

ARÇELİK ANONİM ŞİRKETİ

ARTICLES OF ASSOCIATION

Article 1 – ESTABLISHMENT

Following founders whose names and addresses have been listed below have founded an incorporation which will be managed in accordance with the provisions of this Articles of Association.

Vehbi Koç : Ankara, Yenışehir, Atatürk Blv. Koç Apt.

Koç Ticaret T.A.Ş. : Ankara-Ulus Meydanı, Koç Han

Eli Burla ve

Ortakları

Komandit Şirketi : İstanbul-Galata, Voyvoda Cad. No:52

Lütfü Doruk : İstanbul-Kızıltoprak, Kalamış Fener Cad. No:80

Hulki Alisbah : Ankara-Yenışehir, Yüksel Cad. No:25

Nüzhet Tekül : İstanbul, Sultanahmet, Ticarethane Sok. Kuşoğlu Apt. D.4

Behçet

Osmanağaoğlu : İstanbul,Galata, Rıhtım Cad. Kozluca Han, Kat 2

Article 2 – TITLE OF THE COMPANY

The title of the Company is “**Arçelik Anonim Şirketi**”. Hereinafter referred to as “Company” in this Articles of Association .

Article 3 – PURPOSE AND SUBJECT

The Company has been established with the intent of carrying out all commercial and industrial activities related to the the establishment and operation of recycling facilities manufacturing, sales and marketing including also virtual platform, leasing, importing and exporting of refrigerators, deep-freezers, washing machines, dishwashers, thermo-siphons, vacuum cleaners, polishers, air conditioners, coolers and equipments, radios, televisions, audio and video recorders and sets, ovens, stoves, hair dryers,

mixers and all kinds of similar home appliances operating with or without electric power or other power source and bath tub and fitted kitchens, home furniture, carpets and equipments and appliances included in the home economy and their commercial and industrial types, and compressors, electric motors, carburetors, power transfer devices which form the main and auxiliary components of the above; mobile telephones, mobile telephone lines and components, electronic devices and their parts and components; transportation and passenger vehicles and their motors and other parts and equipments for generation, usage, transportation and distribution of energy and to achieve its goal the Company may perform these activities both on its own and may get into partnership for manufacturing, may realize the manufacturing with its own brands or other brands and may realize for and on behalf of others.

For this purpose the Company especially may perform following activities in the country and abroad;

A) Operate as an agent, broker, representative and dealer and authorize others to do same.

B) Establish marketing, transportation, commitment, warehousing and entrepot organizations; conduct staff training activities; setup and use computer systems; perform these singularly or jointly.

C) To realize Company's objective, the Company may acquire every kind of movable and immovable properties, may have constructed and manufactured or may acquire every kind of real or individual rights on these, may lease, may operate acquired or leased properties, may lease out and sell. Company may take every kind of real or individual warranty including commercial enterprise pledge as well, may set pledge and other miscellaneous limited property rights over others' real properties in its favor and may transfer or release these for securing the rights and receivables of Company. On condition to comply with the principles determined by Capital Markets Board, Company may establish real rights in favor of third parties and may have them released.

D) To realize Company's objective, the Company may take out loan from local and foreign individuals, companies and banks, may enter into every kind of financial, commercial and economical undertaking against third parties, on condition to comply with the principles determined by Capital Markets Board may issue every kind of bonds and miscellaneous capital market instruments in the country and abroad and may make investment in securities, derivatives and miscellaneous capital market instruments. On condition to comply with the principles determined by Capital Markets Board may go bail and provide warranty in favor of third parties. If necessary, the

Company may accept to establish right of mortgage and/or lien in favor of itself over movable and immovable properties of others, may release the pledges established in its favor, may waive a lien and may accept establishing bail and warranty by third parties in its favor.

E) The Company may perform abovementioned activities on its own or through national or foreign real person and legal entities, provided that other provisions of this Articles of Association are reserved. In case the Company deems necessary for this purpose, may establish ordinary partnerships, commercial companies or other miscellaneous legal entities in the country or abroad or in part or whole, may make the acquisition of ordinary partnerships or other miscellaneous legal entities which had established with the same purpose and without the purpose of performing brokerage operations and operating security portfolio, with the participation purpose the Company may acquire, transfer the shares of these to the companies, commercial banks, financial leasing, consumer loan and factoring companies which had established with the same purpose and may participate into ordinary partnerships. The regulations of Capital Markets Board on transfer of concealed gain are reserved.

F) The Company may perform every operation that are necessary to perform abovementioned matters written in above paragraphs and may perform import, export and every kind of trade.

G) On condition that not to constitute a contradiction against the regulations of Capital Markets Board on transfer of concealed gain, to provide necessary material disclosures and informing shareholders about donations made within the year at General Assembly, the Company may provide donation and aid to foundations, associations, universities and similar establishments which were established for social purposes under the determined principles in a way that not hinder its own purpose and subject.

H) On condition to comply with regulations of Capital Markets Board on transfer of concealed gain, the Company may perform every kind of transactions and use any possessions including registry, annotation, type classification allotment, amalgamation, partition, release and donation related to parceling at land offices concerning every kind of real properties and may perform renunciation for road and green area transactions, furthermore may provide its alienation and may gratis release and donate mentioned real properties.

I) The Company may acquire, rent land, sea and air transportation vehicles and may sell and rent out owned vehicles. On condition to comply with regulations of Capital Markets Board, the Company may establish every kind of real and individual rights on

these including pledge and pawn in favor itself and/or of third parties and may release them.

J) The Company may register every kind of licenses, letter patents, patents, useful model, know how, brand, trade titles, company names and other all miscellaneous intellectual property rights that are related to its purpose under its name and may acquire and transfer, on condition to comply with the regulations of Capital Markets Board provide as warranty and may make license agreements related to them.

K) For realizing Company's objective, the Company may make every kind of industrial and commercial investments that it deems suitable in the country and abroad, accordingly may establish factory, facility and sales office in the country and abroad and may provide services for architecture, engineering, design, software, accounting, call center and data storage.

L) On condition to comply with regulations of Capital Markets Board on transfer of concealed gain, the Company may join the tenders in the country and abroad on its own or by establishing partnerships with third parties.

M) The Company, on condition to comply with regulations of Capital Markets Board on transfer of concealed gain, may collaborate with companies that provide radio, TV programs production and broadcast services, operate TV studios and produce and sell required equipment and if necessary may terminate its collaboration.

N) The Company may establish and/or have established every kind of laboratories and research centers required for R&D activities.

O) In compliance with the legislation relating to the electricity market, within the framework of auto-producer license, in essence for meeting its own need for electricity and heat energy; it may conduct activities relating to building generation facilities, generating electricity and heat energy and in case generated energy exceeds its own need, to sell the electricity or heat energy, and/or the relevant capacity to other licensed legal persons or independent consumers within the framework of related legislation, and on condition not for commercial purposes to import installation and all related equipment and fuel.

P) The Company may provide energy manager training, may prepare and implement energy study and efficiency increasing projects (VAP), may provide consultancy and energy manager services for buildings.

R) The Company may establish, operate, run, transfer or take over to establish a training and personnel certification individually or in partnership with local, foreign, public or private natural and legal persons in connection with its scope of business, and may provide qualification assessment and professional competence system services in joint works with the 3rd party individuals and entities in connection with its field of activity on a fair, objective and neutral basis.

Article 4 – HEAD OFFICE AND BRANCHES OF THE COMPANY

The head office of the Company is located in Beyoğlu, Istanbul. Its address is “Karaağaç Caddesi No:2-6 34445 Sütlüce-Beyoğlu / Istanbul”. In case of address change, new address is registered to Trade Registry and announced in Turkish Trade Register Gazette. In addition, it is stated to related Ministry and Capital Markets Board. Any notification delivered to the registered and announced address is deemed to have been made to the company. In the event that the Company has not registered its new address within the specified period despite it has moved out of the previous registered and announced address shall be deemed reason for termination of the Company. In case the Company opens a branch, mentioned branches shall be registered to Trade Registry and announced in Turkish Trade Register Gazette.

Article 5 – PERIOD OF THE COMPANY

The company was set up for an unlimited period of time and terminates with legal grounds or the decision taken by General Assembly as per the related provisions of Turkish Commercial Code.

Article 6 – CAPITAL

The Company has adopted authorised capital system in accordance with the provisions of Law nr. 6362 and transited to authorised capital system with 28.10.1982 dated and 61 numbered permit of Capital Markets Board.

Upper limit of Company’s authorised capital is TL 1,500,000,000.00 (One billion and five hundred million Turkish Liras), divided into 150,000,000,000.00 (One hundred and fifty billion) registered shares, each with a nominal value of 1 (One) Kuruş.

The permit provided by the CMB for the upper limit of authorised capital is valid for the years 2017-2021 (5 years). At the end of 2021, even if upper limit of authorised capital are not attained, in order to enable board of directors to take capital increase decision after 2021, it is mandatory to obtain authority from general assembly for a

new period not exceeding 5 years by obtaining the permit of Capital Markets Board for previously permitted upper limit or a new upper limit. In case abovementioned authorization shall not be obtained, the Company cannot make a capital increase by a decision of the board of directors.

The issued capital of Company is TL 675,728,205.00 (Six hundred seventy five million and seven hundred twenty eight thousand and two hundred and five Turkish Liras) and mentioned issued capital is fully paid as free of collusion.

Corporate stocks are tracked based on records within the framework of dematerialization principles.

If necessary, Company's capital may be increased or decreased within the framework of the provisions of Turkish Commercial Code and Capital Markets Board.

The Board of Directors is authorized to increase the issued capital by issuing new shares up to upper limit of authorised capital when deemed as necessary in accordance with the provisions of Capital Markets Law and to take decisions on limiting the rights of shareholders for acquiring new shares and on issuing shares at a premium or under its nominal value. Authority of limiting the new share acquirement shall not be used in a way that causes disparity among shareholders.

Article 7 – ISSUE OF BONDS AND OTHER SECURITIES

The Company may issue every kind of bonds, cash equivalent bonds, convertible bonds, golden, silver and platinum bonds, commercial paper, participation dividend certificate, profit and loss sharing certificate, other capital market instruments that is accepted as debt instrument for its nature by Capital Markets Board and all other capital market instruments to sell in the country and abroad to real persons and legal entities in accordance with the provisions of Capital Markets Law and other related legislation upon the decision of the board. As per Capital Markets Law, the Board of Directors is authorized for issue and determination of maximum amounts, type, term, interest and other conditions related to the issue and authorizing the Company management on these matters. In the process of issuing, the Company shall comply with Capital Markets Law and regulations included in related legislation.

Article 8: TRANSFER OF SHARES AND ESTABLISHMENT OF USUFRUCT ON SHARE

In relations with Company, registered persons are accepted as shareholders or holders of usufruct right on share by taking only the records kept by Central Registry Agency in stock register into account.

For the transfer of registered shares of Company that are publicly-traded, regulations of Capital Markets Board shall be complied with.

Article 9: ACCEPTANCE OR TAKING OVER OF ITS OWN SHARES AS PLEDGE BY THE COMPANY

The Company may accept and/or acquire its own shares as onerous in accordance with related articles of Turkish Commercial Code, regulations of Capital Markets Board and miscellaneous legislation.

Article 10: BOARD OF DIRECTORS, ELECTION OF MEMBERS AND BOARD DECISIONS

On condition that unassignable power of General Assembly are reserved as per the related provisions of Turkish Commercial Code, all operations and management of Company are performed by Board of Directors consisting of at least 5 (five) members who will be elected by General Assembly within the framework of the provisions of Turkish Commercial Code and regulations of Capital Markets Board. The numbers and qualifications of independent members who will take charge in the Board of Directors are determined according to the regulations of Capital Markets Board related to Corporate Governance Principles.

Members of Board of Directors can be elected for a term up to 3 years. Member whose duty term is expired, may be reelected.

The qualified persons who have knowledge and expertise about Company's field of activity and management, are able to analyze financial statements and reports, have basic knowledge on legal arrangements that the Company is subject to and are preferably university graduate shall be nominated and elected for Board of Directors Membership.

The General Assembly is authorized for the determination of number of Board Members and the election of members. On condition that the obligations specified by the Corporate Governance Principles of Capital Markets Board are reserved for

Independent Members, the General Assembly may change the Board Members at any time if deems as necessary as per 364th Article of Turkish Commercial Code.

In cases where the Board Membership is vacated, the Board of Directors elects a person conforming to legal conditions for a temporary period and submits for the approval of first General Assembly. In case independent member loses its independency, resigns or become inoperative, the procedures determined in the regulations of Capital Markets Board shall be followed.

The meeting and decision quorum in Board of Directors is the absolute majority of total member number. Obligations specified by Corporate Governance Principles of Capital Markets Board are reserved.

Unless one of the members of Board of Directors makes a claim for negotiation, the Board of Directors may take board decisions by obtaining written consent of others for an offer of a member among them regarding a matter. This type of decisions can be taken by obtaining written consents of at least the majority of total member number. Submitting the same offer to all Board Members is a validity condition for taking decision in this method. It is not obligatory to have approval on the same paper, however it is necessary to attach all papers including countersigns into minute book of board of directors or recording into minute book by converting into a decision including the signs of approved persons for the validity of the decision.

Article 11: DIVISION OF TASKS OF BOARD OF DIRECTORS, REPRESENTATION AND DELEGATION OF MANAGEMENT

In case Chairman of the Board is not elected by General Assembly, Chairman and Vice Chairman for acting as deputy of chairman when chairman is not available, are elected by the Board of Directors. Vice Chairman of the Board is authorized as well in terms of authorities of Chairman of the Board specified by Turkish Commercial Code regarding notice of meeting and demands of board members for obtaining information.

The Board of Directors, especially, may institute proceedings, start arbitration, start every kind of collection and legal proceedings, may perform conciliation and acquittance proceedings, may make an offer to stop the execution of bankruptcy and concordatum proceedings, on condition to comply with the regulations of Capital Markets Board, may make donations, may make an exchange commitment, may provide warranty, may perform transactions for establishing conveyancing and pledge

transaction on real properties. If necessary, the Company may authorize third parties on these matters.

The Board of Directors is authorized to partly or wholly delegate the management to a person or several persons (delegates) who is/are or not board members by an internal directive that the Board of Directors will prepare as per 367th Article of Turkish Commercial Code. The Board of Directors determines the authority and obligations of delegates by this internal directive and may delegate every kind of authorities and obligations that are assigned to Board of Directors to related persons within the frame of conditions, provisions and limitations again determined by the Board of Directors and if necessary may amend and modify these authorities in part or in whole or may withdraw. 375th Article of Turkish Commercial Code is reserved.

Within the frame of 370th Article of Turkish Commercial Code, the Company may delegate power of attorney of the Board of Directors to a person or several persons who is/are board member or shareholder or it is not obligatory to be board member. However in such case, it is obligatory that at least one board member has the power of attorney. Unless a special decision is taken by the Board of Directors, any two board members who are not independent within the scope of the regulations of Capital Markets Board may bind the Company in all respects with their signatures together under the Company's name.

The Board of Directors is authorized for the division of management and representation tasks as abovementioned.

The Board of Directors, on condition to comply with the provisions of related legislation, may establish advisory, coordinating, audit and similar nature committees or sub-committees consisting of persons who are and/or not board in the fields that deemed necessary. The principles related to meeting organization, working and reporting carried out by such committees are set, arranged and amended by the Board of Directors.

Article 12: REMUNERATIONS OF MEMBERS OF BOARD OF DIRECTORS AND COMMITTEE

Within the scope of related provisions of Turkish Commercial Code and regulations of Capital Markets Board, attendance fees, wages, premium and bonus may be paid to Board Members and Members of Committee specified in 11th Article for their service provided to Company in the capacity of Board Members and Members of Committee.

The method and the amount of the payments to the Board Members including executive directors due to board membership are determined by the General Assembly and the method and the amount of the payments to committee members due to committee membership service are determined by the Board of Directors in line with the legislation. In the remuneration of Independent Board Members stock options or payment schedule based on Company performance are not used.

Article 13: AUDIT

For the audit of Company and other matters specified in the legislation related provisions of Turkish Commercial Code and Capital Markets Legislation are applied.

The Board of Directors may establish internal audit arrangement operating under its authority with the purpose of internal audit as per 366th Article of Turkish Commercial Code.

Article 14– GENERAL ASSEMBLY

Following principles are applied at General Assemblies.

a) Convocation Method; General Assemblies meet as ordinarily or extraordinarily. In these convocations the provisions of Turkish Commercial Code and regulations of Capital Markets Board are applied. General Assembly is performed as open to public including stakeholders and media without having a right to make any comments.

b) Meeting Time; Ordinary General Assembly meets within three months following the fiscal period of the Company and at least one time in a year. In these meetings matters that should be negotiated as per agenda are evaluated and concluded.

Extraordinary General Assembly meets in case of necessary situations and periods, in accordance with Turkish Commercial Code, regulations of Capital Markets Board and provisions that are stated in this Articles of Association and takes the necessary decisions.

c) Voting Right; Shareholders attended to Ordinary and Extraordinary General Assemblies use their voting rights in proportion to nominal value of their total shares. In General Assemblies, voting performed as open voting. However, on demand of shareholders who have at least one-twentieth of shares represented in the meeting, secret ballot method is used.

d) Representation; For representing by proxy, on condition to comply with the regulations of Capital Markets Board, in General Assemblies shareholders may have themselves represented by other shareholders or by a proxy who will be appointed from outside. Proxies who have shares in the Company are authorized to use the voting right of the shareholder who they represent in addition to their own voting rights. On condition that representative appointments performed via Electronic General Assembly System are reserved, the power of attorney provided for this purpose should be in written.

e) Meeting Place; The General Assembly meets in head office building of the Company or in a suitable place in Istanbul.

f) Attendance to the Meeting; At least one Board Member and Executive Directors, auditor, at least one of the authorized officers who have the responsibility for preparing the financial statements and at least one of the authorized officers who is competent on the subjects having a special place in the agenda to provide explanations shall attend to General Assembly. If persons who are apart from the persons who shall attend to meeting as per law, shall not attend the meeting, their reasons for not attending to the meeting are submitted to General Assembly's information by the chairman of the meeting.

g) Chairman of Meeting; Meeting Chairman who is authorized to manage the negotiations at General Assembly is assigned from shareholders and at least 1(one) member who is authorized to collect the votes and Minute Registrar are assigned from shareholders or outside.

(h) Meeting and Decision Quorum; On condition that further quorums specified in regulations of Turkish Commercial Code and Capital Markets Board are reserved, meeting and decision quorum at all General Assemblies of the Company is the absolute majority of the capital.

(i) Internal Directive; The Board of Directors shall prepare an internal directive including the rules regarding operation procedures and principles of General Assembly as per related provisions of Turkish Commercial Code and regulations and communiqués issued within the frame of this Law and submit this for the approval of General Assembly. The internal directive approved by General Assembly is registered and announced in Trade Registry.

(i) Attending to General Assembly via electronic platform; Shareholders who have attendance right for General Assemblies of the Company, may attend these meetings via electronic platform as per 1527th Article of Turkish Commercial Code. The Company may both establish an electronic general assembly system and may buy service from the systems established for this purpose to enable shareholders to attend general assemblies via electronic platform, state opinions, make an offer and vote as per the provisions of regulation Regarding the Electronic General Assembly Meetings of Joint Stock Companies. In all General Assemblies to be performed, as per this provision of Articles of Association, shareholders and representatives are enabled to use their rights specified in the provisions of mentioned Regulation via established system.

Article 15 – CORPORATE GOVERNANCE PRINCIPLES

Corporate Governance Principles which have been made obligatory by Capital Markets Board are complied with.

In transactions deemed as significant in terms of implementation of Corporate Governance Principles and all related party transactions of Company and in transactions related to providing warranty, pawn and mortgage in favor of third parties the regulations of Capital Markets Board related to corporate governance are applied.

Any transactions made and any decisions taken by Board of Directors on the contrary of obligatory principles are invalid and constitute a contradiction against Articles of Association.

Article 16 - ANNOUNCEMENTS

Matters which are obligatory to be announced as per Law are announced in accordance with related provisions of Turkish Commercial Code and regulation and communiqués issued within the frame of this Law, regulations of Capital Markets Board and other legislation to be subjected. Matters, whose announcement target is not specified within the regulations, are announced on the Company's website.

Article 17 –ACCOUNTING YEAR

The accounting year of the Company starts with first day of January and ends in the last day of December of the same year.

Article 18 – DETERMINATION AND DISTRIBUTION OF PROFIT

Period income indicated in the annual balance sheet and remained after deducting the amounts such as general expenditures of the Company and miscellaneous depreciation that it is obligatory to be paid or to be reserved by the Company and taxes that is obligatory to be paid by legal entity of the Company from the revenues determined at the end of Company's fiscal period and if any, after deducting losses of previous periods, are respectively distributed as indicated below:

General Legal Reserve:

a) 5% is reserved into legal reserve.

First Dividend:

b) First dividend is reserved from the remaining, if any, from the amount to be determined with the addition of donation amount made within the year in accordance with Turkish Commercial Code and Capital Markets Board Legislation.

Second Dividend:

c) The General Assembly is authorized to distribute the remaining amount after deducting the amounts specified in (a) and (b) clauses from the net period income in part or in whole as second dividend share or to reserve as the reserve fund reserved at its own discretion as per 521st Article of Turkish Commercial Code.

General Legal Reserve:

d) One-tenth of the amount obtained after deducting profit share at the rate of 5% from the amount that it has been decided to distribute among shareholders and other persons who participated to the profit, is added to general legal reserve as per 2nd paragraph of 519th Article of Turkish Commercial Code.

Unless reserve funds which has to be reserved as per the provision of Law and the profit share specified for shareholders within the Articles of Association distributed as cash and/or stock; reserving other reserve funds, transferring profit to following year and distributing dividend to board members, officers, clerks and employees, foundations established for various purposes and similar persons and/or establishments cannot be decided.

Dividend is distributed to all present shares equally as of the date of distribution without regard to issue and acquisition date of the same.

Distribution method and time of the profit which it has been decided to be distributed are determined by the General Assembly upon the offer of the Board of Directors in this matter.

Decision on the distribution of dividend which has been decided by General Assembly in accordance with this Articles of Association is irrecoverable.

Article 19: ADVANCE DIVIDEND PAYMENTS

General Assembly may take a decision to distribute advance dividend payments to shareholders within the frame of the regulations of Capital Markets Board and related legislation.

Article 20: FOUNDATION FOR COMPANY PERSONNEL

The Company may establish a foundation for the benefit of its officers, personnel and employees in the qualification specified in 522nd Article of Turkish Commercial Code and may participate into the foundations which have been established within this scope as well.

Article 21–LEGAL PROVISIONS

For the matters which are not specified in this Articles of Association , the legislation provisions related to Turkish Commercial Code and Capital Markets Law are applied.