

# Ülker Bisküvi Sanayi A.Ş. Supplier Code of Conduct

## 1. Introduction

Ülker Bisküvi Sanayi A.Ş. and its subsidiaries work in cooperation with our stakeholders to create a positive impact on supporting sustainable development, improving working conditions in the supply chain, preventing child labor, reducing the effects of climate change, ending poverty and hunger, and ensuring food security for future generations. To achieve these goals, we are committed to work together with our suppliers, public institutions, non-governmental organizations (NGOs), sectoral institutions, international organizations and initiatives.

This Code of Conduct is designed to ensure that suppliers' business practices comply with Ülker's values and applicable laws and regulations, and all suppliers must comply with the provisions written in this policy. Likewise, Ülker expects its suppliers to have and implement a "Responsible Supply Chain Policy" covering their own suppliers.

In this context, Ülker Bisküvi expects all its internal and external stakeholders to act in line with our policies and standards, in accordance with high ethical values and legislation in the countries where its suppliers' operations are located. This Code of Conduct sets out the ethical and legal standards that all Ülker Bisküvi suppliers are expected to comply with. Suppliers have an obligation to comply with this Code of Conduct within the scope of Article 19.1 of the purchasing agreement signed between Ülker Bisküvi and its suppliers. In case of violation of this Policy, Ülker Bisküvi has the right to terminate the purchase agreement.

## 2. Purpose and Scope

As Ülker Bisküvi, we are aware of our impact on the environment and society, and we prioritize the adoption of high standards in environmental, social and ethical areas throughout our supply chain.

Ülker Bisküvi Supplier Code of Conduct defines the environmental, social and ethical responsibilities that we expect from our suppliers providing goods and services for all of our subsidiaries. The Supplier Code of Conduct covers all of our subsidiaries and suppliers. We expect our suppliers to comply with the Policy, and to convey the Code of Conduct to their employees and suppliers. The suppliers of Ülker Bisküvi must establish management systems, policies and procedures, provide necessary training to their employees, and conduct human rights and environmental compliance audits in order to fulfill the standards and requirements specified in this Policy.

This Code of Conduct has been developed in accordance with the International Labor Organization (ILO) Declaration on Fundamental Principles and Rights at Work, the United Nations (UN) Universal Declaration of Human Rights, the UN Global Compact (UNGC) Sustainable Development Goals, and the Organization for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises on Responsible Business Conduct.

Ülker Bisküvi's supplier candidates are subjected to the " Supplier Pre-Assessment " process. Within the scope of this process, candidates are evaluated covering various topics, included in the Ülker Responsible Supply Chain Policy. Ülker has the right to monitor its suppliers on-site

within the scope of this Code of Conduct or to conduct 3rd party independent inspections, if deemed necessary.

### **3. Basic Principles for Suppliers**

#### **3.1 Compliance with Laws and Regulations**

Suppliers must comply with all laws and regulations applicable to their activities. At the same time, it must fully comply with the laws and regulations that are valid internationally and include international trade laws, sanctions, export controls and reporting obligations in the countries where the suppliers' operations are located.

#### **3.2. Human rights**

Suppliers protect the human rights of the communities of which their operations impact. Additionally, suppliers undertake that they will not cause any non-compliance related to human rights violations in all their activities.

Suppliers are expected to act in accordance with the requirements of the United Nations Universal Declaration of Human Rights, the International Labor Organization (ILO) Declaration on Fundamental Principles and Rights at Work and the international agreements of the country in which they are located.

#### **3.3 Child Labor**

As Ülker Bisküvi, we support the International Labor Organization Convention (No. 182) concerning the Prohibition and Immediate Action for the Elimination of the Worst Forms of Child Labour. Suppliers must comply with the minimum legal age limit and prevent the employment of children under 15 years of age unless otherwise stated (14 years of age where permitted by local law), in compliance with the International Labor Organization Minimum Age Convention No. 138.

Young employees over the minimum age must be protected from any factors that may harm their social, physical and mental development and health in the work environment, and their education must not be prevented.

#### **3.4 Forced Labor**

Suppliers' employment processes must be voluntary, and employees must be free to quit and terminate their employment without penalty, with a legal notice period.

Suppliers must not use forced labour, physical, sexual, psychological or verbal abuse, or seize personal identification documents, travel documents (passports, etc.) or wages under any circumstances. Physical and psychological violence, any practice that affects the will of employees, or employees being victims of human trafficking is completely unacceptable and illegal. Such practices should not be permitted, and these violations should be strictly prevented.

#### **3.5 Fair and Equal Treatment**

Suppliers must not discriminate in recruitment and in the work environment based on gender, sexual orientation, ethnicity, religion, race, nationality, age, physical capacity, pregnancy, marital status, union membership, political opinion and similar issues. Recruitment, compensation,

promotion, discipline, dismissal must be based solely on the employee's skills, abilities, experience and performance in accordance with legal requirements.

A work environment should be created where employees are valued and respected. Harassment and mistreatment of any kind should not be tolerated.

### **3.6 Recruitment Procedures**

Prior to employment, suppliers must provide employees with written information that clearly defines their employment conditions and rights. Employees are given a copy of the employment contract, which includes information about wages, working hours, overtime, benefits, leaves, and disciplinary procedures. In case of the employment contract is changed, these changes should be agreed in written document between the employee and the supplier in a language understandable to the employee. Verbal agreements are accepted only if they are legally binding under applicable law.

### **3.7 Working Hours and Wages**

All employees must have a legal work permit and be under contract. Employees should be paid a fair wage, at least at the minimum wage level; Payments must be regular and on time. There should be no discrimination in remuneration. Legal leave, compensation, overtime pay, and all other benefits must be provided within the framework of legal requirements. Working hours and overtime must comply with laws and industry standards, and overtime work must be voluntary.

### **3.8 Union Membership and Collective Bargaining**

Suppliers must respect the union membership and collective bargaining rights of all employees within the framework of legal regulations. There should be no pressure or discrimination on employees who exercise their right to union membership and collective bargaining.

### **3.9. Occupational health and Safety (OHS)**

Suppliers are required to determine the organizational structure that defines the roles and responsibilities regarding occupational health and safety and share them with their employees. Suppliers must provide a hygienic, healthy and safe workplace for all employees (including interns), visitors and special risk groups in order to prevent work related accidents and injuries or accidents occurred as a result of employer activities. Suppliers must provide a safe and good working environment for their employees in terms of physical and mental health, covering legal requirements and agreements. Employees' access to toilets, drinking water and food is provided in accordance with health and hygiene rules.

In order to prevent work-related accidents and diseases and minimize risks, suppliers are required to carry out risk assessments (in-house or outsourced), to perform the necessary checks and maintenance, to follow safety procedures and to provide protective equipment. In this context, necessary occupational health and safety trainings should be provided. Trainings, accidents and precautions taken against accidents should be recorded. All implementations must comply with applicable national laws and regulations. Suppliers support their employees in receiving their opinions and suggestions in order to create an OHS culture.

Suppliers should identify and plan emergency actions. In addition, they must provide employees with information such as emergency notification, alarm systems, evacuation procedures and drills, use of first aid materials, use of fire detection and extinguishing equipment, and locations of emergency exit points. Suppliers are responsible for providing this training to all their employees.

### **3.10 Land Ownership and Local People**

Suppliers must respect and protect the property and land rights of local people affected by their operations. All negotiations and agreements with local people regarding land ownership should be made within the limits mutually agreed upon by the parties and in a transparent manner.

### **3.11 Ethical Principles**

Suppliers must comply with all laws and regulations to which they are subject and must keep their records transparent and up-to-date to demonstrate compliance with relevant regulations. Suppliers must conduct their activities in accordance with ethical standards and prevent and control misuse of company assets, corruption, bribery, blackmail, fraud, embezzlement and conflicts of interest. Suppliers are expected to comply with Ülker Bisküvi Code of Conduct.

[https://www.ulker.com.tr/documents/Politikalarimiz/code\\_of\\_conduct.pdf](https://www.ulker.com.tr/documents/Politikalarimiz/code_of_conduct.pdf)

### **3.12 Bribery and Corruption**

Suppliers must not tolerate any form of corruption or bribery and should not give or receive bribes and/or gifts for the purpose of gaining benefit or facilitating business. Any gifts other than promotional materials that would constitute non-compliance with the law should not be accepted or given, and entertainment organizations that exceed their purpose should not be organized.

### **3.13 Financial Records and Money Laundering**

Suppliers must conduct all business and commercial transactions transparently and record them properly. Any activity that could lead to money laundering is illegal and unacceptable.

### **3.14 Conflicts of interest**

Any conflict of interest of which suppliers are aware must be declared in business relations with Ülker Bisküvi and Ülker Bisküvi should be allowed to take appropriate precautions. The status of a government official, political party representative or Ülker Bisküvi employee owning or having an interest in the supplier's business is required to be declared to Ülker Bisküvi before starting any business relationship with Ülker Bisküvi.

### **3.15. Economic Sanctions**

Suppliers are obliged to follow trade restrictions, export controls and customs laws regarding their activities when necessary and to act in accordance with these laws and regulations.

### **3.16 Data Privacy and Security**

Suppliers must protect Ülker Bisküvi's private and confidential information, use them only as intended and not disclose them without the permission of Ülker Bisküvi. Confidential information held by suppliers regarding Ülker Bisküvi must not be used in any way that would support the

trade based on non-public information, violate the law or negatively affect Ülker Bisküvi' s reputation. This obligation continues after the business relationship ends.

### **3.1 7 Combating Anti-Competitive Behavior**

Suppliers are expected to avoid illegal collaboration, comply with competition law and legislation, and keep competition free and fair. Business relationships must be fair, legal and truthful. All competitor information is collected and used in full compliance with all applicable laws and regulations. No attempt is made to disclose any information about Ülker Bisküvi's competitors. Likewise, Ülker Bisküvi's confidential information should not be shared with any third party unless clearly permitted by Ülker Bisküvi.

### **3.18 Protection of personal data**

Any information, including but not limited to technical, commercial, operational or financial information that is not publicly available or not made publicly available by Ülker, is considered confidential. Suppliers must comply with applicable data privacy and protection laws and regulations regarding the collection, use and protection of personal data when doing business with Ülker Bisküvi.

Suppliers must create, record and store the personal information of all their internal and external stakeholders (employees, business partners, customers, suppliers, etc.) and all information regarding their business processes in full compliance with applicable legal legislation and regulations.

### **3.19 Environmental Protection**

Ülker expects its suppliers to establish systems which are compatible with circular economy principles, based on environmental management systems, committed to continuous improvement and protection of the environment and comply with relevant legal legislation and regulations.

While operating in line with the principles of sustainable development and combating the climate crisis, Ülker expects its suppliers to comply with the principles set out in the Ülker Environmental Policy ([https://www.ulker.com.tr/documents/ulker-biskuvi\\_environmental-policy\\_180924.pdf](https://www.ulker.com.tr/documents/ulker-biskuvi_environmental-policy_180924.pdf)).

The production of products, the supply and distribution of resources and the provision of services should be carried out with the aim of protecting the environment and biodiversity. Suppliers must fully comply with applicable environmental laws and regulations regarding air pollution, greenhouse gas emissions, waste disposal, hazardous waste management, water use, wastewater management and biodiversity.

- Compliance obligations with environmental legislation and regulations must be ensured in all operations, and all necessary environmental permits and licenses must be obtained and kept up to date. All environmental impacts must be recorded and reporting requirements must be followed.
- Waste and wastewater generation, greenhouse gas emissions, chemical use and all other environmental impacts in product, production, logistics, storage and all other operations

are expected to be reduced and/or eliminated, if possible, according to the reuse, recycling, or substitution methodology.

- Storage, transportation and use of chemicals must be in accordance with the rules and do not harm the environment.
- Suppliers must work to minimize their water and energy consumption, greenhouse gas emissions, natural resource use and waste by using the best available techniques and clean production technologies to ensure resource efficiency.
- It is expected that waste generation will be prevented if possible, and that waste that cannot be prevented will be effectively classified and collected at the source. In this process, it is expected to evaluate the recovery or reuse of waste in accordance with the relevant legal legislation and to adopt effective practices to reduce the amount of waste generated.
- Disposal of waste and discharge of wastewater must be carried out within the framework of environmental obligations and limits. Waste management should be carried out in accordance with the waste management hierarchy in order to reduce the impact of waste on the environment and ensure more efficient use of natural resources. The environmental impacts of the activities to be carried out should be taken into consideration in decision-making processes.
- By integrating the environmental management system into its processes and strategies, environmental risks and opportunities should be identified and the necessary measures to minimize environmental risks should be defined.
- Suppliers should develop their production processes in line with pollution prevention and circular economy approaches. Suppliers should define targets to improve environmental performance for their products, production processes and their own suppliers, plan the necessary actions, monitor the results and act with a focus on continuous improvement.
- Suppliers should plan their activities, taking into account climate-related risks and opportunities, to combat the climate crisis and contribute to the transition to a low-carbon economy, in line with the 2050 net zero carbon target.
- It should be aimed to increase the use of renewable energy resources and energy efficiency studies.
- Water risks arising from the sector and geography in which suppliers operate should be identified and efforts should be made to manage these risks.
- Suppliers must develop environmentally friendly products that will minimize the environmental impact of the products throughout their life cycle, from production to final disposal.
- The principles of transition to a low-carbon economy should be taken into consideration at every stage of the production processes (supply, logistics, production, waste management etc.) and during the new investments and machinery-equipment selection.
- Plastics used in packaging must be supplied in accordance with recyclable, reusable and compostable technologies in line with the relevant national/international regulations.

- Suppliers who produce or supply agricultural products must take the necessary actions to protect soil and water quality and work to minimize their impact on soil and water resources.
- Activities in the supply chain must not contribute to deforestation (100% traceable and deforestation-free product supply from field to production) or biodiversity loss. It should be focused on the protecting all species, especially endangered and endemic species, preventing land degradation, maintaining the capacities of natural ecosystems, continuously improving and developing them, and managing the impacts on biodiversity in a sustainable manner.

### **3. 20 Quality and Food Safety**

Suppliers must adhere to sustainability principles such as use of sustainable materials, product life extension and circularity. Products and services must comply with the quality and food safety standards prescribed by relevant laws. Suppliers are required to comply with legal requirements regarding quality and food safety and the Quality Standards of Ülker Bisküvi and its subsidiaries. Any concerns regarding product quality or safety should be reported to Ülker Bisküvi.

#### **3.21 Risk Management**

Suppliers must manage the risks that may occur in their supply chains and create emergency action plans to ensure business continuity. Supply chain risk management includes, at a minimum, issues such as safe design of products and services, physical security of products, risks that may arise as a result of delayed supplies, and delays that may arise from natural disasters.

#### **3.22 Intellectual and Industrial Property Rights**

Ülker does not grant licenses, patents, industrial designs or copyrights to suppliers. Relevant suppliers must pay all costs, losses and additional expenses, including penalties, of the parties (Ülker, other suppliers and consumers) who suffered losses due to violations of intellectual and industrial rights arising from the supplier.

#### **3.23 Complaint and Violation Mechanisms**

Employees have the right to express any complaints or violations while protecting their privacy and security. Suppliers must provide employees with complaint mechanisms that are transparent, responsive, anonymous, impartial and ensure confidentiality. Reported complaints and violations should be handled in a timely manner and follow a clearly outlined process. Suppliers are obliged to regularly review these complaint and violation mechanisms and check their effectiveness. Employees should be informed of policies and procedures on how complaints will be handled.

### **4. Implementation Principles**

Ülker Bisküvi A.Ş. checks its suppliers' compliance with the rules defined in this Code of Conduct during the audits and monitoring carried out on its suppliers. Ülker defines the corrective and preventive actions for nonconformities, requests improvement and controls the improvements made through follow-up inspections.

Ülker has the right to suspend or terminate the contract of any supplier who violates the applicable legal regulations.

Ülker encourages supplier employees to report non-compliance with this Policy. The following communication channels can be used to report violations of the rules in this Policy.

Web: Non-compliance with this Code of Conduct can be reported via the "contact form" tab at <http://www.ulker.com.tr/tr/bilgi/iletisim>.

Phone: Violations can also be reported via the Hotline 0 (212) 567 15 67 (pbx ). Phone Line numbers can be accessed at <http://www.ulker.com.tr/tr/bilgi/iletisim>.

Ülker undertakes to treat all notifications confidentially and to protect the notification owners. Ülker will maintain confidentiality regarding anyone who has reported supplier behavior contrary to this Policy. Any retaliation against that person will not be tolerated.

Suppliers undertake to accept the revised Code of Conduct if this Code of Conduct is revised by Ülker and to comply with the principles stated here by adopting Ülker's Ethical Principles and relevant Policies.