

**Düzeş Tüketim Malları Sanayi Pazarlama ve Ticaret  
A.Ş.**

**Gifts and Entertainment Policy**

# Table of Contents

- 1. PURPOSE AND SCOPE .....3
- 2. DEFINITIONS .....3
- 3. GENERAL PRINCIPLES .....4
- 4. APPLICATION OF THE POLICY .....5
  - 4.1. Gifts .....5
  - 4.3. Interactions with Government Officials/PEPs.....6
- 5. AUTHORITY AND RESPONSIBILITIES .....6
- 6. REVISION HISTORY .....7

## 1. PURPOSE AND SCOPE

The purpose of this Gifts and Entertainment Policy (“**the Policy**”) is to set standards, principles and rules to be complied with to make the right decisions while providing or accepting gifts and entertainment on behalf of Düzey Tüketim Malları Sanayi Pazarlama ve Ticaret A.Ş.

All employees, directors, officers of Düzey shall comply with this Policy, which is an integral part of the Koç Group and/or Düzey Code of Ethics<sup>1</sup>. Düzey also expects and takes necessary steps to ensure that all its Business Partners - to the extent applicable - complies with and/or acts in line with this Policy.

## 2. DEFINITIONS

*Please refer to Düzey Anti Bribery and Corruption Policy for the undefined terms used in this Policy.*<sup>2</sup>

“**Business Partners**” means suppliers, customers, distributors, representatives, independent contractors and consultants.

“**Cash Equivalent**” includes but not limited to money in cash, gift certificates, cards, discounts, securities, gold coins or fuel coupons or similar ticket compliments with specified value.

“**Entertainment**” consists of meals, lodging and accommodation, travel and transportation, sporting and cultural or other social events.

“**Gift**” means any item of value, whether given or received directly or indirectly, such as discounts, gift cards, promotions, promise of employment, cash, loans, memberships, services, favors, presents or goods.

“**Government/Public Official**” broadly refers to a variety of individuals including but not limited to the following:

- Employees working at government bodies domestically or in a foreign country,
- Employees of government business enterprises (domestic or in a foreign country),
- Employees of political parties, political candidates, (domestic or in a foreign country),
- Any person who holds a legislative, administrative or judicial position, (domestic or in a foreign country),
- Judges, jury members, or other officials who work at domestic, foreign, international or supranational courts,

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<sup>1</sup> For other relevant policies, please also see Düzey Anti Bribery and Corruption Policy, Donations and Sponsorships Policy.

Düzey Anti Bribery and Corruption Policy

- Officials or representatives working at international parliaments or supranational organizations;
- Citizens or foreign arbitrators resorted to, who have been entrusted with a task within the arbitration procedure, in order to resolve a legal dispute.

**“Koç Group”** means Koç Holding A.Ş., companies which are controlled directly or indirectly, jointly or individually by Koç Holding A.Ş. and the joint venture companies listed in its latest consolidated financial report.

**“Politically Exposed Persons (PEP)”**<sup>3</sup> refers to individuals who are or have been entrusted with prominent public functions, senior politicians, senior government, judicial or military officials, senior executives of state-owned corporations, important political party officials and family members and close associates of such persons.

### **3. GENERAL PRINCIPLES**

Gifts and Entertainment are commonly used in building and reinforcing business relationships. However, these are legitimate tools only if they are in accordance with the following criteria:

- reasonable, occasional and with a modest value,
- recorded in the books and records in an accurate and transparent manner,
- in accordance with accepted business practices (no intentions of Bribes, payoffs or kickbacks),
- consistent with applicable legislation.

Any Gift or Entertainment should be provided or accepted in goodwill. The intentions, implications and impacts of it should be carefully evaluated. In this respect, employees should make sure that providing or accepting the particular Gift or Entertainment:

- does not influence decision-making of Düzey or other parties and does not lead others to perceive such an influence.
- does not detriment Düzey if it becomes public knowledge.
- does not lead any conflict of interest.

All Gifts and Entertainment activities must be in accordance with the principles given above as well as the limits and detailed procedures given throughout this Policy.

Gift or Entertainment activities (including descriptions, approval processes) must be documented properly and the related transaction must be accurately and transparently recorded to the books and records.

Employees should request guidance from the Düzey Legal and Compliance Department in a case of doubt as to the appropriateness of offering or accepting a gift or entertainment.

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<sup>3</sup> <https://www.fatf-gafi.org/documents/documents/peps-r12-r22.html>

## **4. APPLICATION OF THE POLICY**

### **4.1. Gifts**

Düzey employees must not offer or accept Gifts as cash or cash equivalent or given in the form of services as well as other non-cash benefits such as promotions, memberships, promise of employment or other forms of favors.

Düzey sets the value limit for offering/providing Gifts to/from a single source<sup>4</sup> to USD 200 or equivalent annually. Irrespective of the monetary limit, Gifts which may negatively impact fair and unbiased judgment or contrary to commonly accepted business practices must be avoided.

While offering or accepting a Gift, in case of any doubt, as to whether a Gift is considered customary and in line with business practices and this Policy, arising out of the circumstances, such as the frequency of events, nature of the Gift or any other reason, employees shall consult to Düzey Legal and Compliance Department.

It is appropriate for employees to give/accept unvalued Gifts/presents in the framework of their business operations. These may consist of Gifts such as calendars, key holders or other promotional material preferably bearing the Düzey's logo. Gifts which are personal or could be perceived as personal must be avoided. Example for this would be an engraved watch or a pen with initials of the recipient.

Employees may only accept a Gift within the limits and in line with the general principles set forth in this Policy. When incompliant Gifts are offered to employees, they must politely decline by returning the Gift with a note or e-mail, referring to this Policy.

### **4.2. Entertainment**

Business meals and events are common practices in business life. Düzey and Business Partners may cover each other's meal, travel and accommodation expenses when they are actively working on or performing business activities to work on a business project. Following criteria must be met in such cases:

- There must be a legitimate business interest related to an ongoing or potential business relationship with the counterparty.
- The event must remain one-off and not repeated in a regular manner.
- The event cannot be excessive (the value or nature of the event is not proportionate with the business relationship) or take place at inappropriate venues.
- The Entertainment activity cannot lead negative impact on fair and unbiased judgment or cause others to perceive it as such.

Meals and other Entertainment events which are in line with the above-mentioned criteria may be appropriate for attendance. Within this concept, Düzey sets the expenditure limits. Nevertheless, until setting the limits, for each event, the line manager should be informed.

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<sup>4</sup> The definition of "Single Source" covers each related parties, including but not limited to the customers, distributors or staff of the same companies

While making decisions upon accepting or offering an Entertainment activity, the forms of events given below require special attention and the prior written approval Düzey Legal and Compliance Department is required.

- The attendance of spouses/other relatives or friends of the counterparty to the given event.
- Travel and overnight accommodation expenses of these parties

The documentation for meals and Entertainment activities must include full details describing the attending parties and the associated business relationship (business reason) as well as a description of the event and supporting documentation. The related expenses must be accurately and transparently recorded in the books and records, in the relevant expense account associated with the business relationship.

Employees providing the Entertainment activities are responsible to deliver the supporting documentation to be retained by the accounting department.

#### **4.3. Interactions with Government Officials/PEPs**

Interactions with Government Officials and PEPs are subject to strict regulatory rules. Both local and international regulations prohibit granting anything of value to Government Officials or PEP's to build up, win or maintain a business.

Providing Gifts or Entertainment to Government Officials and PEPs may give rise to concerns about a Bribery. These type of Gifts and Entertainment must be in moderate terms, in line with relevant regulations and could not be perceived as Bribe, payoff or kickback. Since these activities require significant attention, Düzey Legal and Compliance Department must be informed via email, before the Gifts and Entertainment are provided to a Government Official/PEP.

### **5. AUTHORITY AND RESPONSIBILITIES**

All employees and directors of Düzey are responsible for complying with this Policy, implementing and supporting Düzey's procedures and controls in accordance with the requirements in this Policy. Düzey also expects and takes necessary steps to ensure that all its Business Partners to the extent applicable complies with and/or acts in line with this Policy.

If there is a discrepancy between the local regulations, applicable in the countries where Düzey operates, and this Policy, subject to such practice not being a violation of the relevant local laws and regulations, the stricter of the two, supersede.

If you become aware of any action you believe to be inconsistent with this Policy, the applicable law or Koç Group and/or Düzey Code of Ethics, you may seek guidance or report this incident to your line managers. You may alternatively report the incident to Ethics Hotline via the following link: "[koc.com.tr/hotline](http://koc.com.tr/hotline)"

Düzey employees may consult the Legal and Compliance Department in Düzey for their questions related to this Policy and its application. Violation of this Policy may result in significant disciplinary actions including dismissal. If this Policy is violated by third parties, their contracts may be terminated.

## 6. REVISION HISTORY

This Policy takes effect on ..... as of the date approved by the Board of Directors and is maintained by Legal and Compliance Department.

Revision	Date	Comment