

1. Policies Defining the Role of Purchasing

1.1 General Procurement Policy

In accordance with the policies authorized by the top management of our company, all purchases will be governed by the following policy:

It shall be the procurement policy of VESTEL to obtain all supplies, equipment and services at the lowest cost to VESTEL that meet or exceed the customer's specifications for performance, quality and availability at the time of purchase. In conforming to this policy, the capability, capacity and historical performance of the supplier will be considered and weighed in the decision process. Sourcing decisions will also be tempered by supplier diversity and environmental impact considerations. Competitive bids will be solicited whenever possible and practical and in compliance with all applicable legal rules and VESTEL general policies.

1.2 Management, Responsibility and Supervision

The culture of integrity and compliance in an organization starts at the top. All managers must fulfil their duties of organization and supervision. All managers bear responsibility for all employees entrusted to them. All managers must earn respect by exemplary personal behaviour, performance, openness, and social competence. This means, among other things, that each manager must emphasize the importance of ethical conduct and compliance, make them regular topics of everyday business and promote them through personal leadership and training. Each manager must also set clear, ambitious and realistic goals and lead by example.

Managers should permit their employees as much individual responsibility and leeway as possible, while making it clear that compliance is required under all circumstances, at all times. All managers shall also be accessible in case employees wish to raise compliance concerns, ask questions or discuss a professional or personal problem.

These responsibilities of managers do not relieve employees of their own responsibilities. We must all work together to comply with applicable laws and Vestel policies. These specific manager responsibilities are listed here to give employees an idea of the leadership and support they should expect from their superiors.

It is the responsibility of all managers to see to it that there are no violations of laws within their area of responsibility that proper supervision could have prevented. They still remain responsible, even if they delegate particular tasks. In particular, the following duties apply to managers:

1. The manager must carefully select employees based on their personal and professional qualifications and suitability. The duty of due care increases with the significance of the task the employee must perform (duty of selection).
2. The manager must give precise, complete and binding instructions to employees, especially with regard to compliance with the law (duty to give instructions).
3. The manager must ensure that compliance with the law is continuously monitored (duty of monitoring).
4. The manager must clearly communicate to employees the importance of integrity and compliance in everyday business. He/she must also communicate that violations of the law are unacceptable and will have employment consequences (duty of communication).

2. Policies Defining the Conduct of Purchasing Personnel

2.1 Behaviour which Complies with Law

Observing the law and the legal system in every country where we do business is a fundamental principle for Vestel. All employees must obey the laws and regulations of the legal systems within which they are operating in addition to applicable Vestel policies. Violations of the law must be avoided under all circumstances.

Regardless of the sanctions that could be imposed by law, all employees guilty of a violation will be subject to disciplinary consequences because of the violation of their employment duties.

2.2 Mutual Respect, Honesty and Integrity

We respect the personal dignity, privacy, and personal rights of every individual. We work together with individuals of various ethnic backgrounds, cultures, religions, ages, disabilities, races, sexual identity, world view and gender. Consistent with our corporate principles and with the employment laws of numerous countries in which we work, we do not tolerate discrimination against anyone on the basis of any of these characteristics or harassment or offensive behaviour, whether sexual or otherwise personal.

These principles apply to both internal cooperation and conduct towards external partners. We make decisions about those we work with – including personnel, suppliers and business partners – based only on appropriate considerations, not on the basis of inappropriate considerations such as discrimination or coercion.

We are open, honest and stand by our responsibilities. We are reliable partners and make no promises we cannot keep. And we expect our employees to act with integrity.

2.3 Responsibility for the Reputation of Vestel

To a substantial degree, the reputation of Vestel is determined by our actions and by the way each and every one of us presents and conducts himself/herself. Illegal or inappropriate behaviour on the part of even a single employee can cause the Company considerable damage. Every employee should be concerned with maintaining and promoting the good reputation of Vestel in the respective country.

3. Policies Defining Buyer-Seller Relationships

3.1 Anti-Corruption : Offering and Granting Advantages

Any offer, promise, grant or gift must comply with applicable laws and Vestel's policies, and must not raise an appearance of bad faith or unsuitableness. This means that no such offer, promise, grant or gift may be made if it could reasonably be understood as an effort to improperly influence a government official or as a bribe to a commercial counterparty to grant Vestel a business advantage.

3.2 Anti-Corruption: Demanding and Accepting Advantages

Employees are not permitted to use their jobs to solicit, to demand, accept, obtain or be promised advantages. This does not apply to the acceptance of occasional gifts of purely symbolic value (maximum of \$ 25) or meals or entertainment reasonable in value that is consistent with local customs and practices and Vestel policies. Any other gifts, meals or entertainment must be refused. Financial scope of gift must be such that it does not require the recipient to conceal acceptance, or make the recipient feel indebted.

Agreements or supplements to agreements referring to the acceptance of bribes or

preferential treatment in connection with the brokering, award, delivery, settlement, or payment of orders are prohibited.

Associates who allow suppliers to influence them unfairly, or themselves seek unfairly to influence suppliers will – irrespective of any consequences under criminal law – be subject to disciplinary action.

As a general rule, in specific critical areas such as purchasing and sales, provision shall be made for regular job rotation. In many cases, taking such action also fosters associates' career development and therefore has both preventive and development effects.

3.3 Working with Suppliers

Vestel as a company expects its suppliers to share Vestel's values and comply with all applicable laws. Furthermore, Vestel expects its suppliers to act in accordance with the following principles, similarly adopted by Vestel, concerning responsibilities vis-à-vis stakeholders and the environment:

- Comply with all applicable laws
- Prohibit corruption
- Respect basic human rights of employees
- Comply with laws prohibiting child labour
- Take responsibility for the health and safety of their employees
- Act in accordance with applicable statutory and international standards regarding environmental protection

4. Policies Avoiding Conflicts of Interest

It is the duty of Vestel employees to make business decisions in the best interest of Vestel, not based on their own personal interests. Conflicts of interest arise when employees engage in activities or advance personal interests at the expense of Vestel's interests.

Employees must inform their supervisor of any personal interest they could possibly have in connection with the execution of their professional duties.

Employees are not permitted to use, for their own personal contracts or orders, companies with which they have business dealings as part of their activities for Vestel if they could derive any advantage from the personal contract or order. This is particularly applicable if the employee exercises or is capable of exercising a direct or indirect influence upon whether that company receives a contract from Vestel.

A conflict can take the form of a business relationship with, or an interest in, a competitor or supplier of Vestel, or participation in sideline activities that prevent employees from being able to fulfil their responsibilities at Vestel. It is important that all employees recognize and avoid conflicts of interest, or even the appearance of a conflict of interest, as they conduct their professional activities.

4.1 Competing with Vestel

An employee may not operate or assist a company that competes with Vestel or engage in any competing activities.

4.2 Sideline Work

Employees may not engage in sideline work that competes with Vestel. Before employees may engage in other sideline work for remuneration they must notify Vestel and seek written permission. Occasional writing activities, lectures, and comparable occasional activities are not

considered sideline work. Permission will not be granted if it is detrimental to the interests of Vestel. Permission may be refused if employees have dealings in the course of their official Vestel's duties with the company in question. Previously granted permission may be revoked on these grounds as well.

5. Policies Handling of Company Property

There are many devices and pieces of equipment in Vestel offices and workshops, such as telephones, copying machines, computers, software, Internet/ Intranet, machines and other tools including e-mail and answering machine systems. These are only to be used for Company business and not for personal gain. Exceptions, and payment if applicable, can be agreed upon locally, provided that the use of Vestel property does not:

- Relate to any illegal activity
- Cause an actual or perceived conflict of interest, or
- Lead to significant added costs, disruption of Vestel business or other adverse effects for the company, including by interfering with an employee's assigned duties or the assigned duties of other employees.

In no case may information be retrieved or transmitted that furthers or incites racial hatred, glorification of violence or other criminal acts, or contains material which is sexually offensive within the respective culture.

Employees are not permitted without the consent of their supervisor to make records, files, video or audio recordings, or reproductions using Vestel equipment or facilities if the activity is not directly related to Company Business.

6. Policies Handling of Information

6.1 Confidentiality

Confidentiality must be maintained with regard to Vestel's internal confidential or proprietary information that has not been made known to the public. Non-public information from or concerning suppliers, customers, employees, agents, consultants and other third parties must also be protected in accordance with legal and contractual requirements. Confidential or proprietary information may include, in particular:

- Details concerning a company's organization and equipment, prices, sales, profits, markets, customers and other matters of business.
- Information on manufacturing or research and development.
- Internal reporting figures.

The obligation to maintain confidentiality extends beyond the termination of the relevant relationship, since the disclosure of confidential information could cause harm to Vestel's business, clients or customers no matter when it is disclosed.

6.2 Insider Trading Rules

People who have inside information with regard to Vestel or another company, such as a customer, supplier or joint venture partner whose securities are admitted to trading on a stock exchange or an organized securities market, are not allowed to trade in these companies' securities or in financial instruments the prices of which depend directly or indirectly on these companies' securities (insider securities)

Inside information is any specific information which is not public knowledge relating to Vestel or such other issuer of insider securities, which, if it became publicly known, would likely have a significant effect on the price of the insider security. Such likelihood exists if a reasonable investor would view the information as likely to have an impact on the price of the security. It would also exist if a reasonable investor would take the information into account in making an investment

decision. Inside information may be acquired as a result of an employee's position and responsibilities or inadvertently, and includes non-public information about such things as:

- financial results,
- financial plans or budgets,
- dividend changes,
- significant mergers or acquisitions,
- divestitures,
- particularly important contract awards or strategic plans,
- major developments in litigation,
- technical or product developments,
- major management changes, joint ventures and major business agreements, or
- Business relationships.

In order to avoid even the appearance of a violation of the insider trading rules by the members of the uppermost management level, these individuals may generally effect no transactions in Vestel's securities in the time from two weeks prior to the end of a quarter or fiscal year until two days subsequent to publication of quarterly or fiscal-year-end results.

The same applies to employees of Vestel whose activities or function gives them access to financial results or other material information that is not yet public. Inside information must not be disclosed or made available to a third party without authority to do so. The disclosure of inside information is unauthorized whenever it is made outside the normal scope of an insider's work functions or professional duties, or in fulfilling other duties on behalf of the issuer. This applies both to information disclosed within Vestel and to information disclosed outside Vestel, including to journalists, financial analysts, customers, consultants, family members, or friends. Furthermore, employees must always make sure that insider-relevant information is secured or kept under lock and key so that unauthorized persons cannot gain access to it. Persons who have inside information are not allowed to recommend that a third party acquire or dispose securities for which that information is relevant, or to otherwise induce a third party to do so. Managers can be held personally liable for damages in some cases if an employee violates insider trading rules and proper supervision could have prevented the violation. Additional or special insider trading rules and local law have to be complied with, as applicable.

6.3 Work Safety

The work environment must conform to the requirements of health-oriented design. All employees must constantly be attentive to work safety.

7. Complaints and Comments

All employees may lodge a complaint with their supervisor, personnel manager or some other person for this purpose. Circumstances which point to a violation of the Business Conduct Guidelines are to be reported to the responsible manager or Deputy General Manager. All complaints can be submitted both confidentially and anonymously, and all complaints will be investigated. Corrective measures will be implemented if necessary. All documentation will be kept confidential to the extent permitted by law. No reprisal of any kind against complainants will be tolerated.