

LOGO YAZILIM SAN. VE TİC. A.Ş.
ETHICS COMMITTEE
TERMS OF REFERENCE

1. OBJECTIVE

These Terms of Reference were prepared so as to define the functioning, authorities and responsibilities of the Ethics Committee, which was established by the Board of Directors primarily for the following purposes:

- To lead the internalization of the Code of Business Ethics by everyone in the company and acceptance and implementation of the same as a fundamental and indispensable corporate value
- To serve as a reference center for Logo's Business Ethics Principles
- To make the necessary evaluation and examination based on application or ex officio for alleged violation of the Code of Business Ethics and to inform the relevant parties about the outcome (proposed sanction).

2. DEFINITIONS

In this Terms of Reference document:

“Logo” or “Company” shall mean Logo Yazılım Sanayi ve Ticaret A.Ş.

“Business Ethics Principles” shall mean Business Ethics Principles of Logo

“Ethics Committee” shall mean the Ethics Committee of Logo

“Manager” shall mean all employees who are considered as a representative of the employer pursuant to the Labor Law

“Employee” shall mean the employees working in the workplace under an employment contract.

3. AUTHORITY

The Ethics Committee is entitled to carry out all kinds of studies in line with its objective and has the right and authority to form a proposal for any decision to be taken and action to be initiated. A decision by the Ethics Committee regarding its duties and responsibilities shall be regarded as a proof and both the proof and the proposed actions on the same shall be notified in writing to the Board of Directors or the CEO of the Company pursuant to the Turkish Commercial Code. The final decision authority rests with the Board of Directors or the of the Company, who shall inform the Ethics Committee about the decision. The responsibility to provide feedback to the persons who have notified the Ethics Committee rests with the Committee, whereas any explanation to third parties shall be made by the Board of Directors or CEO of the Company.

The Board of Directors shall provide any resources and support required by the Ethics Committee to perform its duties.

The Ethics Committee is authorized to refuse any notification based on preliminary evaluation by providing justification or to initiate investigation ex officio or based on notification with respect to ethical violations which were known to the Committee by any means or which is within its scope of duties, and the Committee is entitled to the following to conclude the investigation in a fair way:

- examine the records file and any kind of document of the concerned person
- obtain information from the relevant parties
- listen to witnesses and expert witnesses directly
- take the defense of the employee who is investigated
- conduct additional investigation and research
- cooperate with sub-groups, the audit department or third parties

- refer the case to the Human Resource Department for review and finalization

4. MEMBERSHIP AND COMMITTEE STRUCTURE

- Two board members, member of the executive committee in charge of human resources, a lawyer and an employee representative are permanent members of the Ethics Committee.
- The members of the Ethics Committee are appointed and replaced by the Board of Directors
- The Committee convenes with the presence of at least three members.

5. ETHICS COMMITTEE TERMS OF REFERENCE

5.1 Operating Principles

The Ethics Committee may obtain the opinions of independent experts when it is deemed necessary in relation to its activities, as well as by sub-groups formed by experts or by its own members. The cost of the consulting services obtained by the Ethics Committee shall be assumed by the Company.

A notification, which has already been reviewed and concluded by the Ethics Committee cannot be re-examined unless new evidence is provided.

Confidentiality is essential in all reviews of the Ethics Committee.

The Ethics Committee may initiate an investigation ex officio regarding an ethical violation within its scope of duties, which is known to the Committee by any means.

The examination file of the Ethics Committee shall be kept in accordance with the provisions of Law No. 6698 and relevant legislation together with all the documents and correspondence samples therein.

5.2 Meeting and Decision Making

The Ethics Committee convenes on the dates determined at the beginning of the year without invitation and in case of an urgent and necessary matter by invitation at the venue and on the date specified.

Proposals for the meeting agenda shall be submitted to the Ethics Committee and the agenda is determined accordingly. The meeting agenda shall be circulated among the members at least two days in advance. Decisions taken at the meetings of the Ethics Committee, along with their justifications shall be recorded in the minutes, duly signed by all the attendees and properly archived. The Committee members assume the meeting secretary role on rotational. The members shall submit the reasons for their dissenting votes.

Quorum of meeting and decision-making are the absolute majority of the total number of members of the Ethics Committee. Members cannot abstain from voting. In case an agenda item concerns a member of the Committee in any way, the related member cannot participate in the discussions and cannot vote on the relevant agenda item.

5.3 Notifications to Ethics Committee

Notifications to the Ethics Committee can be made directly, by phone, surface mail, e-mail or fax. The date of notification is accepted as the date on which the notification is received by the Ethics Committee. The Ethics Committee's communications are conducted by the in-house lawyer, who shall evaluate the notifications received pursuant to the Code of Business Ethics and submit the same to the Committee.

5.4 Review of Notifications

The reviews shall be conducted in an in-depth and, fair manner in accordance with the Code of Business Ethics, legal regulations and human rights.

The person who has been subject to a notification of an ethical violation can be provided with the right to give an explanation in writing. The person who does not respond in the time given to him is deemed to have waived her right of explanation.

5.5 Concluding the Notification

The Ethics Committee shall submit a final report to the Board of Directors following the review process.

In accordance with the disciplinary principles, the Company Management and Human Resources Department are responsible for providing appropriate disciplinary penalties pursuant to the Labor Law.

6. DUTIES AND RESPONSIBILITIES

6.1 Board of Directors

The main duties and responsibilities of the Board of Directors are as follows:

1. Approves the Terms of Reference of the Ethics Committee and revisions thereto.
2. Appoints and replaces members of the Ethics Committee.
3. Approves the Code of Business Ethics and underlying policies.
4. Resolves on the findings and sanctions proposed by the Ethics Committee and informs the Ethics Committee about this resolution.
5. Discloses its resolution on the proposed sanction to the third parties.
6. Provides all the resources and support to The Ethics Committee to perform its duties.

6.2 Ethics Committee

The main duties and responsibilities of the Ethics Committee are as follows:

1. Reviews the Code of Business Ethics and underlying policies annually and proposes amendments to the Board of Directors.
2. Prepares policies and procedures to ensure the implementation of the Code of Business Ethics.
3. Submits to the approval of the Board of Directors at the beginning of each year, the proposed activities and the related budget to ensure that the Code of Business Ethics becomes the cornerstone of the working culture. In this context, the Ethics Committee may propose the following activities:

- Training and briefing activities to emphasize the Code of Business Ethics, increase ethical awareness and institutionalize the ethical life culture,
- Identification and resolution of all types of ethical problems,
- Examinations with respect to compliance with the Code of Business Ethics and supporting policies and procedures.

4. Leads and follows up on the activities approved by the Board of Directors.
5. Reviews the Terms of Reference of the Ethics Committee annually and proposes amendments to the Board of Directors.
6. Monitors channels used to communicate Code of Business Ethics such as portals, websites, and e-mail messages to ensure that they are up-to-date.
7. Conducts a preliminary assessment ex officio or based on notification regarding an alleged violation of the Code of Business Ethics. Pre-evaluation may result in rejection of the notification due to false identification, insufficient/inconsistent information/documentation. The Committee carries out or procures investigations and research related to the notification and informs the related parties on the outcome (proposed sanction).

6.3 Ethics Committee Members

Members of the Ethics Committee are responsible for directing and conducting the activities of the Committee according to the resolution of the Board of Directors.

Accordingly,

1. Communicates with the Board of Directors.
2. Prepares annual meeting schedules and organizes meetings.
3. Submits reports to the Board of Directors.
4. Ensures that the activities of the Committee are carried out in division of work.

6.4 Managers

1. Communicate the Code of Business Ethics to the persons, with whom they work, ensure that the Code is understood and followed
2. Provide guidance on how to pursue the principles and policies, and set a personal example to encourage compliance with the principles
3. Ensure that the team members receive training and guidance in order to comply with the Code of Business Ethics.
4. Listen to the concerns raised and support those who express their concerns.

6.5 Employees

1. Obey to the Code of Business Ethics, underlying policies, all laws and regulations and all by-laws and regulations of the Company
2. Hold responsible their team and co-workers for complying with the Code of Business Ethics
3. Take responsibility for any suspected violations of the Code of Business Ethics and underlying policies, and notifies the authorities regarding the same when necessary

7. ENFORCEMENT AND REVISIONS

The Board of Directors has the authority to abolish these Terms of Reference in its entirety or revise certain provisions of the same.