

Çimsa Çimento Sanayi ve Ticaret A.Ş. & Afyon Çimento Sanayi Türk A.Ş.

HUMAN RIGHTS POLICY

1. PURPOSE AND SCOPE

The purpose of this Human Rights Policy ("Policy") is to explain our approach to human rights and our basic practices to contribute to economic, environmental, and social sustainability which is a part of our corporate culture.

The Company ensures that human rights are protected and elevated in the work environment and considers it as a part of Çimsa Çimento Sanayi ve Ticaret A.Ş. ve Afyon Çimento Sanayi ve Ticaret A.Ş.'s ("the Company") business culture together with all its subsidiaries operating in different countries.

The Company observes full compliance with national and international norms on human rights, particularly [the United Nations Universal Declaration of Human Rights](#), and adopts responsibilities and principles on human rights in its business relations with particularly its employees, suppliers, business partners, and the business groups it is operating with, encouraging them to be sensitive on this issue as well.

The Policy steadfastly endorses [the United Nations Global Compact](#), [United Nations Guiding Principles on Business and Human Rights \(UNGPs\)](#), [International Labor Organization's \(ILO\) Declaration of Fundamental Principles and Rights at Work](#), relevant ILO declarations, and provisions of [the Universal Declaration of Human Rights](#), of which the company is a signatory, and the ethical principles constituting the basis of [Sabancı Group Code of Business Ethics](#).

The Company works collectively with all units to improve understanding, create a culture and effectively implement the policy, following policy implementations by the Sustainability Management Committee and the Audit Committee. This committee and sub (focus) working groups created under these committees regularly review existing company policies to identify the scope of and gaps in human rights across the company. The Company conducts risk analyses and measurements to improve potential human rights effects, conferring with internal and external stakeholders. It integrates the Human Rights Policy into other operational management systems, policies, procedures, business processes, communications, and training programs.

This Policy shall enter into force with the approval of the board of directors as of the date of publication and its validity period shall continue as long as the Policy remains in effect.

2. DEFINITIONS

United Nations (UN) Guiding Principles on Business and Human Rights: It is a non-binding soft law instrument that tries to demonstrate the responsibilities of companies to respect international human rights norms.

United Nations Global Compact: It is a convention based on universally recognized UN declarations on social responsibility and sustainability practices, covering 10 fundamental responsibility areas of the business world on Human Rights, working standards, the environment, and the fight against corruption.

United Nations Global Compact Communication on Progress: The companies which are a signatory of the United Nations Global Compact make commitments on 10 core responsibility areas derived from key UN conventions on human rights, labor, environment, and the fight against corruption. With this declaration, all participatory companies publicly summarize how they have implemented these Principles in their area of influence and the activities they have implemented to advance these principles.

United Nations Universal Declaration of Human Rights: Standing as a milestone in the history of human rights, the declaration was prepared by representatives of various legal and cultural backgrounds from all regions of the world. Declared as a common standard of achievement for all peoples and all nations by the UN General Assembly in Paris on Dec. 10, 1948, it is the first-ever document to emphasize the universal protection of fundamental human rights.

ILO: Refers to the International Labor Organization.

ILO Declaration of Fundamental Principles and Rights at Work: It refers to the ILO Declaration indicating that even though the conventions concerned have not been approved, all member states are obliged to respect, develop, support, and implement the following four principles in good faith:

- Freedom of association and the effective recognition of the right to collective bargaining,
- The elimination of all kinds of forced or compulsory labour,
- The prevention of child labor,
- The elimination of discrimination in respect of employment and occupation

Sabancı Group Code of Business Ethics (SA Ethics): SA-Ethics refers to the values and working principles that Sabancı Group and its Group companies take as a basis in all their business processes and in all relations with their employees and all stakeholders. In addition to protecting companies and employees, SA-Ethics stands as a guide beyond the laws, regulations, and internal procedures which are decisive in all decisions and activities.

Company: Çimsa Çimento Sanayi ve Ticaret A.Ş. ve Afyon Çimento Sanayi ve Ticaret A.Ş.

3. PRINCIPLES, COMMITMENTS AND RELEVANT PRACTICES

Respect to Human Rights

Observing full compliance with national and international norms on human rights, in particular, [the United Nations Universal Declaration of Human Rights](#), the Company implements necessary practices within the scope of its activity cycle. All issues related to discrimination and employee rights are followed by the Human Resources Department, SA-Ethics Rule Consultant, and the Disciplinary Committee.

Equal Opportunity, Diversity and Inclusion

Equal Opportunity, diversity, and inclusion are the building blocks of the Company's human resources policy, with the Company's Equality, Diversity, and Inclusion Policy including all details on implementation.

Approaching its employees honestly and fairly, the Company is committed to a non-discriminatory, safe and healthy working environment. Standing against discrimination during recruitment and employment processes, it endorses initiatives taken on this issue in the business world. It establishes and implements systems to ensure all other practices such as promotion-transfer-rotation, the salary system, rewarding, social benefits and etc. are fair. It disapproves of discrimination among employees due to any social and another identity such as language, race, sect, age, gender, culture, nationality, ethnic origin, disability, political and religious belief, or sexual orientation. The Company manages its approach to its employees in all processes with transparency.

Disrespectful or inappropriate behavior, unfair treatment, or any kind of retaliation shall not be tolerated. No kind of harassment shall be tolerated.

The Company, not only in Turkey but also in its subsidiaries in the United States (US) and different countries of the European Union (EU), has a rich and diverse human capital in terms of gender, language, religion, race, and nationality. The purpose of the Company is to boost happiness, efficiency, and productivity of this richness by feeding it with a common and shared corporate culture.

Healthy and Safety in the Workplace

The Company's unwavering goal is to reach the target of "Zero Work Accident and Zero Occupational Disease" by keeping the risks it defined in terms of Occupational Health and Safety (OHS) under control with a proactive approach.

In this regard, the Company observes full compliance with international principles and national laws and regulations with regard to the OHS and it is committed not only to meeting legal obligations but also to providing good practices.

Working Environment

The company is committed to providing a healthy working environment free of any threatening or disturbing situation such as ill-treatment, physical or psychological abuse, violence, and harassment.

Human Trafficking, Forced Labor and Child Labor

The Company adopts a stand which is against all forms of forced labor, including human trafficking. In addition to this, the Company embraces the principle of prevention of child labor as indicated in [the International Labor Organization's \(ILO\) Declaration of Fundamental Principles and Rights at Work](#) and is against child labor, endorsing initiatives taken in the business world on this issue.

In addition to its own operations, the Company also embraces this principle in its supplier and sub-contractor companies.

The Right to Collective Bargaining and Freedom of Association

The Company is an exemplary employer that recognizes the freedom of association and the right to collective bargaining of its employees. The Company attaches importance to the establishment of a healthy relationship between the management and the employees and to maintaining this relationship within an effective structure. Accordingly, the Company ensures that its employees can freely exercise their right to collective bargaining and association.

Freedom of Expression

The Company avoids any situation that would prevent employees from exercising their right to freedom of expression in the working environment. The Company creates a collaborative, positive, and harmonious working environment within the Company, preventing potential conflicts and ensuring that people of different beliefs, opinions, and ideologies work harmoniously.

Criminal Situations

The Company, with all its subsidiaries in the countries in which it operates, does not get involved in criminal situations or take actions that may result in violation of rights, expecting its managers and employees to adopt the same attitude as well.

Wages and Working Hours

The Company adopts a wage and fringe benefits policy that supports a competitive, egalitarian, and high-performance-based culture and which is objectively positioned based on rank and title. In this regard, a job evaluation is performed taking into consideration each position's job definition and the position levels are identified. The determination/assignment of the wage and fringe benefits policy is performed by taking into consideration market data, the internal balance, and company goals. Additionally, the Company, in all locations where it operates, complies with

local legal working hours and relevant laws in different parts of Turkey and in different countries.

Personal Development, Career and Talent Management

Career and talent management are among the focal points of the Company's human resources practices. The Company attaches importance to elevating the professional future and job satisfaction of employees of all levels as well as increasing their level of knowledge and skills.

The Company develops and implements strategies, business processes, and systems that aim to ensure the sustainability of its competent manpower and that serve to this goal.

Data Privacy

Protection of personal data is among top priorities of the Company. Among the leading pillars of this issue is the protection and processing of personal data of the company's customers, potential customers, employee candidates, company shareholders, company executives, visitors; that of employees, shareholders and executives of the institutions which the company co-operates with; and that of the third parties. Activities carried out on the protection of personal data of the company's employees are managed within the scope of the Protecting and Processing Personal Data Policy.

4. CODE OF PRACTICE

The sponsor of this policy within the Company is the Company's CEO, with the Company's Board of Directors being responsible for the upper supervision that includes reporting non-compliance to the declared principles, commitments, and relevant practices and determining inspection and sanction mechanisms. The Policy shall be reviewed by the Ethics Board biennially and the implementation of the policy shall be monitored.

Feedback, non-compliances, and violations with regard to the Policy shall be reported to the Ethics Board or forwarded via etik@cimsa.com.tr

The identity of the person who reports any violation of the policy shall be kept confidential.

5. INFORMING THE PUBLIC

In line with the Integrated Annual Report, Çimsa annually informs the public about commitments to human rights, its efforts, and its activities and declarations aimed at fulfilling its responsibility to respect human rights with the United Nations Global Compact Communication on Progress.