



Izmir, 10.05.2017

## **SUSTAINABLE TOBACCO PROGRAMME (STP) POLICY**

Our policy reflects Sunel's commitment to support the development of sustainable practices especially for tobacco growing community, also for other agricultural society and all stakeholders within this supply chain.

Sunel shall adhere to "Education everywhere and all the times" motto, in order to contribute to the development of individuals and the society and to the planning of the future. Sunel shall continue to be an equal-opportunity employer and not discriminate its employees on basis of race, language, religious beliefs and sex.

### **1. Compliance with national & local regulations;**

We, as Sunel confirm that we will conduct our business with integrity and in full compliance with the legal and regulatory requirements in Turkey. Furthermore, we have an obligation to be a responsible citizen in Turkey and this obligation extends to a wide range of social, environmental and economic concerns.

### **2. Staff awareness and sufficient resources to effective STP implementation;**

In order to ensure that our policies are fully implemented and remain contemporary, we shall conduct regular reviews of all activities using fully qualified and resourced staff.

A dedicated member of staff who will oversee the process and report progress to the board and will head implementation. Issues associated with each main area of activity mentioned above will be driven by suitably qualified managers.

Internal detailed policies are developed in support of this company policy which is communicated to all employees through the company intranet, presentations and postings and that their awareness and adherence to the policy is formally monitored by senior staff in each operation.

Data is collected to measure performance against the above objectives, it is reported to senior management for review and remedial actions to be taken if required. STP related reports and assessments are submitted to external organizations, as required. Engage with other stakeholders to improve effectiveness of the STP programs.

### **3. To promote good labor practices (GLP);**

GLP defines the principles and measurable standards to be met by all farmers who grow and supply tobacco to Sunel. These principles and standards are organized around three focus areas (pillars): Crop, Environment, and People (ALP). These 3 pillars are founded in

Governance which incorporates the management processes that must be put in place to successfully implement Good Agricultural Practices (GAP).

We will issue an annual progress report based on internal/external factory assessments and actual data recorded during the field visits performed by the leaf supervisors and the results of implemented improvement measures.

#### **4. Commit to measure to prevent the worst forms of child labor;**

As the ECLT Foundation Board member, Sunel respects and recognizes the principles and rights enshrined in the ILO\* Conventions and Recommendations on child labour.

There shall be no use of child labour. We will ensure the elimination of employment or working of children and youth under age 18 under any circumstances whatsoever.

Sunel doesn't work or cooperate with 3<sup>rd</sup> parties which don't comply with the labour law in Turkey. Sunel's approach to child labour is written in the tobacco growing contract (in "Special Provisions"), in information booklets prepared for the farming community and also in the company web site.

Sunel will support 8 years mandatory and uninterrupted education starting from age 6 which is protected by law in Turkey. We will carry studies to support schools to ensure the children of our farmers continue to necessary education.

According to the Elementary Education Law Nr.222, it's compulsory to enroll the children between 6 – 14 years by their parents and to guarantee their attendance to the school. It's prohibited by the law to hire children who have not completed compulsory elementary education.

For light work, in the family farm, children between age of 15 to 18 can do non-hazardous work. It is prohibited by Turkish Labor Law that workers under 18 can't work in hazardous work. Hazardous Work is defined as work which is by its nature or the circumstances in which it is carried out, is likely to harm the health, safety, or morals of children.

Sunel will display its best effort to protect the children from all pesticides and hazardous materials and to avoid them lifting up heavy loads. Sunel will perform farm visits to monitor compliance and do risk assessments for farmer living standards to determine their expectations.

#### **5. Commit to measure to promote the health and safety of employees, contractors and visitors;**

We recognize the paramount importance of the health, safety and welfare of all employees in the successful conduct of our business. Therefore, we are committed to all applicable legislative regulations.

(\* ILO Conventions C138 Minimum Age for Admission to Employment & Work (1973); C182 Prohibition and Immediate Action for the Elimination of the Worst Forms of Child Labour for anyone under 18 (1999); ILO Standards on Child Labor – Turkish Labor Law No.4857 (2003)

We shall provide and maintain safe and healthy working conditions, equipment and systems of work for all employees. Our approach will be based on hazard identification and risk assessment for the purpose of effectively controlling health and safety risks in the workplace.

The studies will be oriented to prevention for potential damages as a result of accidents in our facility and increase the capability of react for possible accidents in-plant.

Supervised drills are carried out at regular intervals in our facility in order to take measures for potential emergency situations about human health and safety and minimize damages and environmental pollution.

The natural balance of the world is being destroyed by an intensive warming process caused by human beings and this is leading the change of climates which is affecting the huge part of the life in the world. We, as Sunel will develop studies to decrease emission of greenhouse gasses and will continue such studies.

#### **6. Commit to measure to protect the environment and biodiversity;**

We recognize that we have both impact and a dependence on the biodiversity, through our business operations and use of ecosystem services; and we manage our impacts with this sense of responsibility.

We shall apply all studies of remediation and development in order to minimize its impact on biodiversity and the wider environment.

We shall both identify and assess our impact on ecological system.

In accordance with these assessments, we develop an action plan. The action plan will lead to avoid, minimize or offset our impacts on the environment; and will promote the development of natural habitat and protection of endangered species.

We will keep our leaf growers informed continuously about "Good Agriculture Practices" and support them to apply methods in tobacco growing which are not dangerous for the environment and biodiversity.

#### **7. Commit to measure to reduce carbon emissions per kg of tobacco;**

We shall fulfil our responsibilities towards environment that aim to minimize our impacts as far as possible. We decide to reduce our impacts on climate change by reducing GHG in order to empower our leadership regarding to environmental issues.

We have implemented carbon disclosure system in accordance with the principles of ISO-14064-1:2006 as well as play a part in Carbon Disclosure Project (CDP).

We aim to integrate low carbon consumption culture into our workplace and therefore, create environmental and social awareness. Thereby reducing our carbon footprint. We encourage our supply chain also to reduce their carbon footprint.

We continuously monitor our performance through applied Climate Change Policy and identify potentials in order to increase our sustainability. We integrate sustainability into daily operations and aim to separate the relation between economic growth and increase of carbon emissions.

**8. Only authorized firearms and knives are allowed on company premises;**

We commit that only authorized security personnel are allowed to have firearms and knives on Sunel premises.

**9. Only drugs for medicinal purposes are permitted on site;**

We commit that only drugs for medical purposes are permitted on Sunel campus. Sunel is committed to ensuring that all employees refrain from engaging in unlawful drug activity in the workplace. Unlawful drug activity refers both to the use of illegal drugs and to the misuse of prescription or over the counter drugs.

**10. Strict controls regarding alcohol;**

Sunel is committed to not permit alcoholic beverages in Sunel grounds. Sunel ensures that all visitors and contractors are informed about the company's alcohol prohibition by the security within the campus. Alcohol regulation is mentioned on the Visitor Health & Safety Guide.

Our company policy is subject to review every year in the 4th quarter. All of the subjects mentioned in this company policy shall be reflected in the operational policies and procedures and supplier contracts as appropriate. It is disseminated publicly on the company web site in Turkish and English.

Izmir, 10 May 2017

Noyan Kazım Gürel  
CEO

Ilhan Feyzi Gurel  
Board Member