

KARSAN OTOMOTİV SANAYİİ VE TİCARET A.Ş. ETHICAL RULES

KARSAN, in continuance of its activities, has a principle to act within the frame of ethical rules to its shareholders, to the environment and the society that it is in; to the people and the entities they are in business relations.

The acknowledgement of the ethical rules by all employees and to procure the necessary importance is among the duties and responsibilities of all employees taking over the management role and particularly the Human Relations Directorate of KARSAN. All employees of KARSAN, including the Board of Directors, Audit Committee and high level executives are obliged to comply with the Ethical Rules.

ETHICAL RULES REGARDING THE ACTIVITY

- 1- KARSAN carries out its activities pursuant to the laws in force and relevant legislation, articles of association, internal regulations and established policies.
- 2- Disclosures to public regarding the subjects related to KARSAN are made timely and regularly.
- 3- KARSAN considers employees' complaints, proposals, opinions as corporate culture.
- 4- KARSAN makes no discrimination among its employees with respect to their race, ethnicity, nationality, religion, language and gender.
- 5- KARSAN provides equal opportunities to its employees at equal positions, takes performance and productivity as basis for salaries and promotions, and respects open door policy.
- 6- KARSAN provides a safe and healthy work environment to its employees at the workplace and provides opportunities for career development.
- 7- KARSAN takes precautions to protect the employees against physical, psychological and emotional assaults.

ETHICAL RULES REGARDING THE EMPLOYEES

- 1- All employees are obliged to perform their assigned duties in mutual harmony and cooperation, with necessary attention and diligence, on time and productively, by protecting KARSAN's interests, and are obliged to avoid all kinds of behaviors and actions that might give harm to KARSAN.
- 2- Employees behave in accordance with KARSAN's reputation in their private lives, as they do in their relationships with colleagues, customers and suppliers. For this reason, they avoid behaviors that might harm KARSAN's good reputation.
- 3- Employees avoid statements, groundless denouncements and complaints that might affect their colleagues' pride, honor and dignity.
- 4- Employees comply with the oral and written instructions of their superiors so long as such instructions do not constitute crime under the laws. However, the employee who thinks that the instruction is against the law, explains his/her opinion to the superior who has given the instruction. In case there is no change in the instruction, the employee is obliged to notify the situation to the higher superior.

- 5- Employees may not be late to work unless they have a valid excuse, and may not leave duty without permission, or may not involve in other works during the office hours.
- 6- Employees show maximum diligence and attention to maintain information, file and document belonging to KARSAN.
- 7- Employees show maximum diligence in relation to company expenses, and acts with the sense of savings and costs.
- 8- Board of directors' members and employees of KARSAN may not share confidential and non public information with third persons and may not use this information for their or others' benefit.
- 9- Employees may only make statements to written and visual media and press, comment, publish a letter, or attend conferences as a speaker upon obtaining the approval of the relevant higher management.
- 10- Employees struggle with all types of fraud including bribery.
- 11- Board of directors' members and employees of KARSAN do not give in to the pressures or accept financial advantages that might have results to the detriment of KARSAN.
- 12- Employees shall not ignore the situations which are against the benefits of KARSAN and shall notify the relevant sections.

ETHICAL RULES REGARDING THE ENVIRONMENT AND THE SOCIETY THAT WE ARE IN:

- 1- KARSAN ensures that environment friendly technologies are used whilst continuing their activities.
- 2- KARSAN adopts preventive approach in situations that there is a possibility of harming the environment.
- 3- KARSAN supports the requests within the frame of Corporate Social Responsibility by making cost/benefit analysis and considering the benefits to the environment and society.
- 4- KARSAN cares and abides by the rules in relation with the protection of the environment and the natural life, consumer rights and public health.

ETHICAL RULES IN RELATIONS WITH THE SHAREHOLDERS

- 1- KARSAN has the principle to act to its shareholders within the scope of equality, transparency, accountability and responsibility which forms the basis of the Corporate Governance Principles.
- 2- KARSAN treats all of its shareholders equally and with respect and avoids discrimination.
- 3- KARSAN does not attempt to prevent shareholders and benefit holders to obtain information about the company.
- 4- KARSAN procures that its resources are used as efficient as possible within scope of financial discipline concepts.

ETHICAL RULES IN RELATIONS WITH CUSTOMERS AND SUPPLIERS

- 1- Honesty, trust, consistency, professionalism, independency, long term relationship and mutual benefit principles are respected in all types of relationships,
- 2- KARSAN takes necessary precautions to ensure customer satisfaction in marketing and sale of its products.
- 3- KARSAN complies with the promises and agreements regarding the products that it supplies to the customers.
- 4- KARSAN makes production in accordance with the international quality standards and provides a certain guarantee with respect to the quality.
- 5- KARSAN respects the confidentiality of the information of its customers and suppliers within the scope confidentiality of commercial secrets.
- 6- Behaviors against competition are avoided, competitor products are not dispraised, and no deceptive advertisements are made.