

## Code of Ethics

Our Board of Directors proposes that the Company must show that capital markets are reliable above all else; thus, rules of ethics are extremely important. However, the precedence of the law, thus the need to be an advocate of the law, must come first in the principles.

Moreover, Members of our Board of Directors propose that the Company's general manager, chief financial officer, and Accounting and Finance department managers must do the following:

1. Provide complete, fair, accurate, timely, and clear information in all reports and documents disclosed to the public and submitted to the regulators of capital markets where the Company is registered;
2. Act in compliance with all laws, regulations, and principles to which the Company and its shareholders are bound; and
3. Act according to the letter and spirit of these principles of ethics and strive to establish a corporate culture that sets the foundation for compliance with laws and company policies in all business activities of the Company.

Furthermore, individuals who may be considered insiders must maintain the confidentiality of information included in financial statements not disclosed to the public according to the principles of ethics.

A Member of the Board of Directors may not disclose confidential information or information with trade secret status regarding the Company to the public.

Our employees;

- Are honest, reliable, ethical individuals who care about moral values and who do not compromise these values under any circumstance;
- Perform their responsibilities in company's departments or units in a disciplined, attentive, dedicated and objective manner while abiding by the confidentiality principles for the benefit of the Company;
- Fulfill their responsibilities to the best of their abilities in order to help increase profitability and market shares;
- Act, speak, and dress reasonably and properly;
- Interact with others, both within and outside the Company, in a courteous, proper, modest, active, and positive manner; manifesting these characteristics in all relationships;
- Abide by laws, professional principles, and relevant legislation;
- Evaluate different opinions, points of views, and suggestions in an open minded manner to find a middle ground and to decide upon the most effective, sound, and applicable decisions for the Company;
- Forego all types of illegal activities;
- Refrain from engaging in behavior that is contrary to justice, sincerity, integrity, reliability and social responsibility principles;
- Cooperate with other employees for common goals by communicating with them in a respectful and considerate manner, while conducting their duties;
  
- Are obliged to decline offers for personal profit immediately, and report them to relevant authorities and their superiors; and
- Are obliged to decline gifts from existing or potential customers and suppliers, aside from conventions.

As a manufacturing company, it is the common goal of management and all of our employees to remain up to date with global quality standards, to produce green and energy efficient products, to design ergonomic products that ease the everyday lives of people, and to manufacture quality products rather than to control quality.

## Checking Accordance with Ethical Principles

- The employees must take the requisite measures to prevent the violation of Ethical Principles in any way.
- The employees must report any situation where they suspect that violation of ethical principles has occurred to executives or the Internal Auditing Manager.
- The Internal Auditing Department ensures accordance with Ethical Principles, policies and procedures of the Company in cooperation with the Legal (or Company Lawyers), Accounting-Finance, Human Resources and other departments.
- The Internal Auditing Manager reports directly to the Audit Committee and offers independent opinion.

## Sanctions to Be Enforced In Case of Violation of Ethical Principles

As investigating a violation of Ethical Principles is a delicate matter requiring expertise, it is the responsibility of the Audit Committee.

- The Internal Auditing Manager submits regular reports of any violations, and any corrective and preventive actions taken, to the Audit Committee.
- If allegations regarding employees are criminal, the Committee acts in cooperation with the Legal Department or Company Lawyers and conducts the investigation jointly with them.

The e-mail address etik@iea.com.tr, forwarded to the Audit Committee, was created to allow our stakeholders, consisting of shareholders, customers, suppliers and personnel, to report transactions not conforming to the legal or ethical values of our organization. Applicant information is kept confidential. Applications are first evaluated in the Audit Committee, then the required sanctions are enforced and the result is communicated to the applicant.

## Disciplinary Penalties

- In case of violation of Ethical Principles, our Company will make an effort to determine the most appropriate disciplinary penalty for the violation, within the framework of the Personnel Guidelines.
- Generally, a warning letter will be sent for a first-time and non-indictable offense.
- With more serious violations, penalties, such as issuing a written warning and termination of the employment contract, may be considered.
- Disciplinary penalties are not restricted only to cases of violation of ethical principles. There are also penalties for other matters; these are included in the Personnel Guidelines.