

**INFORMATION NOTE  
FOR THE 2017 ORDINARY GENERAL ASSEMBLY MEETING  
HELD ON 19.03.2018**

**1. INVITATION TO ORDINARY GENERAL ASSEMBLY MEETING ON 19/03/2018**

Our Company shall hold its Ordinary General Assembly Meeting at the address of “Divan İstanbul Hotel, Asker Ocağı Caddesi No: 1 34367 Elmadağ Şişli, İstanbul (Phone: 90 212 315 55 00, Fax: 90 212 315 55 15)” at 10:00 on 19.03.2018, Monday, in order to review its business operations in 2017 and to discuss and resolve on the following agenda.

2017 Financial Statements and the Independent Audit Report and the Dividend Distribution Proposal and the Annual Report along with Corporate Governance Principles Compliance Report attached thereto and the present agenda items as well as a Memorandum setting forth necessary explanations for compliance with the Capital Markets Board regulations shall be made available for the inspection of the esteemed Shareholders by publishing them at the Company’s head office and by posting them at the Company’s web site at [www.arcelikas.com](http://www.arcelikas.com) and at the Electronic General Assembly System of Central Registration Agency of Turkey on a timely basis three weeks before meeting as permitted by the law.

Save for the rights and obligations of the shareholders who are to attend the meeting via electronic method, it is necessary that the shareholder, who shall not attend the meeting in person, arrange the power of attorney in line with the regulation or obtain the relevant form of power of attorney from Yapı Kredi Yatırım Menkul Değerler A.Ş. (Yapı Kredi Plaza / Levent - İstanbul) and from our headquarters or from the official website of the company at [www.arcelikas.com](http://www.arcelikas.com) and accordingly, submit the powers of attorney, the signature on which is notarized, to the Company, following the fulfillment of the matters as contemplated in the "Voting by Proxy and Proxy Collection by Call Communiqué" numbered II-30.1, published and entered into force on the Official Gazette no. 28861, dated 24.12.2013. It is not necessary for the proxy, who is appointed by electronic means over the Electronic General Meeting System, to present a power of attorney. **Any letter of proxy which is mandatory according to the said Communiqué and which is not in conformity with the specimen of the proxy letter, which is given in the general assemble invitation notice, shall be in no event accepted due to our legal liability.**

Our Shareholders who shall cast their votes by means of Electronic General Assembly System should get information from the Central Registry Agency of Turkey, our Company’s web site at [www.arcelikas.com](http://www.arcelikas.com) or our Company’s head office (Phone: 90 212 314 31 15- 314 31 03).

Pursuant to the fourth paragraph of Article 415 of Turkish Code of Commerce no 6102 and the first paragraph of Article 30 of the Capital Markets Law, the right to attend and vote in the general assembly meeting is not subject to the deposition of the shares. In this framework, where our shareholders wish to attend the General Meeting, they shall not be required to have their shares blocked.

As per the Law on Protecting Personal Data No 6698, you can reach the detailed information about how your personal data are processed by our company by reading the Personal Data Protection and Process Policy of Arçelik A.Ş., which has been disclosed to the public at [www.arcelikas.com](http://www.arcelikas.com).

Save for the electronic voting provisions relating to the voting for the Agenda Items of the General Meeting, open voting procedure shall be applied by show of hands.

All beneficiaries, stakeholders and media organs are invited to the General Meeting.

In respect of the registered shares that are traded at the exchange pursuant to the Capital Markets Law, no individual notice shall be served to the shareholders by a registered mail.

Kindly submitted for the information of the esteemed shareholders.

ARÇELİK A.Ş. BOARD OF DIRECTORS

Company address: Karaağaç Caddesi No: 2-6 Sütlüce 34445 Beyoğlu-Istanbul

Commercial Registry and Number: Istanbul - 54957

Mersis No: 0073001800000022

## 2. OUR ADDITIONAL STATEMENTS WITHIN THE SCOPE OF CMB REGULATIONS

Of the additional explanations that should be done pursuant to the “Corporate Governance Communique no II-17.1” of the Capital Markets Board (“CMB”), those ones related to the agenda items are given in the respective agenda items section below and other general mandatory explanations are submitted in this section for your information:

### 2.1. Shareholding Structure and Voting Rights

Information about total number of shares and voting rights reflecting joint undertaking’s partnership structure, number of shares representing each preferred share group if preferred shares exist in partnership capital and nature of voting rights and privileges are presented below:

Company’s issued capital is TL 675,728,205.- and that issued capital are paid in full and free of collusion.

Each share with a nominal value of 1 Kr shall have one voting right in a General Assembly meeting. There is no privileged share in the company’s capital.

SHAREHOLDER	CAPITAL-RATIO (%)	NOMINAL SHARE VALUE (TRY)	SHARE AMOUNT AND VOTE AMOUNT (Piece)
KOÇ FAMILY	8.67	58,590,762.02	5,859,076,202
KOÇ HOLDİNG A.Ş.	40.51	273,742,027.02	27,374,202,702
KOÇ HOLDİNG EMEKLI VE YARDIM SANDIGI VAKFI	5.14	34,721,920.21	3,472,192,021
TEMEL TİCARET VE YATIRIM A.Ş.	2.75	18,576,870.00	1,857,687,000
VEHBİ KOÇ VAKFI	0.17	1,136,574.89	113,657,489
TEKNOSAN BÜRO MAKİNA VE LEVAZIMI TİC. VE SAN. A.Ş.	12.05	81,428,336.95	8,142,833,695
BURLA TİCARET VE YATIRIM A.Ş.	5.56	37,571,663.05	3,757,166,305
OTHER SHAREHOLDERS	25.15	169,960,050.86	16,996,005,086
<b>TOTAL</b>	<b>100.00</b>	<b>675,728,205.00</b>	<b>67,572,820,500</b>

The majority of Koç Holding A.Ş. shares belong to the members of the Koç Family.

## **2.2. Management and Operation Changes To Affect Company Operations of Our Company and Subsidiaries Significantly:**

The Board of Directors of our Company made the following decision on 25.04.2017.

In order to meet various consumer needs in the most efficient way by reaching high technologic standards to increase competitiveness and operational efficiency at the Electronics Plant in Beylikdüzü/Istanbul, it has been decided to move the said plant to our factory building at Organize Sanayi Bölgesi Atatürk Caddesi 8.Sokak No.1 Kapaklı, Çerkezköy/Tekirdağ, and to complete the moving process by 31 March 2018.

## **2.3. Information On Shareholders' Request for Adding An Item To the Agenda:**

In connection with the circumstances where the proposals sent by the Company's shareholders to the Investor Relations Department in writing for the addition of an item to the agenda are rejected by the Board of Directors, please find information about the rejected proposals and the reasons underlying the rejection:

No such proposal has been sent for the Ordinary General Assembly meeting in which 2017 operations shall be discussed.

## **3. OUR EXPLANATIONS IN CONNECTION WITH THE AGENDA ITEMS TO BE DISCUSSED IN THE ORDINARY GENERAL ASSEMBLY MEETING DATED 19.03.2018**

### **1. Opening and Election of the Chairman of the Meeting,**

Pursuant to the "Turkish Code of Commerce no 6102" (TCC) and the "Regulation on the Procedures applicable to the General Assembly Meetings of Joint-stock Companies and the Representatives from the Ministry of Customs and Trade to attend these Meetings ("Regulation" or the "General Assembly Regulation") and Article 7 of the General Assembly Internal Directive, Chairman of the Meeting who will lead the General Assembly Meeting shall be elected. In accordance with General Assembly Internal Directive, Meeting Chairman shall nominate minimum one Minutes Clerk. Chairman of the Meeting may select sufficient number of vote collectors.

### **2. Reading, discussing and approving the Annual Report for 2017 prepared by the Company's Board of Directors,**

Subject to TCC, the Regulation and the Capital Markets Law, information about the 2017 Annual Report, including the report for compliance with the corporate governance principles which was submitted for the inspection of our shareholders for three weeks prior to the General Assembly Meeting at our Company's head office, the Electronic General Assembly Portal of the CRA and our Company's corporate web site at [www.arcelikas.com](http://www.arcelikas.com) shall be given and such Report shall be submitted for the comments and approval of our shareholders.

### **3. Reading the Summary of Independent Audit Report for 2017 accounting period,**

The General Assembly shall be informed about the Independent Audit Report which was issued pursuant to TCC and the Capital Markets Board regulations and which was submitted for the inspection of our shareholders for three weeks prior to the General Assembly Meeting at our Company's head office, the Electronic General Assembly Portal of the CRA and our Company's corporate web site at [www.arcelikas.com](http://www.arcelikas.com).

**4. Reading, discussion and approval of the Financial Statements for 2017 accounting period,**

Within the framework of TCC, Regulation and regulations concerning Capital Markets Law, information shall be provided about our financial statements and legal financial statements drafted in accordance with the Tax Procedure Law which are submitted to the review of our shareholders on CRA's Electronic General Assembly portal and our company's corporate internet site at [www.arcelikas.com](http://www.arcelikas.com) shall be submitted to the review and approval of our shareholders.

**5. Acquittal of each Board members from the Company's 2017 activities,**

In line with the provisions of TCC and the Regulation, the individual acquittal of our Board members from 2017 activities, accounts and transactions shall be submitted for the approval of the General Assembly.

**6. Acceptance, acceptance after amendment, or rejection of the Board proposal which is drafted in line with the Company's profit distribution policy for the distribution of 2017 profit and the dividend distribution date,**

According to financial statements belonging to the accounting period 01.01.2017 and 31.12.2017 which were prepared in compliance with Turkish Accounting/Financial Reporting Standards and audited by PwC Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş., within the framework of Turkish Commercial Code and Capital Markets Law; our company gained "Net Consolidated Profit" pertaining to parent in the amount of 842,948,256.97 TL; and the statement concerning share distribution which is prepared by considering our Profit Distribution Policy, long-term strategy, investment and finance policies, profitability and cash position and in accordance with Share Distribution Communique numbered II-19.1 and Share Distribution Table format included in Share Distribution Guide announced pursuant to this Communique are presented in **ANNEX/1**.

**7. Determining the number and duty term of the members of the Board of Directors, making elections in accordance with the determined number of members, selecting the Independent Members of the Board of Directors,**

New board members who will replace the board members whose duty periods are completed shall be elected, considering the principles concerning the election of board members, in accordance with the CMB Regulations, TCC and the Regulation. Moreover, independent members shall be selected to ensure compliance with the Corporate Governance Communique no II-17.1 as published by the CMB.

Pursuant to Article 10 of our Articles of Association, our Company shall be managed by a Board of Directors with minimum 5 members who shall be selected by the General Assembly for a maximum term of three years in line with the provisions of Turkish Code of Commerce. The General Assembly may decide that the Board of Directors should be renewed even if its office term has not expired yet.

Out of the Board members to be selected, 4 members should meet the independency criteria defined in the mandatory Corporate Governance Principles set by the CMB.

Upon the suggestion of Corporate Governance Committee which evaluates the candidates notified to it, Kadri Kaynak Küçükpınar, Kamil Ömer Bozer, Müzeyyen Münire Gülay Barbarosoğlu and Mehmet Cem Kozlu were determined as Independent Members of Board of Directors by the decision made by our Board of Directors. CMB, with the letter dated 02.02.2018, has found these independent member candidates appropriate.

**ANNEX/2** shows the resumes of our Board member nominees and the candidates for independent membership.

**8. Informing and approval of the Shareholders about the Remuneration Policy for the Members of the Board of Directors and Top Managers and the payments made within the scope of the policy in accordance with the Corporate Governance Principles,**

Pursuant to the CMB's Corporate Governance Principle no 4.6.2, the remuneration policies applicable to Board members and top managers should be documented in writing and they should be submitted for the attention of the shareholders as a separate article at the General Assembly meeting so that they can give their comments in this respect . The remuneration policy prepared with this purpose is given in **ANNEX/3**. As it was mentioned in Note 34 to our financial statements for 2017 financial year, Arçelik A.Ş. provided such benefits for a total sum of 53,809 thousand TL to the Board Members, General Manager, Assistant General Managers and the Directors reporting directly to the General Manager in 2017.

**9. Determining the annual gross salaries of the members of the Board of Directors,**

Under our Remuneration Policy submitted for the approval of shareholders in Agenda item 8, the amount of the annual gross remuneration payable to our Board members for 2018 financial year shall be determined by our shareholders.

**10. Approval of the Independent Auditing Institution selected by the Board of Directors in line with Turkish Code of Commerce and the Capita Markets Board regulations,**

In line with Turkish Code of Commerce and the Capital Markets Board regulations, the Board of Directors resolved in its resolution dated 09.02.2018, upon consultation with the Audit Committee, that PwC Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. should be appointed for the audit of our Company's financial reports in its 2018 financial year and for the performance of other operations under the regulations in these laws, and this appointment shall be submitted for the approval of the General Assembly.

**11. Informing the shareholders about the donations made by the Company in 2017 and determining an upper limit for donations to be made in 2018,**

Pursuant to Article 6 of the Dividends Communique no II-19.1 of the Capital Markets Board, the limits of the donations to be made should be set by the general assembly unless set out in the articles of association, and donations and payments should be submitted for the attention of the shareholders in the general assembly meeting. The total amount of donations made to foundations and associations during 2017 is 12,207,012.88.-TL. Moreover, the upper limit for donations to be made in 2018 shall be set and determined by the general assembly.

**12. Informing the shareholders about the collaterals, pledges, mortgages and surety granted in favor of third parties and the income and benefits obtained in 2017 by the Company and subsidiaries in accordance with Capital Markets Board regulations,**

Pursuant to Article 12 of the Corporate Governance Communiqué no II-17.1 of the Capital Markets Board, income and revenues generated from collaterals, pledges, mortgages, and surety given and issued by our Company and our subsidiaries in favour of third parties should be set out as a separate agenda item in our general assembly meeting agenda and this is also referred to in Note 17 to our Financial Statements dated 31.12.2017.

**13. Authorising the shareholders holding management capacity, the Members of the Board of Directors, top managers and their spouses and relatives by blood and marriage up to the second degree within the framework of the articles 395th and 396th of Turkish Commercial Code and informing shareholders about transactions performed within the scope during 2017 as per the Corporate Governance Communiqué of Capital Markets Board,**

Our Board members may carry out transactions in accordance with the first paragraph of Article 395 of TCC titled “Ban on Transactions with and Borrowing from the Company” and Article 396 thereof titled “Non-competition” shall be possible only upon the approval of the General Assembly.

Pursuant to the mandatory Corporate Governance Principle no 1.3.6 of the CMB, in circumstances where shareholders holding the management capacity, board members, and managers with administrative tasks as well as their spouses and relatives by blood and marriage up to second degree carry out a material business transaction with the Company and its subsidiaries in a manner to cause a conflict of interest and/ or are engaged in a commercial business falling within the scope of Company’s business on behalf of himself or for the account of another party or itself or for another entity or the Company or subscribes to another company engaged in the same kind of business operations in a capacity of an unlimited/ general partner, the said transactions are set out in a separate agenda item to give detailed information to the general assembly in this respect and they are to be noted in the general assembly meeting notes.

In order to perform the requirements of such regulations, the issue of the said permission shall be submitted for the approval of our shareholders at the General Assembly. Additionally, our shareholders will be informed about such operations carried out within the year. The shareholders who have the authorization to control the management, board members, managers with administrative responsibilities and some of their spouses and relatives by blood and marriage up to the second-degree relatives work as board members at some other companies of the Koç Group, including the ones that have similar activity areas with our Company. There was no operation in 2017 that was important enough to inform the assembly within the scope of the Principle No. 1.3.6 of the Corporate Governance Communiqué.

**14. Wishes and opinions.**

## **ANNEXES:**

- ANNEX/1**      Proposal by the Board of Directors for the Distribution of 2017 Profit and the Proposed Dividend Distribution Table
  
- ANNEX/2**      Resumes of Board Member Candidates and Independence Statements of Independent Member Candidates
  
- ANNEX/3**      Remuneration Policy for the Members of the Board of Directors and Top Managers
  
- ANNEX/4**      Proxy Statement of Shareholders

## **ANNEX/1 Proposal by the Board of Directors for the Distribution of 2017 Profit and the Proposed Dividend Distribution Table**

The Board of Directors of our company made the following decision on 16.02.2018.

According to our Financial Statements for the financial year between 01.01.2017 and 31.12.2017 which were issued by our Company in compliance with International Financial reporting Standards in line with the Communiqué no 14.1 (Serial II) published by the Capital Markets Board and which was audited by PwC Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş., our Company made and raised a “Consolidated” Net Financial Year Profit amounting to 845,302,565.23 TL, and out of this profit, 842,948,256.97 TL is the net financial year profit made and generated by our Company. Please find below our proposed dividend distribution which was based on our Profit Distribution Policy approved at the General Assembly held on 27.03.2014, and our market forecasts and our long term strategy, and investment and financing policies and our profitability and cash position, and it is foreseen that dividend payments shall start on 26 March 2018 according to the resolution to be adopted in the general assembly.

In line with the Capital Markets Law and the Capital Markets regulations, it was calculated that the sum of net term profit of the parent company was 842,948,256.97 TL; that the sum of 855,155,269.85 TL which is the aggregate sum when a donation of 12,207,012.88 TL made to tax-exempt foundations and associations during the year was added constitutes the first dividend basis; that according to the records prepared according to the Tax Procedure Law (VUK), the amount of funds available for distribution is 701,747,149.05 TL in aggregate provided that the sum of 375,428,312.14 TL comes from after-tax net financial year profit.

It was decided that the general statutory reserve fund at a rate of 5% that must be set aside as per the Article No 519 of the Turkish Commercial Code should not be set aside for 2017 since the current general statutory reserve fund in TPL record reached the 20% limit of the capital as of 31.12.2017;

From the consolidated profit calculated in accordance with CMB Regulations;

that a sum of 427,577,634.93 TL should be distributed to the shareholders as the first dividend,  
7,422,365.07 TL second dividend to the shareholders

thus totally,

that a gross dividend of 435,000,000.00 TL should be distributed to the shareholders,  
that 2<sup>nd</sup> Group Reserves of 10%, 40,121,358.98 TL should be reserve and  
on the basis of our legal records prepared according to the Tax Procedure Law (TPL);

From 435,000,000.00 TL dividend to be distributed;

344,369,957.42 TL will be met from Current year profits and  
90,630,042.58 TL will be met from Extraordinary Reserves,

Out of 2<sup>nd</sup> group legal reserve of 40,121,358.98 TL

31,058,354.72 TL will be met from Current year profits and,  
9,063,004.26 TL will be met from Extraordinary Reserves,

From the consolidated profit calculated in accordance with CMB Regulations and 2<sup>nd</sup> group reserves, a sum of 367,826,898.00 TL that remains after the general statutory reserve fund should be set aside as the extraordinary reserve fund,



- That a gross and net cash dividend of 0.64375 TL per share with a nominal value of 1.00 TL and at a 64.375% ratio should be paid to our local corporate shareholders and foreign corporate shareholders which collect dividends by means of a business office or a permanent representative in Turkey,
- That a gross sum of 0.64375 TL at a ratio of 64.375% per nominal share with a value of 1.00 TL and a net amount of 0.54719 TL in cash at a ratio of 54.719% should be paid to other shareholders of ours,

and the profit payments should commence on 26 March 2018,

and that the activity results for 2017 of the above-mentioned subjects must be discussed to obtain approval from our shareholders at the Company's Ordinary General Meeting to be held on 19 March 2018, Monday.

Profit Distribution Chart of ARÇELİK A.Ş for 2017			[TU]
1	Paid/Issued Capital		675,728,205.00
2	General Statutory Reserve Fund (as per legal records)		368,995,245.83
If there is any preferential stock in profit distribution pursuant to Articles of Association, information about the said preference			
		According to the CMB	As per legal records (YK)
3	Term Profit	818,542,748.65	376,451,986.01
4	Taxes (-)	-24,405,508.32	1,023,673.87
5	Net Term Profit (-)	842,948,256.97	375,428,312.14
6	Losses of the Previous Year (-)	0.00	0.00
7	General Statutory Reserve Fund (-)	0.00	0.00
8	NET DISTRIBUTABLE PROFIT OF TERM(-)	842,948,256.97	375,428,312.14
9	Donations, Made During the Year (+)	12,207,012.88	
10	Net Distributable Financial Year Profit coupled with Donations	855,155,269.85	
11	First Dividend to Shareholders	427,577,634.93	
	Cash	427,577,634.93	
	Free of charge		
	TOTAL	427,577,634.93	
12	Dividend Distributed to the Holders of Preferential Stock	0.00	
13	Other Dividends Distributed	0.00	
	- To: Board Members		
	- To: Employees		
	- to individuals other than shareholders		
14	Dividend Distributed to the Holders of Dividend Shares	0.00	
15	Second Dividend to the Shareholders	7,422,365.07	
16	General Statutory Reserve Fund	40,121,358.98	
17	Statutory Reserves		
18	Special Reserves		
19	EXTRAORDINARY RESERVES	367,826,898.00	0.00
20	Other Resources, which are Planned to be Distributed	0.00	90,630,042.58
	Profit of the Previous Year	0.00	0.00
	Extraordinary reserves	0.00	90,630,042.58
	Other reserves, distributable in accordance with the Law and Articles of Association	0.00	0.00
	Reserve Fund for Other Resources, that are Planned to be Distributed	0.00	9,063,004.26

Dividend Ratios Table of Arçelik A.Ş. for 2017						
	GROUP	TOTAL AMOUNT OF DIVIDEND DISTRIBUTED		TOTAL AMOUNT OF DIVIDEND DISTRIBUTED / NET DISTRIBUTABLE TERM PROFIT	DIVIDEND PER SHARE HAVING 1 TL NOMINAL VALUE	
		CASH (TL)	FREE OF CHARGE (TL)	RATIO (%)	AMOUNT (TL)	RATIO (%)
NET*	-	412,820,813.25	0.00	48.97	0.5472	54.72
	TOTAL	412,820,813.25	0.00	48.97	0.5472	54.72

(\*) There is no privileged share group in the profit.

(\*\*) A dividend of 344,369,957.42 TL shall be distributed from current year earnings and 90,630,042.58 TL shall be distributed from the extraordinary reserves, and a withholding tax shall be charged to such non-exempted portion of local (domestic) individual taxpayers. For the purpose of calculating the total net dividend to be distributed, a calculation free of withholding tax shall be done for such portion that corresponds to the share of corporate shareholders which are known to be exempt from the withholding tax while the calculation for the entire unknown portion is based on the assumption that withholding tax shall be charged.

## ANNEX/2 Resumes of Board Member Candidates and Independence Statements of Independent Member Candidates

### Mustafa Rahmi Koç

Received his BA degree from Johns Hopkins University (USA) Business Management. He started his career at Otokoç, a member of Koç Group, in 1958. He served at various senior official positions in Koç Holding. After becoming the Chairman of the Executive Committee in 1980, he was assigned as the Chair of Board of Directors of Koç Holding in 1984. He has been carrying on his work as the Honorary President of Koç Holding since 2003. Having served as the Chairman of the International Chamber of Commerce between 1995 and 1996, Rahmi M. Koç then worked at various positions such as Vice Chairman of Vehbi Koç Foundation Board of Trustees, Honorary Chair of Koç University Board of Trustees, Founder and Chairman of Board of Rahmi M. Koç Museology and Culture Foundation, Vehbi Koç Foundation American Hospital Chairman of Board of Directors, Founder Member and Honorary President of TURMEPA/Turkish Marine Environment Protection Association, Honorary President of TÜSİAD High Advisory Board, Member of TISK Advisory Board, Honorary Member of Foreign Policy Association, New York Metropolitan Art Museum Honorary Member of Board of Trustees, and Founder Member of Global Relations Forum Association.

Mr. Rahmi M Koç, who is a non-executive board member is not an independent member pursuant to the Corporate Governance Principles of the CMB. Being one of the controlling shareholders in Koç Group, Rahmi M. Koç, has been serving in the boards of directors of the Group companies for the last ten years.

### Mehmet Ömer Koç

He graduated from Columbia College (USA) with a BA degree in 1985. He worked in Kofisa Trading for one year. Her earned his MBA degree from Columbia Business School (1989). After working at Ramerica Intl., he joined the Koç Group in 1990. He served at senior positions such as the Finance Coordinator, Vice President and then President of Energy Group at Koç Holding. He became a Member of the Board of Directors of Koç Holding in 2004, and the Vice Chair of the Board of Directors in May 2008. He has been the Chair of the Board of Directors at Koç Holding since February 2016. Mr. Ömer M. Koç is at the same time carrying on his duties as the Chair of the Board of Trustees at the Turkish Education Foundation, Chair of the Board of Trustees at Koç University, Chair of Geyre Foundation Chair of the Board of Directors at Yapı Kredi Kültür Sanat Yayıncılık, Chair of the Board of Directors at Tüpraş, and since 6 April 2016, he has also been the Chair of the Board of Directors at Tofaş.

Mr. Ömer M. Koc, who is a non-executive board member is not an independent member pursuant to the Corporate Governance Principles of the CMB. Being one of the controlling shareholders in Koç Group, Ömer M. Koç, has been serving in the boards of directors of the Group companies for the last ten years.

### **Semahat Sevim Arsel**

Commencing her working life as the Member of Koç Holding Board of Directors in 1964, Semahat Arsel, along with this duty, is continuing her other duties such as the Chairman of Board of Directors of Vehbi Koç Foundation, Divan Group's Chairman of Board of Directors, President of Semahat Arsel Nursing Education and Research Center, and Vice President of Florence Nightingale Foundation. She is also the founder of Koç University School of Nursing.

Ms. Semahat S. Arsel, who is a non-executive board member is not an independent member pursuant to the Corporate Governance Principles of the CMB. Being one of the controlling shareholders in Koç Group, Semahat S. Arsel, has been serving in the boards of directors of the Group companies for the last ten years.

### **Yıldırım Ali Koç**

Having graduated from Business Management school in Rice University (USA), he also completed his Master's Degree at Harvard University (USA). Between 1990 and 1991, he attended the Executive Training Program at American Express Bank and he was employed as an Analyst at Morgan Stanley Investment Bank from 1992 to 1994. He held top level positions at Koç Holding between 1997 and 2006, including New Business Development Coordinatorship and Information Group Presidency. He worked as the Head of Koç Holding, Corporate Communication and Information Group between 2006 and 2010. Since February 2016, he has been Koç Holding's Vice Chair of the Board of Directors, where he has been a member since January 2008. Mr. Ali Y. Koç is also the Chair of the Board of Directors at many companies of the Koç Group. In addition to these, to contribute to the economic and social development of our country, he serves as the Chair at the National Competition Research Association, Member of the Board at the Endeavor Association, Member of the Board at the Foreign Economic Relations Board (DEİK) and Vice Chair of the Member of the Board at Turkish Industry and Business Association (TÜSİAD). Moreover, he is a member of the Advisory Board at Harvard University, Bank of America and CFR.

Mr Ali Y. Koç, who is a non-executive board member is not an independent member pursuant to the Corporate Governance Principles of the CMB. Being one of the controlling shareholders in Koç Group, Ali Y. Koç, has been serving in the boards of directors of the Group companies for the last ten years.

### **Levent Çakıroğlu**

He completed his graduate degree at Business Management Department, Political Sciences School in Ankara University and completed his Master's Degree at University of Illinois. He started his professional career as a Tax Inspector at the Ministry of Finance in 1988. Then, between 1997 and 1998, he was a part-time lecturer at Bilkent University and also worked as the Vice-president at Financial Crimes Investigation Committee in the Ministry of Finance. He joined Koç Holding as the Financial Group Coordinator in 1998, and he was promoted as Koçtaş CEO between 2002-2007, Migros CEO between 2007-2008, Arçelik CEO between 2008-2015 and CEO at Koç Holding for Durable Consumer Goods Group between 2010-2015. Having been appointed as the Deputy CEO to Koç Holding A.Ş. in February 2015, Mr. Çakıroğlu has been Koç Holding CEO since April 2015. He has been a member of Board of Directors at Koç Holding since 2016.

Mr. Levent Çakıroğlu, who was a non-executive board member is not an independent member pursuant to the Corporate Governance Principles of the CMB. The positions he has undertaken for the last ten years are listed above and currently he is taking office in the boards of directors of some Koç Group companies.

**Robert Sonman**

He graduated from the School of Architecture in Canada McGill University and completed his Master's Degree at the same school. He is working as a Board of Chairman at Burla Group of Companies which holds a shareholding in Arçelik A.Ş. He has been a Board member at Arçelik A.Ş. since April 1994. He speaks English and French.

Mr. Robert Sonman, who is a non-executive board member pursuant to the Corporate Governance Principles of the CMB, is not an independent member.

**Fatih Kemal Ebiçlioğlu**

He completed his graduate degree at International Relations in the Faculty of Political Sciences in Ankara University and received his Master's Degree in Finance in Virginia Commonwealth University and got his Doctor's degree in Finance-Accounting in the Faculty of Political Sciences in Ankara University. He worked as a Licensed Tax Inspector at the Ministry of Finance between 1989-2002 and worked as a Tax Inspector and Chief Tax Inspector. In addition to these positions, he was also a part-time lecturer at Hacettepe, Bilkent and Atılım Universities from 1998 to 2002. He joined Koc Holding as the Group Financial Coordinator in 2002, and was promoted to Koç Holding Audit Group Coordinator between 2004 and 2005 and Arçelik Assistant General Manager positions in 2005-2015. He has been President for Durable Goods Group at Koç Holding since February 2015.

Mr. Fatih Kemal Ebiçlioğlu, who is a non-executive board member is not an independent member pursuant to the Corporate Governance Principles of the CMB. The positions he has undertaken for the last ten years are listed above and currently he is taking office in the boards of directors of some Koç Group companies.

**Hakan Hamdi Bulgurlu**

Having completed his graduate degree at the School of Economics and the Mechanical Engineering at Texas University, Mr. Hakan Bulgurlu completed an MBA program at Northwestern University, Kellogg School of Management and Hong Kong University of Science and Technology. He started his professional career at Ram Dış Ticaret in 1995. He worked as Sales Manager at Ram Pacific until 1996. From 1996-2000, he worked as the Far East representative of Arçelik, Beko Elektronik, Atılım A.Ş. and Beko Ticaret respectively. He was appointed as the General Manager of Ram Pacific in 2000. He worked as the CEO responsible for Arçelik-LG Klima between 2007 and 2010. In 2010, he assumed the position of Assistant General Manager responsible for sales in Europe, USA and Asia-Pacific at Arçelik A.Ş. Hakan Bulgurlu was appointed as Arçelik A.Ş. General Manager as of 17 February 2015. Bulgurlu, a Member of the Board at the Foreign Trade Association of Turkey (TURKTRADE) and the Chair of the Business Council for Turkey-Thailand at the Foreign Economic Relations Board (DEİK), is also a member of the Executive Committee of the European Committee of Domestic Equipment Manufacturers.

Mr. Hakan Hamdi Bulgurlu, who is an executive board member, is not an independent member pursuant to the Corporate Governance Principles of the CMB.

**Kadri Kaynak Küçükpınar**

Kadri Kaynak Küçükpınar completed his graduate degree at Shipbuilding Mechanical Engineering department at Naples Technical University in Italy in 1968.

He completed his military service as a reserve officer at Gölcük Shipyard at the Fleet Command in the Water and Underwater Ships Repair and Maintenance Service and following his discharge, he joined Tofaş Türk Otomobil Factory on 01.10.1970. Then he worked as a Method, Maintenance and Purchasing Engineer respectively.

He assumed the positions of Procurement Manager at Tofaş in 1975 and as the Assistant General Manager (Factory Deputy Manager) at Tofaş A.Ş. on 01.06.1986. He held that position until 31.12.1993.

He was promoted as the General Manager at Mako Elektrik Sanayii A.Ş. on 01.01.1994 and following this position until 2000, he voluntarily retired in 2001 and held the Board member seat at Mako A.Ş. until the end of 2002.

He worked as the management advisor at B-PLAS A.Ş. based in Bursa between 2003 and 2007 and he voluntarily resigned from that job.

Kadri Kaynak Küçükpınar, who is a non-executive board member meets the criteria for an independent membership according to the Corporate Governance Principles published by the Capital Markets Board (CMB). He has been holding the independent member seat at Arçelik A.Ş. Board of Directors since 28 March 2013.

### **Kamil Ömer Bozer**

Kamil Ömer Bozer studied at the Department of Business Administration in the Middle East Technical University and then he obtained a master's degree at Georgia State University (USA). Having started his work life as a trainee at Koç Holding A.Ş. in 1985, Bozer became the Vice General Manager of Maret A.Ş. in 1990 and the General Manager of Düzey A.Ş. in 1995 before he became the General Manager of Migros Türk T.A.Ş. in 2002. He was appointed as the Chair of Koç Holding A.Ş. Food, Retail and Tourism Group in 2005. He served as the Chair of Koç Holding A.Ş. Food and Retail Group between 2006-2008. From 2009 to April 2011, he served as the Chair of Koç Holding A.Ş. Tourism, Food and Retail Group.

Having serves as an Independent Member of the Board of Directors at Anadolu Efes Sanayii A.Ş., Anadolu Isuzu Otomotiv Sanayi ve Ticaret A.Ş., Adel Kalemcilik Ticaret ve Sanayi A.Ş. from 2012 to 2018, Kamil Ömer Bozer has been an Independent member of the Board of Directors at Boyner Perakende A.Ş. ve Söktaş Tekstil A.Ş. since 2017. Besides, he also served as a Member of the Board at Carrefoursa A.Ş. and Teknosa Ticaret A.Ş. from 2016 until the beginning of 2018.

Kamil Ömer Bozer has not been assigned to any other position at Arçelik A.Ş. or its affiliates for the last five years. He has no relation with the top management of Arçelik A.Ş. He does not have a direct or indirect share of over 5% in the capital of Arçelik A.Ş.; he is not an employee representative and he does not have any commercial relationship with Arçelik A.Ş. Kamil Ömer Bozer has the qualifications of being independent as defined in the Capital Market Board's Corporate Governance Principles.

### **Müzeyyen Münire Gülay Barbarosoğlu**

Professor M. M. Gülay Barbarosoğlu graduated from Robert College in 1974 and got her bachelor's degree from the Department of Industrial Engineering in Boğaziçi University in 1978, and doctorate in 1985 from the same department and university before she became a professor of industrial engineering in 2000. She designed and gave lectures in the areas of mathematical programming and optimisation, logistics, operation and production planning, and decision-making theories.

Prof. M. M. Gülay Barbarosoğlu served as the rector of Boğaziçi University from 2012 to 2016, and vice rector of research at Boğaziçi University from 2008 to 2012. She undertook various administrative tasks at Boğaziçi University, and besides being the manager of Kandilli Observatory and Earthquake Research Institute (KRDAE) from 2002 to 2006, she also served as the manager of the Center of Disaster Management, and chair of the Department of Industrial Engineering and Financial Engineering Programme.

Having undertaken significant international tasks, Prof. M. M. Gülay Barbarosoğlu was a member of the Board of Directors of European University Association from 2013 to 2017. Moreover, in addition to her duties as the Vice Chair of the Association of European Operational Research Societies (EURO) from 2003 to 2007 and the national representative at NATO Research and Technology Organisation from 2002 to 2010, she has been in close collaboration with various European universities, states and non-governmental organisations. Prof. Barbarosoğlu is a founder member of the EURO Organisational Planning European Working Group and a member of the Institute of Management Sciences (INFORMS), American Production and Inventory Control Society (APICS), International Industrial Engineering and Production Management (IEPM). Placing great importance on civil society activities, Prof. Barbarosoğlu worked actively to establish the Neighbourhood Disaster Volunteers (MAG) and served as a member and chair of the Board there. Prof. Gülay Barbarosoğlu retired from Boğaziçi University in December 2016.

Müzeyyen Münire Gülay Barbarosoğlu has not been assigned to any other position at Arçelik A.Ş. or its affiliates for the last five years. She has no relation with the top management of Arçelik A.Ş. She does not have a direct or indirect share of over 5% in the capital of Arçelik A.Ş; she is not an employee representative and she does not have any commercial relationship with Arçelik A.Ş. Müzeyyen Münire Gülay Barbarosoğlu has the qualifications of being independent as defined in the Capital Market Board's Corporate Governance Principles.

### **Mehmet Cem Kozlu**

Having got his bachelor's degree from Denison University, MBA from Stanford University and doctorate from Boğaziçi University, Mehmet Cem Kozlu worked as a manager at NCR in the US and at Procter&Gamble in Switzerland, and served as the general manager at Komili for 12 years. He worked as the General manager and Chairman of the Board at Turkish Airlines from 1988 to 1991, and as the Chair of the Association of European Airlines (AEA) in 1990. He continued his public service as a Member of Parliament from 1991 to 1995, and the Chair of the Board of Directors of Turkish Airlines from 1997 to 2003. Since 1996, Kozlu has worked at various positions at The Coca-Cola Company. Having been responsible for 51 countries in his position as the Group Chair for Vienna based Central Europe, Eurasia and Middle East before retiring in 2006, Kozlu worked as the advisor for the Eurasia & Africa Group at The Coca-Cola Company from 2007 to 2015.

Mehmet Cem Kozlu is the Chair of the Board of the Global Relations Forum, and an Independent Member of the Board of Directors of Pegasus Airlines. In addition to being a member of the boards of directors at Coca-Cola İçecek A.Ş., Anadolu Endüstri Holding, Anadolu Efes Biracılık and Malt Sanayii A.Ş. ve Do&Co Restaurants&Catering Co. (Vienna, Austria), Kozlu is also a member of the board of trustees at Anadolu-Johns Hopkins Medical Centre and İstanbul Modern Arts Foundation. Mehmet Cem Kozlu has eight books published and many articles as well as TV series about management.

Mehmet Cem Kozlu has not been assigned to any other position at Arçelik A.Ş. or its affiliates for the last five years. He has no relation with the top management of Arçelik A.Ş. He does not have a direct or indirect share of over 5% in the capital of Arçelik A.Ş; He is not an employee representative and He does not have any commercial relationship with Arçelik A.Ş.

Mehmet Cem Kozlu has the qualifications of being independent as defined in the Capital Market Board's Corporate Governance Principles.

## STATEMENT OF INDEPENDENCE

I hereby represent that, I am a candidate for carrying our duty as "independent member" in Board of Directors of Arçelik A.Ş. (Company) within the scope of criteria specified in legislation, articles of association and Corporate Governance Communiqué of Capital Markets Board and in this context;

- a) There is no employment relation at executive level that would assume material tasks, duties and responsibilities in the last five years between the Company, or such companies in which the Company controls or has a material influence over the management, or such shareholders which control or have a material influence over the Company's management and any legal entity holding management control over these shareholders, on the one hand, and myself, my spouse and next of kin by blood and affinity kinship up to second degree, and there is no individual or joint holding of more than 5% in the capital or voting stocks or preferential stocks or no material business or commercial relation has been established,
- b) I have not worked at an executive position with significant and material tasks and responsibilities or held the seat as a board member or held a shareholding (equal to or above 5%) in such companies from which the company procures goods or services from or sells goods or services to in significant volumes in line with the agreements between them, including, in particular, the supplier's or buyer's audit (including tax audit, statutory audit, internal audit), rating and consultancy services in the last five years,
- c) I have necessary professional education and training, knowledge and experience required for properly fulfilling the duties that I will undertake due to the fact that I become an independent board member,
- ç) I shall not work on a full time basis at public agencies and institutions after my appointment as the member except for the lecture position at universities in line with the applicable legislation,
- d) I am deemed to be resident in Turkey according to Income Tax Law (I.T.L.) dated 31/12/1960 and numbered 193,
- e) I have professional prestige and reputation and experience as well as strong ethical standards to make me competent enough to favourably contribute to the corporate operations, to maintain my neutrality in conflicts of interest between the company and the shareholders and to freely decide by taking into consideration the rights of interest holders,
- f) I will be able to spare enough time to follow up the process of company operations and fulfil all requirements of the duties I undertake, in full,
- g) I have not carried out a duty as board member in Company's Board of Directors for more than six years, within last ten years,
- ğ) I am not holding an independent board member position in more than five publicly traded company in total or in more than three companies in which the company or the shareholders controlling the company hold the controlling powers over the management,
- h) I am not registered and announced on behalf of and in the name of the legal entity elected as board member.

**NAME SURNAME:** Kadri Kaynak Küçükpınar  
**SIGNATURE**



15 January 2018

## STATEMENT OF INDEPENDENCE

I hereby represent that, I am a candidate for carrying our duty as "independent member" in Board of Directors of Arçelik A.Ş. (Company) within the scope of criteria specified in legislation, articles of association and Corporate Governance Communique of Capital Markets Board and in this context;

- a) There is no employment relation at executive level that would assume material tasks, duties and responsibilities in the last five years between the Company, or such companies in which the Company controls or has a material influence over the management, or such shareholders which control or have a material influence over the Company's management and any legal entity holding management control over these shareholders, on the one hand, and myself, my spouse and next of kin by blood and affinity kinship up to second degree, and there is no individual or joint holding of more than 5% in the capital or voting stocks or preferential stocks or no material business or commercial relation has been established,
- b) I have not worked at an executive position with significant and material tasks and responsibilities or held the seat as a board member or held a shareholding (equal to or above 5%) in such companies from which the company procures goods or services from or sells goods or services to in significant volumes in line with the agreements between them, including, in particular, the supplier's or buyer's audit (including tax audit, statutory audit, internal audit), rating and consultancy services in the last five years,
- c) I have necessary professional education and training, knowledge and experience required for properly fulfilling the duties that I will undertake due to the fact that I become an independent board member,
- ç) I shall not work on a full time basis at public agencies and institutions after my appointment as the member except for the lecture position at universities in line with the applicable legislation,
- d) I am deemed to be resident in Turkey according to Income Tax Law (I.T.L.) dated 31/12/1960 and numbered 193,
- e) I have professional prestige and reputation and experience as well as strong ethical standards to make me competent enough to favourably contribute to the corporate operations, to maintain my neutrality in conflicts of interest between the company and the shareholders and to freely decide by taking into consideration the rights of interest holders,
- f) I will be able to spare enough time to follow up the process of company operations and fulfil all requirements of the duties I undertake, in full,
- g) I have not carried out a duty as board member in Company's Board of Directors for more than six years, within last ten years,
- ğ) I am not an independent member of the board of director at the company or other companies managed by shareholders who have the control of management of the company; although I am currently an independent member of the board of directors at five stock exchange companies, I will end some of these positions at the ordinary board meeting to be held in 2018; if I get appointed as an independent member of the board of directors at your Company, I will not serve as an independent member of the board of directors at more than three of the companies belonging to the Company or the companies managed by shareholders who have the control of management of the company, or in total, more than five companies traded at Istanbul Stock Exchange,
- h) I have not been registered and published in the name of the legal entity which is appointed as the board member,

**NAME SURNAME:** Kamil Ömer Bozer

**SIGNATURE:**





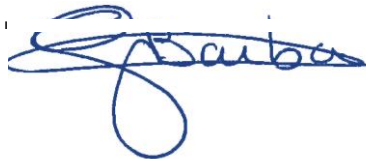
**STATEMENT OF INDEPENDENCE**

I hereby represent that, I am a candidate for carrying our duty as "independent member" in Board of Directors of Arçelik A.Ş. (Company) within the scope of criteria specified in legislation, articles of association and Corporate Governance Communiqué of Capital Markets Board and in this context;

- a) There is no employment relation at executive level that would assume material tasks, duties and responsibilities in the last five years between the Company, or such companies in which the Company controls or has a material influence over the management, or such shareholders which control or have a material influence over the Company's management and any legal entity holding management control over these shareholders, on the one hand, and myself, my spouse and next of kin by blood and affinity kinship up to second degree, and there is no individual or joint holding of more than 5% in the capital or voting stocks or preferential stocks or no material business or commercial relation has been established,
- b) I have not worked at an executive position with significant and material tasks and responsibilities or held the seat as a board member or held a shareholding (equal to or above 5%) in such companies from which the company procures goods or services from or sells goods or services to in significant volumes in line with the agreements between them, including, in particular, the supplier's or buyer's audit (including tax audit, statutory audit, internal audit), rating and consultancy services in the last five years,
- c) I have necessary professional education and training, knowledge and experience required for properly fulfilling the duties that I will undertake due to the fact that I become an independent board member,
- ç) I shall not work on a full time basis at public agencies and institutions after my appointment as the member except for the lecture position at universities in line with the applicable legislation,
- d) I am deemed to be resident in Turkey according to Income Tax Law (I.T.L.) dated 31/12/1960 and numbered 193,
- e) I have professional prestige and reputation and experience as well as strong ethical standards to make me competent enough to favourably contribute to the corporate operations, to maintain my neutrality in conflicts of interest between the company and the shareholders and to freely decide by taking into consideration the rights of interest holders,
- f) I will be able to spare enough time to follow up the process of company operations and fulfil all requirements of the duties I undertake, in full,
- g) I have not carried out a duty as board member in Company's Board of Directors for more than six years, within last ten years,
- ğ) I am not holding an independent board member position in more than five publicly traded company in total or in more than three companies in which the company or the shareholders controlling the company hold the controlling powers over the management,
- h) I am not registered and announced on behalf of and in the name of the legal entity elected as board member.

**NAME SURNAME:** Müzeyyen Münire Gülay Barbarosoğlu

**SIGNATURE:**



**STATEMENT OF INDEPENDENCE**

I hereby represent that, I am a candidate for carrying our duty as "independent member" in Board of Directors of Arçelik A.Ş. (Company) within the scope of criteria specified in legislation, articles of association and Corporate Governance Communique of Capital Markets Board and in this context;

- a) There is no employment relation at executive level that would assume material tasks, duties and responsibilities in the last five years between the Company, or such companies in which the Company controls or has a material influence over the management, or such shareholders which control or have a material influence over the Company's management and any legal entity holding management control over these shareholders, on the one hand, and myself, my spouse and next of kin by blood and affinity kinship up to second degree, and there is no individual or joint holding of more than 5% in the capital or voting stocks or preferential stocks or no material business or commercial relation has been established,
- b) I have not worked at an executive position with significant and material tasks and responsibilities or held the seat as a board member or held a shareholding (equal to or above 5%) in such companies from which the company procures goods or services from or sells goods or services to in significant volumes in line with the agreements between them, including, in particular, the supplier's or buyer's audit (including tax audit, statutory audit, internal audit), rating and consultancy services in the last five years,
- c) I have necessary professional education and training, knowledge and experience required for properly fulfilling the duties that I will undertake due to the fact that I become an independent board member,
- ç) I shall not work on a full time basis at public agencies and institutions after my appointment as the member except for the lecture position at universities in line with the applicable legislation,
- d) I am deemed to be resident in Turkey according to Income Tax Law (I.T.L.) dated 31/12/1960 and numbered 193,
- e) I have professional prestige and reputation and experience as well as strong ethical standards to make me competent enough to favourably contribute to the corporate operations, to maintain my neutrality in conflicts of interest between the company and the shareholders and to freely decide by taking into consideration the rights of interest holders,
- f) I will be able to spare enough time to follow up the process of company operations and fulfil all requirements of the duties I undertake, in full,
- g) I have not carried out a duty as board member in Company's Board of Directors for more than six years, within last ten years,
- ğ) I am not holding an independent board member position in more than five publicly traded company in total or in more than three companies in which the company or the shareholders controlling the company hold the controlling powers over the management,
- h) I have not been registered and published in the name of the legal entity which is appointed as the board member,

**NAME SURNAME:** MEHMET CEM KOZLU

**SIGNATURE:**



### **ANNEX/3 Remuneration Policy for the Members of the Board of Directors and Top Managers**

This Policy document defines the salary system and application for our board members and top managers included in the individuals having administrative responsibilities within the scope of CMB regulations.

Each year, a fixed fee are determined in general meeting, which will be valid and applied for all board members.

A payment shall be made to board member having executive powers within the scope of the policy whose details are indicated below and which is determined concerning top managers. Chairman and Members of Executive Committee who will give effective support to Company's Board of Directors in all respects concerning the company operation may be provided benefits in the amount determined by board of director by considering the contribution they make, their participations in meetings and their functions, and within the framework of opinion of Corporate Governance Committee. If payment is made to Executive Committee members within this scope during the year, this payment amount shall be deducted from the amount determined at the end of the year.

For the salaries of the independent board members, payment plans of the Company based on performance can not be used.

Payments shall be made to the board members on a pro rata basis by taking into account their office term as well as the dates of their appointment and resignation. All expenses (such as transportation, telephone, insurance expenses etc.) incurred by Board Members due to the contributions they provide may be covered by the company.

Top Managers salaries comprise of two components - fixed and performance-based.

Considering macroeconomic data in market; wage policy applicable in the market; company size; long-term targets and individuals' positions, Top Managers fixed salaries are determined in accordance with international standards and legal obligations.

On the other hand, Top Managers premiums are calculated according to company performance and personal performance. Information with respect to criteria are summarized below:

- **Premium Basis:** Premium Bases are updated at every year beginning and vary according to the work magnitude of the executives' positions. Top management policies in the market are considered when updating premium bases.
- **Corporate Performance:** The corporate performance is calculated by measuring the financial and operational targets set for the company at the beginning of every year (market share, exports volume, foreign operations, productivity etc.) by the end of the relevant period. When determining the company's objectives, the facts that the success is sustainable and involves improvements when compared to past years are the principles importantly taken into account.
- **Individual Performance:** In determination of personal performance, objectives regarding employees, customers, process, technology and long-term strategy shall be considered along with the company's objectives. When the individual performance is measured, the long term sustainable improvement principle is observed in addition to financial areas.

In case our company's top managers quit the job, post-employment premium may be paid by taking into account the period of time work, period of time worked as senior executive, contribution provided by these top managers, last target premium prior to the ending date of employment and information concerning the salary and premium paid during last year. Total amounts determined in accordance with the above-mentioned principals and paid to Top Managers and Board Members shall be submitted to the information and/or approval of the shareholders in subsequent general meeting, in accordance with the legislation.

## ANNEX/4

### POWER OF ATTORNEY

#### ARÇELİK A.Ş.

I hereby appoint Mr./ Ms..... as the proxy whose details are given below and who shall be authorized to represent me, to make proposals and vote for me and to sign necessary documents in line with my instructions below at the ordinary general assembly meeting of Arçelik A.Ş. to be held at "Divan İstanbul Oteli, Asker Ocağı Caddesi No: 1 34367 Elmadağ Şişli, İstanbul" at 10.00 on 19.03.2018 Monday.

Proxy's (\*);

Name Surname/Commercial Title:

T.R. ID No/Tax ID, Commercial Registry and Number with MERSIS number:

(\*)If applicable, submitting equivalents of information referred for Proxies with foreign nationality is mandatory.

#### A) SCOPE OF THE POWER TO REPRESENT

Scope of the power to represent must be determined by choosing either (a), (b) or (c) for the following sections numbered 1 and 2.

##### 1. Regarding the Issues in Agenda of General Assembly;

- a) The proxy shall be authorized to cast votes in line with his opinions.
- b) The proxy shall be authorized to cast votes in line with the proposals by the company's management.
- c) The proxy shall be authorized to cast votes in line with the instructions below.

Instructions:

In case the shareholder selects the option (c), instructions shall be given by marking either of the options set against the agenda item of the relevant general assembly for each agenda item (acceptance or rejection), and in case the rejection option is checked, then the dissenting opinion, if any, should be stated as it will be written on the general assembly minutes upon request.

Agenda Items	Acceptance	Refusal	Opposition Note
1. Opening and the Election of the Chairman of the Meeting			
2. Reading, discussing and approval of the Annual Report for 2017 prepared by the Company's Board of Directors			
3. Reading the Summary of Independent Audit Report for			

2017 accounting period			
4. Reading, discussing and approving the Financial Statements related to the 2017 accounting period,			
5. Acquittal of each Member of the Board of Directors in relation to the activities of company in 2017			
6. Acceptance, acceptance after amendment or refusal of the offer of the Board of Directors in accordance with the Company's profit distribution policy regarding the distribution of the profits of 2017 and the date of the distribution of profits,			
7. Determining the number and duty term of the Members of the Board of Directors, making elections in accordance with the determined number of members, selecting the Independent Members of the Board of Directors,			
8. Informing and approval of the Shareholders about the Remuneration Policy for the Members of the Board of Directors and Top Managers and the payments made within the scope of the policy in accordance with the Corporate Governance Principles,			
9. Determining the annual gross salaries of the members of the Board of Directors			
10. Approval of the Independent Auditing Institution selected by the Board of Directors in accordance with the Turkish Commercial Code and the Capital Markets Board regulations,			
11. Informing the shareholders about the donations made by the Company in 2017 and determining an upper limit for donations to be made in 2018,			
12. Informing the shareholders about the collaterals, pledges, mortgages and surety granted in favor of third parties and the income and benefits obtained in 2017 by the Company and subsidiaries in accordance with			

Capital Markets Board regulations,			
------------------------------------	--	--	--

<p>13. Authorising the shareholders holding management capacity, the Members of the Board of Directors, top managers and their spouses and relatives by blood and marriage up to the second degree within the framework of the articles 395th and 396th of Turkish Commercial Code and informing shareholders about transactions performed within the scope during 2017 as per the Corporate Governance Communiqué of Capital Markets Board,</p>			
<p>14. Wishes and opinions</p>			

If the minority shareholders have a different draft proposal, this should be also specified to ensure the cast of votes by proxy.

2. Special instruction for other issues which may arise in General Assembly and using minority rights in particular:

- a) The proxy shall be authorized to cast votes in line with his opinions.
- b) The proxy is not authorized to represent in these matters.
- c) The proxy shall be authorized to cast votes in line with the instructions below.

**SPECIAL INSTRUCTIONS;** If any, special instructions from shareholder to proxy shall be specified here.

B) Shareholder defines which shares to be represented by proxy by choosing one of the following options.

1. I hereby certify that my shares whose details are given below shall be represented by my proxy.

- a) Issue and serial:\*
- b) Number/ Group:\*\*
- c) Amount-Nominal Value:
- ç) If multiple vote securities or not:
- d) Registered to the bearer-name:\*
- e) Proportion to the total shares/ voting rights held by the shareholder:

\* This information shall not be requested for dematerialized shares.

\*\* For dematerialized shares, group information shall be given instead of the number.

2. I hereby certify and approve that all my shares set out in the list for shareholders who may attend to the general assembly issued by the Central Registry Agency of Turkey one day prior to the General Assembly Date shall be represented by the proxy.



FULL NAME OR TITLE OF THE SHAREHOLDER(\*)

T.R. ID No/Tax ID, Commercial Registry and Number with MERSIS number:

Address:

(\*)If applicable, Submitting equivalents of information referred for shareholders with foreign nationality is mandatory.