

# INFORMATION NOTE FOR THE 2020 ORDINARY GENERAL ASSEMBLY MEETING HELD ON 23.03.2021

## 1. INVITATION FOR THE GENERAL ASSEMBLY MEETING TO BE HELD ON 23/03/2021

With the purpose of examining the works of the year 2020 and discussing and also making decisions about the following written agenda, our Company's Ordinary General Assembly Meeting is scheduled to be held on March 23, 2021 - Tuesday at 14:00 at "Divan İstanbul Oteli, Asker Ocağı Caddesi No:1 34367 Elmadağ Şişli, İstanbul (Tel: 0 212 315 55 00, Fax: 0 212 315 55 15)".

A detailed Information Note for 2020 which includes Financial Statements, an Independent Audit Report, proposal for Profit Distribution, as well as the details on Compliance with Corporate Management Principles and Sustainability Principles, and required details and explanations with the said agenda items and the regulations by the Capital Markets Board shall be made available at the Head Office, on the official website of the company at [www.arcelikas.com](http://www.arcelikas.com) and on the Electronic General Meeting System of the Central Registry Agency for review by our Esteemed Shareholders, three weeks in advance of the meeting.

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 power of attorney which is mandated under the Communiqué and is not in compliance with the power of attorney sample attached to the invitation to the general assembly meeting, shall not be accepted due to our legal liabilities.**

Our Shareholders who are to cast vote using the Electronic General Meeting System are kindly requested to obtain information from the Central Registry Agency, the official website of the company at [www.arcelikas.com](http://www.arcelikas.com) or from the Head Office of the company (Tel:0 212 314 31 14 - 314 31 47) so that they could fulfill their obligations in accordance with the provisions of the relevant Regulations and Communiques.

Pursuant to the 4th paragraph of Article 415 of the Turkish Commercial Code No. 6102 and the 1st paragraph of Article 30 of the Capital Markets Law, the right to attend the general meeting and the right to cast vote at the general meeting is not subject to the requirement regarding the deposit of share certificates. In this framework, where our shareholders wish to attend the General Meeting, they shall not be required to have their shares blocked.

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.

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 Anonim Şirketi, which has been disclosed to the public at [www.arcelikas.com](http://www.arcelikas.com).

We would like to highlight that due to the Covid-19 pandemic that has affected the whole world, the meeting will be held in accordance with the pandemic rules laid out by the official authorities and that any new rules to be announced by said authorities must be followed closely by our shareholders.

In this context:

- Considering the current pandemic conditions and the restrictions on gatherings laid out in the relevant regulations by public authorities, this year, no guests except for our shareholders shall be allowed in the general assembly meeting hall in order to protect the health of the community.
- Fevers of the guests shall be checked at the entrance of the building/room where the meeting is to be held.
- It is obligatory to wear a mask when entering the meeting venue and during the meeting itself.
- There shall be no food or drinks during the general assembly meeting.

Media organs have been invited to our general assembly 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 Sötlüce 34445 Beyođlu-Istanbul  
Commercial Registry and Number: Istanbul - 54957

Mersis No: 0073001800000022

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

Out of the additional statements required to be made under “Corporate Governance Communiqué” of Capital Markets Board (CMB) numbered II-17.1, the statements concerning the agenda items are indicated hereafter while other mandatory general statements are presented for your information in this section:

### 2.1 Partnership Structure and Voting Rights

Information about total number of shares and voting rights reflecting the joint undertaking’s partnership structure, number of privileged shares representing each privileged share group if privileged shares exist in partnership capital and nature of voting rights and privileges as of the announcement date of this Memorandum of Information are presented below:

The Company’s issued capital is 675,728,205 TRY, and the said issued capital has been 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.

<b>SHAREHOLDER</b>	<b>CAPITAL PERCENT AGE (%)</b>	<b>NOMİNAL SHARE AMOUNT (TRY)</b>	<b>NUMBER OF SHARES AND RIGHT TO VOTE (Qty.)</b>
KOÇ FAMILY	8.67	58,590,762.03	5,859,076,203
KOÇ HOLDİNG A.Ş.	40.56	274,069.625.03	27,406,962,503
KOÇ HOLDİNG PENSION AND SUPPORT FUND FOUNDATION	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 FOUNDATION	0.12	808,976.88	80,897,688
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>

Majority of Koç Holding A.S. shares belong to the members of Koç Family.

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

Below are the changes to our corporation’s management and activities, as well as the justifications for them which will significantly affect the partnership activities happened in the previous accounting period or are planned to happen in the next accounting period:

Remarks on special situations made by our company as per the relevant legislation can be found on [www.arcelik.com](http://www.arcelik.com).

In line with our strategy to grow in the emerging markets, a Share Purchase Agreement was signed between Arçelik A.Ş and Hitachi Global Life Solutions, Inc., in order to form a partnership where Arçelik A.Ş. will have the majority share in the global home appliances market outside Japan. Relevant information was published on the Public Disclosure Platform on 16.12.2020. As explained in said announcement, if the closure conditions in this agreement are met, the parties shall sign a Joint Venture Agreement, a Brand License Agreement and other relevant agreements.

Beko Electrical Appliances Co. Ltd., our subsidiary, 100% of whose capital we own indirectly through Ardutch B.V., handed over the manufacturing facility in Jiangsu, People's Republic of China, as well as its land tenure and the fixed assets at the facility, to Jiangsu Konka Smart Home Appliances Co. Ltd. for a final price of 112,346,397 CNY (approximately 139 million TRY) after deducting the VAT viability. Relevant information was published on the Public Disclosure Platform on 11.11.2020.

Business activities of Token Finansal Teknolojiler A.Ş., which got out of our corporation and became our 100% subsidiary in 2018, have become increasingly irrelevant to the activities of our company due to the rapid transformation of payment technologies in recent years. In this regard, with the aim of focusing on our main area of business, the shares we held at Token Finansal Teknolojiler A.Ş. were transferred to Koç Holding A.Ş. and Temel Ticaret ve Yatırım A.Ş. Relevant information was published on the Public Disclosure Platform on 30.04.2020.

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

Cases where requests -regarding the agenda submitted by shareholders of partnership to the Investment Relations Department in written for adding an item to the agenda- are rejected by the board of directors are given below together with the rejected proposals and the reasons underlying the rejection:

No such proposal has been sent for the Ordinary General Assembly meeting in which 2020 operations shall be discussed.

### **3. OUR EXPLANATIONS IN CONNECTION WITH THE AGENDA ITEMS TO BE DISCUSSED IN THE ORDINARY GENERAL ASSEMBLY MEETING DATED 23.03.2021**

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

Within the framework of provisions of "Turkish Commercial Code (TCC) no. 6102" "Principles and Procedures of the Incorporated Companies General Assembly meetings and the Regulations of the Ministry of Customs and Trade Representatives Who Attend These Meetings" ("Regulations" or "General Assembly Regulations") and Article 7 of General Assembly Internal Directive. 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 approval of the Annual Report for 2020 as issued and prepared by the Company's Board of Directors;**

Subject to TCC, the Regulation and the Capital Markets Law, information about the 2020 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 Summarized Version of the Independent Audit Report for 2020 accounting period;**

The General Assembly shall be briefed and 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, discussing and approving the Financial Tables related to the 2020 accounting period,**

Within the framework of TCC, Regulation and regulations concerning Capital Markets Law, information shall be provided about our financial reports 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.tr](http://www.arcelikas.com.tr) shall be submitted to the review and approval of our shareholders.

**5. Discharge of the Members of the Board of Directors severally in relation to the activities of company in 2020,**

In line with the provisions of TCC and the Regulation, the individual discharges of our Board members from 2020 business operations, accounts and transactions shall be submitted for the approval of the General Assembly.

**6. Acceptance of, acceptance upon amendment of, or rejection of the Board proposal which is drafted in line with the Company's dividend distribution policy for the distribution of 2020 profit and the dividend distribution date,**

According to financial statements belonging to the accounting period 01.01.2020 - 31.12.2020 which were prepared in compliance with Turkish 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 For the Period" pertaining to parent in the amount of 2,847,839,197.08 TRY; 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. Acceptance, acceptance upon amendment, or rejection of the Board proposal about the amendment of Article 6 (titled "Capital") of the Company's Articles of Association;**

According to the Turkish Commercial Code and the Capital Markets Law, it is possible to increase the capital with a decision by the board of directors up to the upper limit of registered capital, without need for a decision by the general assembly. The permission for registered capital upper limit is given for 5-year periods; at the end of 5 years, it can be extended for 5 years maximum with the decision of the general assembly.

Arçelik A.Ş.'s registered capital upper limit of 1,500,000,000 TRY was determined to be applicable for the period between 2017 and 2021 with the change made to the articles of association in 2017. In this regard, the Change to the Articles of Association in ANNEX/2 shall be submitted to the General Assembly for approval with Board Decision dated 27.01.2021, due to the fact that Article 6 of the Articles of Association should be amended in order to extend Arçelik A.Ş.'s registered capital upper limit, which has expired in 2021, for another 5 years for the period between 2021 and 2025. For said change to the Articles of Association, approval dated 03.02.2021 was obtained from the Capital Markets Board and approval dated 12.02.2021 was obtained from the Ministry of Commerce.

**8. According to the Capital Markets Law and the relevant regulations; acceptance, acceptance upon amendment or rejection of the Pledging of Shares, in order to pledge Arçelik Pazarlama A.Ş. dealers' shares they have in Arçelik A.Ş. -for securing purposes- in exchange for Arçelik A.Ş.'s receivables from them,**

As disclosed to the public on 22.02.2021, as per the Turkish Commercial Code, Capital Markets Law and the Capital Markets Board's Communiqué on Repurchased Shares as well as the Capital Markets Board's opinion dated 25.01.2021 on the subject matter, it was decided to implement a program for pledging the shares that belong to dealerships that owe to Arçelik A.Ş. (in scope of the provisions of the Capital Markets Law) with the aim of consolidating the security structure of our subsidiary Arçelik Pazarlama A.Ş. , being able to benefit from easy methods in security releasing processes, and increasing the diversity and liquidity of securities. Detailed information on this subject matter is given in ANNEX/3 and said program shall be submitted to our partners for approval.

**9. To determine the number of Board members and the length of their office term, to make appointments based on the agreed number of members and to appoint the Independent Board members;**

New board members who will replace the board member 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. Also with the purpose of compliance with CMB's Corporate Governance Communiqué no. II-17.1, election of independent members shall be made.

According to article 10 of our Articles of Association; our Company are managed by a Board of Directors to be elected for maximum 3 years and consisting of minimum 5 members, within the scope of Turkish Commercial Code provisions. General Assembly may decide to renew the Board of Directors even if office term does not expire.

Out of the Board Members to be elected, 4 members must be in conformity with independency criteria defined in CMB's mandatory Corporate Governance Principles.

Upon the suggestion of Corporate Governance Committee which evaluates the candidates notified to it, Mr. Kâmil Ömer Bozer, Ms. Müzeyyen Münire Gülay Barbarosoğlu, Mr. Ahmet Turul and Mr. Tuğrul Fadılhoğlu were elected as Independent Members of Board of Directors by the decision made by our Board of Directors. In the letter dated 05.02.2021, the Capital Markets Board stated there was no negative opinions about the candidates.

ANNEX/4 shows the resumes of our Board member nominees and the candidates for independent membership.

**10. The approval and informing of the Shareholders about their payments within the Wages Policy for the Members of the Board of Directors and Top Level Managers in accordance with the Corporate Governance Principles,**

Salary principles for Members of Board of Directors and Senior Executives are required to be put in writing as per CMB's mandatory Corporate Governance Principle no. 4.6.2 and it is required to provide shareholders opportunities to present their opinion by submitting these salary principles to the information of shareholders as a separate item in General Assembly Meeting. Revised remuneration policy prepared with this purpose in mind can be found in ANNEX/5. As it was mentioned in Note 32 to our financial statements for the 2020 financial year, Arçelik A.Ş. provided such benefits for a total sum of 111,245 thousand TRY to the Board Members, the CEO, CEO Assistants and the Directors that directly report to the CEO in 2020.

**11. Determining the annual gross fees of the members of the Board of Directors**

Under our revised Remuneration Policy submitted for the approval of shareholders in Agenda 10, the amount of the annual gross remuneration payable to our Board members for 2021 financial year shall be determined by our shareholders.

**12. Approval of the Independent Auditing Firm selection made by the Board of Directors In accordance with the Turkish Commercial Code and the Capital Markets Board,**

In line with Turkish Code of Commerce and the Capital Markets Board regulations, the Board of Directors resolved in its resolution dated 12.02.2021, upon consultation with the Audit Committee, that PwC Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik Anonim Şirketi should be appointed for the audit of our Company's financial reports in its 2021 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.

**13. To approve the Donation and Sponsorships Policy; To give information to the shareholders about the donations and grants by the Company in 2020 and to agree and set a cap for the donations and grants to be done in 2021,**

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 societies during 2020 is 29,627,641.04 TRY. 24,500,000.00 TRY of this amount was donated to Vehbi Koç Foundation - Koç University Working Fund, 4,060,594.38 TRY was donated to hospitals and for ventilators due to the Covid pandemic, and 922,174.00 TRY was donated to Koç University - Anatolian Scholarship Program; the balance amount is comprised of donations made to various institutions and organizations and it does not fall into the category of important information. Furthermore, the upper limit for the donations to be made in 2021 shall be determined by the General Assembly, and the Donations and Sponsorships Policy that the Board of Directors is currently working on shall be submitted to the General Assembly for approval.

**14. The Shareholders were duly informed about the guarantees, pledges, mortgages and suretyships given by the Company and its subsidiaries in favor of third parties in 2020 pursuant to the Capital Markets Board regulations as well as about the income and benefits derived from them.**

Pursuant to Article 12 of the Corporate Governance Communique no II-17.1 of the Capital Markets Board, income and revenues generated from guarantees, pledges, mortgages, and suretyships given and issued by our Company and its subsidiaries in favor 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 16 to our Financial Statements dated 31.12.2020.

**15. Giving permission to the shareholders that control the management, the Board Members, the top level executives and their spouses and next of kin by blood and affinal kinship up to second degree in line with Articles 395 and 396 of Turkish Code of Commerce, and giving information to the shareholders about the transactions taken in this respect in 2020 in line with the Capital Markets Board Corporate Governance Communique,**

Our Board Members may carry out a transaction only upon the approval of General Assembly within the first clause under Article 395 of the TCC, titled "Prohibition of Transactions with Company" and Article 396, titled "Non-Competition,".

Pursuant to mandatory Corporate Governance Principle no. 1.3.6 of CMB; in case shareholders holding management control, board members, officials having executive responsibilities and their spouses and their secondary relatives by blood and by marriage carry out a significant transaction that might cause conflict of interest with partnership or subsidiaries and/or might be of any kind included in the operation field of partnership or subsidiaries, on its own account or vicariously or enter into another partnership as general partner, aforementioned transactions

shall be included in general assembly agenda as a separate agenda item so as to provide detailed information with respect to the subject in general assembly and processes into general assembly minute.

To do what is necessary for these regulations, our partners shall be asked for their permission in the General Assembly Meeting. Furthermore, our partners shall be informed about the transactions of such nature made within the year; some of the shareholders that have control in terms of management, some members of the board, some managers with administrative duties, as well as their spouses and some of their relatives by blood and by marriage up to the second degree, are serving as members of the board at some other Koç Group companies that have similar areas of business as our Company. In 2020, there was no significant transaction that required to inform people as per Principle No. 1.3.6 of the Communiqué on Corporate Management.

#### **16. Wishes and Comments.**



**ANNEX:**

- ANNEX/1** Board of Directors' Proposal for the Profit Distribution for 2020
- ANNEX/2** Changes to the Articles of Association and the Relevant Decision by the Board of Directors
- ANNEX/3** Arçelik Pazarlama A.Ş. Shares Pledging Program
- ANNEX/4** Resumés of Candidate Members of the Board of Directors and the Statements of Independence of Independent Candidate Members
- ANNEX/ 5** Remuneration Policy for Board Members and Top Level Executives

## **ANNEX/1 Board of Directors' Proposal for the Profit Distribution for 2020**

Board of Directors of our company made the following decision on 19.02.2021.

Financial statements for the accounting period between 01.01.2020 and 31.12.2020, which were prepared by the management of Arçelik A.Ş. as per Turkey Financial Reporting Standards (TFRS) and audited by PwC Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş., were reviewed and accepted, and considered appropriate to be submitted to the General Assembly.

After reviewing said financial statements as well as those created according to the books kept as per the provisions of the Tax Procedure Law;

According to the financial statements prepared according to the TFRS, it was seen that the parent company's net profit for the year was 2,847,839,197.08 TRY and according to the Tax Procedure Law records, it was seen that the current year profit was 2,942,427,867.89 TRY;

a) It was seen that the general statutory reserve fund at a rate of 5% -that must be set aside as per Article No. 519 of the Turkish Commercial Code- should not be set aside for 2020 since the current general statutory reserve fund reached the 20% limit of the capital as of 31.12.2020,

It was seen that when the donations of 29,627,641.04 TRY were added to the net period profit of 2,847,839,197.08 TRY obtained according to the financial statements prepared as per the TFRS, the dividend base is 2,877,466,838.12 TRY,

It was seen that according to the financial statements prepared according to the Tax Procedure Law, the distributable net profit for the period is 2,903,650,142.91 TRY

Accordingly, it was decided for the following decisions:

b) According to the Capital Market Legislation, profit distribution article of the Company's Articles of Association, and the Company's Profit Distribution Policy approved by shareholders in the General Assembly Meeting held on 27.03.2014; taking into account the market expectations, our Company's long term strategies, investment and funding policies, profitability and cash situation;

1,438,733,419.06 TRY to be designated as first dividend for shareholders,

61,266,580.94 TRY to be designated as second dividend for shareholders,

146,621,358.98 TRY to be designated as the general legal reserve,

and

c) For 1,500,000,000.00 TRY, which is the sum of the first and second dividends to be paid to the shareholders, to be paid in cash;

d) In the case that the profit distribution proposal above is accepted by the General Assembly, based on our records prepared according to the Tax Procedure Law, the dividend of 1,500,000,000.00 TL that will be paid to the shareholders to be paid from other incomes in the current year; and 146,621,358.98 TL, which is the secondary legal reserve, to be paid from other incomes in the current year;

e) To reserve 1,257,028,783.93 TRY -which is the amount remaining after deducting the general legal reserve and the dividend paid to the shareholders from the current year profit according to the Tax Procedure Law, as the excess reserve; and to transfer 1,201,217,838.10 TRY -which is the amount remaining after the 1.500.000.000.00 TRY of dividend according to the TFRS records and the general legal reserve of 146.621.358.98 TRY are paid from the net profit for the period- to the periods for the previous year;

f) For full-fledged taxpayer organizations, and our limited taxpayer organization partners that have profit share through a workplace or a permanent representative in Turkey, to pay 2.2198274 TRY gross=net cash dividend at a ratio of 221.98274% for a share that has a nominal value of 1.00 TRY; and for other shareholders, to pay a gross dividend of 2.2198274 TRY at a ratio of 221.98274% and a net dividend of 1.8868532 TRY at a ratio of 188.68532% for a share that has a nominal value of 1.00 TRY.

g) The dividends to be paid on 29.03.2021.

It was decided to submit the above decisions for the approval of our shareholders in our Company's Ordinary General Assembly Meeting to be held on 23.03.2021.

<b>ARÇELİK A.Ş. Year 2020 Profit Distribution Table (TL)</b>		
<b>1. Paid-In / Issued Capital</b>		<b>675,728,205.00</b>
<b>2. Total Legal Reserves (According to Legal Records)</b>		<b>409,116,604.81</b>
<b>Information on privileges in dividend distribution, if any, in the Articles of Association:</b>		
	<b>Based on CMB Regulations</b>	<b>Based on Legal Records</b>
<b>3. Current Period Profit</b>	3,466,755,275.53	2,942,427,867.89
<b>4. Taxes Payable (-)</b>	618,916,078.45	38,777,724.98
<b>5. Net Current Period Profit</b>	<b>2,847,839,197.08</b>	<b>2,903,650,142.91</b>
<b>6. Losses in Previous Years (-)</b>	0.00	0.00
<b>7. Primary Legal Reserve (-)</b>	<b>0.00</b>	<b>0.00</b>
<b>8. NET DISTRIBUTABLE CURRENT PERIOD PROFIT</b>	<b>2,847,839,197.08</b>	<b>2,903,650,142.91</b>
<b>9. Donations Made during the Year (+)</b>	29,627,641.04	
<b>10. Donation-Added Net Distributable Current Period Profit on which First Dividend Is Calculated</b>	<b>2,877,466,838.12</b>	
<b>11. First Dividend to Shareholders</b>	<b>1,438,733,419.06</b>	
* Cash	1,438,733,419.06	
* Stock		
* Total	<b>1,438,733,419.06</b>	
<b>12. Dividend Distributed to Owners of Privileged Shares</b>	0.00	
<b>13. Other Dividend Distributed</b>	0.00	
* To the Employees		
* To the Members of the Board of Directors,		
* To None Shareholders		
<b>14. Dividend to Owners of Redeemed Shares</b>	0.00	
<b>15. Second Dividend to Shareholders</b>	61,266,580.94	
<b>16. Secondary Legal Reserves</b>	<b>146,621,358.98</b>	
<b>17. Statutory Reserves</b>		
<b>18. Special Reserves</b>		
<b>19. EXTRAORDINARY RESERVES</b>	<b>1,201,217,838.10</b>	<b>1,257,028,783.94</b>
<b>20. Other Distributable Resources</b>	0.00	0.00

<b>ARÇELİK A.Ş. Year 2020 Dividend Rates Table</b>					
<b>Share Group</b>	<b>CASH DIVIDEND AMOUNT (TL) - NET</b>	<b>STOCK DIVIDEND AMOUNT (TL)</b>	<b>TOTAL DIVIDEND AMOUNT (TL) / NET DISTRIBUTABLE CURRENT PERIOD PROFIT (%)</b>	<b>DIVIDEND TO BE PAID FOR SHARE WITH PAR VALUE OF 1 TL - NET (TL)</b>	<b>DIVIDEND TO BE PAID FOR SHARE WITH PAR VALUE OF 1 TL - NET (%)</b>
- - -	1.412.835.000	0.00	49,61	1.8868533	188.68533
<b>TOTAL</b>	<b>1.412.835.000</b>	<b>0.00</b>	<b>49,61</b>	<b>1.8868533</b>	<b>188.68533</b>

**Dividend Rate Table Explanations**

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

(\*\*) The dividend shall be distributed from TRY 1,412,835,000.00 current year earnings. The withholding tax shall be charged to such non-exempted portion of 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 Changes to the Articles of Association and the Relevant Decision by the Board of Directors**

Arçelik A.Ş. Board of Directors made the following decision on 27.01.2021.

### **DECISION:**

It was decided to make an application to the Capital Markets Board and the Ministry of Commerce to amend Article 6 of the Articles of Association of our Company so as to extend the validity of the registered upper limit of capital, and if permissions are obtained as we proposed, to submit the new text below for the approval of the shareholders in the first General Assembly Meeting to be held.

### **NEW TEXT**

#### **Article 6 - CAPITAL**

The Company accepted the registered capital system in accordance with the terms of Law No. 6362 and switched to this system with the permission of the Capital Markets Board dated 28.10.1982 and numbered 61.

The registered authorized stock of the company is 1,500,000,000 TL (One billion and five hundred million Turkish Liras), and this amount has been divided into 150,000,000,000 (One hundred and fifty billion) shares that are in the name of the holder with a nominal value of 1 (One) Kurush each.

The permission for the registered authorized stock granted by the Capital Markets Board shall be valid between **2021-2025** (for 5 years). In order for the Board of Managers to take another decision for capital increase after the year **2025** even if the permitted registered capital ceiling could not be achieved by the year **2025**, it must get authorization from the General Assembly for an extension period (on the condition that it does not exceed 5 years) for getting another permission from the Capital Markets Board for the previously allowed ceiling or for the amount of a new ceiling. In case of failure in getting the mentioned authorization, such company will not be able to increase the capital with a decision by the Board of Directors.

The Company's issued capital is 675,728,205 TRY (six hundred seventy five million seven hundred twenty eight thousand two hundred and five), and the said issued capital has been paid in full and free of collusion.

Shares representing the capital shall be followed from the registrations within the frame of denomination principles.

The capital of the Company can be increased or decreased when necessary under the Turkish Code of Commerce and Capital Markets Law.

The Board of Directors has the authorization -when deemed necessary and in line with the laws of the Capital Market Law- to take decisions about increasing the issued capital by issuing new shares up to the registered authorized stock, restricting the rights of the privileged shareholders and restricting the shareholders' right to buy new shares, and to issue shares at a level below the premium or nominal values. The authorization to buy new shares cannot be used in a way that will cause inequality amongst shareholders.

**ARÇELİK ANONİM ŞİRKETİ - AMENDMENT TO THE ARTICLES OF ASSOCIATION**

FORMER TEXT	NEW TEXT
<p><b>Article 6 - CAPITAL</b></p> <p>The Company accepted the registered capital system in accordance with the terms of Law No. 6362 and switched to this system with the permission of the Capital Markets Board dated 28.10.1982 and numbered 61.</p> <p>The registered authorized stock of the company is 1,500,000,000 TL (One billion and five hundred million Turkish Liras), and this amount has been divided into 150,000,000,000 (One hundred and fifty billion) shares that are in the name of the holder with a nominal value of 1 (One) Kurush each.</p> <p>The permission for the registered authorized stock granted by the Capital Markets Board shall be valid between 2017-2021 (for 5 years). In order for the Board of Managers to take another decision for capital increase after the year 2021 even if the permitted registered capital ceiling could not be achieved by the year 2021, it must get authorization from the General Assembly for an extension period (on the condition that it does not exceed 5 years) for getting another permission from the Capital Markets Board for the previously allowed ceiling or for the amount of a new ceiling. In case of failure in getting the mentioned authorization, such company will not be able to increase the capital with a decision by the Board of Directors.</p> <p>The Company's issued capital is 675,728,205 TRY (six hundred seventy five million seven hundred twenty eight thousand two hundred and five), and the said issued capital has been paid in full and free of collusion.</p> <p>Shares representing the capital shall be followed from the registrations within the frame of denomination principles.</p> <p>The capital of the Company can be increased or decreased when necessary under the Turkish Code of Commerce and Capital Markets Law.</p> <p>The Board of Directors has the authorization - when deemed necessary and in line with the laws of the Capital Market Law- to take decisions about increasing the issued capital by issuing new shares up to the registered authorized stock, restricting the rights of the privileged shareholders and restricting the shareholders' right to buy new shares, and to issue shares at a level below the premium or nominal values. The authorization to buy new shares cannot be used in a way that will cause inequality amongst shareholders.</p>	<p><b>Article 6 - CAPITAL</b></p> <p>The Company accepted the registered capital system in accordance with the terms of Law No. 6362 and switched to this system with the permission of the Capital Markets Board dated 28.10.1982 and numbered 61.</p> <p>The registered authorized stock of the company is 1,500,000,000 TL (One billion and five hundred million Turkish Liras), and this amount has been divided into 150,000,000,000 (One hundred and fifty billion) shares that are in the name of the holder with a nominal value of 1 (One) Kurush each.</p> <p>The permission for the registered authorized stock granted by the Capital Markets Board shall be valid between <b>2021-2025</b> (for 5 years). In order for the Board of Managers to take another decision for capital increase after the year <b>2025</b> even if the permitted registered capital ceiling could not be achieved by the year <b>2025</b>, it must get authorization from the General Assembly for an extension period (on the condition that it does not exceed 5 years) for getting another permission from the Capital Markets Board for the previously allowed ceiling or for the amount of a new ceiling. In case of failure in getting the mentioned authorization, such company will not be able to increase the capital with a decision by the Board of Directors.</p> <p>The Company's issued capital is 675,728,205 TRY (six hundred seventy five million seven hundred twenty eight thousand two hundred and five), and the said issued capital has been paid in full and free of collusion.</p> <p>Shares representing the capital shall be followed from the registrations within the frame of denomination principles.</p> <p>The capital of the Company can be increased or decreased when necessary under the Turkish Code of Commerce and Capital Markets Law.</p> <p>The Board of Directors has the authorization - when deemed necessary and in line with the laws of the Capital Market Law- to take decisions about increasing the issued capital by issuing new shares up to the registered authorized stock, restricting the rights of the privileged shareholders and restricting the shareholders' right to buy new shares, and to issue shares at a level below the premium or nominal values. The authorization to buy new shares cannot be used in a way that will cause inequality amongst shareholders.</p>

### **ANNEX/3 Arçelik Pazarlama A.Ş. Shares Pledging Program**

Board of Directors of our subsidiary Arçelik Pazarlama A.Ş. decided, in accordance with the current security structure, that for the dealerships that own a share in Arçelik A.Ş., the pledge to be applied to said shares in return for the receivables from these dealerships shall be considered a guaranty as per the provisions of the Capital Markets Board Law, by means of a contract of guaranty in this context, with aims of consolidating the security structure of the company, being able to benefit from easy methods in guarantee release processes, and increasing the diversity and liquidity of securities.

In the stipulated structure, a contract of guaranty shall be signed between the dealerships and Arçelik Pazarlama A.Ş. as per Article 47 of the Capital Markets Board Law to ensure that the relevant common stocks are considered a security, that the ownership of the shares shall remain with the dealership that gives the guaranty, and the guaranty shall be monitored from the subaccounts created for the dealerships in the Central Registry Agency. If the dealership goes into default, the shares that are considered a guaranty shall be sold to third parties on the stock market as per the relevant regulations, and from the amount that was obtained with such sales, the amount that equals to the receivables shall be transferred to Arçelik Pazarlama A.Ş. Therefore, said shares shall never be owned by Arçelik A.Ş. or Arçelik Pazarlama A.Ş. in this process. This differentiates the planned procedure from the repurchase program regulated in the Communiqué on Repurchased Shares (the “Communiqué”) of the Capital Markets Board; opinion of the Capital Markets Board was reviewed to confirm that some provisions in the Communiqué do not need to be concretely adapted to the case in question.

Main aspects of the program designed in this regard are as below:

- The program, which is about pledging the shares Arçelik Pazarlama A.Ş. dealerships have in Arçelik A.Ş. in return for the company’s receivables from them, shall be presented to the shareholders in the General Assembly Meeting of Arçelik A.Ş. so that the relevant procedures can be commenced.
- Since the amount of shares, which are to be transacted in the program that will be applied in compliance with the legal boundaries stipulated in the Communiqué, are going to be at the dealerships’ discretion, there is no certain forecast for now; however, it is not expected to reach large amounts in the first few years of this program.
- Shares shall be pledged on the last announced daily closure rate, be periodically monitored over the last announced daily closure rate, and in the realization phase, transaction shall be done on the current market rate on the stock market that day.
- As the objective of this program is to ensure that the shares act as a security for the company’s receivables from dealerships, there shall be no condition for a three-year period as set out in the Communiqué, considering the fact that the company has long term relationships with the dealerships and that said shares shall not be subject to any transaction on the condition that the dealerships fulfil their obligations.
- In this regard, once this subject matter is assessed by the general assembly of Arçelik A.Ş., there shall not be a special occasion announcement for every time a security is given or used; it shall be possible to get information about the total value of the pledged shares from Arçelik A.Ş.’s financial reports .

Kindly submitted for the information of out investors.

#### ANNEX/4 Resumes of the Member Nominees for the Board of Directors and Independence Declarations by the Independent Member Nominees

##### **Mustafa Rahmi Koç**

He has completed his university education at John Hopkins University (USA), Department of Business Administration. He started his career at Ankara Otokoç, a member of the Koç Group, in 1958. After becoming the Chairman of the Executive Board in 1980, he became the Chair of the Board of Directors of Koç Holding in 1984. He has been carrying on his work as the Honorary President of Koç Holding since 2003. Aside from Koç Holding, Rahmi M. Koç is also continuing his duties as the Chair and Member of the Board for other companies of the Koç Group, as well as other roles in numerous social and professional organizations:

- Metropolitan Museum of Art, New York, Honorary Chair of the Board of Trustees
- Southeast Europe Cooperation Initiative, Co-President of the Business Consultation Board
- Deputy Chair of the Board of Trustees, Vehbi Koç Foundation
- Honorary Chair of the Board of Trustees, Koç University
- Founder and Chair of the Board of Directors, Rahmi M. Koç Müzecilik ve Kültür Vakfı
- Chair of the Board of Directors, Vehbi Koç Foundation American Hospital
- Founding Member and Honorary President, TURMEPA/Turkish Marine Environment Protection Association
- Honorary President of the High Advisory Board at the Turkish Industry and Business Association
- Member of the Advisory Council, Turkish Confederation of Employer Associations
- Founding Chair of the Global Relations Forum
- Former President of the International Chamber of Commerce (1.1.1995-31.12.1996)
- Former President of the Turkish-Greek Business Council (1992-1999)
- Former Member of the International Advisory Board of Allianz Aktiengesellschaft
- Former Member of J.P. Morgan International Council
- Former Member of the International Advisory Board at the United States Council on Foreign Relations

Titles and awards held by Mr. Rahmi M. Koç are as follows

- “Honorary Doctorate” from Johns Hopkins University (Baltimore-Maryland), Eskişehir Anadolu University, İzmir Ege University, Ankara Bilkent University, Constanta Ovidius University and Aydın Adnan Menderes University
- Order of Merit from the Presidency of the Republic of Turkey
- “Grosses Verdienst Kreuz” (Great Service Commendation of Germany) from the German Government
- “High Merit Commendation” from the Italian Republic
- “Great Service Commendation” from the Presidency of Austrian Republic
- “Excellent Leadership (Honorary) Commendation” from the British Empire-CBE
- “Officier dans l’Ordre National de la Légion d’Honneur”, which is the most prestigious commendation of France
- “Lifelong Responsible Business Person Award” from FIRST, a world-renowned international relations organization
- Medal from the US-based Foreign Policy Association, which is one of the respected think tanks in the world with a history of 100 years
- “Hadrian Award” for the Koç Family by the World Monuments Fund
- “Carnegie Philanthropy Medal” for the Koç Family (New York)
- “BNP Paribas Philanthropy Award” for the Koç Family (Paris)
- Outstanding Service Award in Decorative Arts for the Koç Family at the 16th Iris Foundation Awards

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, Mustafa Rahmi 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 at Kofisa Trading for one year. In 1989, he earned his MBA degree from Columbia Business School. After working at Ramerica Intl. Inc., he joined the Koç Group in 1990. He held top-tier positions such as Financing Coordinator, Vice President and President of the Energy Group at Koç Holding. He became a Member of the Board of Directors of Koç Holding in 2004, and he undertook the duty of Vice President of the Board of Directors in May 2008. He has been the Chair of the Board of Directors of Koç Holding since February 2016. Ömer M. Koç also works as the Vice President of the High Advisory Council of Turkish Industry and Business Association, Chair of the Board of Trustees at the Turkish Education Foundation, Chair of the Board of Directors of Geyre Foundation, Chair of the Board of Directors of Yapı Kredi Kültür Sanat Yayıncılık, Chair of the Board of Directors of Tüpraş, Chair of the Board of Directors of Tofaş, and Member of the Board of Directors at some other companies held by the Koç Group. Mehmet Ömer 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, Mehmet Ömer Koç, has been serving in the boards of directors of the Group companies for the last ten years.

## **Semahat Sevim Arsel**

Started her business life as a Member of the Board of Directors at Koç Holding in 1964, Semahat Arsel is still continuing this duty. Additionally, she is the Board of Directors at Vehbi Koç Foundation and Divan Group, and founder of Semahat Arsel Nursing Education and Research Center and Koç University Health College. She is also a Member of the Board at some other Koç Group companies. She is also a Member of the Board of Trustees at the Educational Volunteers of Turkey Foundation (TEGV). Semahat Arsel holds an Honorary Doctorate title from Istanbul University. 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 Sevim 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 at Rice University (USA), he also completed his Master's Degree at Harvard University (USA). He entered the business world in 1990 by attending the Executive Training Program at American Express Bank and he worked as an Analyst at Morgan Stanley Investment Bank from 1992 to 1994. In 1997, he started to work as the New Business Development Coordinator in the Strategic Planning Group at Koç Holding, and he held top-level positions such as Koç Holding Information Group President, Corporate Communications and Information Group President and so fort until 2010. A Member of the Board of Directors at Koç Holding for over 8 years, Ali Y. Koç has been acting as the Deputy Chair of the Board of Directors of Koç Holding since February 2016. In 2016, he became the Chair of the Board of Directors of Koç Finansal Hizmetler and Yapı Kredi Bankası. Mr. Ali Y. Koç is also the Chair of the Board of Directors at some other Koç Group companies, including Ford Otosan and Otokar. In addition to these duties, with the aim of contributing to the economic and social development of our country, he also serves as the President of Fenerbahçe Sports Club, Member of the Board of Directors at URAK (International Competition Researches Foundation) and at the Endeavor Foundation. Ali Y. Koç is also a Member of the Global Advisory Board at Harvard University, Bank of America and Council on Foreign Relations; a Member of the Senior Advisory Board at Chatham House; and he represents Turkey at the CBI - Confederation of British Industry. 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 of the Koç Group, Yıldırım Ali Koç has been serving in the boards of directors of the Group companies for the last ten years.



## **Levent Çakırođlu**

Levent Çakırođlu 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 work life as a Junior Accountant at the Ministry of Finance in 1988, and then he worked as a Senior Accountant at the same Ministry from 1991 to 1997. From 1997 to 1998, he worked as the Deputy Chair of the Financial Crimes Investigation Board of the Ministry of Finance, while at the same time working as a part-time Academic at Bilkent University. Çakırođlu attended the Koç Group as the Financial Group Coordinator in 1998. He worked as the CEO of Koçtaş from 2002 to 2007, and as the CEO of Migros from 2007 to 2008. In 2008, he was assigned as the CEO of Arçelik. He has also served as the Chair of the Consumer Durables Group at Koç Holding since 2010. In April 2015, Çakırođlu was appointed as the CEO of Koç Holding, which is the title he currently holds today. Being a Member of the Board of Directors of Koç Holding since April 2016, Levent Çakırođlu is the Chair of the Board of Directors at Arçelik-LG and TürkTraktör, Deputy Chair of the Board of Directors at Otokar, and a Member of the Board of Director at various Koç Group companies. Mr. Levent Çakırođlu, 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 Department of Architecture with an M.A. degree from the McGill University in Canada. He works as the Chair of the Board of Directors at the Burla Group Companies, which have shares in Arçelik A.Ş. He has been a Member of the Board of Directors at Arçelik A.Ş. since April 1994. He speaks English and French. Mr. Robert Sonman, who is a non-executive board member, is not an independent member pursuant to the Corporate Governance Principles of the CMB.

## **Dr. Fatih Kemal Ebiçliođlu**

After earning his Bachelor's Degree from the Department of International Relations at the Faculty of Political Sciences at Ankara University, and his Master's Degree in Finance at Virginia Commonwealth University, he got a PhD in Finance-Accounting from the Faculty of Political Sciences at Ankara University. He worked as a Junior Accountant, Accountant and Senior Accountant at the Ministry of finance from 1989 to 2002. In addition to these positions, he was also a part-time lecturer at Hacettepe, Bilkent and Atılım Universities from 1998 to 2002. He joined Koç Holding as the Group Financial Coordinator in 2002 and was promoted to Koç Holding Audit Group Coordinator between 2004 and 2005. From 2005 to 2015, he became the Deputy General Manager of Arçelik Financing and Financial Affairs, while also managing cyber security under Information Technologies function that directly reports to him, as well as other relevant corporate strategies. Mr. Fatih Kemal Ebiçliođlu, who is a non-executive board member is not an independent member pursuant to the Corporate Governance Principles of the CMB. He has been CEO for Durable Goods Group at Koç Holding since February 2015. 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. Fatih Ebiçliođlu is a Member of the Turkish Industry and Business Association (TÜSİAD) and the Turkish Exporters Assembly.

## **Hakan Hamdi Bulgurlu**

Having completed his graduate degree at the School of Economics and the Mechanical Engineering at Texas University, Mr. Hakan Bulgurlu earned his Master's Degree from Northwestern University, Kellogg School of Management and Hong Kong University of Science and Technology.

Having started his business life at Koç Holding in 1995, Bulgurlu worked in different positions in the Asia-Pacific region and led the Holding's Asia-Pacific foreign trade and supply operations for 13 years in Hong Kong. From 2007 to 2010, he acted as the General Manager of Arçelik-LG, which has the largest air conditioner manufacturing facility in Europe and Middle East. Then, he joined Arçelik in 2010 and has been acting as the CEO of Arçelik since 2015.

Aside from being a Member of the Executive Board of APPLiA (Household Appliance Manufacturers Association of Europe), Bulgurlu is also one of the founding members of Amstel Dialogue, which was founded with the aim of accelerating innovation in Europe.

Bulgurlu is a Member of the Board of Directors of the Foreign Trade Association of Turkey (TURKTRADE), is the Deputy Chair of the Foreign Economic Relations Board (DEİK) of Turkey - China Business Council, and acts as a delegate at the High-Level Commission on Carbon Pricing and Competitiveness, which acts as part of the World Bank.

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

## **Kâmil Ömer Bozer**

Kamil Ömer Bozer earned his Bachelor's Degree in Business Administration from the Middle East Technical University, followed by a Master's Degree in Georgia State University (USA). He entered the business world as a trainee at Koç Holding A.Ş. in 1985. He became Deputy General Manager at Maret A.Ş. in 1990 and General manager at Düzey A.Ş. in 1995, before he was appointed as the General Manager of Migros Türk T.A.Ş. in 2002. In 2005, he was appointed as the Chair of Koç Holding A.Ş. Food, Retail and Tourism Group. He worked as the Chair of Koç Holding A.Ş. Food and Retail Group from 2006 to 2008. He held the title of Chair of Koç Holding A.Ş. Tourism, Food and Retail Group until April 2011.

Kamil Ömer Bozer is a Board Consultant at Coca-Cola İçecek A.Ş., Adel Kalemçilik Ticaret ve Sanayi A.Ş., Anadolu Etap A.Ş. ; and a Member of the Board at Kamil Yazıcı Yönetim A.Ş. He is an Independent Member of the Board at Söktaş Tekstil A.Ş., TÜPRAŞ A.Ş.

Kamil Ömer Bozer has been acting as an independent member of the Board of Directors at Arçelik A.Ş. since 19 March 2018.

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. She earned her Bachelor's Degree in Industrial Engineering in 1978 and her PhD in the same department at Boğaziçi University in 1985, before she became Professor of Industrial Engineering in 2000. She designed and delivered lectures on mathematical programming and optimization, logistic, operation and production planning, and decision-making theories.

Prof. M. M. Gülay Barbarosoğlu acted as Rector at Boğaziçi University from 2012 to 2016, and Vice Rector Responsible for Research at Boğaziçi University from 2008 to 2012. She took on various administrative roles at Boğaziçi University. Between 2002 and 2006, she worked as the Manager of Kandilli Observatory and Earthquake Research Institute (KRDAE), as the Manager of Center of Disaster Management (CENDIM), and President of the Department of Industrial Engineering and Program of Financial Engineering.

Having taken on international duties, Prof. M. M. Gülay Barbarosoğlu acted as a Member of the Board of Directors at the European Universities Association between 2013 and 2017. During her duties as the Vice Chair of the Association of European Operational Research Societies (EURO) between 2003 and 2007, and the national representative at NATO Research and Technology Organization between 2002 and 2010, she worked in close collaboration with various European universities, governmental and non-governmental organizations. Prof. Barbarosoğlu is a Founding Member of EURO Organizational Planning European Study Group and a Member of the Management Sciences Institute (INFORMS), American Production and Inventory Control Society (APICS) and International Industrial Engineering and Production Management (IEPM). Attaching great importance to civil society activities, Prof. Barbarosoğlu actively worked to establish Neighborhood Disaster Volunteers (MAG), and she acted as a Member and Chair of the Board of Directors. Prof. M. M. Gülay Barbarosoğlu retired from Boğaziçi University in December 2016.

Müzeyyen Münire Gülay Barbarosoğlu has been acting as an independent member of the Board of Directors at Arçelik A.Ş. since 19 March 2018.

Müzeyyen Münire Gülay Barbarosoğlu has the qualifications of being independent as defined in the Capital Market Board's Corporate Governance Principles.

## **Ahmet Turul**

Ahmet Turul graduated from the Faculty of Political Sciences at Ankara University in 1980. After working as a Junior and Senior Accountant at the Ministry of Finance between 1980 and 1988, he worked as the Deputy Coordinator and Coordinator for Financial Affairs at Koç Holding from 1988 to 1999, as the Deputy General Manager for Financial Affairs at Koç Tüketici Finansmanı A.Ş. from 1999 to 2002, and Deputy General Manager for Financial Affairs at Allianz Sigorta A.Ş. and Allianz Hayat ve Emeklilik A.Ş. from 2002 to 2010.

Ahmet Turul has served as a Member of the Board of Directors of Allianz Sigorta A.Ş. and Allianz Hayat ve Emeklilik A.Ş. since 2010, and of Allianz Yaşam ve Emeklilik A.Ş. since 2013.

Ahmet Turul acted as an Independent Member of the Board of Directors at Tüpraş-Türkiye Petrol Rafinerileri A.Ş. from 2014 to 2019.

Ahmet Turul has been holding an independent member seat at the Board of Directors at Arçelik A.Ş. since 19 March 2019.

Ahmet Turul has the qualifications of being independent as defined in the Capital Market Board's Corporate Governance Principles.

## **Tuğrul Fadillođlu**

Tuğrul Fadillođlu graduated from the Department of Mechanical Engineering, Boğaziçi University in 1982. From 1982 to 2002, he worked at Arçelik A.Ş. as a Product Development Engineer, Production Engineer, Mold House Supervisor, Technical Manager at the Washing Machine Plant, Quality Assurance Manager at the Washing Machine Plant, Operating Manager at the Vacuum Cleaner Business in İzmir, Deputy General Manager for Small Household Appliances, and Founding Director of the Vacuum Cleaner and Motor Plant in Çerkezköy respectively. Then, he worked as Deputy General Manager for Operations and Technology at Tanı Pazarlama Hizmetleri A.Ş. between 2002 and 2004, before he worked as the General Manager at the same company from 2004 to 2009. Assigned to Zer A.Ş. as the General Manager in 2009, Fadillođlu held this position until he retired in 2014. In this period, he also acted as a Member of the Board of Directors at Tanı Pazarlama Hizmetleri A.Ş.

When he was in İzmir from 1995 to 2000, Tuğrul Fadillođlu worked as the Founding Chair of the İzmir Branch of the Quality Association of Turkey (KalDer), and a Member of the Chamber of Industry for the Aegean Region in 2000, which was his last active year there.

After retirement, he took on top-management positions and acted as a member of the board of directors at various organizations and worked as the General Coordinator of the Quality Association of Turkey (KalDer). He is currently the Deputy Chair of the Board of Directors at CCA Kurumsal Deđişim Akademisi Danışmanlık ve Eđitim Hizmetleri A.Ş., where he is a Founding Partner as well.

Tuğrul Fadillođlu has not taken on any other duties at Arçelik A.Ş. or its subsidiaries for the past five years. He has no relation to the top managers of Arçelik A.Ş. He does not hold a direct or indirect share over 5% in Arçelik A.Ş.'s capital; he does not hold an employee representation and he has no commercial relationship with Arçelik A.Ş.

Tuğrul Fadillođlu has been an independent member of the Board of Directors at Arçelik A.Ş. since 25 March 2020.

Tuğrul Fadillođlu has the qualifications of being independent as defined in the Capital Market Board's Corporate Governance Principles.

4 January 2021

## STATEMENT OF INDEPENDENCE

I hereby represent that, I am a candidate for carrying out my 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,
- d. 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,
- e. I am deemed to be resident in Turkey according to Income Tax Law (I.T.L.) dated 31/12/1960 and numbered 193,
- f. 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,
- g. 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,
- h. 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,
- i. 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,
- j. I have not been registered and published in the name of the legal entity which is appointed as the board member,

**NAME SURNAME:** KAMİL ÖMER BOZER

**SIGNATURE:**

4 January 2021

## STATEMENT OF INDEPENDENCE

I hereby represent that, I am a candidate for carrying out my 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;

- k. 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,
- l. 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,
- m. 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,
- n. 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,
- o. I am deemed to be resident in Turkey according to Income Tax Law (I.T.L.) dated 31/12/1960 and numbered 193,
- p. 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,
- q. 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,
- r. 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,
- s. 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,
- t. I have not been registered and published in the name of the legal entity which is appointed as the board member,

**NAME SURNAME:** MÜZEYYEN MÜNİRE GÜLAY BARBAROSOĞLU

**SIGNATURE:**

4 January 2021

## 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,
- d. 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,
- e. I am deemed to be resident in Turkey according to Income Tax Law (I.T.L.) dated 31/12/1960 and numbered 193,
- f. 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,
- g. 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,
- h. 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,
- i. 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,
- j. I have not been registered and published in the name of the legal entity which is appointed as the board member,

**NAME SURNAME:** AHMET TURUL

**SIGNATURE:**

4 January 2021

## STATEMENT OF INDEPENDENCE

I hereby represent that, I am a candidate for carrying out my 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,
- d. 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,
- e. I am deemed to be resident in Turkey according to Income Tax Law (I.T.L.) dated 31/12/1960 and numbered 193,
- f. 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,
- g. 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,
- h. 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,
- i. 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,
- j. I have not been registered and published in the name of the legal entity which is appointed as the board member,

**NAME SURNAME:** TUĞRUL FADILLIOĞLU

**SIGNATURE:**



## ANNEX/5      **Remuneration Policy for Board Members and Top Level Executives**

This Policy document defines the salary system and application for our board members and senior executives 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 senior executives.

It is possible to offer a separate benefit apart from the fixed rate determined by the general assembly, upon approval from the Corporate Management Committee, for those members who have been assigned to manage certain functions with the aim of contributing to the company's operations, due to the function they take on.

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 wages of the independent board members, payment plans of the Company based on performance may not be used.

A payment shall be made to board members according to the pro rata basis by considering the period of time they are on duty between assignment date and severance date. 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.

Senior Executive wages 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, Senior Executive fixed wages are determined in accordance with international standards and legal obligations.

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

- **Premium/ Bonus 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:** Company Performance is calculated through measuring financial and operational (market share, exportation, foreign operations, productivity etc.) objectives given to the company at every year beginning, at the end of the 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:** When determining individual performance, what is taken into consideration is the individual and collective objectives that Top Managers determine with their own teams and managers, as well as key performance indicators. In personal performance measurement, long-term and sustainable improvement principle are observed also outside the financial fields.

In case our company's senior executives 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 senior executive, 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 Board Members shall be submitted to the information and/or approval of the shareholders in subsequent general meeting, in accordance with the legislation.