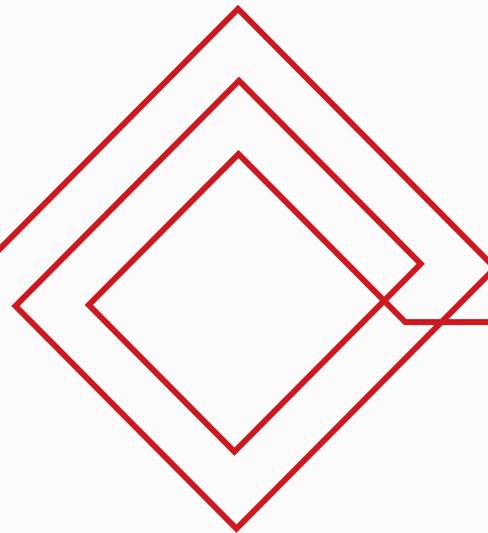


Akfen

Our Principles of Business Ethics

Our Code of Ethics



The honesty of doing the right thing, even when no one is watching





- Be Honest ...
- Act Respectfully...
- Adopt Transparency in Business Relations...
- Use Your Authority in a Fair, Impartial and Consistent Way...
- Comply with Ethical Codes and Ensure that Others Comply with them too...

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YOU HAVE A MESSAGE FROM THE MANAGEMENT

Dear Akfen Family,

The Akfen Values we have designated together have been an indicator that the culture of Akfen, which has been shaped with the invaluable contribution of each of us, is established on honesty and reputation. As members of Akfen, we agree that “our reputation is a sign of our identity and our honesty is a sign of our quality.” We are planning to strengthen and extend the culture that makes us a member of Akfen through these values.

For this purpose, we believe in the importance of writing down and in this way making accessible and understandable to everyone, and convey as a written document to each member of the Akfen Family the behaviors and conducts that have guided and which we believe will continue to guide us in our relationship with each other, in our relations with the people, institutions and all our stakeholders that we do business with.

We are fortunate that the behaviors and conducts that constitute our culture have been based on a solid foundation for many years. Yet, with the rapidly changing world and the speed of technological developments, some of the correct acts can become false, and the validity of some false acts can be disputed. Hence, we are hoping that our Code of Ethics, which we have formed with the responsibility of being a publicly held corporation and the awareness provided by working with foreign partners, will become a source of inspiration for the gray areas or for situations in which we found ourselves faced with a dilemma. Rather than an assessment of singular acts, we aim at creating a written reference on our business conduct and ethical approach with the Code of Ethics.

As you well know, Akfen undersigned the UN Global Compact and is an exemplary corporation in its business conduct, its success, as well as its relationship management.

We wanted to write down the unspoken codes of our company, which deserved respect for its honesty during all these years, and make these

codes transparent and accountable, sustainable and permanent.

We would like to thank you all for the role you played in forming this culture and to express our gratitude for not having made us experience a concern about the compliance with these rules.

We would like to remind one more time the codes that are forgotten or ignored during the daily rush and speed and thank you again for creating a corporate responsibility with the personal responsibilities that you take.

With My Best Regards,

Pelin Akin
Member of the Board of Directors



OUR VALUES



ALL TASKS ARE IMPORTANT, ALL EMPLOYEES ARE VALUABLE

We value the ideas of our employees and support their contributions. We celebrate achievements together since they are attained through the tasks undertaken and carried out devotedly by each member of our family.



WE ARE ENERGETIC AND ENTERPRISING

Our experiences make us strong for new ventures and opportunities. With our innovative approach we put changes into practice rapidly by moving swiftly and decisively.



HONESTY IS THE EMBLEM OF OUR CHARACTER

Our attitude toward our employees, business partners, shareholders and social stakeholders is transparent. We comply with legal and ethical regulations punctiliously; we fulfill our promises.



OUR INVESTMENTS ARE BOTH MATERIAL AND MORAL

We aim at sustainable success through our strategies that take into account social needs; we invest in people with our social responsibility projects.



WE ADVANCE ON THE ROAD THAT HAS NO FOOTSTEPS

We achieve firsts by managing risks with our original and innovative business approach that creates a difference; we become a pioneer and a model in the areas we operate.



WE EMBRACE OUR JOB, LEARN SOMETHING EVERY DAY

Learning is our engine. We consider our employees' taking on responsibilities and taking initiatives as a privilege; we authorize and encourage them.



OUR REPUTATION IS OUR IDENTITY

Our reputation which is shaped by our achievements, our sense of quality, our ethical approach and our values is our source of pride.

AKFEN ETHICS LINE

*We want to hear your concerns and questions. Tell us, ask and communicate. Protect yourself and your company.
Don't say "There is no harm in just a one-off things."*

In order to identify, prevent and protect ... Don't take part in violations...

To report the issues that you encounter, and to ask for guidance for situations in which you hesitate how you should act, is your right and responsibility. Through your concerns, problems or the situations of violations that you identify, only in this way our company can handle in the best appropriate way, take the necessary protective measures, without allowing the violation of legal regulations, while protecting both your reputation and the reputation of the company.

Many of the situations you might need, have been tried to include in the Code Of Business Ethics. Yet, if the situation in which you hesitate is not included in the Code of Ethics, do not hesitate to consult us. You can contact us in order to provide feedback or demand guidance through the following channel:

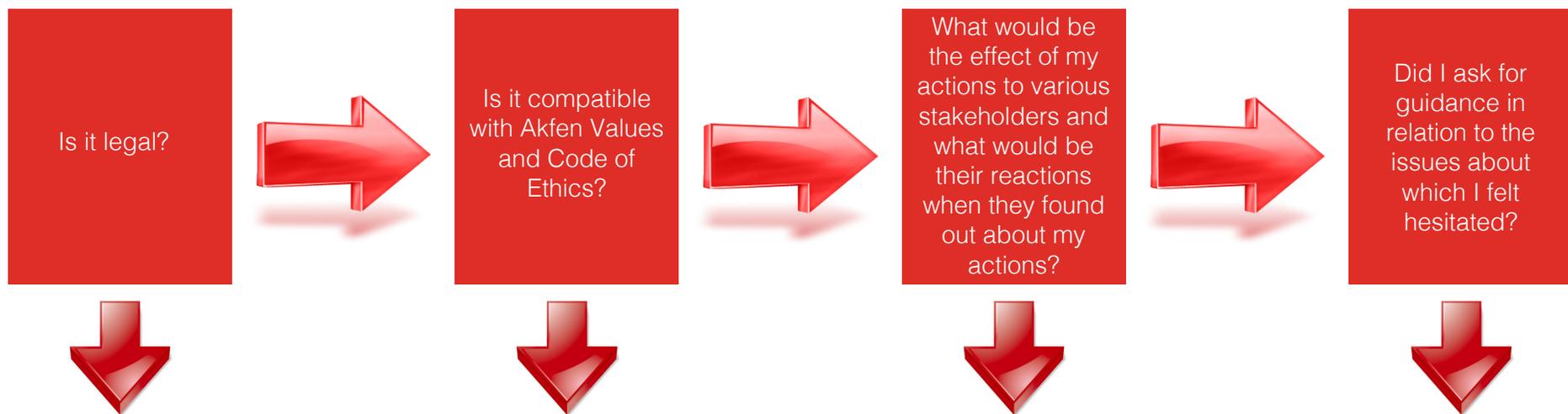
Send an e-mail



AKFEN'S PRINCIPLES OF BUSINESS ETHICS

Akfen Code of Business Ethics are designated to raise the corporate value of Akfen and define the principles and practices that all the administrators and employees of Akfen should comply with. The high standard conducts of Akfen executives and employees, their awareness of the corporate impact of their actions and attitudes, the use of most correct methods by all the members of the Akfen Family are aimed with these rules.

Akfen Code of Conduct are intended as guidelines for situations in which one hesitates regarding the task at hand, yet these do not substitute the policies and standards that are used in current practices. In areas when the solution to an encountered problem is not evident, the members of Akfen are expected to take correct, sustainable and timely decisions. Before taking business decisions that would impact Akfen directly or indirectly, the following questions should be posed:



If one cannot answer **“yes”** to all questions, no decisions must be taken until receiving guidance, and no action must be taken.

AKFEN'S CODE OF ETHICS

■ **LEGAL COMPLIANCE, REGULATIONS AND POLICIES**

In our objective of becoming a sustainable corporation of the country, we are subject to many laws while we conduct our business in various sectors and fields of operations. We are continuously interacting with various individuals and institutional groups, including customers, employees, partners, shareholders, banks, competitors, media, contractors, government agencies, etc. We aim to sustain our business relations with aforementioned stakeholders in a respectful and ethical way, in compliance with the laws.

Respecting Equal Opportunity

As Akfen, we are respectful of diverse cultures, traditions and business practices that we encounter in the areas in which we operate. In this respect, we recognize and value religious, structural and cultural differences of the stakeholders we interact with. We treat everyone equally without discriminating religion, language, race, gender, age, or ethnicity.

Case: I am the only woman in my department. Our department manager asked for solution suggestions from each of us about a problem that was addressed in our department meeting, and announced that we would discuss these suggestions in the next meeting. When I joined the next meeting, he did not even bring the solution I had suggested up for discussion, arguing that it was inappropriate. I believe that my idea was not considered important on the excuse that I am a woman. What should I do?

Solution: At Akfen, any action or discourse that might lead to discrimination is strictly forbidden. Firstly, you should share your concerns and your justifications with your superior. If you are not satisfied with the response you receive from your superior or if you believe that his/her attitude toward you has not changed, you should share your situation through the Ethics Line.

AKFEN'S CODE OF ETHICS

■ **LEGAL COMPLIANCE, REGULATIONS AND POLICIES**

Respecting Intellectual Property

We refrain from deliberate and unauthorized use or illegal copying of brand, patent, logo, copyright, confidential business information or computer programs that belong to other corporations, and other intellectual and industrial properties, and act in accordance with the all laws and regulations on the protection of the intellectual properties of persons and corporations.

Case: I noticed that the logo that was designed to be used in the publicity of Akfen by the agency which we work with has been used by another company. What should I?

Solution: Everyone should be attentive to acting in accordance with the laws, regulations and agreements on protecting the intellectual properties of all persons and corporations. In order to prevent the use of another corporation's intellectual property, you should consult with the Office of the Vice General Manager responsible for Legal Affairs for advice on what needs to be done.

AKFEN'S CODE OF ETHICS

■ LEGAL COMPLIANCE, REGULATIONS AND POLICIES

Giving and Receiving Gifts

As Akfen, we conduct the exchange of gifts in honesty and by recording it in a manner that does not go against the principles and policies of Akfen, or that may harm our reputation or constitute a crime, with the awareness that the practices of receiving and giving gifts vary according to local cultural values. We refrain from receiving or giving gifts, donations, or entertainment offers that might have a positive or negative impact on the decisions in commercial transactions.

Acceptable Gifts and Entertainment:

- Reasonable in material value,
- Required by the purpose of the task,
- Lawful,
- Consistent with local traditions and

Strictly Unacceptable Gifts and Entertainment:

- Cash money or substitutes for money,
- Perceived as bribe, high in material value,
- Purchases made from private sources,
- Any gift or entertainment that may harm the reputation of Akfen.

Case: The company we work with sent me a gift for the New Year's Eve whose value I know to be over 150 TL. I hesitate of sending the gift back since it may harm our business relationship as we continue to work with this company. What path should I take?

Solution: Exchanging little gifts in special days is a part of our culture; it is acceptable as long as there are no legal obstacles. Yet, it is not appropriate to accept gifts with a material value that might lead third parties to have suspicions. You should inform your supervisor about the issue. With the idea of not accepting the gift may harm the business relationship, we suggest that the gift is taken under record and donated to TİKAV (Turkey Human Resources Foundation).

AKFEN'S CODE OF ETHICS

■ **LEGAL COMPLIANCE, REGULATIONS AND POLICIES**

Corruption, Bribery, and Borrowing

As employees of Akfen, under no condition do we accept to receive, give or offer bribe. We do not ask for personal favors from sub-contractors, suppliers, consultants, competitors, or from customers.

Case: Is it ethical to request for a discount in personal bookings from the agency with which we book flights for the corporation?

Solution: It is not appropriate to use business relations for personal benefits. It is strictly forbidden to have the companies we work with compensate personal travel expenses or similar payments. A request for discount can only be made if it is going to be valid for all Akfen employees. You should absolutely inform your supervisor before making a discount request.

AKFEN'S CODE OF ETHICS

■ LEGAL COMPLIANCE, REGULATIONS AND POLICIES

Purchase Decisions and Practices

In our meetings, decisions and agreement processes that relate to purchasing, we act in accordance to valid laws and regulations; we expect the same fair and honest approach from our suppliers. We deem important that the suppliers we are going to work with have adopted principles that are compatible with our values and have understood our ethical expectations.

During our decision processes, we assess the offers of all suppliers according to the criteria of performance, quality and cost, objectively and without discrimination, and we can end our business relationship with the suppliers who do not meet our expectations by taking into the consideration the terms of the contract with them.

Case: Is it ethical to forward my friend who works in cleaning supplies wholesale to the Purchasing Department thinking that he might make a more reasonable offer?

Solution: Considering the benefits to the company, there is no drawback to asking for an alternative price offer. Yet, if you are in a position of decision-making in the mentioned purchasing, then it is not ethical since your choice would not be considered to be made objectively. You should absolutely inform your superior about the issue. If you are not the person in charge of making the purchasing decision, you can enable the giving of the offer providing that you inform the concerned parties.

AKFEN'S CODE OF ETHICS

■ SAFETY AND MANAGEMENT OF INFORMATION

We each generate, use or learn various information everyday in our areas of activity as members of Akfen. This is why we place importance on the management and protection of the information we obtain in order to conduct our operations in a honest, dependable and effective way in accordance with legal regulations.

Information Privacy

In order to protect confidential or nonpublic information that belongs to Akfen, we use this information only within the fields of operation of the company and for process improvements within the confines that are allowed by legal regulations, and we refrain from using this information for our personal benefit. We do not share the information that we have obtained within our field of activity, or as a result of the operations we are responsible of, with any person from within or outside the company without valid and legal permissions. We are aware of the importance of keeping the information we obtained confidential even when our shift or our employment at Akfen is over. We are aware that we put the company and ourself under serious legal risk if we act otherwise. We take the necessary precautions through Confidentiality Agreements in

- *We do not share confidential information with our family, friends, or third parties.*
- *We do not mention or discuss confidential information in the company cafeteria or hallways, places where the third parties can hear us.*
- *We do not keep or use written or electronic documents that have confidential information where third parties can see them, in public places.*

Case: A hospital that will provide opportunities and discounts to employees asked for company email accounts and phone numbers in order to inform employees about this. Would it be appropriate for me to share this information?

Solution: Even though opportunities and discounts are to the benefit of the employees, it is not correct to share personal emails and phone numbers with external corporations. You can use the portal to inform the employees or have the incoming promotional email be distributed through the HR email account.

AKFEN'S CODE OF ETHICS

■ SAFETY AND MANAGEMENT OF INFORMATION

Information Safety

With the awareness of the importance and necessity of protecting the integrity and accessibility of information, we keep our company records in a way that complies with legal regulations and protect them against unauthorized access. We collect, process, store a majority of our records electronically and transfer these for use to other computers via network.

Preventing unauthorized use, alteration, or deletion of information that is in our responsibility is not only our work requirement but also is a legal requirement. This is why we inform our superior when we suspect a safety breach and ask IT Department for support when needed.

- *We access company records using our personal passwords,*
- *We use licensed products,*
- *We update our passwords periodically in accordance with Akfen's password policy,*
- *We actively use and update anti-virus programs,*
- *We keep our operating system up-to-date.*

Case: Is it fine if I share my IT password with my teammate so that s/he can enter data?

Solution: It is absolutely not. The password you had assigned for using the company computer and accessing information system is confidential. You should pay the utmost care not to share your password and to keep it confidential.

AKFEN'S CODE OF ETHICS

■ SAFETY AND MANAGEMENT OF INFORMATION

Social Media

While we are aware of the role and potential of the social media in today's interactive world, we refrain from making a statement or express an opinion on behalf of Akfen on social platforms (Facebook, Twitter, blogger, etc), without the knowledge/approval of company's spokespeople. We inform the Corporate Communication Department that is responsible for media relations about the concern or reservation we may have on news stories that we have read or seen about Akfen. The areas of responsibility according to topic are: Corporate Communication Department is responsible for general media and communication; Investor Relations Department is responsible for public operational and financial performances; the Office of the Vice General Manager responsible for Legal Affairs is responsible for corporate practice and legal regulations; and, Human Resources Department is responsible for employees and potential employees.

Case: On an online platform that I follow, I have read a news story that has inaccurate and negative information about Akfen. Is it fine if I share my opinion on the subject matter through my personal account?

Solution: Reputation management, crisis management, and the management of relations with agencies in all internal and external communication channels that will serve the vision and mission of Akfen falls under the responsibility of Corporate Communication Department. You can share the issue with our Corporate Communication Department.

AKFEN'S CODE OF ETHICS

■ CONFLICT OF INTEREST

Conflict of Interest

We look out for and avoid situations in which our personal interest and those of Akfen or related persons and corporations can clash. We protect the interests of Akfen above everything else when we carry out our tasks, we refrain from any action that would amount to gaining benefit to ourselves or to our relatives by using the resources or reputation of Akfen.

- *The family or persons up to the third degree relatives of the employee having a trade relation with Akfen,*
- *The family or persons up to the third degree relatives of the employee having an ownership or a relationship of interest in competitor companies,*
- *The employee hiring the company for Akfen, in which the family or persons up to the third degree relatives of him/her work,*
- *The employee having a trade relationship with the companies s/he works with.*

Case: The restaurant my husband manages has made a reasonable price offer for the company's iftar organizations. Is it fine if my husband's restaurant hosts the iftar organizations?

Solution: It can be received favorably that the dinner organizations are hosted at the mentioned restaurant provided that it provides a reasonable price and quality service. Yet, if you personally take part in the decision of the dinner organization, the business relationship that you enter into with a first degree relative will create a conflict of interest and will cause misunderstandings. This is why it is contrary to the codes of ethics.

AKFEN'S CODE OF ETHICS

■ CONFLICT OF INTEREST

Working Free-Lance Outside the Corporation

We do not accept a permanent or temporary position, with or without pay, that is official or private, outside our position at Akfen and without the knowledge and approval of Akfen, we do not work for or consult to another corporation or organization.

Case: A consulting company has offered me to work for them during weekends as a result of the latest project I did with them. Since the job is on weekends, it will not hinder my usual work. Is it fine for me to accept this offer?

Solution: The prohibition of working in another job is an article that takes place in the employment contract that you had signed; it is strictly impermissible.

AKFEN'S CODE OF ETHICS

■ RESPONSIBLE WORK APPROACH

As members of Akfen, as responsible corporate citizens, we believe in the principles of sustainable work that creates added value for the society, that caters for the needs of the society. We establish and protect relationships with all our stakeholders that are based on respect and trust.

Environmental Management

We aim at living in an environmentally sustainable world and passing down a healthy, clean and habitable world to future generations. For this purpose, we place importance on implementing high standard practices in our operations within the scope of relevant legal legislations and regulations. With the awareness that the most important inheritance we would leave to future generations will be environment, we refrain from unnecessary use of energy and natural resources, act according to the principle of environmental protection, and look for the ways to reduce waste in our investments.

We refrain from violating environmental rules that may harm the health and rights of the employees, customers, and the people who live in the region in which we operate. In this scope, we report environmental damage that was made, act in order to minimize the adverse effects, and take preventive measures when we make our business decisions.

Case: News began to appear in the public about the company from which we purchase materials for our construction projects that the company is not manufacturing using environmentally friendly methods, and that it threatens environmental health. What should I do?

Solution: In all our areas of activity, we put emphasis on minimizing the consumption of natural resources, using quality materials that are suitable for environmental health, and on ensuring recycling. This is why, in line with our quality objectives, it is important that the materials we purchase from suppliers are manufactured using environmentally friendly technologies. You should inform your superior and change the supplier. Moreover, you should consult with the Office of the Vice General Manager responsible for Legal Affairs for the terms of the contract.



AKFEN'S CODE OF ETHICS

■ RESPONSIBLE WORK APPROACH

Human Rights - Mobbing

With the aim of establishing a shared culture in the business world that is based on universal principles, we support basic human rights that are stated in the United Nations Global Compact and we encourage these rights when we conduct our activities, holding the title of the first Holding who had undersigned this initiative.

- *Freedom of Thought*
- *Right of Privacy*
- *Right to Fair and Equal Work*
- *Right to participate*

Case: My immediate superior is constantly warning me to be quicker and not to make mistakes; s/he uses insulting words when my colleagues are around. This situation embarrasses me among my colleagues, it has an adverse effect on my motivation and increases my chances of making a mistake. Is there anything I can do about this?

Solution: Our managers are expected to respect the rights and personalities of our employees, and mobbing practices that abuse human rights in workplaces are strictly unacceptable. The managers should behave respectfully toward employees and all employees should behave respectfully to each other. If you believe that you are not treated professionally, you should first contact your superior and consult with the Human Resources Department.

AKFEN'S CODE OF ETHICS

■ RESPONSIBLE WORK APPROACH

Social Contribution

With the awareness of our corporate social responsibility, we put into effect efforts that will contribute to social improvement through foundations and associations that we support in order to win the society qualified human resources. We volunteer to support individual activities that are for the benefit of the society and which reflect the values of Akfen. We volunteer out of our working hours and with our own resources. We adopt the principles of all the agreements which Akfen undersigned as a corporation.

Case: The association in which I do volunteer work personally is having a charity sale on the weekend. When I invite people, I also inform them that they can donate items they are not using for second-hand sale, such as scarf, watch, jewelry. I think that Akfen employees may want to volunteer as well. Is it fine for me to share this with other Akfen employees?

Solution: You can pursue your activities with your own resources in an association that was confirmed by the corporation, and invite your colleagues within the knowledge of your superior. Yet, you should absolutely refrain from a compelling attitude toward your colleagues and pursue your activities out of your working hours in order not to decrease your productivity at work.

AKFEN'S CODE OF ETHICS

■ RESPONSIBLE WORK APPROACH

Accuracy in Financial and Commercial Records

Reputation is what establishes trust at the basis of our business relationship that we form with our stakeholders. Starting from this point, we record and report accurately, consistently and completely all the information about our activities. We timely present up-to-date and valid information that reflects the facts about Akfen, issued in accordance to the law, to the public and governmental agencies.

Case: When I was studying the report our department prepared, by chance, I noticed that the data that was requested from another department was inaccurate and that this inaccurate data was included in the report. Should I warn my teammates and superior about this inaccurate data even though I know that it does not have a big impact numerically on the results of the report?

Solution: You should immediately inform your superior that the records have inaccurate or missing information the moment you notice such a thing, regardless of the magnitude of the mistake or of the missing information. Reporting in full and factually is the principle.

AKFEN'S CODE OF ETHICS

■ RESPONSIBLE WORK APPROACH

Utilization of Akfen's Resources

We always protect the records, machines, equipments, fixtures, and devices that belong to Akfen, and we prevent the misuse, harm, waste of resources, and their borrowing, renting or sale to others. Furthermore, we refrain from the personal use of contacts and transportation opportunities that were obtained within the scope of the authorities and responsibilities brought to us through our positions at Akfen.

Case: The instructor has given the questions and answers of the exam that my child will take. Can I copy the exam documents using the company's copy machine that is available for common use.

Solution: If not a special case, it is not suitable to use the company's equipment for personal purpose.

AKFEN'S CODE OF ETHICS

■ SAFE WORK ENVIRONMENT

Violence in the Workplace

We consider any situation in which our employees are abused, are subjected to non-physical violence such as oppression and threat, in which their safety and health are risked as an instance of violence. We do not tolerate any act or behavior that includes harassment, threat or physical violence under any circumstances, and we initiate judicial process when we encounter such a situation.

Case: After having a dispute with my colleague about work at the meeting, s/he came to my office and warned me against experiencing a similar thing. I feel myself under threat. What kind of a help can I receive about this?

Solution: You should inform your superior and the Human Resources Department when you are confronted with any kind of violent action or behavior, whether it is physical or non-physical. The situation you experience can threaten your safety both in your work environment and in your social life. If you think that this attitude might continue or escalate, you should seek help through Ethics Line.

AKFEN'S CODE OF ETHICS

■ SAFE WORK ENVIRONMENT

Health and Safety

We put emphasis in creating a healthy, safe and secure work environment. We show maximum attention to ensure that health and safety issues are complied with in all our activities in our corporation, in our enterprises, and in our building sites, and we take all sorts of measures in order not to risk the health and safety of ourselves as well as those of others.

We follow the regulations and developments on occupational safety, and we refrain from being negligent.

Case: At the residential project where construction continues, I spotted a worker from the subcontractor company walking around without a protective helmet. Should I inform anyone about this?

Solution: You should immediately inform your superior about any behavior or action that might risk the safety and security of the work environment.

ETHICS COMMITTEE

An “Ethics Committee” is formed in order to handle ethical violations or ethical dilemmas within Akfen Holding and its Subsidiaries.

MEMBERS OF THE ETHICS

- **President:** *Vice General Manager responsible for Legal Affairs*
- **Member:** *Internal Audit Manager*
- **Member:** *Human Resources Manager*
- **Committee Clerk:** *Human Resources Specialist*

RESPONSIBILITIES OF THE ETHICS COMMITTEE:

The Committee works directly under the Corporate Governance Committee, and is responsible for examining, investigating, assessing and resolving, independently of personal and inter-personal relations, as soon as possible the ethical violations or ethical dilemmas that arrive at the Committee through appeals, that occur at the Akfen Holding and its Subsidiaries, and for informing the parties and senior management.

AUTHORITIES OF THE ETHICS COMMITTEE:

- *Demanding information, document, or evidence relevant to the subject matter from related department/departments,*
- *Asking for the appointment of a technical specialist/consultant to the committee from the relevant department when needed,*
- *Taking decisions on the manner of conduct in ethical dilemmas, changing process or corporate regulation when needed,*
- *Identifying measures that need to be taken within the scope of disciplinary rules,*

WORKING PRINCIPLES OF THE ETHICS COMMITTEE:

- *Pressuring or making suggestions the committee on the investigated subject matter is impermissible.*
- *Members of the Committee work independent of the hierarchical structure within the corporate’s organization structure during the investigation.*
- *The identity of the employees who appealed or made a complaint to the committee are kept confidential and are not revealed unless it is necessary.*
- *The committee conducts its activities in a way that is confined by the scope of the appeal.*
- *The activities and minutes of the committee are recorded in writing by attaching any kind of documentation.*

