



SUPPLY CHAIN COMPLIANCE POLICY

PL.13 | Issue Date: 1.08.2023 | R.00 | Revision Date: - | Review Date: 07.07.2025

Page 1 / 3

Scope: Modeling And Design Of Jewelry With Gold, Silver Precious Metals And Precious Stones (Diamonds), Production, Sale And Export

1. Purpose and Scope

The purpose of this Supply Chain Compliance Policy ("Policy") is to communicate Sözer Kuyumculuk's principles and values to our Business Partners and provide them with necessary guidance on the standards we expect them to follow. This Policy also directs Sözer Kuyumculuk in its Business Partner selection and monitoring processes. All employees, directors, and officers of Sözer Kuyumculuk must comply with this Policy, which is an integral part of the Sözer Kuyumculuk Code of Ethics. Each Sözer Kuyumculuk company is responsible for ensuring that all its Business Partners are aware of and act in accordance with this Policy.

2. Definitions

- **"Business Partners"**: Suppliers, distributors, authorized service providers, representatives, independent contractors, and consultants.
- **"Human Rights"**: Rights inherent to all human beings, regardless of gender, race, color, religion, language, age, nationality, or social origin, and wealth. This includes the right to an equal, free, and dignified life.
- **"ILO"**: The International Labor Organization.
- **"Money Laundering"**: Activities involving taking criminal proceeds and disguising their illegal source for future use in legal or illegal activities.
- **"Sanctions Target"**: Any individual, entity, or government that is a designated target of sanctions, including those subject to embargoes and individuals or companies owned or controlled by them.
- **"The UN"**: The United Nations.
- **"The UN Global Compact"**: A global initiative encouraging businesses to adopt sustainable and socially responsible policies.
- **"The UN Guiding Principles on Business and Human Rights"**: Guidelines for preventing and addressing human rights abuses in business operations.
- **"The Universal Declaration of Human Rights (UDHR)"**: A milestone document adopted by the UN in 1948, outlining fundamental human rights.
- **"The ILO Declaration on Fundamental Principles and Rights at Work"**: An ILO declaration adopted in 1998, promoting core labor standards.

3. General Principles

Sözer Kuyumculuk selects its Business Partners based on factors such as technical competencies, product and service quality, pricing, corporate reputation, and financial soundness. A risk-based approach is applied to evaluate compliance risks associated with Business Partners. This involves the following steps:

- **Third-Party Screening**: Ensuring the Business Partner or its owners are not a Sanctions Target.
- **Audits**: Conducting audits to confirm compliance with relevant agreements, laws, regulations, and the Sözer Kuyumculuk Code of Ethics.
- **Training**: Providing training to ensure compliance with expected standards.

4. Onboarding Process

Sözer Kuyumculuk's business units are responsible for conducting Denied Party Screening ("DPS") before engaging with a new Business Partner. Additionally, compliance with Sözer Kuyumculuk's Guiding Principles for Business Partners is assessed via self-assessment forms and due diligence queries. If any red flags are identified, Enhanced Due Diligence may be conducted, with approval from the CEO required before proceeding with the relationship.



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Page 2 / 3

Sözer Kuyumculuk reserves the right to terminate contracts in cases of policy violations and includes clauses in agreements regarding adherence to this Policy and the right to audit.

5. Guiding Principles for Business Partners

5.1. Laws and Regulations

Business Partners must comply with all applicable laws, including those related to competition, anti-money laundering, counter-terrorism financing, data privacy, and anti-bribery.

5.2. Human Rights

Business Partners are expected to uphold human rights, ensuring no association with child labor, forced labor, or labor abuse, and maintaining zero tolerance for slavery and human trafficking.

5.3. Compliance with Labor Laws

Business Partners must comply with labor laws, providing fair wages, benefits, and working conditions.

5.4. No Harassment and Violence

Business Partners must provide a workplace free from violence, harassment, and insecurity, ensuring a safe environment for all employees.

5.5. Non-Discrimination

Business Partners must ensure a work environment free from discrimination, treating all employees fairly.

5.6. Freedom of Organization and Collective Agreement

Business Partners must respect employees' rights to join trade unions and engage in collective bargaining.

5.7. Health and Safety

Business Partners must provide a safe and healthy working environment, complying with relevant laws and regulations, and addressing any unsafe conditions.

5.8. Environment

Business Partners must make every effort to protect and preserve the environment, complying with applicable environmental laws, and continuously improving their environmental performance.

5.9. Ethics

Business Partners must conduct business with fairness and integrity, adhering to anti-bribery and anti-money laundering laws.

5.10. Reporting

Business Partners must provide effective communication channels for reporting violations and take appropriate measures without retaliation.

6. Training and Development

Sözer Kuyumculuk encourages Business Partners to provide training programs to enhance employee skills and capabilities.

7. Management Systems

Business Partners must maintain management systems that ensure compliance with laws, regulations, and the principles of this Policy.



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Page 3 / 3

Authority and Responsibilities

All employees and directors of Sözer Kuyumculuk are responsible for complying with this Policy and implementing the necessary procedures. Violations by third parties may result in contract termination.

APPROVED BY THE CEO AND THE BOARD OF DIRECTORS

Sözer Kuyumculuk Sanayi ve Ticaret Anonim Şirketi



PREPARED AND APPROVED BY SÖZER KUYUMCULUK BOARD OF DIRECTORS