

Order Execution Policy

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1 PURPOSE AND SCOPE OF APPLICATION

1.1 Purpose

The purpose of this Policy is to determine the general rules on how Yapı Kredi Yatırım Menkul Değerler A.Ş. (Corporation) executes the client orders and the rules which are applied during carrying out transactions.

1.2 Scope of Application

This Procedure comprises all the personnel of Yapı Kredi Invest in Head Office and off-center organizations.

This Policy determines the general principles with respect to acceptance of orders received by our Corporation from its client and putting such order into process and shall apply to all Yapı Kredi Invest General Directorate units and branches receiving, transmitting and executing such orders.

1.3 Definition

Transaction brokerage activity means, in addition to the activity of brokerage to transmission of order, execution of the purchase or sale orders of clients with respect to capital market instruments by investment enterprises on behalf and account of client or on its own behalf and on account of client by transmitting said orders to:

- a) stock exchanges or other organized market places;
- b) a corporation authorized within the scope of sub-paragraph (c) of paragraph one of Article 37 of the Capital Markets Law; and
- c) except for leveraged transactions, a corporation located abroad, having obtained operating license from the competent authority of the relevant country.

Portfolio brokerage activity means, in addition to the transaction brokerage, the activity of execution by investment enterprises of purchase or sale orders of clients with respect to capital market instruments as the counter party.

Stock exchange means systems and market places authorized in accordance with this Law and established in the form of joint stock corporations that are operated and/or managed by themselves or a market operator to ensure smooth and secure trading of capital market instruments, foreign exchange, precious metals and precious stones and other contracts, documents and assets deemed appropriate by the Board under free competition conditions and to determine and declare the prices formed, which operate on a regular basis to bring together purchase and sale orders so as to execute them or to facilitate bringing together of such orders.

Legislation means the regulations such as the Capital Markets Law No 6362 and relevant Regulation, Communiqué and resolutions.

2 GENERAL RULES

- Taking part in receiving client orders and putting the same into process, all units and branches carry out their activities within the framework of the principles set forth in the framework agreement signed with client, the obligation to execute the client order in the best way and the duty of care and loyalty.
- In receiving client orders and putting the same into process, the Conflict of Interest Policy of the Corporation is taken into consideration at all times.
- In cases where different systems are used in the process of transmission of order of the Corporation, the order is carried out ensuring the consecutive sequence number to be observed due to the requirement to comply with the rule of time priority in orders given in terms of clients on systems to be used and the fact that final order transmission platform is singular.

2.1 Rules in relation to Acceptance of Client Orders

- All client instructions are executed in sequence of instructions taking into consideration the existing market conditions and the interests of clients.
- Taking into consideration the doubtful transaction patterns set forth within the scope of the Communiqué on Obligation of Notification regarding Insider Trading or Manipulation Crimes in execution of client orders, the orders given by client are assessed by Investment consultancy - client representative.

2.2 Rules in relation to the Obligation to execute the Client Order in the best way

- During performance of the purchase and sale brokerage activities, our Corporation is liable to fulfill the orders of clients in such a way that such fulfillment shall give the best result possible for the client within the scope of this Order Execution Policy taking into consideration the preferences of our clients on subjects such as price, cost, speed, barter, custody, counter party and the like.
- In case where there is an explicit instruction by client for transmission of its order to a certain corporation or market, it is considered that the obligation to execute the client order in the best way has been fulfilled.
- In case where our Corporation encounters significant problems in execution of client orders, the client is notified of such problems in the short time possible. The Branches and General Directorate units responsible for execution of client orders apply an efficient monitoring and control system for:
 - taking the necessary measures for probable significant problems that may cause delays in execution of client orders not to be encountered;
 - determining the origin of significant problems coming into existence in execution of client orders, resolving the problem(s) and determining the clients whose orders are affected due to significant problems experienced in the shortest time; and
 - giving the necessary notification to relevant clients and ensuring agreement thereon.

2.3 Consolidation, Sharing out of Client Orders and Limit Orders

- Taking into consideration the interests of the client, Corporation may consolidate client orders with the order of another client or Corporation order.

- When the orders of clients have been executed by being consolidated and put into process in a timely, fair and objective manner, they are shared among the clients without granting any priority to a certain client.
- In cases where consolidated client orders may be executed partially, this sharing out is carried out in proportion to respective shares of clients.
- Limit orders are the orders given for purchase-sale of a certain financial instrument within the determined price limit or at a better price and in a certain amount. Limit orders given for investment instruments traded in an organized market and being unable to be executed on the instant under existing market conditions are transmitted to relevant organized market readily accessible by other market participants.

2.4 Confidentiality of Client Orders

- Corporate personnel and managerial staff take the maximum care for confidentiality of client orders outstanding or executed and cannot use said confidential information for their own personal benefits nor can they abuse the same. Our Corporation shall take all the necessary measures for ensuring the confidentiality of said information and preventing them from being abused.
- The announcements and notifications made in accordance with the legislation for public disclosure purposes, on condition that they are based on official documents received from competent agencies or persons within the scope of the legislation, submission of information in relation to any kinds of administrative audit and investigation situations and situations constituting offense to officials and contacting market makers or other institutions for the purpose of transmitting orders for executing the purchase-sale of financial instruments or client orders or, in case requested, sharing the information with competent agencies are not defined as contradiction to the confidentiality of client orders.

3 RULES AND PRINCIPLES IN RELATION TO EXECUTION OF ORDERS IN PORTFOLIO BROKERAGE ACTIVITY

- The prices at which transactions are to be carried out are determined in an objective manner in compliance with the general market conditions and with their fair values.
- No transaction can be caused to be made by clients so that they shall sustain loss above the margin limits deposited with respect to leveraged transactions. In the event that investor incurs more loss than its margin due to market conditions, said loss cannot be claimed from investor.
- In terms of leveraged purchase and sale transactions, in case any of the price, quantity or other elements in relation to the order given by client is intended to be changed by the Corporation against the client, it is necessary that the approval of client is obtained. However, this situation is obligatory to be applied only in case the orders the price limits of which have been determined by clients are intended to be executed at a price occurring outside these limits due to any reason in order to open position in accordance with the Guideline in relation to Investment Services and Activities and Investment Enterprises updated with the resolution number İ-SPK.37.4 (Resolution number 22/802 dated 15.07.2016).

4 REVIEW AND COMMUNICATION

It is the responsibility of all related Business Units to execute this Policy. This policy is reviewed by the Department of Regulatory Compliance at certain intervals on a regular basis according to the changed conditions so that it is ensured that the best result is to be obtained in execution of client orders and all the amendments are announced to employees by means of announcement after the approval by the Board of Directors.

The Corporation reviews the quality of orders executed by it on a regular basis. In case it deems necessary, the Corporation updates this Policy as a result of these reviews. These kinds of amendments are notified to clients on the website of the Corporation in a timely fashion.

5 ENTRY INTO FORCE

Containing the principles for execution of order, this Policy enters into force upon approval by the Board of Directors and is announced to employees.

ANNEX A. MARKETS ON WHICH TRANSACTIONS ARE TO BE CARRIED OUT

Domestic	Overseas
BIST, VIOP	<p>Stock: AMEX – NYSE MKT (American Stock Exchange) AMS – Euronext Amsterdam ASX – Australian Securities Exchange AT – Athens Exchange BRU – Euronext Brussels CSE - NASDAQ QMX Copenhagen CSE FN/DK – NASDAQ QMX Copenhagen FSE – Deutsche Börse (XETRA) HKEX – Hong Kong Exchanges HSE – NASDAQ QMX Helsinki ISE – Irish Stock Exchange JSE – Johannesburg Stock Exchange LISB – Euronext Lisbon LSE INTL – London Stock Exchange LSE SETS – London Stock Exchange MIL – Borsa Italiana/ Milan Stock Exchange NASDAQ – Nasdaq NSC – NASDAQ (small cap) NYSE – New York Stock Exchange NYSE ARCA – New York Stock Exchange (ARCA)</p>

	<p> OOTC – OTC Markets Group (Pink Sheets) OSE – Oslo Bors / Oslo Stock Exchange OTCBB – OTC Bulletin Board PAR –Euronext Paris PRA- Prague Stock Exchange SGX –ST – Singapore Exchange SIBE BME – Spanish Exchange SSE – NASDAQ QMX Stockholm SSE FN SE – NASDAQ QMX Stockholm (First North) SWX – SIX Swiss Exchange TSE- Toronto Stock Exchange TSX – TSX Venture Exchange TYO - Tokyo Stock Exchange VIE – Wiener Börse / Vienna Stock Exchange VX – SIX Swiss Exchange (Blue – Chip) WSE – Warsaw Stock Exchange XETR-STARS – Deutsche Börse (XETRA Stars) Futures: BVMF – BM & F Bovespa CBOE – Chicago Board Option Exchange EUR AMS2 – Euronext Equity & Index Derivatives Amsterdam EUR PAR1 – Euronext Commodities Derivatives Paris EUR PAR2 – Euronext Equity & Index Derivatives’ Paris Eurex – Eurex Globex – Globex HKEX – Hong Kong Exchanges ICE LIF – ICE Futures Europe Financials ICE NYBOT – ICE Futures US ICE SOFT – ICE Futures Europe- Soft Commodities IDEM – Borsa Italiana / Italian Exchange MEFF –Spanish Official Exchange MON – Bourse de Montreal OSA – Osaka Exchange SFE – Sydney Future Exchange </p>
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	<p>Corp SGX DT – Singapore Exchange Derivatives Trading SSE – NASDAQ QMX Stockholm</p>
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**ANNEX B. LIST OF CORPORATIONS WITH WHICH WORK IS TO BE DONE,
WHICH ARE AUTHORIZED TO BROKERAGE IN TRANSMISSION OF ORDER AND
PORTFOLIO BROKERAGE**

Yapı Kredi Bankası A.Ş. :

Broker for Transmission of Order