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# Arçelik

Human Resources  
Management  
Responsibility  
Principles

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## **1. OBJECTIVE:**

This Policy describes the conditions and rules imposed by national laws or undertaken by Arçelik voluntarily with regard to working conditions and protection of the environment in line with Arçelik's Human Resources Management Responsibility Policy.

In line with our respect for human rights approach, all employees including migrant workers, temporary employees, seasonal employees within Arçelik are recognized as equals regardless of ethnic origin, race, language, religion, age, gender, nationality, disability or cultural difference and provided benefits, wages, working conditions that are equal, in line with regulations and laws that we operate and fair.

## **2. SCOPE:**

This Human Resources Management Responsibility Policy applies to all workplaces of Arçelik.

## **3. DEFINITIONS AND ABBREVIATIONS:**

## **4. METHOD:**

According to this policy we operate in accordance with the rules of international conduct and we are dedicated to be in compliance with all relevant local laws and regulations of the countries that we operate in. Below contains some of the major principles that represent Arçelik's commitments on the matter:

- Freedom of Association and Collective Bargaining
- Anti-Discrimination, Providing Equal Opportunities
- Fair Remuneration
- Working Hours Regulations
- Occupational Health and Safety
- Child Labour Ban
- Special Protection for Young Workers
- No Precarious Employment
- No Bonded Labour
- Protection of the Environment
- Ethical Business Behaviour Principles

## **Our Human Resources Management Responsibility Policy**

We, Arçelik, comply with the national and international laws and regulations prevailing in the countries we operate in and fulfil our responsibilities towards our employees, other stakeholders and the community under a social responsibility based on continuous improvement.

For this purpose, we are committed:

- to provide equal opportunities to our employees through our universal human rights compliant processes and practices and not to tolerate any discrimination, forced labour, child labour, oppression or oppressive disciplinary action;
  - to provide a safe and healthy working environment to our employees;
  - to comply with the principle of sustainability for the protection of the environment and natural resources,
  - to support the continuous improvement of employees through trainings, other stakeholders and the community under a social responsibility based on continuous improvement.
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- to comply with the United Nations Global Compact and the Code of Conduct published by the Home Appliance Europe (APPLiA),
  - to comply with the rules of international conduct, taking the national laws as the basis on the freedom of association and collective bargaining, anti-discrimination, equal opportunities, fair remuneration, working hours, occupational health and safety, child worker ban, young workers protections, no precarious employment, no bonded labour, protection of the environment, ethical business principles in compliance with Arçelik Global Code of Conduct .

Further, we work steadfastly to become an exemplary organisation that pioneers social responsibility practices in the durable consumer goods industry by managing our activities together with Quality, Environmental, Occupational Health and Safety Management Systems in an integrated manner.

### **Arçelik's HR Management Responsibility Principles**

#### **1) Freedom of Association and Collective Bargaining**

Arçelik's employees are entitled to freedom of association and collective bargaining guaranteed by the ILO. The employees' right to collectively bargain shall be respected.

#### **2) Anti-Discrimination, Providing Equal Opportunities**

As part of Arçelik's commitment to respect human rights, all employees of the company are considered equal regardless of ethnicity, race, language, religion, age, gender, nationality, social class or disability.

We are committed to a working environment that promotes diversity and equal opportunity, equal pay for equal work where there is mutual trust, respect for human rights without discrimination. We recruit, employ and promote employees on the sole basis of the qualifications and abilities.

### 3) Fair Remuneration

The salary levels of the employees of Arçelik can not fall below the salary levels determined by the laws, regulations and collective agreements.

In addition to collective agreements, fringe benefits in-kind and in cash payable to employees are determined according to the salary and fringe benefits prevailing in the industry.

Arçelik's Salary Policy ensure that equally and competitively compensate the qualified employees who are supporting Arçelik strategies by the size of the job and the structure of the industry. This policy aims to differentiate performance by rewarding employees to motivate them. In Arçelik the compensation system is managed based on the following factors;

- Salary Markets
- Job Family Model and Job Grades
- Current Salary Structure and financial strength of the company
- Individual Performance

Please see our Salary Policy in details here:

<https://www.arcelikglobal.com/media/5555/globalsalarypolicy.pdf>

### 4) Working Hours Regulations

Arçelik recognizes the need for a healthy work-life balance for all employees. Arçelik acts in compliance with all applicable labor laws and regulations of the countries it operates regarding working hours and rights of annual leave.

### 5) Occupational Health and Safety

Arçelik endeavours to create a healthy and safe workplace for all employees and guests, within the framework of an Occupational Health and Safety Management System based on continuous development, in the light of national and international legislation and regulations in the countries where it operates.

All measures are taken in Arçelik, with the participation of relevant units and employees, to minimise health and safety risks in the workplace and to avoid possible work related accidents and occupational diseases.

Training and communication activities are organized for raising awareness and increasing knowledge of Arçelik employees about Occupational Health and Safety (OHS).

Arçelik carries out workplace surveillance and health surveillance of its employees, taking into account the legal requirements, hazards and risks.

As part of its **Occupational Health and Safety (OHS)** activities, Arçelik monitors the health conditions and makes necessary plans for our employees who are at special risk groups (pregnant and lactating women workers, disabled employees, etc.), considering their working restrictions.

Arçelik constantly monitors and controls the general hygiene conditions of the building and its annexes including the canteen, refectory, dormitory, nursery and breastfeeding rooms, changing rooms, showers /toilets. Arçelik provides its employees food, drinking and usage water.

Arçelik always provides its employees required personal protective equipment (PPE) free of charge, appropriate to the hazards and risks.

## 6) Child Labour Ban

Arçelik does not employ children that falls into the definition as stipulated by ILO Convention, notwithstanding any national law or local regulation and complies with all other applicable child labour laws, including those related to wages, hours worked, overtime and working conditions.

## 7) Prevention of Employee Abuse

Arçelik does not allow any form of forced labour, bonded labour, permanent apprenticeship, or illegal labour.

Employees have the right to freely quit work and terminate their employment contract, provided they comply with the notice periods specified in the applicable laws, regulations and the collective labour agreements.

Employees may not be subjected to degrading treatment, mental or physical pressure, physical punishment, or verbal abuse.

## 8) Inclusion and Protection of Employees

"Employee Engagement Survey" is conducted in our company each year regularly, and the opinions and suggestions of the employees are obtained and evaluated by the management of the company.

Our current practices for employees are reviewed in line with the feedback provided by this survey conducted by an independent consulting firm, and new action plans are made for increasing the employees' loyalty.

Further, regular communication meetings are held by the human resources managers in the plants to obtain the opinions and suggestions of employees on social responsibility issues, and these opinions and suggestions are evaluated by the company management.

## 9) Environmental Management

Within the framework of our vision of "Respecting the World, Respected the Worldwide" as stated in the Arçelik's Environmental Policy, as Arçelik and its employees, we commit to ensure continuous improvement of our environmental management system, and the protection of the environment to increase our environmental performance in all our processes in line with the principles of sustainable development and circular economy by the relevant national and international legal laws and regulations.

We perform Environmental Management System in integration with our Quality, Energy, Occupational Health and Safety, Greenhouse Gas Management Systems, sustainability approach, and Global Business Ethics Principles.

## 10) Global Code of Conduct and Related Policies

Arçelik Global Code of Conduct explains how we should behave, what we should pay attention to and what behaviors we should avoid in business, in order to adapt it to Arçelik's ever-growing and expanding structure. Our leaders are responsible from setting examples with their attitudes by leading our employees and making business decisions in accordance with the Global Code of Conduct and related Code Policies.

All of our employees and business partners, including our temporary employees and interns, are obliged to comply with the Global Code of Conduct and Related Code Policies, and we expect them to internalize and comply with these rules.

In addition to basing our behavior standards on the Global Code of Conduct and Related Code Policies, we also describe the rules for combating corruption, guaranteeing that employees work in decent working environments, setting the standards for the protection of information and data, and guiding our behavior models that we adopt in our external relations. With these policies, we also commit to providing a work environment where human rights are respected, and employees work based on mutual trust without discrimination.

Our employees sign that they have received the Global Code of Conduct and Related Code Policies on their start date of employment. In addition, we provide our employees with training on Global Code of Conduct and Related Code Policies, including combating bribery and corruption, and we regularly check the completion status of these trainings.

### Whistleblowing Mechanism

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

Notifications about actions that are incompatible with the Global Code of Conduct and Related Code Policies can be made via the website-based ethics hotline and e-mail. Producing countries receive notifications the same way, but with the addition of an ethics phone line. Arçelik is committed to protecting those who provide such information and handles all notifications confidentially.

The following reporting channels can be used to report suspicious behaviour contrary to this Policy or violation of the rules in this Policy.

Web: [www.ethicsline.net](http://www.ethicsline.net) E-mail: [arcelikas@ethicsline.net](mailto:arcelikas@ethicsline.net)

Telephone:

Bangladesh	09610-998483	South Africa	0-800-995-840	Romania	0800 360 146	Thailand	085-980-2086
China	400-120-8539	Pakistan	00800-90-033-040	Russia	8-800-301-37-64	Turkey	0850 281 61 18

**5. APPENDICES:****6. REFERENCES:**

Arçelik's Sustainability Report  
United Nations Global Compact  
Arçelik Global Code of Conduct and related Code  
Policies.  
ILO Conventions and Recommendations on Child Labour  
Local Collective Agreements  
Local Remuneration Procedures  
Local Fringe Benefits Procedures  
Arçelik's Environmental Policy