

INTERNAL WORKING REGULATION, ETHICAL VALUES AND ANTI-CORRUPTION

Creating and maintaining a respectful, inclusive and safe work environment:

- TÜRKONFED practices are in compliance with all applicable laws and regulations regarding employment and working life.
- Employees of the organization also fulfill all legal requirements within the scope of their activities and act in accordance with legal regulations.
- Discrimination among employees within the organization due to language, race, color, gender, political opinion, belief, religion, sect, age, physical disability and similar reasons is unacceptable.
- TÜRKONFED human resources policies and practices ensure for all processes of recruitment, promotion-transfer, performance management, remuneration, rewarding, social rights, training, etc. to be fair.
- By creating a positive and harmonious working environment that supports cooperation in the organization and by preventing environments of conflict, it is ensured that people with different beliefs, thoughts and opinions work harmoniously. Religious propaganda cannot be made in the workplace environment.
- It is ensured that the physical working environment and conditions of the workplace are healthy and safe for all employees.
- Managers are prohibited from entering into debt-credit relationships with employees.

Respect and privacy at the workplace:

- TÜRKONFED employees act openly, respectfully, honestly, with a sense of responsibility and within the framework of courtesy in their relationships with each other, when sharing their thoughts and opinions.
- The private and family life and personal space of all employees are respected.
- Any verbal, written and electronic communication between the individuals cannot be recorded, shared with others and/or published without their prior permission. Even if this communication is recorded lawfully, dissemination and misuse of these records is prohibited.
- Personnel's personal information which stem from the nature of the employment relationship at the workplaces and which might be necessary for its continuation is not used other than for its intended purposes and is not shared with 3rd parties without the consent of the individuals.

Preventing corruption:

Aiding and partnering in any way and manner whatsoever with a person who commits a crime or violate the laws by legitimizing through deceptive means and tools the source of their income or the goods from which they directly or indirectly derive profit, participating in a process aimed at depositing, concealing or laundering the sources obtained from such activities, are defined as money laundering.

In any circumstances whatsoever, TÜRKONFED employees

- Do not offer or give bribes or allow others to give on their behalf.

- Do not make facilitating payments – even if permitted under the local laws or is normal “in the society” to do so.
- Document everything of value given to government officials.
- It also ensures that third parties comply with these rules.

Preventing conflicts of interest:

A conflict of interest occurs when personnel’s job responsibilities conflict or interfere with personal, social, financial or political activities. Conflicts of interest often involve personal relationships, such as a close relative working for a company willing to do business with TÜRKONFED. Business decisions at TÜRKONFED are always based on what is best in line with TÜRKONFED’s mission and vision. Existence of a conflict does not necessarily mean that there is a problem. Conflict of interest requirements support fair decision making by ensuring that potential conflicts which could adversely affect professional objectivity are disclosed, evaluated, and mitigated.

Similarly, it prohibits giving or receiving anything that could influence professional judgment. This means that employees can trust each other in regard to making the right decisions and builds the corporate reputation in terms of doing business honestly.

TÜRKONFED employees

- Take responsibility for the powers they exercise and can account for the responsibilities they assume.
- Do not use the name and power of the organization for deriving personal interest.
- Do not use intellectual and industrial assets owned by the organization, any of its resources, particularly its goods, equipment, vehicles, tools, computer hardware and software, for their personal interest or the interest of others.
- They do not gain personal interest from any trading or activity they carry out on behalf of the organization.
- They does not take advantage of their current position to gain any interest for themselves, their family or relatives from the persons and entities they have business relationship with.
- Disclose probable conflicts of interest. Make it known if there is any situation which might cause their personal interests to conflict with their professional responsibilities.
- Involve others in this process who are able to find ways that can mitigate conflicts of interest where necessary.
- Do not offer gifts or entertainment which could adversely affect the professional judgment of others.
- Do not accept gifts or entertainment that might affect their professional impartiality.
- Notify any conflicts of interest that occur within their knowledge.

Harassment and psychological discouragement (mobbing):

- Violation of immunity in any way through physical, sexual and/or emotional harassment against our employees or by employees against our stakeholders with whom we have a business relationship, at the workplace or anywhere they are present for business purposes, will not be tolerated. Possible negative attitudes and behaviors towards the individuals who report such violations or assist during the investigation are considered a violation of our code of ethics.

- Systematic and planned behaviors that aim to alienate the targeted person from work, reduce his/her performance, or cause him/her to resign, which can be considered within the scope of psychological discouragement (mobbing), are not tolerated.

IMPLEMENTATION

A. Ways and Methods to pursue When Making Ethical Decisions

The following questions should be considered as a guide when deciding on a course of action:

- Is this action/behavior compliant with the laws, internal policies and procedures?
- Is this action/behavior balanced and fair? Would we be disturbed if someone else did it?
- Would our company and our stakeholders be disturbed if all the details of this event became public?
- To what extent does the “perceived reality” overlap the “objective reality”? How would the situation in question be reflected in the media and what would a reasonable person think?

B. Duties and Responsibilities

i. Duties and Responsibilities of the Employees

Code of ethics and working principles set out the basic rules on how we should behave and do our work. Compliance with these rules is the primary responsibility of all employees. Accordingly, all TÜRKONFED employees have the responsibility of:

- Acting in accordance with laws and regulations under all circumstances,
- Learning and implementing the general policies applicable to the organization and the those that are specific to their fields of duty,
- Acting in full compliance with the rules and instructions set within the scope of Occupational Health and Safety and taking the necessary precautions while doing work,
- Participating in training regarding TÜRKONFED code of ethics and working principles, reading and understanding the relevant documents and acting in accordance with the same,
- Immediately reporting the possible violations they observe to the respective unit in written or verbal form through the specified ethical line communication channels with name or anonymously, and diligently refraining from any slanderous reporting,
- Cooperating with the Ethics Board in ethical inspections and keeping the information related to the inspection confidential.

ii. Duties and Responsibilities of Code of Ethics Consultants

Code of Ethics Consultants are responsible for:

- Providing guidance and consultancy on questions and issues submitted by employees regarding ethics within the organization,
- Referring ethical nonconformities that cannot be resolved within the organization or require investigation to be resolved to the Ethics Board,

- Contributing to the resolution of internal ethical nonconformities received by the Ethics Board, at the request of the Ethics Board,
- Reporting ethics-related questions and non-conformities, along with their consequences, to the Ethics Board regularly or when requested,
- Being the contact person for the organization in the investigations carried out by the Ethics Board and providing the necessary support for the investigations,
- Monitoring and following up the effectiveness of ethical practices carried out in the organization and providing support in the implementation.
- Code of Ethics Consultants are the top executives responsible for human resources within TÜRKONFED.

iii. Duties and Responsibilities of the Executives

TÜRKONFED executives have additional responsibilities beyond the responsibilities defined for employees within the framework of the Code of Ethics and Working Principles. Accordingly, the executives are responsible for:

- Ensuring the creation and maintenance of an Organization culture and working environment that supports the code of ethics,
- Setting an example with their behaviors in the implementation of code of ethics and training their employees on the code of ethics,
- Supporting their employees in communicating their questions, complaints and reports regarding the code of ethics,
- Providing guidance, when consulted, on what needs to be done, taking into account all reports made, and forwarding them to the Ethics Board as soon as possible when deemed necessary,
- Ensuring that the business processes under their responsibility are structured in a way that minimizes the risks related to ethical issues and applying the necessary methods and approaches to ensure compliance with the code of ethics.

C. Resolving the Nonconformities

i. Working Principles of the Ethics Board

The ethics committee carries out its work within the framework of the principles set out below:

- It keeps confidential the reports and complaints and the identities of those who make reports or complaints. It adopts a policy that prevents possible retaliatory attitudes and behaviors towards employees or individuals who report ethical violations.
- It conducts the investigation within confidentiality rules.
- It has the authority to request information, documents and evidence related to the investigation directly from the existing unit. It may examine all kinds of information and documents it obtains only with limitation to the subject of the investigation.
- The investigation process is entered in a written record from the beginning. Information, evidence and documents are added to the record.
- The record is signed by the chairperson and members.
- The investigation is handled urgently and the result is reached as quickly as possible.

- The decisions taken by the Board are put into practice immediately.
- The relevant departments and authorities are informed about the result.
- The chairperson and members of the board act independently and without being influenced by the department managers they are affiliated with and the hierarchy within the organization while performing their duties regarding this matter. No pressure or prompt can be applied to them regarding the matter.
- If the board deems necessary, it may seek expert opinion and benefit from experts by taking precautions that will not violate confidentiality principles during the investigation.