

Yapı Kredi Gifts and Entertainment Policy

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1. PURPOSE AND SCOPE

The purpose of this Gifts and Entertainment Policy (the “**Policy**”) is to set forth the general rules and standards required to be complied with, while acting on behalf of Yapı Kredi, when accepting, giving gifts, entertaining guest(s) or accepting an invitation for entertainment and performing other similar activities.

All employees and managers of Yapı Kredi shall be obliged to act in compliance with this Policy, which is an integral part of the Yapı Kredi Code of Ethics and Business Conduct (the “**Code of Ethics**”). Yapı Kredi expects also all its Business Partners to act in compliance with this Policy, to the extent applicable to relevant party and/or transaction.

2. DEFINITIONS

Please refer to Yapı Kredi Anti Bribery and Corruption Policy for the undefined terms used in this Policy.¹

“**Business Partners**”, include the parties/persons who act as consultant, contractor, sub-contractor, supplier, service provider, intermediary, representative, agent or those who fulfil similar duties or functions; however, without being limited to these, shall also mean the persons or institutions, with whom/which the company establishes business relation.

“**Cash Equivalent**”, includes, but not limited to, money in cash, gift certificates, gift cards, discounts, securities, gold or coupons used to buy fuel and all kinds of tickets and similar certificates which have a certain value.

“**Entertainment**”, consists of meals, short and long term accommodation, travel and transportation, sporting, cultural or social events organized for other purposes.

“**Gift**”, means all kinds goods or benefits with material value, whether given or taken directly or via intermediaries, such as discounts, gift cards, promotion products, promise of employment, cash, loans, memberships, services, privileges.

“**Government/Public Official**”, in general, refers to, but not limited to, the following persons:

- Employees working at government bodies domestically or in a foreign country,
- Employees of government business enterprises (domestic or in a foreign country),
- Employees of political parties, political candidates (domestic or in a foreign country),
- Any person who holds a legislative, administrative or judicial position (domestic or in a foreign country),
- Judges, jury members, or other officials who work at domestic, foreign, international or supranational courts,
- Officials or representatives working at international parliaments or supranational organizations,
- Citizens or foreign arbitrators resorted to, who have been entrusted with a task within the arbitration procedure, in order to resolve a legal dispute.

“**Politically Exposed Person (PEP)**”, includes individuals who are entrusted with responsibility of high level public personnel in our country or in a foreign country, such as the presidents of state or government, high level politicians, government officials, high level judicial or military personnel, ambassadors, high level diplomatic staff, managers of international organizations and persons in equivalent positions, representatives of political parties at prominent positions, persons who are managers of state-owned business enterprises and family members of all these persons specified above and all persons with whom they are in close relation.

“**Yapı Kredi**”, means all companies controlled directly or indirectly, solely or jointly, by Yapı ve Kredi Bankası A.Ş. and the joint ventures included in the consolidated financial statements of Yapı ve Kredi Bankası A.Ş.

¹You can reach Yapı Kredi Anti Bribery and Corruption Policy by following steps of [Bizler Plus > Bilgi Portalı > Politikalar > Yapı Kredi Anti Bribery and Corruption Policy](#).

3. GENERAL PRINCIPLES

Gifts and entertainment activities are commonly used in building and reinforcing business relationships. However, these are legitimate tools, only if they are in compliance with the following criteria:

- Reasonable, occasional and with a modest value,
- Recorded in the books and records in an accurate and transparent manner,
- In accordance with generally accepted business practices [with any intentions of bribes or providing any undue benefit, not in the nature of commission/stake],
- In compliance with applicable legislation.

Any gift or entertainment activity should be offered or accepted within the framework of goodwill. Purposes, consequences implications and impacts of offering gifts and entertainment activities should be carefully evaluated. In this respect, employees should pay attention to following requirements when making any gift or entertainment activity or accepting them:

- Gift or entertainment activity should not influence decision-making mechanisms of Yapı Kredi or third persons and should not cause any such perception,
- Should not cause any damage to Yapı Kredi, if become publicly known,
- Should not cause any conflict of interest,
- Should not coincide with an auction/purchase agreement signing process.

At Yapı Kredi, all gifts and entertainment activities must be carried out in accordance with the principles specified above, as well as the limitations specified above in this Policy. In case any situation not in consistent with these criteria, is encountered, gift and/or entertainment should be rejected and should be returned to related person or institution politely. In this matter, Yapı Kredi's letter of thanks, published on internet, should be used.

Approvals relating to gift and entertainment activities and adequate explanations should be appropriately documented and related transactions should be entered into books and records correctly and in transparent manner. The employees shall be obliged to send the information relating to all gift/entertainment offers, regardless of whether they are accepted or not, by filling the **Gift and Entertainment Form**, available on internet, to the Ethics, Anti-Corruption and Conflict of Interest Department.

Relating to giving, taking any gift, offering or accepting any entertainment, in case any doubt occurs with regards to reason, frequency, value, nature thereof or regarding whether it is in compliance with this Policy for any other reason whatsoever, information may requested from the Ethics, Anti-Corruption and Conflict of Interest Department.

4. APPLICATION OF THE POLICY

4.1. Gifts

Yapı Kredi employees must not offer or accept any gifts in the nature of cash and/or cash equivalent and jewellery, receiving any service/promotion, discount, membership, promises of employment, providing any advantage and similar gifts of non-cash nature.

Employees may accept a gift, only within the limits specified below and in line with the general principles.

- Annual limit of gifts given to or taken from a sole source, is determined as 100 USD or its equivalent. In case the value of gift is not known, its value may be estimated based on similar samples, cost of which is known or can be calculated.
- Attention should be paid that a gift should be modest, proportionate, within the framework of good faith and courtesy, is of a commemorative nature without any high value, should be unconditional explicitly.
- Gifts with high material/immaterial, made specifically for a person, should be avoided.

On the other hand, any kinds of gift which may adversely affect the ability to take decision fairly and impartially or which may be considered contrary to generally accepted commercial practices, should be rejected regardless of the criteria specified above, in other words even if it is below the limit set for gifts in this article; furthermore, gifts in such nature should not be given.

It shall be convenient for employees to give/take gifts with very limited material value within the framework of routine activities. Among them, there may be, preferably, calendar, key ring or similar promotion products that bears the company's logo.

When gifts, which are not acceptable within the scope of this Policy, are given to employees, relevant gift should be rejected by returning it with the letter of thanks, published on internet.

4.2. Entertainment Activities

Business dinners and events are common practices in business life. Yapı Kredi and its Business Partners, when working actively relating to a project or performing any operational activity, may meet meal, travel and accommodation costs of each other. However, to avoid occurrence of any situation contrary to the legislation and this Policy and other relevant policies issued by Yapı Kredi, the criteria specified below should be complied with:

- It should be based on a continuing or potential business relation with the counterparty.
- Event should be for one time and should not be repeated regularly.
- Event should not be exorbitant and disproportionate [such as cases where value or nature of an event is disproportionate with the business relation] or should not be held in inconvenient locations.
- Entertainment activity should not adversely affect the process of taking decision fairly and impartially or should not cause any negative perception by other persons.

In line with the criteria defined above, participation in meals and other entertainment activities can be accepted, provided that they are reasonable and modest.

Information and documents relating to entertainment activities [information on participants, explanations regarding details of business relation and event, costs, etc.] should be entered into the books and records correctly and in transparent manner.

Employees who carry out entertainment activities should present the documents relating to the event, to relevant business unit in order to be kept there.

4.3. Interactions with Government/Public Officials and Politically Exposed Persons

Gifts and entertainments relating to Government/Public Officials and Politically Exposed Persons (PEPs) are subject to strict regulations. Both local and international regulations prohibit giving anything valuable to Government/Public Officials and Politically Exposed Persons, in order to build up, win or maintain a business.

Giving gift to Government/Public Officials and Politically Exposed Persons, may give rise to suspicion of Bribery or Corruption. Accordingly, such type of gift or entertainment or other recreational activities should be performed reasonably and in compliance with relevant regulations; should not be in a manner causing perception of bribery, irregular benefit and/or facilitation payment.

5. AUTHORITY AND RESPONSIBILITIES

All employees and managers of Yapı Kredi shall be obliged to comply with this Policy and to implement and support relevant procedures and controls defined herein, in line with the requirements set forth in this Policy. To the extent applicable to relevant party and transaction, Yapı Kredi shall expect all its Business Partners to act in compliance with this Policy.

In case of any difference between this Policy and the local legislation applicable in the countries where Yapı Kredi conducts operations, to the extent relevant practice does not constitute a breach of local legislation, the more restrictive among the Policy and the legislation, shall be applicable.

On the other hand, upon becoming aware of any act which is considered to be contrary to this Policy, applicable legislation and the Code of Ethics and Anti-Bribery and Anti-Corruption Policy or for questions regarding implementation of this Policy, the communication channels specified below, should be applied to.

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Breach of this Policy by an employee, may cause disciplinary penalties, within the framework of the provisions of this Disciplinary Regulation, which may be reach to a degree of termination of labour contract.

In case any third party, expected to act in compliance with this Policy, acts contrary to this Policy, related agreements can be terminated.

6. EFFECTIVENESS AND REVISION

The Gift and Entertainment Policy shall come into force, upon approval of the Board of Directors.

The Gift and Entertainment Policy shall be revised in certain intervals, according to changing conditions and changes made, shall be announced to the employees by way of announcement. Current version of the Policy can be reached at intranet and internet address.

