

# ARZUM ELEKTRİK Lİ EV ALETLERİ SANAYİ VE TİCARET A.Ş.

## DISCLOSURE POLICY

### 1. OBJECTIVE AND SCOPE

The objective of the Information Policy of Arzum Elektrikli Ev Aletleri Sanayi ve Ticaret A.Ş., (to be referred to hereinafter as "Arzum A.Ş.", or the "Company") is to provide an active, transparent and effective communication platform based on transparency and accuracy in order to ensure that shareholders, current and potential investors and other stakeholders are informed in a timely, complete, accurate, understandable and equally accessible manner on the Company's previous performance and future expectations, on condition that the nature and confidentiality of any information and information of trade secret nature which may affect the Company's competitiveness shall be taken into consideration, in accordance with the regulations of the Capital Markets Board (CMB) and Istanbul Stock Exchange (BIST) which it is subject.

### 2. AUTHORITY AND RESPONSIBILITY

The Board of Directors is responsible for creating, supervising and updating the Disclosure Policy. The Public Disclosure Policy approved by the Board of Directors is presented to the General Assembly and is disclosed to the public on the Public Disclosure Platform (PDP) and on the website.

The Corporate Governance Committee and the Investor Relations Department provide information and make recommendations to the Company's Board of Directors regarding the Disclosure Policy. In case of any changes in the Disclosure Policy, the new text approved by the Board of Directors is disclosed to the public on the Public Disclosure Platform (PDP) and on the website and presented to the General Assembly.

### 3. TOOLS TO BE USED FOR DISCLOSURE

Arzum A.Ş. uses the following methods and tools for the purpose of informing the public, within the framework of the CMB (Capital Markets Board) and BIST (Borsa Istanbul-Istanbul Stock Exchange) regulations and the provisions of the TTC (Turkish Commercial Code):

- Material disclosures announced on PDP (Public Disclosure Platform) and Company General Information Form
- Financial statements and annual reports announced on PDP (Public Disclosure Platform)
- Corporate web site ([www.arzum.com.tr](http://www.arzum.com.tr))
- Information and promotional documents prepared for investors
- Investor meetings
- Offering circulars, announcement texts and other documents to be prepared in accordance with CMB (Capital Market Board) regulations
- Press releases made through printed and visual media
- Announcements and disclosures made through the Turkish Trade Registry Gazette and daily newspapers

### 4. PUBLIC DISCLOSURE OF FINANCIAL INFORMATION

The financial statements and footnotes of Arzum A. Ş., are prepared in accordance with the Turkish Accounting/Financial Reporting Standards within the framework of CMB (Capital Markets Board) regulations. Annual financial statements are audited in a fully comprehensive manner whereas semi-annual financial statements are subject to a limited independent audit and are disclosed to the public and announced in the website in line with the principles and procedures set forth in the Communiqué on the Principles of Financial Reporting in the Capital Markets (II-14.1). Likewise, financial statements related to a period of three to nine months will be prepared by our Company and disclosed to the public in accordance with the principles and procedures specified in the aforementioned communiqué.

Before the financial statements and footnotes are disclosed to the public, they are submitted for the approval of the Board of Directors upon approval of the Audit Committee within the framework of the CMB (Capital Markets Board) regulations. Upon signing of the declaration of responsibility, the financial statements, footnotes and independent audit report, if any, are disclosed on PDP

(Public Disclosure Platform) in accordance with the terms and principles determined in the relevant legislation. The financial statements and footnotes of Arzum A. Ş., which have been announced in PDP (Public Disclosure Platform) retrospectively take place in the Investor Relations section of the corporate website of Arzum A. Ş.

In addition, the Investor Relations Department may periodically prepare and publish presentations on financial data, ratios and industry information in order to better explain the financial reports.

## **5. ANNUAL REPORT**

The content of the annual report is prepared in accordance with international standards, CMB (Capital Markets Board) regulations and CMB (Capital Markets Board) corporate governance principles. Upon preparation of the annual report by the Investor Relations Department, it is approved by the Board of Directors and disclosed to the public. Printed copies of the annual report, which can be accessed in Turkish from the website of Arzum A. Ş., are also available at the Arzum A.Ş., Investor Relations Department.

In addition, the quarterly activity reports prepared on a quarterly basis are disclosed to the public via PDP (Public Disclosure Platform) and are presented to investors in Turkish on the Company's website.

Among the information to be disclosed in the annual reports, those that are of trade secrets nature may not be included in the annual reports as long as they remain trade secrets; The said information will be disclosed in the first annual reports after the date on which they lose their trade secret status.

## **6. PERSONS AUTHORIZED FOR PUBLIC DISCLOSURE AND COMMUNICATION WITH CAPITAL MARKET PARTICIPANTS**

Any press statements to be made to printed and visual media as well as to data distribution channels such as Reuters, Forex, Bloomberg etc. shall be made by the Chairman of the Board of Directors, the General Manager or other officials deemed appropriate by the said persons.

Within the scope of investor relations, any questions and all kinds of information requests received by Arzum A. Ş., are directed to the Investor Relations Department. Apart from this, unless explicitly appointed, employees of Arzum A. Ş., are not authorized to answer any questions from capital market participants.

In addition, the Company's Investor Relations Department may be in communication on behalf of Arzum A. Ş., with current and potential local and foreign investing persons and institutions of Arzum A. Ş., as well as with stock brokers for promotion purposes; and in order to meet any information requests of analysts and research experts working at such aforementioned institutions.

Arzum A. Ş., may control analyst reports within the scope of publicly available data, only upon request, in order to prevent disinforming the public. Any opinions, estimations and expectations about Arzum A: Ş., taking place in the analyst reports belong to the said analysts and does not reflect the thoughts, estimates and expectations of the company Arzum A. Ş., or its management.

## **DISCLOSURES ON EXERCISING PARTNERSHIP RIGHTS**

Within the framework of the CMB (Capital Markets Board) regulations, any offering circulars, issuance documents, invitation and announcement texts on the partnership general assembly, capital increase, dividend payments, mergers, divisions and various other matters related to the company are announced on PDP(Public Disclosure Platform) to ensure that shareholders shall be informed. The said documents are published in places such as the Turkish Trade Registry Gazette, as specified in the regulation, as well as on the website of Arzum A. Ş., for investors' convenience of access to these documents.

Ordinary General Assemblies of the Company are held every year within the legal deadlines. Information and documents to be reviewed in the General Assembly can be listed as following: Agenda, List of Attendants, Annual Report, Auditor's Report, Balance Sheet, Income Statement, Minutes of the General Assembly and, if any, Amendments to the Articles of Association.

## **INTERNET SITE**

A separate section for Investor Relations is available on the website of Arzum A. Ş., [www.arzum.com.tr](http://www.arzum.com.tr), and the Investor Relations Department is responsible for the preparation and updating of this section. The Investor Relations section, prepared in Turkish, is constantly updated and used as a detailed and active communication channel for shareholders, investors, research experts of intermediary institutions and other stakeholders. In addition, an e-mail address ([yatirimci@arzum.com](mailto:yatirimci@arzum.com)) has been set up to respond to electronic information requests.

## **PRINCIPLES ON ANNOUNCEMENT OF FUTURE ASSESSMENTS**

Assessments for future refer to assessments that contain insider information about plans and forecasts for the future, or that give investors an idea about the issuer's future activities, financial position and performance. It is not obligatory to disclose such assessments and Arzum A. Ş., may disclose its future assessments to the public, if deemed necessary, within the framework of its Disclosure Policy. Assessments for future may be disclosed being subject to the decision of the board of directors or the written approval of the person authorized by the board of directors. Assessments for future are disclosed to public maximum four times a year.

In case of a significant change in the future assessments disclosed to the public, a statement is made without being subject to any number of limitations. Disclosures regarding future assessments may be made as material disclosures, or through presentations to inform investors, provided that they are disclosed in the Company's annual report or on PDP (Public Disclosure Platform). In the statements to be made regarding future assessments; if there is a significant difference between the issues previously disclosed to the public and the realizations, the reasons for these differences shall be included.

## **CRITERIA USED FOR THE DETERMINATION OF PERSONS WITH ADMINISTRATIVE RESPONSIBILITY**

Within the framework of the Capital Markets Legislation, "Persons with Administrative Responsibility" are defined as "members of the Company's Board of Directors, as well as persons who are not members of the Board of Directors, but who directly or indirectly access the Company's inside information on a regular basis and are authorized to make administrative decisions that affect the future development and commercial goals of the Company". In this framework, the members of the Board of Directors and the Executive Board<sup>1</sup> in our Company are considered to be persons with administrative responsibilities and who also regularly access their inside information and have the authority to make administrative decisions that affect the future development and commercial goals of Arzum A. Ş. These persons are announced in the Annual Report, which is updated and published every year, and on the website as well.

## **FULFILLMENT OF THE OBLIGATION OF VERIFICATION**

Arzum A.Ş., follows any news about Arzum A. Ş., and the industry which Arzum A. Ş., operates being published in major national media outlets through a contracted local media monitoring agency. Any news about Arzum A. Ş., are communicated to the senior management and the Investor Relations Department on a daily basis. In addition, news is followed through a data provider software that we have subscribed to and which is available to access for the Senior Management and Investor Relations Department. In cases where there are news or rumors about Arzum A. Ş., which are announced to the public through the press or other communication channels for the first time or which have contents which differ from information previously disclosed to the public and which are of significance which may affect the investment decisions of savers or may have impact on the prices and values of capital market instruments, Arzum A. Ş., may make a statement on whether such news is true or sufficient.

In the course of the evaluation on whether verification by Arzum A. Ş., is required; the following principles are complied with, taking into account the circulation and awareness of the press-media organ where the news is published:

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<sup>1</sup> The Executive Committee Members are: Chief Execution Officer (CEO), Chief Financial Officer (CFO), Chief Marketing Officer (CMO), Chief Sales Officer (CSO), Chief Operating Officer (COO) and the Chief Human Resources Officer (CHRO).

1. If the news is not of significance enough to be included in the definition of inside information, no statement is made about the subject in principle. For news/rumors which have been published in media organs but which do not cause any material disclosure obligation according to the Communiqué, the Investor Relations Department and the Chairman of the Board of Directors evaluate whether it would be appropriate for the Company to make a statement regarding such said news/rumors.

2. For any news of internal information nature;

i. No action is taken if a material disclosure has been previously published or if a disclosure has been published on PDP (Public Disclosure Platform) within the framework of the CMB(Capital Markets Board) public disclosure regulations.

ii. If any false news of significance that may affect the price and value of the shares and the investment decisions of the savers of Arzum A. Ş., is the case, a material event disclosure is made on the said issue.

3. If the news and rumors are about an information which its public disclosure has been postponed;

i. If the news covers important details, originates from the Company and is true, the reasons for the postponement are deemed to have disappeared and a statement is made.

ii. If the news is false, no explanation may be made as there is no leakage of information. However, and if necessary, a statement is made for the unfounded news in order to protect the interests of the investors and Arzum A. Ş.

#### **MEASURES TO ENSURE THE CONFIDENTIALITY OF INTERNAL INFORMATION UNTIL PUBLIC DISCLOSURE**

Material event disclosures which are required to be made in accordance with the Capital Markets Legislation are prepared in accordance with the principles set forth in the CMB (Capital Markets Board) Communiqué II-15.1, signed electronically by the authorized signatories and submitted to PDP(Public Disclosure Platform) for publication, and posted on the Company's website.

It is important that all Company employees pay attention to the rules regarding the use of insider information in order to maintain the balance between transparency and the protection of the Company's interests. Other parties that are in communication with the employees of Arzum A. Ş. who hold internal information, shall be notified that they are obliged to protect the confidentiality of this information and the consequences of possible violations of legislation, in the process of occurrence of the material case and in the process from the formation of the material case to its disclosure.

As a general principle, Arzum A.Ş. employees and persons who work in the name and on behalf of Arzum A. Ş., cannot share inside information which has not yet been disclosed to the public, with third parties under any circumstances. However, if it is determined that internal information has been disclosed to third parties unintentionally by these persons, and if it is concluded that the confidentiality of the information cannot be ensured within the scope of the CMB (Capital Markets Board) regulations, a material event disclosure is made.

In the event that the disclosure of the information is postponed, the persons who hold the information subject to the postponement at the time of the postponement decision, are informed about the obligations in the regulations and the sanctions to be applied in case of violation of the said obligations. In addition, a clause on confidentiality is added to the contracts made with parties, other than Arzum A. Ş. Employees and persons who work in the name and on behalf Arzum A. Ş., having information on the subject of postponement, so it is aimed that such third party individuals take the necessary measures for the confidentiality of the information subject to postponement.

This Disclosure Policy has been prepared upon the Board of Directors Decision with number 2021/04 dated March 31, 2021 and any changes to this policy are subject to the approval of the Board of Directors.