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Turkey

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GENERAL CONTEXT, KEY PRINCIPLES AND HOT TOPICS

1 Identify the highest-profile corporate investigation under way in your country, describing and commenting on its most noteworthy aspects.

Criminal investigations including those concerning corporate crimes are conducted by public prosecutors with the assistance of law enforcement officers. Turkey has also several administrative authorities that conduct investigations and impose administrative penalties within their area of operation.

The following are some of the most significant recent examples of investigations carried out by public prosecutors and administrative authorities:

- *Thodex*: A criminal investigation was initiated against the cryptocurrency platform in April 2021, following complaints by users who alleged that they could not access their accounts on Thodex and the owner of the company had fled abroad. In the initial report prepared by the Financial Crimes Investigation Board (Turkey's main financial intelligence unit fighting against the laundering of proceeds of crime and the financing of terrorism (MASAK)), and submitted to the public prosecutor's office that issued the indictment, it was determined that (1) Thodex had deceived 2,027 complainants through fraudulent transactions, (2) crypto assets with a value of 253,714,909 lira were transferred to the platform owner's crypto wallets held in Malta, and (3) the total amount of damage caused to the users reached 356 million lira. Criminal court proceedings are continuing against 21 suspects, six of whom have been detained. An additional investigation was initiated following complaints by 588 individuals alleging to have suffered damage as a result of the actions of Thodex.

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- *TikTok*: MASAK has been investigating donations made on the social media platform. TikTok allows users to launch live streams and collect donations that may be converted to Turkish lira and transferred to individual accounts afterwards. MASAK's investigation revealed that since the beginning of 2021, 1.5 billion lira had been transferred to users located in Turkey, and a large proportion of that money was transferred to the accounts of a small group of users. Most of the money was donated through live streams that were merely black screens without any audio. It has been concluded that persons and organisations, including certain terrorist organisations, are using TikTok's live stream feature to launder money. The investigation is continuing.
- *Deterjan Pazarı*: A criminal investigation was initiated after thousands of people claimed that they had been defrauded by the detergent company Deterjan Pazarı, which sold raw materials with the promise of repurchasing the product for three times the price. It is alleged that the company defrauded more than 40,000 people of about 50 million lira in total. The owner of the company has vanished. While the investigation is continuing, eight executives of the company, including the owner, have been arrested.
- *Suspects financing the terrorist group, Daesh*: Several operations have been carried out in multiple cities in recent years concerning individuals who finance Daesh. It was discovered through MASAK's investigation that individuals had provided financial aid to the terrorist group through bank accounts that were opened for organisational purposes, and found money transfer transactions that included statements alluding to terrorist activities.

High-profile corporate investigations are also carried out by the Turkish Competition Authority (TCA), a legal entity with administrative and financial autonomy whose mission is to prevent the restriction of competition in markets so as to increase consumer welfare and ensure a safe investment environment. The TCA has examined and provided a final decision on 615 merger and acquisition cases and 348 preliminary and full investigation cases during the past three years. (TCA's annual report on competition policy developments is available via https://www.rekabet.gov.tr/en/Sayfa/publications/annual-reports).

The following are some of the most significant recent examples of investigations carried out by the TCA:

- *Chain stores and suppliers in the fast-moving consumer goods market*: An investigation was initiated to determine whether the chain stores had coordinated the prices and price transition dates and exchanged competitively sensitive information directly or indirectly through their common suppliers. In light of the investigation, a record fine was imposed against the chain stores and one of their common suppliers operating in the oil production totalling 2,682,539,593.70 lira for having engaged in a hub-and-spoke cartel in violation of Article 4 of Law No. 4054 on the Protection of Competition (the Competition Law) (i.e., Article 101 of the Treaty for the Functioning of the European Union (TFEU)).
- *Labour market*: A comprehensive investigation was initiated against 49 undertakings, irrespective of their activities, to determine whether they had violated Article 4 of the Competition Law (i.e., Article 101 of the TFEU) through a non-poaching agreement, which is alleged to distort competition, innovation and consumer welfare in the labour

market as a whole. Although the final decision of the TCA is still awaited, the investigation is significant as it will provide important analysis regarding the competitive structure of the labour market and deliver guidance for settlement cases, as some of the parties under investigation have agreed to settle with the TCA.

- *Meta Platforms Inc*: The TCA has been focusing increasingly on digital markets further to a sector inquiry conducted regarding e-marketplace platforms. Accordingly, it launched an *ex officio* investigation to determine whether Meta Platforms Inc abused its dominant position through its privacy practices by setting the obligation of WhatsApp users to share data with other Facebook companies. Although the TCA's final decision is yet to be seen, the decision will shed light on its *ex ante* assessment approach towards digital markets and the terms of use regarding data sharing by digital market players.

2 Outline the legal framework for corporate liability in your country.

Criminal liability is individual and personal, and nobody can be held criminally liable for the actions of another person (Turkish Constitution, Article 38). Only real persons can be the authors of crimes and subject to criminal sanctions pursuant to Article 20 of the Turkish Penal Code (TPC). Hence, unlike some other jurisdictions, legal entities cannot be held criminally liable. Therefore, if an individual commits a crime on behalf of or in favour of a legal entity, that individual will be held personally liable. Primary suspects of a crime committed on behalf of a company are generally members of boards of directors in the eyes of public prosecutors.

Corruption offences can only be committed deliberately, not through negligence. This also means that corruption offences can be committed by *dolus eventualis* (*olası kast*) or legal intention. Intent in the form of *dolus eventualis* or legal intention is deemed present when the perpetrator objectively foresees the possibility of the consequences of his or her actions and persists nevertheless (TPC, Article 21(2)).

Furthermore, administrative liability applies to legal entities. If a crime of fraud, bribery, bid rigging, fraudulent performance of obligations, money laundering or smuggling is committed on behalf of or in favour of a legal entity, the respective legal entity will be subject to an administrative monetary fine of up to 74,303,910 lira as per the revaluation rate effective in 2022, pursuant to Article 43/A of the Law on Misdemeanours. The amount of the fine cannot be lower than twice the monetary benefit subject to the criminal act.

Legal entities may further be subject to certain safety measures in accordance with Article 20 of the TPC. Under Article 60 of the TPC, safety measures imposed on legal entities include cancellation of licence or confiscation. The government can also seize pecuniary benefit obtained by legal entities as a result of the commission of crime (TPC, Article 55).

3 Which law enforcement authorities regulate corporations? How is jurisdiction between the authorities allocated? Do the authorities have policies or protocols relating to the prosecution of corporations?

Public prosecutors and criminal courts are authorised, in general, to prosecute any offences, including those concerning corporate crimes. There are specialist departments in each public prosecutor's office and files are allocated to the relevant department depending on their subject matter. Public prosecutors conduct criminal investigations and send their indictments to the relevant criminal court where sufficient evidence gathered during the investigation exists to indicate criminal behaviour. Under Article 164 of the Code of Penal Procedure (CPC), law enforcement officers have the authority to investigate in certain cases limited within their jurisdiction and to assist prosecutors.

Article 160(2) of the CPC requires public prosecutors, through the law enforcement agencies, to obtain evidence both for and against the suspect concerning the alleged crime. Suspects can be interviewed by law enforcement officers or a public prosecutor.

Additionally, administrative authorities conduct investigations under their policies and duties. There are also cases where a complaint is required to initiate criminal investigation.

The main financial intelligence unit fighting against the laundering of proceeds of crime and financing of terrorism is MASAK, which is directly attached to the Ministry of Finance. Apart from its policy-making duties, MASAK conducts investigations into suspicious transactions pursuant to the Law on the Prevention of Laundering Proceeds of Crime.

In terms of criminal offences concerning publicly traded companies and capital market institutions that are specified in the Capital Markets Law (CML), such as insider trading and market abuse, a written application from the Capital Markets Board (CMB) is required for the public prosecutor's office to initiate an investigation and the CMB may become a party to the case upon request. Regulatory crimes under the CML can only be prosecuted if the CMB submits a criminal complaint to the public prosecutor's office. The CMB also has the authority to impose administrative fines for violations under the CML.

In terms of criminal offences that are specified in the Banking Law and the Law on the Central Bank of Turkey, a written application from the Banking Regulation and Supervision Agency (BRSA), the Saving Deposit Insurance Fund or the Central Bank of Turkey is required for the public prosecutor's office to initiate an investigation and the applying authority may become a party to the case upon request. The BRSA also has the authority to impose administrative fines for violations under the Banking Law.

The TCA is also entitled to initiate investigations against companies that are alleged to be involved in anticompetitive agreements or abuse of dominance conduct within the scope of the Competition Law. Thereupon, the TCA may impose administrative monetary fines on the investigated company or employee for an infringement since competition law infringements are considered misdemeanours, not criminal acts. However, if the investigated conduct is a criminally prosecutable act that also infringes the Competition Law, such as bid rigging in public tenders, the TCA may impose administrative monetary fines besides the criminal liability, which will be separately evaluated under the Turkish Penal Code.

Moreover, authorities such as the Data Protection Authority, the Information Technologies and Communications Authority or the Energy Market Regulation Authority also have certain investigatory powers concerning offences relevant to their operations.

4 What grounds must the authorities have to initiate an investigation? Is a certain threshold of suspicion necessary to trigger an investigation?

Article 160 of the CPC states that the public prosecutor must initiate an investigation following a complaint or on becoming aware of a condition that indicates that a crime has been committed. In certain cases, initiating a prosecution requires a criminal complaint from the relevant administrative authority.

In addition, administrative authorities have a power of audit, which applies to companies and institutions that fall into their scope of regulation, and have discretionary powers assigned to their managing bodies (typically boards of directors), to initiate a full investigation or a preliminary investigation. Authorities may request to review all information systems and various resources (including tax rolls, all commercial books and electronic records), to access and take samples from these, to inspect transactions and accounts, to obtain written and oral information and to draft necessary minutes.

5 How can the lawfulness or scope of a notice or subpoena from an authority be challenged in your country?

Remedies against decisions granted by courts or judges are regulated under Articles 267 to 271 of the CPC. Accordingly, objections to a decision may be made, within seven days of the date on which concerned persons became aware of the decision, with a petition or a statement that would be written into a minute before the authority that rendered the decision. The court or the judge to which the complainant is objecting may rectify the decision if it is deemed appropriate or convey it to the authority that is competent to examine the objection within a maximum of three days. Necessary steps to be taken against the decisions of various authorities are regulated under the corresponding provisions of the CPC.

Various specific laws, including the CML and the Law on Misdemeanours, also outline similar procedures and regulate the particular procedures for objection against several forms of decisions granted by various authorities.

Decisions rendered or sanctions imposed by administrative authorities may be challenged judicially before administrative courts. Decisions or sanctions may be objected to in terms of authority, reasoning, purpose, conformity to procedure or subject via an action for nullity or a full-remedy action if any damage occurred. During such actions, an interim injunction, such as suspension of execution of the decision or sanction, may be requested to minimise the effects.

6 Does your country make use of co-operative agreements giving immunity or leniency to individuals who assist or co-operate with authorities?

Although there is no co-operative agreement procedure, there is an effective remorse system regulated under the TPC that allows for leniency by a reduction of the punishment

or immunity for certain crimes, including bribery, embezzlement, money laundering and market abuse (cartels).

Persons who bribe an official or conclude an agreement for bribery with an official or have participated in such activities shall not be sentenced if they have remorse for their actions and inform the authorities before discovery by the authorities. For the crime of laundering the proceeds of crime, persons who ensure that the assets subject to the crime are seized or help the authorities to do so, by informing them, shall not be sentenced.

If a perpetrator of embezzlement, or persons who abet or assist in embezzlement, regret their actions and compensate for the damage suffered by the victim by full restitution or full indemnification, after the perpetration of the offence but before the initiation of prosecution, the penalty shall be reduced by two-thirds. Further, in the event that effective remorse is shown after the initiation of prosecution but before the verdict, the penalty shall be reduced by half. In cases of partial restitution or compensation, consent of the victim is required for the application of a provision for effective remorse.

If a person who commits a market abuse offence that is regulated under the CML shows regret and pays the National Treasury twice the amount they obtained or assisted in the obtainment (which shall not be less than 500,000 lira):

- before initiation of an investigation, they shall not be sentenced.
- during the investigation, the penalty shall be reduced by half.
- during prosecution but before the verdict is given, the penalty shall be reduced by one-third.

There is also a leniency application mechanism for cartel cases under the competition law regime. The Law on the Protection of Competition, the Regulation on Active Co-operation for Discovery of Cartels (the Leniency Regulation) and the Guidelines on Clarification of Regulation on Leniency all specify the details of the leniency mechanism. Accordingly, the leniency programme is available for cartelists but does not apply to other forms of antitrust infringement. A cartelist can apply for leniency until the investigation report is officially served. Depending on the application order, there may be full immunity from, or reduction of, a fine.

There is also legislation with regard to reconciliation procedures for tax-related and customs-related fines, which allows for reductions in the fines imposed.

7 What are the top priorities for your country's law enforcement authorities?

In recent years, market manipulation, insider trading, financing of terrorism, money laundering, fraud, bribery, corporate misconduct, antitrust and data protection have been prominent topics that are prioritised by the enforcement authorities. In particular, the TCA has a current focus on infringements relating to Article 4 of the Competition Law (i.e., Article 101 of the TFEU) concerning competitively restrictive agreements among undertakings, and especially to cartel cases. Two-thirds of recent TCA cases are Article 4-related investigations initiated in traditional markets (such as cement, egg and gas) and in new fields. The TCA has taken essential steps in improving its expertise in certain new fields, such as digital markets, human resources, fast consumer markets and the overall retail sector through launching sector inquires and investigating the market

through full investigations. Thus, there are likely to be new additions to the jurisprudence of the TCA in terms of Article 4-related infringements in the coming year.

The CMB states in its 2021 annual activity report that most of its auditing activities concerned market manipulation, market abuse and publicly held corporation audits. The rankings were the same as in 2020 although the total number of audits decreased to 294 from 416.

MASAK's annual report states that of the 16,339 cases that were finalised in 2021, 14,500 were in relation to anti-constitutional offences such as breach of the Constitution, offences against a judicial body, offences against the government and forming an armed organisation. Further, the greatest number of finalised cases concerned terror and financing of terrorism or fraud.

According to statistics published by the Ministry of Justice, the number of convictions in 2021 in relation to fraud offences has increased by 65 per pent, compared with the previous year, becoming one of the highest numbers of all offences against property. Bribery offences have increased by around 84 per pent, compared with the previous year, and money laundering offences have increased by around 70 per pent.

8 To what extent do law enforcement authorities in your jurisdiction place importance on a corporation having an effective compliance programme? What guidance exists (in the form of official guidance, speeches or case law) on what makes an effective compliance programme?

There is no general legal requirement to adopt a compliance programme. However, Article 366 of the Turkish Commercial Code sets out the regulatory authority of boards of directors to establish committees and commissions to detect any forthcoming risks so as to secure the improvement and continuity of the operations of the company.

The Code on the Prevention of Laundering of Crime Revenues (CPL) also sets out several obligations with regard to establishing training, internal audit, control and risk management systems and other measures to obliged parties (such as banks, financial institutions, companies operating in specific industries), and expects those parties to put into operation internal systems to detect and notify non-compliant transactions in a timely manner. Furthermore, in accordance with the CPL and the Regulation on the Compliance Programme regarding Obligations on the Prevention of Laundering of Crime Revenues, the following obliged parties are required to establish and maintain a compliance programme to align with the requirements of the CPL:

- banks (excluding the Central Bank of Turkey and investment and development banks);
- capital markets intermediary companies;
- insurance and private pension companies;
- the Postal and Telegraph Authority (for its banking activities);
- financing, factoring and financial leasing companies;
- portfolio management companies;
- precious metals intermediary companies;
- e-money institutions; and
- payment institutions (with certain exclusions).

In terms of the Competition Law, although there is no legal requirement for an undertaking to adopt a competition compliance programme, in 2013 the TCA published a Guideline on Competition Compliance Programmes to provide guidance for undertakings in terms of establishing their internal competition rules and compliance methods. With the introduction of the Guideline, the TCA, for the purposes of encouraging compliance efforts, has at first accepted the importance of competition compliance programmes and granting reductions of administrative monetary fines. That being said, there has not been a single decision in the past five years in which the TCA has accepted the existence of a competition compliance programme as a mitigating factor.

CYBER-RELATED ISSUES

9 Does your country regulate cybersecurity? Describe the approach of local law enforcement authorities to cybersecurity-related failings.

There is no specific regulation that governs cybersecurity matters and expected standards. Although there were regulations under the Turkish Penal Code (TPC) regarding cybersecurity, the main awareness arose with the entry into force of the Law on Personal Data Protection (the DP Law). Since then, cybersecurity has become an even more important concept for any data controller as data breaches can lead to administrative fines as well as civil and criminal liability. The Personal Data Protection Board (the DP Board) has published a guideline regarding technical security measures to be taken by all data controllers. However, this does not cover all data but is limited to the protection of personal data.

The National Cyber Incident Response Centre and the Digital Transformation Office publish guidelines on measures to be taken for ensuring the security of information.

The minimum cybersecurity requirements to be taken by public institutions and certain key sectors, such as telecommunication and banking, are also determined by circulars and guidelines. Further, the cybersecurity standards of Turkish armed forces comply with those of the North Atlantic Treaty Organization (NATO).

There are also sector-specific regulations for the protection of data in regulated sectors, including banking and capital markets. Further, owing to the importance attributed to their data, the banking, insurance, e-commerce, telecommunications and health sectors have sector-specific regulations regarding cybersecurity.

10 Does your country regulate cybercrime? What is the approach of law enforcement authorities in your country to cybercrime?

Cybercrime is not regulated under an independent specific regulation but there is a dedicated section on cybercrime in the TPC. On 30 November 2021, the Council of Judges and Prosecutors rendered a decision to form specialist courts for cybercrime and crimes defined under the Law on Payment and Securities Settlement Systems, Payment Services and Electronic Money Institutions No. 6493. It is expected that decisions will be rendered faster and more coherently in future.

Articles 243 to 245 of the TPC sets out the crimes of unauthorised access to information technology (IT) systems, hindrance or destruction of IT systems, deletion or alteration of data, improper use of bank or credit cards and using banned devices or programs.

The penalties include imprisonment for up to six years and judicial fines calculated over up to 5,000 days.

Turkey is a signatory of the Convention on Cybercrime (known as the Budapest Convention), which was ratified on 29 September 2014. Turkey is also a party to several other multilateral agreements, including:

- European Convention on Mutual Assistance in Criminal Matters;
- Convention on the Service Abroad of Judicial and Extrajudicial Documents in Civil or Commercial Matters;
- Convention on the Recognition and Enforcement of Foreign Judgments in Civil and Commercial Matters;
- Convention on the Taking of Evidence Abroad in Civil or Commercial Matters; and
- Additional Protocol to the European Convention on Mutual Assistance in Criminal Matters.

CROSS-BORDER ISSUES AND FOREIGN AUTHORITIES

11 Does local criminal law have general extraterritorial effect? To the extent that extraterritorial effect is limited to specific offences, give details.

The territorial reach of Turkish criminal law is essentially restricted to offences committed within the national boundaries. An offence is deemed to have been committed in Turkey if:

- the act was committed in Turkish territory, airspace or territorial waters;
- the act was partially committed in Turkey;
- the act's result was obtained in Turkey;
- the act was committed in or by Turkish vessels or aircraft while they were in open seas or the space extending above these waters;
- the act was committed in or by Turkish warships and military aircraft, irrespective of their location; or
- the act was committed on stationary platforms exclusively constructed in Turkey's territorial boundaries or industrial zones.

Article 252(9) of the Turkish Penal Code (TPC) sets forth the bribery of foreign public officials in the sense of the Organisation for Economic Co-operation and Development (OECD) Convention on Combating Bribery of Foreign Public Officials in International Business Transactions of 1997, which also has a specific jurisdictional rule.

Furthermore, it is also possible to be tried in Turkey for crimes committed abroad or by a foreign citizen provided that certain conditions are met under the TPC, namely:

- a person who was sentenced abroad for an offence that was committed in Turkey shall be retried in Turkey (Article 9);
- a person who is undertaking a mission or a duty abroad on behalf of Turkey commits a crime pertaining to their mission or duty shall be tried in Turkey, even if they have been sentenced already with imprisonment abroad regarding the offence (Article 10);
- a Turkish citizen shall be sentenced pursuant to Turkish law in the event that they commit a crime that would require a prison sentence of which the lower limit is one year under Turkish law abroad and they are currently in Turkey, provided that they

were not sentenced abroad regarding this offence and the offence may be prosecuted in Turkey. If the lower limit of the prison sentence is less than one year, prosecution is subject to the complaint of the damaged party or the foreign government, which shall be submitted within six months of the offender's arrival in Turkey (Article 11);

- a foreign citizen shall be sentenced pursuant to Turkish law in the event that they commit a crime that would require a prison sentence of which the lower limit is one year under Turkish law abroad and they are currently in Turkey. Prosecution is subject to the request of the Ministry of Justice; however, prosecution for bribery and traffic of influence offences are not subject to such a request;
- in the event that the offence is committed by a foreign citizen against a Turkish citizen or a legal entity, upon the complaint by the damaged party, the perpetrator shall be prosecuted pursuant to Turkish law, if they are currently in Turkey, provided that they were not sentenced concerning the offence in a foreign country; or
- if the damaged party is also a foreign citizen, the perpetrator shall be tried upon the request of the Ministry of Justice if:
  - the crime in question requires a prison sentence of which the lower limit is three years under Turkish law; or
  - there is not an extradition agreement in place, or the extradition request was refused by the country in which the offence was committed or by the government of the state of which the perpetrator is a national (Article 12).

In cases that are regulated under Articles 11 and 12 of the TPC, if judicial fines or prison sentences are optional for the offence in question under Turkish law, no investigation or prosecution shall be initiated.

Regardless of the place of confinement, any time spent in detention or under observation, or a conviction in a foreign country, is deducted from the prison sentence imposed in Turkey for the same offence.

In respect of investigations by the Turkish Competition Authority (TCA), cartel conduct (whether Turkish or non-Turkish) falls within the jurisdiction of the Competition Authority to the extent that it affects the Turkish markets. No regulation restricts international co-operation regarding extradition or extraterritorial discovery for cartel allegations.

12 Describe the principal challenges that arise in your country in cross-border investigations, and explain whether and how such challenges depend on the other countries involved.

Obtaining evidence and effective co-operation with another country's authorities are the main issues in cross-border investigations. To eliminate these to the extent possible, Turkey has ratified several bilateral and international conventions for assistance on criminal matters, including:

- United Nations Convention Against Corruption;
- OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions;
- European Convention on Mutual Assistance in Criminal Matters;
- Convention on the Transfer of Sentenced Persons;

- Council of Europe Convention on Laundering, Search, Seizure and Confiscation of the Proceeds from Crime and on the Financing of Terrorism;
- Convention on Laundering, Search, Seizure and Confiscation of the Proceeds from Crime;
- Criminal Law Convention on Corruption;
- European Convention on the International Validity of Criminal Judgments;
- European Convention on the Suppression of Terrorism;
- European Convention on the Transfer of Proceedings in Criminal Matters;
- European Agreement on the Transmission of Applications for Legal Aid; and
- International Criminal Police Organisation (Interpol).

Turkey also has bilateral agreements on criminal assistance with a number of countries, including China, Russia and the United States.

Article 43 of Decision No. 1/95 of the EC-Turkey Association Council authorises the TCA to notify and request the European Commission to apply relevant measures if there is a cartel organised in the European Union that is adversely affecting competition in Turkey (and *vice versa*).

The DP Board also has entered into co-operation agreements with several data protection authorities, including the European Data Protection Board. In this regard, data flow between the data protection authorities may be conducted during cross-border investigations within the permitted boundaries of respective laws.

13 Does double jeopardy, or a similar concept, apply to prevent a corporation from facing criminal exposure in your country after it resolves charges on the same core set of facts in another? Is there anything analogous in your jurisdiction to the 'anti-piling on' policy as exists in the United States (the Policy on Coordination of Corporate Resolution Penalties) to prevent multiple authorities seeking to penalise companies for the same conduct?

Although legal entities are exempt from criminal liability, they may still be subject to administrative sanctions or civil liability in Turkey for the same conduct that was the subject of resolved charges in another country.

Article 44 of the TPC stipulates that a person who has committed various offences through one action shall be sentenced for the offence that requires the most severe penalty.

Although Article 58 of the TPC, which regulates repeat offences, generally applies to territorial offences, certain offences, including fraud, are excluded, which means a fraud committed and sentenced abroad shall constitute an initial sentence, should the offence be repeated in Turkey. Provisions regarding repeat offences are implemented even if the initial sentence is not executed. There are certain time bans for an offence to constitute a repeat, following the initial offence's execution, which are specified under the TPC.

The judge shall take into consideration certain issues while determining the sentence within the limits specified in the relevant provision (as listed under Article 61 of the TPC), which include the mediums used in the commission of the offence and the time, place and manner of commission. However, under Article 61(3), if these issues are already regulated as elements or aggravation factors of the offence, they shall not be taken into

consideration in the initial determination since they will be annexed to the sentence eventually. For example, commission of fraud at the expense of a public office is regulated as an aggravating factor; thus, the judge shall not take this factor into consideration while determining the initial sentence since that factor would separately aggravate the sentence.

For offences that are committed abroad or by foreign citizens, Articles 9 to 16 of the TPC shall be taken into consideration in terms of the principle of *non bis in idem*.

There is not any regulation in Turkey that is analogous to the US anti-piling on policy.

14 Are 'global' settlements common in your country? What are the practical considerations?

There is no legal framework regulating global settlements in Turkey. Nevertheless, in the event that a settlement is reached in a foreign country, Turkish authorities have powers to retry the case at their discretion in accordance with the territorial reach of Turkish criminal law.

For instance, even if the offence of bribery is committed by a foreign citizen in a foreign country, if the transaction concerns Turkey in any manner, as stated in Article 252(10) of the TPC, Turkish authorities have the discretion to initiate an investigation and eventually a prosecution concerning the issue, even if a settlement was reached in a foreign country.

15 What bearing do the decisions of foreign authorities have on an investigation of the same matter in your country?

Certain offences committed abroad or by foreign citizens are tried in Turkey upon the complaint by the damaged party or at the request of the Ministry of Justice. Any time spent in detention or under observation, or a conviction in a foreign country, is deducted from the prison sentence imposed in Turkey.

Additionally, the Act on International Private and Civil Procedural Law allows for the recognition and enforcement of criminal court decisions only for verdicts concerning personal rights provided certain conditions for the recognition and enforcement specified in the Law are met. Apart from that, there is no clear-cut or direct regulation regarding the effects of decisions made by foreign authorities on an investigation to be carried out in Turkey for the same matter.

ECONOMIC SANCTIONS ENFORCEMENT

16 Describe your country's sanctions programme and any recent sanctions imposed by your jurisdiction.

Turkey has not been imposing any sanctions solitarily in the recent years. Nevertheless, as a Member State of the United Nations (UN), Turkey is bound by the sanction regimes established by the UN Security Council.

17 What is your country's approach to sanctions enforcement? Has there been an increase in sanctions enforcement activity in recent years, for example?

Since Turkey does not impose any sanctions solitarily, sanction enforcement is restricted to the UN Security Council's sanctions. There is no unique approach in terms of sanction enforcement.

18 Do the authorities responsible for sanctions compliance and enforcement in your country co-operate with their counterparts in other countries for the purposes of enforcement?

Other than the alignment with the United Nations, Turkey does not have any co-operation arrangements concerning sanction enforcement.

19 Has your country enacted any blocking legislation in relation to the sanctions measures of third countries? Describe how such legislation operates.

Turkey currently does not have blocking legislation in relation to sanctions measures taken by third countries.

20 To the extent that your country has enacted any sanctions blocking legislation, how is compliance enforced by local authorities in practice?

Not applicable.

BEFORE AN INTERNAL INVESTIGATION

21 How do allegations of misconduct most often come to light in companies in your country?

Allegations of misconduct typically surface from either whistleblowers within the company, clients, customers or suppliers of the company or from the internal and external audits conducted, especially within multinational companies.

Since there is no general obligation for companies to implement a compliance programme and no legal obligation to enforce whistleblowing and reporting structures within corporations, whistleblowing cases are mostly limited to the practice of multinational corporations who are subject to such a requirement owing to other legal obligations (arising from foreign laws) or internal policies and requirements. There is no targeted protection of whistleblowers, but only certain general provisions of law that would be utilised to protect whistleblowers, when a report has been made. Even in these instances, employees are generally concerned about retaliation and possible job losses. Turkey, as part of its efforts under its accession to the European Union, is expected to align its legislation with Directive (EU) 2019/1937 on the protection of persons who report breaches of Union law (the Whistleblowing Directive), but there is no specific time frame foreseen for such an endeavour.

INFORMATION GATHERING

22 Does your country have a data protection regime?

Until the enactment of the Data Protection Law (the DP Law) on 7 April 2016, protection of personal data was not regulated methodically under the general principles of law (e.g., Turkish Constitution, Turkish Penal Code (TPC), Turkish Civil Code, Turkish Code of Obligations and Turkish Employment Law), and certain sector-specific regulations. However, those laws were not adequate to ensure the necessary level of data protection, which could be achieved by a comprehensive data protection law.

The DP Law provides for requirements similar to the approach taken in Directive 95/46/EC on the protection of individuals with regard to the processing of personal data and on the free movement of such data. Changes are expected to take place in the near future, particularly to articles regarding the processing of special categories of personal data and issues with cross-border transfers to make the law compatible with Regulation (EU) 2016/679 (the General Data Protection Regulation).

23 To the extent not dealt with above at question 9, how is the data protection regime enforced?

For any data processing activity in Turkey, the DP Law would apply. The Data Protection Board (the DP Board) has the authority to enforce the DP Law and put forward sanctions for violation of the DP Law. There is no specific jurisdiction or scope clause under the DP Law. However, the principles of criminal jurisdiction are applied in the sense that infringements of the DP Law will lead to misdemeanours under Turkish law.

The sanctions under the DP Law entered into force in late 2016. The DP Board has been particularly active in enforcement actions since 2018. The Board oversees data breach notifications and conducts investigations *ex officio* or on the basis of complaints by data subjects. In 2019 and 2020, as stated in its annual reports, the Turkish Data Protection Authority received an average of 2,200 complaints per year. This number increased in 2021 to more than 10,000 (of which more than 4,000 related to transfers abroad). Between 2017 and 2022, the DP Board has given sanctions totalling roughly 67 million lira for infringements under the DP Law. The highest sanction to date (1.95 million lira) was imposed on WhatsApp in 2021.

24 Are there any data protection issues that cause particular concern in internal investigations in your country?

When collecting personal data within the scope of a whistleblowing scheme, the employer, or the external company involved in the management of the scheme, acting as a data controller, will be subject to notification or registration provisions under the DP Law, provided they meet the registration conditions determined by the DP Board under the DP Law. In principle, data controllers must register with the data controllers' registry (VERBİS) before starting to process personal data. The DP Board also has the authority to inspect data controllers, even before they begin their activities.

In addition to the registration obligation, data privacy notices drafted in accordance with the DP Law must be made to the employees concerned with the whistleblowing

schemes before any prospective action in this respect to ensure the lawfulness of the process. It would not be sufficient to provide a general privacy notice to the persons involved, and a notice or policy that specifically addresses personal data processing channels and principles in the whistleblowing scheme must be served to the data subjects.

One of the most controversial concerns in cross-border internal investigations is the transfer of personal data abroad. Throughout a cross-border internal investigation that requires transfers of personal data, the requirements of the DP Law and rules about transfers of data abroad should be adhered to before any investigative actions are taken, and in particular in respect of email reviews and interviews

25 Does your country regulate or otherwise restrict the interception of employees' communications? What are its features and how is the regime enforced?

In a decision rendered on 17 September 2017 in respect of the surveillance of employees, the Turkish Constitutional Court emphasised the principles of data protection. Accordingly, for the communications of an accused person to be accessed, the accused person must be informed beforehand in line with the DP Law, and the employer must comply with the data processing principles throughout the surveillance process. Any communications made before the accused person is informed may not be part of the surveillance. Therefore, if communications such as work email and work mobile phone messages are to be accessed within the scope of an investigation, employees must have been informed before communications are made that their work communications can be accessed at any time by the employer for a legitimate reason. In decision No. 2018/31036, the Turkish Constitutional Court held that an employer who accesses an employee's email has acted lawfully where the surveillance right was stated in the employment contract. Relying on precedent (Constitutional Court decision No. 2013/4825 dated 24 February 2016), the Court found that the employer, a private bank, had a legitimate business interest in surveillance of the employee's email. The Court decided that employee's use of email violated the employment contract and found that there had been no violation of the employee's personal data protection or freedom of communication rights because the surveillance was lawful and proportionate under the circumstances, considering that the employer used only emails indicating the applicant's engagement in commercial activities to support its claim, and the employment contract constituted notice of the same.

However, in a decision regarding access to employee correspondence, the DP Board ruled on 25 November 2021 that as the employer had not complied with the duty to inform and the principles referred above were not fulfilled, the data processing was illegal.

There are also criminal offences set forth under the TPC (including those regarding illegal personal data processing, transfers abroad and wiretapping) that may require extra attention before companies take any steps to intercept employees' communications.

DAWN RAIDS AND SEARCH WARRANTS

26 Are search warrants or dawn raids on companies a feature of law enforcement in your country? Describe any legal limitations on authorities executing search warrants or dawn raids, and what redress a company has if those limits are exceeded.

Article 119 of the Code of Penal Procedure (CPC) allows for the issuance of search warrants for residences, workplaces or closed areas that are not open to the general public. Generally, a judge issues a search warrant at the request of a public prosecutor. However, public prosecutors can issue a written search order if a search warrant cannot be issued in a timely manner and the delay would create an imminent danger. Alternatively, the chief law enforcement officer can issue a written search order if the public prosecutor cannot be reached. However, searches on residences, offices and non-public indoor areas can only be conducted with a search warrant issued by a judge or a public prosecutor.

The search warrant shall include the action constituting the cause for the search, the address of the subject of the search, whether it is a person, an object or a residence, and the duration of validity of the warrant. The enforcement officials conducting a search as a result of a warrant are obliged to act in accordance with the contents of the warrant. Failure of this obligation may result in devaluation or non-admissibility of the evidence collected or a compensation claim by the subject of the warrant.

If there is a reasonable expectation that an offender can be caught or that evidence of a crime can be obtained, the clothes, belongings, residence, workplace or other places belonging to the suspect or the accused can be searched.

Other persons' clothes, belongings, residences, workplaces or other places can be searched if required to catch the suspect or accused or to obtain evidence of crime. In such cases, there must be reason to believe that the suspect or accused or evidence of the crime are in the specified places. This limitation does not apply to places where the suspect or accused currently is, or places they entered while under surveillance.

Searches cannot be conducted in residences, workplaces or other places that are closed at night. However, this restriction does not apply to searches carried out for the purpose of recapturing a person who has been caught in the commission of a crime or who escaped after being taken into custody.

Pursuant to Article 15 of the Competition Law, the case handlers are entitled to conduct dawn raids at the premises of undertakings, irrespective of whether the raided undertaking is subject to a full investigation or a preliminary investigation. For a dawn raid there are no requirements to present a search warrant issued by a court since an authorisation certificate showing the subject matter and the purpose of the search and granted by the Turkish Competition Board is deemed sufficient for the initiation of a dawn raid.

Any actions constituting refusal or delay of the inspection may be considered as hindering or likely to hinder the dawn raid, which may lead to the imposition of an administrative monetary fine amounting to 0.5 per pent of the relevant undertaking's turnover generated in the last complete financial year before the fining decision, pursuant to Article 16(d) of the Competition Law. Furthermore, if the company does not grant permission to carry out a dawn raid, a daily administrative monetary fine may be

imposed on the relevant company at a rate of 0.05 per pent of the turnover generated in the last complete financial year before the fining decision. In any event, the administrative monetary fine cannot be lower than the minimum fine of 47,409 lira, which is adjusted annually.

Following the introduction of the Guidelines on the Examination of Digital Data during On-Site Inspections on 8 October 2020, inspectors are permitted to examine all data and documents kept on electronic media and in information systems (including servers, desktops, laptops, portable devices, storage devices, backup records and cloud services) with forensic IT tools and take copies of the reviewed content while maintaining the integrity of the data and systems owned by the raided company. Besides the power to review email messages and documents within computers or any work-related messages stored on mobile phones irrespective of whether the phone is provided by the company, the inspectors also have the right to examine the company's premises, any printed documents, files and notebooks, and may address questions to any employees during the dawn raid. If a company fails to disclose any required information, device or document, or if it provides incorrect, incomplete or misleading information, it may be subject to an administrative monetary fine of 0.1 per pent of the turnover generated in the last complete financial year before the fining decision.

In addition, as the competent regulatory body, the Capital Markets Board (CMB) is entitled to audit publicly held corporations, intermediary institutions, banks and other financial institutions operating in securities markets, and to ensure that their activities conform with the relevant legislation. Unlike the Competition Board, the CMB typically conducts oversight through information requests or by monitoring exchange actions in capital markets.

Supervision authority is exercised by the professional staff assigned by the chairman of the CMB. The CMB shall determine the principles of materiality and priority, the criteria to be considered in risk evaluation and codes of practice relating to supervision activities. The supervision activity shall be conducted in accordance with the programme prepared by the chairman of the CMB. The chairman may execute non-scheduled supervision outside the prepared programme when it is deemed necessary.

Staff assigned to supervise capital markets institutions are authorised to:

- request any information and documents they deem necessary;
- examine all books and documents (including records kept for tax purposes), and all other records (including those kept electronically that contain information) and information systems;
- request access to these systems and obtain copies;
- audit the accounts and transactions;
- acquire written and verbal information from the relevant persons; and
- draft the related minutes to that end.

All persons subject to supervision are obliged to fulfil any requests made and to sign the minutes of the supervision. If they refrain from signing, the reasons for this must be clearly stated in the minutes.

At the request of the chairman of the CMB and the decision of a judge of the competent criminal court of peace, a search may be carried out with the help of police forces in

required locations. The books and documents found during the searches and required to be examined shall be identified with detailed minutes. When on-site examination is not possible, books and documents shall be secured and sent to the workplace of the person making the examination.

The Data Protection Authority also has similar investigative authorities in respect of raids at the facilities of data controllers.

27 How can privileged material be lawfully protected from seizure during a dawn raid or in response to a search warrant in your country?

Although protected under Turkish law, the scope and elements of the attorney–client privilege are rather generic compared with common law jurisdictions. As per Article 36 of the Attorneyship Law, attorneys cannot disclose any document or information obtained while practising their profession. There are also related provisions in the CPC, regulating issues concerning the attorney–client privilege and attorneys' exemption from ordinary criminal investigation processes within these privileges.

As per Article 130 of the CPC, attorneys' offices and residences can only be searched by court warrant and with the participation of a representative of the registered bar association, under the supervision of the public prosecutor, regarding the event specified in the warrant. If a search is to be conducted in a law office, specific rules apply, such that a bar representative must be present at all times during the search of an attorney's office. The attorneys working in that office, the president of the bar association or the attorney representing the president of the bar association may assert that an item to be seized is subject to the attorney–client privilege. In this situation, the item is placed inside a separate envelope or package to be stamped. If the courts determine, within 24 hours, that the item is indeed subject to the attorney–client privilege, the seized item is returned immediately to the attorney.

As per Article 58 of the Attorneyship Law, an attorney cannot be searched except when caught in the act for a crime that falls within the jurisdiction of the high criminal court. Furthermore, investigations against attorneys, or those in the organs of the Union of Turkish Bar Associations or bar associations, for crimes arising from their duties or committed during the execution of their duty must be carried out by the public prosecutor of the place where the crime was committed, subject to permission being obtained from the Ministry of Justice.

In respect of the terms of the Competition Law, in a decision dated 29 April 2021 (No. 21-24/287-130) (which followed the approach of an administrative court decision dated 10 October 2018 (No. E:2018/658)), the Competition Board stated that communications with in-house counsel would not benefit from the attorney–client privilege and, thus, such correspondence may be subject to examination during dawn raids and used as evidence. However, correspondence with independent counsel with whom the undertaking does not have an employment contract may benefit from protection if the relevant conversation relates to the right of defence of the same undertaking (i.e., if the undertaking is exercising its right of defence due to a preliminary investigation, full investigation or trial process initiated against it).

28 Under what circumstances may an individual's testimony be compelled in your country? What consequences flow from such compelled testimony? Are there any privileges that would prevent an individual or company from providing testimony?

A person may refuse to give testimony that could result in them, or any of their relatives listed under law, being prosecuted in accordance with the right against self-incrimination, in accordance with Article 48 of the CPC. Additionally, certain relatives of the accused are permitted to decline to testify against the accused, namely:

- the fiancée, husband or wife of the suspect or the accused, even if the marriage does not exist at the time of the offence;
- persons related to the suspect or the accused in the ascending or descending direct line, either by blood or affinity relationship;
- persons lineally related to the accused within three degrees, or persons collaterally related to the accused within two degrees; and
- persons with a relationship to the accused by virtue of adoption.

Furthermore, Article 46 of the CPC grants those in specific professions (such as lawyers, healthcare workers and financial advisers) the right to refrain from giving testimony regarding facts pertaining to their line of work.

According to Article 44 of the CPC, a witness who has been properly notified and summoned to testify before the court but fails to do so without giving a reason may be coerced to appear before the court. Furthermore, a witness who is forcibly brought to the court would also be penalised for the costs associated with their absence. Both the right not to self-incriminate and the right to withhold testimony are governed by comparable rules under the Code of Civil Procedure.

WHISTLEBLOWING AND EMPLOYEE RIGHTS

29 Describe the whistleblowing framework in your country. What financial incentive schemes exist for whistleblowers? What legal protections are in place for whistleblowers?

There is no specific legislation in Turkey for establishing whistleblowing or reporting structures in corporations, or any whistleblower protection. Nevertheless, regarding the reporting of certain crimes, whistleblowers may be granted monetary incentives. Accordingly, the person who reports the smuggling of goods or drugs may be compensated with up to 25 per pent of the value of the contraband, and the person who reports tax evasion may be compensated with up to 10 per pent of the tax that might be attributed. There are also substantial financial incentives for whistleblowers who report terror-related crimes. Despite the lack of a defined legal structure regarding whistleblowing, legislation for witness protection provides indemnities for persons who give testimonies during criminal proceedings and certain of their relatives.

Certain provisions in laws and secondary legislation apply to whistleblowing, including those of the:

- Constitution;
- Turkish Civil Code (Law No. 4721, as amended);

- Turkish Penal Code (No. 237);
- Turkish Code of Obligations (No. 6098);
- Employment Law (No. 4857);
- Personal Data Protection Law (No. 6698);
- Witness Protection Law (No. 5726);
- Regulation on Deletion, Destruction and Anonymisation of Personal Data; and
- Code of Penal Procedure (No. 5271).

In accordance with Article 18/3-c of the Turkish Employment Law, if an employee submits a complaint against an employer to administrative or legal authorities concerning legal or contractual obligations, the employer cannot terminate the employee's employment agreement. Even though this provision provides a protection for whistleblowers solely against their employers, employers must also provide protection for whistleblowers against any kind of retaliation by other employees or relevant parties.

30 What rights does local employment law confer on employees whose conduct is within the scope of an investigation? Is there any distinction between officers and directors of the company for these purposes?

The rights of an employee, regardless of their position within the company, during any type of investigation are not specifically outlined by the employment law. However, the employment law specifically states that being under investigation does not alone qualify as a legal basis for dismissal. The dismissal of an employee who is being investigated must be evaluated based on the outcome of the investigation. However, if an employee is detained or arrested and their absence exceeds the period of notice, the employer may rightfully terminate the employment agreement.

31 Do employees' rights under local employment law differ if a person is deemed to have engaged in misconduct? Are there disciplinary or other steps that a company must take when an employee is implicated or suspected of misconduct, such as suspension or in relation to compensation?

Depending on the severity of the conduct, the employer may proceed with terminating the employment agreement if it is determined during an internal investigation that the employee violated company policy or any law. However, the employer is obliged to follow this procedure to avoid a claim of wrongful termination if internal policies call for a sanction other than dismissal for the conduct in question.

If an employee is detained or arrested and their absence exceeds the period of notice, the employer may rightfully terminate the employment agreement.

The Employment Law only governs the termination of employment; it does not provide for legislation regarding the disciplinary measures that could be applied.

32 Can an employee be dismissed for refusing to participate in an internal investigation?

Depending on the specific circumstances of the situation, an employee's unwillingness to co-operate with an internal investigation may constitute grounds for terminating the employment contract. It may lead to dismissal if the rejection is of a kind that could be seen as a violation of the employment contract or the employee's duty of due care and loyalty.

However, the employee will have the right to claim compensation and other employment receivables, as well as the right to file a re-employment lawsuit. In the event of such a lawsuit, the employer will be required to prove that the termination is based on one or more valid grounds.

COMMENCING AN INTERNAL INVESTIGATION

33 Is it common practice in your country to prepare a document setting out terms of reference or investigatory scope before commencing an internal investigation? What issues would it cover?

Although there is no clear regulation and approach in law, especially at the initiation of complex internal investigations, it may be necessary to prepare an investigation plan or road map to ensure an organised and thorough investigation and to keep the entire process under control. For this purpose, the relevant document must detail the investigation's goals and parameters, the procedure to be used, the steps to be taken, the proposed timeline, the persons who will be involved in the investigation, potential witnesses or interviewees and the rights that the person being investigated could apply for.

34 If an issue comes to light prior to the authorities in your country becoming aware or engaged, what internal steps should a company take? Are there internal steps that a company is legally or ethically required to take?

Article 278 of the Turkish Penal Code (TPC) and Article 158 of the Code of Penal Procedure require all individuals who have knowledge of criminal offences that have taken place or are in progress (if it is possible to limit the consequences of the offence) to report these offences to the public prosecutor's office. Failure to report is subject to a maximum sentence under the TPC of one year in prison.

35 What internal steps should a company in your country take if it receives a notice or subpoena from a law enforcement authority seeking the production or preservation of documents or data?

A company must co-operate with a notice from a law enforcement authority requesting the production of documents in a proper manner and within due legal process. If the addressed parties are not able to comply, they are required to inform the authorities within the stipulated time frame as to why they will not be able to provide the information and

when they will be able to do so. Failure to do so shall be sanctioned as misconduct by a public servant, which is subject to imprisonment for between six months and two years.

36 At what point must a company in your country publicly disclose the existence of an internal investigation or contact from a law enforcement authority?

The capital market legislation establishes a specific disclosure requirement for information, events and developments that could affect investor investment choices or the value of assets traded on the capital markets. As per the respective legislation, a material event is defined as one that includes court actions and sanctions against those who have a material duty and responsibility for the publicly held company as well as administrative and judicial proceedings that directly affect the issuer. Companies are obliged to disclose material events as soon as they are aware of them.

37 How are internal investigations viewed by local enforcement bodies in your country?

From the perspective of the public prosecutors, the level of significance of a case subject to an internal investigation depends on the particulars of the case as well as the substance of the investigation's conclusions. The public prosecutor and, at the next level, the criminal court are obliged to carry out their own investigation or review and, therefore, they have complete discretion to decide whether to benefit from evidence gathered during the internal investigation process or the outcomes reached at the end of it.

ATTORNEY–CLIENT PRIVILEGE

38 Can the attorney–client privilege be claimed over any aspects of internal investigations in your country? What steps should a company take in your country to protect the privilege or confidentiality of an internal investigation?

In reference to the provisions of the Attorneyship Law and the Code of Penal Procedure, it is accepted that the attorney–client privilege applies very broadly to all materials and information that comes to the knowledge of attorneys as they practise their profession, which also includes information discovered during internal investigations.

Within the practice of the Turkish Competition Board, any correspondence about a client's right of defence and any documents created as part of an independent counsel's legal services are covered by the attorney–client privilege. Accordingly, in-house legal counsel's correspondence is not protected by the privilege. However, since Article 38 of the Constitution prohibits any force to make a statement or provide self-incriminating information, within the scope of dawn raids, neither in-house legal attorneys nor employees can be forced to make self-incriminating statements or provide information in this context.

39 Set out the key principles or elements of the attorney–client privilege in your country as it relates to corporations. Who is the holder of the privilege? Are there any differences when the client is an individual?

The attorney–client privilege is regulated for lawyers by the Attorneyship Law. In this regard, attorneys are prohibited from sharing any information or documents acquired during the performance of their professional duties. There are specific procedures attributed to any investigation of attorneys and searches of attorneys' offices. Any items found during a search at an attorney's office must be given back to the attorney as soon as it is believed that they concern the relationship between the attorney and a client. There are no distinctions between an individual or a legal entity as a client from the perspective of the Attorneyship Law.

40 Does the attorney–client privilege apply equally to in-house and external counsel in your country?

In accordance with Article 12 of the Attorneyship Law, holding a position as in-house counsel is stated as one of the occupations that attorneys can act on. However, there is no specific provision or clear guidance in relation to what extent the attorney–client privilege is applicable and whether it applies to in-house legal counsel. The principle, in the spirit of the law, requires the independence of legal counsel; therefore, its validity for in-house counsel is a controversial topic that needs to be addressed case by case.

Within the precedents of the Competition Board, there is a distinction regarding the application of this rule between external and in-house counsel.

41 Does the attorney–client privilege apply equally to advice sought from foreign lawyers in relation to investigations in your country?

The attorney–client privilege is safeguarded by the right to legal remedies under the Turkish Constitution and the respective laws. The Attorneyship Law sets forth the rules and requirements on how to be accepted to the profession in Turkey and how the attorneys shall practise their profession in Turkey. Therefore, the attorney–client privilege attributed within this context cannot be expanded to foreign lawyers.

42 To what extent is waiver of the attorney–client privilege regarded as a co-operative step in your country? Are there any contexts where privilege waiver is mandatory or required?

This concept does not exist under Turkish law, although a client can approve that an attorney testifies as a witness in any juridical proceedings. Nevertheless, the attorney can abstain from testifying regardless of the client's approval, without being subject to any personal or criminal liability.

43 Does the concept of limited waiver of privilege exist as a concept in your jurisdiction? What is its scope?

This concept does not exist under Turkish law, although a client can approve that an attorney testifies as a witness in any juridical proceedings. Nevertheless, the attorney can abstain from testifying regardless of the client's approval, without being subject to any personal or criminal liability.

44 If privilege has been waived on a limited basis in another country, can privilege be maintained in your own country?

This concept does not exist under Turkish law, although a client can approve that an attorney testifies as a witness in any juridical proceedings. Nevertheless, the attorney can abstain from testifying regardless of the client's approval, without being subject to any personal or criminal liability.

45 Do common interest privileges exist as concepts in your country? What are the requirements and scope?

This concept does not exist under Turkish law, although a client can approve that an attorney testifies as a witness in any juridical proceedings. Nevertheless, the attorney can abstain from testifying regardless of the client's approval, without being subject to any personal or criminal liability.

46 Can privilege be claimed over the assistance given by third parties to lawyers?

The attorney would still be bound by the attorney–client privilege rule, so long as the information is obtained during the performance of professional duties. Nevertheless, this does not relieve the third party from disclosing the information within the scope of any juridical proceedings, subject to the third parties' own rights and protections that could be attributed under the respective laws in any given case.

WITNESS INTERVIEWS

47 Does your country permit the interviewing of witnesses as part of an internal investigation?

There are no regulations forbidding companies interviewing witnesses as part of an internal investigation, subject to the rights of the interviewee arising from law.

48 Can a company claim the attorney–client privilege over internal witness interviews or attorney reports?

There is no legislation descoping the attorney–client privilege over internal witness interviews or attorney reports as this is a matter that is part of the counselling and needs to be confidential. Therefore, the attorney–client privilege may still be invoked in these circumstances, so long as the information is received while the attorney is performing his or her profession.

49 When conducting a witness interview of an employee in your country, what legal or ethical requirements or guidance must be adhered to? Are there different requirements when interviewing third parties?

Under Turkish law, there are no guidelines or criteria for the legal approach that should be taken into account while interviewing an employee as a witness, including former employees. That being said, interviews should adhere to the broad requirements of data privacy legislation, employment law and criminal law.

50 How is an internal interview typically conducted in your country? Are documents put to the witness? May or must employees in your country have their own legal representation at the interview?

In the interest of generating records, written minutes of the interview could be produced and signed by the interviewee and interviewers. If there is no such interest, the interview can be held in a less formal environment. It is common to involve external counsel in interviews during internal investigations when a criminal incident is being investigated, so as to ensure that the rights of the client are protected and regarded throughout the interview. The employee may be shown documents following careful examination by external counsel as to whether such actions are in the interest of the client or are in conflict with the duties or obligations of the client under the law. There is no restriction on employees' attorneys participating in interviews, but it is very uncommon.

REPORTING TO THE AUTHORITIES

51 Are there circumstances under which reporting misconduct to law enforcement authorities is mandatory in your country?

Article 278 of the Turkish Penal Code (TPC) and Article 158 of the Code of Penal Procedure require all individuals who have knowledge of criminal offences that are in progress or have been completed (if it is possible to limit the consequences of the offence) to report these offences to the public prosecutor's office. Failure to report is subject to a maximum sentence under the TPC of one year.

52 In what circumstances might you advise a company to self-report to law enforcement even if it has no legal obligation to do so? In what circumstances would that advice to self-report extend to countries beyond your country?

Each situation should be evaluated individually, taking the relevant risks into account. That being said, co-operation with public authorities, including with foreign ones, and self-reporting is generally encouraged. Furthermore, certain public disclosure requirements apply for publicly held companies, as provided under the Capital Markets Law. Although it does not stipulate a requirement to report to any judicial or government authority, it is obvious that, above a certain materiality threshold, the management of a publicly held company will be under the obligation to disclose the consequences of any material incident within the company. However, not reporting the crime could lead to

another crime. Further, non-punishment or a reduction in the punishment for persons who self-report and are also involved in the reported crime is applicable for certain crimes. In particular, persons who bribe an official or conclude an agreement for bribery with an official, or have participated in such activities, shall not be sentenced if they have remorse for their actions and inform the authorities before discovery by the authorities. For the crime of laundering the proceeds of crime, persons who ensure that the assets subject to the crime are seized or help the authorities to do so, by informing them, shall not be sentenced.

According to Article 4 of the Capital Markets Law, if those who are deemed obliged parties under the Code on the Prevention of Laundering of Crime Revenues suspect that an asset subject to a transaction was obtained by illegal means or used for illegal purposes, they must report the transaction to the Financial Crimes Investigation Board.

53 What are the practical steps needed to self-report to law enforcement in your country?

The common approach is for a detailed and comprehensive internal investigation involving external counsel before contacting relevant public authorities. The timing of self-reporting and the approach to the relevant public authority both have a high level of importance.

RESPONDING TO THE AUTHORITIES

54 In practice, how does a company in your country respond to a notice or subpoena from a law enforcement authority? Is it possible to enter into dialogue with the authorities to address their concerns before or even after charges are brought? How?

All the correspondence with a law enforcement agency must be performed in writing. That being said, oral communication with officials is necessary for understanding their expectations or demands more clearly and for a sufficient response. In this context, it is possible to contact officials before or after the charges, even it is sometimes difficult to find the right occasion.

55 Are ongoing authority investigations subject to challenge before the courts?

As per the Turkish Constitution, judicial remedy is applicable against all kinds of acts and actions of government bodies. Therefore, decisions by public authorities to initiate an investigation may be challenged in accordance with the relevant procedural laws that apply to it.

56 In the event that authorities in your country and one or more other countries issue separate notices or subpoenas regarding the same facts or allegations, how should the company approach this?

It is key to address and analyse jurisdiction issues up front. If there is any jurisdiction, a consistent response limited to the requirements of the information request, which is prepared in coordination with external counsel, can be provided.

57 If a notice or subpoena from the authorities in your country seeks production of material relating to a particular matter that crosses borders, must the company search for and produce material in other countries to satisfy the request? What are the difficulties in that regard?

The company's ability to produce material or information would be limited to its own activities. So long as this request falls within the company's activities, the company would be required to provide the required information regardless of any cross-border characteristics.

58 Does law enforcement in your country routinely share information or investigative materials with law enforcement in other countries? What framework is in place in your country for co-operation with foreign authorities?

Turkish authorities convey information with other countries' authorities within the scope of international multilateral or bilateral agreements regarding legal assistance, such as the European Convention on Mutual Assistance in Criminal Matters or the Convention on Mutual Administrative Assistance in Tax Matters. Further, Turkey has agreements with Switzerland, Qatar and Albania for the automatic exchange of information in tax matters. Other than these, reciprocity is an important element for the mutual sharing of information.

59 Do law enforcement authorities in your country have any confidentiality obligations in relation to information received during an investigation or onward disclosure and use of that information by third parties?

Unless the court grants a decision on the confidentiality of the file, any documents produced for a court file are accessible to third parties. However, the steps taken during the investigation phase prior to a public trial are private as long as the right of defence is not jeopardised.

Co-operation agreements are in place, and are enforced, between different administrative authorities who hold investigative powers. A recent example of this is an agreement between the Data Protection Authority and the Turkish Competition Authority, which was signed in 2021.

60 How would you advise a company that has received a request from a law enforcement authority in your country seeking documents from another country, where production would violate the laws of that other country?

It is key to address and analyse jurisdiction issues up front. Upon confirming jurisdiction, the company can raise issues on the lawfulness of the request.

61 Does your country have secrecy or blocking statutes? What related issues arise from compliance with a notice or subpoena?

There is no specific blocking statute in Turkey. Nevertheless, complying with a notice or subpoena from a foreign court could violate the Data Protection Law (DP Law) if personal data would be transferred abroad as a result of complying with it. Article 28 of the DP Law exempts data processing by judicial authorities for judicial purposes; however, foreign court decisions are not directly enforceable in Turkey unless recognised and enforced by a Turkish court decision. The notice or subpoena should be delivered to a person domiciled in Turkey via judicial co-operation organs based on the co-operation agreement between Turkey and the related foreign court in order to benefit from the exemption of the DP Law for personnel data processing.

Moreover, whoever discloses information that by its nature should remain confidential for the security of the state, or for domestic or foreign political benefits, shall be punished with imprisonment for between five and 10 years. Therefore, compliance with a notice or subpoena from a foreign court must not result in disclosure of confidential information.

Also, if a secrecy decision is given for a specific case or during a criminal investigation, information cannot be disclosed based on a foreign notice or subpoena.

62 What are the risks in voluntary production versus compelled production of material to authorities in your country? Is this material discoverable by third parties? Is there any confidentiality attached to productions to law enforcement in your country?

Any documents produced for a court file are accessible to other parties if there is no decision regarding confidentiality. If the related party files a request for a decision regarding confidentiality with legitimate reasons, the court may render such a decision.

PROSECUTION AND PENALTIES

63 What types of penalties may companies or their directors, officers or employees face for misconduct in your country?

Legal entities do not hold criminal liability. However, legal entities are still subject to certain safety measures (Turkish Penal Code (TPC), Article 60). Safety measures imposed on legal entities include seizure or cancellation of the proceeds of crime. Besides, where any crime is commissioned in a corporate environment, the board members and directors of the company may be laid with charges or even be held criminally liable if the crime is committed within the context of the company's business or for the benefit of the company.

According to Article 43/A of the Law on Misdemeanours, if a person who is an organ or representative, or acts within the operation of the legal entity, commits one of the following crimes for the benefit of the legal entity, a fine of up to 74,303,910 lira (according to the revaluation rate applicable for 2022) will be imposed by the court on the legal entity for each crime. Moreover, individuals who commit these offences for their own benefit or the benefit of a legal entity will also be punished pursuant to the provisions of the TPC.

Accordingly, the TPC stipulates that:

- fraud as defined in Articles 157 and 158 shall be punished with imprisonment for up to 10 years and a punitive fine calculated over up to 5,000 days;
- manipulating tenders as defined in Article 235 shall be punished with imprisonment for up to seven years (note that the lower limit cannot be less than five years if the offence is committed by means of threat or coercion);
- manipulating the performance of a deed as defined in Article 236 shall be punished with imprisonment for up to seven years;
- bribery as defined in Article 252 shall be punished with imprisonment for up to 12 years;
- money laundering as defined in Article 282 shall be punished with imprisonment for up to seven years. If the offence is committed by a member of a certain profession while performing that profession, the punishment shall be increased by a half;
- embezzlement as defined in Article 160 of the Banking Law shall be punished with imprisonment for up to 12 years and a punitive fine calculated over up to 5,000 days. Pursuant to the provision, offenders shall also be ordered to compensate for the damage suffered by the bank;
- smuggling as defined in the Anti-Smuggling Law shall be punished with imprisonment for up to five years and a punitive fine calculated over up to 10,000 days; and
- financing terrorism as prescribed in Article 3 of the Code on Prevention of Terrorism Financing shall be punished with imprisonment for up to 10 years. The punishment shall be increased by half if the offence is committed by abusing the powers of public duty.

Punitive fines are calculated by multiplying the designated daily amount and the number of days rendered in the verdict. The daily amount (between 20 and 100 lira) shall be designated by the judge, considering the financial and personal situation of the defendant.

64 Where there is a risk of a corporate's suspension, debarment or other restrictions on continuing business in your country, what options or restrictions apply to a corporate wanting to settle in another country?

Under Article 11 of the Law on Public Procurement, those have already been sentenced for bribing a public official in their country of nationality or a foreign country cannot participate in public procurements, directly or indirectly, or as subcontractors, on behalf of themselves or others.

65 What do the authorities in your country take into account when fixing penalties?

Under Article 61 of the Turkish Penal Code (TPC), the courts consider many factors in relation to the offence while reaching a verdict, *inter alia*, the significance and value of the offence, the magnitude of the fault of the perpetrator, whether intentional or negligent, and the purpose of the perpetrator while committing the offence.

It should also be noted that the principle of *in dubio pro reo*, which means that a suspect shall not be convicted if there remains any doubt that they are guilty, is established under Turkish law. In accordance with this principle, which is a corollary of the presumption of innocence, in the event that the factual evidence and contents of the case do not incriminate the suspect without any suspicion, the suspect shall benefit from this, and they shall not be punished.

Furthermore, Article 62 of the TPC regulates discretionary mitigation by the court, considering factors such as the history, social relations and the remorse shown following the alleged offence and during the trial of the perpetrator and the probable effects of the penalty over the perpetrator's life in the future.

RESOLUTION AND SETTLEMENTS SHORT OF TRIAL

66 Are non-prosecution agreements or deferred prosecution agreements available in your jurisdiction for corporations?

Neither non-prosecution nor deferred prosecution agreements are available. That being said, there are procedures legislated under the Code of Penal Procedure (CPC) that grant the prosecutor the discretion to defer the initiation of a public prosecution or the announcement of a verdict reached in a public prosecution under special circumstances.

According to Article 171(2) of the CPC, the prosecutor may defer the initiation of a public prosecution, even if sufficient suspicion is present, for crimes of which the upper limit of imprisonment foreseen is three years or less, provided that the following special circumstances, as specified in the Article, are met:

- the suspect has not previously been sentenced to imprisonment for an intentional crime;
- the completed investigation finds that the suspect would abstain from committing a crime, in the event that the public prosecution is deferred;
- deferral of the public prosecution shall be more advantageous for the suspect and the general public, than if a prosecution were initiated; and
- the damage suffered by the victim or the public that is estimated by the public prosecutor shall be compensated by full restitution, reinstatement to the condition before the crime or indemnification.

If the suspect does not commit any crime during the deferral period, it is concluded that a public prosecution is not needed. However, if the suspect commits a crime during this

period, a public prosecution is initiated. It is important to note that Article 171(2) is not invoked if the crime in question is in relation to:

- forming or directing an organisation to commit a crime or becoming a member of such an organisation, and offences that are committed in relation to the activities of a criminal organisation;
- offences that are committed by public officials in relation to their duty, offences that are committed against a public official in relation to their duty or military crimes that are committed by military members; and
- offences committed against a person's sexual integrity.

Furthermore, Article 231 of the CPC regulates a procedure called the deferral of the announcement of the verdict, which is also possible under circumstances that are specified in the Article. In this procedure, public prosecution is conducted and a verdict is reached. Nevertheless, if the defendant also agrees, the announcement of the verdict may be deferred if the penalty is imprisonment for two years or less or a punitive fine, in the event that:

- the suspect has not been sentenced previously for an intentional crime;
- the court shall have formed an opinion based on the characteristics and attitude of the suspect that the suspect would not have committed a crime again; and
- the damage suffered by the victim or the public, as estimated by the public prosecutor, shall be compensated by full restitution, reinstatement to the condition before the crime or indemnification.

The deferral of the announcement means that the verdict shall not bear any legal consequences for the defendant. Following the deferral, the defendant shall be on probation for five years, during which another deferral decision cannot be granted. In the event that the defendant commits another intentional crime, the verdict is announced and the legal consequences are borne.

Finally, a reconciliation process for certain crimes is provided for under Article 253 of the CPC. Pursuant to the Article, reconciliation by mediation between the offender and the victim is attempted for the offences listed in the Article, which include embezzlement, fraud and exposing information and documents that constitute a commercial, banking or customer secret. It is further stated in the Article that, other than those that are subject to complaint, the offences that are legislated under different laws shall contain a clear provision in order to be resolved by reconciliation.

If the necessary conditions are present in the case, the case is referred to conciliation by the public prosecutor *ex officio*. If a reconciliation agreement is reached, the announcement of the verdict is deferred until the terms of the agreement have been complied with.

67 Does your jurisdiction provide for reporting restrictions or anonymity for corporates that have entered into non-prosecution agreements or deferred prosecution agreements until the conclusion of criminal proceedings in relation to connected individuals to ensure fairness in those proceedings?

Since the concept of non-prosecution or deferred prosecution agreements does not exist under Turkish law; there are no restrictions and no provision for anonymity.

68 Prior to any settlement with a law enforcement authority in your country, what considerations should companies be aware of?

Settlements are not regulated under Turkish law for either criminal or civil adjudication. Nevertheless, regarding a probable investigation or a prosecution, it is important to underline that criminal liability is individual and personal. Regarding criminal investigations, those who are concerned may consider reconciliation by mediation, for the offences that enable such a procedure (see question 66). It should also be considered that facts and findings discovered during a criminal prosecution are binding for a civil judge.

Moreover, companies should be aware of the reputational impacts of a probable investigation since investigations conducted by institutions such as the Financial Crimes Investigation Board and the Turkish Competition Authority may be publicised even during the investigation. High-profile investigations by those institutions concerning publicly known companies are often covered by media outlets as well.

69 To what extent do law enforcement authorities in your country use external corporate compliance monitors as an enforcement tool?

Corporate compliance monitors are not currently foreseen by the law and, hence, are not used in Turkey.

70 Are parallel private actions allowed? May private plaintiffs gain access to the authorities' files?

Parallel private actions are allowed. Nevertheless, the civil courts may stay the case until the criminal proceedings are completed, since the civil judge is bound by the material facts discovered during the criminal proceedings.

Plaintiffs may have access to the authorities' files that are open to the general public, unless a special restriction is placed on them.

PUBLICITY AND REPUTATIONAL ISSUES

71 Outline the law in your country surrounding publicity of criminal cases at the investigatory stage and once a case is before a court.

As per Article 141 of the Constitution, court hearings are open to everyone. A decision may be made to hold some or all of the hearings in private, but only in cases where public morals or public safety absolutely necessitate it.

The investigation phase is confidential, provided that other provisions of the law are reserved and they do not harm the rights of defence. However, once the case is filed, except for certain restrictions including protection of minors, the hearings are open to the public.

72 What steps do you take to manage corporate communications in your country? Is it common for companies to use a public relations firm to manage a corporate crisis in your country?

Depending on the in-house capabilities of the corporation in question and the magnitude of the particular case, a public relations firm may be employed to assist the company and its legal counsel. Even if a public relations firm is employed to formulate a strategy, it is common for legal counsel to make public announcements during ongoing criminal proceedings.

73 How is publicity managed when there are ongoing related proceedings?

Publicity is mostly managed through a company's legal counsel It is important to note that information concerning the case that is disclosed in the press statements must be selected with care as, pursuant to Articles 277 and 288 of the Turkish Penal Code, some public statements (e.g., if sensitive information is shared) may constitute an offence.

Under Article 277, those who try to influence judicial officers, legal experts or witnesses in an unlawful manner in order to obtain a verdict or establish a procedure that could be to the detriment of the suspect, the participant or the victim, or to misrepresent any facts to prevent the emergence of those facts or cause an injustice in an ongoing prosecution, shall be sentenced to imprisonment for between two and four years.

According to Article 288, those who make a statement in verbal or written form to influence judicial officers, legal experts or witnesses in order to obtain an unlawful verdict or establish an unlawful procedure, or to misrepresent any facts in an ongoing prosecution or lawsuit, shall be sentenced to a penal fine calculated over a minimum of 50 days.

DUTY TO THE MARKET

74 Is disclosure to the market in circumstances where a settlement has been agreed but not yet made public mandatory?

In criminal cases, a reconciliation mechanism may apply. As the negotiations during the reconciliation proceedings are private and no trial is conducted when the negotiations are successful, there would be no requirement for disclosure.

This being said, any investigations or actions that may affect a company subject to the Capital Markets Law, as well as investigations and actions against managers and key personnel, must be disclosed to the public on the Public Disclosure Platform.

Further, if a settlement has been reached with the Turkish Competition Authority or a commitment by an undertaking is accepted, the settlement or acceptance or rejection decision of a commitment is announced and the decision is shared with the public.

ENVIRONMENTAL, SOCIAL AND CORPORATE GOVERNANCE (ESG)

75 Does your country regulate ESG matters?

The Capital Markets Board (CMB) amended the corporate governance rules in October 2020 to add the requirement for listed businesses to report on their sustainability performance. The ESG framework continues to operate on a voluntary basis in as much as listed companies can justify their non-compliance with the principles and assess its impact. As of the 2021 financial period, publicly held companies are disclosing through their annual reports whether they follow the sustainability principles on a 'comply or explain' basis. Following a change introduced in June 2022, companies whose shares are traded on the Main Market, Star Market and Sub-Market of Borsa Istanbul are required to use the Sustainability Report template for reporting and disclosures to be made for the year 2022 in relation to compliance with sustainability principles.

The Sustainability Principles Compliance Framework for publicly traded corporations released by the CMB consists of more than 50 principles, which are divided into four groups: general concepts; environmental principles; principles relating to human and employee rights; and principles relating to corporate governance.

There are resources regarding corporate sustainability performance, despite the regulatory engagement being quite recent. Since 2014, Borsa Istanbul has started calculating the BIST Sustainability Index, a benchmark for listed companies. In its integrated annual reports from 2017, Borsa Istanbul has further included information about ESG performance and goals.

As regards the fight against climate change, the Ministry of Trade's Green Deal Action Plan of Turkey (YMEP) was published in July 2021 in line with the European Green Deal announced in December 2019. By aligning Turkish law with European Green Deal laws, the YMEP seeks to maintain and strengthen the commercial ties between Turkey and the European Union.

The Law Regarding the Approval of the Paris Agreement pertaining to the mitigation, adaptation and financing of climate change activities in Turkey was approved by Parliament on 7 October 2021, ratifying an amended version of the Paris Climate Agreement.

The CMB released 'Draft Guidelines on Green Debt Instruments and Green Lease Certificates' on its website in November 2021 for feedback from the public in order to assist in the financing of initiatives that support environmental sustainability. The finalised version of the Guidelines was published on 24 February 2022. The Guidelines aim to govern the fundamental components and guiding principles for the issuance of green lease certificates and green loan instruments in Turkey.

76 Do you expect to see any key regulatory or legislative changes emerge in the next year or so designed to address ESG matters?

As Turkey is expected to reduce greenhouse gas emissions up to 21 per pent by 2030, the regulations regarding the decrease of the carbon footprint are expected to be tightened. Further, partnering with the United Nations Development Programme to draft the 'SDG Investor Map Turkey' will result in providing sustainable investing opportunities.

77 Has there been an increase in ESG-related litigation, investigations or enforcement activity in recent years in your country?

ESG-related lawsuits have started to appear more in recent years. We are aware of some lawsuits that have been filed against companies, although the majority of cases to date have been filed mostly against municipalities. However, we observe that high administrative fines are more commonly imposed by the authorities for environmental law violations. Certain high-profile projects are also being cancelled because of public pressure regarding their proposed harm to the environment.

ANTICIPATED DEVELOPMENTS

78 Do you expect to see any key regulatory or legislative changes emerge in the next year or so designed to address corporate misconduct?

Since the enactment of the Data Protection Law, data processing within the scope of an internal investigation has become an important aspect. During various meetings, officers on the DP Board have verbally referred to a guideline regarding data processing during internal investigations and whistleblowing activities. In this regard, a guideline may be published by the DP Board in the near future.

Furthermore, complaints through hotlines and investigations have become more common than in previous years. Employees also now have a greater perception of matters concerning their personal data.

We expect regulations concerning whistleblowing to enter into effect in the coming years as there is still a plenty of room for development of whistleblower protection and whistleblowing procedures in general. Notably, the European Union's adoption of Directive (EU) 2019/1937 on the protection of persons who report breaches of Union Law may lead to Turkey adopting specific whistleblowing legislation in the coming years for the purposes of compliance with *acquis communautaire*.

Appendix 1

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Burcu Tuzcu Ersin, LLM advises on many aspects of business law, specialising in mergers and acquisitions, corporate transactions, foreign investments and compliance, as well as all types of day-to-day commercial and employment issues that face companies operating in Turkey. She supports clients navigating a full spectrum of compliance matters, including anti-corruption, business crimes, anti-money laundering, anti-terrorism, employee misconduct, corporate governance, and directors' and officers' liabilities, as well as privacy and data protection, in both contentious and non-contentious circumstances. Burcu has broad experience with compliance projects, offering multi-faceted capabilities that stretch from reviewing existing compliance approaches to localising, structuring and implementing compliance programmes from the ground up. She has significant experience with managing high-stakes internal investigations, as well as conducting compliance and anti-bribery reviews during M&A transactions or third-party engagement procedures.

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Benan maintains a particular focus on providing corporate counselling in a holistic manner, meaning that he gives specific advice against a background of experience in

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Z Ertunç Şirin, MA is a specialist in tax, fiscal and administrative matters, as well as sanctions and international trade. He regularly supports clients involved in compliance issues relating to tax and administrative processes, as well as financial regulations. He has a strong reputation for tax and administrative procedures, and litigation that has a rich technical content and requires in-depth specialisation. He has significant knowledge of corporate tax planning and tax litigation, having published an academic work on the taxation of mergers. Accordingly, he advises clients on the structuring of transactions and on any tax and administrative issues that come up at the post-transaction phase, or during the daily activities of the invested entity in Turkey. He is often involved in the firm's due diligence exercises for clients.

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