

TURKISH INDUSTRIAL DEVELOPMENT BANK INC.

ANTI-BRIBERY AND ANTI-CORRUPTION POLICY

1. Purpose

The purpose of the Anti-Bribery and Anti-Corruption Policy ('the Policy') is ensuring the compliance of the Turkish Industrial Development Bank Inc. ('the Bank') with ethical and professional principles, universal rules and legal regulations against corruption and bribery.

2. Scope

The Policy covers all employees (including Board of Directors), contractors, suppliers, affiliated agencies, persons and institutions serving on behalf of the Bank and partners of the Bank as well as the third parties that work with the Bank.

This Policy is an inseparable part of the Ethnical Principles accepted by the Board of Directors and all the employees, and the principles in the United Nations' Global Principles Agreement that the Bank agreed to abide by, the Human Rights Regulation and Donation Regulation of the Bank as well as other internal regulations, by-laws and other legal regulations.

3. Definitions

Bribery is a person's gaining unfair advantage acting in violation of the requirements of his/her duty by doing or not doing a work, speeding up or slowing down thereof, etc. within the framework of an agreement reached with a third person.

Corruption is direct or indirect bribery and the act of offering, demanding, giving or accepting bribery or all sorts of other illegal interests, which obstructs the person in the execution of his/her duty in line with the laws.

4. Authorities and Duties

It is the duty of the Bank's Board of Directors to ensure the Policy to be established, applied and updated.

The Bank applies disciplinary sanctions if the employees act in violation of these principles. The disciplinary board is assigned by the Board of the Directors of the Bank the task of investigating such situations.

The Bank employees shall report any bribery, corruption or any suspicious activities via complaint form which is found on the Bank's intranet website or through the anonymous contact form which can be accessed on the Bank's website. These forms generated by the Bank employees are forwarded directly to the Head of Investigation Board and Head of Internal Audit. Depending on the situation and nature of the incident, Investigation Board or Internal Audit Department gets in charged and leads the investigation. During the investigation, it is ensured that the identity of the person who reported and the content of the complaint are kept confidential. At the end of the investigation, if necessary, the employee will be given a feedback.

5. Major Risk Areas for Bribery and Corruption

The Bank aims full compliance with the relevant regulations, laws and principles and will never tolerate any bribery or corruption regardless of the purpose.

Any business relations with third parties that wish to receive service from the Bank through bribery, will be terminated.

The major risk areas where bribery and corruption can take place are described in detail below:

a. Gifts and Receptions

Gift is a product generally given by customers or persons being in a business relationship with the Bank as a means of appreciation or commercial courtesy and which does not require a financial payment.

All the gifts given to third parties by the Bank are accepted with good will, publicly and unconditionally. Although the same principles apply for accepting a gift, no gift must be certainly accepted apart from symbolic gifts that comply with these principles.

Within the scope of business to build commercial communication networks and improve relationships, hosting can be offered to clients, consultants, lawyers, auditors and other companies with whom there is a business relationship. The Bank publicly and unconditionally offers hosting to third parties with good will.

Even if it complies with this Policy, no gifts that could lead to conflict of interests or that could be perceived as such shall be offered or accepted. In such situations, no hosting must be offered or accepted.

b. Political donations

There can be no political donations in the name of the Bank. The principles regarding donations and aids are regulated with the Donation Regulation of the Bank.

c. Outsourcing Companies and Business Partners of the Bank

Before working with an outsourcing company or a business partner, the Bank subjects these persons or companies to a status examination and does not work with persons and companies that have a bad reputation regarding corruption.

Outsourcing companies and business partners are obliged to comply with this Policy and other relevant regulations. The Bank informs the said persons and companies of their obligation to follow this Policy. The relations with any persons and companies that do not follow the said principles and other regulations are terminated.

d. Facilitation Payments

The Bank does not allow the persons or companies covered by the Policy, to offer facilitation payments, which are intended to secure or speed up a regular procedure with state agencies.

6. Policy Violations and Sanctions

All Bank employees are obliged to follow this Policy, the relevant legal regulations and all the anti-corruption laws.

If Bank employees violate the principles of this Policy, disciplinary action including termination of employment will be taken. In addition, those who fail to follow the legal regulations and the applicable anti-corruption laws might face penal sanctions.

An employee can never be mistreated for refusing to participate in an incident of bribery or corruption, reporting violation of the principles in this Policy or expressing any concerns on a possible corruption in the future.

7. Education

This Policy is accessible by all the staff on the Bank's intranet site. The entire Bank staff is regularly provided with the 'Preventing Money Laundering and Fight Against Terrorism Financing' and 'Competition Law' trainings.

8. Review

This Policy will be reviewed on a regular basis, updated and will be announced on the website of the Bank.

9. Effective date

The Policy of Anti-Bribery and Anti-Corruption will come into effect after its approval by the Board of Directors.