

Koton Human Resources Policy

"Success through our values is woven into our fabric"

Purpose

This policy has been created to set forth and commit to the fundamental principles and objectives of Koton's human resources practices towards its employees, with the aim of continuously strengthening and developing the human resource that is regarded as the most valuable asset in achieving the company's strategic goals in a fair, transparent, and sustainable manner.

Scope

Koton Human Resources Policy covers all employees of Koton both in our country and abroad.

Fundamental Principles and Objectives

The fundamental principles and objectives of our practices, which also support our strategic business plans, consist of the following:

- Establishing, maintaining, and continuously improving a structure that enhances organizational competencies and thereby increases competitiveness,
- That attracts talents with leadership potential and supports their continuous development,
- That embeds a high-performance culture,
- That values differences, fosters an inclusive company culture and increases employee engagement.

Areas of Implementation and Our Commitments

1. Equal Opportunity

We believe that all our employees are valuable and provide fair and inclusive opportunities to all employees in line with their duties and responsibilities.

We do not discriminate in recruitment, promotion, remuneration and training opportunities; factors such as race, gender, age, religion, disability, ethnic origin, or political opinion do not influence our decision-making processes.

2. Recruitment and Placement

We conduct our recruitment processes transparently based on competencies and position requirements. We aim for long-term success by placing the right person in the right job.

3. Training and Development

We support the professional and personal development of our employees. We encourage continuous improvement through annual training plans.

4. Performance Management

With our fair and objective performance evaluation system, we regularly measure our employees' contributions and provide feedback to identify areas of development.

5. Remuneration and Benefits

We determine our remuneration policy based on market conditions, internal balance, and performance-based criteria. Through benefits, we aim to enhance employee satisfaction and ensure work-life balance.

6. Leadership

At Koton, leadership is defined not only by managerial skills but also by cultural alignment and personal development. We define leadership behaviors under the following headings:

- Embodying and Living the Values
- Agility
- Multidimensional Thinking and Strategic Decision-Making
- Managing Relationships with Emotional Intelligence
- Commercial Insight
- Shaping the Future
- Digital Literacy

7. Internal Communication

Establishing a corporate culture based on open communication is our priority. We regularly receive and evaluate our employees' opinions and suggestions.

8. Ethical Conduct and Employee Rights

Acting in accordance with ethical principles is the responsibility of all our employees. We respect employee rights and consider occupational health and safety a primary concern.

9. Diversity and Inclusion

We regard differences as a source of richness. We proactively carry out efforts to create an inclusive work environment that promotes diversity.

10. Participation in Decision-Making Processes

We provide employees with the opportunity for participation and representation in decision-making processes through committees and representative structures.

- **Gender Equality Committee:** Embracing gender equality as a fundamental human right and an integral part of sustainable development, Koton is committed to approaching all employees with the principle of equal opportunity and creating an inclusive work environment. The committee carries out awareness activities, develops projects, and undertakes internal and external representation.
- **Sustainability Committee:** We approach sustainability with the understanding of “Respect for Life,” based on respect for the planet, people, society, and work. We carry out environmental, social, and economic activities with a holistic approach and play an active role in pioneering practices in areas such as combating climate change, circular economy, efficient use of natural resources and ethical supply chain management.
- **Ethics Committee:** At Koton, ensuring that all our employees work in a fair, safe, and respectful environment and act in accordance with the Code of Business Ethics is a priority. Ethical violations may be reported anonymously via an independent third-party service available 24/7 or by emailing etik@koton.com.tr. Reports are handled confidentially and reviewed impartially in line with our values.
- **Occupational Health and Safety Committee:** Operates to assess risks in the workplace, monitor the implementation of policies and procedures, and ensure compliance with regulations.
- **Employee Representative:** Authorized to convey employee opinions regarding occupational health and safety, monitor practices and ensure necessary measures are taken.

Responsibilities

The Human Resources Department is responsible for the implementation, development, and supervision of this policy. All managers and employees are obligated to act in accordance with the policy.

Enforcement

This policy shall enter into force as of 16/07/2025. The Human Resources policy may be updated in line with needs.