



KAT MEKATRONİK **CODE OF CONDUCT**





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KAT MEKATRONİK CODE OF CONDUCT

1.LABOUR

Our values and policies define how we do business. We show responsibility toward our employees and the environment, and comply with laws and regulations. We have established clear guidelines for employee conduct in the areas of labor, business ethics, environment and business partners.

Respect for Human Rights

Respect for human rights is fundamental to the sustainability of The KAT Company. In our Company, we are committed to ensuring that people are treated with dignity and respect. This policy applies to every KAT employee.

KAT has a sensitive approach The Universal Declaration of Human Rights (UDHR) which is a milestone document in the history of human rights. We believe that Respecting and supporting human rights also strengthens a business' relationships with its stakeholders.

Diversity, Equity, Inclusion and Non-Discrimination

We are committed to creating a culture where everyone is treated equally and has the potential to contribute fully, regardless of race, colour, sex, age, nationality, religion, gender identity or expression, marital status, nationality, disability or other protected matter.

KAT has a zero tolerance policy to any discrimination based on an individual's background.

We ensure that all our employees are part of a culture where this policy is supported, fair, equal opportunities and mutual trust in human rights. We respect the human dignity and rights of everyone we come together with because of our work. At KAT Mechatronics, we embrace all aspects of diversity and approach their strategy as a business priority.





Ethical Recruiting

We are committed to creating a culture where everyone is treated equally and has the potential to contribute fully, regardless of race, colour, sex, age, nationality, religion, gender identity or expression, marital status, nationality, disability or other protected matter. We provide fair and equal opportunities to all our employees, candidates, business partners and partners in our operations and around our value chain. We act by being aware of the sphere of influence and responsibilities of each institution in creating a positive impact on society by acting in accordance with human rights.

Women's Rights

In the 'Positive Impact Plan' in KAT Mechatronics, 'Human' is one of our four focus areas. In this framework, we consider the correct planning of their development and career as a business priority, making sure that the competencies and experiences of women are best represented in the company. With the awareness that our steps in this area are meaningful as long as they are concrete and measurable, all of our strategies for attracting talent, hiring, managing, remuneration and benefits are compatible with the following goals in order to provide the appropriate environment for our sustainability goals.

Staff: By 2024, our overall target for female employees is 51%.

50% of the shortlist of candidates for manager and above roles consists of female candidates. If the number of female applicants is small, other diversity criteria are taken into account. We work with all our selection and evaluation business partners in the field of recruitment in accordance with this policy approach.

Rights of minorities and indigenous

No discrimination based on language, race, colour, sex, disability, political opinion, philosophical belief, religion and sect and similar reasons shall be made in the employment relationship.

KAT Mekatronik adopts a zero tolerance approach against all forms of modern slavery and child labor in all processes.

We treat each other and all our stakeholders as we would like to be treated, with respect, embracing diversity.

Whistleblowing and protection against retaliation

KAT Mekatronik attaches great importance to comply with the legislation in force; carries out its activities with the highest ethical standards, honestly; supports the culture of 'open communication' and 'accountability' to prevent unethical or unlawful actions.

For this reason, KAT Mekatronik expects its employees who directly or indirectly witness any unlawful activity or unethical event related to an employee or a Business Partner, who are legally informed about such a situation or who suspect such a situation to voice their concerns and encourages its stakeholders in this direction.

KAT Mekatronik carefully evaluates all Whistleblowers reported to it and aims to investigate the allegations as follows.

In this direction, all investigations are carried out as soon as possible following the receipt of the Notice, taking into account the preliminary evaluation results.

Notice Subjects

Any unlawful or unethical behaviour or activity, including (but not limited to) the following headings, which has occurred in the past, is ongoing at the time of the Whistleblowing or is expected to occur in the future, may be the subject of a Whistleblowing.

- 1.Actions against the Employee
- 2.Actions against the Company
- 3.Violations by Business Partners

Freedom of Association and Collective Bargaining

KAT respects our employees' right to join, form or not to join a labor union. Where employees are represented by a legally recognized union, we are committed to establishing a constructive dialogue with their freely chosen representatives. KAT is committed to bargaining in good faith with such representatives.

Child Labor

The employment of children under the working age, as determined by laws and internationally accepted norms, negatively affects children's physical and psychological

development, leading to the deprivation of their right to education and the abuse of their labor. For this reason, KAT adopt a zero-tolerance policy against child labor.

KAT prohibits child labor in accordance with the child labor principle set out in the "International Labor Organization's Declaration on Fundamental.

Forced Labor And Human Trafficking

KAT does not accept any form of forced labor. We do not allow any individual to work involuntarily or because of threats. KAT is committed to a work environment that is free from human trafficking, slavery and forced labor.



Special Law Violations

During the period the Agreement is in force and after the termination of the Agreement for whatever reason, the Employee shall be entitled to access the Employer's customer list, customer files, information in the Employer's commercial and other books, records and correspondence, and commercial, financial, technical documents and information in the Employer's other files and records, or the Employer's proprietary methods used in various fields, The Employer may not disclose information and documents relating to the way of working, volume of work, projects prepared or being prepared, or matters whose ownership or intellectual rights belong to the Employer without the written consent of the Employer, and may not use or make them available for private activities or for the benefit of other persons, institutions and organisations, whether or not for remuneration.



Work Hours, Overtime, Wages and Benefits

KAT compensates employees competitively relative to the industry and local labor market. We operate in full compliance with applicable wage, work hours, overtime and benefit laws.

Safe and Healthy Workplace

KAT maintains a safe and healthy workplace and complies with applicable safety and health laws, regulations and internal requirements. We are committed to maintaining a productive workplace by minimizing the risk of accidents, injury and exposure to health risks. We are committed to engaging

with our employees to continually improve health and safety in our workplaces. We know that it is a really win-win situation if we can manage a safe-healthy and happy workplace for our employees.

Antitrust and Competition

KAT supports all efforts to promote and protect competition, including the legitimate protection of intellectual property and marketing rights.

KAT employees involved in a tender process must be aware of and comply with the applicable tender law regulations. Transparency must be maintained throughout the procurement cycle by adhering to applicable formal procedures and providing the governmental decision-makers with correct, transparent and non-discriminatory data.

Conflict Mineral

KAT inquires about the presence of 3TG minerals in its products with their IMDS inputs; in case 3TG minerals are present in their products, it investigates the source of these minerals. KAT guaranteed that, throughout the supply chain, the resources from which these minerals are supplied, are obtained in a way that does not directly or indirectly provide financing or benefit to armed groups committed to serious human rights offenses in the Democratic Republic of Congo and surrounding areas.

Asking questions, raising concerns and speaking up

Everyone at KAT Mekatronik has a responsibility to report and raise concerns when they experience or witness misconduct. We take reports of wrongdoing very seriously and have a clear anti-retaliation policy. If you have any questions or are concerned about something that seems to conflict with laws, regulations, our Code or company policies, you have several options under the KAT Mekatronik Corporate Communications procedure: Start with your manager as a first step. Be as specific and detailed as possible so that they can understand your questions or concerns. If you have raised your concern with your manager but are not satisfied with the outcome, you can also contact a Human Resources officer, including the HR Manager. You can also send an e-mail to ik@katmekatronik.com.tr. For more information about corporate communication tools at KAT Mekatronik, please review our KAT Mekatronik Corporate Communication Procedure.

Our Non-retaliation Policy

Retaliation in any form in response to a report is absolutely unacceptable and undermines KAT Mekatronik's purpose. Moreover, it is often illegal and exposes KAT Mekatronik to liability. If you or someone you know has experienced retaliation as a result of reporting a violation of the Code or for participating in an investigation, contact any of the teams mentioned in this section of the Code. For more information about reporting at KAT Mekatronik, please review our Reporting Concerns and Anti-Retaliation Policy.



Compatibility

Violating relevant laws, regulations, the Code or company policies, or encouraging others to do so, may expose you to personal risk (including, in some cases, criminal exposure and personal liability). In addition, it also exposes KAT Mekatronik to potential liability and puts our reputation at risk. Violations will result in disciplinary action up to and including termination of employment. In addition, some actions may result in legal action. You should consult your HR person for any local policies regarding discipline and matters subject to investigation. Employees may also be subject to disciplinary action for conduct outside of work, including online activities that damage our reputation (this may include discriminatory statements regarding someone's protected status, such as race, gender, ethnicity, national origin, religion, sexual orientation or other protected characteristics) or because of our concern for employee well-being.

2. BUSINESS ETHICS

Bribery and Corruption

KAT does not tolerate bribery, corruption or extortion in any form. All employees are not permitted to offer, pay, solicit or accept bribes.

Fair Business and Competition

We conduct business in accordance with standards of fair business and competition laws.

Data Security

Confidentiality and information security is one of our key principle. KAT employees don't pass any information identified or identifiable as confidential to the company, customers, employees, vendors, or partners unless a written nondisclosure agreement has first been entered. We carry out our processes in accordance with the ISO 27001 Information Security Management System.

Conflict Of Interest

Conflict interest occurs when an employee's personal interests are or can appear to be in conflict with the KAT's interest and affect the employee's ability to make objective decisions for KAT. There can be many different ways in which conflicts of interest can occur. Situations that might create a conflict should be disclosed to the line manager. Once disclosed the situation can be addressed together. Examples when a conflict of interest may occur:

- Secondary jobs and affiliations with competitors, customers or suppliers.
- Having an intimate relationship with another employee who can influence decisions such as salary, performance rating or promotion.

Animal Welfare

KAT respects animal welfare and work progressively towards adopting healthy and humane practices towards animals, based on the best available technology and standards.

Export Control and Economic Sanctions

We have a policy that in the event of restrictions on commercial relations between organizations or countries, our business or our employees will not engage in any prohibited activities.

The relevant restrictions and prohibitions are followed by our customs brokerage firm and circulars published in the official journal.

The relevant directives are shared by Supply Chain with all relevant units of KAT via e-mail.

Counterfeit Parts

KAT develops and implements appropriate and effective methods and processes to minimize the risk of delivery of counterfeit parts and materials. Effective processes are in place to detect, report, and quarantine counterfeit parts and materials and to prevent such parts from re-entering the supply chain. In the event of the detection of counterfeit parts and/or materials or suspicion thereof, KAT immediately requests information from its suppliers.





Confidential information and intellectual property

Our standard

The unauthorized release of confidential information can cause us to lose a critical competitive advantage, cause reputational harm to KAT and damage our relationships with customers and others. Each of us must be vigilant and safeguard our confidential information as well as confidential information that is entrusted to us by others.

- Confidential information can include, but is not limited to, intellectual property, financial information, content, customer lists, internal emails, executive schedules, business decisions and so on.
- We respect all patents, trademarks, copyrights, proprietary information, and trade secrets, as well as the confidentiality of anyone with whom we do business. Unauthorized uses can cause loss of revenue, remediation costs, and damage to our reputation.
- Never discuss confidential information when others might be able to overhear what is being said, for example on planes or in elevators or when using mobile phones, and be careful not to send confidential information to unattended printers.
- Immediately report the loss of any misplaced confidential information.

Our responsibilities

Do

- Use and disclose information only for legitimate business purposes.
- Properly label confidential information to indicate how it should be handled, distributed, and destroyed.
- Protect intellectual property and confidential information by sharing it only with authorized parties in a secure way.
- Promptly report any suspected counterfeit or infringing use of KAT intellectual property.
- Obtain and adhere to the terms of permissions and licenses required for the use of intellectual property of others, ensuring uses match terms throughout the product life cycle.
- Observe company “clean desk” guidelines no matter where you may be working.

3. ENVIRONMENT

We are committed to protecting the environment and respecting the communities in which we operate. The ISO 14001 Environment Management System (EMS) provides the organizational framework for this. We are committed to measure and reduce our environmental impact, usage of natural resources and pollution.

To reach this objective;

- We are committed to continuous improvement of our environmental impact the help of our environment management system.
- We comply with all applicable environmental legislation and procedures.
- We are dedicated to factoring energy efficiency into new facility and equipment; and improving water and energy use from our newly designed smart manufacturing facility.
- We implement waste management strategies that promote waste minimization from the source, re-use, recovery and recycling where appropriate.
- We continuously measure our emissions and take actions in accordance with regulations.
- We are committed to creating awareness about the protection of our environment and providing educational activities to our employees, suppliers and subcontractors.

Chemical Management

We care about the safe process chemical management, use, transportation, storage, and disposal of chemicals in our entire supply chain to reduce the impact of our production processes on the environment and people as much as possible. Materials and chemicals comply with Reach ROHS directives. We expect our suppliers to understand the global regulations and directives and approve the contract of which they are a part.

Restrictions of Substances and Materials

KAT adheres to all Applicable Laws, regulations regarding restrictions and prohibitions of specific substances in products and manufacturing including those related to labeling and disposal.

As required by Applicable Law, our Suppliers provide to KAT information or reports of the composition of all substances or materials supplied to KAT, plus any other relevant information, in the International Material Data System ("IMDS") or other designated method, and Suppliers shall promptly communicate any changes into IMDS.





Renewable Energy

Within the scope of the Energy Management System (ISO 50001), studies are carried out on many issues such as energy efficiency incentive mechanisms, new technology ideas and applications, and energy efficiency applied in our factories.

In our new factory building, which is planned to be built in the near future, we foresee that 15% of energy consumption will be provided from renewable energy.

GHG Emissions Reporting

KAT Mekatronik calculates and validate the Greenhouse Gas (Scope 1-2-3) emissions sourced by its facilities by using IPCC-2006 and in accordance with ISO 14064-1 GHG Standard.

In this scope, we aim to invest more in energy efficiency projects and use low-GWP refrigerants in production to reduce our greenhouse gas emissions.

Waste Management

The near-zero waste concept aims to reduce, reuse, and recycle waste at its source, and minimize all waste where landfill and incineration without energy are applied. This minimizes any possible negative effects of waste discharged to the soil, water, and air that can negatively affect the environment. We use our resources more efficiently in order to reach our zero waste target. We aim to prevent and reduce wastes arising from our activities and to increase the efficiency of separating wastes at source. Also we have zero-waste certificate.

Land, Forest, Water Rights and Forced Eviction

KAT commit to the avoidance of forced eviction and the deprivation of land, forests and waters in the acquisition, development or other use of land, forests and waters.

KAT is required to avoid forced evictions as well as the deprivation of land, forests and waters when acquiring, developing or otherwise using land, forests and waters. It is expected that all relevant national and international legal and regulatory requirements in this regard are complied with and implemented.

Soil Quality

KAT determines the condition of the soil in their area of responsibility and establish measures to maintain and improve soil quality.

Biodiversity, land use and deforestation

KAT and its suppliers have a responsibility to protect ecosystems, including important biodiversity areas, in accordance with international biodiversity regulations and to avoid illegal deforestation. It relies on suppliers that actively implement deforestation-free supply chains and achieve tangible results through credible initiatives and local agreements. KAT also recognizes the need to respect land, forest and water rights and to avoid forced evictions.



Noise Emissions

KAT identifies noise emitted to the environment from various sources, which can be grouped as transportation activities, industrial activities and normal daily activities, and takes measures to improve noise emissions.

Where appropriate, Suppliers shall monitor and control the levels of industrial noise to avoid noise pollution.

General emissions from operational activities (air and noise emissions) and greenhouse gas emissions shall be standardized, routinely monitored, verified, and treated as needed prior

to release. The supplier shall also be responsible for monitoring its emission control systems and shall be required to find economical solutions to minimize any emissions.

4. BUSINESS PARTNER

We work with our customers, business partners and suppliers in an honest, respectful and responsible way. We seek to work with others who share our commitments to labor, ethics and environment. We communicate our relevant expectations to our suppliers and business partners, agreeing contractual obligations where applicable. We share our code of conduct with our suppliers and expect them to comply with KAT's code of conduct.

The steps we follow for sustainability supply chain management as Kat Mekatronik:

We share our requirements; we examine whether our sustainability criteria are compatible with the supplier company, taking into account the specific needs of both our company and our sector.

We share the code of conduct; we communicate your sustainability requirements to suppliers in a clear, precise and understandable way, stating our expectations.

We evaluate; we conduct periodic audits to find out how well they meet your requirements.

We create a supplier selection process after the evaluation; while we are positive about cooperating with suppliers that comply with your code of conduct, we also look for ways to transform suppliers with deficiencies towards sustainability at the same time.

We monitor progress; we monitor our suppliers from time to time to stay up to date, to observe whether the initial rigor is maintained, and to identify real-time opportunities for improvement and potential risks.





LET'S CONTACT US

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You can send your comments by scanning the
qr code through our suggestion system.

