoring and control activities, as well as customers, services, and transactions that pose risks, are incorporated. The audit covers a sufficient quantity and quality of units and transactions that can represent all activities conducted by the Bank.

5. ENFORCEMENT and APPROVAL

This regulation entered into force with the resolution of the Board of Directors dated 26.12.2022.

6. EXECUTION

Policy provisions are executed by the Board of Directors.

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