

## SANCTIONS POLICY

### Purpose & Scope

**Odea Bank Anonim Şirketi** (hereinafter referred to as “**Odeabank**” or the “**Bank**”) is committed to full compliance with legal regulations in Turkey and international sanctions standards. In this regard, the Bank adheres to asset-freezing decisions issued by the Financial Crimes Investigation Board (MASAK) and takes the necessary measures to prevent transactions involving designated persons and entities. Additionally, the Bank complies with sanctions programs implemented by the United Nations Security Council, the U.S. Department of the Treasury’s Office of Foreign Assets Control (OFAC), the European Union, and the United Kingdom. No transaction that could potentially violate sanctions regulations is permitted under any circumstances. This policy constitutes one of the Bank’s fundamental commitments in the fight against financial crimes.

This policy applies to:

- All Bank employees, headquarters departments, and branches,
- All products, services, and activities offered by the Bank,
- Third parties acting on behalf of the Bank

### Governance

The Bank’s Board of Directors and senior management emphasize the necessity of a zero-tolerance policy toward sanctions violations and fully support and commit to this stance. The Board of Directors approves the policy, ensures the allocation of adequate resources and systems, and oversees the effective implementation of the Sanctions Policy. Senior management is responsible for the daily operational enforcement of the Sanctions Policy. To this end, an independent Compliance Unit has been established, and a Compliance Officer has been appointed. The Compliance Officer directly reports to the Board of Directors through the Audit Committee, ensuring adherence to regulatory and policy requirements across all banking activities. Through this governance framework, the Bank promotes a strong compliance culture at all levels.

### Risk Assessment

The Bank adopts a risk-based approach in managing sanctions risks, in line with legal regulations and international standards. Regular risk assessments are conducted to identify sanctions risks

associated with customers, transactions, products, and jurisdictions. High-risk areas —such as transactions involving jurisdictions subject to comprehensive sanctions or high-risk customers—undergo additional scrutiny and enhanced control measures. The findings from risk assessments are used to adjust controls and ensure that sanctions compliance efforts remain risk-aligned and effective. This approach facilitates the efficient allocation of resources and ensures that the Bank focuses on areas with the highest sanctions risks.

## **Monitoring and Control Activities**

The Bank implements comprehensive monitoring and control measures to ensure the continuous compliance with sanctions regulations. All new and existing customers, as well as transactions, are screened against sanctions lists through automated screening systems. If a potential match is identified, the Compliance Unit immediately conducts a detailed review and takes necessary actions. The Bank has internal procedures in place to report identified potential sanctions violations or suspicious activities to MASAK and other relevant authorities. Additionally, to prevent sanctions violations, enhanced control mechanisms such as dual-control and approval processes are applied, particularly in high-risk transactions.

## **Testing and Auditing**

Regular testing and independent audits are conducted to assess the effectiveness of the Bank's sanctions compliance program. The Internal Audit Unit periodically reviews compliance with this policy and the adequacy of existing control mechanisms. The findings are reported to the Board of Directors and senior management through the Audit Committee. Identified weaknesses or deficiencies are promptly addressed with improvement plans. Additionally, the compliance program is subject to independent external audits and regulatory inspections (e.g., audits by MASAK or the Banking Regulation and Supervision Agency). These audits help ensure that the Bank's sanctions controls remain robust and aligned with evolving regulatory expectations.

## **Training**

The Bank implements comprehensive and continuous training programs to ensure that all employees understand their responsibilities under the sanctions policy. Employees involved in high-risk areas, such as international transactions, trade finance, and payment units, receive mandatory training at least once a year on local and international sanctions requirements. These training sessions cover topics such as identifying sanctioned parties, using screening systems, and following proper procedures in the event of a potential sanctions match. New employees also receive sanctions compliance training as part of their onboarding process, and any updates to regulations and requirements are communicated to employees in a timely manner. Through these training activities, the Bank fosters a strong compliance culture, ensuring that employees remain aware of sanctions risks and maintain vigilance in their roles.

## **Policy Updates**

This policy is reviewed and updated at least once a year to ensure compliance with relevant laws and regulations. The Compliance Unit coordinates the review process, which includes assessing changes in Turkish regulations (including updates by MASAK and other regulatory bodies) and developments in international sanctions programs. If there are significant regulatory changes or emerging risks, more frequent reviews may be conducted as necessary. Any amendments to the policy are submitted for approval to the Board of Directors and communicated to all employees.

## **Policy Ownership**

The Compliance Unit is responsible for this policy. The Compliance Unit and the Compliance Officer oversee its implementation and ensure that the Bank's daily operations and activities comply with sanctions regulations. Additionally, the Compliance Unit is responsible for updating the policy, providing guidance to employees, and reporting to the Board of Directors and senior management on sanctions compliance matters. While the ultimate responsibility for ensuring compliance with sanctions regulations lies with the Board of Directors, operational responsibility is managed through the Compliance Unit.