

PINAR SÜT MAMÜLLERİ SANAYİİ A.Ş.

CODE OF BUSINESS ETHICS

INTRODUCTION

The topics covered in Pınar Süt Mamülleri Sanayii A.Ş. Code of Business Ethics are, in fact, not new; they have already been addressed in the policies and principles that have been in place at our Company for many years, as well as in various laws, regulations and Company guidelines.

Every employee, irrespective of level or title, is obliged to abide by these rules.

In all geographies where it pursues operations, Pınar Süt shows respect for the social, political and cultural values, and acts transparently and in compliance with the laws and Code of Business Ethics. It places utmost importance on integrity, open communication and equitable management.

Code of Business Ethics represents an obligation to do what is right. By working at Pınar Süt, we agree to that obligation. We need to recognize that we are responsible for familiarizing ourselves with the Code of Business Ethics concerning our jobs and for implementing these rules at all times.

Notification of any breach witnessed is an equally important responsibility for us, all employees, as it is to abide by the Code of Business Ethics, since ignoring, omitting to intervene or notify an unethical situation might lead to graver results.

Employees working in managerial positions, in particular, also have additional responsibilities with respect to the implementation of the Code of Business Ethics. These responsibilities are as follows:

- Be a role model for other employees through conduct in compliance with the Code of Business Ethics.
- Make sure that subordinates are thoroughly familiar with the Code of Business Ethics,
- Listen to, and support, employees who bring forward an ethical issue,
- Notify unethical conduct to Company management,
- Take necessary action within a reasonable period of time in case of breach of rules.

CODE OF BUSINESS ETHICS

Pınar Süt Code of Business Ethics can be summarized under 8 headings:

1. WE WORK IN A SAFE WORKING ENVIRONMENT WHERE DISCRIMINATION IS NOT ALLOWED AND PERSONAL RIGHTS ARE RESPECTED.

Pınar Süt takes all necessary steps to create a healthy, safe and professional working environment.

In the professional business setting, our Company does not tolerate verbal or physical abuse or insults among employees, and does not discriminate on the basis of nationality, race, gender, ethnicity, religion or marital status.

Safety of working environments takes place among top priorities. Since safety presents even a higher significance in facilities where production is carried out, Pınar Süt is monitored on the basis of safety guidelines that are mandatory to be adhered to. It is a fundamental duty of all employees to familiarize with these guidelines and conform to them.

Pınar Süt keeps the personal data of its employees strictly confidential. These data are accessible only by authorized individuals and are treated with the principle of confidentiality.

Confidentiality must not be construed as the right to keep information about employees' unacceptable conduct for personal interests in the business setting in secret. Pınar Süt may, when necessary, monitor and analyze personal information created, used, transmitted or stored on the information systems or communication networks under certain conditions.

We recognize that mobbing and pressures exercised against other employees or teammates at the workplace is wrong and that it will decrease the business performance of other employees.

2. WE USE COMPANY RESOURCES EFFICIENTLY

Time is a major resource. Therefore, employees must take care to use their own and colleagues' time efficiently to be successful.

Company resources must not be used beyond acceptable limits for personal purposes.

It is an important responsibility for every employee to act prudently for making efficient use of any Company resource in the performance of duties.

When doing the job, special effort must be spent to be productive, and it must be kept in mind that inefficiency and all sorts of waste negatively affect the Company's profit.

3. WE AVOID CONFLICTS OF INTEREST

It is a conflict of interest if our family or friends derive personal benefits by taking advantage of our position in the Company and/or if they cause us to lose our loyalty to, and impartiality about, our job.

As a general principle, a relative must not be engaged in any kind of business relationship with an employee or his/her team. In case of highly special circumstances, if authorization needs to be obtained, it must be sought from the Company management.

The Company's confidential information or trade secrets must not be disclosed to relatives or any other third parties.

Personal investments or shareholdings by us, e.g. the employees, or our relatives must not have any effect on us or must not hamper our impartiality when making decisions.

If such investments are made into competition, customers or suppliers, they will likely result in a conflict of interest. If there exists such an investment, the Company management must be informed about it.

We are aware that it is wrong to derive personal benefits by using the Company's name.

It is unacceptable for Company employees to get discounts, free service, or similar benefits for themselves by using the Company's name in their personal life.

We observe the Company's interest in all dealings.

It is unacceptable for employees to create environments from which to derive financial benefits from third parties that they have a business relationship with. Engaging in a business relationship with certain companies by exploiting one's position to derive personal benefits must be strictly avoided.

We avoid engaging in a business relationship outside the Company with existing or potential competitors, customers or suppliers.

Holding an additional position or having a shareholding in another company and being in contact with the Company's competition, customers or suppliers through that channel must be avoided since it will lead to a conflict of interest.

We strictly observe the Code of Business Ethics in exchanging gifts with various individuals and establishments that we have a business relationship with.

When doing business with other companies, Pinar Süt conforms to the principles of trade. Although gifts exchanged play a positive part in furthering and bettering these relationships, they may also hamper the employees' objectivity and lead to a dangerous conflict of interest.

In business relationships with the same person or company, gifts given or received on any one occasion must not exceed **TL 150** in value. These gifts may include tickets to cultural events, invitations or promotional materials. Business lunches/dinners with the parties mentioned above must be kept at a reasonable number and at reasonable costs.

4. WE ABIDE BY COMPETITIVE RULES STIPULATED BY THE LAWS AND COMPETE WITH THE RIVALS IN A MANNER THAT WILL NOT DISTORT THE MARKET CONDITIONS

Along the road to success, Pinar Süt is obliged to compete with its rivals. In doing that, the Company must be observant of the laws and act so as not to distort the market conditions.

5. WE ATTACH IMPORTANCE TO CUSTOMER SATISFACTION AND WE ARE ALWAYS SENSITIVE TO, AND HONEST WITH, OUR CUSTOMERS AND CONSUMERS

To be successful, Pinar Süt must be sensitive to, and honest with, its customers and consumers at all times.

Pinar Süt does not engage in advertising that includes misleading or abusive information.

It is a key step towards success to produce predefined, high-quality products that fulfill customer needs. Therefore, our Company produces products at high-quality standards and compliant with the laws, and stores and delivers them at the required conditions.

Upon noticing a quality issue, it must be immediately notified to the line manager or the department head.

Customer and consumer information must be kept confidential and be accessible only by authorized individuals.

6. WE PAY UTMOST ATTENTION TO PREPARE THE COMPANY INFORMATION, ASSETS AND RECORDS ACCURATELY, TO MAINTAIN THEM IN LINE WITH THE PRINCIPLE OF CONFIDENTIALITY, AND WE DO NOT USE THEM TO DERIVE BENEFITS

When preparing documents/information, employees must pay attention to ensure their accuracy. All Company records must be issued in an accurate and timely manner and in compliance with the laws. Deliberate misrepresentation, irregular transactions or damage to Company assets (*financial assets, tangible assets, proprietary rights, etc.*) are strictly unacceptable.

7. AS PINAR SÜT EMPLOYEES, WE OBSERVE SOCIAL UTILITY AND RESPECT THE ENVIRONMENT IN ALL OUR OPERATIONS

Pinar Süt's corporate values include maintaining production based on an approach that cares for the environment and the nature, contributing to the creation of an environmentally and economically better future, and commitment to corporate social responsibility.

8. ALSO IN OUR SOCIAL LIFE OUTSIDE THE WORKPLACE, WE ESPOUSE A LIFESTYLE THAT WILL NOT GIVE RISE TO ANY NEGATIVE OPINIONS ABOUT THE COMPANY AND NOT CONTRADICT WITH THE RULES OF THE SOCIETY WE LIVE IN.

Employees should take care to adhere to a lifestyle compatible with their income resources, and to make sure that the amounts of personal loans utilized, debts and repayments correspond to their income.

Nobody, including subordinates and managers, may be compelled to enter into debtor/guarantor relationship with one another.

Employees can join societies (*foundations, professional or social associations, sports clubs, parent-teacher associations*) provided that such membership does not hamper their work and they are not remunerated. During the term of their employment with the Company, employees may not accept any duty, nor may they make donations on behalf of the Company in support of a political party or organization in the Company's name. They may not spend their working hours or the Company's assets for such practices. The Company approaches all organizations and establishments without any expectation of a benefit, and maintains an impartial and equal distance with non-governmental organizations and political parties. Since being a political party candidate may negatively affect the Company's image, an employee may not establish an organic bond or undertake a duty with a political party without prior information to, and permission from, the Company, nor may he or she run in the elections on behalf of a political party or as an independent candidate.