



HUMAN RIGHTS POLICY

1. Purpose

As Koton Mağazacılık Tekstil Sanayi ve Ticaret A.Ş. (“**Koton**”), we adopt an approach that prioritizes the protection of fundamental human rights in all our activities. This Human Rights Policy (the “**Policy**”) reflects our commitment to respecting the rights of our employees and business partners.

This Policy has been developed on the basis of the Universal Declaration of Human Rights, the United Nations (UN) Global Compact, the UN Convention on the Rights of the Child, the Fundamental ILO Conventions, the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights, and applicable national and international laws.

The Policy is consistent with our Code of Business Ethics, which applies to all Koton employees and business partners.

2. Scope

This Policy applies to all our employees and Business Partners in connection with Koton’s domestic and international operations.

3. Definitions

“**Business Partners**” means our suppliers and franchisees.

4. Responsibilities

The CEO and the Human Resources Director are responsible for the implementation of this Policy.

The Koton Board of Directors is responsible for the overall oversight of the establishment and operation of reporting, investigation, and sanction mechanisms in the event of non-compliance with the rules and requirements set out in this Policy.

5. Our Commitments at Koton: Under this Policy, we aim to:

- Create a working environment that is consistent with international and local human rights principles;
- Share the Koton Code of Business Ethics with all our employees and our Code of Conduct for Manufacturers and Suppliers with all our business partners across our value chain;
- Fulfill our compliance obligations under national and international human rights



legislation;

- Raise awareness among our employees and all our business partners across the value chain regarding human rights and ensure that such awareness is maintained;
- Take into account human rights impact assessments and the risks and opportunities associated with our business relationships when making final decisions on new investments;
- Raise awareness among our employees and all our business partners across the value chain by enhancing their understanding of their duties and responsibilities;
- Provide all our employees with training on the Code of Business Ethics through various communication channels, take corrective measures to ensure compliance, and raise awareness through regular communications and reminders; and
- Provide the necessary tools and environment to ensure freedom of expression in the workplace.

6. Our Principles and Related Practices:

6.1 Diversity, Equity and Inclusion

6.1.1 Right to Collective Bargaining and Freedom of Association

We respect our employees' freedom of association and comply with applicable local legislation and international laws and conventions.

6.1.2 Non-Discrimination and Harassment

- We are committed to creating a work environment free from all forms of workplace mistreatment, including physical or psychological violence, bullying, humiliation, discrimination, and harassment. We do not tolerate any form of abuse, threats, harassment, or bullying and adopt a zero-tolerance approach to any conduct that threatens peace and safety in the workplace.
- In our business relationships, we do not discriminate on the basis of ethnicity, gender, personal preferences, color, race, nationality, economic status, disability, age, religion, or other beliefs.

6.1.3 Gender Equality

- We manage our equitable practices aimed at promoting gender equality across all our business processes in accordance with Koton's Gender Equality Policy.
- We develop our activities and business objectives based on the principles of diversity, equity, and inclusion.
- We recognize the importance of the position of women in the workplace and society and undertake various projects to enable them to participate in their social and professional lives with equal opportunities.



6.2 Remuneration, Working Hours and Employee Benefits

- At Koton, we have a competitive, fair, and equitable remuneration system that takes into account both prevailing market conditions and our Company's current financial position.
- We determine working hours in accordance with statutory requirements and make payments to our employees in compliance with applicable legislation.
- We provide equal opportunities to our employees and job applicants in recruitment, changes in title, promotions, and salary increases.
- We determine organizational changes, promotions, and salary increases for all our employees based on an assessment against predefined objective criteria.

6.3 Anti-Bribery and Anti-Corruption

- In accordance with the Koton Code of Business Ethics, we conduct our activities with a zero-tolerance approach to bribery and corruption.
- Our anti-bribery and anti-corruption rules apply to and are binding on all our stakeholders in all countries in which we operate. We impose the necessary sanctions on those who violate these rules, in line with our zero-tolerance policy and the relevant Company procedures.
- The Koton Code of Business Ethics is our primary reference document for identifying conduct that may constitute bribery or corruption within Koton. Where any inappropriate conduct is identified, we refer the matter to our Legal Department and the Koton Ethics Committee.

6.4 Forced Labor and Child Labor

- We comply with the principles set out in the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work and with applicable labor legislation, and do not permit child labor or forced labor at our headquarters, logistics warehouses, or stores.
- The manufacturers and suppliers with whom we cooperate are required, under our Code of Conduct for Manufacturers and Suppliers, to comply with the restrictions on forced labor and the employment of children and young workers set out in applicable legislation.

6.5 Occupational Health and Safety

- We take occupational health and safety measures to ensure that all our employees work in a healthy and safe environment.
- We require compliance with safety standards and emergency procedures across our operations.



6.6 Violence and Mistreatment

- We establish the necessary mechanisms to prevent our employees and business partners from being subjected to any form of violence or mistreatment and apply a zero-tolerance policy.

6.7 Rights of Indigenous Peoples

- We respect the rights of indigenous peoples in the regions where we operate and adopt fair practices that safeguard their cultural, social, and economic rights.

6.8 Access to Water and Sanitation

- We prioritize the protection and sustainable management of water resources in order to minimize the impact of our operations on water resources and support access to clean water.