
[Terms of Employment]



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Terms of Employment

Terms of employment in Turkey are mainly governed by the Labor Law and Trade Union Law.

Pursuant to the Labor Law, there are various types of employment contracts:

- a) Employment contracts for “temporary” and “permanent” work
- b) Employment contracts for a “definite period” or an “indefinite period”
- c) Employment contracts for “part-time” and “full-time” work
- d) Employment contracts for “work-upon-call”
- e) Employment contracts with a trial period
- f) Employment contracts constituted with a team contract

Employment contracts are exempt from stamp tax and any type of duties and fees.

Any kind of discrimination among employees with respect to language, race, gender, political opinion, philosophical approach, religion or similar criteria is prohibited by law. Discrimination based on the gender of an employee is prohibited when determining the amount of remuneration for employees working in the same or equivalent jobs.

Working Hours and Overtime

Under the Labor Law, the maximum regular working hours are 45 hours per week. In principle, 45 hours should be split equally among the working days. However, in accordance with the Labor Law, working hours may be arranged by the employer within the legal limits.

As a rule, hours exceeding the limit of 45 hours per week are to be paid as “overtime hours”. The wage/salary for each hour of overtime work is paid by raising the hourly rate of the regular working salary by fifty percent. Instead of the overtime payment, employees may be granted 1.5 hours of free time for every overtime hour worked. Overtime hours worked during weekends and public holidays are to be paid as wage for one day holiday and overtime wage. These rates may be increased on the

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basis of a collective or personal employment contracts between employees and employers. The total number of overtime hours worked per year may not exceed 270 hours.

Annual Paid Vacation

There are six paid public holidays per year (January 1st, April 23rd, May 1st, May 19th, August 30th, October 29th), plus two paid periods of religious holiday, which comes to eight days in total. Employees are entitled to paid annual vacation for the periods indicated below, provided that they have worked for at least one year including the probation period:

Years of work	Minimum paid vacation period
1 - 5 years (inclusive)	14 working days
5 - 15 years	20 working days
15 years (inclusive) or longer	26 working days

These benefits are the minimum levels set by law and may be increased on the basis of a collective or personal employment contracts.

Under the Labor Law, wages and any kind of payments can be paid in Turkish Lira (TRY) into the bank account of employees or at the work place. If wage and salary amounts are not paid into employees' bank accounts, an administrative penalty is charged to the employer. It is possible to denominate wages/salaries in terms of a foreign currency. In this case, wages/salaries shall be paid in TRY calculated on the basis of the relevant foreign currency rate prevailing as of the payment date.