

LOGO BUSINESS SOLUTIONS AND GROUP COMPANIES

DISCIPLINARY CODE

1. INTRODUCTION

The Disciplinary Code is designed to regulate the working procedures in a mutually optimal manner and to protect and improve the work environment, including the employees. Since its establishment, LOGO owes its reputation and reliability to a strong sense of responsibility towards our domestic and international investors, as well as the Turkish public in general. The provisions of this Disciplinary Code are issued in accordance with the Corporate Ethical Code of Conduct adopted by LOGO since the very beginning. These principles represent the ethical conception of our company. The Board of Directors is primarily responsible for determining and enforcing the ethics in our company.

It is of great importance that every employee who joins the LOGO family is committed to these principles. Our corporate approach is in chime with the above, for we believe that the success of our employees equals the success of the company. The professional life hides problems, mistakes and conflicts as well, which can only be prevented with order and discipline. This requires that the employees fulfill their duties and responsibilities in accordance with the provisions of the law and the contract. The Disciplinary Code has been prepared with a two-fold aim; to balance the employer's corporate working principles and the fundamental rights and liberties of the employees by making them compatible with each other.

2. OBJECTIVES OF DISCIPLINARY PROVISIONS

The provisions of the Disciplinary Code shall apply to those, who do not comply with the Labor Law, the occupational health and safety regulations and environmental rules, and those who are in an attitude and behavior contrary to the internal regulations and procedures at the workplace. The primary objective of the disciplinary penalties is to correct the wrong behaviors and actions, to keep the employees in the company by ensuring their commitment. The aim of this code is to provide an objective and impartial application of disciplinary punishments and to protect the employees against arbitrary treatment. Accordingly, the provisions of the Disciplinary Code are presented, while ensuring the right of defense of the employees in terms of reprimand.

3. SCOPE AND SUBJECT OF DISCIPLINARY PROVISIONS

The provisions of LOGO Disciplinary Code apply to all employees who work under the employment contract at the employer's workplace. The subject of the code is to regulate the disciplinary punishments to be applied to the employees and the related methods and procedures.

4. DISCIPLINARY PRINCIPLES

4.1 PRINCIPLE OF PROPORTIONALITY

The principle of proportionality is essential in the implementation of the LOGO Disciplinary Code. Accordingly, penalties shall be imposed on the employees in case of misconduct. Merit, loyalty, disciplinary track record, general manners, remorse for the misconduct are the factors taken into account during the evaluation of the penalty.

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4.2 CONFIDENTIALITY

The inquiry about the employee shall be carried out in line with the principle of confidentiality. The investigators shall remain careful in protecting the employees' privacy. The confidentiality obligation also applies to the employees and the employees are prohibited from disclosing the disciplinary investigation to third parties.

4.3 NON BIS IDEM PRINCIPLE

No disciplinary penalty can be imposed twice on the employee for the same cause of action. However, in the case of repetition of the same misconduct, the disciplinary penalty may be repeated or a higher penalty in the disciplinary penalty scale can be imposed on the employee.

4.4 PRINCIPLE OF EQUALITY

The disciplinary authority shall be exercised according to the principle of equality. The employees cannot be punished based on their gender, family status, ethnicity, race, religion, political view and the like and the employment agreement cannot be terminated upon the aforementioned grounds. However, different disciplinary penalties may be imposed on the employees, who perform the same action, taking into account the roles they played in the action, their titles, authorities and responsibilities, as well as their merit, loyalty, disciplinary track record, overall manners, remorse and magnitude of the loss caused.

4.5 DEFINITIONS AND ABBREVIATIONS

"Employee" shall mean the employees stated in the Article 3 of the Personnel Regulations,

"Employer" or "Company" shall mean the group companies of Logo Business Solutions,

"Employment Contract" shall mean the employment contract executed with the employee individually,

"The manager" shall mean the manager to whom the employee reports according to the job description, department and unit managers, directors, Chief Executive Officer and the members of the Executive Committee.

6. DISCIPLINARY COMMITTEE

6.1 OBJECTIVES AND DUTIES

The Disciplinary Committee was established with the objective of ensuring that the services in the workplace are carried out in accordance with their general objectives and policies, and protecting and supporting the profitability and reputation of the workplace along with the principles of trust, confidentiality and ethics.

The Disciplinary Committee also ensures that the disciplinary penalty to be imposed on the employees is established as an outcome of an objective assessment.

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6.2 AUTHORITY OF DISCIPLINARY COMMITTEE

The Disciplinary Committee is entitled to impose penalties defined in this code by taking deterrent, preventive and corrective measures against the employees in order to ensure that the procedures and responsibilities prescribed by rules and practices governing workplace services and transactions comply with the ethical rules and legal regulations.

6.3 CHAIRPERSON AND MEMBERS OF DISCIPLINARY COMMITTEE

In principle, the Discipline Committee shall consist of five members. However, the Committee may increase the number of its members if deemed necessary for different reasons including cases when the disciplinary action causes loss for the employer, if the action was committed by more than one person, or if it constitutes a crime.

The Committee consists of the following:

- Chairman of the Board
- Chief Executive Officer
- Member of the Executive Committee, Human Resources and Administrative Affairs
- Member of the Executive Committee, Channel Sales and Operations
- Human Resources Manager

6.4 FUNCTIONING OF DISCIPLINARY COMMITTEE

The complaints about disciplinary misconduct of the employees shall be submitted to the Human Resources Department. Following an examination, the Human Resources Department may apply the disciplinary provisions *ex officio*, or submit the case to the Disciplinary Committee according to the nature of the situation.

7. DEFINITIONS AND RESULTS OF DISCIPLINARY PENALTIES

7.1 WRITTEN NOTICE

The notice involves the written notification that the employee should be more cautious, prudent and attentive in her duty and behaviors, which might be harmful to the employer, in case this behavior or negligence has been noticed.

7.2 LETTER OF REPRIMAND

The reprimand is a written notification in case the employee is deemed faulty in the performance of a task, or in her actions or behaviors.

7.3 DISMISSAL

The dismissal refers to the termination of the employment contract without severance pay, due to a misconduct as defined under the provision 25/II of the Labor Law No. 4857.

7.4 RIGHT TO DEFENSE

Before the exercise of disciplinary penalties, the employees shall be informed about their misconduct and be provided with the opportunity to self-defense. The self-defense requested from the employees is accepted as a defense with respect to the provision 19 of

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the Labor Law. The person who does not make a defense within the requested period of time is deemed to have renounced her right to defense.

7.5 RIGHT TO OBJECT

The employees may submit their objection to the Human Resources Department within three working days in case they receive a written notice and/or a letter of reprimand. The Human Resources Department will examine the appeal as soon as possible and pass the matter to the Chief Executive Officer and/or the relevant Executive Committee members. The relevant authorities may approve or cancel the penalty.

7.6 APPROVAL AND RIGHTFUL TERMINATION

If an inquiry has been filed regarding the employee's action and the employee's dismissal has been deemed appropriate, the dismissal shall enter into force upon the approval of the Chief Executive Officer. Where the employment contract will require termination due to justifiable reason, the period of six business days begins with the submission of the investigation report to the Chief Executive Officer. The authority of termination rests with the Chief Executive Officer. This process is carried out according to applicable laws and related regulations.

8. RIGHT TO IMPOSE DISCIPLINARY PENALTY

A written notice can be issued directly by the Human Resources Department or the manager of the employee. A copy of the written notice shall be kept in the personal file of the employee by the Human Resources Department after the notice is given to the employee.

A Letter of Reprimand shall be issued by the Chief Executive Officer and/or the members of the Executive Committee by taking the opinion of the Human Resources Department directly following the notification and evaluation of the relevant department. A copy of the letter is kept in the personal files by Human Resources after the reprimand is notified to the employee.

The Chief Executive Officer is in charge in terms of penalties. The Chief Executive Officer is also authorized to directly apply all the penalties in the Disciplinary Code.

All of the sentences mentioned above can also be imposed by the Disciplinary Committee. The dismissal penalties imposed by the Disciplinary Committee shall be submitted to the Chief Executive Board for approval. The final decision rests with the Chief Executive Officer.

When imposing a disciplinary punishment, personal factors shall be considered such as special conditions of the person, seniority, merit, loyalty, repentance and the likelihood of repetition of the misconduct. Repeated misconduct may result in a higher penalty. The employer's right to terminate is reserved, where the employee's conduct constitutes a valid reason to terminate for the employer.

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9. RIGHTFUL TERMINATION OF THE EMPLOYMENT CONTRACT AND DISCIPLINARY PENALTIES

Rightful termination of the employment contract pursuant to Articles 17 and 18 of the Labor Law does not constitute disciplinary action. It is essential to try to correct the misconduct of the employee with disciplinary punishment before applying the rightful termination pursuant to the last resort principle. However, in case it is not reasonable to expect the employer to issue a written notice according to the principle of fairness due to the concrete features of the act, when it is understood that the employee will not change her behavior despite the notice issued, or when the misconduct is considered as a valid reason for rightful termination rather than an ongoing behavior, the employer may directly terminate the contract.

10. CHANGE OF DUTY OR PLACE OF EMPLOYMENT AND DISCIPLINARY PENALTIES

If there is a relationship between the employee's actions and the working environment, the employee's duty and/or workplace may be changed as an administrative measure. Duties and/or workplace changes are not disciplinary punishments. This can only be resorted to as a "last resort", before rightful termination, if deemed necessary and beneficiary. For example, "failure to work in harmony with colleagues and managers" may be subject to disciplinary action. However, change of duty and/or workplace change can be carried out, if the conflict can be resolved by this way. It is at the employer's discretion to exercise this practice.

11. DISCIPLINARY PENALTY SCALE

The actions subject to disciplinary penalty are classified according to their severity as (1), (2) and (3) in the "Disciplinary Penalty Scale" presented below:

- (1) The action requires a written notice
- (2) The action requires a letter of reprimand
- (3) The action requires rightful termination of the employment contract directly.

Misconduct is subject to disciplinary penalty according to its severity and recurrence.

For example, the act of "fighting or causing a fight at the workplace for any reason, or indignity to colleagues" (second and third degrees) can be punished with a letter of reprimand, as well as rightful termination of the employment contract, depending on factors such as the intensity of the fight, insult or physical interference pursuant to the principle of proportionality mentioned above.

The employer reserves the right to impose a lower level of disciplinary penalty by evaluating the employee's special conditions, seniority, merit, loyalty, remorse, the likelihood of repetition of the behavior, and the harmful consequence of the action.

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Misconduct Subject to Disciplinary Penalty		Corresponding Disciplinary Penalty		
		WRITTEN NOTICE	LETTER OF REPRIMAND (RIGHTFUL TERMINATION RESERVED)	RIGHTFUL TERMINATION (DISMISSAL)
1	To disrupt cooperation or harmonious work, to hinder the work, or to avoid participating in work when it is necessary to work together.	1	2	
2	Not to participate in the required trainings or meetings without excuse, to come late without an excuse, to leave training / meeting place without permission, not to obey training / meeting rules.	1	2	
3	Violating the dress code of the employer.	1	2	
4	To give intentionally a positive or negative opinion in performance evaluations with the capacity of supervisor, or to give more points than deserved	1	2	
5	Failure to participate in planned meetings and training sessions on Occupational Health and Safety and environmental issues.	1	2	
6	Excessive use of electronic mail communication and the Internet outside strict business purposes	1	2	3
7	Not using the provided occupational safety equipment	1	2	3
8	Lack of detailed information on a regular basis about the activities related to the duties of the job and absence of notification about important events concerning customers.	1	2	3
9	Neglecting to wear seat belts, talking on the phone or driving under the influence of alcohol when using a company vehicle.	1	2	3
10	Hiding, delaying or not meeting the case about the complaints, notices or applications, which are submitted to the employee	1	2	3
11	Discriminating against customers and employees by taking into account subjective criteria such as religion, language, race, gender, political thought, proximity, etc.	1	2	3
12	Unreasonable accusations against supervisors, colleagues or customers	1	2	3
13	Social media posts in contradiction to the principle of fairness, contracts or regulations	1	2	3
14	Failure to comply with the Code of Business Ethics, Occupational Health and Safety and environmental regulations	1	2	3
15	Inappropriate use of the work equipment and tools.	1	2	3

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16	Not using personal protective equipment provided.	1	2	3
17	Not participating in emergency training and exercises.	1	2	3
18	Arriving late at work during the working hours without permission and excuse, leaving the workplace early without permission	1	2	3
19	Procrastination of the required work or customer instructions without reason.	1	2	3
20	Indifference, laziness, negligence or irregularity in fulfilling the task.	1	2	3
21	Written, oral expressions, Internet posts, or e-mails on politics, religion, race, gender etc., which are against the impartiality of the company	1	2	3
22	Using and/or setting up equipment which are non-compliant with the legislation or standards regarding the job performed.	1	2	3
23	Using someone else's entry card, not using own card in the workplace, or failure to notify the Administrative Affairs team in case the card was lost	1	2	
24	Lack of courtesy and politeness in behaviors against the managers and other staff at the workplace and during the working hours. Entering into a relationship, which is contrary to professionalism and disruptive for the workflow.		2	3
25	Disclosing personal information with other employees such as the monthly salary, designated password, and not taking precaution about the confidentiality of this information.		2	3
26	Making changes in prices and in specified transaction terms with her authority, at expense of or in favor of the company, without obtaining the necessary approvals.		2	3
27	Unauthorized duplication of the software used by the employer, illegal acquisition, transfer or duplication of data, destruction; alteration, deletion, interruption of processing or improper operation of the system.		2	3
28	Fighting or causing a fight in the workplace for any reason, or humiliating other persons in the company.		2	3
29	Not notifying a corruption coming into her knowledge, doing groundwork for or cooperating in a corruption.		2	3
30	Receiving a gift directly or indirectly from the customer by providing a benefit, buying movable or immovable assets at a price lower than the market value from the customer for own benefit or for the benefit of family members or indicated third parties, seeking various personal benefits or making promises		2	3
31	Borrowing from customers on one's own behalf and/or on behalf of family members		2	3
32	Breach of duty to undermine the employer's reputation and trust		2	3
33	Doing business, establishing an implicit or explicit partnership with suppliers or customers		2	3
34	Issuing false invoice or expense documents or falsifying existing invoice or expense documents		2	3
35	Disclosing the secrets of customers		2	3

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36	Jeopardizing the safety at the workplace intentionally or due to negligence, damaging the workplace or causing a loss exceeding the thirty days wage of the employee			3
37	Theft, fraud and counterfeiting, destroying all kinds of books, documents and records for any purpose, falsifying or having someone falsify the same, organizing and processing false documents			3
38	Making false statements to dishonor or damage the reputation of supervisors or colleagues, or making false charges or complaints to tarnish them			3
39	Misleading the employer at the time of the recruitment by claiming possession of the necessary qualifications or conditions for one of the essential points of the employment contract despite the absence of such qualifications or by giving false information or statements. Misleading the employer by giving false information or submitting false documents in the course of career progress.			3
40	Making statements or conducting in a way harmful to the honor and reputation of the employer or one of her family members, making false charges or complaints dishonoring the employer			3
41	Engaging in unethical behaviors and actions or insulting others in the company			3
42	Sexual or psychological harassment of another employee of the employer			3
43	Bullying the employer or her family members or another employee of the employer			3
44	Engaging in behaviors against integrity and loyalty such as breach of faith of the employer, theft, or disclosing professional secrets of the employer			3
45	Committing a crime in the workplace punishable with seven days imprisonment, which is not suspended			3
46	Violation of the principle of confidentiality by disclosing the secrets of LOGO to printed or visual media and/or to third parties, except in response to legal requests by the authorities.			3
47	Deriving financial and improper personal benefit by means of LOGO facilities in favor of oneself and/or relatives, abuse of authority and instructions			3
48	Direct or indirect involvement in a misconduct which damages or will potentially damage the employer in the future			3
49	Theft, fraud, forgery or committing one of the other disgraceful offences			3
50	Misleading or making unreal statements in inspections and investigations, refraining from testifying without justifiable grounds, obstructing investigations or destroying a document			3
51	Embezzlement and/or using without the consent of the employer the money, properties or assets belonging to LOGO or its suppliers/customers or pledged or entrusted to LOGO			3
52	Working at paid or unpaid jobs within or outside the period of annual leave without the consent of the employer			3
53	Absence from work for two consecutive working days, or two times in a month on the day following any holiday, or three working days in a month without the employer's permission or a justifiable reason			3

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54	Insistence on insubordination by not performing duties despite notices.			3
55	Strike action or slow down of work at the workplace or encouraging other employees to do so; preventing the employees from working, disrupting the peace, and working order of the employer in an ideological and political sense, collective absenteeism for these purposes, encouraging and agitating these activities			3
56	Using alcohol or drugs in the workplace or coming to work under influence			3

12. RIGHT OF LITIGATION

Apart from the penalties imposed in accordance with the provisions of this code, the employer reserves the right to demand from the competent authorities for legal and criminal proceedings against the employee and to bring an action for damage, loss and compensation.

13. SIMILAR ACTIONS AND BEHAVIORS

The fact that the misconduct does not match any of the actions, which require a penalty as defined in the Disciplinary Penalty Scale, does not necessarily mean that such actions and behaviors remain unpunished. The penalty corresponding to the closest or similar misconduct in the Disciplinary Penalties Scale shall apply to the relevant actions and behaviors.