

## **ARÇELİK A.Ş. DISCLOSURE POLICY**

Information policy prepared for public disclosure was submitted for the information of shareholders in Ordinary General Assembly date 25.03.2009 and published on web site. Information policy is updated within the scope of new regulations and published on corporate website.

### **Purpose**

As one of the leading companies in both domestic and global durable consumer goods industry, Arçelik A.Ş. pursues a policy of informing its shareholders and stakeholders about all activities related to company management in a fair, transparent, complete, accurate and accessible manner, in accordance with the provisions of the Capital Market Law and other applicable laws. The purpose of information disclosure policy is to share the past performance, expectations, strategies, goals and vision of the company, except confidential business information, with the public, concerned authorities, existing and potential investors and shareholders in a fair manner, and to disclose financial information in an accurate, fair, timely and comprehensive way within the framework of the generally accepted accounting principles (GAAP) and the Capital Market Law by establishing a continuous, effective and open communication platform.

Arçelik A.Ş. complies with the Capital Market Legislation and rules and regulations of the ISE and aims to implement an effective communication policy within the framework of CMB's Corporate Governance Principles. Information to be disclosed is prepared in such a way to help individuals and institutions in their decision-making and are posted on the Public Disclosure Platform (PDP) ([www.kap.gov.tr](http://www.kap.gov.tr)) and the company's website in an accurate, complete, comprehensible, interpretable and easily-accessible manner at a low cost. Furthermore, Arçelik A.Ş. uses the e-GOVERNANCE: Corporate Governance and Investor Relations Portal, developed by the CRA, to inform shareholders in a direct and effective manner.

### **Authority and Responsibility**

The information disclosure policy of Arçelik A.Ş. was created upon the recommendation of the Board of Directors. At Arçelik A.Ş., it is the responsibility of the Board of Directors to pursue, supervise and further develop the information disclosure policy. The Finance Director and Corporate Communications Coordinator are responsible for coordinating the disclosure function under the supervision of the Assistant General Manager of Finance and Accounting. They fulfill their responsibilities in close coordination with the Board of Directors and Audit Committee.

### **Methodology and Tools**

Arçelik A.Ş. has identified the following methodology and tools to be used while determining its public disclosure and information disclosure policy within the frame of Capital Markets Legislation and the provisions of ISE and TCC:

1. Material Event Disclosures (English translations of the mentioned disclosures are also delivered to foreign investors and are posted on the company's website in both Turkish and English)
2. Financial statements and footnotes, independent audit reports and statements are submitted to the ISE PDP regularly (these reports are also available on the company's website. Annual reports and financial presentations are disclosed in an electronic environment and on the company's website).
3. Annual reports (made available in hard copy format and may also be accessed by the company's website)
4. The company's website ([www.arcelikas.com](http://www.arcelikas.com))
5. Announcements and disclosures made through the Turkish Trade Registry Gazette and daily newspapers
6. Periodic and other issue-based press releases in the visual and print media
7. Statements made to data distribution companies such as Reuters, Forex, Bloomberg etc.
8. Face-to-face meetings or teleconferences held with investors and analysts
9. Means of communication and tools such as telephones, e-mail, telefax etc.
10. Prospectuses, circulars, announcements and other documents required by Capital Market Regulations

### **Material Event Disclosures**

Arçelik A.Ş. material event disclosures are prepared by the Finance Directorate and Legal Consultancy Department and submitted to the ISE after they are signed, as a rule, by two of General Manager, the Assistant General Manager of Finance and Accounting or the Finance Director. In the event that the required signatories are absent, other Assistant General Managers and Accounting Directors are authorized to sign the material event disclosures. Material event disclosures are submitted to the ISE as PDP announcements in electronic format.

### **Public Disclosure of Financial Statements**

Financial statements of Arçelik A.Ş. are prepared in accordance with the provisions set out by the CMB and disclosed to the public after being audited by an independent audit firm, which conducts its auditing activities in compliance with International Auditing Standards. Before financial statements and its footnotes are disclosed to public, they are submitted for the Board of Directors' approval with the assent obtained for the Audit Committee within the framework of Capital Markets Legislation and after the attestation is signed by General Manager, Assistant General Manager of Finance and Accounting or the Accounting Director, the financial statements, its footnotes and independent audit report are submitted to the ISE as PDP announcements in electronic format in line with Capital Markets Law and the regulations of ISE. These financial statements and footnotes, prepared both in Turkish and English and in retrospective order, are available in the Investor Relations section of Company's website. Moreover, the Shareholder Relations Unit periodically issues memorandums or presentations on financial data and ratios, which are also posted on the company's website in order to make financial data more clear.

## **Annual Reports**

Annual Reports are prepared in accordance with international standards, legislation of the Capital Markets and CMB's Corporate Governance Principles. After an annual report is completed, the approval of Board of Directors' is received and disclosed to the public both in Turkish and English, via company's website. Furthermore, both hard and soft copies in CD format may be obtained from Shareholder Relations Unit of Arçelik A.Ş.

## **Corporate Website**

The website of Arçelik A.Ş. is a user-friendly platform that allows all of its stakeholders to monitor the performance of the company's shares by means of various tools such as charts and calculators. The vast majority of the information posted on the company's website is provided both in Turkish and English. Visitors may also access past analyses and reviews as well as the latest information of the company. The most important accessible information on the company's website is as follows:

- Detailed information on corporate identity
- Vision and main strategies
- Information about the members of the Board of Directors and Top Managers
- Important resolutions made by the Board of Directors
- Organizational chart and partnership structure
- Articles of Association
- Trade registry information
- Financial data, indicators and analysis reports
- Press releases
- Material Event Disclosures
- Share performance data, charts and calculators
- Investor presentations
- Analyst details and reports assessing the company
- Dates and agendas of General Assembly and comments on agenda items
- Minutes of General Shareholders' Meetings and lists of attendees
- Power of attorney specimen
- Corporate governance practices and corporate governance compliance reports
- Dividend distribution policy and history; capital increases
- Public disclosure policy
- Frequently asked questions
- Detailed information on corporate social responsibility
- Codes of conduct disclosed to the public within the framework of the information disclosure policy

## **Announcements and Disclosures Published in the Turkish Trade Registry Gazette and Daily Newspapers**

Announcements regarding General Assemblies, capital increases and dividend distributions are published both in the Turkish Trade Registry Gazette and in daily newspapers in accordance with the Capital Market Law, Turkish Commercial Code and Articles of Association. In order to ensure attendance of a maximum number of shareholders, announcements of invitation to the General Shareholders' Meetings are

published in newspapers and on the company's website at least three weeks prior to the start of meetings.

As of the invitation date of the General Assembly, financial statements and reports, including the annual report, the proposal for dividend distribution, information on the agenda of the General Assembly, supplementary documents pertaining to the agenda, the current Articles of Association, and the text and reasons of amendments, if any, to the Articles of Association are all made available to shareholders at the company headquarters and on the company's website for their convenience and open review. Agendas of General Assemblies are prepared in such a way to avoid any ambiguities or misunderstandings. Among the agenda items are: discussion and approval of financial statements, acquittal of members from the Board of Directors and Auditors for the operations they have carried out on behalf of the company during the relevant accounting period, election of members to the Board of Directors and Auditors whose terms of reference are defined in the Articles of Association, selection and approval of an independent audit firm, acceptance of the dividend distribution policy, and resolutions to amend the Articles of Association, corporate governance compliance report and public disclosure policy. For those shareholders who will be represented by proxy at the General Assembly, power of attorney specimens are included in the announcement and also posted on the company's website.

#### **Periodic and other issue-based press releases published through the visual and print media**

Corporate Communications Unit of Arçelik A.Ş. provides in-depth information to the public by releasing controlled information to the press and media, in both Turkey and abroad, in parallel with important developments taking place during the year. During these meetings, the General Manager of Arçelik A.Ş. or concerned top managers deliver comprehensive and informative presentations to members of the press and media about the performance and general developments of Arçelik A.Ş. The questions are answered. In addition to these periodic press conferences, media outlets are provided with written press releases on developments that must be disclosed to the public in an accurate and controlled manner. Such disclosures can also be made by a press conference, depending on the nature of the development. All questions or information requests made by members of the press or media in relation to developments and company performance are considered and responded to in writing, either negatively or positively.

#### **Statements made to data distribution companies such as Reuters, Forex, Bloomberg etc.**

Corporate Communications Unit of Arçelik A.Ş. delivers all written press releases that were delivered to the visual and print media to data distribution companies such as Reuters, Forex, Bloomberg etc. as well. Those press and media organizations, whose news reports and editorials are appropriate to attend the organized press conferences, are invited.

## **Investor and Analyst Meetings**

Arçelik A.Ş. has set up a Shareholder Relations Unit which is responsible for handling relations with both existing and potential shareholders, responding to investors' questions as satisfactorily as possible and managing efforts to enhance the company's value. The Shareholder Relations Unit reports to the Assistant General Manager of Finance and Accounting.

Company's Top Managers and the Shareholder Relations Unit meet with intermediary institutions, analysts and investors regularly in order to communicate operational and financial performance, vision, strategy and goals of Arçelik A.Ş. as effectively as possible and to deliver presentations, Q&A and fact sheets. Any meeting requests from shareholders are responded to in a positive manner and shareholders are provided with the opportunity to meet with members of the company's top managers. Arçelik A.Ş. also allows its shareholders and analysts to keep themselves up-to-date with the latest developments about the company through its regularly-updated corporate website and memorandums, which are delivered to the shareholders via the Internet.

In order to strengthen shareholder relations, the company participates in local and international investor meetings. Both in these meetings and local meetings, which are held at the company's headquarters, company management meets with investors and answer their questions.

Arçelik A.Ş. also organizes teleconferences and delivers investor presentations following the disclosure of financial statements and material event disclosures. Details of these disclosures are shared with the public on the company's website.

## **Explanations Concerning Forward-Looking Statements**

On April 24th 2014 Arçelik A.Ş. Board of Directors decided to authorize General Manager and Assistant General Manager, Finance and Accounting, separately to grant written approval for "forward-looking assessments" according to article 10 of Communiqué on Material Events , numbered II-15.1 which was published by Capital Markets Board.

Forward-looking assessments shall be disclosed in accordance with the following principles:

- a) Forward-looking assessments and fundamental assumptions, taken as basis for these forward-looking assessments may be disclosed maximum four times in a year following the public disclosure of financial statements published on quarterly basis as principle.
- b) Disclosure shall be made through investor presentation published on Public Disclosure Platform and Company's corporate website and/or activity report prepared on quarterly basis.
- c) In case of significant changes in assessment disclosed to public, if the estimations and grounds included in forward-looking information disclosed to public do not come

true or are understood not to come true, a material event explanation shall be made without being subject to any number limitation and changes in expectation shall be shared with investors.

d) In case of a considerable difference between the expectations previously disclosed to public and the realizations, in explanations to be made concerning forward-looking assessments reasons for these differences shall be included.

e) Without any limitation, developments expected in the market, turnover and sales number growth estimations, profitability ratios, investment plans and information on new product shall be included in forward-looking assessment.

### **News and Rumors about the Company**

Arçelik A.Ş. monitors company-related news in both visual and print media through a contracted domestic media-monitoring agency. Company-related coverage is delivered in report format to the desks of top managers every morning and contents of the coverage are checked for accuracy. In addition, senior managers, Shareholder Relations Unit and Corporate Communications Unit monitor local and international news coverage using the services provided by data distribution organizations such as Reuters, Bloomberg and IBS.

If Arçelik A.Ş. wishes to make an announcement about any coverage or rumors about the company that is found in the press but that does not oblige the company to make a material event disclosure, the matter may be added to the company's agenda by the Assistant General Manager of Finance and Accounting and a material event disclosure may be made.

If the news is not considered as important as inside information, the company does not make any material event disclosure. However, it is the prerogative of the Corporate Communications Unit to decide whether there is any benefit in making a material event disclosure on a subject that does not impose any obligation on the company to make such a disclosure according to the CMB Communiqué.

### **False News and Rumors**

As a matter of principle, Arçelik A.Ş. does not comment on any news which is not issued by the company or that appears to be gossip, rumor and/or false. However, a statement may be made for this kind of rumors if deemed necessary to protect the benefits of Arçelik A.Ş. and its investors.

### **News Regarding the Information Postponed for Disclosure**

If Arçelik A.Ş. has postponed the disclosure of inside information with the purpose of protecting the confidentiality of said information and preventing damage to its legitimate interests, and there is still news appearing in the media on the matter, then, as a matter of principle, Arçelik A.Ş. does not comment. However, Arçelik A.Ş. reserves the right to make an announcement in order to protect the interests of the company and its investors.

During the period of postponement, no further comments are made and no statements contradicting such news are issued. It may be expressed that no further information will be provided on the process and that the public will be informed when the situation is clarified.

### **Measures for the Protection of Inside Information until Public Disclosure**

Other parties who are in relationships with the employees of Arçelik A.Ş. having access to inside information, during the emergence of a situation where a material event disclosure has to be made and within the period of time from the emergence of that situation until the disclosure made to ISE, are informed of their obligation for protecting the privacy of such information.

As a general principle, Arçelik A.Ş. and persons who work for and on behalf of Arçelik A.Ş. under any circumstances shall not disclose any information that can be considered as a material event and that is not yet disclosed to the public, to any third parties. If it is determined that inside information has been disclosed by these people to any third parties unintentionally and it is concluded that the confidentiality of the information cannot be protected, and then a material event disclosure is made in accordance with the rules and regulations of the CMB.

If the public disclosure of such information is postponed, a list is drawn up that includes the names of those individuals who have access to the information at the time of postponement, and “Arçelik’s List of Persons Having Access to Inside Information” is updated accordingly. The necessary work is performed to inform both these persons and the other parties accessing to the inside information, and reasonable measures are taken.

### **Criteria Used to Determine People with Administrative Responsibility**

Administrative staff who are privy to inside information are determined according to the scope of the information to which they have access. Accordingly, managers and employees who are privy to detailed information about only a certain portion of the company’s business activities shall not be considered as people who have access to inside information.

However, Board Members, General Manager and Assistant General Managers who have detailed information about entire company and not only the current but also the future plans of the company and some top managers who mostly work at the headquarters, are considered as the personnel who have access to inside information. The list prepared based on this criteria is disclosed to the public in accordance with the provisions of the relevant communiqués issued by the CMB.

### **Ensuring Confidentiality of Information Subject to Public Disclosure**

In maintaining the balance between providing transparency and protecting the interests of the company, employees are urged to follow the rules regarding the use of inside information. All the necessary measures and precautions are taken for the prevention of insider trading.

The “Principles of Business Ethics”, which are published across the company, clearly outline the code of conduct expected of Arçelik A.Ş. employees.

Any company-owned information obtained during the course of employment and which the company does not want to be disclosed to any third parties except those who are intended to receive the information, and which are designated as trade secret, is considered as “Company Proprietary Information.” All employees are under obligation to protect company proprietary information during and after their employment at Arçelik A.Ş. and may not use any such information directly or indirectly. The employees of Arçelik A.Ş. may not engage in any activity which would allow them to gain personal benefit by purchasing and selling Arçelik A.Ş. shares or those issued by any other Koç Group company, using the inside information they have become privy to during the course of their employment.

Arçelik imposes a “Silent Period” a period of time during which company representatives avoid sharing any information subject to public disclosure before an official announcement regarding the financial results of the concerned accounting period. The Silent Period begins three weeks before the announcement of year-end results and two weeks before the announcement of the quarterly results.