

# ANTI-BRIBERY AND ANTI-CORRUPTION POLICY OF ASELSAN

## 1. AIM

The aim of this Anti-Bribery and Anti-Corruption Policy, which has been developed as a component of the ethical principles and sustainability goals of ASELSAN, is to reveal the commitments of ASELSAN to prevent bribery and corruption in all activities of ASELSAN in accordance with the relevant legislative regulations and the national and international ethical values, to provide the necessary information, to determine the respective responsibilities and rules, and to share these with all stakeholders.

## 2. SCOPE

This Policy covers all ASELSAN employees including the Board Members and the senior executives, shareholders, subcontractors/suppliers serving ASELSAN, and companies providing consultancy and audit services to ASELSAN, including but not limited to all other stakeholders in commercial and social relation with ASELSAN.

The Policy applies to all companies, joint ventures and partnerships more than 49% of shares or voting rights of which belong to ASELSAN either directly or indirectly. All companies included in the aforementioned group are obliged either to accept this Policy or develop a country-specific policy which adheres strictly to the principles of this Policy.

For any company, joint venture or partnership, less than 49% of the shares of which are owned directly or indirectly by ASELSAN and ASELSAN has no control authority through voting rights, ASELSAN representatives carry out the necessary processes to make all officials and employees are subjected to effective rules, practices and procedures in compliance with this Policy.

## 3. DEFINITIONS AND ABBREVIATIONS

**ASELSAN:** means "ASELSAN Elektronik Sanayi ve Ticaret Anonim Şirketi"

**Donation and Aid Policy:** means the Donation and Aid Policy of ASELSAN, determining the circumstances and conditions in which ASELSAN can make aids or donations, which was approved by the General Assembly on 31.03.2014 and disclosed to the public;

**Gifts:** means products not requiring a financial payment and being given by the persons who are in business relations with the Company or by the customers as a sign of appreciation or commercial courtesy;

**Policy:** means the Anti-Bribery and Anti-Corruption Policy of ASELSAN;

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**Bribe:** means cash or non-cash benefits provided illegally for a person or third person that can has access/influence on this person to cause him/her to influence associated decisions and practices, perform a task, fail to perform a task, accelerate or slow down a task, or perform similar actions contrary to the requirements of his/her duty;

**Representation and entertainment:** means social activities, accommodations, dinner invitations, trainings, conferences, symposiums, seminars and the like activities organized by ASELSAN;

**Corruption:** means an abuse of authorities by a person to provide unfair advantage for him/her or others.

### 4. BASIC PRINCIPLES

ASELSAN respects the anti- bribery and anti- corruption legislative regulations and principles in force in any country, in which ASELSAN operates and is represented, and the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions which was signed by Turkey on 17.12.1997.

ASELSAN applies a "zero tolerance" approach against bribery and corruption under this basic principle, and commits to carry out operations fairly, honestly, legally and in compliance with ethical rules.

#### 4.1. Gifts and Gaining Advantage

None of the employees of ASELSAN including but not limited to Board Members and the senior executives as well as their immediate family members (mother, father, sister, brother, children, spouse) are allowed to request or accept any gift, commissions or monies, checks, real estate or securities, discount or advantage, personal service and support, which may directly or indirectly influence the preferences and decisions of ASELSAN, from third parties, even for charity. Personal gifts offered by undeniable authorities are conserved after being registered to the ASELSAN inventory.

Modest promotional materials may be given as gifts by ASELSAN to third persons to contribute to the publicity of ASELSAN. Each gift is offered openly and unconditionally within the framework of good intentions.

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## 4.2. Donations and Aids

The ASELSAN Donation and Aid Policy has been released to the public through the web site of ASELSAN ([www.aselsan.com](http://www.aselsan.com)). All shareholders are provided with information on donations granted within the previous fiscal year during the General Assembly meetings every year. The upper limit of donations which may be granted in a year is determined during the General Assembly meetings. A resolution of the Board of Directors is required for granting any donation.

Pursuant to the Donation and Aid Policy of ASELSAN, cash donations and aids can be granted to / for,

- Institutions, entities, foundations, and associations that conduct scientific research and development activities,
- Institutions and similar organizations with social purposes,
- The construction of schools, health facilities, etc. which constitute public interest,
- Other activities deemed beneficial by ASELSAN.

## 4.3. Political Activities

ASELSAN, as a corporation, does not transfer funds either directly or indirectly to election campaigns of political candidates or other political campaigns under no circumstances. ASELSAN grants no political aids or donations either directly or indirectly under no circumstances.

None of the ASELSAN employees including but not limited to the members of the Board of Directors and the senior executives are not allowed to engaged in any rallies, protest, propagandas and any other similar activities inside ASELSAN workplace, to run for political offices in local and general elections without resignation, to use any ASELSAN owned resources (vehicles, computers, e-mail, etc.) in any activities having political purposes.

None of the ASELSAN employees including but not limited to the members of the Board of Directors and the senior executives, shareholders, subcontractors/suppliers serving ASELSAN, companies providing consultancy and audit services to ASELSAN, including but not limited to all other stakeholders in commercial and social relation with ASELSAN, as well as none of the companies, joint ventures or partnerships having more than 49% of their shares and voting rights under the ownership of ASELSAN is allowed to use the resources of ASELSAN either directly or indirectly for political purposes and campaigns under no circumstances.

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## **4.4. Book Keeping**

The points related to the accounting system required to be obeyed by all companies, joint ventures and partnerships having more than 49% of their shares and voting rights under the ownership of ASELSAN either directly or indirectly are specified in the following within the framework of relevant legislation and regulations:

- Keep the records of all accounts, invoices, and documents regarding relations with third persons (customers, suppliers, other service providers, etc.) in a complete, transparent, accurate, fair, and reliable way;
- Build a control system to prevent unregistered transactions;
- Make no modifications on accounting or the like commercial records regarding any transaction and no distortions of the truth.

In this context, proper care and attention must be paid during the record-keeping.

## **4.5. Representation and Hospitality**

ASELSAN may carry out representation and hospitality activities in order to improve its commercial relations and build a commercial communication network. ASELSAN is attentive to have these activities at a reasonable level.

## **5. DUTIES AND RESPONSIBILITIES**

### **5.1. Board of Directors**

The Board of Directors is primarily responsible for the anti-bribery and anti-corruption activities of ASELSAN. The Board of Directors adopts the principles covered in this policy and provides the necessary environment for the implementation thereof.

The Board of Directors provides the performance of audits ensures the corrective measures in order to achieve the compliance with legal legislations and regulations, processes and policies.

The Anti-Bribery and Anti-Corruption Policy of ASELSAN has been approved by the Board of Directors. Establishment, implementation of the policy as well as updating thereof when necessary are under the responsibility of the Board of Directors.

The Internal Audit Department functioning under the Board of Directors in accordance with preventive regulations designed in directives within the scope of the internal audit system reviews bribery and corruption risks systematically.

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## 5.2. Executives and Employees

The employees of ASELSAN, including the members of the Board of Directors and the executives are not allowed to offer bribe or accept bribe to/from any natural/legal person or public institution or be in corruption.

All employees are obliged to act in line with anti-bribery and anti-corruption rules and ASELSAN Ethical Principles.

Top executives ensure the comprehension, implementation and continuance of the principles specified in the text of this Policy by the employees under their administration; evaluate potential risks and their impacts in terms of reputation and finance, and take necessary measures for establishing and implementing the control mechanisms for the management of the determined risks.

Highlighting the fact that anti-bribery and anti-corruption activities, transparency and honesty are integral parts of the common values of ASELSAN is essential in the messages of top-level executives.

ASELSAN employees and executives are provided with training programs to raise their awareness in anti-bribery and anti-corruption.

## 5.3. ASELSAN Ethical Principles Committee

The ASELSAN Ethical Principles Committee is a committee, which is trusted in terms of objectivity and self-dependence for the sake of improving and integrating the ethical principles of ASELSAN to the practice, established in order to meet guidance, consultancy and recommendation requirements and create a common body of knowledge.

The Committee is responsible for designing an anti-corruption program and measuring the compliance with the program. The Ethical Principles Committee meets depending on the frequency of applications and denunciations, but once for every four months at minimum. Within the context of ASELSAN Ethical Principles Directive, those intending to enunciate bribery and corruption denunciations;

- may directly communicate with ASELSAN Ethical Rules Board Members or Ethical Consultants or initiate a request via the Ethical Principles Board Help Desk inside ASELSAN
- may send an e-mail to [etik@aselsan.com.tr](mailto:etik@aselsan.com.tr) or a message to Fax No +(90) 312 3541302 outside ASELSAN
- may send a letter to: “ASELSAN Etik İlkeleri Kurulu; ASELSAN Elektronik San ve Tic. A.Ş. Mehmet Akif Ersoy Mahallesi 296. Cad. No:16 06370 Yenimahalle/Ankara” by mail.

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The Ethical Principles Committee provided the Corporate Governance Committee upon request with information regarding consulted issues and overall functioning.

### **5.4. Supply Chain**

ASELSAN does not work with persons and organizations that might have negative intelligence on bribery or corruption prior to assessing the organizations, dealers, business partners, and suppliers to be contracted. To that end, ASELSAN assesses and selects the organizations, dealers, business partners, and suppliers to be contracted by using methods in compliance with transparency and equality principles in order to provide the best service to its customers and prioritize the interests of ASELSAN.

Firms found to involve in collusive tendering through fraud, promise, threat, influence, misappropriation, collusion, extortion, bribe, etc. are included in the list of prohibited firms.

The members of the Board of Directors, the executives and the employees are not allowed to make personal agreements, which weaken the bargaining power of ASELSAN, with firms which might be contracted by ASELSAN or engage in activities or conduct financial transactions resulting in such outcomes.

### **6. Policy Violations and Sanctions**

In case of any view or suspicion that any ASELSAN employee including the Board Members and the senior executives, any shareholder, subcontractor/supplier serving ASELSAN, or a company providing consultancy and audit services to ASELSAN, including but not limited to all other stakeholders in commercial and social relation with ASELSAN, breaches the principles of the Policy, the situation is reported by the relevant persons to the General Manager. The General Manager forwards the received issues to either ASELSAN Discipline Committee or ASELSAN Ethical Principles Committee to be investigated and finalized. The employee or the complainant is allowed to conceal his/her identity due to security concerns or the like reasons.

No employee can be exposed to maltreatment (disciplinary action, dismissal, threat, mobbing, etc.) because of denying involving in bribery or corruption or reporting with good faith an actual or potential bribery or corruption incident.

#### *Contact Information:*

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### **7. ANNOUNCEMENT AND VALIDITY**

This Policy document has been prepared both in Turkish and English and is accessible by the public through the web site of ASELSAN ([www.aselsan.com](http://www.aselsan.com)).

The policy is reviewed regularly, updated when necessary and announced through the web site of ASELSAN.

The Anti-Bribery and Anti-Corruption Policy of ASELSAN has been approved by the Board of Directors and entered into effect on June 28<sup>th</sup>, 2016.