

# AKKİM

KİMYA SANAYİ VE TİCARET A.Ş.

## Ak-kim Supply Chain Code Of Business Ethics

Akkim



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# 1. INTRODUCTION

Ak-Kim, which aims to raise economic growth and prosperity while preserving the environment and the quality of life for all people on Earth, and values sustainable development, AK-Kim has strived since its inception to provide solutions that can be beneficial to both people and the environment with its innovative products.

As per the Responsible Care initiative that it became party to in 1993, Ak-Kim gives priority to environmental protection, human health and technical safety at every stage of production, including feasibility studies, planning, project design, assembly, production activities, shipment, maintenance and other service activities prior to the establishment of a facility.

AK-Kim, which in 2007 signed the United Nations Global Compact - which pioneered the dissemination of universal principles of the private sector on the path to sustainable development - has been one of the exemplary companies in the field of sustainability in Turkey. As part of this, Ak-Kim reports every two years that it has adopted a working understanding in accordance with the principles set out in economic, environmental and social issues, and publishes the report on its website for general access.

Ak-Kim places customer and stakeholder satisfaction at the center of its activities within the scope of sustainability. In order to cooperate with suppliers, it has also prioritized raising sustainability awareness and supporting activities with environmentally sensitive, exemplary approaches.

Ak-Kim undertakes with this Code of Business Ethics that its suppliers act in accordance with the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work, the United Nations Universal Declaration of Human Rights and the United Nations Global Compact.

Ak-Kim always expects its employees and business partners to act in accordance with high ethical values and in accordance with the legislation in the countries in which they are located, in keeping with their strong values, transparent policies and standards. This Code of Business Ethics specifies ethical and legal standards that all Ak-Kim suppliers must adhere to in their way of doing business. This document has been prepared with reference to the Code of Business Ethics of the AKKÖK Group of Companies. Ak-Kim, a company of the Akkök Group of Companies, views adherence to the Code of Business Ethics as a prerequisite in all business processes and relationships and considers it one of the cornerstones of its corporate culture.

It is a contractual obligation for suppliers to accept and comply with these principles in accordance with the "business ethics" clause of the purchase agreement signed between Ak-Kim and its suppliers. In case of violation of these principles, Ak-Kim has the right to terminate the purchase agreement.

## 2. PURPOSE-SCOPE

Candidates who want to be a supplier of Ak-Kim go through the “supplier selection/evaluation” process. As part of this process, suppliers are evaluated in-depth, particularly with respect to the AK-Kim Supply Chain Policy. If deemed necessary, Ak-Kim has the right to have their supplier audited on-site in accordance with these principles or to have independent organizations audit the supplier.

During the supplier selection process and subsequent evaluation stages, Ak-Kim conducts all operations with integrity, respect for human rights and by protecting the interests of its employees and expects all its suppliers to adopt - and act in accordance with - these rules.

## 3. PRINCIPLES

### 3.1. Legal Compliance

Suppliers are subject to legislation in force under the current contractual relationship with Ak-Kim (regulations on processing and protection of personal data, anti-corruption, competition, environment, occupational health and safety, intellectual and property rights, etc.) and must comply with the scope of the contractual arrangements created.

Some countries where suppliers are based may have restrictions on other countries, companies and individuals. Where necessary, Suppliers follow trade restrictions, import/export controls, sanctions, corruption and customs laws that pertain to its operations, and undertakes to comply with such laws and regulations.

### 3.2 Employees

Beliefs, worldviews and political affiliations should be strictly separated from the working environment and the associated duties and responsibilities.

The supplier is committed to creating work environments that respect human rights.

It must display equal and fair conduct without discrimination. Equal employment and development opportunities should be achieved regardless of language, race, color, nationality, sex, age, sexual orientation, physical disability, or other elements protected by law.

Suppliers only hire their employees based on their qualifications and abilities and make the necessary efforts for their development. Suppliers do not employ child workers in any way in violation of applicable labor legislation; similarly, human trafficking and forced labor are never tolerated. Suppliers take the necessary measures for the health, safety and security of their employees. Any violation of employees' rights through physical, sexual, psychological and/or emotional harassment in the workplace or in any place where they are due to work shall not be tolerated whatsoever. Suppliers respect the right of their employees to unionize and their decisions to become members of the trade union, their right to organize and collective bargaining in accordance with the law.

### 3.3 Human Rights

Suppliers protect and respect the human rights, human dignity and privacy of the communities they influence through their business activities. It is essential to create a working environment that supports cooperation, fosters mutual respect, is free from harassment and unprofessional behavior and offers equal opportunities without discrimination. Each employee has a personal responsibility to other employees and the supplier to eliminate behavior and events that are harmful to this environment. Suppliers are obliged to provide their employees with a healthy and safe working environment.

Suppliers are committed to respecting the confidentiality of their employees' personal information (such as personal records, photos, and home addresses).

It also ensures that all its business activities are carried out without resorting to violence or abuse, and that it will avoid and not allow participation in any crimes related to human rights violations.

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

Suppliers undertake to work in full compliance with applicable laws and employment contracts on wages, working hours, overtime, leave rights and ancillary payments.

### 3.4 Responsible Production/Consumption

Ak-Kim is aware of its social responsibility to protect the environment, and expects its suppliers to commit to the principles of continuous improvement and environmental protection according to relevant national and international legal requirements and regulations and in keeping with sustainable development and circular economy.

***As part of this commitment, all AK-Kim suppliers must do the following, without limitation:***

- Ensure efficient use of natural resources in all processes,
- Manage its processes in accordance with the circular economy approach,
- Ensure that environmental impacts and risks are avoided at the source in all processes throughout the life cycle,
- Take into account greenhouse gas impact and energy efficiency in investments and machine-equipment selections,
- Reduce waste and wastewater generation, greenhouse gas emissions, chemical use and all other environmental impacts in production, transportation, storage and all other operations by using reuse, recycling or substitution practices,
- Ensure that its waste is collected separately, classifying it separately at the source according to its types, and recycling it in accordance with the relevant legal regulations,
- Ensure that compliance obligations arising from environmental legislation are met in all its activities,
- Keep its permits, licenses and all documents up-to-date while carrying out its activities, and monitor compliance with legal regulations,
- Identify chemicals that pose a threat to the environment, and duly manage them to ensure the safe handling of chemicals, as well as their labeling, transportation, storage, use, re-use, recycling, or disposal,
- Remain compliant with all applicable laws, regulations, customer requirements and Ak-Kim procedures with regard to the restriction or prohibition of harmful chemicals that may be used in the materials, parts, and components that form the products, including the labels that contain information about recycling and disposal,

### 3.5 Competition Law

Ak-Kim avoids any behavior that undermines free and fair competition and acts in compliance with legal and ethical competition rules. In business, it supports and encourages initiatives that serve a fair, competitive structure.

There are many laws and regulations that regulate relationships with competitors and protect their confidential information. It is essential to obtain competitive information ethically and in accordance with these regulations in all cases.

Violation of competition rules, both for companies and employees, can result in severe financial penalties or possible imprisonment. Information that is commercially sensitive, including customer and product information, should not be shared with competitors. Information about the business of competitors should only be accessed through legal methods. Methods that bring competition to an unfair level, such as driving competitors out of the market or preventing new competitors from entering the market, should be avoided. Ak-Kim suppliers act in full cooperation with competition authorities, while strongly protecting their legal interests.

### 3.6 Combating Bribery and Corruption

Suppliers do not in any way engage in inappropriate behavior, such as accepting and giving bribes for the purpose of obtaining business opportunities or financial income. No supplier employee may offer, give or accept gifts or payments that may be perceived as bribes. Corruption, embezzlement, facilitating payment or bribery of any kind has no place in the way suppliers do business.

All accounting records and supporting documents of suppliers should fully and clearly reflect the relevant expenditures. Suppliers should not have any hidden, unregistered accounts and assets in their financial systems.

### 3.7 Managing Conflicts of Interest

Avoiding conflicts of interest and conducting business relations in accordance with the principles of accountability and transparency are essential. Supplier employees should avoid situations that may cause their personal interests to conflict with the interests of the supplier for which they work. No personal relationship entailing debts or receivables should be entered into with parties directly or indirectly involved in the supply relationship.

Any actions and behavior that may provide benefits employees or their relatives by using the company name, resources, reputation, and their position in the company must be avoided. Information obtained as a result of duties and powers should not be used in the interests of employees or their relatives.

Suppliers and their employees should take the necessary measures to ensure that their personal interests in their relations with Ak-Kim and the duties of the supplier to Ak-Kim do not conflict within the rules set out by Ak-Kim.

### 3.8 Gifts and Hospitality

In limited circumstances, gifts and hospitality may be accepted in the name of strengthening or maintaining the commercial bond between businesses.

Suppliers should not accept or give any gifts that would constitute a violation of the law, other than those that observe commercial traditions or promotional materials, and should stay away from hospitality activities and gift acceptance at a value that exceeds their purpose.

Any cash-equivalent gift, such as cash or gift certificates, should never be offered or accepted.

### 3.9 Protection of Information

Provided that all parties act in accordance with all obligations and conditions included in the Law on the Protection of Personal Data No. 6698 and the relevant legislation;

Confidentiality of all commercial and personal information related to Ak-Kim, its employees, customers and suppliers is essential, as well as respect for privacy and personal space.

Any information, including but not limited to technical, operational or financial information that is not publicly available or made public by Ak-Kim, is considered confidential.

Ak-Kim may have access to private and confidential information belonging to his suppliers. This private and confidential information is used only for the professional purposes required by our business and obligations in accordance with the law and regulations, and is shared only with the relevant authorized persons.

#### ***The following principles are followed regarding confidential information;***

- It should not be disclosed to third parties unless its disclosure is mandatory in accordance with official authorities and legislation.
- It should not be altered, copied or destroyed. Necessary measures must be taken to ensure that such information is retained and stored with caution and not disclosed.
- Passwords used to access information, user codes and similar identifying information should be kept confidential - not disclosed to anyone other than authorized users, and not spoken of in public places.
- Suppliers comply with all privacy protection policies without compromise and do not share confidential information with third parties.



- Suppliers must accurately create, record and store all business-related information in full compliance with applicable regulatory requirements. At the same time, suppliers process the personal information of their employees, business partners and customers to the extent permitted by law to improve company processes and activities. They do not share this personal data with third parties without the consent of the data subjects.

### 3.10 Working Environment

Suppliers are obliged to provide their employees with a healthy and safe working environment. It is essential that we act in a way that promotes a culture of occupational health and safety and challenge any unacceptable, potentially dangerous behaviour.

#### ***AK-Kim's expectations from its suppliers regarding occupational health and safety (OHS) are as follows;***

- Comply with legal regulations and requirements set by Ak-Kim,
- Identify relevant organizations, roles and responsibilities and share them with employees,
- Conduct risk assessments, prevent possible accidents at work and occupational diseases by taking the necessary measures,
- Ensure control, measurement, examination and research to determine risks,
- Provide resources, tools and equipment for relevant studies, periodic maintenance and control,
- Create safe and healthy working environments for employees, interns, visitors and special risk groups and ensure that they are kept under medical supervision,
- Make the necessary measurements, tests and analyses in the working environment,
- Raise OHS awareness by training and informing employees in accordance with the legislation,
- Get employee opinions and suggestions and support their participation,
- Continuously implement emergency preparedness and response studies,
- Monitor compliance with OHS measures and eliminate non-compliance.

## 4. APPLICATION PRINCIPLES

Ak-Kim Supply Chain Policy and Supply Chain Code of Business Ethics are designed to ensure that the way suppliers do business is consistent with Ak-Kim values and existing legal rules, and full compliance is expected from all suppliers.

Ak-Kim suppliers should prepare and implement these rules for their own suppliers.

Ak-Kim supplier audits question the compliance of suppliers with these rules, and suppliers are expected to improve by launching corrective action for non-compliance. Improvements made are checked with follow-up audits.

Ak-Kim may request the removal of any supplier employee who acts in a manner contrary to applicable legal legislation or contrary to these business principles and/or may terminate his contract with the relevant supplier. The method that the supplier will follow in order to make decisions in cases of suspicious behavior and rule violations contrary to ethical principles is described in the AKKÖK Group Code of Business Ethics.

<https://www.akkim.com.tr/tr/kurumsal/is-etigi/is-etigi/i-1544>

**The communication mechanisms through which our stakeholders can communicate their complaints are Akkök Holding Ethics Committee and Ethics Hotline.**

### Akkök Ethics Hotline Contact Information



0 850 202 66 15



akkoketik@kmpg.com.tr

Akkök Group of Companies Ethics Hotline operates 7 days a week between 10:00 and 22:00 and is operated by an expert and independent organization. This independent organization shares the identity information of the notification owner with the Akkök Group of Companies Ethics Committee only with the permission of the person.

Akkök Group of Companies shares the notification with the Ethics Committee. Ak-Kim is committed to treating all notices in confidentiality and protecting the notification owners.

During the examination of a possible violation of the Code of Business Ethics, no action will be taken against the persons who have notified, participated in or assisted in the review of the violation (except in cases where the notice itself or the information provided is deliberately misrepresented).

Akkök Group of Companies Ethics Committee will protect the confidentiality of all notices.

If a clearly erroneous behavior is reported in good faith and in an honest manner, the management of the Akkök Group of Companies will provide full support.

In the report, information regarding the alleged violation of the Code of Business Ethics should be clearly detailed. The claim is made tangible by specifying the person, time and place. All documents are presented, and witnesses and other evidence are pointed out.

All reported violations will be promptly reviewed. The reviews will be conducted in-depth, fairly and in accordance with the Code of Business Ethics of the Akkök Group of Companies, legal regulations and human rights. Failure to comply with the Code of Business Ethics and the policies that support it, or legal and regulatory requirements, may result in proportionate disciplinary action, including dismissal. This applies equally to anyone who does not consider or detect/correct violations.

In accordance with the disciplinary rules, the relevant Company Management and Human Resources are responsible for issuing appropriate disciplinary penalties as permitted by labor laws.

If these principles are revised by Ak-Kim, suppliers undertake to accept the revised principles and, by adopting them, to comply with the principles set out herewith.

## 5. REFERENCES

### Code of Business Ethics of AKKÖK Group of Companies

<https://www.akkim.com.tr/tr/kurumsal/is-etigi/is-etigi/i-1544>

### AK-KİM Politics

<https://www.akkim.com.tr/tr/kurumsal/yonetim-sistemleri-politikalarimiz/k-428>

<https://www.akkim.com.tr/tr/surdurulebilirlik/surdurulebilirlik-politikamiz/surdurulebilirlik-politikasi/i-2004>



International Labour Organization (ILO) Conventions



Declaration on Fundamental Principles and Rights at Work



United Nations Universal Declaration of Human Rights



The United Nations Global Compact

