

KOÇSİSTEM
HUMAN RIGHTS POLICY

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1. PURPOSE AND SCOPE

This Human Rights Policy (“the Policy”) is a guide that reflects Koç Group’s approach and standards with respect to human rights and demonstrates the importance that Koç Group attaches to respect for human rights..

All employees, directors and officers of KoçSistem shall comply with this Policy. KoçSistem also expects and takes the necessary steps to ensure that all of its Business Partners - to the extent applicable - comply with and/or act in accordance with this Policy.

2. DEFINITIONS

“The UN” means the United Nations.

“The UN Guiding Principles on Business and Human Rights”¹ is a set of guidelines for states and companies to prevent, address and remedy human rights abuses committed in business operations.

“The UN Global Compact”² is a global pact initiated by the United Nations, to encourage businesses worldwide to adopt sustainable and socially responsible policies, and to report on their implementation. The UN Global Compact is a principle-based framework for businesses, stating ten principles in the areas of human rights, labor, the environment and anti-corruption.

“Worst Forms of Child Labour Convention (Convention No. 182)”³ means the Convention concerning the prohibition and immediate action for the elimination of the worst forms of child labour

“The ILO” means The International Labor Organization

“The ILO Declaration on Fundamental Principles and Rights at Work”⁴ is a ILO declaration adopted that commits all member states whether or not they have ratified the relevant Conventions, to respect, and promote the following four categories of principles and rights in good faith:

- Freedom of association and effective recognition of collective bargaining,
- Elimination of all forms of forced or compulsory labor,

¹ https://www.ohchr.org/Documents/Publications/GuidingPrinciplesBusinessHR_EN.pdf

² <https://www.unglobalcompact.org/what-is-gc/mission/principles>

³ https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO::P12100_ILO_CODE:C182

⁴ <https://www.ilo.org/declaration/lang--en/index.htm>

- Abolition of child labor
- Elimination of discrimination in employment and occupation.

“Human Rights” are rights inherent to all human beings, regardless of gender, race, color, religion, language, age, nationality, difference of thought, national or social origin, and wealth. **This includes** the right to an equal, free and dignified life, among other human rights.

“The Universal Declaration of Human Rights (UDHR)”⁵ is a milestone document in the history of human rights, drafted by representatives with different legal and cultural backgrounds from all regions of the world, proclaimed by the United Nations General Assembly in Paris on 10 December 1948 as a common standard of achievements for all peoples and all nations. It sets out, for the first time, fundamental human rights to be universally protected.

“Business Partner” includes suppliers, distributors, dealers, authorized services and other third parties with whom the company has a business relationship and all kinds of representatives, subcontractors, consultants, etc. acting on behalf of the company, as well as their employees and representatives.

“The Women’s Empowerment Principles”⁶ (WEPs) a set of principles offering guidance to business on how to promote gender equality and women’s empowerment in the workplace, marketplace and community. Established by UN Global Compact and UN Women, the WEPs are informed by international labor and human rights standards and grounded in the recognition that businesses have a stake in, and a responsibility for, gender equality and women’s empowerment.

“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.

“KoçSistem”, means KoçSistem Bilgi ve İletişim Hizmetleri A.Ş.

“OECD means The Organization for Economic Co-operation and Development.

“The OECD Guidelines for Multinational Enterprises”⁷ aims to develop a state-sponsored corporate responsibility behavior that will maintain the balance between competitors in the international market, and thus, increase the contribution of multinational companies to sustainable development.

⁵ <https://www.un.org/en/universal-declaration-human-rights/>

⁶ <https://www.weps.org/about>

⁷ <http://mneguidelines.oecd.org/annualreportsontheguidelines.htm>

3. General Principles

As a global group, Koç Group is guided by the Universal Declaration of Human Rights (UDHR) and maintains a respectful understanding of Human Rights for its stakeholders in the countries where it operates. Creating and maintaining a positive and professional working environment for its employees is the main principle of Koç Group. Koç Group acts in accordance with global ethical principles in areas such as recruitment, promotion, career development, wages, benefits and diversity, and respects the rights of its employees' to form and join organizations of their choice. Forced and child labor as well as all forms of discrimination and harassment are expressly prohibited. Koç Group primarily adheres to following international human rights standards and principles:

- The UN Guiding Principles on Business and Human Rights (2011)
- The UN Global Compact (2000),
- The ILO Declaration on Fundamental Principles and Rights at Work (1998),
- The Women's Empowerment Principles (2011).
- Worst Forms of Child Labour Convention (Convention No. 182), (1999)
- The OECD Guidelines for Multinational Enterprises (2011),

4. COMMITMENTS

KoçSistem respects the rights of its employees, directors, officers, shareholders, Business Partners, customers, and any other individuals affected by its operations, products or services by complying with the principles of the Universal Declaration of Human Rights (UDHR) and the ILO Declaration on Fundamental Principles and Rights at Work.

KoçSistem is committed to treating all employees honestly and fairly and to providing a safe and healthy working environment that respects human dignity while avoiding discrimination.

KoçSistem may also apply additional standards that take into account vulnerable and disadvantaged groups that are more susceptible to negative Human Rights impacts and require special attention. KoçSistem takes into account the specific circumstances of groups whose rights are further elaborated in United Nations instruments: indigenous peoples; women; ethnic, religious and linguistic minorities; children; persons with disabilities; and migrant workers and their families, as referred to in the UN Guiding Principles on Business and Human Rights.

Diversity and Equal Recruitment Opportunities

KoçSistem is committed to employing people from diverse cultures, professional experiences and backgrounds. Recruitment decisions are based on job requirements and personal qualifications regardless of race, religion, nationality, gender, age, merital status or disability.

Non-Discrimination

Zero tolerance towards discrimination is a key principle in the entire employment process, including promotion, assignment and training. KoçSistem expects all its employees to show the same sensitivity in their behavior towards each other.

KoçSistem strives to treat its employees equally by providing equal rights and opportunities. All forms of discrimination and disrespect based on race, gender, color, national or social origin, ethnicity, religion, age, disability, sexual orientation, gender definition or political opinion are unacceptable.

Zero Tolerance to Child / Forced Labor

KoçSistem strongly opposes child labor, which causes children's physical and psychological harm to children, and interferes with their right to education. In addition, KoçSistem opposes all forms of forced labor, which is defined as work that is performed involuntarily and under the threat of any penalty.

In accordance with the conventions and recommendations of the ILO, the Universal Declaration of Human Rights, and the UN Global Compact, KoçSistem has a zero-tolerance policy towards slavery and human trafficking and expects all its Business Partners to act accordingly .

Freedom of Association and Collective Bargaining

KoçSistem respects the right and freedom of choice of its employees to join a trade union, and to collectively bargain collectively without fear of retaliation. KoçSistem is committed to a constructive dialogue with the freely chosen representatives of its employees, represented by a legally recognized trade union.

Health and Safety

Protecting the health and safety of employees, and other persons who are present in a work area for any reason is one of the main concerns of KoçSistem companies. KoçSistem provides a safe and healthy working environment. KoçSistem companies take the necessary safety measures in the workplace in a manner that respects the dignity, privacy, and reputation of each individual. KoçSistem complies with all relevant regulations and implements all necessary safety measures in all its work areas.

If any unsafe conditions or unsafe behavior are detected in the work areas, KoçSistem companies shall immediately take the necessary measures to ensure the health, safety, and security of their customers and employees.

No Harassment or Violence

A key aspect of protecting the personal dignity of employees is ensuring that harassment or violence does not occur or, if it does occur, sanctioned adequately. KoçSistem is committed to providing a workplace free from violence, harassment, and other unsafe or disturbing conditions. As such, KoçSistem does not tolerate any form of physical, verbal, sexual or psychological harassment, bullying, abuse, or threats.

Working Hours and Remuneration

Koç Group respects the legal working hours in accordance with the local regulations of the countries in which it operates. It is important for employees to have regular breaks, vacations, an effective work-life balance.

Wages are determined in a competitive manner according to the relevant sectors and the local labor market, and where applicable, in accordance with the terms of collective bargaining agreements if applicable. All compensation, including social benefits are paid in accordance with the applicable laws and regulations..

KoçSistem employees may contact the KoçSistem Legal and Compliance Counsel for additional information regarding the labor laws and regulations governing working conditions in the countries where they operate.

Personal Development

KoçSistem provides its employees with opportunities to develop their talents and potential, and to enhance their skills. Considering human capital as a valuable resource, KoçSistem strives for the comprehensive personal development of its employees by supporting them with internal and external trainings.

Data Privacy

In order to protect the personal data of its employees, KoçSistem maintains high data protection standards. The data protection standards are implemented in accordance with the relevant legislations.

KoçSistem expects its employees to comply with the data protection laws of each of the country in which it operates.

Political Activities

KoçSistem respects the legal and voluntary political participation of its employees. Employees may make personal donations to a political party or a political candidate or engage in political activities outside working hours. However, it is strictly forbidden to use company funds or other resources for such donations or any other political activities.

5. AUTHORITY AND RESPONSIBILITIES

All KoçSistem employees and managers are responsible for complying with this Policy and for implementing and supporting the relevant KoçSistem procedures and controls in accordance with the requirements of this Policy. KoçSistem also expects and takes necessary steps to ensure that all Business Partners to the extent applicable, comply with and/or act in accordance with this Policy.

If there is a discrepancy between the local regulations, applicable in the countries where KoçSistem operates, and this Policy, the stricter of the two shall prevail, unless such practice is in violation of the relevant local laws and regulations

If you become aware of any action that you believe is inconsistent with this Policy, the applicable law, or the Koç Group or KoçSistem Code of Ethics, you may seek guidance or report the incident to your line manager. Alternatively, you may report the incident to the KoçSistem Legal and Compliance Counsel, Internal Audit, or Human Resources departments via koc.com.tr/ihbarbildirim.

KoçSistem employees may contact the KoçSistem Human Resources Directorate for any questions regarding this Policy and its application. Violation of this Policy may result in significant disciplinary action, including dismissal. If this Policy is violated by third parties, their contracts may be terminated.

6. REVISION HISTORY

This Policy entered into force with the Board of Directors' resolution dated 30.09.2021, and the KoçSistem Human Resources Directorate is responsible for its updates.

Revision	Date	Comment
No:1	01.09.2023	The alphabetical order of the Definitions are corrected.