
Beko

**Conflict
Minerals Policy**

Due to its vision “Respecting the World, Respected Worldwide”, Arçelik is leading sustainability in its sector. As part of Arçelik’s commitment to maintaining the highest ethical, labor and environmental standards, Arçelik has adopted the following policy on responsible sourcing of minerals from conflict-affected and high-risk areas. Tin, Tantalum, Tungsten, and Gold (3TG) are used in the manufacturing of electronics, home appliances and relevant products. As Arçelik, we commit to refraining from any action which contributes to the financing of conflict and to comply with relevant United Nations sanctions resolutions or, where applicable, domestic laws implementing such resolutions and to supporting our suppliers and business partners do the same. To support industry-wide approach and contribute to global responsible sourcing actions, Arçelik has become a member of Responsible Minerals Initiative (RMI).

As a global company, we expect from our suppliers to comply with the requirements regarding the responsible mining of minerals in conflict affected and high risk areas, based on the Section 1502 of U.S Dodd Frank Act and the Regulation EU 2017/821. Since Arçelik does not directly source these conflict minerals from the mines and smelters which are placed in conflict-affected and high-risk areas (CAHRAs), the supply chain consists of many stages such as smelters, traders, exporters, refiners and component producers. Therefore, to establish a responsible supply chain, from mine to final product and conduct due-diligence, Arçelik respects the “OECD Due Diligence Guidance for Responsible Chains of Minerals from Conflict-Affected and High-Risk Areas” and has integrated the five-stage framework described in the OECD Guidelines into its management system. Five stage action plan consists of;

- Establishing strong company management systems,
- Identification and the assessment of the risks in the supply chain,
- Design and implementation of a strategy to respond the risks,
- Carrying out third party audits
- Reporting the supply chain due diligence annually.

To identify the risks in the supply chain, we demand from our suppliers to fill and convey us the Conflict Minerals Reporting Template (CMRT) which is created by RMI. By filling CMRT, suppliers provide their conflict mineral content and the smelter lists. Thus, we check if the smelter or refiner is confirmed or not by the Responsible Minerals Assurance Process (RMAP). Additionally, a volunteer study has initiated to check the use of cobalt in our products related with the issues of underage workers in cobalt mines, abuse of the workers, violation of human rights and contributions to the financing of conflict at conflict affected and high risk areas.

Our suppliers and sub-suppliers must also adopt the Arçelik Code of Conduct for Business Partners which is similar to the international guidelines. By the Code of Conduct, we expect that our suppliers and business partners:

- Work with their own upstream suppliers, with whom the potential risks may exist, to take action to mitigate risks and suspend or discontinue engagement with upstream suppliers after failed attempts at mitigation;
- Not offer, promise, give or demand any bribes, and resist the solicitation of bribes to conceal or disguise the origin of minerals;
- Support efforts, or take steps, to contribute to the effective elimination of money laundering where we identify a reasonable risk of money-laundering resulting from, or connected to, the extraction, trade, handling, transport or export of minerals derived from the illegal taxation or extortion of minerals at points of access to mine sites, along transportation routes or at points where minerals are traded by upstream suppliers;
- Commit to engage with suppliers, national or international governmental authorities, organizations, civil society and affected third parties, as appropriate, to improve and track performance with a view to preventing or mitigating risks of adverse impacts through measurable steps taken in reasonable timescales.

To check the compliance to code of conduct and regulations, Arçelik may perform regular third party audits and on-site audits through the supply chain.

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