

## CONFLICT OF INTEREST POLICY

### 1.Object

It regulates the code of practice related to the obligation of our Institution to act honestly and justly protecting the interest of its investors and integrity of the market while providing investment services and activities as well as ancillary services, create an organization structure, which shall prevent conflicts of interest in its relationship with the investors arising within itself, between main partners, employees, managers, persons, who are directly or indirectly involved with the formers and the investors or an investor with another investor and adopt necessary administrative measures, if the conflicts of interest cannot be prevented due to reasonable causes arising from the operation of the market, inform the investor about the causes and content of the conflicts of interest, which may occur between our Institution and investors before performing the relevant activity or service.

### 2. Scope

This policy, determines on behalf of one or more investors of our Institutions, the situations and interests, which may constitute conflicts of interest. These conflicts of interests situations may arise in its relationships with the investors between the institution, partners, employees, managers, persons, who are directly or indirectly involved with the formers and the investors or an investor with another investor. Our Institution shall make the required effort and care to manage and resolve in an equitable manner the conflicts of interests.

### 3. Foundation

This code of practice is prepared on the basis of “ Communiqué on the Establishment and Activity Principles of Investment Institutions (III-39.1)” which was published in the Official Gazette of 17.12.2013/ no:28854.

### 4. Definitions and Abbreviations

Term	Definition and Description
<b>Board</b>	means the Board of Capital Market (SPK)
<b>Code</b>	the Code of Capital Market no 6362,
<b>Communiqué</b>	Communiqué on the Establishment and Activity Principles of Investment Institutions (III-39.1)
<b>Communiqué on Investment Services</b>	Communiqué on the Principles Related to Investment Services and Activities as well as Ancillary Services (III-37.1),
<b>Investment Services and Activities</b>	The services and activities enumerated in article 4 of the Communiqué on Investment Services,
<b>Ancillary Services</b>	The services enumerated in article 5 of the Communiqué on Investment Services,
<b>Capital Market Profession Rules</b>	Code of practice of our Institution prepared in the frame of “Ethical Principles and

	Behavior Rules for the Capital Market Employees” guide published by the Board of Capital Market”,
<b>Confidential Information</b>	Any and all informations about investors, issuers or sector, which are known only by the employees of the Institution and must not be shared unless necessary to conduct the job and upon approval by competent authorities and top management;

## 5. Responsibilities

All of the units, shall be responsible from acting as described in this code of practice.

It is under the responsibility of the Committee of Inspection to control and audit whether the implementations are realized or not in accordance with the principles determined.

## 6. Conflict of Interest Policy

### General Principles

- a) This policy is not prepared to establish the rights and obligations between our Institution and existing investors. This policy is not an integral part of any contracts signed between our Institution and existing investors.
- b) This policy is prepared for the obligation of our Institution to act honestly and justly towards its investors.
- c) This policy may be accessed at the web site of our Institution ([www.isyatirim.com.tr](http://www.isyatirim.com.tr)).
- d) Our Institution reserves the right to make changes in the Conflict of Interest Policy at any time.
- e) Our Institution takes the necessary steps to deal professionally with the potential conflicts of interest between the Units, which conduct mutually complementary jobs.
- f) The managers of different departments within our Institution are responsible from definition, prevention and management of conflicts of interests in their divisions.

### Principles Related to the Occurrence of Conflicts of Interest

Our Institution has established that in the following circumstances at minimum conflicts of interest may arise :

- a) If an earning is realized against the investor or the Institution is released from financial loss,
- b) If an advantage is derived from the service and activity provided to the investor, although the investor has not any interest,

- c) If an advantage is derived from favoring an investor or group of investors instead of another investor or group of investors,
- d) If a financial gain other than standard fee and commission is acquired from another person other than an investor, due to service and activities made for an Investor,
- e) If the orders of investors are not fulfilled in priority compared to equal priced orders given on behalf of the Institution or related persons,
- f) As per nature of the service or product provided in portfolio intermediation activities, the loss made by the client results in a profit for the Institution,
- g) While investors are provided portfolio intermediation services, if they are given investment consultancy and portfolio management services at the same time,
- h) If during public offering intermediation activities of capital market instruments, investment consultancy and portfolio management services are provided at the same time,
- i) If the confidentiality of issuer informations acquired in the frame of public offering intermediation activities cannot be maintained,
- j) If the security of investor informations acquired in the frame of safekeeping services, cannot be provided against other service units,

### Keeping records

Our Institution keeps and maintains the records of investment services and activities, which may cause a loss for investors and have the potential to create conflicts of interest as well as the records of ancillary services provided again by our Institution. The informations on the records allow our Institution to manage current and potential conflicts of interest.

### Management of Conflicts of Interest

- a) Our Institution maintains the continuity of the following process, procedures and organizational arrangements in order to manage potential conflicts of interest.
- b) Critical arrangements made in accordance with our Institution's management policy of conflicts of interest, are as follows:
  - a. All of the employees of the Institution are responsible from security and confidentiality of information and confidential informations may be shared with competent authorities only, when necessary to conduct the job and within the knowledge of the upper management.
  - b. All of the employees are obliged to act always in full compliance with the procedures of the Institution.
  - c. All of the employees must respect the instructions and guidance related with the management of conflicts of interest.
  - d. Measures are taken (Chinese Wall) to prevent or manage information flow within our Institution or between the members of group companies.
  - e. In our Institution, the supervision and audit of the units and the employees of these units, which are subject to conflicts of interest are ensured.
  - f. In our Institution, there are measures adopted relevant to the remuneration of employees working in the units, which are subject to conflicts of interest.
  - g. The places of duty of the employees of the Institution are determined in a way as not to cause conflicts of interest.
  - h. All investors are treated equally and justly.

- i. The research reports of our Institution, when shared with investors, potential investors and other third parties, the circumstances, which are expected to affect drastically the investment decisions, are treated carefully.
- j. The research reports inform that the Institution bears the responsibility related to organizational and managerial arrangements in management of conflicts of interest and it does not derive any material interests.
- k. The research reports /recommendations are shared at the same time within the Institution and with investors.
- l. Except employees performing transactions as per their principal activities and duties, the display of relevant sections of publications containing price targets or evaluation recommendations, is not allowed before publication even if for recommendation, research summary, verification of a prior report purposes.
- m. Employees performing transactions as per their principal activities and duties are obliged to comply with the rules and instructions established in this purpose.
- n. The principles related to licensing and record keeping about individuals active in the capital market are observed with regards to employees of the Institution.

### Resolution of Conflicts of Interest

Our Institution accepts as a principle, resolution of the conflicts of interest reported to Branch and General Directorate units, in a reasonable duration.

If the conflict of interest cannot be resolved at the examinations performed at the Branch and General Directorate, the matter is reported to the relevant Vice General Director and Execution Committee of the Institution.

If a solution cannot be obtained at the evaluations performed at the Execution Committee for the resolution of the conflicts of interest and actions to be taken then the matter is reported to the Inspection Board Department.

The Board of Directors is the final decision organ for the resolution of the conflicts of interest and the Board of Directors shall decide about the action to be taken as a result on the report prepared upon inspection by the Inspection Board Department.

### Disclosure of Conflicts of Interest

If the conflicts of interest cannot be prevented due to reasonable causes arising from the operation of the market, the investor shall be informed orally or in writing about the causes and content of the conflicts of interest, which may occur between our Institution and investors before performing the relevant activity or service.

In certain cases if a conflict of interest arises due to the nature of the product and service, it shall be ensured that the investor is informed, the consent of the investor shall be taken as necessary, before starting the transaction. The burden to prove that the information in question was provided belongs to our Institution.

### Effect and Review

This policy enters into effect with the decision of the Board of Directors and is reviewed at least once a year.

## **Compliance**

The employees of our Institution must observe these policies as well as they are obliged to observe Capital Market Profession Rules, which are among the internal regulations of our Institution prepared in accordance with Ethical Principles and Behavior Rules for the Capital Market Employees, published by the Board of Capital Market.