İSTANBUL BİLİĞİ UNIVERSITY
ANTI-CORRUPTION POLICY

October 2014
1.0 Purpose and Background

This Anti-Corruption Policy establishes basic standards and a framework for the prevention and detection of bribery and corruption. It promotes compliance with Turkish laws.

The Turkish Law and many other anti-corruption laws (Annex) prohibit offering or providing benefits, directly or indirectly, to government officials for the purpose of securing an undue advantage or improper benefit. Further, the U.K. Bribery Act and other laws around the world also prohibit bribery of individuals in the private sector. Most importantly, we have a zero tolerance policy for making or accepting bribes or kickbacks, regardless of local law or custom. At BİLGİ, we do not pay bribes, even if it means we may lose money or delay a project.

2.0 Applicability

This Policy applies to every officer, director, full- and part-time employee, faculty member, contractor, and student worker of BİLGİ. It also applies to all agents, representatives, consultants, distributors, dealers, and other third parties acting on behalf of BİLGİ or its affiliates.

3.0 Relationship to Other Policies and Local Laws

This Policy is consistent with and supports the requirements of the BİLGİ Code of Conduct and Ethics. The Policy is supplemented by the BİLGİ Anti-Corruption Guidelines, which provide additional information and more specific standards on preventing and detecting bribery and corruption.

If you have questions about the applicability of different laws and policies, ask your Local Compliance Officer or Legal Department.
4.0 Policy Statement

All Laureate personnel are required to comply fully with this Anti-Corruption Policy, the Turkish Law, and other applicable anti-corruption laws. The basic rules are these:

• BİLGİ personnel shall not offer, give, solicit, or receive bribes or kickbacks.

• BİLGİ personnel must fully, fairly, and accurately characterize and record all transactions and expenditures in the books, records, and documents of the company or relevant institution.

• Activities that are prohibited if undertaken directly may not be taken indirectly through third parties such as agents, consultants, contractors, partners or affiliates of BİLGİ or the recipient.

The remainder of this section discusses these rules in more detail.

4.1 No Bribery

BİLGİ personnel should never be involved in offering, promising, authorizing, making, or otherwise furthering a payment of money or transfer of anything of value to any person for an improper purpose.

4.1.1 The Turkish Law and Bribery of Government Officials

Consistent with the Turkish Law and similar laws, BİLGİ personnel must not make, offer, promise or authorize the payment or transfer of anything of value, directly or indirectly, to a government official for the purpose of influencing official action or inaction, inducing an unlawful act, or to secure an improper advantage.

For purposes of this Policy, a “government official” includes:

• Any officer or employee of any governmental entity at any level;

• Any private person acting in an official capacity for or on behalf of any governmental entity (such as a consultant retained by a government agency);

• Officers and employees of companies or institutions in which the state has a majority ownership interest or over which the state exercises control, including public universities;

• Candidates for political office, and political parties and their officials; and

• Officers, employees, or official representatives of public international organizations, such as the World Bank, United Nations, and International Monetary Fund.
“Anything of value” means anything that may be of value to the person to whom it is being offered. Examples include money, gifts, entertainment, travel, scholarships, awards, job opportunities, business opportunities, charitable contributions, and stock.

As most anti-corruption laws around the world, this policy prohibits facilitation payments in the same manner as other bribes.

Note: This Policy does not prohibit the payment of legitimate fees, taxes, duties, fines, penalties or similar charges.

4.1.2 Bribery of Private Parties, Including Kickbacks

BİLGİ personnel must not offer or make a payment or provide other things of value to any person, whether or not a government official, for the purpose of inducing some improper action by the recipient or gaining an improper advantage. BİLGİ personnel must not ask for or receive such payments. This includes personal payments or other things of value made or received in exchange for the awarding of business, commonly referred to as kickbacks.

4.1.3 Third Parties

This policy prohibits corrupt payments made directly by BİLGİ personnel and also indirectly through an agent or other intermediary such as a consultant acting on behalf of BİLGİ. It is unlawful to make a payment of anything of value to any agent or other intermediary if there is reason to believe that any portion of the payment will be offered, given, or promised to anyone else for a corrupt purpose.

Accordingly, this Policy applies to activities conducted with or through an agent, consultant, joint venture or other business partner. BİLGİ personnel who manage, supervise, or oversee the activities of third parties working with BİLGİ should ensure that such persons or entities understand and fully comply with this Policy. The most important step we can take to protect ourselves from liability for improper payments made by third parties is to choose carefully our partners, including agents and consultants, and monitor their conduct.

BİLGİ has adopted Anti-Corruption Guidelines relevant to the engagement of third parties, which include standards and procedures for selection, appointment, and monitoring. These include a requirement of appropriate due diligence and approval prior to engagement, written contract provisions, and appropriate monitoring controls. Consult the relevant Anti-Corruption Guidelines for more information.
4.2 Accurate Books and Records, and Financial Controls

The Turkish Law require that a company maintain books, records, and accounts that, in reasonable detail, accurately reflect the transactions and dispositions of the company. BİLGİ personnel must maintain complete and accurate records with respect to all transactions and expenditures undertaken on behalf of BİLGİ or its subsidiaries and affiliated institutions.

We must exercise special care when transactions involve payments or other benefits to government officials or commercial partners. We must never use “off book” accounts. We must accurately record all payments to public officials or commercial partners. We must reject and report any requests for false invoices or payment of expenses that are unusual, excessive, or inadequately described. No one must make misleading, incomplete, or false entries in BİLGİ books and records for any reason.

Further to this requirement of accurate books and records, BİLGİ has adopted a system of internal accounting and operating controls and procedures that all BİLGİ personnel must adhere to.

4.3 Anti-Corruption Guidelines

BİLGİ has established specific procedures for transactions involving payments or the provision of other benefits that may involve heightened risks of bribery or corruption. These can be found in the Anti-Corruption Guidelines. BİLGİ personnel must comply with these Guidelines, including securing all necessary approvals prior to engaging in such transactions, and providing all required information.
5.0 Consequences of Non-Compliance

Compliance with this Policy and with the laws is a condition of employment with BİLGİ. Failure to comply with this Anti-Corruption Policy and the Guidelines established under this Policy, the Code of Conduct and Ethics, or applicable laws is grounds for disciplinary action, including termination of employment.

The consequences of failing to comply with Turkish anti-corruption laws can be very serious. Violations can result in millions of dollars in fines against BİLGİ or its affiliated institutions. BİLGİ or individual institutions also may be disqualified from conducting business with public agencies, or lose licensure or accreditation. Independent of whether any enforcement action is taken against BİLGİ, BİLGİ personnel involved in violations may be subject to prosecution, criminal fines, and imprisonment. By law, fines and penalties imposed upon individuals under the Turkish Law may not be paid directly or indirectly by BİLGİ or an affiliated institution.

6.0 Seeking Advice and Reporting Violations

BİLGİ personnel who have a question whether an action is consistent with this Policy and applicable law, or who become aware of conduct that may be a violation of this Policy or the law, should raise the issue with management, their Local Compliance Officer or someone in the Legal Department,

BİLGİ personnel also may seek advice or report a possible violation by using the confidential BİLGİ Ethics Helpline at www.bilgiethics.net, or by calling the Helpline toll-free using one of the numbers listed on the website. The Helpline is available at all times, and reports can be made in any language. The Helpline is staffed by a professional service provider, who will forward questions and concerns to appropriate BİLGİ personnel for handling.

BİLGİ will not allow anyone to suffer harm because they have raised an issue honestly. Any retaliation against a person who raises a concern honestly, or participates in an investigation, is a violation of this Policy and the BİLGİ Code of Conduct and Ethics.
7.0 Responding to Solicitations and Extortion

If a government official or other person requests a bribe or other improper payment or transaction, BİLGİ personnel should diplomatically but clearly advise the requestor that it is against BİLGİ's policy to make such payments, and decline to make or promise to make the payment. The solicitation should be promptly reported to the relevant Local Compliance Officer or through the BİLGİ Ethics Helpline.

The only exception to this rule is where the request is a demand that is accompanied by a credible threat to personal safety or safe passage. In such cases, which are equivalent to extortion, BİLGİ personnel may make the requested payment to avoid the threat, but must promptly report the demand as provided above. A threat of property damage or harm to business does not fall within the scope of this exception.

8.0 Administration

Responsibility. The Chief Compliance Officer is responsible for overseeing, interpreting and monitoring compliance with this Policy, and may delegate these activities to others as appropriate. The Chief Compliance Officer has the authority to report directly to the Executive Committee or to the Board of Trustees as needed with respect to matters concerning compliance with this Anti-Corruption Policy.

Investigation. BİLGİ takes all reports of potential Code violations seriously and will investigate. The Chief Compliance Officer or his or her designee will assess the situation and determine the appropriate course of action. Anyone being investigated for a potential Code violation will have an opportunity to be heard prior to any final determination.

Training. BİLGİ will, from time-to-time, provide training on this Policy and anti-corruption principles to relevant personnel throughout BİLGİ and its affiliated institutions.

Auditing. BİLGİ will conduct periodic audits of business units and affiliated institutions to help ensure continued compliance with the Turkish Law, and this Policy and the associated Guidelines.
ANNEX

1. The United Nations Convention against Corruption (UNCAC)
2. The Turkish Law no: 5506; dated 18/5/2006, ratified The United Nations Convention against Corruption (UNCAC)
3. The Council of Europe’s Criminal Law Convention on Corruption
5. The Council of Europe’s Civili Law Convention on Corruption
6. The OECD Anti-Bribery Convention (officially Convention on Combating Bribery of Foreign Public Officials in International Business Transactions)