

ETHICS

1. PURPOSE

This document is intended to define corporate ethical principles that are dynamic, efficient, highly competitive, respect the natural and cultural environment, ensure and support sustainable development, and are accepted by everyone, contribute in the creation, establishment and expansion of relations based on ethical principles and mutual trust in the business and private lives of our employees, prevent any attitudes and conducts that do not comply with ethical principles, and ensure that our ethical principles are adopted by our suppliers, customers, business partners, contractors, etc. persons outside of the company.

2. SCOPE

Ethical principles are essential information that defines the types, definitions and scopes of responsibilities that may not be clear and comprehensible all the time, in line with the corporate values and mission. Accordingly, such ethical principles should be considered as a minimum requirement to be complied with at all times.

Ethical rules and principles explain the general parameters and corporate-specific priorities that will facilitate our lives while performing our business, reduce the experienced dilemmas, enable us to overcome experienced problems more easily. They are intended to make definitions, guide and share the corporate attitude and position that will be assumed in any violations in such areas.

All employees of Şok Markets Trade Inc. are personally responsible to act within the scope of these principles. In the meantime, it is essential for each employee to adopt these principles, endeavor to implement and sustain, apply, ensure that they are improved and maintained, for our corporate reputation and esteem.

3. DEFINITIONS

Ethics: Essential rules that ensure that any act is performed in an acceptable manner. Ethics is a group of behavioral rules, principles that demonstrate what is right or wrong. Ethics also include moral duties and responsibilities. Concepts such as moral, integrity are included within the ethics concept. The ethics concept also includes traditional rules.

Ethical Principles: To observe justice, impartiality, integrity, transparency, accountability and public benefit.

4. GENERAL PRINCIPLES

While Şok Markets Trade Inc. focuses on strategic objectives that will make it stronger with its employees, it will carry out its activities also considering the legal and moral rules.

Within this context, the values that shape the ethical principles of Şok Markets Trade Inc. are the following:

4.1 Compliance with Laws and Responsibilities

4.2 Human and Employee Rights

4.3 Environment, Health and Safety

4.4 Our Responsibilities to Shareholders

4.5 Political Activities

4.6 Social Responsibility, Volunteerism, Donations and Sustainability

- 4.7 Our Responsibilities to Individuals
- 4.8 Differentiating Corporate and Personal Interests
- 4.9 Anti-Money Laundering and Anti-Corruption
- 4.10 Protection of Company Assets and Data Privacy
- 4.11 Accuracy in Records and Financial Reporting
- 4.12 Advertisement and Promotion

4.1 Compliance with Laws and Responsibilities

All current activities and transactions are carried out within the scope of the laws and international law. Correct and timely communication is regarded in relations with public institutions and organizations. All activities are carried out within the framework of the laws, regulations and professional standards and Şok Markets Trade Inc. Ethical Principles.

4.2 Human and Employee Rights

Human rights, individual differences and personal characteristics of humans are respected. Equal opportunities are offered to employees and candidates who apply for jobs. The confidentiality of personal data is protected. Discrimination is not made as based on gender, race, color, faith, language, marital status, political opinion, disability, age, etc.

A work environment compatible with the nature of the work they perform, where the employees feel safe, peaceful and valuable, is offered to the employees.

Şok Markets Trade Inc. refuses to use child labor, outside of those defined by the laws. It does not work with any supplier or subcontractor who uses children as labor force. Şok Markets Trade Inc. measures the work performances of its employees by objective methods and practices, and takes care to offer development opportunities in the needed areas, as based on the results. It encourages a system where solidarity and cooperation are essential and achievements are shared, rather than unfavorable competition conditions among its employees. It supports social activities outside of work that will enrich the social lives of the employees.

It accepts solidarity with employees and their families as essential under extraordinary circumstances such as natural disasters.

4.2.1 Mobbing (Intimidation)

Mobbing is defined as the intimidation of employees by disturbing through psychological violence, oppression, siege, harassment. Şok Markets Trade Inc. prevents mobbing practices, which are evaluated within the scope of crime by the Turkish Criminal Law, and develops measures to protect its employees from such treatment. It attaches special importance for protecting the personalities of employees, and does not allow personal values to be violated by any psychological pressure and harassment, and its employees to be worn out by emotional assaults, regardless of by whom.

4.3 Environment, Health and Safety

Activities are carried out in full compliance with the ISO 14001 Environment Management standards, as a company that respects the environment. It is endeavored to prevent air, water and soil pollution; and recycling and recovery processes are implemented in order to minimize the amounts of wastes.

Methods are developed as aimed to protect natural resources such as energy, water, and studies are carried out for the efficient use of energy and materials.

Risks for environment related emergencies are identified and measures are taken to reduce such risks. It is ensured that the awareness of employees and subcontractors is increased, by giving trainings related with the environment.

The ISO 45001 Occupational Health and Safety Management standards are complied with in all work areas. "Risk Management" principles are implemented in order to create a safe and healthy work environment. It is ensured and made compulsory to use adequate protective equipment and take safety measures.

The use of any alcohol, drugs, etc. are not allowed at the workplace and/or in a manner that would affect work performance, and smoking is not allowed outside of the designated areas.

It is pointed out that the implementation of the company policies and regulations related with health and safety at the workplace is an important responsibility that all employees are required to comply with. The health of the society and consumers is highly esteemed as a retail company.

4.4 Our Responsibilities to Shareholders

Purchase and sale transactions aimed for the shares of the publicly traded company are realized within the scope of legal processes. Şok Markets Trade Inc. takes care to make its investments in areas that would increase its competitive strength and yield the highest return on its shares, considering sustainable profitability. Relations with shareholders are highly regarded, as required by the company policy. The sources and assets of the company are managed with the awareness for efficiency and savings to the benefit of shareholders. The opinions of the shareholders are also evaluated in the decision making mechanisms. The relations with shareholders are arranged within the scope of the financial discipline and transparency principle.

As aimed to meet the information demands of shareholders regarding Şok Markets Trade Inc., an Investor Relations Management department has been established as affiliated with the Financial Affairs Directorate. Its primary responsibility is to manage the processes related with the General Board, capital increases and dividend distributions. Within the same context, it also fulfills all requests and transactions of shareholders related with capital increase and dividend distribution. This department ensures the representation of the company and contact before the Capital Markets Board (CMB), Istanbul Stock Exchange, Central Securities Depository (CSD) and institutions such as Takasbank (Settlement and Custody Bank).

In the disclosures made/will be made to the public and shareholders; it provides timely, accurate and comprehensible information related with the financial statements, strategies, investments and risk profile, within the scope foreseen by the legislation.

4.5 Political Activities

Şok Markets Trade Inc. does not cooperate with political parties and groups that operate to the benefit of political parties, and does not get involved in support activities. The decision of employees to contribute in any political or social event is totally personal. However, the employees are asked not to carry out their political activities during work hours, and take the times of their colleagues related with such matters. Furthermore, employees may not use the company name, their position and title in the company and the company resources during political activities.

4.6 Social Responsibility, Volunteerism, Donations and Sustainability

Şok Markets Trade Inc. takes part in projects that will contribute in the development of the society, with its social responsibility awareness. Projects, institutions and organizations that are compatible with the internal regulations, Ethical Principles of the company and the company reputation are evaluated for corporate donations and social supports. Donations are not made to private accounts and profit-oriented organizations. Employees are encouraged to participate in social activities such as environment, health, education, sports. The company takes care to protect the nature, prevent damages to the historical texture, act in compliance with the traditions and customs, and complies with all legal regulations in this respect.

It asks for participation in personal volunteerism activities to be made by personal resources, outside of the workplace and in such a way that will not affect the work performance. It takes maximum care to observe human and social health, and protect the nature both in its activities and the activities of its suppliers and business partners.

4.7 Our Responsibilities to Individuals

4.7.1 Relations with Public Institutions and Organizations

The company stands at an equal distance to all public institutions and organizations, non-governmental organizations and political parties, without any expectations for any benefits while carrying out all activities and transactions. Any relations, influences and events that are of nature to prevent the company from making fair decisions regarding the activities are avoided. Any benefits of material or moral value are not offered to any public officers. Consistent, accurate and comprehensible information is provided to the public and the shareholders on time. It is ensured that any information, developments or changes that might influence the values of investment instruments traded in the capital markets are disclosed to the public in compliance with the legislation and within the defined periods. Care is taken to maintain the confidentiality of internal information that is not disclosed to the public. Employees, who take part in bids, tender preparations or contract negotiations are held accountable for the accuracy and truth of all statements, correspondences and declarations they make to the related parties.

4.7.2 Relations with Suppliers and Business Partners

Care is taken to act honestly and fairly in all relations with suppliers and business partners at all times. Suppliers and business partners are expected to comply with the Şok Markets Trade Inc. Ethical principles and Work Principles, share the same values and act within this framework. Suppliers and business partners are expected to carry out their activities in compliance with the laws and regulations, look after the rights of their own employees and comply with environment protection, etc. standards.

Şok Markets Trade Inc. determines its suppliers as based on the criteria in the “Supplier Selection Process”. Supplier firms in certain product groups are audited by independent, external entities and their products are subjected to periodical quality control analyses.

4.7.3 Relations with Customers and Consumers

Satisfaction and happiness of the customers are prioritized. Any unfair or misleading practices are refrained from in relations with customers. Customer opinions, requests and complaints are evaluated. Any problems that arise from the suppliers, during the process where the products reach the customers, are attempted to be resolved as soon as possible. The best services are offered by focusing on changing customer and market requirements.

4.7.4 Relations with Competitors and Compliance with the Competition Legislation

The fair competition rules applicable in the country and the supporting laws and regulations are complied with. The employees are also held liable to comply with the laws and regulations. Any negative statements are not made to the detriment of competitors and their managers; statements that might lead to speculations about them are avoided. Any means that are not compatible with ethics are not resorted to in order to access information about other companies. Regulations are developed to prevent employees from resorting to such means. The employees are not allowed to make any statements about any data that determine or influence the competitive conducts of the company. Moreover, it is not tolerated for employees to collect market information by secretly acquiring the information of others through industrial espionage, bribery, theft.

4.7.5 Relations with the Media

The relations with the media are conducted by a clear and transparent communication model. Care is taken to ensure that corporate messages, briefings and statements do not mislead the public. The company stands at an equal distance to and establishes equal relations with the media organizations. Requests for financial or sector related information received from the media regarding Şok Markets Trade Inc. are responded to under the coordination of the Marketing Directorate that has been authorized in this respect. Inquiries and requests received from the media are directed to the related department. We take care for our correspondences with the media to be made in writing.

4.8 Differentiating Corporate and Personal Interests

4.8.1 Conflict of Interest

Any circumstances where employees, family members or relatives derive benefits from the commercial activities of Şok Markets Trade Inc. with its suppliers are defined as conflicts of interest. Employees are not allowed to operate in a position where they are the supplier of the company where they work. Similarly, their family members and relatives may not be suppliers of the company they are affiliated with. Employees are not allowed to invest in, lend/borrow any money from the company's suppliers in a way that is in conflict with the corporate interests. Similarly, employees are not allowed to benefit from the special advantages and conditions offered to the company by the supplier for their personal interests.

4.8.2 Accepting and Giving Gifts and Benefits (Credit, Discount, etc.)

Employees are not allowed to accept - give any cash or redeemable gifts from - to the suppliers of Şok Markets Trade Inc. that might influence their impartiality and decision making. Employees are awarded gifts within the scope of the internal rewarding system applied in the company. Other than this, employees are required to comply with the company regulations for accepting and giving gifts.

4.8.3 Investments Made by Employees

The company employees may not invest in or lend money to the mother company or branch of any suppliers that have relations with the company, without obtaining the consent of Şok Markets Trade Inc. CEO.

Suppliers or customers are not allowed to demand to benefit from the special advantages and conditions offered to the company.

4.8.4 Company Shares Purchase-Sale Policy

The employees are obliged to act in compliance with the legal regulations and the internal procedures of the company and while purchasing and selling the shares of the company and avoid any conflicts of interest.

4.8.5 Jobs Accepted Outside of the Company

Employees are expected to comply with the employment contracts and loyalty rules. Employees who are employed on full-time basis are not allowed to work at any organization outside of the company, as per the regulations that are in force. Employees are not allowed to get involved in any activities, which are identified as "merchant" or "artisan", either directly or indirectly. Similarly, they may not take any office in competitor companies or in companies that the company has business relations with. Employees, who work in part-time or advisor status, are allowed to perform their work at companies other than competitor companies, provided that they notify the management of the company they are affiliated with.

4.8.6 Participation of Employees in Events as Speaker

Any expenses that arise as per the job performed in any associations, employer unions and similar non-governmental organizations in representation of the company are covered by the related institution, unless foreseen otherwise by Şok Markets Trade Inc. A Şok Markets Trade Inc. employee may not receive a speaker fee in return for a seminar or similar service. Such individuals may accept awards, plaques, etc. gifts given as a memory of the day and have a symbolic value, other than any gifts that may be of material value.

4.8.7 Relatives and Friends

Executives, who are in a position to make recruitment decisions, may not employ their immediate families and the relatives of these individuals. Employees are obliged to notify any immediate family members who start to work at a critical position in any competitor company to the company in writing, latest within one month.

4.8.8 Representation and Entertainment

A representation costs allowance is reserved for the costs of entertaining suppliers and business meetings. Representation costs allowance is required to be used only in the related areas. It is not allowed to make passages between budget expenditure areas. It is essential for the made expenditures to be documented by invoices and it is not allowed to obtain an invoice from another place for any expenditures for which an invoice cannot be received. Under necessary circumstances, employees are required to prepare an expenses note in compliance with the laws. Business related entertainment events are carefully inspected, as assisted by corporate standards and related internal regulations, and approved by the top management of the company. Any entertainment expenditures other than these are not accepted.

4.8.9 Insider Information Transfer

Employees may absolutely not share any undisclosed information of the company with third parties, for their own interests or the interests of anyone outside the company, for any reasons. It is prohibited for employees who are able to access insider information to derive benefits for themselves and/or third parties, by using such information. Those who have access to insider information are; board of director's chairman and members, executives (individuals in manager and above positions), and auditors of publicly traded companies, furthermore, those who may acquire information while performing their professions and jobs, and who may have information directly or indirectly due to their contacts with such individuals, whose names are defined. Publicly traded Şok Markets Trade Inc. employees and employees who have access to corporate information are liable to comply with the obligations set forth in the related communiqué of the CMB and the company policies. Şok Markets Trade Inc. employees, other than these, may evaluate information disclosed to the public and may freely purchase and sell the company shares without any time restrictions. The above mentioned practices are also applicable for the immediate family members of the employees, and any transactions made by such individuals are deemed as having been made by the employee.

4.9 Anti-Money Laundering and Anti-Corruption

Assisting or associating with anyone, who commits a crime or breaks the laws, by legitimizing the source of their incomes or of properties they profit from directly or indirectly through deceitful ways and means, in any way whatsoever; participating in any process aimed to invest, conceal or launder the sources derived from such activities, is defined as money laundering. Bribery means giving under the counter money or property to the related official(s) in order to illegally facilitate any work that is requested to be made.

Şok Markets prohibits accepting and giving any bribes in any ways whatsoever, under the name of cash, commission, profit and contribution. An employee who refuses to give bribes shall not be retaliated against; any fines shall not be imposed.

Şok Markets Trade Inc. is obliged to fight against money laundering and support anti-money laundering activities. It is prohibited and may not be accepted for employees to make any payments to facilitate and accelerate company business.

Employees are held obliged to take the necessary care regarding fight against money laundering, bribery and corruption. To that end, employees are obliged to comply with the provisions of all laws and regulations in force and the company policies. Otherwise, they are penalized and their employment contracts are terminated.

4.10 Protection of Company Assets and Data Privacy

4.10.1 Protection of corporate assets

Employees are obliged to use all active assets and sources of the group, including intellectual property rights, technology, computer hardware and supports, software, immovable assets, machinery and tools, raw materials, company vehicles and cash assets, correctly.

Şok Markets Trade Inc. equipment, systems, means and assets are solely used to conduct the company business or for purposes permitted by the management. Unless provided for otherwise in the regulations issued by the company, employees are not allowed to use the company assets for personal purposes or to the benefit of someone outside of the company.

The employees are expected to use the company assets in compliance with the corporate principles and regulations. Measures are taken to prevent such assets from being used or damaged by unauthorized third parties.

4.10.2 Use of Information Technologies Resources

The Information Technologies Resources of Şok Markets Trade Inc. include all computer hardware, owned, acquired by financial leasing, or leased by the company. Such hardware also include any types of software, personal computers, portable computer devices, web servers, internet access, intranet and e-mail access devices.

All Information Technologies Resources of Şok Markets Trade Inc. and information generated, stored or transmitted by using these technologies are properties of Şok Markets Trade Inc. Employees use, protect these resources for business purposes, in due form and responsibility in compliance with the laws and company regulations, and take the necessary measures to prevent unauthorized persons from accessing these resources.

4.10.3 Confidential Information and Protection of Confidential Information Principles

The items within the scope of the confidential information of Şok Markets Trade Inc. are as follows:

“Commercial information, technical data, financial data, production data, customer information, personal information, product information, equipment and application information, technical formulas and drawings, system and program information, purchasing information, engineering information, regulations, business plans and, without limitation, all information disclosed by the company to the public”.

Such information is not designated as confidential information but is confidential. Employees protect all confidential information-documents they access while performing their jobs. They use the confidential information they access within the scope of legal and ethical rules, solely as aimed for the benefit of the work they perform for the company. Employees may absolutely not share any undisclosed information of the company with third parties, either for their personal interests or the interests of anyone outside the company, for any reasons.

Employees may not use and allow the use of any above mentioned confidential information and documents, directly or indirectly, verbally or in writing, for their personal interests or the interests of third parties, without obtaining the written consent of the company, even after they depart from work.

Employees are expected to take maximum care regarding the referred data privacy and safety, while using any Information Technologies resources and electronic communication means. Employees are required to comply with company policies and instructions, without any exceptions, for taking the necessary measures to prevent confidential information to be acquired by unauthorized third parties or leaked outside of the company.

4.10.4 Intellectual Property Rights

The items within the scope of "Intellectual Property Rights" in Şok Markets Trade Inc. are as follows:

Trademarks, patents, etc. intellectual rights held by Şok Markets Trade Inc., any information including but not limited to any innovations, databases, printed communication materials, processes, advertisements, product packaging and labels, plans (marketing, product, technical), product designs and know-how written, developed, prepared or implemented by the personnel”.

The commercial/financial rights of any products, designs, programs, etc. innovations that are developed by the employees using the company means, during their employment or as required by their jobs, in other words, intellectual property rights belong to the company; no one may claim any rights in this respect against the company.

Employees are expected to be aware that all correspondences, written materials, documents or records, specific process information, regulations, special work flow of our company – regardless of being confidential or not – are the property of Şok Markets Trade Inc. and affiliates, and should remain within the company.

It is stipulated for employees to comply with rules and laws related with software licenses, patents and copyrights. All necessary software for them to perform their jobs and copyrights are acquired through legal procedures. Employees may not illegally use any accounts that the company has allocated to them.

4.10.5 Product and Service Quality

Şok Markets Trade Inc. acts in compliance with the legal arrangements aimed for product quality and safety at every location it operates. It aims to offer top quality products and powerful brands that the customer may easily access, with the best service quality.

It carries out its activities in compliance with international quality standards such as ISO 9001, ISO 14001, ISO 45001 and protects its quality certificates together with all employees.

Every new product that will be offered for sale is subjected to a preliminary control according to the “New Product Specification Process”. The performances of the products are evaluated by distributing Private Label brand products to the employees of the headquarters office. The Quality Management makes and follows-up on the necessary arrangements as based on the feedback.

Products shipped from Supplier firms to the Distribution Centers are analyzed by “food engineers” according to the quality plans, prior to storage, and any products that do not meet the quality requirements are not accepted to the warehouses.

It is ensured that personnel employed at the Store and Distribution Centers are continuously informed and trained regarding hygiene, product and service quality through the ŞOK Academy portal. Determinations related with product quality are notified to the Quality Management, through the ŞokNet Call center and resolved, In order to ensure customer satisfaction and sustainable quality.

4.10.6 Abuse and Irregularity

Şok Markets Trade Inc. refrains from bribery, fraudulent conduct, or any immoral activities that will bring in unlawful profit at places and business areas where it operates.

Employees are obliged to act in compliance with the related laws and regulations, not to cooperate knowingly with parties that violate these, refrain from fraudulent or incorrect ways contrary to ethical principles, in the business relations they are responsible for.

It may not be accepted for employees to exercise their authorities to their personal benefits and/or benefits of their relatives and outside of the due care expected from them and thus damage Şok Markets Trade Inc.

Employees are not allowed to derive personal profits directly or indirectly from the purchasing and sales activities of Şok Markets Trade Inc. and all transactions and contracts that it is a party of.

Employees are expected to promptly notify their managers and/or Şok Markets Trade Inc. Ethics Board in case they determine an irregularity in this sense in their business relations.

4.11 Accuracy in Records and Financial Reporting

4.11.1 Keeping Accurate and Complete Records

It is essential for all records in Şok Markets Trade Inc. to be kept in compliance with the legislation. It is compulsory for the documents for commercial and financial transactions to reflect the facts.

4.11.2 Submitting Correct Information and Financial Reports to All Necessary Places

In all services and transactions of Şok Markets Trade Inc, accurate, complete and on-time information is conveyed to both the investors, and the customers, suppliers and public offices in compliance with the legislation.

4.12 Advertisement and Promotion

Şok Markets Trade Inc. does not place misleading or deceptive advertisements, make false statements during its sales and marketing activities. Any gender, faith, language and race discrimination is not made in the advertisements, any elements that humiliate individuals and contain violence are not allowed.

5. Notification and Management of Violations

Şok Markets Trade Inc. employees may consult the following for any acts or circumstances that they believe to be in violation of the Ethics rules;

- The related Şok Markets Trade Inc. Ethical Principles Procedure, or
- A senior executive or the related human resources executive.
- Problems are communicated to the notice line or e-mail account.

Notice Line : 0 850 226 25 96

Notice E-Mail : bildirim@sokmarket.com.tr

- The received notices are recorded in the "Notice Tracking Table" by the Loss Prevention Group Management.
- The received notices are forwarded to the Field/Branch Loss Prevention Executives and/or the related Branch Manager in order to be investigated.
- The confidentiality of the personal data of the notifying individual is protected while making the investigations.
- Under circumstances where response cannot be received to the return made through the same route, the notices are closed by entering a note as "Notice is closed since any result could not be obtained in the effort to obtain more detailed information from the notifying person."
- Under necessary circumstances, opinion is also obtained from the related support unit (Legal, Audit, HR, etc.).
- The obtained results are sent as information to the notifying persons(s) to the extent of their interest, by the person who has made the investigation.
- All notices, except for those who investigate the matter and make decisions regarding the related matters, are kept confidential.
- Notices are reviewed by the Ethics Board, and the necessary actions/ measures are taken in line with the board decision.
- Conducts and behaviors that do not comply with the Ethical Principles are evaluated within the scope of the discipline procedure.
- Employees are expected to demonstrate conducts in compliance with awareness of responsibility and business morals, and always act consistently in compliance with the meaning and purpose of Ethical Principles.