

KLİMASAN SUPPLIER CODE OF CONDUCT PRINCIPLES

Document No:	KEYS-POL-04
First Release Date:	15.12.2021
Revision Date:	20.10.2022
Revision No:	2
Page Number:	1/7

PURPOSE

Klimasan undeniably cares about the contributions of its suppliers, which are its biggest business partners, in its success and fulfilling its responsibilities to its stakeholders. Therefore, the efficiency of the supply chain is very valuable for the sustainability of responsible products and services. In this context, a common language of behavior has been established with its business partners within the scope of “ethical, honest and fair business” and “sustainable activity”, which Klimasan adopts as its basic principles.

This Code of Conduct Document defines the principles that Klimasan expects its suppliers to follow throughout their business association. Klimasan Supplier Code of Conduct Document sets out the minimum standards that Klimasan expects its suppliers to meet. The specified attitudes and behaviors in that document constitute the inseparable basic principles of Klimasan's way of doing business throughout its value chain.

APPLICATION OF THE RULES

By signing a contract with Klimasan, the suppliers of Klimasan undertake to act in accordance with the principles described in this document. The expected compliance here covers all countries, facilities and operations in which they operate and Klimasan also recommends integration into their own supply chains.

Klimasan has the right to periodically request information and documents from its suppliers and to conduct on-site or remote audits in order to confirm whether its suppliers comply with the Supplier Code of Conduct.

Klimasan; in case a violation of the Code of Conduct is detected, it has the right to terminate the business relationship with the supplier unilaterally or to request the implementation of a corrective / remedial action plan to eliminate the violation, and to perform complementary audits for the actions envisaged in the said action plan.

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1- BUSINESS ETHICS

1.1. Anti-Bribery and Anti-Corruption

Klimasan, in every field in which it carries out operational and commercial activities in the line with regulations, it defines bribery and corruption as a crime. Klimasan expect from its suppliers during their cooperation that; It stipulates that they should not offer or ask financial/metarial advantages such as money, gifts, credits, commissions; regardless of the condition, to Klimasan employees, government officials, business partners or representatives in order to obtain a contract, job gain or a different preferential treatment. All forms of bribery, corruption, facilitating payment and money laundering tolerance is not displayed. In addition, Klimasan expects all its suppliers to keep records of all payments made and to establish the necessary control-approval mechanisms within the company.

1.2. Fair Competition

While continuing its commercial activities, Klimasan exists in the sector with its competitors under free and fair conditions and acts with the awareness that the main purpose is customer satisfaction. While conducting its business activities in accordance with internationally accepted antitrust, competition and commercial practice laws; It expects its suppliers to act with the same understanding, to compete fairly with the their competitors, and to conduct their supplier selection processes fairly.

As Klimasan is against all practices that will prevent fair competition conditions such as price fixing, market and customer allocation, boycott, refusal to do business, illegal exclusivity agreements and monopolization, Klimasan suppliers are strictly prohibited from engaging in all these practices that will limit the free competition environment. Klimasan suppliers behave fairly in competition and comply with the applicable legal provisions protecting free competition.

1.3. Compliance with Laws and Trade Regulations

In all its commercial and operational processes, Klimasan complies with national and international commercial regulations and the applicable legal requirements of the country in which it operates. Klimasan suppliers are responsible for knowing, following and complying with the national and international laws, regulations and other official regulations regarding themselves and their activities and for fully complying with the contract requirements signed with Klimasan. Suppliers must comply with all applicable trade,

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export and import regulations and comply with applicable sanctions and embargoes in all their activities, under laws and regulations.

1.4. Prevention of Conflicts of Interest

Klimasan expects its suppliers to avoid any situation that may affect the business relationship and be characterized as a conflict of interest, and to make the necessary explanations in case of a possible situation. Klimasan employees are obliged to protect the best interests of Klimasan in their actions, therefore, none of Klimasan employees act against these obligations and / or engage in economic and / or other relationships with suppliers that may cause a conflict of interest. Likewise, it is strictly forbidden for suppliers and/or employees to exert pressure on Klimasan, make demands and/or offers, or influence their business decisions, by using their personal relations with Klimasan employees and/or any 3rd party representing Klimasan, except for the business relationship.

1.5. Protection of Personal Data and Information Security

As required by its ISO 27001 Information Security Management System, Klimasan maintains high standards of information security and protection throughout the enterprise. Klimasan all business relationships with suppliers, due to the transmission of personal data or information that is shared with them in accordance with the legal regulations governing the collection, processing and storage, and take the necessary security measures to definitely any individual or institution not to share with third-party, to any third party who is involved in the process when it comes to klimasan expects to apply for approval. It is necessary to establish a business partnership in accordance with the principles and procedures stipulated in all applicable data privacy legislation. Suppliers are obliged to accept and undertake certain contractual obligations regarding the subject in the contracts to be made in order to guarantee the protection of personal data. In addition, suppliers should deploy information security systems such as internal authorization, roles and rights management, antivirus protection and encryption to access data shared with them. Klimasan's sensitive commercial information and trade secrets must be closely monitored and protected.

1.6. Accuracy of Registration and Information

Klimasan attaches importance to accurate and transparent information sharing in communication with its stakeholders, therefore, Klimasan makes it a priority to prepare all kinds of data and records, including, but not limited to, all kinds of reports, statements, presentations, financial statements and footnotes to be

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presented to the public, relevant stakeholders and authorized authorities, accurately, completely and transparently. For this purpose, software and systems are put into operation. Klimasan expects its suppliers to keep records by adhering to the same principles. It is essential for Klimasan business partners to keep the records they declare in an accurate, complete and honest manner, to protect their mutual reputation and reliability, as well as to fulfill their obligations under the current legislation for both parties.

2- HUMAN and EMPLOYEE RIGHTS

2.1. Human Rights

Klimasan takes the fundamental duty of protecting the rights and freedoms of its employees, whom it sees as its most valuable stakeholders, and of all human factors with which it interacts directly or indirectly, and shaping its business practices accordingly. As a Signatory and Supporter of the United Nations Global Compact, all of Klimasan's business partners also adhere to the ten principles of the United Nations Global Compact, the United Nations Universal Declaration of Human Rights and the International Labor Organization (ILO) Basic Principles in Working Life. and the relevant sections of the Bill of Rights, in the Labor Law of the country in which they operate in, it is essential that they comply with the articles and support internationally proclaimed human rights.

2.2. Equal Opportunity and Respect for Diversity

Klimasan aims to create a working culture that respects and values diversity in the workplace and throughout the entire value chain. The business partnership also offers equal opportunities in the selection and employment processes and does not see any difference as a discrimination criterion. Therefore, it requires its suppliers not to tolerate discrimination against their employees and business partners, regardless of religion, language, race, ethnicity, gender, age, nationality, social origin, disability or sexual orientation. It expects them to integrate this approach into their recruitment policies and practices and to offer equal opportunities and conditions to all their stakeholders.

2.3. Prevention of Harassment and Violence

Klimasan does not tolerate any form of harassment and violence, and provides a working environment that provides freedom of expression and behavior for all its employees. Klimasan suppliers should also take all necessary measures to prevent all kinds of harassment and violence, such as sexual and/or verbal abuse, sexual and/or verbal disturbing, corporal punishment, psychological or physical pressure, mobbing,

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and to provide their employees and business partners a working environment which is free from harassment and violence.

2.4. Prevention of Child Labor and Forced Labor

Klimasan only employs people who have reached the relevant age in accordance with the current national legislation and are willing and able to work without any coercion. Klimasan suppliers must also respect children's rights and prohibit forced or compulsory labor. Human rights, including, but not limited to, unacceptable treatment such as forced or compulsory labor, under the age limit deemed appropriate by the Labor Law, unregistered employment, debt bondage, abuse/abuse, corporal punishment, all forms of modern slavery and human trafficking, it is essential to implement an employment policy that is free from all unconstitutional work practices. It is forbidden to employ people under the legally established minimum age in the country where the business is conducted, and to employ children under the age of 15 under any circumstances.

2.5. Legal Working Conditions

Klimasan aims to provide all its employees with a fair, safe and inclusive working environment in compliance with legal frameworks and to act respectfully to universal human rights. It is essential that Klimasan suppliers provide working conditions and rights for their employees in accordance with legal terms and standards. It is strictly forbidden for suppliers to go beyond the working hours and wage policy in accordance with the applicable laws and regulations of the country in which they operate. For companies subject to Turkish Labor Law Pursuant to Article 69 of the Labor Law No. 4857, a maximum of 45 hours of work per week should be applied and at least 1 day of leave should be granted. According to the laws and regulations of each country in which they operate, suppliers should provide at least minimum wage to their employees, while determining their employees' salaries, a fair offer should be made compared to the industry average, sufficient to meet basic needs.

3- EMPLOYEE HEALTH AND SAFETY

Klimasan has the highest level of hygiene and safety standards in order to protect the health of its employees, and for this purpose, it applies all the requirements of the ISO 45001 Occupational Health and Safety Management System Standard. With the awareness that occupational health and safety is of critical importance for the continuity of corporate activities and the recognition of the fundamental rights of its employees, it is essential for Klimasan suppliers to protect the health and safety of their employees within

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the framework of national and/or international legal specifications and standards. For this purpose, it is recommended that suppliers have an internationally accepted standard (such as OHSAS 18001, ISO 45001) in addition to providing their employees with hygienic, safe, healthy working conditions and the necessary PPE equipment.

4- ENVIRONMENTAL COMPLIANCE

Klimasan attaches great importance to the protection of the environment, strives to minimize the effects of its production processes and products on the environment, in this context, acts in accordance with national laws and regulations and applies all the requirements of the ISO 14001 Environmental Management System Standard. It is essential for Klimasan suppliers to comply with the environmental laws and regulations of the countries in which they operate, in order to ensure environmental sustainability in the supply chain. For this purpose, it is recommended that suppliers provide the necessary documents and/or certificates showing their environmental compliance and have an internationally accepted standard (such as ISO 14001). In addition, they need to establish an effective waste management system to prevent pollution and take the necessary measures to minimize carbon emissions from their activities.

5- QUALITY PRODUCT and SERVICE

Klimasan considers the quality of its products and services, and therefore customer satisfaction, as its most important value and target. Combining the quality of the products it produces with the added value of the products it supplies, Klimasan also seeks the basis of quality products and services in its suppliers. Klimasan, which has been implementing the ISO 9001 Quality Management System and its requirements at every stage of the organization for many years, expects its suppliers to hold the ISO 9001 Quality Management System Certificate and to ensure the management of not only the product but also all processes with the philosophy of Total Quality Management. Klimasan defines its vision of providing quality products and services as a business ethic, and wants to advance in the same vision with all its suppliers.

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KLİMASAN SUPPLIER CODE OF CONDUCT RECOGNITION FORM

We declare and undertake that; we have read and understood Klimasan Supplier Code of Conduct Document, we will comply with the stated rules of conduct in accordance with the legal legislation of the Republic of Turkey and that we accept the sanctions related to these issues.

Company/Institution Name:

Company/Institution Official Name and Surname:

Company Officer Duties:

History :

Signature :

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