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,
- 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 factors\(^2\) 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 I
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 -

<table>
<thead>
<tr>
<th>Elements to Consider</th>
<th>Mitigating Factors</th>
<th>Aggravating Factors</th>
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<tbody>
<tr>
<td>Intention and Planning</td>
<td>• No intention to commit breach</td>
<td>• Clear intent: wilful and deliberate</td>
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<tr>
<td></td>
<td>• Action reflects a spontaneous oversight or mistake</td>
<td>• Action was planned</td>
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<tr>
<td></td>
<td>• Coercion by management to act in violation of the Code of Conduct</td>
<td>• Coercion of others to act in violation of the Code of Conduct</td>
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<td></td>
<td>• Sought advice of guidance but this was not provided, unclear or wrong</td>
<td>• Retaliatory threats against others for raising any concerns</td>
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<td></td>
<td></td>
<td>• Ignored advice provided</td>
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<td>Employment status and awareness of the Code</td>
<td>• New to company [&lt;6 months]</td>
<td>• Manager or above with leadership responsibilities</td>
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<td></td>
<td>• Junior role with no authority</td>
<td>• Prior mandated Code of Conduct education was provided but not taken or intentionally ignored</td>
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<td></td>
<td>• Long-serving employee with a strong record of integrity</td>
<td>• Not the first breach</td>
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<td>Conduct and co-operation</td>
<td>• Voluntarily reported the violation</td>
<td>• Denial of issues</td>
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<td></td>
<td>• co-operated fully with investigation</td>
<td>• Attempts to obstruct investigation</td>
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<td></td>
<td>• Acknowledged personal failures: high degree of contrition</td>
<td>• No acknowledgement of any personal failures or contrition</td>
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<td></td>
<td>• First offence under the Code of Conduct</td>
<td>• Poses a continued risk of harm to Arçelik or its employee(s)</td>
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<td>Impact</td>
<td>• No financial loss to Arçelik</td>
<td>• Material financial impact</td>
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<td></td>
<td>• No other adverse consequences to Arçelik, its employees or third parties</td>
<td>• Personal gain</td>
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<tr>
<td></td>
<td></td>
<td>• Adverse consequence to Arçelik, its employees or third parties including exposure to external investigation</td>
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Version Date: 2.12.2019