

COMPLIANCE

Regenerated for All

**GLOBAL
CODE OF
CONDUCT**



Dear Colleagues,

The founding principles of Arçelik, trust, honesty, respect, equality and transparency, continue to guide us in our journey. We continue work within the framework of code of conduct defined in line with our core values as stated by the founder of Koç Group Vehbi Koç: “Honesty, integrity, and superior business ethics are the foundations of our business conduct. We conduct our business based on good intentions, mutual benefit, and fair treatment in all our relationships.”

In this context, we have updated the Global Code of Conduct, which explains how we should behave, what we should pay attention to and what behaviors we should avoid in business, in order to adapt it to our ever-growing and expanding structure. It is of critical importance to adopt these universally valid common principles.

In line with our corporate vision of “Respecting the World, Respected Worldwide,” it is our responsibility to strengthen this awareness even further, to make our business even better without compromising the principle of honesty, and to create a reliable value chain.

I would like you to kindly consider the Global Code of Conduct and Related Code Policies, revised with the motto of ‘Regenerated for All,’ as a guide and a reliable reference. We will continue to create value and differentiate with leading practices, thanks to your efforts to fully embrace and implement these practices.

Yours sincerely,

Hakan Bulgurlu

TABLE OF CONTENTS

4	<u>GLOBAL CODE OF CONDUCT</u>
8	<u>GLOBAL CODE OF CONDUCT OPERATIONS POLICY</u>
14	<u>GLOBAL WHISTLEBLOWING POLICY</u>
17	<u>GLOBAL ANTI BRIBERY AND CORRUPTION POLICY</u>
21	<u>GLOBAL GIFT AND HOSPITALITY POLICY</u>
26	<u>GLOBAL COMPETITION LAW POLICY</u>
28	<u>GLOBAL DONATION POLICY</u>
30	<u>GLOBAL ANTI-MONEY LAUNDERING POLICY</u>
33	<u>GLOBAL DATA PRIVACY POLICY</u>
39	<u>GLOBAL PROTECTING AND RETAINING INFORMATION POLICY</u>

GLOBAL CODE OF CONDUCT

“Honesty, integrity, and superior business ethics are the foundations of our business conduct. We conduct our business based on good intentions, mutual benefit, and fair treatment in all our relationships. We are committed to conforming at all times to the highest ethical and legal standards.”

Vehbi Koç

As indicated by our founder Vehbi Koç, we have strong values, clear policies and standards to ensure our employees and stakeholders always act in high ethical standards.

We designed Global Code of Conduct and related Code Policies to implement the high ethical standards into corporate governance framework to ensure that how we do business is aligned with our values and applicable laws and regulations in countries we operate as directed by Vehbi Koç.

Our Global Code of Conduct framework has three operational pillars:

- Prevention – we work to embed a culture of integrity at all levels, in all geographies
- Detection – we encourage employees to speak up and give voice to our values
- Response – We have the tools to investigate and if necessary, sanction confirmed breaches with a standard and uniform approach, and use what we learn to continually improve.

We conduct our operations with honesty and with respect for the human rights and interests of our employees. All our employees and Business Partners are expected to adopt these rules, act in line with them. Our leaders are responsible from setting examples with their attitudes by leading our employees and making business decisions in accordance with the Global Code of Conduct and related Code Policies.

Our Global Code of Conduct and related Code Policies aim to establish our standard of conduct, fight with corruption, ensure our people are respected and information is safeguarded and set the standards for external engagements.

However, Global Code of Conduct and Code Policies cannot cover every eventuality, particularly as laws differ between countries. If specific situations are not expressly covered, the spirit of the Code of Conduct and Code Policies must be upheld by exercising common sense and good judgement in light of the objective criteria.

Our Way of Doing Business



Compliance with the Law

We recognize the compliance with all relevant laws and regulations as the minimum standard globally.

Employees

We are committed to a working environment that promotes diversity and equal opportunity, equal pay for equal work where there is mutual trust, respect for human rights without discrimination. We are committed to safe and healthy working conditions for all employees. We will recruit, employ and promote employees on the sole basis of the qualifications and abilities. We put the necessary effort into our employees' personal developments. We will not use any form of forced, compulsory, trafficked or child labour. We respect our employees' freedom to organize as a union and their right of joining trade unions.

Consumers

We adopt an understanding towards all our consumers that is satisfaction-oriented, addressing their needs and expectations in a correct manner within the shortest time possible. We treat our customers respectfully, equally and in line with the rules of courtesy. We take complaints from our customers seriously and provide solutions thereto.

Our products will be accurately and properly labelled, advertised and communicated in accordance with the relevant regulations. All marketing activities (brand names, consumer planning, market research, trade advertising, sales materials in all forms included) must:

- Describe the performance of our products truthfully, accurately and transparently,
- Ensures there is sufficient information for our consumers, so they fully understand how to use our products and technological implications of the product,
- Guarantee that our advertisement activities are not offensive and do not use religious, ethnic, cultural, sexual orientation, gender, age, disability or minority group discrimination,
- Not advertise in any media known for promoting violence, pornography or insulting behaviour.

Shareholders

We aim to protect the interests of all our shareholders. We are committed to creating business models that will increase our competitive capacity and our growth potential. We will conduct our operations in accordance with internationally accepted principles of good corporate governance.

Business Partners

We are committed to establish mutually beneficial relations with our business partners including suppliers, distributors, dealers, authorized service providers, agents and consultants. In our business dealings, we expect our business partners to act in line with our values.

Society

We work toward “sustainable development” in social and environmental issues. We develop projects in order to improve social standards, contribute to sustainable economic growth and create employment opportunities. Considering the principle that culture, arts and sports are the most important elements in the development of a society, we contribute to the development of society we operate in by supporting various culture and art events.

In our innovations to meet consumer needs we will respect the concerns of our consumers and of society.

(See also [Global Donation Policy](#))

Government and NGOs

We will co-operate with governments and other organisations, both directly and through bodies such as trade associations, in the development of proposed legislation and other regulations which may affect legitimate business interests. We neither support political parties nor contribute to the funds of groups whose activities are calculated to promote political party interests.

Arçelik strives to be a trusted corporate citizen and, as an integral part of society, to fulfil our responsibilities to the societies in which we operate. We support our employees to take part in nongovernmental organizations. In situations that require social solidarity, we consider it as a part of social responsibility to organize public aiding activities without concern for commercial purpose.

Environment

As Arçelik, we adopt the “Sustainable Development” and environmentally conscious approach as a requirement for our management philosophy. Pursuant to the principle of “Respecting the World, Respected Worldwide” that we have adopted, we accept the liabilities we have for climate change and conservation of biodiversity.

Competition

We believe in vigorous yet fair competition and supports the development of appropriate competition laws. All companies, business partners and employees will conduct their operations in accordance with the principles of fair competition and all applicable laws and regulations. The violation of competition law may have serious consequences for both companies and employees such as heavy fines and damage claims. In some countries, employees may even be liable for criminal sanctions.

Arçelik co-operates fully with the competition authorities, while consistently and robustly defending its legitimate interests. All contact with competition authorities (including, where relevant, national courts) are co-ordinated by Arçelik Legal and Compliance Department, Competition Manager.

(See also [Global Competition Law Policy](#))

Bribery and Corruption

Arçelik does not give or receive, whether directly or indirectly, bribes or other improper advantages for business or financial gain. No employee may offer, give or receive any gift or payment which is, or may be construed as being, a bribe. Any demand for, or offer of, a bribe must be rejected immediately and reported to management.

We do not tolerate any kind of corruption, embezzlement, and any kind of facilitation payments or bribery, regardless of the type/manner of performance.

All accounting records and supporting documents must accurately describe and reflect the nature of the underlying transactions. No undisclosed or unrecorded account, fund or asset will be established or maintained.

(See also [Global Anti Bribery And Corruption Policy](#))

Conflict of Interests

We expect all employees and business partners to stay away from actual and potential conflicts of interest and not to engage in any business relationship that or potentially conflicts with the interests of our company, such as personal and financial interests or off-company activities.

(See also [Global Gift And Hospitality Policy](#))

Trade Restrictions

Some of the countries in which we operate impose restrictions on some countries, companies or people and there is the risk of serious sanctions such as monetary fines, cancellation of export licenses and possibility of imprisonment in case of non-compliance with these restrictions. Therefore, we follow trade restrictions, export controls, boycott, embargo, and corruption and customs laws closely and act in compliance with such applicable laws and regulations.

(See also [Global Anti-Money Laundering Policy](#))

Safeguarding Information

Confidential information is protected by our company policies and applicable laws in countries we operate. We strictly adhere to company policies and procedures to protect confidential information and do not share confidential information with third parties.

(See also [Global Protecting And Retaining Information Policy](#))

As Arçelik, we use personal information of our employees and Business Partners and consumers to improve the activities and processes of our company to the extent permitted by statutory regulations. We do not share this information with third parties without the consent of the individuals or in a way that violate local laws.

(See also [Global Data Privacy Policy](#))

Monitoring and Reporting

Compliance with these principles is an essential element in our business success. Day-to-day responsibility is delegated to all senior management of the operating companies. They are responsible for implementing these principles, supported by Ethics Committees. Any breaches of the Global Code of Conduct and/or related Code Policies must be reported. Any violation of this policy will result in disciplinary action, up to and including termination of employment. The Arçelik Board of Directors will not criticise management for any loss of business resulting from adherence to these principles and other mandatory policies.

(See also [Global Code Of Conduct Operations Policy](#))

Provision has been made for employees to be able to report in confidence and no employee will suffer as a consequence of doing so.

(See also [Global Whistleblowing Policy](#))

Version Date: 2.12.2019

GLOBAL CODE OF CONDUCT OPERATIONS POLICY

1. CEO PRINCIPLE

As Code of Conduct requirements relate to the entire global Arçelik business, day-to-day accountability for Code of Conduct rests with the head of each respective geographical operation and covers all business and functional activities within that geography, the CEO carries the ultimate responsibility and accountability of the Global Code of Conduct and Related Policies.

This 'CEO Principle' applies to the Code of Conduct framework; senior management of all categories, functions and operating companies must fully support such efforts.

2. GLOBAL ETHICS COMMITTEE

Global Ethics Committee is a council consisting of CEO (Chair), CFO, Chief Legal and Compliance Officer, HR Director, and relevant Assistant General Manager(s).

a. Duties of Ethics Committee

The duties of Ethics Committee are;

- Global Ethics Committee is responsible from handling all issues that take place in Turkey including the ones related to the subsidiaries in Turkey.
- Constituting an ethics culture globally,
- Creating mechanisms regarding ethics and compliance,
- Rendering ethics and compliance management as one of the essential elements of the Company globally,
- Strategically directing the Company's long-term compliance efforts.
Global Code of Conduct Compliance Program is both managed and overseen by Global Ethics Committee in all aspects.

The Committee;

- Follow ups and inspects the activities, processes and transactions of Arçelik with an ethical point of view.
- Enables to measure the performance of ethics and compliance actions within Arçelik.
- Ensures that proper and timely investigations of the alleged violations of Code of Conduct and related Code Policies.
- Protects whistleblowers¹.
- Reviews written policies and procedures of the Company regarding ethics and compliance, makes contributions when necessary and updates on time.

¹ Please refer to the Global Whistleblowing Policy.

- Involves in the training and education of ethical cohesion and management of relevant employees and governance bodies.
- In the case that it is faced with an ethical issue which is not covered by national or international regulations, it establishes rules or principles regarding the subject.

b. Meetings

Global Ethics Committee meets at least four times each fiscal year, at least once in every quarter. Meetings may not be shorter than an hour.

In the case that a high-risk situation occurs, it is expected to come together instantaneously.

Global Compliance Manager is responsible from all meeting operations as the secretary of the Committee, he/ she does not have voting right. An agenda and any relevant pre-read material is circulated prior to the meeting. The meetings are minuted as strictly confidential.

A majority of Committee members is required for a quorum and to take any decisions.

c. Reporting

Chief Legal and Compliance Officer quarterly reports, the monthly notifications received from Global Compliance Manager, and immediately reports the notifications categorized as high risk to the Board Member Responsible from Ethics.

d. Confidentiality

The members of the Ethics Committee and all other individuals who have attended the meetings of the Ethics Committee may not disclose the information included in the reports, the contents of discussions or confidential information regarding Arçelik.

This confidentiality requirement continues to be valid after their activity ends and beyond the term of the Ethics Committee. The members of the Ethics Committee shall ensure that any employee assigned to support them likewise comply with these confidentiality requirements.

3. LOCAL ETHICS COMMITTEES

Global Ethics Committee will decide the jurisdictions of the Local Ethics Committees. Global Compliance Manager and respective Compliance Officers will ensure that the decision will be executed and it will be formed in a timely manner. Once a Local Ethics Committee is formed, it will adopt all the principles listed under the 2nd section of this Policy.

Respective Compliance Officer, who is responsible from a given Local Ethics Committee, will periodically share all relevant documents -in English- of their Committees with the Global Compliance Manager.

Local Committees may not handle issues related to their top managers. Such issues will be handled by the Global Ethics Committee.

4. COMPLIANCE OFFICER

Each Compliance Officer must have the authority and seniority to credibly perform their role. All members of the committees, both Global and Local, will respect the independence of the role and support Officers when they conduct their duties. Independence provided to the Compliance Officers includes freedom on investigative steps with guidance from Ethics Committees.

Responsibilities of Compliance Officers are as follows:

- Ensuring independent risk assessment and delegating the relevant Ethics Committee the subject received by the whistleblowing process or shown up through ordinary risk assessment process within a maximum of 6 workdays,
- Making suggestions for remediation and improving business processes in line with the Global Code of Conduct and related Code Policies.
- Defining high risks and immediately escalating the issues. Direct escalation process for Global Compliance Manager is to Chief Legal and Compliance Officer, for Compliance Officers is to Global Compliance Manager.
- Deciding on the actions to be taken with the guidance of the Ethics Committee and providing necessary actions to be taken within 60 days and concluding.
- Periodically evaluating the policies of the company in case of any amendment in processes by considering the national and international practices and requesting related Compliance Officer to follow up the issue.
- Export / Import Control: Compliance Officer(s) must ensure that new business partners are not involved in the list of parties subject to national or international sanctions and / or embargoed countries before setting up the relationship and during.

5. GENERAL PRINCIPLES OF INVESTIGATIONS AND PENALTIES

a. Proportionality & Transparency

An employee can be punished, only, in direct proportion to the breach he/she committed. In the implementation of the penalty, aggravating and mitigating factors² must be taken into consideration.

b. Confidentiality

It is essential that all investigations are carried out in strict confidentiality. Supervisors and investigators who carry out the investigations are obligated to protect the integrity of the whole process and take necessary actions, if they identify individuals who are violating the privacy of investigations. Such a breach of confidentiality will constitute a sanctionable offense under the Global Code of Conduct framework.

c. Preventing Double Jeopardy

An employee cannot be punished more than once because of the same offense. If the same action is repeated it must be taken into consideration as an aggravating factor.

² Please refer to Annex 1

d. Equality & Consistency

Different penalties cannot be imposed among employees, who perform the same action as substantiated Global Code of Conduct and related Code Policies breaches. The only differentiation that may take place based on the specific facts of the given incident by applying mitigating and aggravating factors.

The penalties defined in this Policy solely relate to substantiated breaches of the Global Code of Conduct and related Code Policies. They are independent of any performance-related, business evaluations.

6. PENALTIES

Acting against the Global Code of Conduct and related Code Policies may lead to termination of the employment contract. When such a breach determined investigated and substantiated; nature of the event incurred and repetitiveness of the behavior will be considered as aggravating or mitigating factors.

Consequences of a substantiated breach are given below:

- a. Further education and/or coaching,
- b. Verbal Warning documented and placed in the employee's (HR) file,
- c. Written Warning placed in employee's (HR) file,
- d. Written Warning and appropriate financial consequence as legally possible; downgrade in performance rating for the year, and calculation of the premiums accordingly,
- e. Termination of employment
- f. Termination of employment and legal action against the employee(s) who breached the Code of Conduct.

Any employee who is sanctioned in accordance with this Policy may not receive a promotion and transfer request for another position. In other words, such sanction freezes all HR procedures for the individual for the given year.

Termination is the default sanction for the substantiated Global Code of Conduct framework violations. The decision to apply a more severe or more lenient sanction must be supported by evidence of relevant mitigating and aggravating factors as set out in the Appendix I and documented accordingly.

7. INVESTIGATION AND DECISION MAKING PROCESS

Once an allegation is received it should immediately be reviewed and an initial analysis of the allegations conducted by the relevant Compliance Officer. Where appropriate Compliance Officer should consult the Global Compliance Manager to determine whether an investigation is required and, if so, who should be part of the investigation team.

All investigations of a suspected Code of Conduct breaches are lead, overseen by a Compliance Officer. Investigations may be handled by the Compliance Officers, Internal Audit Department or can be handled by receiving external forensic investigation services.

In instances where the person(s) raising a complaint and person(s) alleged to have breached the Code of Conduct are based in different locations, the default approach is that the Compliance Officer and Ethics Committee from the geography where the person(s) alleged to have breached the Code of Conduct is based lead the investigation.

Where a Global Code of Conduct allegation concerns a top manager, Chief Legal and Compliance Officer himself/herself oversees the investigation. Local Ethics Committees may not handle cases related to their own top managers.

The Compliance Officer(s) must submit to the relevant Ethics Committee an investigation report that clearly links relevant allegation(s) to the specific requirements of the Code of Conduct, summarizing the evidence, findings and recommended penalties.

The Committee then determines individual penalties. In determining whether an employee breached the Code of Conduct, the Committee should decide, with support from the Compliance Officer in weighing up the evidence, whether it is more likely than not that a breach occurred. In all circumstances where it agrees that a Code of Conduct breach is substantiated, the Committee determines the appropriateness of the penalty recommended by the Compliance Officer.

When deciding on a penalty the Committee should consider individual circumstances and related aggravating and mitigating factors. While there is always an element of judgement involved, this must be applied in good faith to ensure a transparent, suitably objective, consistent and fair approach to determining sanctions.

Line managers who are members of the Committee may take part in the case review and decision-making process relating to members of their team. Any Committee member may however step out of proceedings where it is agreed their participation may adversely affect these (e.g. because of a conflict of interest).

Under no circumstances are the following elements to be considered in determining the appropriate sanction:

- a. the overall high or low performance of an individual employee;
- b. the fact that an employee is a member or representative of a union.

8. DISCIPLINARY COMMITTEES

The Disciplinary Committees that are established due to the collective employment contracts and/or local legal requirements are responsible for ensuring that the disciplinary actions are taken in accordance with local regulations, laws and collective labor agreements. When/if there are issues that are also violating the Global Code of Conduct and related Code Policies handled by the local Disciplinary Committees, Compliance Officers must be informed about such issues to ensure consistency and transparency.

Since Compliance Officers are employees of the Company appointed by the Chief Legal and Compliance Officer of Arçelik as being responsible for monitoring the Company's operations pertaining to this Policy, related Compliance Officers should be informed about the decisions of the Disciplinary Committee at all times.

9. LOCAL LEGAL REQUIREMENTS

This Policy will be applied considering local legal requirements that may require deviations. If such a deviation occurs, it must be fully explained in the investigation report.

10. AUTHORITY AND RESPONSIBILITIES

This Policy is published by Arçelik Legal and Compliance Department, and the Company is responsible for ensuring the compliance with the Policy by all its employees.

Compliance Officers are employees of the Company appointed by the Chief Legal and Compliance Officer of Arçelik as being responsible for monitoring the Company's operations pertaining to this Policy.

This Policy will be periodically reviewed by the assigned Legal and Compliance Department to ensure compliance with new or revised laws and regulations.

ANNEX1 -

Elements to Consider	Mitigating Factors	Aggravating Factors
Intention and Planning	<ul style="list-style-type: none"> • No intention to commit breach • Action reflects a spontaneous oversight or mistake • Coercion by management to act in violation of the Code of Conduct • Sought advice of guidance but this was not provided, unclear or wrong 	<ul style="list-style-type: none"> • Clear intent: wilful and deliberate • Action was planned • Coercion of others to act in violation of the Code of Conduct • Retaliatory threats against others for raising any concerns • Ignored advice provided
Employment status and awareness of the Code	<ul style="list-style-type: none"> • New to company [<6 months] • Junior role with no authority • Long-serving employee with a strong record of integrity 	<ul style="list-style-type: none"> • Manager or above with leadership responsibilities • Prior mandated Code of Conduct education was provided but not taken or intentionally ignored • Not the first breach
Conduct and co-operation	<ul style="list-style-type: none"> • Voluntarily reported the violation • co-operated fully with investigation • Acknowledged personal failures: high degree of contrition • First offence under the Code of Conduct 	<ul style="list-style-type: none"> • Denial of issues • Attempts to obstruct investigation • No acknowledgement of any personal failures or contrition • Poses a continued risk of harm to Arçelik or its employee(s)
Impact	<ul style="list-style-type: none"> • No financial loss to Arçelik • No other adverse consequences to Arçelik, its employees or third parties 	<ul style="list-style-type: none"> • Material financial impact • Personal gain • Adverse consequence to Arçelik, its employees or third parties including exposure to external investigation

GLOBAL WHISTLEBLOWING POLICY

1. GENERAL PRINCIPLES

Arçelik is committed to sustain the highest possible ethical standards and legal conduct within the Company's business operations. In order to maximize and maintain the Company's ability to effectively manage the reporting mechanism, any employee who believes reasonably that a potential breach of Global Code of Conduct and related Code Policies exists in the work place, then he or she should report this issue immediately to the ethics hotline.

The whistleblowing mechanism can be used covering possible improprieties to unethical acts such as;

- Breach of Global Code of Conduct and related Code Policies,
- Unlawful acts or orders requiring violations of a law, mismanagement, abuse of the current job position, significant hazards to public health or safety,
- Failures to comply with statutory obligations in countries that Arçelik has operations,
- Any other activity which subverts the Company's operations.

2. PRINCIPLES

a. Definition of Whistle-blower

A whistle-blower is anyone who communicates an allegation or any other information indicating that acts which are incompliant to the Global Code of Conduct and related Code Policies.

b. Protection of the Whistle-blowers

The harassment or victimization of anyone raising a concern is not tolerated and individuals making a disclosure will retain their anonymity unless they agree otherwise. Arçelik will not try to discover the identity of the anonymous whistle-blowers.

Allegations and concerns notified anonymously shall be considered by Compliance Officers fairly and properly in accordance with the Global Code of Conduct and related Code Policies.

Whistle-blower's identity protected by the Compliance Officers unless;

- The whistle-blower agrees to be identified,
- Identification is essential to allow the appropriate law enforcement officials to investigate the issue or answer the disclosure efficiently,
- Identification is needed by law.

Compliance Officers are authorized to protect the identity of the whistle-blowers even from the Ethics Committee members if such protection is requested.

We are fully committed to protect whistle-blowers and there will be zero tolerance towards to the acts aimed to put whistle-blowers in unfavourable positions by any act or omission regarding the whistleblowing, in particularly in relation to:

- employment procedure;
- education, training, or professional development;
- promotion at work, evaluation, acquiring or loss of the title;
- disciplinary measures and penalties;
- working conditions;
- termination of employment;
- earnings, compensation of earnings;
- payment of the bonuses and of the retirement gratuity;
- disposition or transfer to the other work assignments;
- failure to take measures to protect because of the harassment by other persons;
- a referral to the mandatory medical examination or referral to the examination to assess the work ability.

c. Reporting Channels

Allegations or concerns can be reported through the Ethics Hotline, which is administered by an independent, third-party provider with confidentiality. Ethics Hotline service providers informs only -related Compliance Officers to enable proper handling of the concern.

When reporting via the Ethics Hotline, whether via the Web or the Phone, the informant may;

- Want not to share his/her name and contact information to remain anonymous,
- Share his/her name and contact information with the service provider and allow the information to be communicated to Arçelik. In this case, Arçelik can contact the informant directly to request any information needed during the investigation.
- Want to share his/her name and contact information only with the service provider, but not to share with Arçelik. In this case, Arçelik can contact the service provider to request additional information when needed.

The reporting channels are e mail (arcelikas@ethicsline.net), webtool (www.ethicsline.net) and telephone numbers specifically assigned to production countries.

3. PROPER USAGE OF THE ETHICS HOTLINE

It should be noted that the Ethics Hotline is not an Emergency Service. It must not be used to report events presenting an immediate threat to life or property. Reports submitted through this service may not receive an immediate response. If emergency assistance is required, local authorities and Company representatives must be contacted.

4. AUTHORITY AND RESPONSIBILITIES

This policy is published by Arçelik Legal and Compliance Department, and the Company is responsible for ensuring the compliance with the Policy by all its employees. Any violation of this Policy will result in disciplinary action, up to and including termination of employment.

Compliance Officers are employees of the Company appointed by the Chief Legal and Compliance Officer as being responsible for monitoring the Company's operations pertaining to this Policy.

This Policy will be periodically reviewed by the assigned Arçelik Legal and Compliance Department to ensure compliance with new or revised laws and regulations.

Version Date: 2.12.2019

GLOBAL ANTI BRIBERY AND CORRUPTION POLICY

Through this Policy, Arçelik aims to declare its commitment to prohibiting bribery and corruption and to be in compliance with applicable anti-bribery laws and guiding for identifying and avoiding potential bribery and corruption actions to preserve its integrity and reputation.

1. DEFINITIONS

Bribery: A propose to give or receive “anything of value” with the aim to corruptly influence or obtain improper advantage over a business transaction or relationship.

a. Improper advantage is an advantage to which Arçelik and/or its business partners are not explicitly entitled.

b. Corruptly influence means providing an offer, payment, or promise with the aim of impacting others to take advantage of their official position for Arçelik’s or one of Arçelik’s business partner's benefit.

Business Courtesy: A Business Courtesy is any kind of gift or hospitality (meal, travel or hospitality) provided for a business purpose or associated with a business event.

Charitable Contributions: Voluntary contributions to any organization, either in kind or in cash without expecting any benefit.

Facilitation Payment: In order to expedite a routine service it is an unofficial, improper, small payment made to secure or accelerate the legitimate operation of the paying party.

Sponsorship: Any action which is to make any cash or non-cash payment for the activities that are organized by an individual, professional organization or entity with an expectation that it will provide benefit for Arçelik.

Government/Public Official: It is broadly defined to involve a variety of individuals, including but not limited to the followings:

- Employees working at government bodies (such as public officials, policemen)
- Employees of government business enterprises
- Employees of political parties, political candidates
- Any person who is at a legislative, administrative or judicial position in a foreign country
- Any person who fulfils a public service for a foreign country
- Judges, jury members or other officials who work at international or supranational courts or foreign state courts;
- Members of the international or supranational parliaments; individuals who carry out a public duty for a foreign country, including public institutions or public enterprises;
- A citizen or foreign arbitrators who have been entrusted with a task within the arbitration procedure resorted to in order to resolve a legal dispute;
- Officials or representatives working at international or supranational organizations that have been established based on an international agreement.

Forms of Value: Forms of value that can be used to facilitate a Bribe, including but not limited to the following examples:

- Gifts, Hospitality³
- Hiring Family Members of Government Officials – Many laws and regulations related to bribery or corruption may perceive hiring of a family member of a Government Official as bribery when the hiring corruptly affects, or appears to corruptly affect, a Government Official.
- Donation - must be reluctantly provided without intention to affect any business decision or any expectation of future compensation of the part of the recipient.
- Sponsorship –Sponsorship may be a type of value that could be transferred to get an improper benefit.
- Other Types of Value –Tickets for sports activities, rebates, samples, free goods, and other trade and merchandising programs.

2. GENERAL PRINCIPLES

Arçelik, which is affiliated with Koç Holding A.Ş., is a signatory party to the UN Global Compact, by which it is aimed to work against corruption and bribery all over the world. Within this view, Arçelik does not permit or accept the bribery in any form. Independent from local practices or regulations, Arçelik does not tolerate any kind of bribes, corrupt payments, facilitation payments, or inappropriate gifts and entertainment to anyone involved in Arçelik's business cycle.

Arçelik acts in compliance with all applicable anti-bribery laws, including the U.S. Foreign Corrupt Practices Act ("FCPA"), the U.K. Bribery Act ("UKBA"), and the local laws in every country in which Arçelik operates.

It is required for all employees in Arçelik to complete anti-bribery-related trainings on an annual basis.

Incompliant actions may result Arçelik to be punished through several measures including but not limited to the followings: invalidation of the licenses granted by the public authorities; seizure of the goods which are used in the commitment of, or the result of, a crime by the representatives of a legal entity; and seizure of financial benefits arising from or provided for the commitment of a crime.

This Policy can be supplemented with the local obligations which are more stringent than the obligations stated in this Policy to comply with local laws or regulations.

3. RULES

a. Gifts, Meals, Travel and Hospitality

Providing or accepting gifts, meals, travel, or entertainment to effect any party inappropriately, especially a Government Official, in exchange for any improper benefit is strictly prohibited. Under some specific conditions, providing gift to a government official or accepting a gift from a third party may be allowable as described in Global Gift and Hospitality Policy⁴.

³ Please refer to the Global Gift and Hospitality Policy

⁴ Please refer to the Global Gift and Hospitality Policy.

b. Hiring or Engaging Government Officials

Employment decisions must be based on virtue and this should not inappropriately influence Public Officials. There must be approval before proceeding with the recruiting process, if a known family member or designee of a Public Official is seeking employment at Arçelik.

Government Officials can be hired or engaged to perform services that have a legitimate business purpose by Arçelik, provided that:

- There is no expectation that the person is being retained by the Company in exchange for any improper action or business advantage from the government,
- The person/s is/are objectively qualified enough in terms of the criteria required for the related position,
- The salary or fees are reasonable and consistent with the work and the related person's professional qualifications,
- Prior approval is obtained from the Sustainability and Corporate Affairs Directorate and Chief Legal and Compliance Officer.

c. Grants, Donations and Sponsoring

Providing a grant/donation/ sponsorship to improperly effect a Government Official, or in return of any improper favor is prohibited by this Policy.

d. Third Party Relationships

Applicable laws regarding bribery and corruption do not permit any kind of improper payments made directly by Company employees or indirectly through an agent, consultant, distributor, or any other third-party representative acting for or on behalf of Arçelik (collectively, "Third Parties").

Third Parties must be in accordance with this Policy, at all times. To mitigate the risk of bribery and corruption, a risk-based due diligence on third parties must be conducted, both before and throughout the business relationship. The risk based due diligence on prospective joint venture partners, acquisition targets, and other strategic investments must be conducted to mitigate corruption related risks.

Arçelik must engage Third Parties only if;

- a legitimate business need is in place for the services or the goods provided,
- the price of the services and goods are not above market value,
- the Third Party is evaluated as appropriate after application of due diligence process from an anti-bribery and corruption perspective.

No relationship should be established with a Third Party who has or will have a substantive interaction with Government Officials on behalf of Arçelik without an inquiry into the third party's background, qualifications and reputation.

A written contract made with Third Parties acting on behalf of Arçelik including an appropriate language regarding all applicable anti-bribery and corruption laws should be in place.

e. Transparency and Accuracy of the Books and Records

The failure to keep accurate and transparent books and financial records breaches many countries' laws even when no bribery action is in place. Thus, for each transaction, principles regarding internal controls, financial reporting, document retention should be taken into consideration and it should be ensured that Arçelik demonstrate its compliance with anti-bribery laws and regulations. To this end;

- All kinds of accounts, invoices and other documents created from dealing with third parties (customers, suppliers, etc.) should be recorded to the books, timely and accurately, including clear explanations so that a third party reviewer can be able to understand the business rationale behind the transactions,

Any alteration falsifying the nature of any transaction is prohibited on accounting or similar commercial records.

4. AUTHORITY AND RESPONSIBILITIES

This Policy is published by Arçelik Legal and Compliance Department, and the Company is responsible for ensuring the compliance with the Policy by all its employees. In addition, regarding the Company's position for corrective and/or preventative actions, including termination of employment, against any non-compliant behaviors should be considered regularly via related parties.

Compliance Officers are employees of the Company appointed by the Chief Legal and Compliance Officer of Arçelik as being responsible for monitoring the Company's operations pertaining to this Policy.

This Policy will be periodically reviewed by the Arçelik Legal and Compliance Department to ensure compliance with new or revised laws and regulations.

Version Date: 2.12.2019

GLOBAL GIFT AND HOSPITALITY POLICY

1. APPLICATION

This Policy contains rules that are applicable to all Arçelik employees, their close relatives and/or third parties affected by our company's activities and affecting our company by their activities. (i.e., non-governmental organizations, the media, employees, partners, shareholders, suppliers, authorized service providers, agents, consultants) acting on behalf of Arçelik employees.

2. GENERAL PRINCIPLES

Under certain circumstances exchanging gifts and hospitality are acceptable and commonly used to increase the strength or maintain business relationships among business associates.

This Policy applies to the situations when:

- Arçelik employees give or accept gifts to third parties to represent Arçelik in business context (Personal gifts are not the concern of this Policy)
- Arçelik employees invite individuals who are not Arçelik employees to hospitality events to represent Arçelik in business context and when Arçelik employees receive hospitality invites from third parties because of their professional capacity to represent Arçelik (personal hospitality and hospitality organizations within Arçelik employees are not the concern of this Policy).

In some certain circumstances, giving or receiving meals, small company events and tickets to sports and cultural events may be considered acceptable if they occur occasionally and do not exceed a certain amount per thresholds. In this respect, we acknowledge that dealers, authorized services and distributors can be invited to the sports events that we have sponsorship arrangements for our brands, on the condition that these invitations are made as a reward basis and the list of such guests are duly informed to the relevant director.

However, if offers of gifts, hospitality or travel are frequent or of substantial value, they may create potential conflicts of interest between parties, or result in non-compliance to local or global laws and regulations. Consequently, giving or receiving gifts and hospitality activities to/from third parties can only be granted when no counter benefit is expected.

When setting up the relationships with third parties, including, but not limited to: customers, vendors the following criteria must be considered (please refer to the rules related to Government Officials when needed).

The gift or hospitality must not be in the form of cash, cash equivalents services or the promise of employment.

The decisions to give/receive a gift or hospitality must **NOT**:

- influence any decision-making process impacting Arçelik's business;
- be designed to obligate an individual to act improperly with regard to Arçelik's business;
- influence, or reasonably give the appearance of influencing, Arçelik's business relationship with the third party;
- affect Arçelik's independence, performance and ability to make decisions
- be intended to result in obtaining or sustaining business or providing an improper financial advantage to Arçelik and/or the third party, such as favorable tax treatment or the award/maintenance of business.

The gift or hospitality or their nominal values must **NOT**:

- be prohibited by laws, regulations (i.e. FCPA, UKBA, local laws) or Arçelik's Anti Bribery and Corruption (ABC) Policy (such as bribes, payoffs, kickbacks, etc.);
- damage the integrity and reliability of Arçelik's business relationship with the third party;
- bring Arçelik into disrepute if disclosed publicly;
- be given, or received, during a tender or competitive bidding process;
- be perceived as bribery⁵ or commission;
- correspond to a privileged treatment carrying out a certain task.

3. GIFTS

While giving and receiving gifts line managers should always be informed through company e-mail.

a. Monetary Limit for Gifts: While giving and receiving gifts, employees must ensure the value of the gifts do not exceed USD 50 from single source⁶ and are always one-off (not more than once a year) or irregular in nature.

b. Receiving Gifts Beyond the Limit: If an employee receives a gift value more than USD 50 he/she must immediately inform respective Compliance Officer. Compliance Officer will work with the recipient of the gift together to decide either to return the gift to the sender or to take it from the recipient, keep it and record it properly. If appropriate sender will be informed regarding Arçelik Gift and Hospitality rules with a kind thank you note.

c. Giving Gifts Beyond the Limit: If an employee is in need to give a gift valued more than USD 50 he/she must receive the preapproval from the relevant Compliance Officer. Giving Arçelik small household appliances should be primarily considered.

⁵ Please refer to the Global Anti Bribery and Corruption Policy.

⁶ "Single source" covers all the related parties including but not limited to customers, suppliers, authorized representatives, managers or staff of these parties

4. HOSPITALITY

U' General: Business hospitality sometimes plays a key role in strengthening the business relationships with business partners. Arçelik employees may accept or provide hospitality for permitted business purposes such as building good faith and improving relationships with business partners.

Giving or receiving hospitality is permitted only if such hospitality:

- is occasional (such as attendance at sports, theatre, or other cultural events)
- is not given/accepted as a bribe, pay off or kickback
- does not create a perception that the individual giving the gift is entitled to; preferential treatment or a discount
- complies with any specific limits defined under this policy unless the lower limits are set by local laws and regulations

V" Prohibitions: The following types of hospitality are never accepted or provided from/to third parties at any time:

- hospitality that can be perceived as immoderate in the conditions of the business event,
- activities that do not comply with Global Code of Conduct and the Related Code Policies or the culture of the countries in which the gifts are provided hospitality which do not comply with local/national laws and applicable regulations in the countries in which the hospitality is accepted or provided,
- hospitality that can be perceived as extreme by an objective third party,
- hospitality that can be for the personal gain or benefit of an employee, family member or close associate,
- hospitality that exceeds any specific limits defined under this Policy unless the lower limits are set by local laws and regulations.

c. Monetary Limits for Hospitality:

- Upper management: USD 200 per person
- All other employees (except upper management)
 - i. Turkey: 300 TL per person
 - ii. Other Countries: USD 70 per person

d. Record Keeping: Employees must keep their own records for inspection and ensure expenditure associated with any hospitality provided by, or on behalf of Arçelik. Records related to hospitality must contain the names of the participants and organizations that they represent for audit purposes.

e. Approval: Line Manager's preapproval should be received via company e mail account, before a hospitality takes place. In addition, if a hospitality valued more than the limit takes place, line manager's approval should be received.

5. OUT OF SCOPE GIFTS

It is ordinary for some of Arçelik's suppliers, customers and other business partners to give or receive invaluable gifts/presents, such as promotional items key holders with a total value under the specified limit regarding receiving and giving gifts, to employees within the scope of their business operations. When giving or receiving these gifts it must be verified that they have not been offered to influence an employee's judgement or could reasonably be perceived as having the ability to influence their judgment.

Arçelik employees may give or receive gifts to/from third parties provided that the gift:

- does not lead an understanding that the party, who provides gift, obtains special and differential treatment, an award of business, better prices or favored terms of sale,
- gift is not for personal gain or benefit of an employee, family member or close associate.

Employees should share the edible gifts with their team members and consume them at the workplace.

Flowers are considered out of scope of this Policy.

6. GOVERNMENT OFFICIALS AND GOVERNMENTAL ORGANIZATIONS

As most of countries in which Arçelik operates prohibits offering anything of value to government officials⁷ or Politically Exposed Persons (PEPs)⁸ to gain or sustain a business, maximum care must be taken at all times.

Giving a gift/present or hospitality to a government official is **ONLY** allowed if;

- the transaction is compliant with the local laws and regulations,
- the gift or hospitality is not, or is unlikely to be perceived as, a bribe, payoff or kickback,
- the reason of giving the gift/present or hospitality is well described and documented with containing proper preapprovals of Sustainability and Corporate Affairs Director and Compliance Officer
- Compliance Officers are required to inform Global Compliance Manager before a decision of approval provided in the country level.
- the value and the frequency of the gift or hospitality must be nominal and not excessive,
- the transaction is properly recorded to the accounting books and records.

⁷ Government/Public Official is broadly defined to involve a variety of individuals, including but not limited to the followings:

- Employees working at government bodies (such as public officials, policemen)
- Employees of government business enterprises
- Employees of political parties, political candidates
- Any person who is at a legislative, administrative or judicial position in a foreign country
- Any person who fulfils a public service for a foreign country
- Judges, jury members or other officials who work at international or supranational courts or foreign state courts;
- Members of the international or supranational parliaments; individuals who carry out a public duty for a foreign country, including public institutions or public enterprises;
- A citizen or foreign arbitrators who have been entrusted with a task within the arbitration procedure resorted to in order to resolve a legal dispute; and
- Officials or representatives working at international or supranational organizations that have been established based on an international agreement.

⁸ An individual who is or has been entrusted with a prominent public function.

7. ROLES AND RESPONSIBILITIES

Arçelik Gift and Hospitality Policy is published by Arçelik Legal and Compliance Department and the Company is responsible for ensuring the compliance with the Policy by all its employees. Any violation of this Policy will result in disciplinary action, up to and including termination of employment.

In addition, regarding the Company's position for corrective and/or preventative actions against any non-compliant behaviors should be considered regularly via related parties.

Compliance Officers have been appointed by the Chief Legal and Compliance Officer of Arçelik to be responsible for monitoring the Company's operations regarding this Policy.

This Policy will be periodically reviewed by the assigned Legal and Compliance Department to ensure compliance with new or revised laws and regulations.

Version Date: 2.12.2019

GLOBAL COMPETITION LAW POLICY

The violation of competition laws may have serious consequences for both companies and employees such as heavy fines, compensation, and damaged reputation. In some countries, employees may be liable for criminal sanctions. For these reasons, as Arçelik, we expect all our employees and business partners to obey competition laws. Main examples of the practices violating competition laws are below:

- Anti-competitive agreements or discussions with competitors or parties such as customers, services, suppliers which operates at a different level of the production or distribution chain,
- Exchanging competitively sensitive information with competitors,
- Abuse of dominant position.

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This Policy is supplemented by the Competition Law Compliance Manual which contains detailed information.

2. AUTHORITY AND RESPONSIBILITIES

Violation of this Policy will result in disciplinary action including termination of employment.

Competition Manager is the employee of the Company appointed by the Chief Legal and Compliance Officer of Arçelik as being responsible for monitoring the Company's operations pertaining to this Policy.

This Policy and Competition Law Compliance Manual will be reviewed by the Competition Manager to ensure compliance with new or revised laws and practices.

Version Date: 2.12.2019

GLOBAL DONATION POLICY

1. GENERAL PRINCIPLES

Donations to third parties, including but, not limited to social, cultural or educational non-governmental organizations or associations must be granted with the intent of voluntary contributions and without expecting any counter benefit.

As a general principle, prior to taking a decision to make donations, proper due diligence procedures must be exercised about the prospective donation recipients.

To avoid taking risk and protecting the interests of Arçelik's stakeholders, comprehensive information pertaining to the realized donations must be documented and the shareholders must be debriefed during the general assembly meetings at least on an annual basis. If it is required by the local law of the country that Arçelik operates, the types and amounts of donations can also be announced to the public under material disclosures.

Donations can be granted in cash or by commodities produced or owned by Arçelik.

Donations must fully comply with the hidden income transfer regulations.

2. BAN ON POLITICAL DONATIONS

No donation can be made to political parties, politicians or political candidates for political duties. Arçelik may not allocate or provide the Company's assets or resources (vehicles, computers, e-mail, etc.) for political activities.

3. THE PROCESS

The decision making of granting donations must include proper due diligence procedures conducted by the respective Compliance Officer. Information about corporate background, beneficial owners, adverse press from public domain must be examined for this due diligence procedure - where applicable and possible. Sanctions, High Risk Entities list, Politically Exposed Persons list must be screened by relevant Compliance Officers

Board of Directors and the General Manager of the country where the donation is going to be made remain liable from the risks created from the donation. Decisionmakers must always keep in mind the followings:

- Arçelik's social responsibility principles must always be considered and followed.
- Supporting documents such as invoices or delivery receipts are required to be in place.
- Transactions are booked to proper accounts which are used for charity and donation expenses accurately and transparently in accordance with the local laws and regulations of the countries that Arçelik operates.

DONATION VALUE	APPROVAL PROCESS
<p>Exceeding amounting equivalent value of USD 10.000.</p>	<p>Assistant General Manager and Global Arçelik CFO's' conjoint approvals are prerequisite prior to taking approval from the Board of Directors, which are responsible from the country of operations where the donation is going to be made or granted. CEO and Accounting Director must be informed.</p>
<p>Under USD 10.000</p>	<p>Joint approvals of Global Communication Director and Finance Director of Arçelik are prerequisite. Country Manager, CEO, CFO and Accounting Director must be informed.</p>

4. ROLES AND RESPONSIBILITIES

Global Donation Policy is published by Arçelik Global Communications Department, and the Company is responsible for ensuring the compliance with the Policy by all its employees. Any violation of this Policy will result in disciplinary action, up to and including termination of employment.

In addition, regarding the Company's position for corrective and/or preventative actions against any non-compliant behaviors should be considered regularly via related parties.

Compliance Officers are employees of the Company appointed by Chief Legal and Compliance Officer as being responsible for monitoring the Company's operations pertaining to this Policy.

This Policy will be periodically reviewed by the assigned Arçelik Global Communications Department to ensure compliance with new or revised laws and regulations.

Version Date: 2.12.2019

GLOBAL ANTI-MONEY LAUNDERING POLICY

The aim of this policy is to set forth guidelines to prohibit and actively monitor the money laundering and the funding of terrorist or financial crimes that Arçelik and its subsidiaries (“Company”) and its all third parties may face within the scope of their business activities. Within this concept, all operations of the Company are made in accordance with the key components of a program which includes; identification and verification of clients and third parties; monitoring of client activities; reporting and investigating unusual and suspicious activities; training staff in money laundering prevention and detection; and designating dedicated money laundering reporting officers.

This Policy has been prepared in accordance with Global Code of Conduct and the local laws and regulations, which are applicable in the countries that Arçelik operates to ensure the commitment to all relevant local and international laws and regulations (i.e Terrorist Financing Act, POCA (Proceeds of Crime Act), Money Laundering Acts). This Policy applies to all employees of Arçelik who are required to comply with all applicable anti-money laundering and terrorist financing laws and regulations in countries which Arçelik conducts business. Failure to do so may result in severe criminal, civil and regulatory penalties for Arçelik and its employees.

1. DEFINITIONS

Money laundering is the disguising or concealment of financial assets obtained via illegal means. It is an attempt to illegally legitimize criminal proceeds and disguise the true origin of assets, this is commonly achieved by placement, layering and integration. Money laundering may be committed through knowingly engaging in a financial transaction with the proceeds of a crime or negligent ignoring warning signs for unusual or suspicious activity in respect of a client or transaction.

Terrorist financing refers to activities that ensures financial support to of legitimate or illegitimate terrorists, individuals, groups, organizations or supporters of terrorism. Terrorism can be financed through illegal activity such as credit card fraud, illegal arms dealing and drug dealing, among other criminal activity. Terrorist financing may also involve the use of legitimately derived funds. In both instances the aim of terrorist financiers is to conceal the source and ultimate use of finances. As with money laundering, the appearance of being connected, directly or indirectly, to terrorism raises unacceptable levels of regulatory and reputational risk to Arçelik.

Politically Exposed Persons (PEPs) are individuals who are, or have been, entrusted with prominent public positions domestically or by a foreign country. For example, Heads of State or Heads of Government, senior politicians or government officials, judicial or military officials, senior executives of state owned corporations, prominent political party officials.

Sensitive Countries are the ones which have strategic Anti Money Laundering /Combating Financing of Terrorism deficits that have not made adequate progress in addressing the deficits or have not stipulated to an action plan as per the Financial Action Task Force (FATF).

Sensitive Clients are the individuals or legal entities which have business relations with sensitive countries.

Facilitation payment is made to further “routine governmental action” that involves non-discretionary acts. Examples of “routine governmental action” include processing visas, providing police protection or mail service, and supplying utilities like phone service, power, and water. Routine government action does not include a decision to award new business or to continue business with a particular party. Nor does it include acts that are within an official’s discretion or that would constitute misuse of an official’s office. Thus, paying an official a small amount to have the power turned on at a factory might be a facilitating payment.

If you have any questions or further inquiries regarding the above, please consult to the Global Compliance Manager.

2. SUSPICIOUS ACTIVITIES

Arçelik employees should be vigilant of money laundering red flags and to report any suspicious activity to local compliance officers. By way of guidance, see below a non-exhaustive list of red flag scenarios.

- Suppliers, customers or third parties who do not provide complete information, false or suspicious information, or is anxious to adhere to reporting or recordkeeping requirements,
- Customers who willfully agree to pay above the market conditions,
- Customers or suppliers who request the payments to be conducted in cash or cash equivalents,
- Transactions relating to high-risk countries, as defined by the FATF,
- Abnormal cash transfers, incompliant with the business rationale of the related transaction,
- Multiple money orders, traveler’s checks, or large amounts of cash,
- Payments made in currencies other than those specified in the agreements,
- Payments requested to or by third parties, who are not named in the corresponding contracts,
- Unusual receipt of transactions from a certain person or entity, where the origin of the funds is not known,
- Payments to persons or entities who reside in countries known as “tax heavens” or into “shell bank” accounts, or unusual fund transfers to or from foreign countries unrelated to the transaction,
- Payments to or from entities in which, it is not possible to identify the shareholding structure or ultimate beneficiaries.

When you are in doubt, please ask help from Global Legal and Compliance Department for guidance.

3. KNOW YOUR CLIENT (“KYC”)

Arçelik and its employees are required to exercise a level of care and due diligence when dealing with clients to avoid being willfully blind to money laundering or other suspicious activity. Consistent with this, Arçelik and its employees must adhere to the following principles:

- Sufficient information about the business environment and the purpose of the intended business of the third parties must be procured,
- Money laundering risks related with third parties must be assessed for aims of monitoring the third parties’ activities,
- The integrity of potential customers and other business relationships must be assessed,
- The owner, business manager and key principals must be checked against watch lists and reputational intelligence through local investigators,
- Media research in English and also the local language about the owner, business manager and its key principals must be conducted,
- The ongoing monitoring based on the risk profiles of customers, suppliers and distributors must be performed,
- Arçelik’s compliance expectations must be communicated to the stakeholders at all times,

In case there are reasons to be suspicious on the business partners because of wrongdoings pertaining to dealings, interactions, transactions with Arçelik, those suspicions must be reported to the Global Compliance Manager, immediately, for further investigations.

4. ROLES AND RESPONSIBILITIES

All employees must follow the requirements set forth in this Policy. This Policy is published by Finance Department and it takes any corrective and/or preventative actions to be taken against any non-compliant behavior including termination of employment. Compliance Officers are employees of the Company appointed by the Chief Legal and Compliance Officer of Arçelik as being responsible for monitoring the Company’s operations pertaining to this Policy.

This Policy will be periodically reviewed by the Arçelik Legal and Compliance Department to ensure compliance with new or revised laws and regulations.

Version Date: 2.12.2019

GLOBAL DATA PRIVACY POLICY

1. PURPOSE AND SCOPE

Arçelik and its affiliates and subsidiaries (together “**Company**”, “**we**”, “**us**”) is committed to protecting the privacy of everyone we do business with, including our customers, suppliers, employees and contractors. In recognition thereof, Company has adopted this Data Privacy Policy (the “**Policy**”).

2. DEFINED TERMS

Applicable Data Protection Laws - all relevant privacy, data protection or related laws and regulations in Turkey (Law on the Protection of Personal Data) in the European Economic Area (EEA), in the UK and in Switzerland that apply to the Processing of Personal Data, including but not limited to the EU General Data Protection Regulation 2016/679.

Personal Data - any data relating to an identified or directly or indirectly identifiable natural person (“**Data Subject**”); identification can occur by reference to an identifier such as a name, identification number, location data, an online identifier, or to one or more factors specific to an Individual’s physical, physiological, genetic, mental, economic, cultural or social identity.

Personnel - employees, officers, contingent workers, employed on a full or part-time basis, or retained as third-party consultants, and temporary staff acting on behalf of any Arçelik subject to this Policy.

Process or **Processing** - any operation or set of operations performed upon Personal Data, such as collection, recording, organization, structuring, storage, adaptation or alteration, retrieval, consultation, use, disclosure, dissemination or otherwise making available, international transfer, alignment or combination, blocking, erasure or destruction.

Processor - any entity who Processes Personal Data on behalf of any Arçelik subject to this Policy.

Security Breach - a breach of security leading to the accidental or unlawful destruction, loss, alternation, unauthorized disclosure of, or access to, Personal Data.

Security Measures - measures, including legal, organizational and technical measures aimed at ensuring the ongoing integrity, availability, and confidentiality of Personal Data and at preventing, mitigating or remedying Security Breaches.

Sensitive Personal Data - any Personal Data relating to an Individual’s racial or ethnic origin, political opinions, religious or philosophical beliefs, trade union membership, genetic characteristics, biometrics, health, sex life, sexual orientation, or criminal convictions.

3. RESPONSIBILITIES

- a. Personnel is responsible for complying with this Policy when they Process Personal Data in connection with their normal work activities.
- b. Senior management within Company is responsible for enforcing compliance with this Policy, including the maintenance of an appropriate governance structure and the allocation of resources necessary to ensure compliance and enforcement.
- c. Personnel shall promptly notify the Global Data Protection Officer if they suspect or are aware that this Policy conflicts with any local legal or regulatory obligation or that a particular Company practice violates this Policy.
- d. Company may implement additional policies, procedures or practices as may be necessary to ensure compliance with this Policy or meet local Applicable Data Protection Laws. Arçelik shall not adopt or implement such policies, procedures or practices without prior consultation and approval from the Global Data Protection Officer.

4. GENERAL POLICY

- a. Company strives to Process Personal Data in a manner consistent with this Policy and with Applicable Data Protection Laws. Where Applicable Data Protection Laws impose a higher level of protection than this Policy, Company must comply with such laws or regulations.

b. Basic Principles

i. Lawfulness and Purpose Limitation

Company shall only Process Personal Data lawfully, fairly and for specified, explicit and legitimate business purposes and with an appropriate justification (legal basis) under Applicable Data Protection Laws. This justification can be consent of the Data Subjects, the performance of an agreement or taking steps prior to entering into an agreement, a legal obligation, or a legitimate interest of Company that is not outweighed by the interests or fundamental rights and freedoms of the Data Subjects. Where Company is required by applicable law or by internal policies to request and obtain the consent of the Data Subjects prior to the Processing of certain Personal Data then Company shall seek such consent and honor it. Company shall keep a record of consents that it obtains and put in place effective means for Data Subjects to withdraw their consent.

ii. Data Minimization

Company shall limit its Processing of Personal Data to the minimum amount of information necessary to pursue the established purpose or purposes. Where possible, Company shall rely on information that does not identify Data Subjects.

Company shall minimize the extent of its Processing, access to and retention of Personal Data to what is necessary for the established purpose or purposes. Access shall be limited to a need-to-know basis. Save exceptions, Personal Data shall not be made accessible to an indefinite number of individuals.

iii. Maintaining Integrity and Quality

Company shall at all times maintain the integrity of the Personal Data IT Processes and take reasonable steps to keep Personal Data accurate, complete, up-to-date and reliable for its intended use.

iv. Retaining and Deleting Personal Data

Company shall not retain Personal Data for longer than necessary. Personal Data shall be destroyed or anonymized in compliance with applicable Company policies and record retention schedules, including the Company Records Retention Policy. These Company policies and record retention schedules take into account Company's business needs, its legal obligations, and scientific, statistical or historical research considerations.

c. Transparency

i. Company shall provide clear information to Data Subjects about, at a minimum:

- the identity and the contact details of Company acting as the controller of the Personal Data and of its Global Data Protection Officer, if such exists, or of its Data Protection Officers at local level;
- the categories of Personal Data relating to Data Subjects that Company Processes;
- the purposes for which the Personal Data is Processed, and the Company's justifications for such Processing;
- disclosures of the Personal Data to third-party recipients;
- the rights of Data Subjects in respect of their the Personal Data, including their right to lodge a complaint with a supervisory authority;
- transfers of Personal Data outside Turkey, the EEA, the UK and Switzerland and the legal safeguards applying to such transferred Personal Data;
- the retention period or the criterion used to determine the retention period of the Personal Data;

- whether the provision of the Personal Data is mandatory and the possible consequences if the Individual fails to provide the Personal Data; and
- the existence of automated decision-making which produces legal or similar effects and information about the logic involved, where relevant.

ii. Data Subjects shall be provided with any additional information required by local Applicable Data Protection Laws.

iii. Save limited exceptions, the information set out above shall be provided to the Data Subjects at the time their Personal Data is obtained.

iv. All communications to Data Subjects about the Processing of their Personal Data shall be approved by the local Data Protection Officer and, where necessary, by the Global Data Protection Officer based on Company's templates.

v. Applicable Data Protection Laws may provide for derogations to the transparency requirement in exceptional cases, for example, where providing such information imposes a disproportionate burden. Such derogations shall not be relied upon without prior consultation of the Global Data Protection Officer.

d. Rights of Data Subjects

i. Company shall consider any request from Data Subjects in relation to their rights of access, rectification, restriction, data portability, erasure, or opposition or any clear indication that the Data Subjects want to withdraw their consent. Such requests shall be free of charge.

ii. Company shall respond to such requests within one month and make all efforts to meet the request within this timeframe in accordance with the Company Data Subject Rights Policy.

iii. Company is not obliged to meet a request when it cannot lawfully relate Personal Data to the Individual making the request or when a request is manifestly unfounded or excessive because of its repetitive nature.

e. Maintaining Appropriate Security and Reporting Security Breaches

i. Company shall implement Security Measures to protect Personal Data, in particular in case of transmissions of Personal Data over a network or the storage of Personal Data on portable devices or media. These Security Measures shall take into account the risks represented by the Processing, the nature of the Personal Data concerned, the state of the art and cost of the implementation of the Security Measures.

ii. The Security Measures shall be set out in written security policies and procedures.

iii. Personnel shall promptly report a Security Breach to the Global Data Protection Officer and Information Security and Telecommunications Departments of Arçelik and keep a record of the Security Breaches in accordance with the Company Data Breach Policy.

f. Disclosure of Personal Data

i. Company shall only disclose Personal Data to third parties, such as law enforcement authorities or courts, business partners, suppliers or customers where specifically authorized to do so by applicable laws in Turkey, the EEA, the UK or Switzerland or otherwise in accordance with Applicable Data Protection Laws.

ii. When relying on Processors, Company shall select Processors carefully and subject them to contractual controls in order to protect the confidentiality and security of the Personal Data concerned and meet the requirements of Applicable Data Protection Laws.

g. International Transfers of Personal Data

i. Company shall only transfer Personal Data to a country outside Turkey, the EEA, the UK and Switzerland in accordance with the requirements set out in Applicable Data Protection Laws.

ii. Save limited exceptions under Applicable Data Protection Laws, Company shall put in place appropriate safeguards, such as transfer agreements to overcome restrictions on international transfers of Personal Data under Applicable Data Protection Laws.

iii. Company may only rely on exceptions under Applicable Data Protection Laws to restrictions on international transfers following review and approval by the Global Data Protection Officer.

h. Training

Employees Processing Personal Data as part of their role or function shall be regularly trained on compliance with this Policy. Training should be adapted to the role or function of the Personnel concerned.

i. Monitoring and Records

i. The Global Data Protection Officer and the local Data Protection Officers shall conduct periodic reviews and audits to ensure compliance with this Policy.

ii. Company shall maintain a record of Processing operations. The record must be made available to supervisory authorities upon request.



j. Compliance and Waivers

i. Requirements imposed by this Policy may be waived only on a case-by-case basis in exceptional circumstances and subject to conditions, following approval from the Global Data Protection Officer.

ii. Any member of Personnel not compliant with this Policy may be subject to disciplinary measures, including termination of employment.

5. MORE INFORMATION

Company shall circulate this Policy to the Personnel and may translate the Policy into local languages for information purposes. In case of discrepancies between local language and the English version, the English version of the Policy shall prevail. Questions or concerns regarding this Policy or privacy matters more generally must be directed to the Global Data Protection Officers Office (contactable via phone on +90 212 314 34 34 or e-mail at compliance@arcelik.com).

Version Date: 2.12.2019

GLOBAL PROTECTING AND RETAINING INFORMATION POLICY

1. RECORD TYPES

The Policy applies to the information contains in the following records:

- Paper,
- Electronic files including but not limited to databases, word documents, PowerPoint presentations, spreadsheets, webpages, and e-mails,
- Photographs, scanned images, CD-ROMs and memory sticks.

The Policy aims to cover all types of records created by the company, such as;

- All corporate governance documents such as board and board committee materials, meeting minutes,
- All documents and information to be kept within the legal hold period within the scope of the local laws and regulations, which are applicable in the countries that Arçelik operates,
- Contracts,
- All documents related to research and development /intellectual property and trade secrets,
- Technology software licenses and related agreements,
- Marketing and sales documents,
- Invoices,
- All employee records,
- E-mails.

2. RECORD CLASSIFICATION

Existing business process is necessary to establish the record's value. During this process, all record categories need to be reviewed and evaluated according to its;

- Legal value
- Operational value
- Historical value

Accordingly, records and documents are classified as “public, personal and confidential”. The Company's retention schedule is developed and constituted with respect to the records classification by fulfilling legal, administrative, financial and/or historical obligations.

3. CLASSIFICATION LEVELS

a. Public: the document/record which made publicly available by the authorized corporate communications departments. Such information contains public information that can be revealed without affecting Arçelik. It is not in compliance with persons' privacy or knowledge of this information does not subject Arçelik or its affiliates to any kind of financial or reputation loss or does not threaten the security of Arçelik assets.

b. Personal: the document/record is made up of individuals' own (for personal usage not business related) data and/or information including personal e-mails, tables and any other documents belong to individuals.

c. Confidential: All kinds of information, which are not publicly available or are not made publicly available by Arçelik are considered confidential including, but not limited to technical, operational, financial information.

Confidential Information covers all types of information pertaining to the customer or vendor records, actual and former employees, third parties that the Company has business interaction and national security information retained due to the employees' positions.

4. GENERAL PRINCIPLES REGARDING CONFIDENTIAL INFORMATION

Within the concept of its business activities and relationship with third parties, Arçelik may process Confidential Information for the following reasons:

- Regulatory reasons to act in compliance with the obligations,
- Technical reasons to develop and maintain the product quality,
- Contractual reasons to perform or manage business operations or to establish, exercise or defend legal claims,
- Client or vendor interaction pertaining to Arçelik's business operations to respond or make inquiries,
- Transactional reasons such as shipments, deliveries, transportation and support services,
- Financial matters, including but not limited to payment processing, accounting, auditing, monitoring, billing and collecting processes,
- Customer, vendor or third-party due diligence reasons, covering the corporate intelligence, market researches, product benchmarking and questionnaires,
- Security considerations to protect and maintain Arçelik products, services, websites and working locations.

Arçelik employees acknowledge that violating the confidentiality, during and after the employment and disclosing the confidential information without authorization to third parties, can result in serious competitive disadvantage to the company whereas causing immeasurable financial, legal and other types of damages to the Company. The obligation not to circulate or disclose confidential information is applied even though the related information might not be specifically identified or marked as confidential.

Regarding Arçelik's obligations pertaining to the Confidential Information, the following criteria must be taken into consideration at minimum:

- Confidential information cannot be used to knowingly convert a company business opportunity for personal use,
- It is not accepted to trade in the Company's stocks, or the stocks of any other company, based on the confidential information,
- Divulging confidential information to third parties so that they might trade in stocks, is prohibited,
- Seeking out, accepting or using of a confidential information of or from a competitor of Arçelik is illegal.

The circulation and transferring the confidential data is done under the following criteria:

- Regarding Arçelik's aim to be compliant to all rules and regulations of the countries that it has operations, the confidential information can be transferred to law enforcement authorities or regulators, with taking the legal authorizations at all times,
- The confidential information can be shared with Arçelik's contracted service providers where the confidentiality is protected with contract terms or non-disclosure agreements, which only act upon the instructions of Arçelik.

5. MINIMUM RETENTION PERIOD

Using the records value criteria, the Company develops a recommended retention period and schedule procedure for each category of records and documents by comprehensively, fulfilling administrative, financial and/or historical obligations. The recommended minimum retention schedule is determined for each records and documents category by the Company where local and international laws and regulations are identified.

Arçelik retains records and documents regarding the Company's retention schedule and procedure. Unless any specific law and regulation provides for a longer or shorter retention period than the Arçelik's retention schedule, the Company shall follow the instructions of Arçelik retention schedule.

As long as a record and/or a document has not been specified as permanently preserved, the retention period is identified in accordance with the retention schedule. For "permanent preservations" monitoring is defined and scheduled within the retention period procedure.

6. DISPOSITION

Each department is responsible from ensuring the retention schedule.

When the retention period is expired, the record and/or document are reviewed by the relevant Director (or their delegate) in consultation with relevant stakeholders such as, Head of IT, Head of Legal and Compliance and/or other senior managers and a 'disposition action' is agreed upon.

A “**disposition action**” is either:

- The further retention of the record or document within Arçelik
- The destruction of the record or document.

The record and document reviewing should be performed as soon as possible after the expiration of the retention period. The disposition decision is reached having regard to:

- Continuous business accountability needs (including audit)
- Current legislation

If the record and document has any long-term historical or research value:

- costs related to sustained storage versus costs of destruction need to be reviewed
- the legal, political and reputational risks associated with keeping, destroying or losing control over the record/documents need to be reviewed.

Disposition records must be kept by the disposing department for future audit purposes.

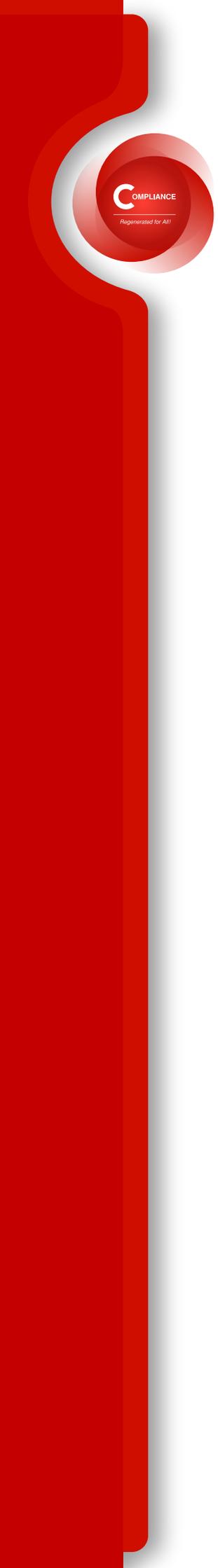
a. Further Retention of Records and Documents

Irrespective of the Company's Record Retention Policy, if the record and/or document is necessary by any part of the business, and upon receiving notice of a lawsuit, government investigation or other legal action against Arçelik, records and documents are preserved and safeguarded. Otherwise, the Company applies the following disposition actions.

b. Destruction of Paper/Electronic Records and Documents

Destruction should be conducted in a way that keeps the confidentiality of the records/ documents and that correspond with non-disclosure agreements. All copies including backup or preservation copies should be erased at the same time in the same direction.

The Record Retention Policy requires soft copies of paper/electronic records to be erased complying with the IT procedure. Giving the fact that deletion of the soft copy files is not considered to be a sufficient method, this procedure should be complying with IT procedures.



Destruction of any record which are classified as confidential level shall be complied with the local laws and regulations, which are applicable in the countries that Arçelik operates.

7. AUTHORITY AND RESPONSIBILITIES

This Policy is published by Arçelik Legal and Compliance Department, and the Company is responsible for ensuring the compliance with the Policy by all its employees. Any violation of this Policy will result in disciplinary action, up to and including termination of employment.

This Policy will be periodically reviewed by the assigned Legal and Compliance Department to ensure compliance with new or revised laws and regulations.

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