

## ETHICAL GUIDELINES

Our ethical guidelines are an important element both of our company's and of its employees' success. It is the responsibility of company executives in every department to create a workplace environment that encourages adherence to Çolakoğlu® Metalurji's ethical guidelines. Among other things this means that executives:

- Acknowledge the importance of both the company's ethical guidelines and of the laws and regulations to which the company is subject and be bound by them under all circumstances;
- Serve as role models for other employees through their own behavior and attitudes;
- Recognize that their adherence to Çolakoğlu®Metalurji's ethical guidelines is their highest-priority responsibility;
- Strive to inculcate the company's corporate culture and to encourage employees to identify with the norms and values with which they are required to comply;
- Create a workplace environment in which fellow employees will not hesitate to come forward either with any problems related to the company's business activities or with any matters involving ethical concerns;
- Be consistent in their behavior and decisions at all times.

### I- USE OF COMPANY RESOURCES

Whenever any of the company's financial or other resources are being used, care should be given to doing so productively. No company resources may be employed for personal use expenditures, or gain or as personal gifts, charitable or political donations, or in any other similar ways.

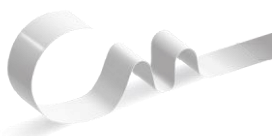
Whenever making use of company-supplied internet access or email resources, company regulations and general practices must be complied with in order to ensure both information security and efficiency of use.

Entering into any personal financial relationships, any attempt to secure personal gain, and any attention given to personal benefit in any dealings with the company's customers, consultants, or suppliers constitutes making indirect use of the company's monetary resources.

Principles pertaining to the use of company resources are indicated below in main outline.

#### 1. Representation expenses

- Representation expenses may only be incurred for customers or business meetings.
- Representation expenses may only be incurred for a specific and appropriate purpose and may not be shifted from one purpose to another.
- Representation expenses must be invoiced at the place they are incurred and must not be invoiced otherwise; no attempt should be made to conceal the nature of expenditures by means of deceptive invoices. In cases where a proper invoice cannot be obtained, an expense voucher conforming to the requirements of law must be issued instead.
- For such reasons as fostering team spirit, rewarding, increasing motivation, and the like, managers may purchase gifts for employees and may take them to restaurants, theaters, concerts, and similar venues. No distinctions may be made among personnel in the conduct of such activities.



## 2. Giving gifts and making donations on the company's behalf

- Gifts may be given to customers on the company's behalf on the occasions of New Year's Day and bairams provided that such gifts be in line with principles set out by the general manager's office and be consistent with the company's annual budget.
- Care must be given to ensuring that gift-giving is independent of any personal relationships such as those involving relatives, spouses, friends, etc.
- Subject to budgetary constraints, the company general manager is authorized to provide assistance and donations on the company's behalf to any organization whatsoever.

## 3. Time management

Time is one of the company's most important resources. It is essential that employees use their time at work productively and that they do not spend any of it taking care of personal business. Managers may not require employees to take care of their own personal business. It is the responsibility of those who organize meetings to be sure that the time allocated for meeting is used productively and it is essential that everyone who participates in a meeting come prepared for that purpose. All participants in a meeting are expected to comply with the meeting's designated schedule.

No personal visitors may be admitted during working hours other than for specific and exceptional reasons and such visits must not last more than ten to fifteen minutes.

## II- RELATIONSHIPS

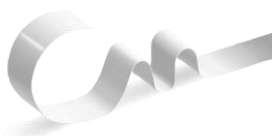
### 1. Relations with suppliers

The following matters are to be taken into account in any dealings that involve suppliers. Under all circumstances and conditions, Çolakoğlu® Metalurji employees are expected to perform their jobs ethically and honestly, to abide by principles that are mindful of supporting and protecting human rights, to protect environmental assets, and to contribute to the community of which they are a part. All Çolakoğlu® Metalurji employees are expected to comply with the company's ethical guidelines and rules governing interactions with company suppliers.

### 2. Relations with customers

Customer satisfaction is fundamental at Çolakoğlu® Metalurji. We give precedence to customers' needs and expectations and we strive to respond to customers' complaints and demands as quickly and as effectively as possible. We do not exploit customer weaknesses even if it would benefit the company to do so; neither do we seek to profit by providing customers with incomplete or misleading information.

- All customer complaints must immediately be recorded in the management system and then forwarded to the Customer Complaints Committee. Duties to transparently report customer complaints to senior management must be fulfilled by all units concerned.
- No employee may enter into any private business relationship with any company customer; no employee may borrow money from or lend money to any company customer.
- Providing customers with products or services without payment in return or substantially below their fair value will be regarded as an attempt to secure personal gain and will necessitate disciplinary action that could even result in termination of employment.



### **3. Relations with media**

Except with the express approval of the General Manager, who will also determine what if any fees are to be charged in return, no employee may give statements to or be interviewed by any media concern or take part in seminars, conferences, or similar gatherings as a speaker. No employee may engage in such activities for personal gain under any circumstances.

### **4. Relations with public authorities**

All relations with public authorities are to be conducted in accordance with the requirements of law and within the framework of company policies and procedures. A written record is to be made of any information that official agencies may demand and the General Manager, Legal Counsel, and/or appropriate company directors are to be notified of the situation. Such information must be correct and provided on time.

## **III- ACTIONS THAT MAY OBLIGATE THE COMPANY**

### **1. Accepting gifts, invitations, assistance, or donations**

#### **i. Accepting Gifts**

No gifts, invitations to attend functions, assistance, or donations may be requested of customers, suppliers, or consultants; such requests must not even be implied. No offers of gifts, sums of money, negotiable instruments, properties, complimentary vacations, special discounts or the like may be accepted if they would impose an obligation on the company or the recipient or would lead to anyone's personal gain.

However, gifts

- whose value is less than TL 250 (or the equivalent in some other currency,
- whose rejection is seriously likely to have an adverse impact on relations with that customer,
- whose acceptance is not expected to have any impact on impending financial decisions
- may be accepted provided that the recipient's immediate supervisor is notified of the situation. Gifts which do not satisfy these criteria should be turned down in an appropriate manner.

#### **ii. Accepting Invitations**

Invitations to attend functions such as banquets, business meetings, and social events which are not contrary to the company's policies and interests and which are organized by disinterested third parties may be accepted on condition that such attendance will not affect any decisions which the employee attending the function may take and is approved by the employee's immediate supervisor.

#### **iii. Accepting individual or organization**

No assistance or donations may be accepted from any individual or organization with which the company has entered into a business relationship. Any and all manner of offers of assistance/donations are to be reported to one's immediate supervisor.

### **2. Avoidance of Potential Conflicts of Interest**

A conflict of interest may exist whenever company interests, personal interests, and customer interests are not entirely in agreement with one another. Personal interests may never take precedence over the interests of the company. Neither an employee's position within the company nor any information about the company which an employee may have access to may be exploited for personal gain.



Whenever a conflict of interest exists or there is any uncertainty as to whether or not a conflict of interest actually exists, the employee should consult their immediate supervisor.

In situations where employees purchase goods and/or services for their own needs from the company's suppliers, it is inappropriate for them to do so at prices or on terms that are more advantageous than those which the company enjoys or in quantities that exceed their own requirements to such a degree as to approach commercial volumes.

Whenever a firm with which a former Çolakoğlu® Metalurji employee has a direct or indirect partnership or employment relationship submits offers to or engages in any other business with Çolakoğlu® Metalurji, that firm must make this situation unmistakably clear and any further dealings between the two companies will be subject to Çolakoğlu® Metalurji Board of Directors approval.

Situations in which a member of a Çolakoğlu® Metalurji employee's family works for a supplier or customer and is a close relative must not be allowed to become conflicts of interest. In such cases, Çolakoğlu® Metalurji Board of Directors approval is required before any business relationships are entered into.

No Çolakoğlu® Metalurji employee who has the authority to make purchasing/procurement decisions is allowed to be involved in making any decisions about offers that are submitted by any firm in which Çolakoğlu® Metalurji employees or their family members, or their close relatives, or their friends have a direct or indirect partnership interest. When offers are being considered, such situations must have been stated explicitly and the purchasing/procurement decision may proceed provided that it is in Çolakoğlu® Metalurji's interests for it to do so and only with Çolakoğlu® Metalurji Board of Directors knowledge and approval.

It is inappropriate for Çolakoğlu® Metalurji employees other than those who interact with customers and suppliers as a consequence of their jobs to be involved in any close dealings with the company's customers or suppliers.

Çolakoğlu® Metalurji employees:

- Must not secure any personal benefit from any customer or be a conveyor of benefits by acting as an intermediary between or among customers;
- Must treat all customers equally and fairly in any situation in which their exist conflicts of interest between or among them;
- Must strive to be impartial in the conduct of their duties;
- Must make an effort to avoid conflicts of interest by complying with the following rules:
  - Do not be a guarantor for customers or accept their guarantees;
  - Do not enter into any debtor/creditor or other relationships that are inconsistent with professional conventions;
  - Do not attend any function or take part in any domestic or international travel whose expenses are paid for, whether in whole or in part, by a customer except with the express knowledge and approval of one's immediate supervisor;
  - Do not accept any gift whose nature or value is so unconventional that its acceptance would place oneself under an obligation;
  - Do not give excessively expensive gifts to existing or potential customers; do not exploit one's position in order to provide a customer with advantages (such as special discounts on purchases) which fall outside the scope of their business, which are uncalled-for, or which go beyond normal practices.



### **3. Working, doing business, undertaking duties outside the company**

Çolakoğlu® Metalurji employees are not allowed to engage in any activities that would necessitate their being classified as “merchants”, “tradesmen/artisans”, or “independent professionals” for tax purposes. With the exception of company equities which they buy and sell on an exchange for personal investment purposes, they may not have partnership or shareholding interests in other companies. Whether paid or unpaid, they may not work in any company or other commercial enterprise or work with or for anyone deemed to be a merchant or tradesman/artisan. They may not serve as a member of the board of directors of any firm unless it is a Çolakoğlu® Metalurji subsidiary or associate company.

Subject to Çolakoğlu® Metalurji General Manager approval, they may undertake duties in institutions and organizations such as cooperatives, professional chambers/associations, professional/social groups, foundations, federations, confederations and suchlike, provided that these are related to the company’s business activities or are of a purely social nature.

Subject to Çolakoğlu® Metalurji General Manager approval and provided that it does not hinder the performance of their jobs, employees with specialist knowledge and skills may attend professional conferences and serve as instructors in universities and vocational schools.

### **4. Political activities**

Çolakoğlu® Metalurji personnel may not provide any material or moral assistance to any political activities either on the company’s behalf or their own and even if it is within their financial means to do so. They may not be an active member of any political party so long as they are in the company’s employ. No manager may require any employee to engage in any political activity or to be a member of any political party.

### **5. Discrimination**

Every form of discrimination based on a person’s age, language, race, state of health, gender, or marital status is contrary to workplace rules. Failure to comply with these rules will necessitate disciplinary action that could even result in termination of employment. If employees have any complaints about such issues they may go over the heads of all of their own supervisors and report them directly to the office of the director responsible for human resources. No attempt to report such issues in this way may be hindered.

### **6. Personal donations and assistance**

Acting on a personal basis, Çolakoğlu® Metalurji employees may provide material and/or moral assistance and make donations to persons not associated with the company; provided they notify the office of the director responsible for human resources, they may also undertake duties at charitable associations.

## **IV- GENERAL RULES**

Çolakoğlu® Metalurji employees are expected to:

- Protect the company’s brand reputation;
- Comply with the principle of professional confidentiality;
- Ensure the security of any personal or proprietary information about employees, customers, suppliers, or other business partners which they may acquire in the performance of their jobs;
- Act fairly in the performance of their duties;
- Ensure that the company’s assets are meticulously protected;
- Comply with the requirements of law and with all company-published policies and regulations.



Çolakoğlu® Metalurji employees are expected to carry out any instructions given to them by their superiors except that in situations where an employee believes that such instructions are contrary to law, or to any company-published policies or regulations, or to the company's ethical guidelines or to the spirit of those guidelines, then the employee should notify the immediate supervisor of the person giving the instructions and/or send a message to the email address designated for reporting ethical guideline issues. No such action will be deemed to be of an accusatory nature in any way whatsoever.

### **Protecting the company's brand**

The Çolakoğlu® brand is a vitally important asset from which we derive strength in the conduct of all of our operations. Consistently protecting and advancing our strong brand reputation in line with our marketing and communication principles is a high-priority objective. Çolakoğlu® Metalurji employees are expected to perform their duties in keeping with the principles of safeguarding and advancing the Çolakoğlu® brand.

We know that personal social media accounts belong to the owner and we respect everyone's right to their own sharing preferences. However when engaging in social media activities, employees should use personal email addresses rather than any address containing any domain associated with Çolakoğlu®; should avoid sharing any content that might lead to controversy or uncertainty or purport to represent the company; should refrain from sharing any information or images that might violate the Çolakoğlu® Metalurji's principle of confidentiality.

### **Professional confidentiality**

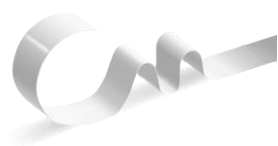
Çolakoğlu® Metalurji employees are required not to divulge any information about the company's activities and operations whatsoever to anyone other than authorized company personnel and also to explicitly mandated legal authorities.

No confidential information about the company that has not already been publicly disclosed that a Çolakoğlu® Metalurji employee may acquire in the performance of their duties, whether first-hand or as hearsay, may be revealed to anyone other than those who are authorized to have such knowledge.

"Confidential information" for the purposes of this section means any written, verbal, or electronic-format information about the company which its employees may have gained knowledge of during the performance of their duties, whether in the past, or in the present, or in the future.

Employees may reveal confidential information that they acquire as a consequence of their duties only to other company employees who are required to have knowledge of it and only within the framework of the company's policies and regulations. With the exception of explicitly mandated legal authorities, they must not reveal it to anyone else and doing so will be deemed to be a violation of the company's ethical guidelines.

Çolakoğlu® Metalurji is the sole proprietary owner (1) of any company-related analyses or plans that may be composed and of any publicly disclosed or undisclosed information that may be acquired while on the company's premises as well as (2) of the company's financial data, services, capacity reports, computer software, expenditures, business plans, customer and supplier identities, operational and marketing methods, internal documents and information in the form of company announcements, regulations, and instructions. No such information or documents may be revealed to any unauthorized person.



### **Protecting confidential information**

Measures are to be taken as needed to protect, safekeep, and prevent the disclosure of any confidential information of which the company is the owner.

- Employees' desks are to be cleared at the end of the workday. Any confidential documents are to be placed under lock and key with the key(s) being given into safekeeping.
- Employees must keep all of their passwords, passcodes, and user IDs secret and not reveal them to anyone else.
- Except in the case of business or legally-mandated reporting requirements, no information may be copied using any kind of external media.
- No one who is not a company employee may be allowed to access the company's IT networks or to make any use of company-owned computers.

### **Compliance with laws and with company policies and regulations**

In matters involving compliance with the requirements of Laws and of Company Policies and Regulations, Çolakoğlu® Metalurji employees' foremost concern is to refrain from any action or behavior that would expose the company to risks. Employees must never abuse their positions at the company or allow them to be abused. "Abuse of position" means exploiting one's authorities or responsibilities for private gain and thereby causing the company or any of its business partners to suffer losses.

Company employees must not be involved, whether directly or indirectly, in any disgraceful conduct such as stealing, forging, pickpocketing etc; neither should they turn a blind eye towards such conduct by others.

Any company employee who witnesses a violation of these ethical guidelines should report the incident to their immediate supervisor or send a message about it to the email address designated for reporting ethical guideline issues.

### **V. IMPLEMENTATION OF ETHICAL GUIDELINES**

Any Çolakoğlu® Metalurji employee who violates any of the rules or principles set forth in these ethical guidelines may become subject to disciplinary action that could even result in termination of employment.

All Çolakoğlu® Metalurji employees are expected to conform to these ethical guidelines and to refrain from any behavior or actions that may be contrary to these guidelines. In the conduct of all activities and whenever decisions are made, their compatibility with Çolakoğlu® Metalurji's ethical guidelines should be given consideration. Whenever there is any uncertainty about ethical guideline compliance, the matter should be brought to the attention of the company units indicated below. All such communications will be dealt with in confidence.

Email: [etik@colakoglu.com.tr](mailto:etik@colakoglu.com.tr)

28 December 2018

Uğur DALBELER

General Manager

