

1. OBJECT:

To identify the rights and obligations of the employees working under a fixed-term/indefinite-term employment contract and for a monthly/hourly wage at OLGUN ÇELİK SANAYİ VE TİCARET A.Ş. under the relevant laws and regulations and clarify the practices thereof and create an efficient enterprise by an effective human resources management.

2. SCOPE:

This procedure covers all employees working for a monthly/hourly wage under a fixed-term employment contract and under an indefinite-term employment contract at OLGUN ÇELİK SANAYİ VE TİCARET A.Ş.

3. DEFINITIONS AND ABBREVIATIONS:

As contained in this procedure, the following terms shall have the meaning assigned to them below:

OLGUNÇELİK SANAYİ A.Ş.	: Company
Employees covered by this procedure	: Employees
Employees working for a monthly wage	: Employees working under fixed-term/indefinite term employment contract
Employees working for an hourly wage	: Employees working for an hourly wage under a fixed-term/indefinite-term employment contract
Labor Code	: Labor Code No. 4857
Executive	: Staff members employed in such positions as Leader
Organization and Job Description Document	: Overall Organizational Structure and Job Description document of Olgun Çelik Sanayi ve Ticaret A.Ş.

4. BASIC PRINCIPLES:

Principles, as stated in the Human Resources Procedure of Olgun Çelik Sanayi ve Ticaret A.Ş., are implemented in accordance with the rules identified as per the Organization and Job Description Document, relevant regulations, Labor Code, and other relevant laws by the Board of Directors and the top management.

The basic principle of this procedure is the identification and implementation of the rights and obligations of the Employees pursuant to the legal regulations in accordance with the rights and interests of the Company.

It is an indispensable principle that all Employees must adopt and apply the mission, vision, and core values of the Company.

5. POWERS AND RESPONSIBILITIES:

Olgun Çelik Leader is personally and primarily responsible for the implementation of this procedure towards the Board of Directors.

Employees of the Human Resources Department are responsible for the implementation of this procedure.

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Human Resources Leader

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6. OUR HUMAN RESOURCES POLICY

Human resources management is adopted in the standards of International ILO Conventions (Forced Labor / Freedom of Association and Protection of the Right to Organize / Right to Organize and Collective Bargaining / Prohibition of Forced Labor / Discrimination (Employment and Occupation) / Minimum Age / Worst Forms of Child Labour) that it is a company that it wants to work for and that it is proud to work with and that all trusts.

There is no discrimination of language, religion, gender, and race in such processes as recruitment, training, compensation management, promotion, reassignment.

Human Resources identifies and carries out any activities necessary for the Company's Employees to have proper learning, skills, and experience and to ensure the continuity thereof. It is the duty of each and every Executive to train, motivate and ensure the professional development of the Employees.

Care is taken for the equality of opportunity in any promotions and appointments within the organization and any appointments to be made to executive positions are tried to be made from among the staff members in the Company within the bounds of possibility.

Executives conduct impartially and fairly in the selection, placement, and training of the Employees.

There are job descriptions for each and every position at each level in the Company.

Job descriptions are available for each position in the company.

Employees are provided with any and all equipment and materials as well as training for the protection of occupational health and safety by the Company.

All practices are implemented pursuant to the Labor Code and Collective Bargaining Agreement relevant laws, and regulations in effect.

SECTION I

HUMAN RESOURCES MANAGEMENT AND CODES OF PRACTICE

1.1 POSITIONS

Positions and number of the Employees are reviewed along with the budgeting studies every year and the budget as approved by the Board of Directors is applied as permanent positions.

1.2 EMPLOYMENT OF EMPLOYEES

A. GENERAL

Process stages as described in the "Recruitment Procedure" are followed in recruiting employees to the Company. It is adopted as a principle to provide equal opportunities to any people in equal conditions in recruiting.

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The purpose is to provide the most competent manpower possible in terms of competence, experience, and training in the Company.

Any Employees to be assigned with positions in the Company must turn their 18 years of age. Intern students are paid the amount specified in the Vocational Education Law No. 6899.

B. APPLICATION MANAGEMENT

All applications made to the posted advertisements are answered as "Application Received". Candidates interviewed are informed about the status of their application after the position is closed.

All interviewed candidates are recorded in the system with their brief information. The hardcopy forms filled by the candidates are destroyed at the end of the 2-year period.

C. PROCEDURES ON RECRUITMENT

Job application form; Anyone who wants to work in the company and can be accepted for a job fills the "job request form" or submits a resume stating their qualifications and experience to Human Resources. These forms and resumes are in the nature of an application and do not mean that the person has been accepted to the job.

The wages paid to the institutions and companies that cooperate to provide employment are not deducted from the wages of the employee in any way.

1. DOCUMENTS TO BE REQUIRED IN RECRUITMENT

Any employees recruited must complete the following documents:

Certificate of Residence (to be issued by the headman of the relevant quarter)
Photocopy of Identity Card (2 copies)
Blood Type Card
Certificate of Good Conduct (to be issued by the Public Prosecutor's Office)
Photocopy of Diploma (original copy must be seen)
List of Services under Social Security
Photocopy of Marriage Certificate
Photocopies of the Identity Cards of Children
6 Photographs
Certificate of Military Service
Account Number with the Bank with Which the Company Works
Medical Report

Employee identification, passport, work permit, immigration, bank passbook, etc. The originals of any of the documents are not kept in the workplace.

2. EXECUTION OF EMPLOYMENT CONTRACT

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An employment contract is drawn up for all employees who are recruited. Once the employment contract has been signed by the Employee, the Human Resources Leader, and Olgun Çelik Leader, a copy thereof is delivered to the Employee. A copy thereof is kept in the Employee's personal file.

3. ORIENTATION

An orientation program is drawn up for each and every Employee who is recruited. Planning of the Employee's orientation training is made by the Human Resources Department and the training is carried out by the relevant departments.

It is intended to provide the recently recruited Employee to be provided with any preliminary information so that he/she may get accustomed to the working conditions and the job as soon as possible.

Further, on-the-job training is prepared and implemented by the department under which the Employee shall work following the orientation program.

D. TRIAL PERIOD

The trial period for any recently recruited Employee is two months. The immediate manager supervises the work of the Employee during the trial period. Each department is obligated to complete the Assessment Form delivered by the Human resources Department and give their opinion about the Employee at the expiration of the trial period.

E. EMPLOYEE'S QUITTING THE JOB

1. TERMINATION OF THE EMPLOYMENT CONTRACT

The Company and the Employee may terminate an indefinite-term employment contract by complying with the notice period as stipulated by article 17 of the Labor Code.

Notice period: Period elapsing between the recruitment date and the termination request date is

2 weeks for those who have attended the job for less than six months;

4 weeks for those who have attended the job between six months and one year and a half;

6 weeks for those who have attended the job between one year and a half and three years;

8 weeks for those who have attended the job for more than three years.

Parties may terminate an indefinite-term employment contract by paying the amount for the notice period in advance. Right of termination is exercised pursuant to the conditions as provided in articles 18 and 19 of the Labor Code (if such conditions exist) in both the application of the notice period and payment of the amount for the notice period.

2. TERMINATION FOR GOOD CAUSE

Employee and the Company may terminate the employment contract based on the good causes as provided in articles 24 and 25 of the Labor Code respectively without waiting for the expiration of the notice period or prior to the fixed term of the employment contract.

3. INDIVIDUAL DISMISSAL AND COLLECTIVE REDUNDANCY

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The company may choose individual dismissals and collective redundancies under the relevant laws and regulations.

4. SEVERANCE PAY

The company pays an Employee a severance pay in cases of the termination of the employment contract as stipulated in this present article as per the provisions of the temporary article 6 of the Labor Code No. 4857 which ensures the continuation of article 14 regulating the Severance Pay of the Labor Code No. 1475.

Provided that the legal upper limit as determined for severance pay is not to be exceeded, any Employee is paid compensation at an amount equal to his/her 30 days' wage for each full-year service period. Payment is made at the same rate for any period exceeding one year. In case any modifications are made in the regulations concerning severance pay, action is taken pursuant to the new regulation.

1.3 FREEDOM OF ASSOCIATION AND THE RIGHT TO COLLECTIVE AGREEMENT

All employees can freely establish their own organizations and/or secure their rights by joining existing organizations without obtaining permission.

Employees who are union members are obliged to comply with the rules and conditions determined in the Collective Bargaining Agreement with the labor union.

1.4 EMPLOYEE TRAINING

Training is scheduled on annual basis in order to provide the working individuals with any information, skills, and attitudes related to their positions.

Process related to training is described in the training procedure.

SECTION II

WORKING PRINCIPLES AND ARRANGEMENT OF WORKING HOURS

2.1 GENERAL PRINCIPLES

In general, the working period is a maximum of 45 (forty-five) hours per week. Unless it has been decided otherwise, such period is applied by equally dividing it into the worked days of the week at the workplaces.

The weekly normal working period may be distributed in a different manner over the worked days of the week at workplaces provided that it shall not exceed eleven hours per day. In this case, the average working period of an Employee may not exceed the normal weekly working period during a period of two months. The equalization period may be increased up to four months through collective labor contracts.

Company's daily work start and finish times may be changed in consideration of the seasonal characteristics, travel difficulties, manners, and customs and whether or not the workplace works in shifts upon the proposal of the Production Department, affirmative opinion of the Human Resources Department and approval of the Olgun Çelik Leader provided that such change is in compliance with the Labor Code.

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Such decisions and practices as to the fact that the weekly working period is applied less than 45 days per week and that such period is divided into days are of temporary nature and shall not provide the Employees with any vested rights. The company may cause compensatory work to be performed in cases where it deems necessary under the Labor Code. Provisions of the Labor Code are applicable to any Compensatory Work. Shifts are changed once a week. Shift hours are 7:30 AM-3:30 PM; 3:30-11:30 PM and 11:30 PM-7:30 AM. Administrative staff members work from 8:00 AM to 5:30 PM. Employees are allowed 7.5 hours per week and are paid for this time.

For administrative staff, working hours on Fridays between 01.06.2024-30.09.2024 are 08:00-15:00 as daylight saving time.

2.2 REST BREAK

Lunch break is 30 minutes. Ten minutes' tea breaks are allowed before and after lunch.

Administrative staff members take such breaks between 10:00 and 10:30 AM / 3:00 and 3:30 PM.

Lunch and tea breaks of the employees assigned with duties in the Production Department are allowed with a shift in time in accordance with the requirements of the work.

Lunch break is not deemed to be included in the working period.

2.3 ENTRIES IN AND DEPARTURES FROM THE WORKPLACE

Employees only enter in and depart from the gates allocated to them at the Company. It is prohibited to enter in or depart from the workplace using any other gates. All Employees must cause their electronic employee barcode cards to be scanned at the work start and finish times. In cases where any Employee shall not be present at the workplace (leave, assignment, excuse, etc.), he/she must deliver their confirmed documents to the Human Resources Department. It is prohibited to go out without delivering such documents and it is the Employee who shall be responsible in case of any adverse circumstances.

2.4 OVERTIME WORK

The company may cause any overtime work to be performed outside of the normal working hours as legally stipulated pursuant to the Labor Code and Overwork and Overtime Work Regulation in cases where it deems necessary. The company may apply any overtime working systems as stipulated by article 41 of the Labor Code.

SECTION III

PRINCIPLES OF WAGING

3.1 GENERAL PRACTICE

Wages are paid on monthly basis in the Company.

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For Employees employed on a monthly wage basis; a gross monthly wage is paid. Each month's payment is deposited to the bank account on the first of the following month.

For Employees employed on hourly wage basis: it is calculated on the working hours really worked. It is payable as per the schedule designated in the Collective Labor Contract (CLC).

3.2 OVERTIME WORK

It is essential that all operations carried out in the Company should be finished by using the time and manpower in the most efficient manner during the normal working hours.

However, in cases where it is compulsory to use overtime work, the overwork times so worked are entered in the "Overtime Work Form" and the form is confirmed by the immediate supervisor and delivered to the Human Resources Department.

3.3 RE-EMPLOYMENT

In cases where, of those who have quitted the Company due to retirement, etc., any people request to be re-employed and such request is deemed proper by the Company management, the wages of such people who shall be re-employed may not exceed the lowest wage level in the same job description group.

SECTION IV

SOCIAL RIGHTS

Those Employees employed on an hourly wage basis benefit from any and all fringe benefits as identified in CLC in the designated schedule.

4.2. SEVERANCE REWARD

Employees who complete the specified seniority year in the company are rewarded with gold and plaques as specified in the table.

5 years Quarter gold
10 years Half gold
15 years Full gold
20 years Full+half gold
25 years 2 Full gold
30 years 2 Full+half gold
35 years 3 Full gold

The employee's last date of employment is taken into account in the calculation of the seniority period.

4.3. LEAVES

- **SEVERANCE START DATE FOR LEAVES**

It is the initial recruitment date of the Company's Employees as covered by this procedure.

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- **START DATE OF THE ENTITLEMENT ANNUAL LEAVE**

An Employee must complete his/her one year of service in the Company in order to be entitled to annual leave. However, an employee who has completed his/her 6 months may use annual leave to be limited to a balance of -9 days.

In case an Employee who uses annual leave even though he/she would not deserve it quits/is dismissed from the job before the date of entitlement, the amount corresponding to his/her leave period is deducted from his/her wage.

- **ANNUAL PAID LEAVE**

Entitlement to annual leave is applied in the following manner as of the start date:

<u>Service Period</u>	<u>Duration of Annual Leave</u>
1-5 years	18 days
5-15 years	22 days
15+ years	26 days

Weekly holidays, national days, and general holidays corresponding to the leave period are not taken into account in the calculation of the days of annual paid leave. Saturdays not worked are deemed to be working days in terms of paid leave.

- **OTHER PAID LEAVES**

1- Leaves for Illness, Pregnancy, etc.

In case an Employee is subject to such circumstances as illness, pregnancy, occupational accident, or occupational disease which require or shall require his/her absence from work, he/she notifies his/her immediate supervisor as soon as possible.

Any Employees who fail to attend the work due to any occupational disease or occupational accident and any Employees who fail to appear at the work for more than two days due to illness, pregnancy, or period of treatment spent at the hospital must deliver their period of absence from work in a written document which they shall obtain from the Social Security Organization to the Human Resources Department before they resume their work.

2- Leaves for Maternity, Marriage, and Death

An Employee is allowed a leave

1. for 7 days in case of marriage;
2. for 5 days in case of his wife's maternity; and
3. for 3 days in case of death (spouse, child, mother, father, mother-in-law, father-in-law, brother/sister)

provided that it is used on the date when the incident occurs, that it is not put off to a later date, and that it is documented.

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Reasons for leave are definitely shown in the leave form.

• MEDICAL REPORTS

CLC terms and conditions are accepted for blue-collared Employees.

In the medical reports belonging to white-collared Employees:

- No deduction is made in wages for the initial two days in the reports obtained within a month. (This rule is not applicable to those Employees who make it a habit.)
- Wages of the first two days are paid in case of reports obtained for two or more days within a month. The difference between the Social Security Organization contributions and base pays for the period above two days is payable by the employer.

SECTION V

USE OF PRIVATE OR PUBLIC SECURITY FORCES

Where we use OlgunCelik's own security personnel to protect our facilities, they are obliged to respect Human Rights and our Equality and Diversity Procedure. If we contract a private security service provider to protect our facilities, appropriate conditions and measures must be in place through the relevant specifications to ensure that security personnel respect internationally recognized human rights in the line of duty.

DOCUMENT REVISION STATUS

REVISION NO.	REVISION DATE	REVISED SECTIONS	MODIFICATIONS MADE
00	02.01.2017		
01	02.04.2018	Leaves Medical Reports	Paragraph 4.2 is added. White-collar employees are added.
02	03.09.2018	Fringe Benefits	Severance rewards and Marriage Support are added.
03	29.11.2018	Fringe Benefits	Severance Reward is revised.
04	01.09.2021	Policy and Employee Recruitment	Labor Code and Recruitment Age are added.
05	01.10.2022	Policy and Employee Recruitment	Policy and Employee Recruitment Internship acceptance added.
06	02.01.2023	All Document	Severance reward , name changes were made.
07	31.05.2023	General Principles	Summer working hours
08	01.03.2025	All Document	Added use of private and public security forces

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