



BDY GROUP
YATIRIM A.Ş.

CODE OF ETHICS



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Chairman's Message

We have been continuing our works by keeping our performance at the highest level without giving up our corporate and ethical values since the beginning of our commercial activities in 1970.

Our essential element to success is having good relations with our customers, suppliers, employees and all our stakeholders. We aim to be a lead in every sector in which we operate without leaving the principles of accuracy, transparency and honesty while keeping the respect for human and environment at the highest level.

Code of Ethics in this book is the basis of our company management. All individuals operating within BDY Group and its companies must be perform these rules in line with our core values in their business relations.

BDY Group Code of Ethics will enable you to make right decisions in accordance with your responsibilities. These rules, which are the basis of our company, are not optional and we expect all of our employees to ensure maximum compliance in all business processes without compromising ethical values.

You should be sure that you do your works in line with these ethical rules that will increase our trust and reputation and will bring us to continuously success.

Ethical rules in this book are applicable and sustainable with the devotion of our valued employees. It is hands of all of us that our company can successfully continue for many years. I would like to thank all of our stakeholders who act in accordance with ethical rules and fulfill at their share.

Best Regards,

Chairman of the Board

V. Baday



1. Purpose and Scope of Ethical Rules

Ethics is the sum of globally accepted value judgments that have general validity such as respect, honesty, justice, credibility in human relations. Business ethics principles have been developed to manage business relations. The Ethic Rules of BDY GROUP covers the basic principles of our codes of conduct.

We always follow the ethical standards in our relations with our employees, customers, suppliers, business partners and society which we live. The activities of our subsidiaries and third parties and their employees acting on their behalf are carried out in accordance with our ethical rules.

Our ethical rules are created to regulate relations with customers and suppliers, to increase service quality, to use company resources effectively and to prevent unfair competition in sectors which we operate.

The purpose of this ethical rules is to inform clearly our ethical values to suppliers and customers and to report that these rules will be carried out their business activities. All employees, suppliers, agents, contractors, proxies and all third parties are expected to comply with the ethical rules.

It is among the main duties and responsibilities of the managers that the ethical rules are communicated to all employees, and managers make the necessary effort to ensure that employees comply with these rules. It is the responsibility of the executives to have the ethical rules read, understood and committed to implementation by all employees.



2. Compliance with Laws and Legislation

It is necessary to have ethical values that are respectful to laws and to act in accordance with these laws and ethical values in order to have a strong business structure.

BDY Group realized large part of their business activities in Turkey, our priority is to ensure that activities carried out in accordance with the laws of Republic of Turkey.

We give great importance to ensuring that all international activities are carried out in accordance with laws and regulations of the countries which we operate.

The Company is committed to act in accordance with international agreements to which the Republic of Turkey is a party in countries of operation and in countries which will operate. Contracts with third parties and organizations are ensured to be clear and understandable in accordance with laws, regulations and ethical rules.

Our company strongly condemns all kinds of illegal activities and stands against all kinds of illegal structure, work and behavior. We declare that we will fulfill its duty to cooperate with the authorities when necessary.

In carrying out all our activities and transactions, we are approaches to all kinds of public institutions and organizations without expectation of benefits. We focuses on impartial and equal distance against the administrative organization, non-governmental organization and political parties.

All our business activities and accounting system are managed, recorded and reported in accordance with the law in a complete and appropriate manner. All reports and records are kept according to national and international accounting principles. Unregistered activities are strictly forbidden and the accuracy and consistency of records is essential.



3. Responsibilities

The role of the Company management is to evaluate priorities in line with the identified responsibilities and to fulfill these responsibilities directly related to each other. We act with a sense of responsibility in our business activities as the company management. In addition to our legal responsibilities, we take care to fulfill our responsibilities as listed below.

3.1. Responsibilities to Society and Environment

Being aware of the responsibilities of the society, as well as complying with the laws and regulations of the country in which it operates, being sensitive to tradition and culture, supporting basic human rights, carrying out commercial activities by showing the necessary importance to health, safety, security and environmental problems.

Democracy and human rights protection, crime and corruption reduction, act responsibly in social issues such as social responsibility and charity, participation in public benefit services.

We support all kind of activities and organizations accordance with environmental responsibilities and we help in development of environmentally friendly technologies. We increase the use of environmentally friendly products in investment strategies with the awareness of our responsibilities towards society and environment.

3.2. Responsibilities to Society

BDY Group has the responsibility to show sensitivity to the issues concerning society and to give support for the positive development of the society:

- To make the necessary efforts to protect and improve the local community, cultural heritage and current state of nature,
- Developing projects and cooperating with organizations for performing social responsibilities of our company,

- Supporting the work that will contribute economic and social development,
- Providing support for positive development of the society by showing sensitivity to issues concerning society.

3.3. Responsibilities to Customers

We act fairly and honestly to all of our customer to ensure highest level customer satisfaction. We are working satisfaction oriented and we work to respond to customer needs as soon as possible and in the most correct way.

BDY Group provides customer confidence by being sensitive to customer problems and producing fast and permanent solutions. We are committed to providing our customers with quality products and services in terms of price and quality by serviced at promised time and conditions.

3.4. Responsibilities to Suppliers

BDY Group acts to be honest, fair and respectful to suppliers and shows commitment to fulfill obligations in a timely manner. We establish an open and direct communication with the suppliers in order to create mutual value.

BDY Group sensitive to the problems of suppliers. Choosing appropriate criteria in supplier selection is to be objective in accordance with criteria. We are comply with reasonable safety rules and protect their confidential informations while supplier audits and visits.

3.5 Responsibilities to Employees

BDY GROUP believes that human rights are an absolute and universal standard. The company accepts rights of the UN Universal Declaration of Human Rights and the International Labor Organization Convention and respects human rights. Our responsibilities to employees:

- To enable employees to work in environments where they can provide occupational health and safety,

- To treat employees fairly in matters such as education, career, recruitment and promotion,
- To educate employees on individual and professional matters as well as first aid, earthquake, fire and other natural disasters,
- To provide equal opportunities to all employees without discrimination on grounds of race, language, religion and gender,
- Not employ child labor,
- Ensure the employment of the appropriate number of employees for each job; not force to employ and not to abuse the work force,
- To fulfill the rights of employees in a timely and complete manner due to the legislation,
- Does not interfere with personal information and personal life of employees.

3.6. Responsibilities to Competitor

BDY Group avoids unfair competition by competing with other companies within framework of mutual respect in legal and ethical fields. BDY Group acts in accordance with principles in compliance with legislation by avoiding the violation of Competition Laws and expect the same understanding from our competitors.

We are avoiding from supporting initiatives aimed at restricting competition and supporting efforts to ensure a competitive structure within the society.



4. Health, Safety and Environment Policies

We take the highest precautions for occupational health, safety and environmental protection in all areas where we operate and we aim to continuously improve our performance.

BDY GROUP employees and management apply policies to protect employees, customers, suppliers and business partners in order to create a safer and healthier working environment, to prevent injuries and health problems, to protect the environment and to prevent pollution in the areas where it operates:

- To comply with the legal regulations related to Occupational Health, Safety and Environmental Protection in all activities,
- To create awareness of occupational health and safety by organizing trainings to ensure the health and safety of all our employees,
- To determine all risks that may occur as a result of the activities, to carry out the necessary work to reduce or eliminate the risks to an acceptable level,
- To follow technological developments in occupational health and safety and perform these improvements in new investments,
- To minimize the pollution and damage to the environment by controlling the factors that may cause environmental pollution,
- Trying to minimize the resulting waste, if possible to reduce the source, re-use, to work to win back, or to destroy the environment in a way that will not destroy,
- Minimizing the use of natural resources,
- Using technology that have rate of the least harm to the environment in new investments and projects also improve technology in the current investment is to minimize the damage to the environment.

We are committed to continue our work by ensuring the participation of our employees, suppliers, customers and business partners in all our processes.



5. Privacy and Protection of Trade Secrets

Information and documents, trade secrets, non-public financial and other informations, confidential information regarding the personal rights of employees and confidentiality and trade secrets in third party agreements are considered within scope of trade secrets.

Research and development projects, patent or trademark applications, know-how informations, agreements/contracts, all kinds of financial and technical reports, completed and potential projects, all kinds of business plans, business processes and strategic partnerships, pricing strategies, customer and supplier informations, financial informations not available to public and personnel informations of members of the board and administrator must be keep confidential.

The protection of all kinds of confidential information is one of the most important obligations of all employees in line with the Labor Law No. 4857. In this respect, all employees are responsible for maintaining all confidential information with reasonable care. It is unacceptable that any confidential information and documents belonging to the company can be leaked within the scope of insider information trade and gaining benefit in any way.

BDY GROUP takes care to protect the personal data of its employees and all stakeholders. It doesn't get involved in personal information and private life of employees. Personal informations keep secret in line with the Privacy Act No. 6698 and these informations is used only by authorized persons within the competencies specified in the required cases.



6. Protection of Corporate Assets

Corporate assets can be classified as physical, electronic, financial and intangible assets. Company assets are for corporate use and may not be used for personal purposes. Employees are responsible for the proper use and protection of these assets given to themselves within the scope of their duties and responsibilities.

All kinds of equipment, machinery and tools, buildings, vehicles, telephones, computers and software, technical informations, confidential informations and records, copyrights and patents and data are included in the company's corporate assets.

Employees are responsible for protection against wastage, loss, damage, misuse, theft, peculation or violation of the company's assets. Company assets should never be allowed to be used by unauthorized persons, including employees' friends and family members.

Must be careful in case of loss, stealing or intended use of company assets. In addition to this all employees must be always protect the company's reputation.



7. Anti-Corruption Policies

Employees, members of the board, shareholders, suppliers, contractors, proxy employees and all third parties are responsible for identifying, reducing and managing the risks of corruption.

BDY Group does not tolerate any form of corruption, such as bribery, insider trading, money laundering, terrorist financing, market abuse, fraud.

Corruption in non-compliance with the law may constitute a criminal offense under the Republic of Turkey and International Law. Failure to comply with the law may result in serious damages such as punishment, sanctions and loss of reputation. In addition to this, persons involved in corruption may be punished with money or imprisonment by being subjected to criminal proceedings.

7.1. Bribery

A bribe is to offer, receive, request, or accept anything that has any value, such as a payment, a gift, or any value to improperly influence a business outcome. Bribery may be carried out directly or through third parties in relations with officeholders or institutions and organizations.

We never take or give bribes, including facilitating payments, to establish trust-based relationships and to protect and strengthen our reputation. You must not offer, give, request or accept anything that is of value to provide preferential treatment or an unsuitable business interest.

We comply with anti-bribery and anti-corruption laws in countries where we operate. If our employees are involved in bribery, they may take disciplinary action, dismissible, legal investigation and they may take penalty fine and imprisonment as result of these.

7.2. Relations with Public Enterprises and Officials

Employees must be more careful in the transactions carried out with public enterprises and officials because of high risk of corruption. All relations with authorities and employees in public education institutions, health institutions, law enforcement agencies, military institutions, customs and

tax employees, municipal employees and legal authorities and approvals should be carried out in a consistent and institutional manner.

In order to offer gifts and entertainment to public officials under certain conditions, employees must be act within company's knowledge. No gifts or entertainment offerings with material value should be made to public officials' family member or guests. The cost of non-working travel and accommodation of public officials should not be taken.

7.3. Gift/Travel/Entertainment

In order to provide an improper commercial advantage or improperly influence administrative proceedings, the provision of gifts, representation, travel and accommodation must never be offered, given, demanded or accepted in the fight against corruption.

Our employees must not accept or propose any gifts, representations, travel and accommodation offers on their behalf, managers, colleagues or their families to not influence their business decisions.

Promotional items or other types of gifts may be issued within the scope of regular commercial courtesies or to contribute to commercial relations. Such gifts should be given clearly and transparently and it must be modest and conventional.

The provision of representation, accommodation or travel to public officials or company officials and their family members is strictly prohibited, except in exceptional circumstances. It should be carried out in accordance with local law with a reasonable assessment during a meeting or for the purposes of job interview. It should not include any activity that would sexual service, drugs, any illegal activity or activities that reduce company reputation.

7.4. Political Activities

Political, financial or non-financial donations, contributions, voluntary activities, formal or informal declarations, explanations or announcing should not be made directly or indirectly to the political candidates, political parties and officials on behalf of the company.

In addition, employees have the right to carry out political activities in accordance with the laws. Employees should not use any references or relationships about BDY Group, when using these rights. Avoid actions taken by the company in relation to any political party or movement and take necessary measures to prevent it.

Employees should separate their political activities from their duties and responsibilities in the company and protect the company's interests and reputation. In addition, they must avoid situations that would create a conflict of interest in their current duties and responsibilities due to their political activities. Political propagandas can't be made within working hours and workplace environment and can't occupy other employees.

7.5. Money Laundering and Terrorism Financing

The use of legal resources to support criminal activities, including the use of illegal commercial activities to hide money or assets obtained through unlawful means, and to finance terrorism, constitutes money laundering activities. In addition to these actions, case of receiving/accepting funds from criminal activities may occur money laundering.

Employees should be careful to not engage in business with offenders and suspects. In the case of commercial activities carried out on behalf of the company, employees should ensure that there is no use of money or property obtained from crime revenue. Employees should not obscure the source and qualification of the property acquired by committing a crime and should not facilitate the acquisition, control or ownership of criminal goods.

7.6. Donations and Social Responsibility Projects

Social responsibility projects are an important factor affecting our company's reputation. For this purpose, company may make donations for charitable purposes and participate in social responsibility projects.

Participation in a donation or social responsibility project should not be offered, proposed, or committed by any commercial interest or by the instruction of a public official.



8. Domestic and Foreign Trade

BDY GROUP aims to ensure that all values and business relations are applied in compliance with all applicable commercial laws. Failure to comply with commercial laws and regulations in countries which we operate may result serious damage to company reputation and severe fines. Employees are expected to take maximum care in this regard. Otherwise, employees may face dismissal, fines or imprisonment.

8.1. Fair Trade and Anti-Trust

We aim to work in accordance with the relevant laws in our commercial activities. The law protects free enterprise against monopolism and prohibited activities that restraint of trade.

- Price determination,
- Market sharing,
- Collusive tendering,
- Monopolizing or practices to protect monopolizing position,
- Misleading and false representation

such activities are illegalized. BDY Group doesn't tolerate violation of laws against monopolizing. We expect all commercial parties to be treated equally and fairly. Employees must provide all necessary legal measures to protect the interests of the company.

8.2. Export Controls

Trade control laws restrict the transfer of goods, technology and information to various foreign countries and natural and legal persons. The possible effects of laws and sanctions should be analyzed by the employees before the transfer of goods, technology or information to be transferred in export transactions. The company must comply with the export control laws applicable in all countries in which it operates.

Restrictions and prohibitions should be determined by examining the sanctions that may be applied on the basis of country, legal person,

individual or property. In case of non-observance of the necessary inspection and enforcement, and in case of violation of the restrictions, the company may be blamed for non-compliance with the sanction, be fined with heavy fines and may lose its export advantages. Employees are expected to take maximum care in this regard. Otherwise, employees may face dismissal, fines or imprisonment.

8.3. Import Controls

As in the case of export controls, the potential impacts of laws and sanctions on transfer must be reviewed by employees without putting goods, technology and information transfer into the country. Restriction of goods, technology and information transfer should be prevented from entering the country.

All necessary taxes and duties must be paid and all requirements for import must be fulfilled for importing of technology and information into country. It is necessary to observe the laws and sanctions of the importation of the prohibited goods. Importation of prohibited goods may result in operational delays and in the case of breach of restrictions, the company may be blamed for non-compliance with the sanction and may be subject to severe fines. Employees are expected to take maximum care in this regard. Otherwise, employees may face dismissal, fines or imprisonment.



9. Financial Controls

Financial control system is valuable assets for companies and should be managed as required and delicately. It is very important that financial control system is transparent, authentic and accountability. Financial control system must be designed in accordance with national and international commercial laws and regulations.

9.1. Financial Reporting

Financial reporting must be timely and healthy informations to make right decisions in management of the company. Company can provide information to its stakeholders, that information it shares with third parties is consistent and reliable and that there is no problem in fulfillment of obligations related to legislation depends on financial reporting at the highest honesty and accuracy standards.

It is strictly forbidden to include incorrect or misleading information in corporate finance reports. Incorrect or misleading reports may cause damage to company's reputation and may lead to criminal penalties. Employees should take maximum care to ensure that financial integrity is maintained. Otherwise, employees may face dismissal, fines or imprisonment.

9.2. Recording

Records that showing activities and operations are company assets and should be recorded in accordance with legislation. Company should be able to access records quickly and reliably. Records should be properly guarded until expiry period and after expiry period it must be disposed.

Financial records contain information that constitutes evidence of commercial activity or is required for legal, tax, administrative and accounting purposes. Factors that determines the register isn't its form but its content. Documents that need to be recorded and kept until expiry period are as follows:

- Contracts and agreements,
- Financial informations,
- Operating and sales report,
- Audit report,
- Expense report,
- Bills,
- Employment report,
- Production report,
- Import and export certificates,
- Corporate policy,
- Meeting minutes, board decision and company documents.

It should be determined which informations are registered, which should be properly managed and which are destroyed when it loses its value. Failure to manage records effectively may lead to negative financial effects, reputation damage, or criminal proceedings which may be caused by non-compliance with law. Employees are responsible for the correct and regular registration of the records. Otherwise, employees may face dismissal, fines or imprisonment.



10. Employee Responsibilities

10.1. Personal Liability

The code of ethics sets out basic rules of how employees behave and how should do their jobs. All employees under BDY Group are responsible for all obligations set out in code of ethics. BDY GROUP employees:

- Must comply with laws and regulations in all conditions,
- Must work in accordance with rules and instructions set out in occupational health and safety.,
- Read, understand and act in accordance with ethical rules and working principles related document,
- Ensure that all third party contractors, representatives and consultants we work with are committed to ethical rules and that they must behave accordingly.

Violation of the rules may result in disciplinary action up to dismissal. In some cases employees may report violation to authority and may impose legal proceedings, fines or imprisonment.

10.2. Loyalty and Responsibilities of Employees to Each Other and Company

The good relations between employees are one of the important factors that affect success of company and personal success of employees. Employees can succeed in their work and be personally satisfied in solidarity and tranquility working environment.

It will help employees achieve to success by working with same purpose. For this reason, employees should take the utmost care to complete each other, cooperate, working together for same purpose, honesty, open communication, sharing aim and target, sharing information, detachment, trust each other and achieve the goal.

Company is committed to providing a comfortable and friendly working environment by clearly identifying tasks and objectives of employees for

team work. Employees should reveal differences of thought by listening to each other when necessary. Employees should share their thoughts with due regard by making constructive criticism against each other. When a decision has to be made, they must act together in accordance with benefit of company. They should try to understand each other emotionally.

Units within company should cooperate with each other and work in coordination. Both colleagues and units should fulfill their responsibilities towards each other and maximize their individual and company success and adopt their common values and act within these values.

10.3. Reporting

Employees are responsible to communicate this to their upper supervisor in cases of violation of the code of ethics or laws and regulations that the company is subject to. Disclosure of notifications made by person to third parties shall be prevented by directors.

Notifier person mustn't have any intention to affect the rumor or career of notified person. When deliberate notifications of lies/slanders are detected, necessary criminal proceedings shall be applied.

Confidentiality and objectivity are important in notification and investigation process. All employees should take care of utmost attention to this issue. Employees can give any notification a name or nameless to etik@bdygroup.com.tr with as detailed and clear information as possible and with relevant documents and evidence.



11. Controlling and Operation

Violations of the ethical rules communicated by the employees are reported to the top management. These reports are evaluated at meeting of management. Actions, measures and penalties to be taken are decided at this meeting.

This regulation came into force on 01 March 2019. Ethical rules are defined by company management and updated when necessary. Rules of ethics are communicated to employees in printed and digital form and on public website at www.bdygroup.com.tr .



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