



Kibar Holding A.S.
Purchasing Department
Codes of Business Conduct

Kibar Holding Purchasing Department

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GENERAL PRINCIPLES and CODES OF CONDUCT FOR PURCHASING

Kibar Holding A.S. Group companies consist of Kibar Holding A.S. and any institutions, companies, or any other legal entities, in which Kibar Holding A.S. has the majority of the voting rights, whether directly or indirectly, or in which Kibar Holding A.S. has the majority of the rights to ensure the election of the members of the managing body constituting the majority of the votes to make resolutions as per the articles of association and other corporate charters, or in which Kibar Holding A.S. constitutes the majority of voting rights individually or jointly with other shareholders or partners in addition to its own voting rights based on a contract thereof, or in which Kibar Holding A.S. has the majority of the shares, or enough shares to ensure making resolutions to manage such Group companies thereof. Kibar Holding A.S. places utmost importance on the fulfillment of all statutory and legal requirements during the performance of their purchasing activities. The Group aims to cooperate with all stakeholders within the ecosystem in order to improve the efficiency of the business processes as well as the level of adding value to the companies involved.

These objectives include;

- Provision of transparent and accurate information on measurement,
- Determination of the areas of improvement and development,
- Performance of evaluation, supervision, and remeasurement activities for the areas of improvement and development,
- Creation of improvement proposals and preparation of action plans,
- Review and ensuring sustainability of the improvements implemented,
- Ensuring the implementation of these requirements in all process steps of the supply chain and in the workstream of the suppliers.

For this reason, the associated suppliers are expected to comply with the principles described in detail under three main categories as provided below as per Kibar Holding Group Purchasing policy.

1. LEGAL PRACTICES

Commercial

Kibar Holding A.S. complies with international export, import, and commercial laws during the performance of its business operations. Likewise, suppliers are also obliged to comply with all global business audits as well as export and import laws and regulations.

Competition Law

Kibar Holding aims to create and maintain a fair competition environment by providing all suppliers with equal access to information, collaboration, and means of communication. Suppliers must ensure full compliance to applicable anti-trust and fair competition laws adopted in the jurisdictions where the supplier conducts its business operations.

Anti-Bribery and Anti-Corruption

It is prohibited for suppliers to give or offer a bribe or anything of a real value or any value in kind, which can be considered as bribery, to any institution and/or accept the same from any institution or an individual. Supplier shall not offer, give, solicit, or receive any forms of cash payment, payment in kind, bribe, gift, or any privilege for the purpose of obtaining business opportunities or having any influence on such business opportunities.

2. OUR RESPONSIBILITIES TOWARDS SUPPLIERS AND BUSINESS ASSOCIATES, AND WORKING CONDITIONS

In addition to continuously providing the best and the highest quality products and services in parallel with ever-changing and developing global conditions, Kibar Holding A.S. is also committed to planning and maintenance of its business operations in line with the principles for social responsibility, environmental awareness, legal compliance and recognition of employees' rights.

As required by joint accountability, suppliers are also expected to perform their business operations with the same level of responsibility and awareness by means of improving their working environment. Accordingly, each supplier already having a business relationship with our Company as well as those who plan to have such a business relationship are required to adopt and implement the Group's Codes of Conduct for Purchasing, which are an integral part of Kibar Holding A.S. Codes of Conduct and created for the purpose of improving the efficiency of the relationship with the suppliers.

Kibar Holding A.S. treats all suppliers equally and undertakes to provide its suppliers an opportunity to allow them to act in a fair competition environment in terms of the information to be provided to its suppliers on the condition that Kibar Holding A.S. will observe its corporate interests, whose legal framework is defined by statutory regulations. Kibar Holding A.S. fulfills all of its obligations as soon as reasonably possible and uses its best efforts to prevent, eliminate, and resolve any problems that may arise.

In line with the general governance principles as provided above, Purchasing Department working principles for suppliers are summarized as follows:

- Kibar Holding A.S. believes that long-term success depends on close cooperation with its suppliers. For this reason, the quality of relationship with suppliers is of utmost importance.
- Kibar Holding A.S. requires its suppliers to comply with general statutory rules and principles as well as Kibar Holding A.S. Codes of Conduct for Purchasing.
- Kibar Holding A.S. expects its suppliers to cooperate for ensuring the Group's Codes of Conduct for Purchasing.
- Kibar Holding A.S. appoints its suppliers based on the principles of integrity/accountability.

Kibar Holding A.S. Codes of Conduct for Purchasing are based on the purpose for the standardization of the relationships between the suppliers and employees. These rules and principles are applicable to and binding upon both the purchasing employees and all personnel who may take part in purchasing operations.



When fulfilling their obligations, suppliers are obliged to follow all applicable laws and regulations in force, comply with such applicable laws and regulations, and ensure performance of their operations in compliance with the Labor Law. In this context, suppliers are expected to take into account the following matters and have comprehensive knowledge about working principles.

Human Rights: Suppliers shall commit to respecting Human Rights and refrain from being an accomplice to any violation of such human rights thereof.

Compulsory Labor (Forced Labor): Supplier employees cannot be forced to do labor in any way. This requirement includes compulsory labor in prison, employment in exchange for high-interest debt, and other forms.

Child Labor: The Supplier shall not use child labor. Unless a higher age limit is specified by local legislation, individuals below the age of 15 who have not yet completed their education may not be employed (within the scope of International Labor Organization Contract No. 138) Individuals under the age of 18 may not be employed for jobs posing a risk of death and may not be employed on night shifts due to the fulfillment of their educational needs.

Harassment: Supplier employees should not be subjected to physical harm, or physical, sexual, psychological or verbal harassment or sexual assault.

Compensation: The Supplier must compensate its employees at or above minimum wage specified by laws and legislation, including salary and overtime payments.

Freedom of Association and Non-retaliation: Workers shall be able to exchange views with management on salaries and working conditions without fear of retaliation.

Working Hours: Unless otherwise provided in applicable national laws on working hours and save as exceptional circumstances at work, the supplier's employees shall not work for more than 11 hours a day and more than a total of 60 hours (including overtime) during a work week. Employees should be given at least a day off within every 7-day period save as exceptional circumstances at work.

Discrimination: The Supplier must treat all employees according to their professional abilities without regard to their race, ethnicity, language, religion, sexual orientation, gender, and political and ideological views, during all stages including but not limited to recruitment, promotion, compensation, benefits, training, mandatory dismissal and termination of labor contract.

Local Communities: Suppliers shall respect and work with local communities on charitable projects.

Occupational Health & Safety (OHS): In Kibar Holding A.S., precautions and practices for occupational health and safety are considered as an indispensable element of the working and production process. The principles adopted by the group in this framework are listed below and apply to all suppliers:

- To provide a healthy and safe work environment to its employees to prevent accidents and injuries and, where applicable, healthy and safe residence facilities in accordance

with local laws in force. For this reason, the supplier should carry out activities that reduce the risks threatening potential employee safety, and create systematic activities that ensure the health and safety of employees, taking into account the relevant standards and laws.

- To implement and continuously improve activities related to occupational health and safety,
- To comply with the standards stipulated by the current occupational health and safety legislation.
- To determine the dangers in advance and to eliminate them by making risk analysis.
- To raise awareness and continuously train employees about occupational health and safety

Kibar Holding A.S. requests its suppliers to identify and control any adverse effects that may harm human health, to prevent injury and health deterioration, to continuously improve, to comply with the Occupational Health and Safety Law No. 6331 and the regulations, regulations and communiqués issued thereto. Kibar Holding A.S., which is aware of the fact that the most important factor is to create an awareness of occupational health and safety in the community, demands that all suppliers and employees meet the need for training for occupational safety and create a behavioral culture together with technical knowledge by taking proactive approach in addition to legal OHS training.

Kibar Holding A.S. expects its suppliers to adopt occupational safety and improve their self-control and protection skills by using development / improvement methods in the control and follow-up of occupational safety studies.

In order to ensure the effective implementation of these principles adopted within the scope of OHS, risk analysis studies are conducted in all operational areas of the group and measures are taken to minimize the identified risks.

Environment: In order to ensure corporate sustainability in all areas, Kibar Holding primarily observes its job security, environmental and quality policies. While managing its operations, Kibar Holding takes care to take all necessary measures to protect natural resources and minimize waste.

The Kibar Group companies act with the awareness and responsibility of environmental issues that have become global today, such as population growth in all activities and consequently unconscious use of decreasing natural resources, climate change, decreased biodiversity and increased pollution. Since environmental problems bring serious risks for both the industry and society, Kibar Holding A.S. has adopted the principle of acting consciously and responsibly in this regard.

While structuring business processes in all sectors of the Holding's field of activity, it is aimed to contribute to all stakeholders being environmentally conscious and conscious individuals in order to establish a sustainable future with environmentally friendly practices and necessary measures. In Kibar Holding A.S., adopting the environmental sustainability approach by all our business partners including our suppliers is among our priorities.

The supplier must be able to demonstrate that it fully complies with all legal regulations for environmental protection in all its activities. The supplier shall actively work to maintain and improve levels of biodiversity around their site.

Biodiversity: The Company hereby undertakes to use its best efforts in an effective manner in order to maintain and improve the levels of biodiversity in and around its own facilities and premises thereof.

3. Codes of Conduct

As Kibar Holding, we exercise due diligence and care to select business associates who act and/or are capable of acting in compliance with our Codes of Conduct as defined herein when selecting such business associates that we intend to collaborate. For this reason, we kindly welcome our potential business associates to thoroughly read, understand, and act in compliance with our Codes of Conduct as required, and we encourage them to use their best efforts in this regard.

3.1. Non-Discrimination

All business offers and quotations as received from business associates are evaluated solely based on cost and quality criteria and are not discriminated against any other factors thereof.

3.2. Fair Competition

We aim to create and maintain a fair competition environment by providing all suppliers with equal access to information, opportunities, and environment. Supplier shall be responsible for conducting business in full compliance with applicable anti-trust and fair competition laws in force.

3.3 Commercial Records: The supplier shall create, document/record, and store all commercial information relating to the relevant work accurately and in full compliance with the requirements of applicable laws and regulations. Supplier shall be liable for being truthful and honest in negotiations held with the representatives from regulatory institutions and organizations as well as public authorities.

3.4 Integrity/Accountability

Kibar Holding A.S. is committed to the principles of integrity in all of its relationships and business processes, and keeps the values of integrity, sincerity, and strict compliance to codes of business conduct above all. In this regard, Kibar Holding A.S. also requires its suppliers to act in compliance with the values of Kibar Holding A.S. with the same level of commitment.

3.5 Quality and Continuous Development

With an objective to achieve excellence in its business processes to provide world class products and services by placing great importance on customer satisfaction, Kibar Holding A.S. focuses on quality, among others, as one of the most essential criteria. The primary objectives of Kibar Group companies are continuous improvement of the quality of products and services in line with customer requirements as well as addressing customer requests in a timely manner and in the best way possible.

3.6 Information Security, Confidentiality and Protection of Trade Secrets

The supplier is obliged to take all necessary measures to protect all information of Kibar Holding A.S. Within the scope of its business relationship with Kibar Holding A.S., the supplier

undertakes that the supplier shall deem all information as confidential information and shall not transfer or disclose such confidential information to any third parties or make public such confidential information without prior written consent of Kibar Holding A.S. and shall refrain from any acts and actions which could potentially lead to such consequences.

Kibar Holding exercises due diligence and care for confidentiality and protection of confidential and/or privileged information of its suppliers, business associates, and other natural or legal entities working in collaboration with Kibar Holding.

3.7 Conflict of Interest

The supplier shall refrain from any acts and actions which could lead to noncompliance or conflict of interest. Unless otherwise provided for during the quotation process, the only contact person for the supplier shall be the relevant purchasing specialist. The supplier shall not be entitled to negotiate prices, payment terms, confirmation of a contract, etc. with any employee of Kibar Holding A.S. other than the authorized purchasing specialist. Suppliers who act contrary to this condition shall be removed from the supplier's portfolio.

3.8 Intellectual and Industrial Property Rights

Kibar Holding A.S. does not grant the supplier any license, patent, industrial design or copyrights. The supplier shall be obliged to indemnify and hold harmless all parties (i.e. Kibar Holding A.S., other suppliers, dealers, customers, etc.) against all damages, costs, losses, and additional costs, including penalties, arising out of any breach, which is attributable to the supplier, of any intellectual and industrial property rights.

3.9 Receiving/Sending Gifts

Kibar Holding and its employees are strictly prohibited from receiving any gifts, profits, benefits, accommodation/entertainment facilities, commission, or any other interests which could have any effect on their impartiality, decision making, or acts, and/or they are strictly prohibited from making any attempts to provide any third-party individuals and legal entities with any gifts or benefits which could potentially cause such an effect thereof.

- Corporate materials bearing a logo for promotional purposes and other promotional materials may be sent and/or received provided that the value of such promotional materials is not excessive. Our employees are also prohibited from giving away gifts to any legal entities and individuals with whom they have a business relationship other than those of promotional materials as made available by the company.
- Awards, plates, etc. similar tokens with symbolic value other than monetary value may be received. Such gifts shall not be in the form of money or negotiable instruments (i.e. checks, gold, jewelry, etc.).
- Provided that the first two articles as provided herein above are applicable, such gifts shall only be sent to the business address of the relevant party.
- It is strictly forbidden to receive, give, or offer any forms of bribery and/or commission under any condition whatsoever.
- Any gifts which do not meet the aforesaid conditions shall be returned to the supplier sending the gift by mail, or sent by the relevant authorized purchasing specialist to Kibar Holding Group Human Resources Department for acceptance of the gift to be donated to

a foundation to be determined, or such gifts may be distributed by lottery, and the relevant information is provided to the supplier thereof.

3.10 Meetings and Invitations

To the greatest extent possible, negotiations and meetings with suppliers should preferably be held in Kibar Holding A.S. office spaces with the participation of at least 2 representatives from Kibar Holding A.S. Group Purchasing specialist may participate in events for product launch/promotion, which are organized by suppliers and are not exclusively intended for the Group, and for which various customers of the supplier outside the Group have been invited.

In case of being invited by suppliers to their official events as a participant, purchasing management may participate in such official events provided that the management informs the Head of Purchasing Department and the CEO.

4. Prohibited Suppliers

Kibar Holding A.S. employees and purchasing department personnel are prohibited from being an owner and/or a profit-sharing partner (i.e. shareholder) of a supplier. In addition, suppliers are prohibited from forming any relationship, directly or indirectly, with any Kibar Holding A.S. employee for the purpose of providing any benefit to the employee himself or herself, or any family member or any relative of such an employee from the supplier's operations.

- It is prohibited to purchase from any supplier with whom the client has been determined to have a direct or indirect partnership.
- The purchasing specialist is prohibited to conduct business with suppliers with whom such purchasing specialist and/or his or her first-degree relative has been determined to have a direct or indirect partnership.
- Conducting business with Kibar Holding A.S. as a supplier, representative, agent, or under any similar title during serving in a position in the Company or by means of incorporating its own company after leaving his or her position (between 3 to 5 years) or following a business relationship with a company may create a negative impression and therefore, due care must be exercised in this matter. Such persons may only provide consultancy services subject to approval of the Ethical Committee and the CEO for a period to be determined by the CEO.

In this sense, all suppliers must meet the selection and evaluation criteria as defined for the suppliers.

CODES OF BUSINESS CONDUCT

In all business processes conducted with suppliers, the suppliers' compliance with the codes of business conduct is reviewed in all kinds of audit and control activities. The procedures conducted in relation to such activities are also reviewed during follow-up audits and controls.

In case the supplier acts in any manner, which is contrary to the applicable laws and regulations and/or codes of conduct as detailed above, Kibar Holding A.S. may terminate its collaboration with the supplier or request for its employee to be released from carrying on business with the supplier, whenever deemed required.



Please report any suspicious activity or any violation of the codes of business conduct to be notified to Kibar Holding A.S. Ethical Committee by using the following contact information for the Ethical Line.

Phone: +90 (212) 939 54 80

E-mail: etik@kibar.com

Mail: To the attention of Kibar Holding Ethical Committee:

Zorlu Center Levazım Mahallesi Kuru Sokak No: 2 Ofisler Bölgesi Kat: T4

P.O. Box: 34340 Beşiktaş / İstanbul

Any inquiries and notifications received by the Ethical Committee over the phone, via e-mail, or by mail will be evaluated based on the confidentiality policy and necessary investigations and inquiries will be conducted accordingly.