GLOBAL ANTI BRIBERY AND CORRUPTION POLICY
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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, Hospitality
- 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 effects, or appears to corruptly effect, 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 Policy.

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1 Please refer to the Global Gift and Hospitality Policy.
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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 Quality, 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.

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