

# **ASES Anti-Bribery and Anti-Corruption Policy**

**Version February 2020**



## 1. Purpose

The objective of this Anti-Bribery and Anti-Corruption Policy (the Policy) is to disclose the Anti-Bribery and Anti-Corruption policies of ASES Aviation Services & Support Inc (ASES) and to specify the approach against bribery and corruption in ASES and specify necessary principles, rules and risks to prevent, mitigate and manage bribery and corruption in all activities of ASES as well as its subsidiaries and to maintain integrity and reputation of the Company by informing, reporting and identifying the responsibilities within this respect.

## 2. Scope

Anti-bribery and anti-corruption policy cover:

- All ASES employees including the Board of Directors, natural and legal persons and employees of such persons that provide support services such as consultancy, legal consultancy, counselling or external audit as well as all natural and legal persons that directly or indirectly work for ASES in any capacity whatsoever including suppliers, contractors and third parties, and business partners.
- During the determination process of business partners which will be acting on behalf of ASES or offering their services to ASES it should be considered that ASES might also held responsible in case the said principles and rules are breached by such people or organizations; thus through informing, training and use of other vehicles it should be ensured that the business partners are also aware of, understand and strictly follow ASES internal regulations and procedures, and rules provided herein and comply with these principles and rules.



### **3. Definitions**

**Bribery:** Bribery means giving, offering or promising, directly or through business partners acting or providing services for or on behalf of ASES, any benefits (bribes, facilitation payments or kickbacks) to a third party, or soliciting, accepting or receiving any such benefits, directly or through business partners acting or providing services for or on behalf of ASES, under an agreement with a third party by any employees of ASES in return for any improper business (to facilitate, slow down, speed up, induce or retain from the performance of works) and in order to ensure benefits for any other involved third parties.

**Corruption:** Corruption is the abuse of an entrusted power both within and outside ASES to demand, offer, promise, give or accept personal benefit, whether directly or indirectly, in return for bribery or any other illicit payment and in the form of cash, gifts, tangible or intangible material gain and moral satisfaction.

Acts of corruption carried out in a country of operations or in the business area, whether the receiver is a local / foreign employee or a public / state official or a private (physical) person, shall also contradict this Policy, notwithstanding the low value of the benefit and / or the fact that such illegal offer related commitment has not yet been fulfilled.



## 4. DUTIES AND RESPONSIBILITIES

**1- Board of Directors:** The implementation and updating of this Policy is the sole authority and responsibility of ASES Board of Directors.

ASES Board of Directors shall be responsible for examining and investigating complaints, notifications and claims received, and carrying out inspections and undertaking corrective measures to ensure compliance with regulations, procedures and policies, by taking necessary measures required to maintain confidentiality and security of people who reported through dedicated notification channels the behaviours that contradict the principles and rules of this Policy. Legal rights of governmental authorities, employees, business partners and other stakeholders are protected.

### **2. Employees:**

All employees agree to accept this Policy and act in accordance with its guiding principles and rules.

Managers shall ensure business partners acting on behalf of or serving to ASES and their employees understand, comply with and maintain these principles and rules herein, and also be responsible for forwarding any complaint, notification or claim received from employees to the Board of Directors.

When initiating business negotiations with business partners, consultants or irrespective of the name any other third parties or entities who are co-operated with, they shall be duly informed of the rules set forth in this Policy, including other respective internal regulations and procedures. This information shall be documented for record-keeping purposes with a designated representative's signature.



Each employee shall:

1. know the aspects of this Policy, which relate to his/her job responsibilities,
2. ask questions to clarify procedures set forth in this Policy and to better understand steps to be taken in any given situations;
3. monitor and manage commercial activities carried out through third parties;
4. be cautious about signs or evidences of any abuse;
5. be responsible for promptly reporting any violations of this Policy and suspicious situations to the responsible managers.

### **3- Principles and Rules regarding the selection of Business**

#### **Partners:**

Selection of the business partners who are acting for or on behalf of ASES and who agree to adhere to the principles and rules of this Policy is subject to such criteria as experience, financial performance, technical competence, ethical conduct and a positive background in this field.

As a result of the review process, companies or business partners with negative history regarding bribery and corruption will be refused even if they fully meet other criteria. In this context, the senior management shall be primarily responsible for conducting necessary research and evaluations before entering into any business relationship. ASES Internal Audit shall evaluate the compliance with these requirements during its audits.



ASES employees who manage, follow, and / or supervise business relations with third parties are required to demonstrate their best efforts to ensure that third parties and entities know, understand and fully enforce rules and principles set forth in this Policy and the respective internal regulations and procedures.

Competent manager approval is required for assignment of the business partners. Moreover, the content and scope of the services provided by the business partners shall be defined in a written agreement which includes measures against violations of the Law or ASES Policies. This agreement shall also provide provisions that the agreement can be terminated unilaterally with a valid reason in the event of non-compliance or violation of this Policy by the business partner.

#### **4- BASIC PRINCIPLES**

Since bribery and corruption require a legal penalty based on the Turkish Criminal Code, compliance with anti-bribery and corruption laws and regulations, FCPA in particular, as well as regulatory and legal acts, international legal norms, ethical and professional principles, as well as ASES's other internal rules, particularly corporate governance principles and ASES Gift & Hospitality Policy and regulations in all countries where ASES operates and / or is adopted as a principle by ASES.

ASES has zero tolerance to bribery and corruption and undertakes to carry out its operations in compliance with fair, honest, legal and ethical rules. Any corruption act by our employees and/or business partners in their transactions with ASES may not be tolerated.



The main risk areas that bribery and corruption might occurred are determined as follows:

## **1- Relationships with Government**

It shall be forbidden both in Turkey and in other countries to directly or indirectly give, pay, promise, offer or permit to do so “any valuable items” to heads and employees of state-owned or public administration , including public officials; private consultants working on behalf of any public enterprise; civilians working for the State agencies; employees of legislative or judicial bodies; heads or employees of any domestic or regional government authorities; political parties; authorized representatives of political parties or of any other international organizations such as the United Nations in order to obtain or maintain any business or business profits by influencing their official duties.

This prohibition includes offers or payments made either directly or indirectly through third parties.

Particular care should be taken with regard to those people who are or suspected to be family members of public officials, along with those companies that are controlled by the family members of public officials in order to avoid using them as an intermediary for illegal payments to public officials.

When personnel engaged in governmental relationships and international operations starts a new job, he/she shall under these procedures examine, if required upon receiving the opinion of the Chairman of ASES, whether any public officer and publicly owned or publicly administered undertaking is or will take a part in the business and shall adopt adequate measures.



## 2- “Valuable Items”, Gifts and Reasonable Expenses

Without prejudice to the provisions of ASES Common Values and other internal regulations of the Company, “Valuable Items” shall generally defined so as to include both material and non-material advantages.

In addition to the cash payments, Valuable Items may also include the following:

- Gifts that go beyond ordinary business expenses;
- Promotional activities that may not be considered reasonable;
- Provision credit, guarantee or financing public officials or covering expenses of public officials through other means of payment;
- Offering a job to a public official or his/her family members to obtain a business benefit;
- Payments made to political parties and / or candidates in- cash or in-kind.

Providing other benefits such as supplying aids in-kind which may seem insignificant, providing investment opportunities, signing advantageous subcontracts or offering any other promotions to a public office or his / her family member(s) or to business partners may also contradict with this Policy.

This Policy does not prohibit reasonable costs associated with advertising, promoting or presenting ASES activities.





Such reasonable costs shall include expenses which do not imply any material compensation and are generally spent for small gifts presented as sign of gratitude to individuals or customers engaged in business relationships or given as a commercial courtesy (to the extent it is considered acceptable in terms of ASES and social relations in the respective country), as well as travel expenses, hospitality and entertainment costs, sponsorship expenses and / or donations made for charity purposes.

However, in case the other party is a public official (particular care should be taken not to influence the public official in his / her official capacity by the afore-mentioned payment), hospitality offers and / or gifts leading to or perceived as the conflict of interest will not be deemed acceptable even if it is consistent with this Policy.

### **3- Political donations**

No political donation can be made on behalf of ASES. Rules regarding donations and contributions have been regulated under the ASES Hospitality and Gift Policy.

### **4- Facilitation Payments**

ASES prohibits individuals and entities under this Policy to offer facilitation payments in order to secure or accelerate routine operation or processes with government agencies.



## 5- RECORD KEEPING

This Policy requires ASES to keep its accounting books and records in a proper manner and implement an effective internal control system.

Accounting transactions shall be recorded in a complete, accurate and fair manner, and internal control systems shall be in place to prevent unrecorded transactions.

All accounts, invoices and records relating to the business partners shall be reliably and accurately recorded and maintained in a complete and accurate manner. Any accounting or similar business records on any transactions shall not be distorted or misrepresented.

Internal accounting controls provide reasonable assurance that the transactions are carried out within the competent authority and that the financial statements are recorded in a manner that permits them to be prepared in accordance with generally accepted accounting principles

It is forbidden for members of the Board of Directors, managers, employees and third parties to falsify recordings, or abolish any transaction in their effort to conceal them in the company books or records. Therefore, regardless of its purpose, no account can be held unexplained or not recorded or not entered into accounting books. Particular care should be taken when transactions include payments made to public officials.



Regardless of the cause, employees shall not erase records of Company's business without their managers' approval. The correspondences of the employees with regard to the activities of the company through ASES corporate e-mails shall not be regarded as personal data. All the employees shall be made aware that their correspondences on ASES e-mail addresses can be reviewed, if and when required. Employees shall document their consent with their signature.

## **6- TRAINING**

This Policy has been communicated to all the employees and is readily available for use. In an effort to increase the anti-bribery and corruption awareness of the personnel, regular trainings shall be held with a mandatory presence of the latter.

## **7- NOTICE OF POSSIBLE BREACH**

All ASES personnel shall be responsible for immediately notifying any actual or suspected bribery or corruption incident to their superior and/or personally inform the Chairman of ASES.

It shall be strictly prohibited to impose sanctions, in any form, against a worker who has in good faith raised his / her concern about possible bribery or corruption incidents. It is important to protect and maintain the confidentiality of persons who report such concerns.



## **8- SANCTIONS**

In case of breach of any provision provided herein by employees, such employee shall be subject to various disciplinary actions which could include termination of the employment contract. Moreover, if the violation requires criminal prosecution or administrative sanctions, the public authorities shall be notified and / or criminal charges be authorized against the party in fault.

Violations committed outside Turkey are also subject to necessary legal / criminal proceedings according to local laws and regulations.

If this Policy is violated by third parties, such breach may result in suspension or termination of the contract and / or the notification of the situation to the competent public entities. Such violations can also be subject to inquiry by judicial authorities and may result in severe criminal punishments, including imprisonment in many countries.

## **9- REVIEW**

This Policy shall be reviewed and updated according to Document Management System Procedure.

## **10- ENFORCEMENT**

This Policy shall enter into force following approval by the Board of Directors of ASES.

This Policy is an annex to employment contracts of ASES employees and may be subject to amendment.

