

# COMPLIANCE POLICY AND PROCEDURES DOCUMENT

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## 1. POLICY STATEMENT

It is ETES Teknolojik Sistemler Mühendislik ve Ticaret Ltd. Şti.(ETES, the "Company", "we", "our" or "us") policy to conduct all our business in an honest and ethical manner. ETES takes a zero-tolerance approach to bribery and corruption and is committed to acting professionally and with integrity in all our business dealings and relationships wherever we operate, implementing and enforcing effective systems to counter bribery and corruption. ETES will uphold all laws relevant to countering bribery and corruption in all the jurisdictions in which we operate. However, we remain bound by Turkish laws, which is the main domestic legislation and applicable to acts of corruption is the Turkish Criminal Code No. 5237 (Criminal Code), which prohibits bribery, malversation, malfeasance and embezzlement. Apart from the Criminal Code, there are also a few other legislative regulations dealing with the prevention of corruption, such as the Turkish Criminal Procedure Law No. 5271, the Law No. 657 on Public Officials, and the Law No. 5326 on Misdemeanors.

## 2. ABOUT THIS CORPORATE COMPLIANCE POLICY

Having internal policies and procedures designed to prevent and detect violations of applicable law, regulations, rules and ethical standards by employees, agents and others. It involves legal risk management and internal controls. ETES subscribes to the following code, which is expected to be adhered to by all staff, interns, appointees and volunteers of the agency.

## 3. COMPLIANCE STANDARDS

- 3.1 Disclose Potential Conflicts of Interest– Conflict of interest occurs in situations where a person has the potential to direct or influence a decision to his/her own gain.
- 3.2 Adhere to all Agency Policies and Procedures– Agency policies and procedures were developed to ensure quality, fairness, and safety for all employees.
- 3.3 Maintain Accurate Documentation, Billing, Coding, and Reporting Procedures and Practices, both operational and financial – Data integrity and accuracy, as well as retention, are critical for support of the individuals we serve and regulatory compliance. ETES and Affiliates will only bill for services and accept revenues for which it is entitled.
- 3.4 Represent the Agency in a Fair and Honest Manner in All Interactions, Including Marketing– i.e Offering illegal inducements, Misrepresent ETES .
- 3.5 Safeguard– ETES and Affiliates resources are to be used for job-related purposes and not for personal gain.
- 3.6 Work in a Manner That Supports the Mission and Vision Statements i.e. Assuming responsibility for your actions, seek advice and guidance on ethical issues from others as needed.
- 3.7 Comply with All Applicable Laws, Regulations, Codes, And Policies.
- 3.8 Protect Confidentiality of the Individuals We Support, the Staff Who Serve Them, and Agency-Sensitive Information– All ETES and Affiliates representatives and employees are responsible to safeguard and respect the confidentiality and privacy of the individuals/companies we support in accordance with the rules and regulations of Turkish Laws.



## 4. DEFINITION OF BRIBERY

Bribery refers to the act of offering, giving, promising, asking, agreeing, receiving, accepting, or soliciting something of value or of an advantage so to induce or influence an action or decision. A bribe refers to any inducement, reward, or object/item of value offered to another individual in order to gain commercial, contractual, regulatory, or personal advantage. Bribery is not limited to the act of offering a bribe. If an individual is on the receiving end of a bribe and they accept it, they are also breaking the law. Bribery is illegal. Employees must not engage in any form of bribery, whether it be directly, passively (as described above), or through a third party (such as an agent or distributor). They must not bribe a foreign public official anywhere in the world. They must not accept bribes in any degree.

## 5. BRIBERY POLICY

Bribery policy is to set out the responsibilities of ETES and those who work for us in regards to observing and upholding our zero-tolerance position on bribery and corruption.

## 6. PROHIBITION OF BRIBERY AND CORRUPTION STATEMENT

- 6.1 ETES is committed to conducting business in an ethical and honest manner, and is committed to implementing and enforcing systems that ensure bribery is prevented.
- 6.2 ETES has zero-tolerance for bribery and corrupt activities. We are committed to acting professionally, fairly, and with integrity in all business dealings and relationships, wherever in the country we operate.
- 6.3 ETES will constantly uphold all laws relating to anti-bribery and corruption in all the jurisdictions in which we operate. We are bound by the laws of Republic of Turkey and also including the RSP213-03A by U.S. Office of Federal Procurement Act, in regards to our conduct both at home and abroad.
- 6.4 ETES recognizes that bribery and corruption are punishable by imprisonment and a fine. If our company is discovered to have taken part in corrupt activities, we may be subjected to be excluded from tendering for public contracts, and face serious damage to our reputation. It is with this in mind that we commit to preventing bribery and corruption in our business, and take our legal responsibilities seriously.

## 7. GIFTS HOSPITALITY AND EXPENSES

We only accept or provide hospitality and gifts within pre-defined limits and never to secure any improper advantage or to influence a business decision. Gifts, hospitality, and sponsorship may only be made and/or received in compliance with this policy.

### 7.1 General Principles

This policy allows reasonable and appropriate hospitality or entertainment given to or received from third parties, for the purposes of: establishing or maintaining good business relationships; improving or maintaining our image or reputation; or marketing or presenting our products and/or services effectively. If you offer or provide hospitality or gifts, and you suspect that it has been misconstrued by the recipient as an inducement, you must report this to the Company Directors and appropriate steps must be taken to correct this misapprehension. You should make allowance for the possibility that acceptance of a gift or hospitality by the intended recipient is contrary to the recipient's own rules and policies. You should, therefore, explain to the recipient that it is perfectly acceptable to refuse your offer of a gift or hospitality



and that, should the recipient prefer attendance at an event you are running is open for acceptance on the basis that the recipient pays for himself/herself. Provision of gifts and/or hospitality to third parties requires commercial justification as well as compliance with this anti-bribery policy. Nothing in this policy removes the requirement to ensure that proper line management and budgetary approval is in place before provision of any hospitality or gift. You are permitted to accept and keep gifts paid for by third parties of very low value, such as umbrellas, pens, diaries and small branded items. Other gifts should be politely declined in the first instance. Any attempt to undermine the impartiality of our people by the offer of substantial gifts or other inducements should be reported to the Company Directors immediately. Hospitality must not be offered or provided in return for any favour or benefit or to influence improperly any official or business decision. The value of such hospitality must be reasonable, proportionate and lawful under Turkish and any other local law. Lavish entertainment is not permitted. Where entertainment is provided by an individual ETES employee (e.g. business lunches) details of the recipient must be included in the expenses claim.

## 7.2 Offering or Giving of Gifts

The offering or giving of a gift may be allowed only if the following requirements are met:

- 7.2.1 it is not made with the intention of influencing a third party to obtain or retain business or a business advantage, or to reward the provision or retention of business or a business advantage, or in explicit or implicit exchange for favours or benefits;
- 7.2.2 it is not likely to influence, or to be perceived as influencing, any third party in an improper way;
- 7.2.3 it is given or received in the name of the Company, not by you personally,
- 7.2.4 it does not include cash or a cash equivalent (such as gift certificates or vouchers);
- 7.2.5 it is appropriate in the circumstances, taking account of the reason for the gift, its timing and value.
- 7.2.6 it is given openly, not secretly or privately;

	VALUE	REGISTER IN GIFT REGISTER	APPROVAL BY COMPANY DIRECTORS
<b>Entertaining and giving gifts</b>			
Giving small branded gifts to business contacts		✓	✓ Exceptional circumstances only
Food and drink (Per Person)	< €50		✓
Other corporate Hospitality (Per Person)	< €50	✓	✓
<b>Receiving gifts and hospitality</b>			
Receiving branded gifts from business contacts (Per Person)	< €50	✓	✓
Receiving unbranded gifts from business contacts		✓	✓
Food and drink (Per Person)	< €50	✓	✓
Other corporate Hospitality (Per Person)	< €50	✓	✓

Table 1: Offering, providing or receiving corporate hospitality and/or gifts



## 8. RISK ASSESSMENT

ETES will carry out a bribery risk assessment It is the responsibility of the Managing Director of ETES to ensure that a high-level bribery risk assessment of the Company's activities is carried out, documented, and regularly reviewed. This should include a review of the Company's external interactions and internal functions, assessing each for the risk of bribery, and summarizing the appropriate action needed. *Whenever you are faced with a situation where you are asked for a small bribe, whether it is related to customs, immigration, or another issue, remember the following:* (a) Ask why the payment is necessary and for applicable support such as a tariff, law, rule, or regulation (b) Request documentation, like an invoice or receipt, for the payment (c) Ask to speak with the official's supervisor or immediate superior to confirm that the payment is necessary and legitimate (d) Refer the official to your company's anti-bribery policy (e) Involve your supervisor or manager, or even the legal or compliance department of your company, to increase transparency

## 9. EXPORT SALES AND MARKETING

Export sales and marketing activities with potential or actual customers, especially in countries with a poor CPI rating (as detailed above), have been identified as an area of high risk. There is a possibility of bribes being solicited by third parties in return for the promise of generating business for ETES and there may be an expectation of facilitation payments demanded from visitors or as part of supply. For this reason, employees involved in visits to such countries, or interacting with nationals of those countries, must be briefed in advance by their line manager or a senior manager of the bribery risks and reminded of their obligations under this policy. After we engage with third parties in abroad, you have a responsibility to continue monitoring on-going activities and to report any concerns to the Company Directors. If you know or reasonably believe that a contravention of this policy has happened or is likely, you must report it and, if possible and appropriate, prevent the payment or promise of payment from occurring.

## 10. BUSINESS RELATIONSHIP WITH THIRD PARTIES

We only do business with reputable people For the purposes of this policy, a third party includes any person, organization, firm or company other than us. In particular, any person, organization, firm or company who provides services to us or engages in any business activity for us is a third party. Employees of ETES are not third parties for this purpose. We must have a written contract with all third parties with whom we do business. Contracts must include provisions requiring the third party to comply with all anti-bribery laws, policies and procedures in the country in which such third party operates as well as the law in Turkey.

Contracts must be immediately terminable without compensation to the third party in the event of a breach of these provisions. Before doing business with any third party a risk-based assessment must be carried out taking into account the financial scale of the relationship, its importance to us and the other party, the countries and legal jurisdictions involved and the opportunities for bribery that might arise. Further due diligence must be carried out if there is a material risk that the business relationship could give rise to bribery. We need to know that third parties are who they say they are. We need to know that they are not secretly representing somebody not disclosed to us. We need to know that they share our commitment to stamping out bribery. The nature of due diligence activities must be appropriate to the level of risk and must always be sufficiently vigilant and thorough. There is a particularly high risk of bribery and/or corruption where the Company is appointing sales agents or distributors located outside its national territory. For this reason, and for commercial reasons, all agreements appointing must be approved by the Company Directors. Due diligence in relation to third parties in abroad may be problematic, since our understanding of local laws and practices may be limited, and it may be difficult for us to access sources of



evidence relating to the third party's behavior. In these circumstances you should make use of reputable companies that specialize in anti-bribery due diligence, we will take this as a positive factor as regards their trustworthiness and anti-bribery commitment. *Determining whether someone is paying bribes on behalf of your company can be difficult. But here are some red flags to be on the lookout for the following:* (a) Line items on invoices that you've never seen before (b) Line items with vague, non-specific descriptions or round dollar figures for payments or aggregated (non-itemized) entries (c) Any requests for reimbursement that don't have supporting documentation (d) Any requests for reimbursement for amounts that seem very high for the services provided (e) Records indicating that items were classified incorrectly or valued at less than the sales price for items being imported to another country (f) Records that are not being properly kept (g) Comments from the person submitting the invoice that indicate that improper payments were made (h) Insistence that invoices be paid or reimbursements made even after you've raised concerns about the legitimacy of the documents (i) Unusually fast passage of the goods compared to past experience If you notice any of these red flags, be sure to report them through the reporting process set up by our company. If you're unsure of that process, you can bring your concerns to your supervisor or manager or our company's legal consultant.

*In performing due diligence, you should look for red flags involving third parties. Red flags include situations where a third party* (a) Has family members who are government officials (b) Requests payment outside of the countries where they provide services or through another third party (c) Refuses to sign on to a company's code of conduct or undergo due diligence (d) Has any bankruptcies or other financial difficulties (e) Requests an unusually large commission or success fee (f) Is recommended by a government official (g) Provides requests for reimbursement for poorly documented expenses (h) Requests payments made in cash (i) Has had a prior bribery issue or corruption issue or other fraud/financial matters of interest (j) Includes requests for payments upfront

## 11. POLITICAL CONTRIBUTIONS AND DONATIONS

ETES Company and employees do not make contributions to political parties, party officials or candidates for political office. If you make personal contributions to charity or to political organizations or if you engage in any form of sponsorship from your own funds, in the event of any uncertainty you must make clear to all concerned that such activity has nothing to do with ETES and that you are acting in your personal capacity outside of work. You must not use any resources of the business to support your personal activities in this regard. (Any donation, whether in cash, kind, or by another means, to support any political party or candidate)

## 12. EMPLOYEE RESPONSIBILITIES

- 12.1** Employees must ensure that you read, understand, and comply with the information contained within this policy, and with any training or other anti bribery and corruption information you are given.
- 12.2** All employees and those under our control are equally responsible for the prevention, detection, and reporting of bribery and other forms of corruption. They are required to avoid activities that could lead to, or imply, a breach of this Corporate Compliance policy.
- 12.3** If an employee has a reason to believe or suspect that an instance of any violation occurred or will occur in the future that breaches this policy, It must be notified.
- 12.4** If any employee breaches this policy, they will face disciplinary action and could face dismissal for gross misconduct. ETES has the right to terminate a contractual relationship with an employee if they breach this anti-bribery policy.



## 13. COMMUNICATION AND TRAINING

**13.1** ETES will provide training on this policy as part of the induction process for all new employees.

Employees will also receive regular, relevant training on how to adhere to this policy, and will be asked annually to formally accept that they will comply with this policy.

**13.2** ETES corporate policy and zero-tolerance attitude will be clearly communicated to all suppliers, contractors, business partners, and any third parties at the outset of business relations, and as appropriate thereafter.

**13.3** ETES will provide relevant training to employees etc. where the knowledge of how to comply with this policy needs to be enhanced.

## 14. DISCIPLINARY PROCEDURE

**14.1** Personnel who engage in fraud, waste or abuse, or other misconduct are subject to disciplinary action. Any disciplinary action imposed related to compliance violations and In addition to possible disciplinary action mentioned elsewhere in this Manual, personnel may be subject to disciplinary action for:

14.1.1 Failure to perform any obligation or duty required of personnel relating to compliance with this Manual or applicable laws or regulations;

14.1.2 Promoting, permitting or facilitating conduct that is contrary to ETES policies, applicable laws or regulations, or payer requirements; and/or

14.1.3 Failure of supervisory or management personnel to enforce compliance related requirements, or detect non-compliance with applicable policies and legal requirements and the Compliance Program where reasonable diligence on the part of the manager or supervisor would have led to the discovery of any violations or problems, or implement appropriate corrective actions.

**14.2** Disciplinary action for any violation may include, but is not limited to:

14.2.1 Counseling,

14.2.2 Written warning placed in personnel's personnel file, and/or

14.2.3 Terminating employment;

14.2.4 Terminating contracts;

14.2.5 Notifying law enforcement authorities of criminal activity.