GLOBAL GIFT AND HOSPITALITY POLICY
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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 bribery\(^1\) 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 source\(^2\) 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.

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\(^1\) Please refer to the Global Anti Bribery and Corruption Policy.

\(^2\) “Single source” covers all the related parties including but not limited to customers, suppliers, authorized representatives, managers or staff of these parties.
4. HOSPITALITY

a. 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

b. 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)
  - Turkey: 300 TL per person
  - 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 email 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 officials 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 Quality, 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.

3 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 fulfills 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.

4 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.

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