

Subject: Announcement on Responsible Supply Chain Practice

To Whom It May Concern

Borsa İstanbul's explanations regarding the two issues stated in the general questions from the liable parties regarding the implementation of the responsible supply chain regulations of our Exchange are shared below.

According to the first paragraph of Article 7 of the Directive on the Internal Control System and Compliance Principles of Precious Metals Intermediary Institutions and Refineries (Directive), statistics containing audit information regarding the works performed within the scope of internal control activity should be reported to the obligor's board of directors. Regarding the implementation of the aforementioned provision, if the obligator's board of directors has exclusively assigned a committee for the audit activities regarding the works carried out within the scope of the internal control activity, the notification made to the said committee may be deemed to have been made to the board of directors within the scope of the aforementioned paragraph. Similarly, the same principles will be valid for the first paragraph of Article 6 of the Directive titled "Internal control activities".

In Article 14 of the Directive, titled "Internal control and supply chain compliance officer not on duty or leaving his/her duty", "(1) the person who will act as proxy for the internal control and supply chain compliance officer if he/she is not on duty temporarily due to leave, illness or similar reasons, It must meet the conditions specified in the Regulation and in Article 11 of this Directive. Identity and contact information of the person who will be the proxy is sent to the Ministry and the Exchange within 1 business day.". There is no application area of the provision in terms of authorized personnel to be contacted by the banks. Because, as stated in the Announcement dated 18.04.2022 and numbered 8310, the authorized personnel to be contacted should not be considered as the "internal control and supply chain compliance officer" specified in the Directive, and the references made to the internal control and supply chain compliance officer in the Directive are should not be detected references made to the authorized personnel to be contacted for banks. For the stated reasons, it is not necessary to make a notification to the Ministry and the Borsa within the framework of Article 14 of the Directive, provided that necessary measures are taken, including full and complete communication and notifications with the Borsa, and it is known that all responsibility in this regard lies with the banks.

Kindly submitted to your information.

Korkmaz ERGUN
General Manager
Board Of Director Member