

## **Introduction**

Arçelik A.Ş. (the “Arçelik”) has its headquarters in Benton Harbor, Michigan in the United States of America and is a global manufacturer and marketer of domestic appliances.

The principal activities performed by the Hotpoint UK Appliances Limited companies are the manufacture, sale, delivery and service of domestic appliances mainly in the UK market under its three core brands Hotpoint, Indesit and Whirlpool.

Whirlpool Corporation is committed to full compliance with all statutory obligations and full disclosure to tax authorities. Ensuring we pay the right amount of tax, in the right place and at the right time is very important to the Company and in line with the Company’s core values. The tax strategy of the Hotpoint UK Appliances Limited is aligned with that of its ultimate parent company, Arçelik (NYSE: WHR).

This policy applies to all Hotpoint UK Appliances Limited Companies. It has been published in accordance with Part 2 of Schedule 19 of the Finance Act 2016, for the financial year ending 2019.

## **Risk Management and Governance**

Arçelik maintains internal policies and procedures to support its tax control framework. The Vice-President of Global Tax owns and implements our approach to tax which is approved by Company management. Day to day management of the Hotpoint UK Appliances Limited tax affairs are managed by appropriately qualified individuals.

The Company operates within the internal controls framework and has a duty to be compliant with the Sarbanes-Oxley Act 2002. The Company seeks to reduce the level of tax risk arising from its operations as far as is reasonably practicable by ensuring that reasonable care is applied to all processes which could materially affect its compliance with its tax obligations.

Where there is significant uncertainty or complexity in relation to a risk, external advice may be sought.

## **Attitude towards tax planning and level of risk**

The Company meets taxation obligations in the jurisdictions in which it operates. Tax planning is aligned with its commercial business and economic activities. In commercial transactions the Company takes advantage of available tax incentives, relief programs and exemptions in compliance with tax legislation.

When entering into transactions or making changes to its business the Company assesses and takes appropriate steps to achieve compliance. The same approach is taken whenever new legislation is introduced or Her Majesty’s Revenue and Customs (“HMRC”) changes their policies. Where there is uncertainty or complexity in relation to the law or its application, expert advice may be sought where needed. If this is insufficient to achieve certainty or to address the complexity, the Company may engage directly with HMRC to better understand the application of the law and ensure compliance.

## **Approach towards dealings with HMRC**

The Company, through its Hotpoint UK Appliances Limited Companies, seeks to have a transparent and constructive relationship with HMRC through regular update meetings and communication in respect of developments in the Company's business. The Company ensures that HMRC is kept aware of significant transactions and changes in the business and seeks to discuss any tax issues arising at an early stage. When submitting tax computations and returns to HMRC, the Company intends to disclose all relevant facts. Further, should any inadvertent errors be identified, the Company actively seeks to disclose them to HMRC as soon as reasonably practicable.