

# **BORSA İSTANBUL A.Ş. WHISTLEBLOWING (NOTIFICATION) DIRECTIVE**

## **FIRST PART**

### **Purpose, Scope, Grounds, Definitions and Abbreviations**

#### **Purpose**

**ARTICLE 1-** (1) The purpose of this Directive is to regulate and set down the procedures and principles regarding notification to Borsa İstanbul Audit Committee of the events and actions in conflict with the Exchange legislation, ethical regulations, laws and other related regulations.

#### **Scope**

**ARTICLE 2-** (1) This Directive covers the events, conditions and actions relating to Borsa İstanbul and its employees, including as an example, but not limited with, the following circumstances:

- a) Corruption,
  - b) Bribery,
  - c) Abuse of trust,
  - ç) Theft,
  - d) Money Laundering,
  - e) Financing of terrorism,
  - f) Abuse of sources of the Exchange,
  - g) Illegal use of confidential information,
  - ğ) Insider trading,
  - h) Conflict with ethical regulations,
  - ı) Acts of mobbing,
  - i) Conflict with regulations relating to protection of personal data,
  - j) Conflict with the Exchange legislation and other relevant regulations, and
  - k) Condoning irregularities committed within their area of responsibility.
- (2) Complaints and requests of investigation of investors in regard to the Exchange transactions and capital market instruments are not, however, covered by this Directive.

#### **Grounds**

**ARTICLE 3-** This Directive is issued in reliance upon Article 41 of Borsa İstanbul A.Ş. Regulation on Principles Relating to Exchange Activities, and Article 27 of Borsa İstanbul A.Ş. Regulation on Principles of Exchange Activities Relating to Precious Metals and Precious Stones.

#### **Definitions and Abbreviations**

**ARTICLE 4-** (1) For the purposes and in the context of this Directive:

- a) “Exchange” stands for Borsa İstanbul A.Ş. (BİAŞ); and
- b) “Audit Committee” stands for Borsa İstanbul A.Ş. Audit Committee; and
- c) “Ethical Regulations” stands for Borsa İstanbul A.Ş. Ethical Principles Directive; and
- ç) “Notice” refers to notices to be sent to the Audit Committee under this Directive.

## **SECOND PART**

### **General Provisions**

#### **Contents of Notice**

**ARTICLE 5-** (1) Notices may be in relation to Borsa İstanbul executives and employees, and those acting for and on behalf of Borsa İstanbul, and all other persons and entities having business relations with Borsa İstanbul, also including, but not limited to, its suppliers, consultants, advisors and subcontractors.

(2) A notice should also contain information allowing the control of its accuracy. Whistleblower should also attach to its notice all information and documents for proof of its arguments, if and to the extent available.

(3) Notification shall cover the Whistleblower's name and surname, signature and communication data in order to allow for an accurate and adequate investigation on the subject matter thereof. However, anonymous notifications containing concrete and tangible evidences for the allegations contained therein may also be taken into consideration, if and to the extent deemed fit and plausible by the Audit Committee.

(4) A notification sent under this Directive does not relieve the notifying party from its liability to report the subject event or action to the juridical authorities or regulatory bodies as well, if and when it is legally obliged to do so.

#### **Anonymity of Whistleblower**

**ARTICLE 6-** (1) As a rule, the identity of whistleblower is kept confidential, and is not shared with or disclosed to third parties, other than the Audit Committee members and other persons assigned for investigation if needed. The following situations are an exception to this rule:

- a) Borsa İstanbul being legally under obligation to disclose the identity of notifying party, or
- b) Said notification being legally required to be communicated to the relevant legal authority.

(2) Those acting in conflict with the provisions of this article are subject to the disciplinary investigations as required pursuant to Borsa İstanbul A.Ş. Internal Discipline Directive according to the nature and kind of concrete case. The provisions of Article 25 of the Labour Act no. 4857 pertaining to immediate termination of employment contract by the employer for just and valid cause are, however, reserved.

#### **Protection of Whistleblower**

**ARTICLE 7-** (1) Borsa İstanbul takes the required actions and measures in order to make sure that the whistleblower or those who are involved in the activities and works for determination of the accuracy of notice are not exposed to any threatening and/or retaliation due to their acts.

(2) Provided that they are by no means involved in the events or actions in conflict with the laws and regulations listed in Article 2 of this Directive, the Exchange personnel are not to be adversely affected whether in their seniority or job titles which would be disadvantageous to them or their interests, and necessary actions will be taken to ensure that they are not exposed to any maltreatment such as disciplinary punishment, dismissal, underestimated performance, discrimination, penalization, mobbing, etc. either, because they send a notification under this Directive or they are involved in the processes of investigation and/or proof in regard to the contents of the notification.

(3) Those who are aware of any retaliation or a threatening move against the notifying party and/or for those involved in the activities and works determining the accuracy of notice

within the frame of this Directive, or those who are directly retaliated or threatened shall immediately report such acts of retaliation or threats to the Audit Committee.

### **Whistleblowing and Immunity**

**ARTICLE 8-** (1) Sending a notification does not relieve the whistleblower from their liabilities if they have also been involved in the events or actions in conflict with the Exchange legislation, ethical regulations, laws or other relevant regulations covered by the notification, nor does it provide any immunity to the notifying party. However, in actions sanctioned pursuant to the Exchange legislation, being under the responsibility of the notifying party as well, providing that the subject event or action is revealed and discovered as a result of notification, the notification may be considered and treated as an extenuating circumstance in determination of sanction applicable on the notifying party. Penalties that may be imposed by the juridical and administrative authorities and bodies are, however, reserved.

### **Abuse of Directive**

**ARTICLE 9-** (1) Those who maliciously and knowingly send false notifications are sanctioned as specified in the Internal Discipline Directive, the provisions of Article 25 of the Labour Act no. 4857 pertaining to immediate termination of employment contract by the employer for just and valid cause, and the civil and criminal remedies and actions that may be taken by those who were negatively affected from the notification have their legal rights are reserved.

### **Processing of Notifications**

**ARTICLE 10-** (1) Under this Directive, notifications are sent directly to the Audit Committee. It is the responsibility of the Audit Committee to investigate the accuracy of notifications sent under this Directive and to take necessary actions in connection therewith. The Audit Committee gives information to the Board of Directors in regular intervals about the notifications received.

(2) Chief Audit Executive is liable to ensure that all of the received notifications are recorded and all of the notifications received by any means other than magnetic media are transmitted to the Audit Committee members. The CEO is also informed about the notifications transmitted to the Audit Committee. One or more auditors are assigned by the Audit Committee to assist in recording of the received notifications and in transmission of notifications to the Audit Committee members.

(3) Investigations in respect to notifications are conducted by the Audit and Surveillance Board within the frame of assignment by the Audit Committee, and are reported to the Audit Committee as specified in the Fourth Part.

## **THIRD PART**

### **Methods of Notification**

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**ARTICLE 11-** (1) Notifications pursuant to and under this Directive may be sent by any one of the following methods:

- a) by electronic mail address to be designated for notices; or
- b) by filling in the forms to be created in the Exchange's local network (intranet); or
- c) in writing through notifications placed in closed envelopes clearly marked with "Notification" inscription thereon, and put in "Request and Complaint" boxes located at various different places in Borsa İstanbul; or

ç) by mail to the address of “Borsa İstanbul A.Ş. Hotline, Reşitpaşa Mah. Borsa İstanbul Caddesi No:4 34467 Sarıyer İstanbul”; or

d) verbally by filing a personal application to the Chief Audit Executive

(2) Notifications sent by any ways other than the methods specified in first paragraph are handled and processed under this Directive, providing that it is clearly marked as a notification under this Directive. In the event that notifications are received by any employee, executive or department other than the channels mentioned in first paragraph hereof, the relevant employee, executive or department is under obligation to deliver said notifications to the Chief Audit Executive without delay and subject to confidentiality provisions.

(3) The CEO is authorized to determine and announce the e-mail and intranet addresses mentioned in subparagraphs (a) and (b) of first paragraph.

#### **Notifications by Electronic Mail**

**ARTICLE 12-** (1) Notifications by e-mail are directly sent to a designated Audit Committee’s Borsa İstanbul e-mail address, and, for tracking and processing purposes, also to Borsa İstanbul e-mail address of the auditor assigned by the Audit Committee and the Chief Audit Executive.

#### **Notifications by Filling in a Form**

**ARTICLE 13-** (1) Notifications through a form included in Borsa İstanbul local network are directly sent to a designated Audit Committee’s Borsa İstanbul e-mail address, and, for tracking and processing purposes, also to Borsa İstanbul e-mail address of the auditor assigned by the Audit Committee and the Chief Audit Executive.

#### **Notifications Through “Request and Complaint” Boxes**

**ARTICLE 14-** (1) For the sake of anonymity of whistleblower, rather than using a separate whistleblowing box, notifications may also be made in closed envelopes clearly marked with “Notification” inscription thereon, and put in “Request and Complaint” boxes installed at various locations in Borsa İstanbul. These boxes are opened in presence of the Chief Audit Executive once a month, and the envelopes bearing “Notification” inscription found therein are delivered unopened to the Chief Audit Executive by means of a written memorandum. Envelopes are opened in the same day, and their contents are reported to a designated member of the Audit Committee through their Borsa İstanbul electronic mail address.

#### **Notifications by Mail**

**ARTICLE 15-** (1) Notifications may also be sent by mail to a special address designated specifically for this purpose. Mails received by Borsa İstanbul with “Hotline” inscription thereon are unopened and directly delivered by the record office unit to the Chief Audit Executive. Envelopes are opened in the same day by the Chief Audit Executive or in their absence, by the relevant Deputy Chief Audit Executive or by the relevant auditor, and their contents are reported to a member of the Audit Committee designated by itself through their Borsa İstanbul electronic mail address.

#### **Notifications by Means of Personal Application**

**ARTICLE 16-** (1) Notifications may also be made by the whistleblower personally giving information directly to the Chief Audit Executive. In this case, notification is received by a written memorandum together with information and documents proving the accuracy of arguments and allegations. Then, the content of notification is reported to a member of the Audit Committee designated by itself through their Borsa İstanbul electronic mail address.

## **FOURTH PART**

### **Investigation of Notifications**

#### **Recording of Notifications**

**ARTICLE 17-** (1) Notifications sent by any one of the methods listed in the third part of this Directive are recorded by an auditor assigned by the Audit Committee and the Chief Audit Executive.

#### **Investigation of Notifications**

**ARTICLE 18-** (1) The Audit and Surveillance Board conducts a preliminary investigation about notifications sent under this Directive and informs the Audit Committee about the results of its investigation. As a result of an assessment made by the Audit Committee, it may be decided to engage in a detailed investigation about the notification, or a decision of non-investigation may be taken for such reasons as the contents of notification not being within the scope of this Directive, or the notification not being related to the Exchange employees, executives, suppliers, business partners, etc.

(2) Findings derived out of detailed investigation are reported to the Audit Committee. Then, the required steps are taken depending on decisions of the Audit Committee and in compliance with the Exchange legislation.

#### **Keeping of Documents and Protection of Data on Notifications**

**ARTICLE 19-** (1) Records relating to the notification are confidential. These records are kept by the Audit and Surveillance Board, as the unit responsible for notifications, in a safe manner and in strict conformity with the Exchange's internal regulations and applicable laws and regulations, and access to records is permitted only in case of need-to-know basis as part of their job duties and functions.

## **FIFTH PART**

### **Final Provisions**

#### **Effective Date**

**ARTICLE 20-** (1) This Directive becomes effective as of the date it is published.

#### **Enforcement**

**ARTICLE 21-** (1) The provisions of this Directive are enforced and executed by the Board of Directors.