

SUPPLY CHAIN POLICY



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SUPPLY CHAIN POLICY

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| **Document No.** | **:** AG.YK.S01.POL07 |
| **Publication Date** | **:** 02.02.2016 |
| **Revision No.** | **:** 01 |
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1.INTRODUCTION

The purpose of this policy is to outline the standards and basic principles that Altunkaya Group of Companies observes in its relationships with its suppliers. Altunkaya Group of Companies strives to establish and develop relationships with suppliers who are responsible in the supply process and act in accordance with quality and business execution objectives, applying this policy in its relationships with its suppliers.

2.SCOPE

At Altunkaya, we expect all of our businesses to act in accordance with our Supply Chain Management Policy. This policy includes our basic principles for supply chain management.

Our Supply Chain Policy covers;

Employees of Altunkaya Group of Companies,

Companies from which we receive external services; persons and organizations working on behalf of Altunkaya Group of Companies, including consultants, lawyers, external auditors

It is imperative that our suppliers comply with the requirements of applicable legal requirements, these policies and regulations, and all other documents related to business ethics. Meetings with suppliers are held in September and October and are reviewed and updated on a regular basis.

3.DEFINITIONS AND ABBREVIATIONS

This section briefly explains specific terms and phrases, concepts and abbreviations used in the policy.

**Altunkaya Group :** Altunkaya İnş. Nak. Gıda Tic. A.Ş.

**Management:** Altunkaya Executive Board.

**Document:** Procedure and any other similar written text in which Altunkaya policies, regulations, procedures and business processes are prepared in writing and made accessible to the relevant employees.

**Name of the Document:** Refers to the subject to which the document relates.

**Employee:** Refers to Altunkaya Personnel.

**Service Provider: R**efers to the personnel of the company (supplier, subcontractor, customer, etc.) from which the company receives and/or provides services.





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## DUTIES AND RESPONSIBILITIES

**Management**

Management is responsible for approving the supply chain management policy. It is the authorized approval mechanism to ensure that the policy is established, implemented and updated as needed.

Management

is responsible for taking the necessary actions, together with the relevant staff, to ensure compliance of third-party companies with the policy, investigating the issues that violate the policy, and reporting to Internal Audit.

## Finance Unit

The Finance Unit is responsible for developing, refining and updating this policy. The Finance Unit reviews the Supply Chain Management Policy for its up-to-dateness and makes revisions as necessary.

It is responsible for implementing this policy and making improvements when necessary.

## Legal

Legal is responsible for including provisions in contracts to ensure that contracts entered into with our suppliers are in compliance with this policy.

In accordance with our Information Security and Information Technology Policy, the principle of confidentiality is included in contracts with our suppliers.

## External Service Providers

Altunkaya strives to work with approved suppliers who are selected based on criteria such as financial capability, experience, technical expertise, etc. Companies from which external services, including support services, are obtained are expected to comply with the principles of the policy and other relevant regulations, and cooperation with individuals and organizations that do not comply is terminated. Third-party companies are expected to communicate this policy to their corresponding employees throughout the supply chain.

## Information Systems Details

Altunkaya's Information Systems Unit is responsible for posting this document on the company portal.

## Human Resources Department

Altunkaya's Corporate Communications Unit is responsible for the internal distribution of the document.

## PRINCIPLES OF APPLICATION

* 1. **General Application**

Altunkaya Group of Companies has adopted the principle of conducting its activities in a responsible and ethical manner. Under our concept of corporate social responsibility, it is committed to following the principles of transparency, fairness, accountability and responsibility in supply chain management.





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We respect and support international human rights principles, including the United Nations Universal Declaration of Human Rights and the International Labor Organization Declaration on Fundamental Principles and Rights at Work.

Acceptance of the above universal principles demonstrates our commitment to improving the workplace, protecting the environment, respecting human rights and developing the society in which we live.

In this context;

our suppliers must comply with legal requirements and adhere to the requirements of these policies and regulations, as well as all other documents related to business ethics.

When selecting suppliers, in addition to criteria such as financial performance, experience, technical competence, etc., we make sure they have a stellar track record in this respect, taking into account data from previous years.

For a proper selection and management of suppliers, the relevant divisional managers of the Group are responsible for the creation, management and monitoring of approved supplier lists.

When selecting suppliers to work with, we evaluate them based on objective criteria. At Altunkaya, we strive to create mutual value in our business relationships with our suppliers.

* We ensure that the laws of the countries in which we operate are adhered to in our supply chain management processes.
* We strive to ensure that suppliers to the Altunkaya Group of Companies comply with laws, rules and regulations. We expect suppliers, the vendors they work with, and their subcontractors to be aware of labor-related practices. Altunkaya Group of Companies reserves the right to terminate its relationships with suppliers who do not comply with these rules. It is of utmost importance that the goods and services provided by our suppliers are objectively audited by experts in the field of strategic process management compliance.

Supplier audits based on our company's standards, policies and procedures enable our suppliers to identify their current status and improve their ability to intervene in advance in the event of potential problems and disruptions.

We also strive to provide various training sessions for our suppliers under this policy and other related documents.

Altunkaya Group of Companies observes the following principles in its relations with suppliers:

## Legislation and Regulations

Suppliers to Altunkaya Group of Companies are also expected to comply with all relevant laws and regulations, including those relating to business conduct, product quality, environmental standards, occupational health and safety, and labor and employment in all countries in which we do business or from which we purchase goods or services.

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## Environment

At Altunkaya Group of Companies, we strive to work with suppliers who respect human rights, do not discriminate in any way, and provide equal opportunities to their employees.

## Respect for Human Rights

At Altunkaya Group of Companies, we strive to work with suppliers who respect human rights, do not discriminate in any way, and provide equal opportunities to their employees.

Our suppliers must comply with applicable legislation, particularly with respect to working hours and overtime. We expect our suppliers not to discriminate on the basis of race, gender, nationality, age, physical disability, association membership, pregnancy or marital status.

## Child Labor

At Altunkaya Group of Companies, we are extremely sensitive about not using child labor, and we expect the same sensitivity from all suppliers. Our suppliers should not employ workers under the legal age limit.

## Forced or Compulsory Labor

At Altunkaya Group of Companies, we expect all of our suppliers to be sensitive to this issue and not to use forced or compulsory labor, captive labor, forced military labor or forced prison labor.

## Combating bribery and corruption

We expect our suppliers not to tolerate bribery and corruption in any way and to act sensitively in this regard.

## 5.1.7. Health and Safety of Employees

At Altunkaya Group of Companies, we expect our suppliers to provide a healthy and safe working environment for their employees. The supplier must comply with all applicable health and safety legislation.

## 5.1.8 Intellectual Property and Confidential Information

Suppliers are required to respect the intellectual property rights of Altunkaya Group of Companies and to inform us if they become aware of any risk and/or violation of these rights. In this regard, they must cooperate with Altunkaya Group of Companies to prevent and/or terminate any potential infringement. Suppliers must protect all Altunkaya Group of Companies information, including but not limited to all types of financial statements, reports, financial and legal information, trademarks, company information, inventions, business, methods, advances and patents, copyrights, trademarks, business, financial and technical secrets or other information, documents, legally protected or not, as well as all written and/or oral commercial, financial, technical information and documents of which they become aware during the business relationship in question, through appropriate security measures. The disclosure of confidential information to its employees, sub-employees and consultants who have a need to know such information by virtue of their work is only possible if it advises its employees, sub-employees and consultants of the confidentiality of the information and ensures that such persons comply with the confidentiality obligations.