

ALBARAKA TURK PARTICIPATION BANK

CONFLICT OF INTEREST POLICY

1. OBJECTIVE AND SCOPE

The purpose of this Conflict of Interest Policy (the Policy) is; to take necessary administrative precautions and prepare procedures and policies, in order to prevent conflicts of interest which can occur not only between its clients and itself, its owners, employees, managers and parties directly indirectly related to these but also between one client and another, ensuring that the activities of Albaraka Turk Participation Bank (the Bank) are carried out under the principles of justice and honesty.

The provisions in this Policy are valid for all employees of the Bank.

2. THE CONCEPT OF CONFLICT OF INTEREST AND PRECAUTIONS NECESSARY FOR ITS PREVENTION

A. The Concept of Conflict of Interest

Banking requires that employees should avoid all transactions and relations which may be harmful for the Bank and act in line with the interests of the Bank while fully informing the clients in good faith. Conflict of interest is the violation of this relationship based on trust. These violations may arise in, including but not limited to, below listed situations where interests of parties contradict;

a. Tasks Under the Employee's Responsibility: Employees must act in compliance with their commitments, agreements they signed, etc. and Personnel Code especially, all Bank regulations, current local and international law. Employees, like in their all other relations, should act impartial and under the principles of honesty and transparency in their relations with public authorities, also protect The Bank's and clients secrets and do not allow them to be disclosed. They cannot use the information learned during their duties for the purpose of obtaining unlawful gains for themselves, their relatives or any third parties or in any way that may damage the Bank or the clients. Client and Bank secrets cannot be disclosed even if the disclosure did not cause any unlawful gains or harm. All employees should not damage the Bank's reputation, should not cause unwanted criticism about the Bank and should not affect the Bank's trustworthiness, reputation and honesty in a negative way in the face of the public.

b. Employees' Commercial Relations: Employees cannot get into secret or open partnerships with business owners, the Bank's related parties; should avoid conflicts of interest or any situation that might create an impression of conflict of interest, should comply with current legislation about matters concerning the interests of themselves and their relatives. Employees cannot be a guarantor for the clients - except within the rights given by the law-, obtain a client's guarantee or any other contribution and cannot be a part of activities which are against banking principles like getting into debt/credit relationship with clients. It is forbidden for employees to do financial transactions which may affect his own work.

c. Employees' Gift Acceptance: Employees cannot accept any gifts which causes him/her to act in a certain way about the Bank's activities and cannot obtain any advantages that can be considered as bribes. It is possible for employees to exchange gifts, go out on business meals, to arrange joint programs that include accommodation and meals with clients and suppliers as long as it is permitted by the Bank's General Management.

d. Employees' Activities Outside the Bank and Working: Working at another organization other than the bank is subject to rules in the Bank's Personnel Code. Under no circumstances an employee can compete with the Bank or benefit from his/her or his/hers relative's position in the Bank.

e. Employee's Civil Activities: Employees can attend non-profit charity event as long as it does not interfere with their work in the Bank or it is against the Bank's rules or current legislation. However employees will not include the Bank or its assets in these activities and create an impression that the Bank has an interest, confirmation or sponsorship in the activities.

f. Transactions with the Affiliated Conglomerate: The rules of the Policy should be fully complied with in transactions with the affiliated conglomerate and all other companies.

B. Principles for the Prevention of conflict of Interest

a. Generally:

It is hard to define each situation that can result in a conflict of interest and each rule that cover them. The Policy includes, but not limited to, some sensitive areas as examples where conflict of interests can occur for guidance. What really matters is adhering to the spirit of the rules.

b. Minimum Criteria for Conflict of Interest

Minimum criteria for conflict of interest for the Bank's shareholders, employees, managers and parties directly or indirectly related to them are listed below;

- Procuring financial gains or avoiding financial loss at the expense of the client
- Profiting from services or products rendered to the client although the client has no benefit
- Benefiting from choosing one client or client group over another client or client group
- Procuring financial gains from another party as a result of service or products rendered to the client

3. REPORTING CONFLICT OF INTERESTS AND MONITORING

A. Customer Notification

The client should be informed by the employees about possible conflicts of interest between the client and the Bank before product or service is rendered.

B. Notifications within the Bank and to the Public

Any situation suspected of being a conflict of interest should be reported to Legislation and Compliance Department by the employees. Legislation and Compliance Department reports notifications, which are needed to be announced to public, to Public Disclosure Platform.

4. SAFEGUARDING SECRET AND INSIDER INFORMATION

All documents, digital recordings and the like belonging to the Bank and clients are confidential and secret. Only authorized personnel have access to confidential information and connected systems according to their level of clearance. Employees, independent auditors, consultants and contract employees must comply with the Bank's rules and current legislation. The above mentioned persons cannot duplicate, copy or take out of the Bank, use in favor of themselves or another party or violate the confidentiality of the information or the documents under no circumstances except for legal obligations.

5. DETERMINING EMPLOYEE POSITIONS AND EMPLOYEE EARNINGS

Relatives of employees who are beyond the limits set in Personnel Code cannot work in the Bank. If personnel form a bond beyond these rules after employment they cannot be employed in the same department, branch, regional office or any departments which have related work processes. If the positions of such employees can be the cause of a conflict of interest their positions should be changed according to the legislation.

Wages, bonuses and other financial/welfare rights which can be given by the Bank are decided according to Bank Wages Policy, Personnel Code and related procedures in order to prevent possible conflicts of interest and provide a balanced allocation.

6. VIOLATION OF CONFLICT OF INTEREST POLICY AND ITS RESULTS

Violations of the Policy, including not reporting situations where there are possible conflict of interests, are subject to various disciplinary penalties and sanctions -including cancellation of labor contract-according to the nature of the situation.

7. ENFORCEMENT

This Policy shall take immediate effect after the approval by the Board of Directors of the Bank.